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# TRIGGER APPARELS LIMITED

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Financial Report for the year ended  
March 31, 2018

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# TRIGGER APPARELS LIMITED

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## BOARD OF DIRECTORS

Shri KG Baalakrishnan (DIN : 00002174)  
Shri Pranav Sriraman (DIN : 07914177)  
Shri A Velusamy (DIN : 00002204)  
Shri G Krishnakumar (DIN : 00051016)  
Shri S Kalyanasundaram (DIN : 00142619)  
Shri R K Sridhar (DIN : 06504932)

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

**Auditors**                M/s Gopalaiyer and Subramanian  
Chartered Accountants  
Coimbatore.

**Bankers**                 Indian Overseas Bank

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# TRIGGER APPARELS LIMITED

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## **DIRECTORS' REPORT & MANAGEMENT DISCUSSION AND ANALYSIS**

Dear Shareholders,

We have pleasure in presenting the Eighteenth Annual Report of the Company together with the Audited Statement of Accounts for the year ended 31<sup>st</sup> March 2018.

### **STATE OF THE COMPANY'S AFFAIRS**

During the period under review, the Company has earned revenue of Rs.11499.86 lakhs and Net Loss of Rs.503.58 lakhs.

### **PERFORMANCE OF THE COMPANY**

The Company is mainly engaged in manufacturing and marketing of readymade garments in the domestic market under the brand name of Trigger, export of readymade garments and manufacturing of readymade garments for other domestic brands.

The profitability for the year was affected on account of lower sales realization both in export and domestic markets and reduction in export incentives on account of GST.

IndAS is applicable to the company from 01.04.2017.

### **DIVIDEND**

Due to inadequacy of profits, your directors have not recommended any dividend for the year.

### **CONSOLIDATED FINANCIAL STATEMENTS**

There are no subsidiaries, associates or joint ventures for the Company. Hence the provision of Section 129(3) read with rule 5 are not applicable for the Company.

### **MEETINGS OF THE BOARD OF DIRECTORS**

During the year ended 31<sup>st</sup> March, 2018, Six Board Meetings were held. The dates on which the Board meetings were held are 22<sup>nd</sup> May 2017, 27<sup>th</sup> July 2017, 26<sup>th</sup> September 2017, 15<sup>th</sup> November 2017, 12<sup>th</sup> February 2018 and 23<sup>rd</sup> March 2018.

### **DIRECTORS' RESPONSIBILITY STATEMENT AS REQUIRED UNDER SECTION 134 OF THE COMPANIES ACT, 2013**

Pursuant to the requirement under Section 134 of the Companies Act, 2013, with respect to the Directors' Responsibility Statement the Board of Directors of the Company hereby confirms:

- i) that in the preparation of the Annual Accounts, the applicable accounting standards have been followed;
- ii) that the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair

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# TRIGGER APPARELS LIMITED

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view of the state of affairs of the Company as at 31<sup>st</sup> March 2018 and Statement of Profit and Loss Account of the Company for that period;

iii) that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

iv) that the Directors have prepared the Annual Accounts for the Financial Year ended 31<sup>st</sup> March, 2018 on a going concern basis;

v) that the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and

vi) that the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

## **PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS UNDER SECTION 186 OF COMPANIES ACT, 2013**

There are no Loans, Guarantees given or Investments made by the company as per Section 186 of the Companies Act, 2013.

## **PARTICULARS OF CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES REFERRED TO IN SUBSECTION (1) OF SECTION 188 OF COMPANIES ACT, 2013**

Thus disclosure in Form AOC-2 as per Companies Act, 2013 and Rule 8 of Companies (Account) Rules, 2014 is given in Annexure 1 of this report.

All related party transaction are placed before the Board for approval on a quarterly basis.

## **TRANSFER OF AMOUNT TO RESERVES**

In absence of profits, there are no transfers of any amount to the general reserve for the Financial Year ended 31<sup>st</sup> March, 2018.

## **EXTRACT OF ANNUAL RETURN**

The extract of Annual Return is prepared in Form MGT-9 as per the provisions of the Companies Act, 2013 and Rule 12 of Companies (Management and Administration) Rules, 2014 and the same is enclosed as Annexure - 2 to this Report.

## **THE CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO PURSUANT TO PROVISIONS OF SECTION 134(3)(m) OF THE COMPANIES ACT, 2013 (ACT) READ WITH THE COMPANIES (ACCOUNTS) RULES, 2014**

Information with respect to conservation of energy, technology absorption, foreign exchange earnings and outgo pursuant to Section 134(3)(m) of the Act read with Companies (Accounts) Rules, 2014 is prepared and the same is enclosed as Annexure - 3 to this Report.

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# TRIGGER APPARELS LIMITED

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## **RISK MANAGEMENT COMMITTEE**

The Company had formulated a Risk Management Policy for dealing with different kinds of risks which it faces in day to day operations of the Company. Risk Management Policy of the Company outlines different kinds of risks and risk mitigating measures to be adopted by the Board. The Company has adequate internal control systems and procedures to combat the risk. The Risk management procedure is reviewed by the Board of Directors on a Quarterly basis at the time of review of Quarterly Financial Results of the Company.

## **CORPORATE SOCIAL RESPONSIBILITY COMMITTEE**

The provision of Section 135(1) of the Companies Act, 2013 were not applicable to the Company for the year. The Report on Corporate Social Responsibility as Per Rule 8 of Companies (Corporate Social Responsibility Policy) Rules, 2014 is hence not required.

## **DIRECTORS**

Shri Pranav Sriraman (DIN-07914177) was appointed as an Additional Director by the Board on 26.09.2017. He is seeking approval for appointment as Director at the forthcoming Annual General Meeting.

Shri Surinder Chhibber (DIN-00538853), Director resigned from the Board on 15.11.2017. The Board placed on record the valuable services rendered by him.

In accordance with the provisions of Section 152 of the Companies Act and the Company's Articles of Association No.21, Shri A Velusamy (DIN-00002204) retired by rotation at the forthcoming Annual General Meeting and being eligible offers himself for re-appointment.

## **DEPOSITS**

The Company has not accepted any deposits from the public in terms of Section 73 of the Companies Act, 2013.

## **STATUTORY AUDITORS**

The Shareholders of the Company at the Annual General Meeting held on 28th September, 2015 have appointed M/s. Gopalaiyer and Subramanian, Chartered Accountants (ICAI Regn. No.000960S) as Statutory Auditors of the Company.

It is proposed to re-appoint them as Statutory Auditors of the Company for a further period of one year.

M/s. Gopalaiyer and Subramanian, Chartered Accountants (ICAI Regn. No.000960S) have confirmed that their appointment, if made, shall be in accordance with the provisions of Section 139 of the Companies Act, 2013.

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## **AUDITORS REPORT**

M/s.Gopalaiyer and Subramanian, Chartered Accountants (ICAI Regn. No.000960S) have issued Auditors Report for the Financial Year ended 31<sup>st</sup> March, 2018 and there are no qualifications in Auditors' Report.

## **SECRETARIAL AUDITORS REPORT**

The provisions of Section 204 of the Companies Act, 2013, are not applicable to the Company.

## **STATEMENT OF PARTICULARS OF APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL**

The Statement of particulars of Appointment and Remuneration of Managerial personnel as per Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is not applicable to the Company.

## **CHANGE IN THE NATURE OF BUSINESS**

There is no change in the nature of business of the Company.

## **THE DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE.**

No Significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

Details of pending legal cases are furnished in Note No.30 to the accounts.

## **MATERIAL CHANGES AND COMMITMENTS**

There are no Material changes and commitments in the business operations of the Company from the Financial Year ended 31st March, 2018 to the date of signing of the Director's Report.

## **ACKNOWLEDGMENT**

The Directors take this opportunity to place on record their sincere thanks to the Banks, Insurance Companies, Central and State Government Departments for their support and co-operation extended to the Company from time to time.

## **PARTICULARS OF EMPLOYEES**

During the year under review there were no employees in receipt of remuneration covered by Section 197(12) read with Rule 5(2) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

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# TRIGGER APPARELS LIMITED

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Our humble prayers to **Sri Venkateswaraswamy Vari of Then Thirumalai** for the continued prosperity of the Company.

Coimbatore  
19.05.2018

On behalf of the Board  
**KG Baal Krishnan**  
Director  
DIN: 00002174

## Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts / arrangements entered into by the company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis  
There were no contracts or arrangements or transactions not at arm's length basis.

2. Details of material contracts or arrangement or transactions at arm's length basis

S. No	Name of the related party and nature of relationship	Nature of Contracts/ arrangements/ transactions	Duration of Contracts/ arrangements/ Transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board, if any	Amount paid as advances if any
	KG Denim Limited Section 2(76)(v) Public Company in which a directors holds along with his relatives more than 2% of its paid up share capital.	Purchase Contract	2 Years till 31.03.2018	Purchase/Sale of fabrics under Section 188(1)(a) and processing charges under Section 188(1)(a) of Companies Act, 2013. For the year 2017-18 purchase of fabrics /accessories Rs.2345.48 lakhs, Purchase of Services Rs. 237.76 Lakhs, Sales of Assets Rs. 520.55 Lakhs, sales of fabric/garments Rs.749.96 lakhs and processing charges paid of Rs.200.68 lakhs.		Nil
	KG Fabriks Limited Section 2(76)(v) Public Company in which a director holds along with his relatives more than 2% of its paid up share capital.	Purchase Contract	3 years' till 31.03.2018	Purchase of fabrics under Section 188(1)(a) of Companies, 2013. For the year 2017-18 Purchase of fabrics Rs.443.74Lakhs and sale of service Rs.3.35 Lakhs		Nil

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# TRIGGER APPARELS LIMITED

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Form No. MGT-9  
EXTRACT OF ANNUAL RETURN  
as on the Financial Year ended on 31.03.2018

[Pursuant to Section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

## I. REGISTRATION AND OTHER DETAILS:

1. CIN	U18101TZ1999PLC008956
2. Registration Date	30.07.1999
3. Name of the Company	TRIGGER APPARELS LIMITED
4. Category / Sub-Category of the Company	PUBLIC LIMITED COMPANY
5. Address of the Registered office and contact details	2, FCI Complex, Karamadai, Coimbatore – 641 104.
6. Whether listed company Yes / No	No
7. Name, Address and Contact details of Registrar and Transfer Agent, if any	

## II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated: -

Sl.No.	Name and Description of main products / Services	NIC Code of the Product/ service	% to total turnover of the company
1	Readymade garments	14101	92.01%

## III PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

Sl.No.	Name and Address of the Company	CIN/GIN	Holding/ Subsidiary/Associate	% of Shares Held	Applicable Section
1.	K G Denim Limited	L17115TZ1992PLC003798	Holding Company	100%	Section 2(46)



# TRIGGER APPARELS LIMITED

## IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

Category of Shareholders	No. of Shares held at the beginning of the year (As on 01st April 2017)				No. of Shares held at the end of the year (As on 31st March 2018)				% Changed during the year
	Demat	Physical	Total	% of Shares	Demat	Physical	Total	% of Shares	
<b>A. PROMOTERS</b>									
<b>(1) INDIAN</b>									
1. Individual/HUF	0	0	0	0	0	0	0	0	0
2. Central Govt	0	0	0	0	0	0	0	0	0
3. State Govt (s)	0	0	0	0	0	0	0	0	0
4. Bodies Corp.	0	4500000	4500000	100	0	4500000	4500000	100	0
5. Banks/FI	0	0	0	0	0	0	0	0	0
6. Any Other	0	0	0	0	0	0	0	0	0
Sub-Total (A)(1):	0	4500000	4500000	100	0	4500000	4500000	100	0
<b>(2) Foreign</b>									
a) NRIs Individuals	0	0	0	0	0	0	0	0	0
b) Other Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Banks/FI	0	0	0	0	0	0	0	0	0
e) Any Other	0	0	0	0	0	0	0	0	0
Sub-Total (A)(2)	0	0	0	0	0	0	0	0	0
Total Shareholding of Promoter	0	4500000	4500000	100	0	4500000	4500000	100	0
(A)=(A)(1)+(A)(2)	0	4500000	4500000	100	0	4500000	4500000	100	0
<b>B. PUBLIC Shareholding</b>	Nil								

### ii) Shareholding of Promoters

Sno	Shareholder Name	Shareholding at the beginning of the year (As on 1st April 2017)			Shareholding at the beginning of the year (As on 31st March 2018)			% Change in Shareholder during the year
		No. of shares	% of Shares of the Company	% of shares pledged/encumbered to total shares	No. of shares	% of Shares of the Company	% of shares pledged/encumbered to total shares	
1	K G Denim Limited	4500000	100%	0	4500000	100%	0	0%

### (iii) Change in Promoter's Shareholding

Not Applicable

### (iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)

Not Applicable

### (v) Shareholding of Directors and Key Managerial Personnel: Nil

# TRIGGER APPARELS LIMITED

## V INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(Rs. in Lakhs)

	Secured Loans excluding deposits	Un Secured Loan	Deposit	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
(i) Principal Amount	441.57			441.57
(ii) Interest due but not paid	-			-
(iii) Interest accrued but not due	-			-
Total (i+ii+iii)	441.57			441.57
<b>Change in Indebtedness during the financial year</b>				
Addition	115.26			115.26
Reduction	0			0
Net Change	115.26			115.26
<b>Indebtedness at the end of the financial year</b>				
(i) Principal Amount	556.83			556.83
(ii) Interest due but not paid	-			-
(iii) Interest accrued but not due	-			-
Total (i+ii+iii)	556.83			556.83

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager: Nil

B. Remuneration to other Directors: Nil

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD: Nil

## VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of penalty/punishment/compounding fees imposed	Authority [RD/NCLT/COURT]	Appeal made, if any (give details)
<b>A. COMPANY</b> Penalty Punishment Compounding					
<b>B. DIRECTORS</b> Penalty Punishment Compounding					
<b>B. OTHER OFFICERS IN DEFAULT</b> Penalty Punishment Compounding					

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# TRIGGER APPARELS LIMITED

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There are no Penalties/Punishment/Compounding of offences during the year.

## Annexure- 3

The conservation of energy, technology absorption, foreign exchange earnings and outgo pursuant to the provisions of Section 134(3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014:

### A. CONSERVATION OF ENERGY:

- 1) The steps taken or impact on conservation of energy: Not Applicable
  - a) Energy conservation measures taken: Nil
  - 2) The steps taken by the Company for utilizing alternate sources of energy: Nil
  - 3) The Capital investment on energy conservation equipment: Nil

### B. TECHNOLOGY ABSORPTION:

- i. The Efforts made towards technology absorption: NIL
- ii. The Benefits derived like product improvement, cost reduction, product development or import substitution: Nil
- iii. Details of technology imported during the past 3 years:  
No technology has been imported during the past 3 years.
  - a. The details of technology import: -Nil
  - b. The year of import: -Nil
  - c. Whether the technology has been fully absorbed: -NIL
  - d. If not fully absorbed, areas where absorption has not taken place, and the reasons thereof: -Nil
- iv. The expenditure incurred on Research and Development: Nil

### C. FOREIGN EXCHANGE EARNINGS AND OUT GO:

- 1) The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows:

Particulars	(Rs. lakh)	
	March 31, 2018	March 31, 2017
Used	Rs.168.68	Rs. 251.31
Earned	Rs.3628.77	Rs.4372.38

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# TRIGGER APPARELS LIMITED

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## **INDEPENDENT AUDITORS' REPORT**

### **TO THE MEMBERS OF TRIGGER APPARELS LIMITED**

#### **REPORT ON THE FINANCIAL STATEMENTS**

1. We have audited the accompanying financial statements of **TRIGGER APPARELS LIMITED** ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2018, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

#### **MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS**

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### **AUDITORS' RESPONSIBILITY**

3. Our responsibility is to express an opinion on these financial statements based on our audit.

4. We have taken into account the provisions of the Act, and the Rules made there under including the accounting standards matters which are required to be included in the audit report.

5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making, those risk assessments, the auditor considers the internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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# TRIGGER APPARELS LIMITED

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7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

## OPINION

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March, 2018, and its loss and its cash flows for the year ended on that date.

## REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

9. As required by the Companies (Auditor's Report) Order, 2016 issued by the Central Government of India in terms of Sub-section (11) of Section 143 of the Act (hereinafter referred to as the "Order") and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in Annexure A a statement on the matters specified in paragraphs 3 and 4 of the Order.

10. As required by Section 143(3) of the Act, we report that:

(a) We have sought and 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 it appears from our examination of those books.

(c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

(d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

(e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2018 take non record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate Report in Annexure B.

(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:

(1) The Company did not have any pending litigations which would impact its financial position.

(2) The Company did not have any long term contracts including derivative contracts for which there were material foreseeable losses.

(3) There were no amounts, which were required to be transferred to Investor Education and Protection Fund by the Company.

For **GOPALAIYER AND SUBRAMANIAN**

Chartered Accountants

**CA. R MAHADEVAN**

Partner

Coimbatore

19.05.2018

Membership No.27497  
Firm Regn. No.000960S

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# TRIGGER APPARELS LIMITED

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## **ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT**

**Referred to in paragraph 10 (f) of the Independent Auditors' Report of the even date to the members of M/s. TRIGGER APPARELS LIMITED on the financial statements for the year ended March 31, 2018.**

Report on the Internal Financial Controls under Clause (i) of Sub-Section 3 of section 143 of the Act.

1. We have audited the internal financial controls over financial reporting of M/s **TRIGGER APPARELS LIMITED** ("the Company") as of March 31, 2018 in conjunction with our audit of the financial statements of the company for the year ended on that date.

### **Management's Responsibility for Internal Financial Controls**

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the act.

### **Auditors' Responsibility**

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing deemed to be prescribed under Section 143 (10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the company's internal financial controls system over financial reporting.

### **Meaning of Internal Financial Controls Over Financial Reporting**

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# TRIGGER APPARELS LIMITED

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6. A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that

1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transaction and dispositions of the assets of the company.

2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and

3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

## **Inherent Limitations of Internal Financial Controls Over Financial Reporting.**

7. Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

## **Opinion**

8. In our opinion, the company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **GOPALAIYER AND SUBRAMANIAN**  
Chartered Accountants  
**CA. R MAHADEVAN**  
Partner

Coimbatore

19.05.2018

Membership No.27497  
Firm Regn. No.000960S

## **Annexure B to the Independent Auditors' Report**

**Referred to in paragraph 9 of the Independent Auditors' Report of the even date to the members of M/s. TRIGGER APPARELS LIMITED on the financial statements for the year ended March 31, 2018.**

In terms of information and explanation sought by us and given by the Company and the books and records examined by us in the normal course of audit and to the best of our knowledge and belief, we report the following:

(i) a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

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# TRIGGER APPARELS LIMITED

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b. The fixed assets are physically verified by the management according to a phased program 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 the nature of its assets. Pursuant to the program, a portion of the fixed assets has been physically verified by the management during the year and no material discrepancies have been noticed on such verification.

c. According to the information and explanations given to us and based on our examinations of the books of accounts, the company does not own any immovable properties in its name and hence verification of title deeds in the name of the company does not arise.

(ii) The inventories have been physically verified by the management at reasonable intervals during the year. In our opinion, the frequency of such verification is reasonable and no material discrepancies were noticed at the time of verification.

(iii) The Company has not granted loans, secured or unsecured to companies, firms, LLP's or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013.

(iv). In respect of loans, investments and guarantees, the provisions of section 185 and 186 of the Act have been complied with.

(v) The company has not accepted any deposits from the public within the meaning of section 73,74,75 and 76 of the Act, 2013 and the Rules framed there under to the extent notified and hence Clause 3 (v) is not applicable.

(vi). We have broadly reviewed the books of accounts maintained by the company pursuant to Rules made thereunder by the Central Government for the maintenance of cost records u/s 148 of the Act and are of the opinion that, *prima facie* the prescribed records have been maintained by the company. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii). a. According to the information and explanations given to us and records examined by us, the Company is regular in depositing the undisputed dues including provident fund, employees' state insurance, income tax, sales tax, wealth tax, excise duty, service tax, customs duty, cess and other statutory dues with the appropriate authorities, wherever applicable.

b. According to the information and explanations given to us and on the basis of our records of the Company, no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, sales tax, wealth tax, excise duty, service tax, customs duty, cess and other undisputed statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(viii). Based on our audit procedures, we are of the opinion that the company has not defaulted in repayment of loans or borrowings to any financial institution or bank or Government as at the balance sheet date.

(ix) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) or term loans during the year. Hence Para 3(ix) is not applicable to the company.

(x) Based on the audit procedures performed, we have neither come across any instance of material fraud by the company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.

(xi) No provision of managerial remuneration has been made by the Company for the year on the basis of request from the Managing Director for waiver of same.

(xii) As the Company is not a Nidhi Company and therefore Clause 3(xii) of the Order is not applicable to the company.



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# TRIGGER APPARELS LIMITED

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(xiii) The Company has entered into transactions with related parties in compliance with the provisions of Section 177 & 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Accounting Standards (AS) 18, Related Party Disclosures specified under Section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules,2014.

(xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Therefore Clause 3(xiv) of the order is not applicable to the Company.

(xv) The Company has not entered into any cash transactions with its directors or persons connected with him and hence Clause 3(xv) of the Order is not applicable to the company.

(xvi) In our opinion, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **GOPALAIYER AND SUBRAMANIAN**

Chartered Accountants

**CA. R MAHADEVAN**

Partner

Coimbatore

19.05.2018

Membership No.27497

Firm Regn. No.000960S

# TRIGGER APPARELS LIMITED

TRIGGER APPARELS LIMITED  
2 FCI COMPLEX KARAMADAI  
COIMBATORE – 641104

BALANCE SHEET AS AT 31st MARCH 2018

		(Rs in Lakhs)			
Particulars		Note No.	31.03.2018	31.03.2017	31.03.2016
<b>I.</b>	<b>ASSETS</b>				
<b>1</b>	<b>Non-current assets</b>				
	(a) Property, plant and equipment	1	62.39	589.35	585.45
	(b) Capital work-in-progress	1	-		
	(c) Financial Assets				
	Non-current investments		0.00	0.00	0.00
	(d) Other non current assets	2	0.60	0.60	0.60
			<b>63.00</b>	<b>589.95</b>	<b>586.05</b>
<b>2</b>	<b>Current assets</b>				
	(a) Inventories	3	2167.55	3165.44	2524.93
	(b) Financial Assets				
	(i) Trade receivables	4	911.62	1102.67	1555.64
	(ii) Cash and cash equivalents	5	204.77	129.71	125.54
	(iii) Bank balance other than (ii) above	6	16.48	15.55	13.74
	(iv) Other financial assets	7	280.17	206.60	228.22
	(d) Other current assets	8	267.80	189.00	86.62
			<b>3,848.40</b>	<b>4,808.96</b>	<b>4,534.69</b>
			<b>3,911.39</b>	<b>5,398.91</b>	<b>5,120.74</b>
<b>II.</b>	<b>EQUITY AND LIABILITIES</b>				
<b>1</b>	<b>EQUITY</b>				
	(a) Equity Share capital	9	450.00	450.00	450.00
	(b) Other Equity	10	(1,460.99)	(957.41)	(479.12)
			-	-	-
	Total Equity		<b>(1,010.99)</b>	<b>(507.41)</b>	<b>(29.12)</b>
<b>2</b>	<b>LIABILITIES</b>				
	<b>Non-current liabilities</b>				
	(a) Financial Liabilities				
	(i) Long Term Liabilities	11	756.86	732.27	457.09
	(b) Long-term provisions	12	143.72	96.74	49.52
	(c) Deferred tax liabilities (Net)	13	(332.32)	(122.29)	(189.41)
			<b>568.26</b>	<b>706.72</b>	<b>317.20</b>
	<b>Current liabilities</b>				
	(a) Financial Liabilities				
	(i) Borrowings	14	556.83	441.57	576.56
	(ii) Trade payable	15	3708.03	4624.18	4171.46
	(b) Other current liabilities	16	81.74	131.42	76.28
	(c) Short-term provisions	17	7.52	2.45	8.36
			<b>4,354.12</b>	<b>5,199.62</b>	<b>4,832.66</b>
			<b>3,911.39</b>	<b>5,398.91</b>	<b>5,120.74</b>

As per our report of even dated

For GOPALAIYER AND SUBRAMANIAN  
Chartered Accountants  
CA. R MAHADEVAN  
Partner

Coimbatore

Membership No.27497

KG BAALAKRISHNAN  
Director  
DIN: 00002174

A VELUSAMY  
Director  
DIN: 00002204

# TRIGGER APPARELS LIMITED

19thMay 2018

Firm Regn. No.000960S

## TRIGGER APPARELS LIMITED

2 FCI COMPLEX KARAMADAI

COIMBATORE – 641104

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2018

(Rs in Lakhs)

	PARTICULARS	Note No	31.03.2018	31.03.2017
<b>I.</b>	Revenue from operations	18	11,301.12	11,139.04
	Other income	19	198.74	25.29
	<b>Total Revenue (I + II)</b>		<b>11,499.86</b>	<b>11,164.33</b>
<b>II.</b>	<b>Expenses:</b>			
	Cost of materials consumed	20	4,589.59	4,791.60
	Purchases of Stock-in-Trade	21	1,929.28	1,875.90
	Changes in inventories of finished goods WIP and Stock-in-Trade	22	579.77	(676.24)
	Other Processing Cost	23	763.68	1,599.96
	Employee benefits expense	24	2,095.86	1,716.88
	Finance costs	25	147.05	147.38
	Depreciation and amortization expense	1	53.68	73.85
	Other expenses	26	2,038.23	1,688.77
	<b>Total expenses</b>		<b>12,197.14</b>	<b>11,218.11</b>
<b>III.</b>	<b>Profit before exceptional items and tax (II-III)</b>		<b>(697.28)</b>	<b>(53.78)</b>
<b>IV</b>	Exceptional items		-	-
<b>V</b>	<b>Profit before tax (III- IV)</b>		<b>(697.28)</b>	<b>(53.78)</b>
<b>VI</b>	<b>Tax expense:</b>			
	(1) Current tax		-	-
	(2) MAT Credit Entitlement		-	-
	(2) Deferred tax		(210.03)	67.12
	(4) Prior Year Taxes		-	-
			(210.03)	67.12
<b>VII</b>	<b>Profit (Loss) for the period from continuing operations (V - VI )</b>		<b>(487.25)</b>	<b>(120.90)</b>
<b>VIII</b>	Other Comprehensive Income		-	-
	Items that will not reclassified to Profit or Loss			
	Gratuity Valuations through OCI		16.33	22.87
	Tax Expense on above			
<b>IX</b>	<b>Profit (Loss) for the period</b>		<b>(503.58)</b>	<b>(143.77)</b>
<b>X</b>	Earnings per equity share:			
	(1) Basic		<b>(10.83)</b>	<b>(2.69)</b>
	(2) Diluted		<b>(10.83)</b>	<b>(2.69)</b>
	Weighted average Number of shares		<b>45,00,000</b>	<b>45,00,000</b>
	The Notes form an Integral Part of these financial statements			

As per our report of even dated

For GOPALAIYER AND SUBRAMANIAN

Chartered Accountants

CA. R MAHADEVAN

Partner

Coimbatore

Membership No.27497

KG BAALAKRISHNAN

Director

DIN: 00002174

A VELUSAMY

Director

DIN: 00002204

# TRIGGER APPARELS LIMITED

19thMay 2018

Firm Regn. No.000960S

TRIGGER APPARELS LIMITED

## STANDALONE STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31.03.2018

PARTICULARS	YEAR ENDED	YEAR ENDED	YEAR ENDED
	31.03.2018	31.03.2017	31.03.2016
	(Rs. In Lakhs)		
<b>A. CASH FLOW FROM OPERATING ACTIVITIES:</b>			
Net profit before tax and extraordinary items	-697.28	-76.63	-119.78
Adjustments for:			
Fair Valuation of Receivables	-334.54	0.00	0.00
Depreciation and Amortization expenses	53.68	73.84	23.91
Profit/Loss on sale of assets	0.82	0.00	0.00
Finance cost	147.05	147.38	114.22
<b>Operating Profit before working capital changes</b>	<b>-830.27</b>	<b>144.59</b>	<b>18.35</b>
Adjustments for:			
(Increase)/Decrease in Trade and other receivables	525.59	118.43	-830.24
(Increase)/Decrease in Inventories	997.89	-640.50	-1486.89
(Increase)/Decrease in Other financial assets	-73.57	21.62	-79.16
(Increase)/Decrease in Other Current assets	-78.80	-102.39	-86.62
Increase/(Decrease) in Trade and other payables	-965.83	783.06	3044.51
Increase/(Decrease) in Provisions	52.05	41.31	21.57
<b>Cash generated from operations</b>	<b>-372.94</b>	<b>366.12</b>	<b>601.52</b>
<b>Cash flow before extraordinary items</b>	<b>-372.94</b>	<b>366.12</b>	<b>601.52</b>
Extraordinary items - Gratuity valuation through OCI	-16.33	0.00	-126.38
<b>Cash flow after extraordinary items</b>	<b>-389.27</b>	<b>366.12</b>	<b>475.14</b>
Income Tax	0.00	0.00	-0.90
<b>Net cash (used in)/generated from operating activities</b>	<b>-389.27</b>	<b>366.12</b>	<b>474.24</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES:</b>			
<b>Inflows</b>			
Sale Proceeds of property, plant and equipment	520.55	0.00	0.00
Proceeds from Share Capital	0.00	0.00	250.00
<b>Outflows</b>			
Purchase of property, plant and equipment	-48.09	-77.77	-556.47
Fixed Deposits with banks	-0.93	-1.81	-0.91
<b>Net cash (used in)/generated from investing activities</b>	<b>471.53</b>	<b>-79.58</b>	<b>-307.38</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES:</b>			
<b>Inflows</b>			
Proceeds from Long term borrowings	24.59	0.00	0.00
Proceeds from short term borrowings	115.26	-134.99	39.97
<b>Outflows</b>			
Interest paid	-147.05	-147.38	-114.22
<b>Net cash (used in)/generated from financing activities</b>	<b>-7.20</b>	<b>-282.37</b>	<b>-74.25</b>
<b>Net Increase in cash and cash equivalents</b>	<b>75.06</b>	<b>4.17</b>	<b>92.61</b>
Cash and cash equivalents as at 1st April, 2017 (Opening Balance)	129.71	125.54	32.93
Cash and cash equivalents as at 31st March, 2018 (Closing Balance)	<b>204.77</b>	<b>129.71</b>	<b>125.54</b>
<b>Cash and cash equivalents as per above comprises of the following</b>			
Cash and cash equivalents (Refer Note 5)	204.77	129.71	125.54
Bank overdraft	0.00	0.00	0.00
<b>Balance as per Statement of Cash Flows</b>	<b>204.77</b>	<b>129.71</b>	<b>125.54</b>

As per our report of even dated

For GOPALAIYER AND SUBRAMANIAN  
Chartered Accountants  
CA. R MAHADEVAN  
Partner

KG BAALAKRISHNAN  
Director  
DIN: 00002174

A VELUSAMY  
Director  
DIN: 00002204

Coimbatore  
19thMay 2018

Membership No.27497  
Firm Regn. No.000960S

# TRIGGER APPARELS LIMITED

## TRIGGER APPARELS LIMITED 2 FCI COMPLEX KARAMADAI COIMBATORE – 641104

### Note 1 Property, Plant and Equipment

	Plant & Machinery	Electrial Machinery	Furniture & Fixtures	Vehicles	Office Equipment	Total
<b>Gross Carrying Amount</b>						
Deemed Cost as at 01st April 2016	519.76	0.76	38.04	4.82	22.06	585.45
Additions	47.58	-	21.33	-	8.85	77.76
Disposals	-	-	-	-	-	-
<b>Balance as at 31st March 2017</b>	<b>567.34</b>	<b>0.76</b>	<b>59.37</b>	<b>4.82</b>	<b>30.91</b>	<b>663.20</b>
Additions	25.19	3.40	3.05	-	16.27	47.92
Disposals	508.42	-	4.36	2.73	5.69	521.20
Balance as at 31st March 2018	84.11	4.16	58.07	2.09	41.49	189.92
<b>Accumulated Depreciation</b>						
Balance as at 01st April 2016	-	-	-	-	-	-
Additions	35.59	0.08	26.42	0.49	11.27	73.85
Disposals	-	-	-	-	-	-
<b>Balance as at 31st March 2017</b>	<b>35.59</b>	<b>0.08</b>	<b>26.42</b>	<b>0.49</b>	<b>11.27</b>	<b>73.85</b>
Additions	37.85	0.41	3.18	0.49	11.76	53.68
Disposals	-	-	-	-	-	-
Balance as at 31st March 2018	73.43	0.49	29.60	0.98	23.03	127.53
<b>Net Carrying Amount</b>						
Balance as at 1st April, 2016	519.76	0.76	38.04	4.82	22.06	585.45
Balance as at 31st March 2017	531.76	0.68	32.96	4.33	19.64	589.35
Balance as at 31st March 2018	10.68	3.68	28.47	1.11	18.46	62.39

### Note 2 Other non current assets

Particulars	31.03.2018	31.03.2017	31.03.2016
a. Capital Advances			
Advance for Capital Goods - Unsecured considered good	-	-	-
b. Security Deposits			
Security Deposits - Unsecured considered good	0.60	0.60	0.60
<b>Total</b>	<b>0.60</b>	<b>0.60</b>	<b>0.60</b>

### Note 3 Inventories

Particulars	31.03.2018	31.03.2017	31.03.2016
a. Raw Materials and components	10.62	428.74	464.48
Goods-in transit	-	-	-
	<b>10.62</b>	<b>428.74</b>	<b>464.48</b>
b. Work-in-progress	-	556.99	418.25
Goods-in transit	-	-	-
	-	<b>556.99</b>	<b>418.25</b>
c. Finished goods	2,156.92	2,179.71	1,642.22
Goods-in transit	-	-	-
	<b>2,156.92</b>	<b>2,179.71</b>	<b>1,642.22</b>
<b>Total</b>	<b>2,167.55</b>	<b>3,165.44</b>	<b>2,524.93</b>

# TRIGGER APPARELS LIMITED

## Note 4 Trade Receivables

Particulars	31.03.2018	31.03.2017	31.03.2016
<b>Current Receivables</b>			
Trade Receivables Unsecured Considered Good	911.62	1,102.67	1,555.64
<b>Total</b>	<b>911.62</b>	<b>1,102.67</b>	<b>1,555.64</b>

## Note 5 Cash and Cash Equivalents

Particulars	31.03.2018	31.03.2017	31.03.2016
a. Balances with banks	197.78	110.27	124.98
b. Cheques, drafts on hand	-	-	-
c. Cash on hand	7.00	19.44	0.55
<b>Total</b>	<b>204.77</b>	<b>129.71</b>	<b>125.54</b>

## Note 6 Other Bank Balances

Particulars	31.03.2018	31.03.2017	31.03.2016
Deposits	-	-	-
Margin Money Deposits	16.48	15.55	13.74
<b>Total</b>	<b>16.48</b>	<b>15.55</b>	<b>13.74</b>

## Note 7 Other Financial Assets

Particulars	31.03.2018	31.03.2017	31.03.2016
<b>Advances</b>			
For Material Purchase	107.13	47.36	74.11
For Expenses / Others	59.71	81.10	71.77
For Claims Recoverable	33.78	33.78	33.78
For Input Credit GST Receivable	60.35	18.27	26.77
Prepaid Expenses	19.19	26.09	21.79
<b>Total</b>	<b>280.17</b>	<b>206.60</b>	<b>228.22</b>

## Note 8 Other Current Assets

Particulars	31.03.2018	31.03.2017	31.03.2016
a. Duty Drawback Receivable	8.08	42.10	36.94
b. Income Receivable	50.14	-	-
c. Rebate on State Levies Receivables	79.26	73.36	-
d. Export Sales Special Incentive Receivable	130.33	73.18	49.68
e. Interest Receivable	-	0.37	-
<b>Total</b>	<b>267.80</b>	<b>189.00</b>	<b>86.62</b>

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# TRIGGER APPARELS LIMITED

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**Note 9 Share capital**

<b>Particulars</b>	<b>31.03.2018</b>	<b>31.03.2017</b>	<b>31.03.2016</b>
Authorised			
5000000 Equity Shares of Rs.10 each	500.00	500.00	500.00
1000000 10% Cumulative Redeemable Preference shares of Rs.100 each	-	-	-
Issued			
4500000 Equity Shares of Rs.10 each	450.00	450.00	450.00
Subscribed & Paid up			
4500000 Equity Shares of Rs.10 each fully paid	450.00	450.00	450.00
<b>Total</b>	<b>450.00</b>	<b>450.00</b>	<b>450.00</b>

# TRIGGER APPARELS LIMITED

## Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period

Particulars	31.03.2018	31.03.2017	31.03.2016
Shares outstanding at the beginning of the year 45,00,000 Number	450.00	450.00	200.00
Denim Limited	-	-	250.00
Shares outstanding at the end of the year 45,00,000 Number	<b>450.00</b>	<b>450.00</b>	<b>450.00</b>

## Shares in the company held by each shareholder holding more than 5 percent shares

Particulars	31.03.2018	31.03.2017	31.03.2016
Name of Shareholder	No. of Shares held & % of Holding	No. of Shares held & % of Holding	No. of Shares held & % of Holding
1 KG Denim Limited (Holding company)	45,00,000 - 100%	45,00,000 - 100%	45,00,000 - 100%

## Terms and Conditions of Equity shares :-

The Company has only one class of equity shares having a par value of Rs.10/- per share. Each shareholder In the event of liquidation the equity share holders are eligible to receive the remaining assets of the Company after distribution of all preferential amount in proportion of their shareholding There are no shares allotted as fully paid without payments being received in cash, bonus share or shares bought back

## Note 10 Other Equity

Particulars	31.03.2018	31.03.2017	31.03.2016
Surplus			
Opening balance	(957.41)	(479.12)	(409.42)
(+) Total Comprehensive Income	(503.58)	(143.75)	(69.64)
(-) Fair Value of Receivables	-	(334.54)	-
Closing Balance	<b>(1,460.99)</b>	<b>(957.41)</b>	<b>(479.12)</b>
<b>Total</b>	<b>(1,460.99)</b>	<b>(957.41)</b>	<b>(479.12)</b>

## Note 11 Long Term Liabilities

Particulars	31.03.2018	31.03.2017	31.03.2016
(a) Trade Payables	-	-	-
(b) Others :- Security Deposit	756.86	732.27	457.09
(i) Creditors for Capital Goods	-	-	-
<b>Total</b>	<b>756.86</b>	<b>732.27</b>	<b>457.09</b>

## Note 12 Long Term Provisions

Particulars	31.03.2018	31.03.2017	31.03.2016
(a) Provision for employee benefits Gratuity (unfunded)	143.72	96.74	49.52
(b) Others	-	-	-
<b>Total</b>	<b>143.72</b>	<b>96.74</b>	<b>49.52</b>



# TRIGGER APPARELS LIMITED

## Note 13 Deferred Tax Assets (Net)

Particulars	31.03.2018	31.03.2017	31.03.2016
Opening Balance	(122.29)	(189.41)	(138.38)
Value of Depreciation as per books of accounts & IT purpose(DT Liability)	-	67.12	-
Deferred Tax Asset on Others	-	-	(51.03)
Carried forward loss (Deferred Tax Assets)	(210.03)	-	-
Add: Adj to Reserve & Surplus for Depreciation*	-	-	-
<b>Net Deferred Tax Asset</b>	<b>(332.32)</b>	<b>(122.29)</b>	<b>(189.41)</b>

## Note 14 Short Term Borrowings

Particulars	31.03.2018	31.03.2017	31.03.2016
Secured			
(a) Loans repayable on demand			
Working capital from banks (Secured)	556.83	441.57	576.56
There are no case of default in repayment of loan and interest as on the date of Balance Sheet			
<b>Total</b>	<b>556.83</b>	<b>441.57</b>	<b>576.56</b>

**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 by Holding company viz KG Denim limited. The Loans are also personally guaranteed by Shri KG Baalakrishnan, Director

## Note 15 Trade Payable

Particulars	31.03.2018	31.03.2017	31.03.2016
Dues of Micro Enterprises and Small Enterprises	-	-	-
Trade Payable for Goods Purchased	3,275.77	4,055.39	3,421.07
Trade Payable for Services Received	432.25	568.79	750.39
<b>Total</b>	<b>3,708.03</b>	<b>4,624.18</b>	<b>4,171.46</b>

## Note 16 Other Current Liabilities

Particulars	31.03.2018	31.03.2017	31.03.2016
(a) Customer Credit Balance	58.88	77.36	44.65
(b) Security Deposits	-	-	-
(c) Duties and Taxes	22.85	54.06	31.62
(d) Credit Balance in Scheduled Banks (Current Account)	-	-	-
<b>Total</b>	<b>81.74</b>	<b>131.42</b>	<b>76.28</b>

## Note 17 Short Term Provisions

Particulars	31.03.2018	31.03.2017	31.03.2016
(a) Provision for employee benefits			
Gratuity (unfunded)	7.52	2.45	8.36
(b) Others			
Income Tax provision (Net of Advance Tax)	-	-	-
<b>Total</b>	<b>7.52</b>	<b>2.45</b>	<b>8.36</b>

# TRIGGER APPARELS LIMITED

## Note 18 Revenue from operations

Particulars	31.03.2018	31.03.2017
Sale of products	11,249.59	11,150.28
Other operating revenues : Waste/Accessories Sales	51.53	37.57
<b>Less:</b>		
Excise duty	-	48.80
<b>Total</b>	<b>11,301.12</b>	<b>11,139.04</b>

## Note 19 Other income

Particulars	31.03.2018	31.03.2017
Interest Income	2.50	3.79
Other Income	3.59	-
Insurance Claim Received	-	8.77
Net gain/loss on sale of Export License	(0.75)	(2.80)
Other non-operating income (net of expenses directly attributable to such income)	193.40	15.52
<b>Total</b>	<b>198.74</b>	<b>25.29</b>

## Note 20 Fabric Purchases\Consumed

Particulars	31.03.2018	31.03.2017
Opening Stock	428.73	464.48
Add Purchases	4,171.47	4,755.85
Total	4,600.20	5,220.33
Less Closing Stock	10.62	428.73
<b>Raw materials Consumed</b>	<b>4,589.59</b>	<b>4,791.60</b>

## Note 21 Purchases of Stock-in-Trade

Particulars	31.03.2018	31.03.2017
Garments purchase	1,926.61	1,841.79
Leather Products Purchase	2.66	34.11
<b>Total</b>	<b>1,929.28</b>	<b>1,875.90</b>

## Note 22 Changes in inventories of finished goods work-in-progress and Stock-in-Trade

Particulars	31.03.2018	31.03.2017
Opening Stock :		
Work-in-Process	556.98	418.24
Finished Goods	2,179.71	1,642.22
Traded Items	-	-
	<b>2,736.69</b>	<b>2,060.46</b>
Closing Stock :		
Work-in-Process	-	556.99
Finished Goods	2,156.92	2,179.71
Traded Items	-	-
	<b>2,156.92</b>	<b>2,736.70</b>
<b>Total</b>	<b>579.77</b>	<b>(676.24)</b>

# TRIGGER APPARELS LIMITED

## Note 23 Other Processing Cost

Particulars	31.03.2018	31.03.2017
(a) Power & Fuel	186.06	52.31
(b) Processing Charges	577.62	1,547.65
	-	-
<b>Total</b>	<b>763.68</b>	<b>1,599.96</b>

## Note 24 Employee Benefits Expense

Particulars	31.03.2018	31.03.2017
(a) Salaries and incentives	2,036.19	1,652.26
(b) Gratuity as per actuarial valuations	40.48	20.76
(c) Staff welfare expenses	19.19	43.85
<b>Total</b>	<b>2,095.86</b>	<b>1,716.88</b>

## Note 25 Finance costs

Particulars	31.03.2018	31.03.2017
Bank Charges	58.36	45.89
Interest Expenses	88.70	101.49
<b>Total</b>	<b>147.05</b>	<b>147.38</b>

## Note 26 Other expenses

Particulars	31.03.2018	31.03.2017
Rent	156.69	72.71
Insurance	57.72	51.66
Rates and taxes, excluding, taxes on income	26.37	40.01
Payments to the auditor as		
a. As Auditor	0.60	0.60
b. Tax matters	1.23	0.81
Legal, Professional & Consultancy Charges	11.46	7.87
Printing and Stationery	12.30	11.70
Postage, Telegrams and Telephones	40.94	21.50
Traveling Expenses and Maintenance of Vehicles	155.79	146.18
Repairs & Maintenance	54.67	48.99
Loss of Sale of Fixed Assets	0.82	-
Commission on Sales	999.45	846.56
Discount on Sales	2.22	3.88
Selling Expenses	147.32	54.83
Freight Outwards	206.08	277.46
Training & Recuritment	0.39	-
Miscellaneous expense	164.18	104.02
<b>Total</b>	<b>2,038.23</b>	<b>1,688.77</b>

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# TRIGGER APPARELS LIMITED

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## NOTE 27

### Note :- 1 - STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Trigger Apparels Limited incorporated in India is a manufacturer and seller of ready made garments

#### II. Significant Accounting Policies followed by the Company

##### (a) Basis of preparation

##### (i) Compliance with Ind AS

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('Act') read with of the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

These financial statements for the year ended 31st March 2018 are the first financials with comparatives, prepared under Ind AS. For all previous periods including the year ended 31<sup>st</sup> March, 2017, the Company had prepared its financial statements in accordance with the accounting standards notified under companies (Accounting Standard) Rule, 2006 (as amended) and other relevant provisions of the Act (hereinafter referred to as 'Previous GAAP') used for its statutory reporting requirement in India.

The accounting policies are applied consistently to all the periods presented in the financial statements, including the preparation of the opening Ind AS Balance Sheet as at 1st April, 2016 being the date of transition to Ind AS.

##### (ii) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities that are measured at fair value in terms of Ind AS.

##### (iii) Going Concern

The accounts are prepared on the basis of going concern concept

##### (iv) Current non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Act.

##### (iv) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

##### (b) Use of estimates and judgments

The estimates and judgments used in the preparation of the financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company

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# TRIGGER APPARELS LIMITED

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believes to be reasonable under the existing circumstances. Differences between actual results and estimates are recognised in the period in which the results are known/materialised.

The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

## (c) Property, plant and equipment

The Company has applied for the one time transition exemption of considering the carrying cost on the transition date i.e. April 1, 2016 as the deemed cost under IND AS. Hence regarded thereafter as historical cost. Freehold land is carried at cost. All other items of property, plant and equipment are stated at cost less depreciation and impairment, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to the Statement of Profit and Loss during the reporting period in which they are incurred.

## Depreciation methods estimated useful lives and residual value

Depreciation on Property, Plant and Equipment and other fixed assets is provided on a Straight Line Method, over the estimated useful lives of assets.

The Company depreciates its property, plant and equipment over the useful life in the manner prescribed in Schedule II to the Act, and management believe that useful life of assets are same as those prescribed in Schedule II to the Act.

Useful life considered for calculation of depreciation for various assets class are as follows-

<b>Asset Class</b>	<b>Useful Life</b>
Plant and Machinery	15 years
Furniture and Fixtures	10 years
Office Equipment	5 years
Vehicles	8 years

The residual values are not more than 5% of the original cost of the asset. The assets residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the Statement of Profit and Loss.

## (d) Cash and Cash Equivalents

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# TRIGGER APPARELS LIMITED

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For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand and bank, current account balances.

## (e) Inventories

Inventories of Raw Materials, Work-in-Progress, Stores and spares, Finished Goods and Stock-in-trade are stated 'at cost or net realisable value, whichever is lower'. Cost comprise all cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost formulae used are, 'Weighted Average cost, average cost as applicable. Due allowance is estimated and made for defective and obsolete items, wherever necessary.

## (f) Financial assets

### (i) Classification

The Company classifies its financial assets in the following measurement categories:

(1) those to be measured subsequently at fair value (either through other comprehensive income, or through the Statement of Profit and Loss), and

(2) those measured at amortised cost.

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

### (ii) Measurement

At initial recognition, the Company measures a financial asset at its fair value. Transaction costs of financial assets carried at fair value through the Profit and Loss are expensed in the Statement of Profit and Loss.

### (iii) Impairment of financial assets

The Company measures the expected credit loss associated with its assets based on historical trend, industry practices and the business environment in which the entity operates or any other appropriate basis. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

(g) Impairment of non-financial assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or group of assets (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

## (h) Segment Reporting:

The company has only one segment -Apparels(Ready made Garments)

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# TRIGGER APPARELS LIMITED

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## (i) Provisions and contingent liabilities

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre tax rate that reflects current market

assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence will be confirmed by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made.

## (r) Revenue recognition

Revenue is measured at the value of the consideration received or receivable. Amounts disclosed as revenue are exclusive of GST and net of returns, trade allowances, rebates, discounts and value added taxes.

The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Company and specific criteria have been met for each of the Company's activities as described below.

### Sale of goods

Sales are recognised when substantial risk and rewards of ownership are transferred to customer, In case of domestic customer, generally sales take place when goods are dispatched or delivery is handed over to transporter, in case of export customers, generally sales take place when goods are shipped .

### Revenue from services

Revenue from services is recognised in the accounting period in which the services are rendered.

### Other operating revenue - Export incentives

"Export Incentives under various schemes are accounted in the year of export.

## (s) Employee benefits

### (i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

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# TRIGGER APPARELS LIMITED

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## (iii) Employment retirement benefits

- a) Contribution to Provident Fund has been made to the respective authorities.
- b) Gratuity liability as per the Actuarial Valuation has been provided in the accounts as at the year end.

## (t) Foreign currency translation

### (i) Functional and presentation currency

The financial statements are presented in Indian rupee (INR), which is Company's functional and presentation currency.

### (ii) Transactions and balances

Transactions in foreign currencies are recognised at the prevailing exchange rates on the transaction dates. Realised gains and losses on settlement of foreign currency transactions are recognised in the Statement of Profit and Loss.

Monetary foreign currency assets and liabilities at the year-end are translated at the year-end exchange rates and the resultant exchange differences are recognised in the Statement of Profit and Loss.

## (u) Income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Deferred income tax is provided in full, using the liability method on temporary differences arising between the tax bases of assets and liabilities and their carrying amount in the financial statement. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are excepted to apply when the related deferred income tax assets is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses, only if, it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are off set where the Company has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Current and deferred tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively Minimum Alternate Tax credit is recognised as deferred tax asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the



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# TRIGGER APPARELS LIMITED

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specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

## (v) Earnings Per Share

### Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

### Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to taken into account:

- the after-income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

## (ii): Critical estimates and judgements -

The preparation of financial statements requires the use of accounting estimates which by definition will seldom equal the actual results.

Management also need to exercise judgement in applying the Group's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The areas involving critical estimates or judgement are:

Estimation of current tax expenses and Payable

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# TRIGGER APPARELS LIMITED

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**NOTE 28: GRATUITY**

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 though the company has provided the liability in accounts, to meets its liability from internal generation.

# TRIGGER APPARELS LIMITED

## DISCLOSURE REPORT AS PER Ind AS 19

NAME OF ENTERPRISE	TRIGGER APPARELS LIMITED.	
TYPE OF PLAN	GRATUITY	
PERIOD OF DISCLOSURE	01-04-2017 to 31-03-2018	
<b>I. PRINCIPAL ACTUARIAL ASSUMPTIONS</b> [Expressed as weighted averages]		
	<b>31 03 2017</b>	<b>31 03 2018</b>
Discount Rate	7.20%	7.70%
Rate of increase in compensation levels	8.00%	8.00%
Attrition Rate	5.00%	5.00%
Expected rate of return on Plan Assets	0.00%	0.00%
All amounts are in Rupees		
<b>II. CHANGES IN THE PRESENT VALUE OF THE OBLIGATION (PVO)</b>		
<b>PVO as at the beginning of the period</b>	<b>58,19,605</b>	<b>99,18,531</b>
Interest Cost	4,49,303	6,97,045
Current service cost	16,27,039	30,70,257
Past service cost	0	2,80,046
Benefits paid and Charges deducted	-2,64,438	-4,74,697
Actuarial loss/(gain) on obligation (balancing figure)	22,87,022	16,33,191
<b>PVO as at the end of the period</b>	<b>99,18,531</b>	<b>1,51,24,373</b>
<b>III. CHANGES IN THE FAIR VALUE OF PLAN ASSETS - RECONCILIATION OF OPENING AND CLOSING BALANCES:</b>		
<b>Fair value of plan assets as at the beginning of the period</b>	<b>0</b>	<b>0</b>
Expected return on plan assets	0	0
Contributions	2,64,438	4,74,697
Benefits paid and Charges deducted	-2,64,438	-4,74,697
Actuarial gain/(loss) on plan assets [balancing figure]	0	0
<b>Fair value of plan assets as at the end of the period</b>	<b>0</b>	<b>0</b>
<b>IV. ACTUAL RETURN ON PLAN ASSETS</b>		
Expected return on plan assets	0	0
Actuarial gain (loss) on plan assets	0	0
<b>Actual return on plan assets</b>	<b>0</b>	<b>0</b>
<b>V. ACTUARIAL GAINS AND LOSSES RECOGNIZED</b>		
Actuarial gain (loss) for year - obligation	-22,87,022	-16,33,191
Actuarial gain (loss) for year - plan assets	0	0
Subtotal	-22,87,022	-16,33,191
Actuarial (gain) / loss recognized	22,87,022	16,33,191
Unrecognized actuarial gains (losses) at the end of the period	0	0
<b>VI. AMOUNTS RECOGNISED IN THE BALANCE SHEET AND RELATED ANALYSES</b>		
Present value of the obligation	99,18,531	1,51,24,373
Fair value of plan assets	0	0
Amount determined under para 63 of Ind AS19	99,18,531	1,51,24,373
Net Defined Benefit Liability recognized in the balance sheet	99,18,531	1,51,24,373
Present value of future reduction in contribution under para 65 of Ind AS 19	0	0
Net Defined Benefit Asset recognised under para 64 of Ind AS19	0	0
<b>VII. EXPENSES RECOGNISED IN THE STATEMENT OF PROFIT AND LOSS:</b>		
Current service cost	16,27,039	30,70,257
Net Interest on Net Defined Benefit Obligations	4,49,303	6,97,045
Net actuarial (gain)/loss recognised during the period	0	0
Past service cost	0	2,80,046
Expenses recognized in the statement of profit and loss	<b>20,76,342</b>	<b>40,47,348</b>
<b>VIII. AMOUNT RECOGNIZED FOR THE CURRENT PERIOD IN THE STATEMENT OF OTHER COMPREHENSIVE INCOME [OCI]</b>		
Actuarial (gain)/loss on Plan Obligations	22,87,022	16,33,191
Difference between Actual Return and Interest Income on Plan Assets- (gain)/loss	-	0
Effect of Balance Sheet asset limit	-	0
Amount recognized in OCI for the current period	22,87,022	16,33,191
<b>IX. MOVEMENTS IN THE LIABILITY RECOGNIZED IN THE BALANCE SHEET</b>		
Opening net liability adjusted for effect of balance sheet limit	58,19,605	99,18,531
Amount recognised in Profit and Loss	20,76,342	40,47,348
Amount recognised in OCI	22,87,022	16,33,191
Contribution paid	-2,64,438	-4,74,697
<b>Closing net liability</b>	<b>99,18,531</b>	<b>1,51,24,373</b>
<b>X. AMOUNT FOR THE CURRENT PERIOD</b>		
Present Value of obligation	99,18,531	1,51,24,373
Plan Assets	0	0
Surplus (Deficit)	-99,18,531	-1,51,24,373
Experience adjustments on plan liabilities -(loss)/gain	-8,13,695	-25,51,842
Impact of Change in Assumptions on Plan Liabilities-(loss)/gain	-14,73,327	9,18,651
Experience adjustments on plan assets -(loss)/gain	0	0

# TRIGGER APPARELS LIMITED

## Annexure to Notes Accounts:

### 28.1 Accounting Standard AS – 18 on “Related Party Disclosure”

(Rs. In lakhs)

Particulars	2017-18			2016-17		
	Holding Co (KG Denim Ltd)	Other Related Parties	Key Management Personnel	Holding Co	Other Related Parties	Key Management Personnel
Purchase of goods	2345.48	443.74		2566.21	650.40	-
Purchase of Service	237.76					
Sale of goods	748.06		-	2.14	-	-
Sale of Assets	520.55					
Sale of Services	1.10	3.35		1.16	1.45	
Processing Charges Paid	200.68	-	-	896.89	-	-

### 28.2 Balance outstanding as on 31.03.2018

(Rs. In lakhs)

Particulars	2017-18			2016-17		
	Holding Co	Other Related Parties	Key Management Personnel	Holding Co	Other Related Parties	Key Management Personnel
Debtors				-	-	-
Creditors				-	-	-
-for Goods Purchase	2852.01	0.34	-	3769.39	86.59	-

Other Related Parties

K G Fabriks Limited - Purchase of Goods Rs. 443.74 Lakhs  
Sale of Service Rs. 3.35 Lakhs

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# TRIGGER APPARELS LIMITED

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**29. a.** There are no dues to Small Scale Industrial Units as on 31st March 2018 as per information available with the Company.

**b.** In the absence of necessary information with the company, relating to the registration status of suppliers under the Micro, Small and Medium Enterprises Development Act, 2006 the information required under the said Act could not be complied and disclosed.

### **30. Contingent Liability**

	2017-18	2016-17
Claim against the company not acknowledged a debt	6.74	6.74
Managerial Remuneration		

(Rs. In lakhs)

No provision of managerial remuneration of Shri Surinder Chhibber till 15<sup>th</sup> November 2017, his date of resignation has been made on the basis of request from him for waiver.

**31.** Previous year's figures have been regrouped wherever necessary.

**32.** Figures have been rounded off to Rs. in lakhs.

# TRIGGER APPARELS LIMITED

## Note: FIRST TIME ADOPTION OF Ind AS

The presentation requirements under previous GAAP differs from Ind AS. And hence, previous GAAP information has been regrouped for ease of reconciliation with Ind AS. The Regrouped previous GAAP information is derived from the financial statements of the company prepared in accordance with previous GAAP.

Rs. In lakh)				
Effect of Ind AS adoption on the Balance Sheet as at 1st April 2016	Regrouped previous GAAP	Ind AS adjustments	Ind AS	Remarks
<b>Assets</b>				
<b>Non - Current assets</b>				
Property, plant and equipment	585.45		585.45	
<b>Financial Assets</b>				
Non-current investments	-	0.00	0.00	
Long term loans and advances	-	0.00	0.00	
Other non current assets	0.60	0.00	0.60	
<b>Current assets</b>				
Inventories	2,524.94	0.00	2524.94	
<b>Financial Assets</b>				
Trade receivables	1,555.64		1555.64	
Cash and cash equivalents	139.27	-138.72	0.55	Reclassification
Bank balance other than above	-	124.98	124.98	Reclassification
Other financil assets	-	13.74	13.74	Reclassification
Short term loans and advances	228.22	-228.22	-	Reclassification
Current tax assets (net)	-	228.22	228.22	Reclassification
Other current assets	86.62	0.00	86.62	Reclassification
<b>Total</b>	<b>5,120.74</b>	<b>-</b>	<b>5,120.74</b>	
<b>Equity and Liabilities</b>				
<b>Equity</b>				
Equity Share capital	450.00		450.00	
Other Equity	-479.12	0.00	-479.12	
<b>Liabilities</b>				
<b>Non-current liabilities</b>				
Borrowings	0.00		0.00	
Other Long term Liabilities (Net)	457.09	0.00	457.09	
Other financial liabilities	0.00	0.00	0.00	
Long-term provisions	49.52		49.52	
Deferred tax liabilities (Net)	-189.41		-189.41	
Government grants	0.00		0.00	
<b>Current liabilities</b>				
Borrowings	576.56		576.56	
Trade payable	4171.46	0.00	4171.46	
Other financial liabilities	0.00	0.00	0.00	
Other current liabilities	76.28	0.00	76.28	
Short-term provisions	8.36	0.00	8.36	
Government grants	0.00		0.00	
<b>Total</b>	<b>5120.74</b>	<b>0.00</b>	<b>5120.74</b>	

# TRIGGER APPARELS LIMITED

Effect of Ind AS adoption on the Balance Sheet as at 01st April 2017	Regrouped previous GAAP	Ind AS adjustments	Ind AS	
<b>Assets</b>				
<b>Non - Current assets</b>				
Property, plant and equipment	589.35	0.00	589.35	
Capital work-in-progress	-		-	
<b>Financial Assets</b>				
Non-current investments	-	0.00	0.00	
Long term loans and advances	-	0.00	-	
Other non current assets	0.60	0.00	0.60	
<b>Current assets</b>				
Inventories	3,165.44		3165.44	
<b>Financial Assets</b>				
Trade receivables	1,437.21	-334.54	1102.67	Fair value of receivable
Cash and cash equivalents	145.26	-125.82	19.44	Reclassification
Bank balance other than above	-	110.27	110.27	Reclassification
Other financial assets	-	15.55	15.55	
Short term loans and advances	206.60	-206.60		Reclassification
Current tax assets (net)	-	206.60	206.60	Reclassification
Other current assets	189.00	0.00	189.00	Reclassification
<b>Total</b>	<b>5,733.46</b>	<b>(334.54)</b>	<b>5,398.92</b>	
<b>Equity and Liabilities</b>				
<b>Equity</b>				
Equity Share capital	450.00		450.00	
Other Equity	-622.87	-334.54	-957.41	Fair Value of Receivable
<b>Liabilities</b>				
<b>Non-current liabilities</b>				
Borrowings	0.00		0.00	
Other Long term liabilities (Net)	732.27	0.00	732.27	
Other financial liabilities	-	0.00	0.00	
Long-term provisions	96.74		96.74	
Deferred tax liabilities (Net)	-122.29		-122.29	
Government grants	-		-	
<b>Current liabilities</b>				
Borrowings	441.57		441.57	
Trade payable	4624.18		4624.18	
Other financial liabilities	-	0.00	0.00	
Other current liabilities	131.42	0.00	131.42	
Short-term provisions	2.45	0.00	2.45	
Government grants	-		-	
<b>Total</b>	<b>5733.46</b>	<b>-334.54</b>	<b>5398.93</b>	

# TRIGGER APPARELS LIMITED

	Regrouped previous GAAP	Ind AS adjustments	Ind AS	
Revenue from operations	11139.04		11139.04	
Other income	25.29		25.29	
<b>Total</b>	<b>11164.33</b>		<b>11164.33</b>	
Expenses:				
Cost of materials consumed	4791.60		4791.60	
Purchases of Stock-in-Trade	1,875.90		1,875.90	
Change in inventories of finished goods, stock in trade and work in progress	-676.24		-676.24	
Other Manufacturing Expenses	1599.96		1599.96	
Employee benefits expense	1716.88	22.87	1739.75	Gratuity recognised on OCI
Finance costs	147.38		147.38	
Depreciation and amortization expense	73.85		73.85	
Other expenses	1688.77		1688.77	
<b>Total</b>	<b>11218.11</b>	<b>22.87</b>	<b>11240.98</b>	
<b>Profit before exceptional and extraordinary</b>	<b>(53.78)</b>		<b>(76.65)</b>	
Exceptional items			-	
Profit before extraordinary items and tax				
Extraordinary items				
<b>Profit before tax</b>	<b>(53.78)</b>		<b>(76.65)</b>	
Tax expense:				
Current tax	-		-	
MAT credit entitlement				
Deferred tax	67.12		67.12	
<b>Profit for the year (A)</b>	<b>(120.90)</b>	<b>-22.87</b>	<b>(143.77)</b>	
Profit from discontinuing operations	-			
Tax expense of discontinuing operations	-			
Profit from discontinuing operations (after tax)	-			
<b>Profit for the period</b>	<b>(120.90)</b>	<b>-22.87</b>	<b>(143.77)</b>	
<b>OTHER COMPREHENSIVE INCOME*</b>				
Items that will not reclassified to profit or loss				
Fair value of equity instruments	-	0.00	0	
Gratuity valuation through OCI	-	0.00	0	
Tax expenses on above	-	-	-	
Other comprehensive income		0.00	0	
<b>Total comprehensive income for the year (A+B)</b>	<b>-120.90</b>	<b>-22.87</b>	<b>-143.77</b>	
Equity holder of parent	-120.90	-22.87	-143.77	



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# TRIGGER APPARELS LIMITED

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## FAIR VALUE MEASUREMENT

Financial Instrument by category and hierarchy

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

1. Fair value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to short term maturities of these instruments.
2. Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for expected losses of these receivables. Accordingly, fair value of such instruments is not materially different from their carrying amounts.

The fair values for loans and security deposits were calculated based on cash flows discounted using a current lending rate.

The fair values of non-current borrowings are based on discounted cash flows using a current borrowing rate.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

### **Note :- 35 - FINANCIAL RISK MANAGEMENT (contd..)**

#### **Financial risk management objectives and policies**

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's financial risk management policy is set by the Managing Board.

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables and loans and borrowings.

The Company manages market risk through a treasury department, which evaluates and exercises independent control over the entire process of market risk management. The treasury department recommend risk management objectives and policies, which are approved by Senior Management and the Audit Committee. The activities of this department include management of cash resources, implementing hedging strategies for foreign currency exposures like foreign exchange forward contracts, borrowing strategies and ensuring compliance with market risk limits and policies.

#### **Market Risk- Interest rate risk**

The Company's borrowings are of fixed rate nature only. Hence interest rate risk is not applicable and hence no sensitivity analysis.

# TRIGGER APPARELS LIMITED

## Market Risk- Foreign currency risk.

The company manages foreign currency risk primarily through forward contracts

### Derivative instruments and unhedged foreign currency exposure

(a) Derivative outstanding as at the reporting data NIL

(b) Particulars of unhedged foreign currency exposures as at the reporting date

As at 31st March 2018	Foreign currency in lakhs	
	USD	EURO
Particulars		
Trade Receivables	1.15	3.00
Trade Payables		

As at 31st March 2017	Foreign currency in lakhs	
	USD	EURO
Particulars		
Trade Receivables	1.52	4.90
Trade Payables	NIL	NIL

As at 31st March 2016	Foreign currency in lakhs		
	USD	EURO	GBP
Particulars			
Trade Receivables	1.31	5.05	0.31
Trade Payables	NIL	NIL	NIL

### (a) (iii) Market Risk- Price Risk

(a) Exposure

The Company has no investment in equity securities traded in stock exchange . No risk on account of investment.

### (b) Foreign currency Risk Sensitivity

A change of 5% in foreign currency would have following impact on profit before tax

(Rs. In lakhs)

Particulars	2017-18		2016-17	
	5% increase	5% decrease	5% increase	5% decrease
USD	3.80	-3.80	4.93	-4.93
EURO	12.06	-12.06	16.92	-16.92
GBP				
Increase / (decrease) in profit or loss	<b>15.86</b>	<b>-15.86</b>	<b>21.85</b>	<b>-21.85</b>

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# TRIGGER APPARELS LIMITED

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## FINANCIAL RISK MANAGEMENT (contd..)

### Credit risk

Credit risk is the risk that a counterparty will not meet its obligation under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, foreign exchange transactions and other financial instruments.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis through each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of default occurring on asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forwarding-looking information such as:

- i) Actual or expected significant adverse changes in business,
- ii) Actual or expected significant changes in the operating results of the counterparty,
- iii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations,
- iv) Significant increase in credit risk on other financial instruments of the same counterparty,

Financial assets are written off when there is no reasonable expectations of recovery, such as a debtor failing to engage in a repayment plan with the Company.

### Trade Receivables

Customer credit risk is managed subject to the Company's established policy, procedures and control relating to customer credit risk management. Trade receivables are non-interest bearing and generally on 7 days to 180 days credit term. Credit limits are established for all customers based on internal rating criteria. Outstanding customer receivables are regularly monitored. The Company has no concentration of credit risk as the customer base is widely distributed both economically and geographically

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The calculation is based on actual incurred historical data. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. The Company does not hold collateral security. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

### Liquidity Risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying businesses, Company treasury maintains flexibility in funding by maintaining availability under committed credit lines. Management monitors rolling forecasts of the Company's liquidity position (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows.

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As per our report of even dated

For **GOPALAIYER AND SUBRAMANIAN**

Chartered Accountants

**CA. R MAHADEVAN**

Partner

Membership No.27497

Firm Regn. No.000960S

**KG BAALAKRISHNAN**

Director

DIN: 00002174

**A VELUSAMY**

Director

DIN: 00002204

Coimbatore  
19th May 2018

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# TRIGGER APPARELS LIMITED

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## **NOTICE OF THE ANNUAL GENERAL MEETING**

Notice is hereby given that the Eighteenth Annual General Meeting of the Company will be held on Wednesday, the 26<sup>th</sup> day of September 2018 at 3.00 p.m. at the Registered Office of the Company situated at No.2, FCI Complex, Karamadai, Coimbatore 641 104 to transact the following :

### **A G E N D A**

#### **ORDINARY BUSINESS**

1. To receive, consider and adopt the Audited Balance Sheet as on 31<sup>st</sup> March 2018 and Statement of Profit and Loss Account for the year ended on that date, and the Reports of the Auditors and Directors thereon.
2. To appoint a Director in place of Shri A Velusamy (DIN-00002204), who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint M/s Gopalaiyer and Subramanian, Chartered Accountants (ICAI Regn. No.000960S) as Auditors, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and fix their remuneration.

#### **Special Business:**

4. To consider and if thought fit, to pass the following resolution with or without modification as an Ordinary Resolution.

**“RESOLVED THAT** to appoint a Director in the place of Shri Pranav Sriraman (DIN 0007914177), who was appointed as an Additional Director of the Company by the Board of Directors with effect from 26.09.2017 under Section 161(1) of the Companies Act, 2013 and who holds office upto the date of this Annual General Meeting but who is eligible for appointment and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director under the provisions of Section 160 of the Act.”

5. To consider and, if thought fit, to pass, with or without modification, the following resolution as a Special Resolution :

**“RESOLVED THAT** the Memorandum of Association and Articles of Association of the Company which were redrafted and circulated to members, be and are hereby approved.”

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# TRIGGER APPARELS LIMITED

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## **EXPLANATORY STATEMENT AS REQUIRED UNDER SECTION 102 OF THE COMPANIES ACT, 2013**

### **ITEM No.4**

Shri Pranav Sriraman (DIN:07914177) was appointed as an Additional Director by the Board of Directors meeting held on 26.09.2017 and with effect from 26.09.2017.

In terms of Section 161(1) of the Companies Act, 2013 and Article 22 of the Company's Articles of Association, Shri Pranav Sriraman (DIN:07914177) holds office as Director only till the date of the ensuing Annual General Meeting, but is eligible for appointment. Notice has been received from a member as required by Section 160 of the Act, signifying its intention to propose the candidature of Shri Pranav Sriraman (DIN:07914177) for the office of Director.

The Board considers it desirable that the Company should continue to avail itself of the services of Shri Pranav Sriraman (DIN:07914177) as Director and accordingly commends the resolution at Item No.4 for approval by the Members.

### **ITEM No.5**

The Companies Act, 2013 had made a virtual overhaul of the provisions hitherto existing under Companies Act, 1956.

The amended provisions of Companies Act, 2013 necessitated all companies to redraft their Memorandum and Articles of Association to be in line with the Companies Act, 2013. Besides certain activities which the Company may undertake in future have also been incorporated.

In terms of Sections 13 and 14 of the Companies Act, 2013 a Special Resolution needs to be passed at the Annual General Meeting of the Company for Alteration of Memorandum and Articles of Association of the Company.

A copy of the draft Articles of Association of the Company is available on the website of the Company and can be viewed by the members through the web-link [www.kgdenim.com](http://www.kgdenim.com). Both the existing and new set of Articles of Association of the Company are available for inspection at the Registered Office of the Company during the business hours on any working day up to the date of the Annual General Meeting. Upon request received from members a physical copy of the proposed new set of Memorandum and Articles would be sent to their registered address.

By Order of the Board  
KG Baalakrishnan  
Director  
DIN No :00002174

Place: Coimbatore  
Date: 19.05.2018

**KG DENIM (USA) INC.**  
**2711, Centerville Road, Suite - 400,**  
**Wilmington, Delaware - 19808**

**BALANCE SHEET AS ON 31st March 2018 (Un-Audited)**

Particulars	31.03.2018		31.03.2017		31.03.2016	
	USD	Rs. Lakhs	USD	Rs. Lakhs	USD	Rs. Lakhs
<b><u>SOURCES OF FUNDS</u></b>						
<b>Shareholders Funds</b>						
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	0.46	700	0.46	700	0.46
Reserves & Surplus	-8966	-5.83	-1934	-1.26	0	0.00
Un Secured Loan From K G Denim Limited India (Holding Company)	9343	6.07	9343	6.07	8844	5.85
Trade Payable	112933	73.41	27027	17.57	0	0.00
Short term provisions			0	0.00	0	0.00
	<b>114010</b>	<b>74.11</b>	<b>35137</b>	<b>22.84</b>	<b>9544</b>	<b>6.31</b>
<b><u>APPLICATION OF FUNDS</u></b>						
Inventories	86791	56.41	16250	10.55	0	0.00
Trade Receivables	13287	8.64	2800	1.82	0	0.00
Cash at Bank of India , Newyork Branch	10423	6.77	10733	6.98	3120	2.06
<b>MISCELLANEOUS EXPENDITURE (To the extent not written off or adjusted)</b>						
Incorporation Expenses	0	0.00	700	0.46	700	0.46
Pre Operative Expenses	3509	2.28	4654	3.03	5724	3.79
	<b>114010</b>	<b>74.11</b>	<b>35137</b>	<b>22.84</b>	<b>9544</b>	<b>6.31</b>

**Note:**

Exchange rate for Rupee vis-à-vis US Dollar has been considered as on 31st March of the respective years.

**KG DENIM (USA) INC.**  
**2711, Centerville Road, Suite - 400,**  
**Wilmington, Delaware - 19808**

**Statement of Profit and Loss for the Year ended 31.03.2018**

	<b>Particulars</b>	<b>31.03.2018</b>			<b>31.03.2017</b>		
		<b>USD</b>	<b>Rs. In Lakhs</b>	<b>%</b>	<b>USD</b>	<b>Rs. In Lakhs</b>	<b>%</b>
I	Revenue from operations	44106.98	28.67		53738	34.93	
II	Other income	757.47	0.49		0	0	
III	<b>Total Revenue (I + II)</b>	<b>44864.45</b>	<b>29.16</b>	<b>100%</b>	<b>53738</b>	<b>34.93</b>	<b>100%</b>
IV	<b>Expenses :</b>						
	Purchase of Stock in trade	97906.25	63.64	218.23%	48856	31.76	90.92%
	Changes in inventories of stock in trade ,	-70540.81	-45.85	-157.23%	-16250	-10.56	-30.24%
	Selling Expenses	19471.35	12.66	43.40%	21356	13.88	39.74%
	Legal & Professional Expenses	750.00	0.49	1.67%	425	0.28	0.79%
	Pre Incorporation expenses written off	1845.00	1.20	4.11%	1145	0.74	2.13%
	Other Expenses	2464.30	1.60	5.49%	140	0.09	0.26%
	<b>Total Expenses</b>	<b>51896.09</b>	<b>33.73</b>	<b>115.67%</b>	<b>55672</b>	<b>36.19</b>	<b>103.60%</b>
V	<b>Profit before tax ( III-IV )</b>	<b>-7031.64</b>	<b>-4.57</b>	<b>-15.67%</b>	<b>-1934</b>	<b>-1.26</b>	<b>-3.60%</b>
VI	<b>Tax expenses :</b>						
	Current tax	0	0.00	0.00%	0	0.00	0.00%
VII	<b>Profit / (Loss) for the period ( V- VI )</b>	<b>-7031.64</b>	<b>-4.57</b>	<b>-15.67%</b>	<b>-1934</b>	<b>-1.26</b>	<b>-3.60%</b>