

TRIGGER APPARELS LIMITED



Annual Report for the year ended
March 31, 2011



TRIGGER APPARELS LIMITED

BOARD OF DIRECTORS

Shri Surinder Chhibber
Shri KG Baalakrishnan
Shri G V S Desikan
Shri A Velusamy
Shri N Rajhagopallan
Shri S Kalyanasundaram

Registered Office 2, FCI Complex
Karamadai, Coimbatore - 641 104.

Auditors M/s Gopalaiyer and Subramanian
Chartered Accountants
Coimbatore.



DIRECTORS' REPORT

Your Directors present the Twelfth Annual Report together with the audited accounts of the Company for the year ended 31st March, 2011.

The Company has incurred a net loss of Rs.68.42 Lakhs during the year, due to higher selling / operating costs. However, on account of increase in projected volume of sale the company is expected to do well in the current year.

STATUTORY PARTICULARS

There is no employee drawing more than Rs.2 lakhs per month. Hence the particulars required to be furnished under Section 217 (2A) of the Companies Act, 1956 does not apply to your Company.

CONSERVATION OF ENERGY

The particulars as prescribed under Section 217 (1) (e) of the Companies Act, 1956 are not applicable to your Company

DIRECTORS

Shri Surinder Chhibber and Shri KG Baalakrishnan, retire by rotation at the ensuing annual general meeting and are eligible for reappointment.

DIRECTORS' RESPONSIBILITY STATEMENT

In compliance of Section 217 (2AA) of the Companies Act, 1956 as amended by the Companies (Amendment) Act, 2000 the Directors of your Company confirm;

- a) that all applicable accounting standards have been followed in the preparation of annual accounts and there are no material departure;
- b) that such accounting policies have been selected and applied consistently and such judgments and estimates made are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2011 and of the Loss of the Company for the year ended on the date;
- c) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) that the annual accounts have been prepared on a going concern basis.

AUDITORS

M/s Gopalaier and Subramanian, the present Auditors of the Company retire at the conclusion of ensuing Annual General Meeting. They are eligible for reappointment.

SECRETARIAL COMPLIANCE CERTIFICATE

Compliance certificate obtained under Section 383A(1) of the Companies Act, 1956 is enclosed and the same shall form part of this Report.

Coimbatore
23.05.2011

On behalf of the Board
KG Baalakrishnan
Chairman of the Meeting

TRIGGER APPARELS LIMITED

COMPLIANCE CERTIFICATE FOR THE YEAR ENDED 31ST MARCH 2011

CIN : U18101TZ1999PLC008956

Nominal Capital: Rs.2,00,00,000/-.

To

The Members

TRIGGER APPARELS LIMITED

2, FCI Complex

Karamadai, Coimbatore - 641 104.

Sir,

I have examined the registers, records, books and papers of TRIGGER APPARELS LIMITED, [the Company] as required to be maintained under the Companies Act, 1956, [the Act] and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on 31st March, 2011 [financial year]. In my opinion and to the best of my information and according to the examinations carried out by me and explanations furnished to me by the company, its officers and agents, I certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained all registers as stated in Annexure 'A' to this certificate, as per the provisions of the Act and the rules made there under and all entries therein have been duly recorded.
2. The Company has duly filed the forms and returns as stated in Annexure 'B' to this certificate, with the Registrar of Companies within the time prescribed under the Act and the rules made there under except as stated in Annexure 'B'.
3. The Company, being a Public Limited Company, has a Paid up Capital of Rs.2,00,00,000/-.
4. The Board of Directors duly met four times respectively on 25.05.2010, 12.08.2010, 02.11.2010 and 12.02.2011 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.
5. The Company has not closed its Register of Members during the financial year.
6. The Annual General Meeting for the financial year ended on 31.03.2010 was held on 08.09.2010 after giving due notice to the members of the company and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.
7. No Extra ordinary General Meeting was held during the financial year.
8. The Company has not advanced any loans to its directors or persons or firms or companies referred to under Section 295 of the Act.
9. The Company has duly complied with the provisions of Section 297 of the Act in respect of contracts specified in that section.
10. The Company has made necessary entries in the register maintained under Section 301 of the Act.
11. As there were no instances falling within the purview of Section 314 of the Act, the company has not obtained any approvals from the Board of Directors, Members or Central Government.
12. The Company has not issued any duplicate share certificates during the financial year.
13. i) There was no transfer/ transmission of securities during the financial year.
ii) The Company has not deposited any amount in a separate Bank Account as no dividend was declared during the financial year.
iii) The Company has not been required to post warrants to any member of the company as no dividend was declared during the financial year.
iv) The Company has no amounts in unpaid dividend account, application money due for refund, matured deposits, matured debentures and the interest accrued thereon which have remained unclaimed or unpaid for a period of seven years to be transferred to Investor Education and Protection Fund.
v) The Company has duly complied with the requirements of Section 217 of the Act.
14. The Board of Directors of the Company is duly constituted. However there was no appointment of Alternate Directors, Additional Directors and Directors to fill casual vacancy during the financial year.
15. The Appointment of Whole-time Director has been made in compliance with the provisions of Section 269 read with Schedule XIII to the Act during the Financial Year 31.03.2007 and is valid up to 31.03.2011. The Company has reappointed its Whole-time Director on 23.05.2011 in compliance with the provisions of Section 296 read with Schedule XIII to this Act and is valid up to 31.03.2016.
16. The Company has not appointed any sole selling agents during the financial year.
17. The Company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar and / or such authorities as prescribed under the various provisions of the Act during the financial year.
18. The Directors have disclosed their interest in other firms / companies to the Board of Directors pursuant to the provisions of the Act and the rules made thereunder.
19. The Company has not issued any shares, debentures or other securities during the financial year.
20. The Company has not bought back any shares during the financial year.
21. The Company has not issued preference shares / debentures and hence there was no redemption of preference shares or debentures during the financial year.
22. There were no transactions necessitating the company to keep in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
23. The Company has not invited / accepted any deposits including any unsecured loans falling within the purview of Section 58A during the financial year.
24. The amount borrowed by the Company from banks during the financial year ending 31.03.2011 are within the borrowing limits of the company.
25. The Company has not made any loans or advances or given guarantees or provided securities to other bodies corporate and consequently no entries have been made in the register kept for the purpose.
26. The Company has not altered the provisions of the Memorandum with respect to situation of the company's registered office from one State to another during the year under scrutiny.



27. The Company has not altered the provisions of the Memorandum with respect to the objects of the company during the year under scrutiny.
28. The Company has not altered the provisions of the Memorandum with respect to name of the company during the year under scrutiny.
29. The Company has not altered the provisions of the Memorandum with respect to share capital of the company during the year under scrutiny.
30. The Company has not altered its Articles of Association during the year under scrutiny.
31. There were no prosecution initiated against or show cause notices received by the company and no fines or penalties or any other punishment was imposed on the company during the financial year, for offences under the Act.
32. The Company has not received any money as security from its employees during the financial year.
33. The provisions of Section 418 of the Act are not applicable.

Place: Coimbatore
Date: 23.05.2011

Sd/-
Name of the Company Secretary : M.R.L.NARASIMHA
C.P.No: 799

ANNEXURE 'A'

SECRETARIAL COMPLIANCE CERTIFICATE FOR THE YEAR ENDED 31ST MARCH 2011

TRIGGER APPARELS LIMITED

CIN : U18101TZ1999PLC008956

Nominal Capital : Rs.2,00,00,000/-.

Registers as maintained by the Company:

- 1) Register of Members u/s.150
- 2) Register of Directors u/s. 303
- 3) Register of Directors Share Holding u/s.307
- 4) Register of Share Transfer
- 5) Board Meeting Minutes u/s.193
- 6) Annual General Meeting Minutes u/s.193
- 7) Register of Charges u/s. 143 and copies of instruments creating the charge u/s.136
- 8) Register of Contracts in which Directors are interested u/s.301 and 301(3)
- 9) Application and Allotment Register

Place : Coimbatore
Date : 23.05.2011

Sd/-
Name of the Company Secretary :M.R.L.NARASIMHA
C.P.No: 799

ANNEXURE 'B'

SECRETARIAL COMPLIANCE CERTIFICATE FOR THE YEAR ENDED 31ST MARCH 2011

TRIGGER APPARELS LIMITED

CIN : U18101TZ1999PLC008956

Nominal Capital : Rs.2,00,00,000/-.

Forms and Returns filed by the Company with the Registrar of Companies during the Financial Year Ending 31st March, 2011:

S.No.	Form No. Return	Filed U / s.	For	Date of Filing SRN.	Whether filed within prescribed Time	If delay in filing whether requisite additional fees paid
1.	23AC & 23ACA	220	Profit and Loss Account and Balance Sheet as at 31.03.2010	23.09.2010 P52741238	Yes	Not Applicable
2.	20B	159	Annual Return made up to 08.09.2010	06.10.2010 P53132387	Yes	Not Applicable
3.	66	383A	Secretarial Compliance Certificate for the year ended 31.03.2010	23.09.2010 P52741154	Yes	Not Applicable
4.	8	135	Modification of charges	06.01.2011 B02421691	Yes	Not Applicable
5.	8	135	Modification of charges	12.08.2010 A91224493	No	Yes

Regional Director
Nil
Central Government & Other Authorities
Nil

Place : Coimbatore
Date : 23.05.2011

Sd/-
Name of the Company Secretary: M.R.L.NARASIMHA
C.P.No: 799

TRIGGER APPARELS LIMITED

AUDITORS' REPORT TO THE MEMBERS OF TRIGGER APPARELS LIMITED

- 1 We have audited the attached Balance Sheet of TRIGGER APPARELS LIMITED as on 31st March 2011 and also the Profit and Loss Account for the year ended on that date annexed thereto and the cash flow statement for the year ended on that date. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
- 2 We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
- 3 As required by the Companies (Auditor's Report) (Amendment) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
- 4 Further to our comments in the Annexure referred to above, we report that:
 - (a) We have obtained all the information and explanations, which, to the best of our knowledge and belief, were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - (c) The Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of account;
 - (d) In our opinion, the Balance Sheet and Profit and Loss account dealt with by this report comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956.
 - (e) On the basis of written representations received from the directors, as on 31st March 2011 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March 2011 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.
- 5 In our opinion, and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act 1956, in the manner so required and give a true and fair view in conformity with the accounting principles accepted in India;
 - (a) In the case of Balance Sheet, of the state of affairs of the Company as at 31st March 2011;
 - (b) In the case of Profit & Loss Account, the loss for the year ended on that date;
 - (c) In the case of the cash flow statement, of the cash flows for the year ended on that date.

For GOPALAIYER AND SUBRAMANIAN
Chartered Accountants

CA. R MAHADEVAN
Partner
Membership No.27497
Firm Regn. No.000960S

Coimbatore
23.05.2011

ANNEXURE REFERRED TO IN PARAGRAPH [3] OF OUR REPORT OF EVEN DATE

- I
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) The fixed assets have been physically verified by the management according to a phased programme designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the Company and nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the management during the year. Discrepancies noticed on such physical verification were not material and have been properly dealt with in books of accounts.
 - (c) There were no disposal of substantial part of fixed assets during the year and hence the going concern of the Company is not affected.
- II
 - (a) Physical verification of Inventory has been conducted at reasonable intervals by the Management. In our opinion, the frequency of verification is reasonable.
 - (b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
 - (c) The Company has maintained proper records of inventory and discrepancies noticed on physical verification of inventories as compared to book records were not material and have been appropriately dealt with.
- III During the year, the company has neither taken any loans secured or unsecured nor has granted any loans secured or unsecured to parties covered in the register maintained under Section 301 of the Companies Act, 1956 and hence sub clauses a to g of clause (iii) are not applicable.



- IV (a) In our opinion and according to the explanations and information given to us there are adequate internal control systems commensurate with the size of the Company and the nature of the business for the purchase of inventory and for the sale of goods.
(b) During the course of our audit no major weakness has been noticed in the internal controls.
- V (a) The transactions made in pursuance of contracts or arrangements, that need to be entered into the register maintained under Section 301 of the Companies Act, 1956 have been recorded in the register maintained for the purpose.
(b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered into the register maintained under Section 301 of the Act and exceeding the value of Rupees five lakhs in respect of any party during the year, which have been made at prices which are reasonable having regard to the prevailing market prices.
- VI During the year the Company has not accepted any deposits from the public and hence the provisions of Section 58A and 58AA of the Companies Act, 1956 and the Companies [Acceptances of Deposit Rules 1975] and other relevant provisions of the Companies Act, 1956 are not applicable.
- VII In our opinion, the Company's present Internal Audit System is commensurate with its size and nature of business.
- VIII The Central Government has not prescribed any cost records to be maintained under Section 209(1) of the Companies Act, 1956. We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under Section 209(1)(d) of the Companies Act, 1956 and are of the opinion that prima facie the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.
- IX (a) According to the information and explanations given to us and records examined by us, the Company is regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-Tax, Sales Tax, Cess and other statutory dues with the appropriate authorities, whichever is applicable during the year.
According to the information and explanations given to us, no undisputed arrears of statutory dues were outstanding as at March 31, 2011 for a period more than six months from the date they became payable.
(b) According to the information and explanations given to us there are no disputed arrears of statutory dues.
- X The Company has accumulated losses as at 31st March 2011, also the Company has incurred cash losses during the financial year covered by our audit and also in the immediately preceding financial year.
- XI Based on our audit procedures and according to the information and explanations given to us, we are of the opinion that the Company has not defaulted in repayment of dues to banks.
- XII During the year, the Company has not granted loans and advances on the basis of the security by way of pledge of shares, debentures and other securities.
- XIII In our opinion the company is not a chit fund or a nidhi/mutual benefit fund/society. Therefore, clause 4 (xiii) of the Companies (Auditor's Report) Order 2003 is not applicable to the Company.
- XIV In our opinion and according to the information and explanations given to us, the company is not dealing or trading in Shares, Securities, debentures and other investments.
- XV In our opinion, according to the information and explanations given to us, the Company, during the year has not given any guarantee for loans taken by others from banks or financial institutions.
- XVI In our opinion, and according to the information and explanations given to us, as on overall basis, the company has not borrowed any term loans during the year and hence reporting on utilization of the same does not arise.
- XVII According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we are of the opinion that the company has utilised the funds raised on short term basis for long term investments to the extent of Rs.104.73 Lakhs.
- XVIII The Company has not made any preferential allotment of shares to parties and Companies covered in the register maintained Under Section 301 of the Companies Act, 1956.
- XIX The Company has not raised any debentures during the financial year and hence creation of security in respect of debentures does not arise.
- XX The company has not raised any money through a public issue during the year.
- XXI Based upon the audit procedures performed and information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

For GOPALAIYER AND SUBRAMANIAN
Chartered Accountants

CA. R MAHADEVAN
Partner

Membership No.27497
Firm Regn. No.000960S

Coimbatore
23.05.2011

TRIGGER APPARELS LIMITED

BALANCE SHEET AS AT 31st MARCH 2011

PARTICULARS	SCHEDULE	AS AT 31.03.2011	AS AT 31.03.2010
(Rs.000's)			
SOURCES OF FUNDS			
SHAREHOLDERS' FUNDS			
Share Capital	1	2 00 00	2 00 00
Reserves & Surplus		-	-
		<u>2 00 00</u>	<u>2 00 00</u>
LOAN FUNDS			
Secured Loans	2	5 96 67	5 13 62
Unsecured Loans	3	24 33	28 92
		<u>6 21 00</u>	<u>5 42 54</u>
Total		<u>8 21 00</u>	<u>7 42 54</u>
APPLICATION OF FUNDS			
FIXED ASSETS			
Gross Block	4	1 10 20	87 02
Less : Depreciation		20 68	14 68
Net Block		<u>89 52</u>	<u>72 34</u>
NET CURRENT ASSETS			
Current Assets, Loans & Advances			
Inventories	5	7 90 50	8 23 70
Trade Debtors	6	9 34 54	7 54 54
Cash and Bank Balances	7	38 40	46 25
Loans & Advances	8	1 15 21	2 20 93
		<u>18 78 65</u>	<u>18 45 42</u>
Less : Current Liabilities & Provisions			
Current Liabilities	9	17 94 24	17 31 30
Provisions	10	12 60	16 04
		<u>71 81</u>	<u>98 08</u>
Deferred Tax Asset (Net)		1 79 64	1 60 51
Balance in Profit and Loss Account		4 80 03	4 11 61
Total		<u>8 21 00</u>	<u>7 42 54</u>
Notes on Accounts	17		

As per our report of even dated

For **GOPALAIYER AND SUBRAMANIAN**
Chartered Accountants

CA. R MAHADEVAN
Partner

Coimbatore
23rd May, 2011

Membership No.27497
Firm Regn. No.000960S

KG BAALAKRISHNAN
Director

A VELUSAMY
Director



PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31st MARCH 2011

PARTICULARS	SCHEDULE	31.03.2011	31.03.2010
(Rs.000's)			
INCOME			
Sales (Gross/Net)	11	30 48 13	26 37 50
Increase / Decrease in Stock	13	<u>1 38 46</u>	<u>-1 46 30</u>
		31 86 59	24 91 20
Other Income	12	<u>17 59</u>	<u>9 51</u>
		<u>32 04 18</u>	<u>25 00 71</u>
EXPENDITURE			
Material Cost	14	17 32 37	13 06 17
Processing Charges		5 12 85	4 59 79
Administrative, Selling and Other Expenses	15	<u>9 53 61</u>	<u>8 27 49</u>
		<u>31 98 83</u>	<u>25 93 45</u>
GROSS PROFIT			
		5 35	-92 74
Less : Financial Charges	16	79 24	82 13
Depreciation		<u>6 00</u>	<u>6 38</u>
PROFIT/ LOSS FOR THE YEAR			
		-79 89	-1 81 25
Less : Prior Year Expenses / Income (Net)		11 10	7 30
Excess provision written back		-3 44	-
Provision for Deferred Tax		<u>-19 13</u>	<u>-38 00</u>
NET PROFIT / LOSS			
		<u>-68 42</u>	<u>-1 50 55</u>
Add: Balance Brought forward		-4 11 61	-2 61 06
Balance Transferred to Balance Sheet			
		<u>-4 80 03</u>	<u>-4 11 61</u>
Basic & Diluted Earnings per Share - Face Value Rs.10 per Share		(3.42)	(7.53)
Weighted Number of Equity Shares		2000000	2000000
Notes on Accounts	17		

As per our report of even dated

For **GOPALAIYER AND SUBRAMANIAN**
Chartered Accountants

CA. R MAHADEVAN
Partner

Coimbatore
23rd May, 2011

Membership No.27497
Firm Regn. No.000960S

KG BAALAKRISHNAN
Director

A VELUSAMY
Director

TRIGGER APPARELS LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2011

PARTICULARS	31.03.2011	31.03.2010
	(Rs.000's)	
A. CASH FLOW FROM OPERATING ACTIVITIES :		
Net profit before tax and extraordinary items	-7989	-18125
Adjustments for:		
Depreciation	600	638
Interest Charges	7924	8213
Operating Profit before working capital changes	535	-9274
Adjustments for:		
Trade and other receivables	-18000	-19018
Inventories	3320	13180
Loans & Advances	10572	-9766
Current Liabilities	5950	30983
Cash generated from operations	2377	6105
Cash flow before extraordinary items	2377	6105
Extraordinary items	-766	-730
Net cash from operating activities	1611	5375
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Acquisitions of fixed assets	-2318	-343
Net cash used in investing activities	-2318	-343
C. CASH FLOW FROM FINANCING ACTIVITIES:		
From Short Term Loan	-459	-
Bank Borrowings	8305	5038
Interest paid	-7924	-8213
Net cash used in financing activities	-78	-3175
Net Increase in cash and cash equivalents	-785	1857
Cash and cash equivalents as at 1st April, 2010 (Opening Balance)	4625	2768
Cash and cash equivalents as at 31st March, 2011 (Closing Balance)	3840	4625

As per our report of even dated

For **GOPALAIYER AND SUBRAMANIAN**
Chartered Accountants

CA. R MAHADEVAN
Partner

Coimbatore
23rd May, 2011

Membership No.27497
Firm Regn. No.000960S

KG BAALAKRISHNAN
Director

A VELUSAMY
Director



SCHEDULES ANNEXED TO THE BALANCE SHEET AS AT 31ST MARCH, 2011 AND PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2011

PARTICULARS	AS AT 31.03.2011	AS AT 31.03.2010
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(Rs.000's)

SCHEDULE 1 : SHARE CAPITAL

Authorised Capital

2000000 Equity Shares of Rs.10 each 2 00 00 2 00 00

Issued Capital

2000000 Equity Shares of Rs.10 each 2 00 00 2 00 00

Subscribed and Paid up Capital

2000000 Equity Shares of Rs.10 each 2 00 00 2 00 00

2 00 00 2 00 00

SCHEDULE 2 : SECURED LOANS

Working Capital Loans from Banks (for Security refer Notes on Accounts) 5 96 67 5 13 62

5 96 67 5 13 62

SCHEDULE 3 : UNSECURED LOANS

From Banks 24 33 28 92

24 33 28 92

SCHEDULE 4 : FIXED ASSETS

(Rs.000's)

Description of Assets	GROSS BLOCK				DEPRECIATION BLOCK			NET BLOCK		
	Cost as at 31.3.2010	Additions during the year	Sales/Transfer during the year	Total cost as at 31.3.2011	Up to 31.3.2010	Depreciation for the year	Withdrawn during the year	Up to 31.3.2011	As at 31.3.2011	As at 31.3.2010
Electric Machinery	671	26	-	697	64	32	-	96	601	608
Office Equipments	1044	228	-	1272	259	111	-	370	902	786
Furniture&Fittings	6987	2064	-	9051	1145	457	-	1602	7449	5840
T o t a l	8702	2318	-	11020	1468	600	-	2068	8952	7234
Previous Year	8359	343	-	8702	830	638	-	1468	7234	7529

31.03.2011

31.03.2010

SCHEDULE 5 : INVENTORIES

Raw Materials 31 37 70 71

Process Stock 1 02 67 2 37 34

Finished Goods 6 15 40 4 76 94

Stock of Stores 41 06 38 71

(As taken, valued and certified by the Management) 7 90 50 8 23 70

SCHEDULE 6 : TRADE DEBTORS

Unsecured - Considered Good 2 35 19 2 36 97

Outstanding for More than Six Months 6 99 35 5 17 57

Others (below Six months) 9 34 54 7 54 54

TRIGGER APPARELS LIMITED

PARTICULARS	AS AT 31.03.2011	AS AT 31.03.2010
	(Rs.000's)	
SCHEDULE 7 : CASH AND BANK BALANCES		
Cash and Cheques in Hand	6 63	8 98
Bank Balances		
In Current Accounts	21 62	28 87
In Deposit Accounts	<u>10 15</u>	<u>8 40</u>
	<u>38 40</u>	<u>46 25</u>
SCHEDULE 8 : LOANS AND ADVANCES		
Unsecured Considered Good:		
Advances Recoverable in cash or in kind or for Value to be received		
For Materials Purchases	10 00	1 15 63
For Duties & Taxes	7 11	12 54
For Rent Advances	26 72	46 15
Others	70 22	42 53
Deposits	47	25
Prepaid Expenses	<u>69</u>	<u>3 83</u>
	<u>1 15 21</u>	<u>2 20 93</u>
SCHEDULE 9 : CURRENT LIABILITIES		
Creditors for Purchases (Other than SSI)	8 14 26	1 78 07
Creditors for Purchases (For SSI Units)	6 49	4 61
Liability for Expenses	88 38	59 50
Liability for Other Finances	1 73 71	1 61 86
Customers Credit Balances	48 79	1 54 39
Liability for Holding Company	<u>6 62 61</u>	<u>11 72 87</u>
	<u>17 94 24</u>	<u>17 31 30</u>
SCHEDULE 10 : PROVISIONS		
For Gratuity	<u>12 60</u>	<u>16 04</u>
	<u>12 60</u>	<u>16 04</u>
SCHEDULE 11 : SALES		
Fabrics	-	13 66
Garments	30 37 33	25 34 32
Yarn	-	83 93
Waste/Others	<u>10 80</u>	<u>5 59</u>
	<u>30 48 13</u>	<u>26 37 50</u>
SCHEDULE 12 : OTHER INCOME		
Interest Receipts	37	7
Insurance Claim Received	3 67	8 16
Miscellaneous Receipts	<u>13 55</u>	<u>1 28</u>
	<u>17 59</u>	<u>9 51</u>
SCHEDULE 13 : INCREASE IN STOCK		
Closing Stock of Finished Goods	6 15 40	4 76 94
Less: Opening Stock of Finished Goods	<u>4 76 94</u>	<u>6 23 24</u>
Increase in Stock	<u>1 38 46</u>	<u>-1 46 30</u>



PARTICULARS	31.03.2011	31.03.2010
	(Rs.000's)	
SCHEDULE 14 : MATERIAL COST		
Raw Materials Consumed		
Opening Stock of Raw Materials	70 71	62 86
Process Stock	<u>2 37 34</u>	<u>2 31 73</u>
	3 08 05	2 94 59
Add: Purchases	<u>5 95 47</u>	<u>6 90 60</u>
	9 03 52	9 85 19
Less: Closing Stock of Raw Materials	31 37	70 71
Process Stock	<u>1 02 67</u>	<u>2 37 34</u>
	<u>7 69 48</u>	<u>6 77 14</u>
Add : Garments Purchases	6 82 19	2 84 09
Yarn Purchased	-	83 24
	<u>6 82 19</u>	<u>3 67 33</u>
Stores Consumed	<u>2 80 70</u>	<u>2 61 70</u>
Total Material Cost	<u>17 32 37</u>	<u>13 06 17</u>
SCHEDULE 15 : ADMINISTRATIVE, SELLING AND OTHER EXPENSES		
Personnel Cost: (Including Managerial Remuneration)		
Salaries, Wages, Incentives, Gratuity etc	1 30 12	1 19 30
Employees Welfare Expenditure	7 24	5 26
Director's Remuneration	9 00	5 40
	<u>1 46 36</u>	<u>1 29 96</u>
Repairs and Maintenance		
For Buildings	1 66	5 38
For Others	<u>10 54</u>	<u>1 47</u>
	<u>12 20</u>	<u>6 85</u>
Other Expenses		
Rent	82 18	63 10
Printing and Stationery	4 59	2 96
Postage, Telegrams and Telephones	14 82	16 56
Professional and Legal Charges	19 13	18 19
Auditors' Fees and other services	24	41
Insurance	6 29	6 77
Duties, Taxes and Licenses	14 38	10 08
Traveling Expenses and Maintenance of Vehicles	42 29	61 06
Brokerage and Commission	2 40 67	1 47 09
Discount allowed	1 81 87	1 86 65
Selling Expenses	81 80	34 24
Advertisements	61 35	1 12 16
Freight Outwards	35 34	22 80
Software Development Expenses	1 18	-
Miscellaneous Expenses	<u>8 92</u>	<u>8 61</u>
	<u>7 95 05</u>	<u>6 90 68</u>
Total	<u>9 53 61</u>	<u>8 27 49</u>
SCHEDULE 16 : FINANCIAL CHARGES		
Interest on:-		
Working Capital Loans	67 46	53 04
Other Loans	5 43	14 33
Bank Charges	<u>6 35</u>	<u>14 76</u>
	<u>79 24</u>	<u>82 13</u>

TRIGGER APPARELS LIMITED

SCHEDULE 17 :

NOTES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2011

1. SIGNIFICANT ACCOUNTING POLICIES

1.1 DISCLOSURE AND BASIS OF ACCOUNTING

- a) The Financial statements have been prepared under the Historical Cost Convention which is in accordance with the generally accepted Accounting Principles and Provisions of the Companies Act, 1956. The Company has complied with the Accounting Standards prescribed by the Institute of Chartered Accountants of India and as referred U/S 211 (3C) of the Companies Act, 1956.
- b) The Company has followed accrual basis of accounting in respect of its Income and Expenditure.
- c) The Accounts are prepared on the basis of going concern concept.
- d) The presentation of financial statement require estimates and assumptions to be made which affect the reported amount of assets and liabilities on the date of the financial statement and the reported amount of revenue and expenditure during the reporting period.

1.2 VALUATION OF INVENTORIES

Inventories are valued at the lower of cost and net realizable value. The cost formula used is average cost.

1.3 CASH FLOW STATEMENT

The Cash flow statement is prepared under indirect method as per the Institute of Chartered Accountants of India guidelines.

1.4 REVENUE RECOGNITION

Revenue from sale transactions is recognized as and when the property in the goods sold is transferred to the buyer for a definite consideration and there is no uncertainty regarding the amount of consideration or collectability. Sales are reported at net of Sales Tax. Other Incomes are also accounted on accrual basis.

1.5 RELATED PARTY DISCLOSURES

The related party transactions are disclosed in the notes on accounts as per the Institute of Chartered Accountants of India guidelines.

1.6 DEPRECIATION ACCOUNTING

Depreciation on fixed assets have been charged on straight line basis at the rates prescribed in Schedule XIV of the Companies Act.

1.7 ACCOUNTING FOR EMPLOYEE RETIREMENT BENEFITS

- a) Short term employee benefits (other than termination benefits) which are payable within 12 months after the end of the period in which the employees render service are accounted on accrual basis.
- b) Gratuity liability as per the Actuarial Valuation has been provided in the accounts as at the year end.



1.8 In accordance with the revised Accounting Standard AS - 15, details of actuarial provision are given below which is certified by the actuary and relied upon by the auditors.

I.	Principal Actuarial Assumptions	31.03.2011	31.03.2010
	(Expressed as weighted averages)		
	Discount Rate	8.00 %	8.00 %
	Salary Escalation Rate	10.00 %	10.00 %
	Attrition Rate	5.00 %	5.00 %
	Expected Rate of Return on Plan Assets	0.00 %	0.00 %
II.	Changes in the present value of the obligation (PVO) -	(Rs.000's)	(Rs.000's)
	Reconciliation of Opening and Closing Balances		
	PVO as at the beginning of the period	1604	1285
	Interest Cost	128	1028
	Current Service Cost	309	594
	Past Service Cost - (Non Vested Benefits)	0	0
	Past Service Cost - (Vested Benefits)	0	0
	Benefits Paid	0	0
	Actuarial Loss / (Gain) on obligation (Balancing Figure)	(921)	(377)
	PVO as at the end of the period	1260	1604
III.	Changes in the fair value of plan assets -	(Rs.000's)	(Rs.000's)
	Reconciliation of Opening and Closing Balances	0	0
	Fair Value of plan assets as at the beginning of the period	0	0
	Expected return on plan assets	0	0
	Contributions	0	0
	Benefits Paid	0	0
	Actuarial Gain / (Loss) on plan assets (Balancing Figure)	0	0
	Fair Value of plan assets as at the end of the period	0	0
IV.	Actual return on plan assets	(Rs.000's)	(Rs.000's)
	Expected return on plan assets	0	0
	Actuarial Gain / (Loss) on plan assets	0	0
	Actual return on plan assets	0	0
V.	Actuarial Gain / Loss recognised	(Rs.000's)	(Rs.000's)
	Actuarial Gain / (Loss) for the period - Obligation	(344)	377
	Actuarial Gain / (Loss) for the period - Plan Assets	0	0
	Total (Gain) / Loss for the period	(344)	(377)
	Actuarial (Gain) / Loss recognised in the period	(344)	(377)
	Unrecognised actuarial (Gain) / Loss at the end of the year	0	0
VI.	Amounts recognised in the balance sheet and related analyses	(Rs.000's)	(Rs.000's)
	Present Value of the obligation	1,260	1,604
	Fair Value of plan assets	0	0
	Difference	1,260	1,604
	Unrecognised transitional liability	0	0
	Unrecognised past service cost-non vested benefits	0	0
	Liability recognised in the balance sheet	1,260	1,604

TRIGGER APPARELS LIMITED

VII.	Expenses recognised in the statement of profit and loss	(Rs.000's)	(Rs.000's)
	Current Service Cost	309	594
	Interest Cost	128	103
	Expected return on plan assets	0	0
	Net actuarial (Gain) / Loss recognised in the year	(344)	(377)
	Transitional Liability recognised in the year	0	0
	Past Service Cost - Non-Vested Benefits	0	0
	Past Service Cost - Vested Benefits	0	0
	Expenses recognised in the statement of profit and loss	(344)	319
VIII.	Movements in the Liability recognised in the balance sheet	(Rs.000's)	(Rs.000's)
	Opening net liability	1,604	1,285
	Expense as above	(344)	319
	Contribution paid	0	0
	Closing net liability	1,260	1,604

2. NOTES ON ACCOUNTS

2.1 Secured Loan:

Working Capital loan from Indian Overseas Bank is secured by an exclusive first charge on the fixed and current assets besides corporate guarantee of the holding company viz., K G Denim Limited. The loans are also personally guaranteed by Shri KG Baalakrishnan, Executive Chairman, K G Denim Limited.

	2010-2011		2009-2010	
	Qty	Amount (Rs.000's)	Qty	Amount (Rs.000's)
2.2 Particulars of Production:				
Garments Nos. (Converted on job work basis by outsiders)	4 23 912	-	4 10 997	-
2.3 Raw Materials Consumed:				
Fabric Mtrs.	5 87 083	7 69 48	6 30 033	6 77 13
Consumption:				
Indigenous	<u>100%</u>	<u>7 69 48</u>	<u>100%</u>	<u>6 77 13</u>
	<u>100%</u>	<u>7 69 48</u>	<u>100%</u>	<u>6 77 13</u>
Stores - Imported	-	-	-	-
Indigenous	<u>100%</u>	<u>2 80 70</u>	<u>100%</u>	<u>2 61 70</u>
	<u>100%</u>	<u>2 80 70</u>	<u>100%</u>	<u>2 61 70</u>
2.4 Particulars of Sales:				
Garments Nos.	6 08 738	30 37 33	5 50 974	25 34 32
2.5 Particulars of Opening Stock:				
Garments Nos.	1 57 733	4 76 94	1 91 766	6 23 24
2.6 Particulars of Closing Stock:				
Garments Nos.	1 66 775	6 15 40	1 57 733	4 76 94
2.7 Particulars of Purchases:				
Cloth Mtrs. -	-	-	6 90 60	
Garments Nos.	1 93 868	6 82 19	1 05 944	2 84 09
2.8 Auditor Remuneration:				
For Audit		22		22
Tax Audit		-		19
Other Services		<u>2</u>		-
		<u>24</u>		<u>41</u>



2.9 Accounting Standard AS - 18 on "Related Party Disclosure"

(Rs.000's)

Particulars	2010-2011				2009-2010			
	Holding Co.	Associates	Key Management Personnel	Relative of Key Management Personnel	Holding Co.	Associates	Key Management Personnel	Relative of key Management Personnel
Purchase of goods	63975	18297	-	-	67397	4153	-	-
Sale of Goods	2501	-	-	-	-	-	-	-
Processing Charges paid	19051	-	-	-	21834	-	-	-
Managerial Remuneration	-	-	900	-	-	-	540	-

2.10 Balance outstanding as on 31.03.2011

Particulars	2010-2011				2009-2010			
	Holding Co.	Associates	Key Management Personnel	Relative of Key Management Personnel	Holding Co.	Associates	Key Management Personnel	Relative of key Management Personnel
Creditors -for goods purchase	66261	861	-	-	117287	74	-	-

2.11 NOTE :

Holding Company	K G Denim Limited
Associates	Sri Kannapiran Mills Limited Sri Balamurugan Textile Processing Limited KG Fabriks Limited Enterprise Telesys Limited
Key Management Personnel	Shri KG Baalakrishnan Shri N Rajhagopallan

2.12 Major Components of Deferred Tax Assets and Deferred Tax Liabilities

(Rs.000's)

Particulars	2010-11		2009-10	
	Deferred Tax Assets	Deferred Tax Liabilities	Deferred Tax Assets	Deferred Tax Liabilities
Timing difference arising on				
1. Depreciation	-	565	-	485
2. Disallowance under IT Act and to be claimed in subsequent years	-103	-	481	-
3. Carried forward losses	18632	-	16054	-
Total	18529	565	16536	485
Net Deferred tax Liability / Asset	-	17964	-	16051

2.13 Previous year's figures have been regrouped wherever necessary.

2.14 Figures have been rounded off to the nearest thousands.

TRIGGER APPARELS LIMITED

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I Registration Details

Registration No. State Code

Balance Sheet Date 31st March 2011

II Capital Raised during the year (Rs. 000's)

Public Issue Rights Issue

Bonus Issue Private Placement

III Position of Mobilisation and Deployment of Funds (Rs. 000's)

Total Liabilities	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value="8"/> <input type="text" value="2"/> <input type="text" value="1"/> <input type="text" value="0"/> <input type="text" value="0"/>	Total Assets	<input type="text" value=""/> <input type="text" value="8"/> <input type="text" value="2"/> <input type="text" value="1"/> <input type="text" value="0"/> <input type="text" value="0"/>
Sources of Funds		Application of Funds :	
Paid-up Capital	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value="2"/> <input type="text" value="0"/> <input type="text" value="0"/> <input type="text" value="0"/> <input type="text" value="0"/>	Net Fixed Assets	<input type="text" value=""/> <input type="text" value="8"/> <input type="text" value="9"/> <input type="text" value="5"/> <input type="text" value="2"/>
Reserves & Surplus	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/>	Capital Work -in- Progress	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/>
Deferred Tax Liability (Net)	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/>	Net Current Assets	<input type="text" value=""/> <input type="text" value="7"/> <input type="text" value="1"/> <input type="text" value="8"/> <input type="text" value="1"/>
Secured Loans	<input type="text" value=""/> <input type="text" value="5"/> <input type="text" value="9"/> <input type="text" value="6"/> <input type="text" value="6"/> <input type="text" value="7"/>	Investments	<input type="text" value=""/> <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/>
Unsecured Loans	<input type="text" value=""/> <input type="text" value="2"/> <input type="text" value="4"/> <input type="text" value="3"/> <input type="text" value="3"/>	Misc. Expenditure	<input type="text" value=""/> <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/>
		Accumulated Losses	<input type="text" value=""/> <input type="text" value="1"/> <input type="text" value="7"/> <input type="text" value="9"/> <input type="text" value="6"/> <input type="text" value="4"/>
		Deferred Tax Assets	<input type="text" value=""/> <input type="text" value="4"/> <input type="text" value="8"/> <input type="text" value="0"/> <input type="text" value="0"/> <input type="text" value="3"/>

IV Performance of Company (Rs.000's)

Turnover	<input type="text" value=""/> <input type="text" value="3"/> <input type="text" value="0"/> <input type="text" value="4"/> <input type="text" value="8"/> <input type="text" value="1"/> <input type="text" value="3"/>	Total Expenditure	<input type="text" value=""/> <input type="text" value="3"/> <input type="text" value="1"/> <input type="text" value="3"/> <input type="text" value="5"/> <input type="text" value="6"/> <input type="text" value="8"/>
Profit/Loss Before Tax	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value="-"/> <input type="text" value="8"/> <input type="text" value="7"/> <input type="text" value="5"/> <input type="text" value="5"/>	Profit/Loss After Tax	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value="-"/> <input type="text" value="6"/> <input type="text" value="8"/> <input type="text" value="4"/> <input type="text" value="2"/>
Earnings per Share (EPS) in Rs.	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value="-"/> <input type="text" value="3"/> <input type="text" value="."/> <input type="text" value="4"/> <input type="text" value="2"/>	Dividend Rate %	<input type="text" value=""/> <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/>

V Generic names of three principal products/Services of Company (as per Monetary Terms)

Item Code No. (ITC Code)	Product Description
<input type="text" value="6"/> <input type="text" value="2"/> <input type="text" value="0"/> <input type="text" value="3"/> <input type="text" value="4"/> <input type="text" value="2"/> <input type="text" value="0"/> <input type="text" value="0"/>	GARMENTS

As per our report of even dated

For **GOPALAIYER AND SUBRAMANIAN**
Chartered Accountants

KG BAALAKRISHNAN
Director

A VELUSAMY
Director

CA. R MAHADEVAN
Partner

Coimbatore
23rd May, 2011

Membership No.27497
Firm Regn. No.000960S

K G DENIM (USA) INC

BALANCE SHEET AS AT 31ST MARCH, 2011 (Un audited)

SOURCES OF FUNDS	AS AT 31.03.2011		AS AT 31.03.2010	
	USD	Rs. 000's	USD	Rs. 000's
Shareholders Funds				
Authorised Share Capital 1500 Nos of Shares of common stock with no par value				
Subscribed, Issued and Paid up Capital 700 nos of Shares of common stock with no par value	700.00	31	700.00	31
Un Secured Loan From K G Denim Limited India (Holding Company)	4924.12	220	2020.12	90
	5624.12	251	2720.12	121
APPLICATION OF FUNDS				
MISCELLANEOUS EXPENDITURE (To the extent not written off or adjusted)				
Cash at Bank of India , Newyork Branch	2700.00	120	0.00	0
Incorporation Expenses	700.00	31	700.00	31
Pre Operative Expenses	2224.12	100	2020.12	90
	5624.12	251	2720.12	121

Note :

- No Profit & Loss a/c is prepared, since the commercial activity of the Company has not yet commenced.*
- Exchange rate for Rupee vis-à-vis US Dollar has been considered as on 31st March of respective years.*