



 **BANG OVERSEAS Ltd.**

ANNUAL REPORT

2011-2012

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CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Venugopal Bang	Chairman
Mr. Brijgopal Bang	Managing Director
Mr. Viswanath Cheruvu	Independent Director
Dr. Mithilesh Kumar Sinha	Independent Director
Mr. Vijay Ajgaonkar	Independent Director
Mr. Krishnakumar Bang	Non - Executive Director

COMPANY SECRETARY & COMPLIANCE OFFICER

Ms. Jalpa Harshad Salvi

STATUTORY AUDITORS

M/s. Rajendra K. Gupta & Associates
Room No. 3, Kshipra Society,
Akurli Cross Road No. - 1,
Kandivali (East),
Mumbai - 400 101.
Tel.: (022) 28874879
E-mail: rk.gupta@hawcoindia.com

PRACTICING COMPANY SECRETARIES

M/s. Kothari H. & Associates
208, 2nd Floor,
BSE Building, Dalal Street,
Fort,
Mumbai 400 001.
Tel.: (022) 6637 7764
E mail: hiteshkotharics@yahoo.co.in

INTERNAL AUDITORS

FRG & Company,
Chartered Accountants,
Office no. 303, Ratan Galaxie,
J. N. Road, Mulund (W), Mumbai 400080
E-mail: rajeshtiwari@frgglobal.com

BANKERS

BANK OF INDIA
ORIENTAL BANK OF COMMERCE

REGISTERED OFFICE

Masjid Manor, II Floor,
Homi Modi Street,
Fort, Mumbai - 400 023
Tel: (022) 22043496

CORPORATE OFFICE

405-406, Kewal Industrial Estate,
Senapati Bapat Marg,
Lower Parel (West)
Mumbai - 400 013.
Tel.: (022) 66607965
Fax: (022) 66607970

REGISTRAR & TRANSFER AGENT

Kary Computershare Pvt.Ltd.
Plot. No. 17-24, Vitthal Rao Nagar,
Madhapur, Hyderabad - 500 081
Tel: (91 40) 23431553
Email: Varghese@karvy.com

MANUFACTURING UNITS

Unit No. 1 - NCC
Plot No. 4, Apparel Park
Auto Nagar, Vadlapudi,
Visakhapatnam - 530 046,
India.

Unit No. 2 - FCC
19/2, 9th Main, Basavapura Village,
Begur Hobli, Electronic City Post,
Bangalore - 560 100,
India.

Unit No. 3 - RCC
1941/ A & 2011, Gramathana
Kacharakanahalli,
Hennur Main Road
Bangalore - 560 084

WAREHOUSES

Rajlaxmi Commercial Complex
Gala No. O-10/11/12, Mane Farm House,
Opp. Durgesh Park, Kalher Village,
Bhiwandi - 421 302

Rajlaxmi Commercial Complex
Gala No. BD-102/103/107,
Opp. Durgesh Park, Kalher Village,
Bhiwandi - 421 302

Reunion Clothing Company
Plot No. Z-5, Phase II, VSEZ,
Dauvvada,
Visakhapatnam 530046 (A.P)

WEBSITE

www.banggroup.com

DIRECTORS' BIOGRAPHY

BRIJGOPAL BANG MANAGING DIRECTOR:

Mr. Brijgopal Bang is Commerce Graduate and also completed Master of Management Studies (MMS) from Bombay University in the year 1992. He is the promoter and Managing Director of the Company. He has been actively involved in the business of the Company since incorporation and has played a key role in the growth of the Company with his inputs in strategic planning and business development.

VENUGOPAL BANG CHAIRMAN AND EXECUTIVE DIRECTOR:

Mr. Venugopal Bang is a Commerce graduate and completed Chartered Accountancy course in the year 1981. He is the promoter and Chairman of our Company. He started his career by joining his own family business of trading of paper and jute products, and also into investment / trading of securities in the capital market. In 1992, He along with Mr. Brijgopal Bang and others laid down the foundation of Bang Overseas Ltd and with his constant dedication have brought the Company to this echelon.

MR. VISWANATH CHERUVU NON-EXECUTIVE & INDEPENDENT DIRECTOR:

Mr. Viswanath Cheruvu is a fellow member of the Institute of Chartered Accountants of India. He is a Practicing Chartered Accountant and partner in M/s. Cheruvu & Associates, Hyderabad. He has been practicing for over 25 years in the field of Taxation and Finance

DR. M. K. SINHA NON - EXECUTIVE & INDEPENDENT DIRECTOR:

Dr. M.K. Sinha is a Doctorate in Operation Research and has done his Masters in Mathematics. He retired as the Chairman & Managing Director of State Bank of India (SBI) in 1995 after serving the bank for almost 39 years. He Over his period of service with the SBI, he has been involved in critical areas like management audit, human resource & organizational development, foreign exchange, fund management, financial restructuring etc. He was a representative of SBI for the East European countries at Moscow for almost 4 years. He was on the Board of seven associate banks of SBI while working with the SBI.

MR. V.D. AJGAONKAR NON- EXECUTIVE & INDEPENDENT DIRECTOR:

Mr. V.D. Ajgaonkar is CAIIB, M.Com and LL.B. He served State Bank of India from 1979 to 1995 in different capacities and from 1996 to 2000; he was on deputation to SBI Capital Markets Limited. After serving SBI Capital Markets Limited, in February, 2000 he joined Times Guarantee Financial Limited and served their till March, 2004. He has experience of 32 years in Banking and Financial Management services with specialization in project finance, and other related capital market activities. He is a Non-Executive Director of the Company. He serves on the Boards of various Public/Private Limited Companies.

DIRECTORS' REPORT

The Members of BANG OVERSEAS LTD.

Your Director's present with immense pleasure, the TWENTIETH ANNUAL REPORT along with the Audited Statement of Accounts of the Company for the year ended 31st March 2012.

FINANCIAL HIGHLIGHTS

(Rs. In lacs)

Description	Stand Alone		Consolidated	
	Year Ended 31.03.12	*Year Ended 31.03.11	Year Ended 31.03.12	*Year Ended 31.03.11
Revenue	13723.79	14,267.71	17612.85	17243.40
Other Income	357.78	602.39	370.15	633.90
Total Expenditure	14075.2	14708.60	17987.23	17871.83
Earnings before Interest, Depreciation and Tax (EBIDT)	527.60	1039.82	577.76	1164.74
Less: Interest	397.81	392.24	443.93	416.89
Earnings Before Depreciation And Tax (EBDT)	129.79	647.58	133.83	747.85
Less: Depreciation	123.42	154.52	138.35	159.57
Profit before Tax (PBT)	6.37	493.06	(4.52)	1138.29
Tax Provision (Current, Deferred, FBT and Earlier Year adjustment)	16.45	293.7	16.06	303.74
Profit after Tax (PAT)	22.82	786.76	11.53	834.55

**Consequent to transfer of Retail Division of the Parent Company, the financial statements of the Group for the year ended 31 March 2012 does not include the operations of the Retail Division business and is therefore not strictly comparable with the figures of the previous year ended 31 March 2011.*

PERFORMANCE REVIEW

Stand Alone

Your Company has earned a Revenue of Rs. 13723.79 lakhs for the year ended 31st March, 2012. Also, the Total Expenditure of the Company has reduced from Rs. 14708.60 lakhs to Rs. 14075.20 lakhs leading to a reduction of 4.31% as compared to the last year. On account of the economic slowdown and unfavorable situations, the Company's Profit has reduced as compared to the last year but with the business expansion plans, the Management ensures the profit stability in the coming years.

Consolidated

The Consolidated Revenue of the Company has increased from Rs. 17243.40 lakhs in the previous year to Rs. 17612.85 Lakhs this year leading to a 2.14% increase showing a steady and good performance by the Group which has also lead to a very low increase in its Total Expenditure by 0.65% as compared to the previous year. On account of the unfavorable market conditions, your Company has made a profit of Rs. 11.53 lakhs as compares to a profit of 834.55 lakhs in the previous year.

Your Directors are hopeful of achieving better results in the coming years.

UTILIZATION OF IPO FUNDS

Brief particulars of Public Issue fund utilization as per revised approved objects of the Issue up to 31st March, 2012 is as follows:

Particulars	Amount (Rs. In lac) Revised deployment of funds*	Amount (Rs. in Lac) Utilized
General Corporate Purpose	1,016.80	1,016.75
Setting up of Retail Stores & Brand Building	1063.00	1063.00
Setting up of Apparel Manufacturing Unit at Kolar District, Karnataka	0.25	0.25
Setting up Apparel Manufacturing unit in the state of Karnataka and Andhra Pradesh	1420.00	1238.75
Setting up of Apparel Manufacturing unit at Visakhapatnam, Andhra Pradesh	1500.00	191.82
Entering into Joint Venture / Acquisition of existing set up in India or elsewhere, which are engaged in the similar business	750.00	124.31
Warehousing and logistic facilities	400.00	-
Setting up of Design, Display and Sampling unit	579.75	233.16
Share Issue Expenses	515.20	515.20
Working Capital	-	2861.76
Expansion of Existing Business	-	-
Total Fund Utilized	7245.00	7245.00

Total IPO proceeds of Rs. 7245 lacs have been utilized as per the details mentioned in the above-mentioned table.

*The Company has amended the Objects of utilization of IPO Proceeds at its Annual General Meeting of its members held on 30th September 2009 by way of a Special Resolution. The Company had also modified the objects of the issue and reallocated the Unutilized issue Proceeds in its last Annual General Meeting.

DIVIDEND AND TRANSFER TO RESERVES

Your Company is undertaking some expansion plans and in order to meet the financial requirements for these plans, your Director's propose to plough back the profits and do not recommend any dividend for the year 2012-13. No amount is proposed to be transferred to Reserves.

The Register of Members and Share Transfer Books will remain closed from 27th September, 2012 to 29th September, 2012, both days inclusive. The Annual General Meeting of the Company will be held on 29th September, 2012.

BUSINESS & OPERATIONS:

DOMESTIC:

SPECIAL ECONOMIC ZONE

The Civil Construction for Logistic centre is operational at Visakhapatnam Special Economic Zone (VSEZ) and the Manufacturing process will start in the second phase based on the market conditions. Your Company will soon start the construction at Visakhapatnam (APIDC) on a 1 (one) acre plot of APIDC for Manufacturing and Logistics Activities.

DEMERGER

During the financial year, the Retail Division of your Company under the Brand "THOMAS SCOTT" has got demerged in Thomas Scott (India) Limited ("TSIL"), pursuant to which 3,39,00,000 Equity Shares having face value of Rs. 10/- each of TSIL got listed and traded on The National Stock Exchange of India Limited and The Bombay Stock Exchange Limited on January 30, 2012.

ACQUISITION

Your Company has acquired a Part IX Company called “A. S. Raiment Private Limited” which is into Shirt Manufacturing Textile Business at Visakhapatnam, Andhra Pradesh and have completed all the necessary Documentation Work/Formalities with respect to the same.

The aforesaid Company is the Subsidiary of your Company as 99.99% stake in the aforesaid Company is held by Bang Overseas Limited. Moreover, your Company’s Plot of APIDC is adjacent to the building of the acquired Company.

OVERSEAS INVESTMENTS/ACQUISITIONS:

Your Company has 2 (Two) Wholly Owned Subsidiaries namely Bang Europa S. R. O. at Slovakia and Bang HK Limited at Hong Kong in order to expand its business activities.

Also, in order to establish a place in International Market by way of formation and acquisition of business set up abroad, Bang HK Limited has incorporated its Subsidiary known as “Bang & Scott LLC” at Macedonia and is planning to remit money to the subsidiary towards its Share Capital.

CONSOLIDATED FINANCIAL STATEMENTS

In accordance with the applicable Accounting Standards AS 21 on Consolidated Financial Statements read with AS 23 on Accounting of Investments in Associates, your Director’s provide the Audited Consolidated Financial Statements in this Annual Report.

Business Outlook, Operations and Performance are discussed in detail in the Management Discussion & Analysis forming a part of this Report and have not been incorporated here to avoid repetition.

SUBSIDIARY COMPANIES:

As on March 31, 2012, the Company has following subsidiaries:

1. Vedanta Creations Limited
2. Bang Europa S.R.O
3. Bang HK Limited
4. Bang & Scott LLC (Step Down Subsidiary)

Pursuant to the Demerger, Thomas Scott (India) Limited, which was earlier a Wholly Owned Subsidiary of the Company, now ceases to be the same on account of the cancellation of the Old Equity Share Capital held by your Company in Thomas Scott (India) Limited.

In terms of the general exemption granted by the Central Government vide their General Circular No.2/2011 dated 8th February 2011 under Section 212(8) of the Companies Act, 1956, the Balance Sheet, Profit and Loss Account and other documents of the subsidiary companies are not being attached with the Balance Sheet of the Company. The Company will make available the Annual Accounts of the subsidiary companies and the related detailed information to any member of the Company who may be interested in obtaining the same. The annual accounts of the subsidiary companies will also be kept open for inspection at the Registered Office of the Company and that of the respective subsidiary companies. The Consolidated Financial Statements presented by the Company include the financial results of its subsidiary companies.

DIRECTOR'S

In terms of the provisions of Sections 255 and 256 of the Companies Act, 1956 and the Articles of Association of the Company, Mr. Vijay Ajgaonkar retire by rotation at the ensuing Annual General Meeting and, being eligible, have offered themselves for re-appointment. Brief resumes of the Directors proposed to be re-appointed, nature of their expertise in specific functional areas and names of companies in which they hold Directorships and Memberships / Chairmanships of Board Committees, as stipulated in Clause 49 of the Listing agreement with the Stock Exchanges are provided as an attachment of the notice calling the Annual General Meeting.

MANAGEMENT DISCUSSION AND ANALYSIS

Management Discussion and Analysis of the financial condition and results of the operations of the Company for the year under review, as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges., is presented in a separate section forming part of the Annual Report.

STATUTORY AUDITORS

M/s. Rajendra K. Gupta & Associates, Chartered Accountants, the retiring Statutory Auditors of the Company, hold office until the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment.

The Company has received a confirmation from the Auditors to the effect that their re-appointment, if made would be within the prescribed limits under Section 224(1B) of the Companies Act, 1956 and that they are not disqualified for such re-appointment within the meaning of Section 226 of the said Act.

M/s. Rajendra K. Gupta & Associates, Chartered Accountants retire at the ensuing Annual General Meeting and according to a certificate received from them under Section 224(1B) of the Companies Act, 1956 are eligible for re-appointment. Your Directors recommend their re-appointment as the Statutory Auditors of the Company.

AUDITOR'S REPORT

The observations made in the Auditor's Report, read together with the relevant notes thereon are self-explanatory and hence, do not call for any comments under Section 217 of the Companies Act, 1956.

CORPORATE GOVERNANCE

The Company is committed to maintain the highest standards of Corporate Governance and adhere to the Corporate Governance requirements set out by SEBI. The Company has implemented several best corporate governance practices as prevalent globally.

Your Company has complied with the requirements of Clause 49 of the Listing Agreement regarding Corporate Governance. A Report on the Corporate Governance and Practicing Company Secretary's Certificate on Compliance of Corporate Governance are annexed as a part of this Annual Report for the information of the Shareholder's. The Company has also obtained the requisite certificate from the Managing Director of the Company. The Managing Director's declaration regarding Compliance with Company's Code of Conduct for Directors and Senior Management Personnel forms a part of the Report on Corporate Governance.

PARTICULARS OF EMPLOYEES

In terms of the provisions of Section 217(2A) of the Companies Act, 1956, read with (Particulars of Employees) Rules 1975 as amended, the names and other particulars are required to be set out in the Annexure to the Directors' Report.

However, there were no Employees drawing Remuneration more than prescribed under Section 217 (2A) of the Companies Act, 1956. Therefore, your Company is not required to disclose such particulars.

FIXED DEPOSITS

During the year under review, the Company has not accepted any Deposit under Section 58A of the Companies Act, 1956, read with Companies (Acceptance of Deposits) Rules, 1975. As such, no amount of Principal or Interest is outstanding as on the Balance Sheet Date.

LISTING

At present, the Company's Equity Shares are listed at National Stock Exchange of India Limited and Bombay Stock Exchange Limited and the Company has paid the Listing fees to the above Exchanges for the year 2012-13.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, RESEARCH & DEVELOPMENT AND INNOVATION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Information relating to conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo as required under Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of the Particulars in the Report of Board of Directors) Rules, 1988 is given by way of Annexure I to this Report.

DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanation obtained by them, your Director's make the following statement in terms of Section 217(2AA) of the Companies Act, 1956:

- i. In the preparation of the annual accounts for the year ended March 31 2012, the applicable Accounting Standards read with the requirements set out under Schedule VI of the Companies Act, 1956 have been followed and there are no material departures from the same, if any;
- 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 view of the state of affairs of the Company at the end of the financial year and of the profit 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 the Companies 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 on a going concern basis

TRANSFER OF UNPAID / UNCLAIMED AMOUNTS TO INVESTOR EDUCATION PROTECTION FUND (IEPF)

During the year, there were no amounts which remained unpaid / unclaimed for a period of 7 years and which were required to be transferred by the Company to the Investor Education and Protection Fund established by the Central Government pursuant to Section 205C of the Companies Act, 1956.

ACKNOWLEDGEMENT

Your Directors wish to place on record their appreciation for the commitment, dedication, devotion and contribution of the employees of the Company during the year.

Your Directors also express their gratitude to the bankers, government agencies, customers, suppliers, business Associates, shareholders and everyone who is directly or indirectly related to the Company for their co-operation and look forward to their continued support in the future.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

**Sd/-
VENUGOPAL BANG
CHAIRMAN**

**PLACE: Mumbai
DATE: August 27, 2012**

ANNEXURE I TO THE DIRECTOR'S REPORT

Statement Pursuant to Section 217 (1) (e) of the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 and forming part of the Directors' Report for the year ended 31st March, 2012.

(A) CONSERVATION OF ENERGY

The Company is constantly taking all necessary steps to minimize energy consumption as the Company has always been very conscious about the need for conservation of energy.

Disclosure of Particulars with respect to Conservation of Energy

"FORM A"

A. Power and fuel consumption

	Current year	Previous year
1. Electricity		
(a) Purchased		
Unit	2,70,570	3,60,352.00
Total Amount	15,83,054	24,68,542.00
Rate/ unit	5.85	6.85
(b) Own generation		
i) Through Diesel generator		
Unit	12,040	38,399.15
Units per ltr. Of Diesel Oil	3.00	3.00
Cost/ unit	14.95	13.89
ii) Through Steam turbine/ generator		
Units	Nil	Nil
Units per ltr. of fuel oil/ gas	Nil	Nil
Cost/ units	Nil	Nil
2. Coal (Bio Fuel)		
Quantity (tonnes)	54.91	69.2
Total Cost	2,36,490	2,99,096
Average Rate	4.31	4.32
3. Furnace Oil		
Quantity (k. Ltrs.)	Nil	Nil
Total Amount	Nil	Nil
Average rate	Nil	Nil
4. Others / internal generation		
Quantity	Nil	Nil
Total Cost	Nil	Nil
Rate/ unit	Nil	Nil

B. Consumption per unit of production

Particular	Standards (if any)	Current year	Previous year
		1	2
Electricity (generated)	-	0.73 KWH per piece	0.59 KWH Per piece
Furnae oil	-	Nil	Nil
Coal (specify quantity)	-	0.00016 ton per piece	0.00019 ton per piece
Others (specify)	-	Nil	Nil

(B) (i) TECHNOLOGY ABSORPTION & ADOPTION

The Company is continuously taking steps to upgrade the technology used presently so as satisfy its customers with the superior quality goods thereby saving its time so that the same can be used more effectively.

The Company believes in providing the best of best products with maximum satisfaction to its customers so it has always used advanced technology machines and advanced techniques in its day to day operations.

(ii) RESEARCH & DEVELOPMENT AND INNOVATION

In terms of Research and Development and innovation, it is the Company's constant endeavor to be more efficient and effective planning of construction activities for achieving and maintaining the highest standard of quality.

(C) FOREIGN EXCHANGE EARNINGS AND OUTGO:

The Company is in the business of Exports and strongly promotes export related activities continuously.

		<i>(Rs. In Lakhs)</i>	
		<u>2011-12</u>	<u>2010-11</u>
i)	Foreign Exchange Earned	2248.32	1790.46
ii)	Foreign Exchange Used	6917.73	5871.15

“REPORT ON CORPORATE GOVERNANCE”

The Report on Corporate Governance, for the financial year April 1, 2011 to March 31, 2012 as per the format prescribed by SEBI and incorporated in Clause 49 of the Listing Agreement is set out as below:

1. COMPANY’S PHILOSOPHY ON CORPORATE GOVERNANCE

Bang Overseas Limited (BOL) believes in maximizing its stakeholders’ value and continuously strives to increase the efficiency of the operations as well as the systems and processes for use of corporate resources in such a way that it protect the interests of its shareholders and maintains their confidence too. Your company firmly believes and has consistently practiced good corporate governance. BOL’s policy is reflected by the very values of transparency, professionalism and accountability.

Your Company constantly strives towards betterment of these aspects and thereby perpetuate it into generating long term economic value for its shareholders, customers, employees, other associated persons and the society as a whole. Our core values are based on integrity, respect for the law and compliance thereof, emphasis on product quality and a caring spirit.

2. BOARD OF DIRECTORS

a) *Composition*

The Board of BOL has an optimum combination of Executive, Non-Executive and Independent Directors. The Chairman being an Executive Director, as per Listing Agreement, half of the Board should comprise of Independent Directors. Therefore, the Company should have minimum 3 (Three) Independent Directors. As on 31st March 2012, the Board comprised of five (5) Directors, out of which 2 (Two) were Executive and 3 (Three) were Independent Directors. There is No Institutional Nominee on the Board. Details and Brief Particulars of the Directors retiring by rotation are provided along with the Notice calling the Annual General Meeting and therefore forms a part of this Annual Report.

Category	Name of the Director
Promoter / Chairman & Director-Executive	Mr. Venugopal Bang
Promoter / Managing Director	Mr. Brijgopal Bang
Non Executive and Independent Director	Mr. Viswanath Cheruvu
Non Executive and Independent Director	Dr. Mithilesh Kumar Sinha
Non Executive and Independent Director	Mr. Vijay Ajgaonkar

Pursuant to the provisions of the Companies Act 1956, Mr. Vijay Ajgaonkar retire by rotation and being eligible, offer themselves for re-appointment.

None of the Directors on the Company’s Board is a member of more than 10 (Ten) Committees and Chairman of more than 5 (Five) Committees across all the companies in which he is a Director. All the Directors have made necessary disclosures regarding the Committee positions held by them in other Companies. Also none of the Directors on the Board hold office as a Director in more than 15 companies at a time.

The requisite information as enumerated in Annexure IA to Clause 49 of the Listing Agreement is being made available to the Board for their discussion and consideration. The maximum time gap between two Board Meetings did not exceed 4 months

b) Board Procedure

The Directors of the Company are informed about the Agenda of the Board Meetings and Committee Meetings, containing relevant information/ supporting data, as required well in advance, to enable the Board to take informed decisions and be well – prepared. Statutory Auditors are also requested to attend the Board or Committee Meeting as and when required. When deemed expedient, the Board also approves by circular resolution important items of business which are permitted under the Companies Act, 1956, and which cannot be postponed till the next Board Meeting.

Matters discussed at the Board Meeting generally relate to the Company’s performance, quarterly results of the Company, utilization of IPO Proceeds, approval of related-party transactions, General Notice of Interest of Directors, Review of the Reports of the Internal Auditors, Compliance with their Recommendations, Suggestions, Compliance of any Regulatory, Statutory or Listing requirements, etc.

c) Number of Board Meetings

During the year, Ten Board Meetings were held. These were on 13th May, 2011, 11th June, 2011, 20th June, 2011, 12th August, 2011, 31st August, 2011, 14th November, 2011, 26th November, 2011, 10th January, 2012, 14th February, 2012 & 06th March, 2012.

d) Director’s Attendance Record and Directorships:

Name of Director	Category	No. of meetings held	No. of meetings attended	Whether attended last AGM	No. of directorships of public limited companies	No of Shares held in the Company
Mr. Brijgopal Bang (Managing Director)	Promoter Director	10	8	Yes	3	15,21,000
Mr. Venugopal Bang (Chairman)	Promoter Director	10	10	Yes	3	27,06,600
Mr. Viswanath Cheruvu (Independent Director)	Non Executive & Independent Director	10	1	No	2	Nil
Dr. M K Sinha (Independent Director)	Non Executive & Independent Director	10	4	Yes	6	Nil
Mr. V. D. Ajgaonkar (Independent Director)	Non Executive & Independent Director	10	7	Yes	6	Nil

e) Information Supplied to the Board

Amongst others, information supplied to the Board includes:

- Quarterly Results of the Company and its Operating Divisions,
- Minutes of Meetings of Audit Committee and other Committees of the Company,
- Minutes of the Previous Board Meetings of its Subsidiary Companies,
- Details with respect to the Operations of the Subsidiary Companies,
- Materially important show cause, demand, prosecution and penalty notices,
- Fatal or serious accidents or dangerous occurrences,
- Any materially relevant default in financial obligations to and by the company,
- Non-payment for goods sold by the company,
- Any issue which involves possible public or product liability claims of a substantial nature,
- Details of any joint venture or collaboration agreement,
- Sale of material nature of investments, subsidiaries, assets, which is not in normal course of business,
- Quarterly details of foreign exchange exposures and the steps taken by management to limit the risks of adverse exchange rate movement; and
- Non-compliance of any regulatory, statutory or listing requirements,
- Details of the Investments made in the Subsidiaries abroad,
- Related Party Transactions and Register u/s 301 of the Companies Act, 1956,
- Investor Grievances and Redressal Status,
- Compliance of the SEBI (SAST) Regulations from time to time,
- Risk Assessment & Minimization Procedures,
- Internal Audit Certificate,
- Abstracts of Circular Resolutions passed,
- Performance of the Company and Business Plans /Strategies

The Board is presented with detailed Notes along with the Agenda papers giving in detailed and comprehensive information on the related subject well in advance of the Meeting.

f) Directors with Materially Pecuniary or Business Relationship with the Company

There have been no materially pecuniary transactions or relationship between the Company and its Non-Executive and/or Independent Directors during the year 2011-12.

g) Post - Meeting Governance

The Company follows a Post-Meeting Governance System wherein effective post-meeting follow-up, review and reporting process on the actions taken, discussions on the tasks to be undertaken as per the meeting, Status on the pending tasks as decided and discussed in the Meeting, Application of the Recommendations/Suggestions as extended at the Board Meeting and working on the rectification of mistakes, if any, pointed out at the Meeting is undertaken.

Also, the Minutes of the Meetings of the Board and its Committees are individually circulated to all the Directors and after due discussions, confirmed at the subsequent Meeting. The Minutes of the Board Meetings of the Subsidiary Companies are also circulated to all Directors for discussion at the subsequent Board Meeting of the Company.

3. CODE OF CONDUCT

The Board of Directors has laid down a Code of Conduct (Copy available on the Company's Website), applicable to all Board Members and Senior Management Personnel of the Company ("Directors" and "Officers" of the Company). All the Directors & Officers have confirmed compliance with the aforesaid Code of Conduct. A Declaration by Managing Director affirming the Compliance with the Code of Conduct by the Directors & Officers of the Company is annexed at the end of this Report.

4. AUDIT COMMITTEE

The primary objective of the Audit Committee is to overview and maintain a financial oversight and an eye on the Financial Processes/Controls/Reporting Systems of the Company in order to ensure accurate, timely, relevant disclosures along with proper transparency, clarity, integrity and quality of Financial Reporting. The Audit Committee acts a Link between the Statutory and the Internal Auditors of the Company.

a) Composition

The Audit Committee of the Company consists of qualified and Non-Executive Directors.

Sr. No.	Name of the Director	Designation
1	Mr. Viswanath Cheruvu, Non-Executive Independent Director	Chairman
2	Dr. Mithilesh Kumar Sinha, Non-Executive Independent Director	Member
3	Mr. Vijay Ajgaonkar, Non-Executive Independent Director	Member

All the members of the Audit Committee possess strong accounting and financial management expertise.

The Company Secretary acts as a Secretary to the Committee.

b) Terms of Reference

The role and terms of reference of the Audit Committee cover the matters specified for Audit Committees under Clause 49 of Listing Agreement as well as in Section 292A of the Companies Act, 1956 which are as follows:

- * Overseeing of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial information is correct, sufficient and credible;
- * Reviewing with management the annual financial statement before submission to the Board, focusing primarily on;
 1. Matters required to be included in the Directors Responsibility Statement included in the report of the Board of Directors;
 2. Any changes in accounting policies and practices;
 3. Major accounting entries based on exercise of judgment by management;
 4. Qualifications in draft statutory audit report;
 5. Significant adjustments arising out of audit;
 6. Compliance with listing and other legal requirements concerning financial statements;
 7. Any related party transactions.
- * Reviewing with the management the quarterly financial statements before submission to the Board for approval.
- * Reviewing with the management, statutory auditors, the adequacy of internal control systems;
- * Reviewing the adequacy of internal audit function, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- * Discussion with internal auditors any significant findings and follow up thereon;
- * Reviewing the findings of any internal investigations by the internal auditors in matters where there is suspected fraud or irregularity, or a failure of internal control systems of a material nature, and reporting the matters to the Board;

- * Discussion with Statutory auditors before the audit commences about nature and scope of audit, as well as post-audit discussion to ascertain any area of concern;
- * Carrying out any other function as is mentioned in the terms of reference of the audit committee;
- * Review the following information:
 - a. Management discussion and analysis of financial condition and results of operations;
 - b. Internal audit reports relating to internal control weakness;
 - c. Management letters/letters of internal control weakness issued by statutory/internal auditors;
 - d. Statement of significant related party transactions; and

The Audit Committee has the following powers:

- a. To investigate any activity within its terms of reference.
- b. To seek any information from any employee.
- c. To obtain outside legal and professional advice.

To secure attendance of outsiders with relevant expertise, if it considers it necessary.

c) Meetings and Attendance during the year 2011-12

Audit Committee met 5 (Five) Times during the year 2011-2012 on 13th May, 2011, 12th August, 2011, 31st August, 2011, 14th November, 2011 & 14th February, 2012 and the Attendance record is as per the table given below:

Name of the Director	Number of Meetings	Meeting/s Attended
Mr. Viswanath Cheruvu	5	1
Dr. Mithilesh Kumar Sinha	5	4
Mr. Vijay Ajgaonkar	5	5

At the Invitation of the Company, the Managing Director, the Executive Director and Chairman of the Company, Representatives from various Divisions of the Company and Internal Auditor also attended the Audit Committee Meetings to respond to queries raised at the Committee meetings.

d) Internal Auditors

The Company re-appointed FRG & Company, Chartered Accountants, as the Internal Auditors for the financial year 2012-13 to review the Internal Control Systems of the Company and to report thereon. The Report of the Internal Auditor is reviewed by the Audit Committee.

5. SHARE TRANSFER CUM SHAREHOLDERS'/INVESTOR'S GRIEVANCE COMMITTEE

The Share Transfer cum Shareholders' /Investor's Grievance Committee specifically looks into the transfer of shares and related matters, redressing the complaints of Shareholders and Investors such as Transfer of Shares, non- receipt of Balance Sheet, non-receipt of Annual Report, non-receipt of Declared Dividends and Dematerialization of Shares and other related matters.

a) Composition

The Committee comprises of the following members:

Sr. no.	Name	Designation
1	Mr. Vijay Ajgaonkar, Non-Executive Independent Director	Chairman
2	Mr. Brijgopal Bang, Managing Director	Member
3	Mr. Venugopal Bang, Chairman and Executive Director	Member

b) Terms of Reference

The Share Transfer cum Shareholders' /Investor's Grievance Committee particularly ensures the efficient Transfer / Transmission of Shares and Debentures, Redressal of Shareholder and Investor Complaints, Issue of Duplicate / Split / Consolidated Share Certificates and such other matters as entrusted to it at the Board Meeting of the Company dated 4th May 2009.

c) Meetings of the Committee for 2011-2012

Share Transfer cum Shareholders' /Investor's Grievance Committee met 5 (Five) Times during the year 2011-12 on 13th May, 2011, 12th August, 2011, 14th November, 2011, 14th February, 2012 & 6th March, 2012 and the Attendance record is as per the table given below:

Name of the Director	No. of Meetings	Meeting/s Attended
Mr. V.D. Ajgaonkar	5	5
Mr. Brijgopal Bang	5	5
Mr. Venugopal Bang	5	5

d) Complaints

Details of Investor Complaints received during the financial year ended 31st March 2012 are as follows:

Nature of Complaint Received	Beginning of year	Received During The year	Resolved During the year	Pending at the end of year
Application lodged for IPO	0	0	0	0
Non-receipt of Electronic credit0	0	0	0	
Non-receipt of Refund Order	0	0	0	0
TOTAL	0	0	0	0

5. MANAGEMENT & FINANCE COMMITTEE

a) Composition:

The Management & Finance Committee of the Board consists of the following Directors:

Sr. No.	Name	Designation
1	Mr. Brijgopal Bang - Managing Director	Chairman
2	Mr. Venugopal Bang - Executive Chairman	Member
3	Mr. Jaydas Dighe - Vice President - Finance	Member

b) Terms of Reference:

The Management & Finance Committee has been formed by the Board of Directors and certain powers have been delegated by the Board of Directors to the Committee at the Meeting of Board of Directors held on January 30, 2010.

c) Meeting

During the year 2011-12, The Committee met 6 (six) times on 21st May, 2011, 15th October, 2011, 07th November, 2011, 14th January, 2012, 29th February, 2012 and 27th March, 2012

6. REMUNERATION COMMITTEE

a) Composition:

The Remuneration Committee of the Board consists of the following Directors:

Sr. no.	Name	Designation
1	Dr. Mithilesh Kumar Sinha, Non-Executive Independent Director	Chairman
2	Mr. Vijay Ajgaonkar, Non-Executive Independent Director	Member
3	Mr. Viswanath Cheruvu, Non-Executive Independent Director	Member

b) Terms of Reference:

The general objective of the Remuneration Committee is to determine and agree with the Board the framework or the broad policy for the remuneration for the Senior Management Personnel including the Managing Director & the Whole Time Director. It also measures the suitability of the performance measurement criteria for the Senior Management Personnel and also reviews the notice periods for Executive Directors employment contracts, administer employee benefit and incentive plans and administer stock option and other equity-based plans, etc.

c) Meeting:

During the year 2011-12, The Meeting of Remuneration Committee was held on August 31, 2011.

d) Remuneration:

During the financial year 2011-12, Remuneration paid to the Directors is as follows:

Name of the Director	Sitting Fees	Salaries and perquisites	Commission	Total
Mr. Venugopal Bang	Nil	Nil	Nil	Nil
Mr. Brijgopal Bang	Nil	24, 00,000	Nil	24, 00,000
Mr. Viswanath Cheruvu	5,000	-	-	5,000
Mr. Mithilesh Kumar Sinha	40,000	-	-	40,000
Mr. Vijay Ajgaonkar	35,000	-	-	35,000

e) Remuneration Policy:

The Remuneration Policy approved by the Board of Directors, inter alia, provides that the Salary & Commission to Executive Directors and Sitting Fee & Commission to Non- Executive Directors should not exceed the limits as prescribed under the Companies Act, 1956.

No Sitting Fee to be paid to Executive Directors for attending the Board / Committee Meetings.

6. GENERAL BODY MEETINGS

a) Date, time and venue for the last three Annual General Meetings (AGM)

Financial year	Date	Time	Venue
2008-09	30/09/2009	10.00 A.M.	Maheshwari Bhavan, 603, Jagannath Shankar Seth Road, Mumbai - 400 002
2009-10	30/09/2010	10.00 A.M.	Maheshwari Bhavan, 603, Jagannath Shankar Seth Road, Mumbai - 400 002
2010-11	30/09/2011	9.45 A.M.	Maheshwari Bhavan, 603, Jagannath Shankar Seth Road, Mumbai - 400 002

b) Details of the Special Resolutions passed in the previous three AGMs

Special Resolutions

AGM held on September 30, 2009: At this Meeting, 2 (Two) Special Resolutions were proposed, seconded and passed with more than three-fourths majority on show of hands. First special resolution was with regard to maintaining the Register and Index of Members of the Company with M/s. Karvy Computershare Private Limited, Registrar and Transfer Agents at their office situated at 7, Andheri Industrial Estate, Off Veera Desai Road, Andheri (West), Mumbai - 400 05 and the second resolution was pertaining reallocation of Balance unutilized proceeds of IPO of the Company allocated for Setting up of Apparel Manufacturing unit at Visakhapatnam, Andhra Pradesh, Karnataka and at any other suitable place in Andhra Pradesh, setting up of design, display and sampling unit and entering into Joint Venture / Acquisition of existing set up in India or elsewhere, which are engaged in the similar business

AGM held on September 30, 2010: No Special Resolution was passed.

AGM held on September 30, 2011: At this Meeting, 2 (Two) Special resolutions were proposed, seconded and passed with more than three-fourths majority on show of hands. First resolution was with regard to the re-appointment of Mr. Brijgopal Bang, Managing Director of the Company for a period of five years with effect from 01/12/2011 to 30/11/2016 and the second resolution was regarding the reallocation of the unutilized issue proceeds of Rs. 2965 lakhs in part or in full.

Resolution/s passed through Postal Ballot

(b) Postal Ballot

No resolutions were required to be passed through Postal Ballot last year. Presently, there are no proposals to pass any Resolution by means of Postal Ballot.

7.DISCLOSURES

(i) Disclosure regarding materially significant related party transaction: -

The Register of Contracts containing the transactions in which Directors are interested is placed before the Board regularly for its approval. There are no materially significant related party transactions which have potential conflict with the interest of the Company at large. Details on material significant related-party transactions are given in the appended financial statement under Notes to the Accounts annexed to the Financial Statements.

(ii) Details of Penalties or Strictures

No Penalties or Strictures have been imposed on the Company by the Stock Exchanges or SEBI or any other Statutory Authority on any matter related to Capital Market.

iii) Whistle-Blower policy

The Company has not yet framed any Whistle Blower Policy but All the Employees of the Company have been granted access to the Audit Committee.

iv) Disclosure of Accounting Treatment in the preparation of the financial statements

The Company has followed Accounting Standards issued by the Institute of the Chartered Accountants of India, to the extent applicable.

v) Disclosure by Management to the Board

All Disclosures relating to Financial and All Commercial Transactions where Directors may have a potential Interest are provided to the Board, and the Interested Directors do not participate in the discussion nor do they vote on such matters.

vi) Disclosure of Risk Management

Though Identification and Evaluation of Business Risks is a continuous process but early risk identification and appropriate counter-measures have enabled the Company to reconcile creativity with industry. A Comprehensive Risk Warning System incorporates all the key aspects of Risk Management which enables the Company to identify and manage strategic and operational risks at the Individual, Management and Board levels. The detailed Risk Assessment and Minimization Process undertaken by the Company has been given in other section of this Report.

vii) Bang Insider Trading Policy

As per the Company's Insider Trading Policy and it's Code of Conduct, it observes a 'quiet period' from seven days prior to the event leading to / generating price sensitive information till 24 hours after the publication of such price sensitive information. The Company may also announce 'quiet period' during and after the occurrence of certain events as mentioned in the Insider Trading Policy and the Code of Conduct of the Company.

The Company is strictly monitoring its Insider Trading Policy.

The Company has also fulfilled a non-mandatory requirement as prescribed in Annexure I D to Clause 49 of the Listing Agreement with the Stock Exchanges, related to Remuneration Committee / Compensation Committee.

8. MEANS OF COMMUNICATION

- **Quarterly results:** Quarterly Results are published in accordance with the provisions of the Listing Agreement. The Results are published in English newspaper viz. Business Standard and in Marathi newspaper viz. Mumbai Lakhsadeep, Mumbai Edition.
- **Website:** BOL has its own web-site and all vital information relating to the Company and its Performance, including Quarterly Results, Shareholding Patterns, Annual Reports, Code of Conduct and Official News Releases is put on the web-site for the benefit of the public at large.

The Company's Web-site Address is www.banggroup.com.

- No formal presentations were made to the institutional investors and analysts during the year under Review.
- **Management Discussion and Analysis Report** forms a part of this Annual Report.

9. ADDITIONAL SHAREHOLDER INFORMATION

a) Annual General Meeting

Date : **Saturday, 29th September, 2012 at 09:00 A.M.**
Venue : **Garware Club House, Wankhede Stadium, Banquet Hall,
2nd Floor, "D" Road, Churchgate, Mumbai 400 020**

b) Financial Calendar (2011-12)

First Quarterly Results - Up to 14th August, 2011
Second Quarterly Results - Up to 14th November, 2011
Third Quarterly Results - Up to 14th February, 2012
Fourth Quarterly Results - Up to 14th May, 2012

c) Book Closure

The Register of Members and the Share Transfer Books of the Company will remain closed from Thursday, 27th September, 2012 to Saturday, 29th September, 2012 (both days inclusive).

d) Dividend payment date

Not applicable.

e) Listing

At present the Company's Equity Shares are listed at National Stock Exchange of India Limited and Bombay Stock Exchange Limited and the Company has paid the Listing fees to the above Exchanges for the year 2012-2013.

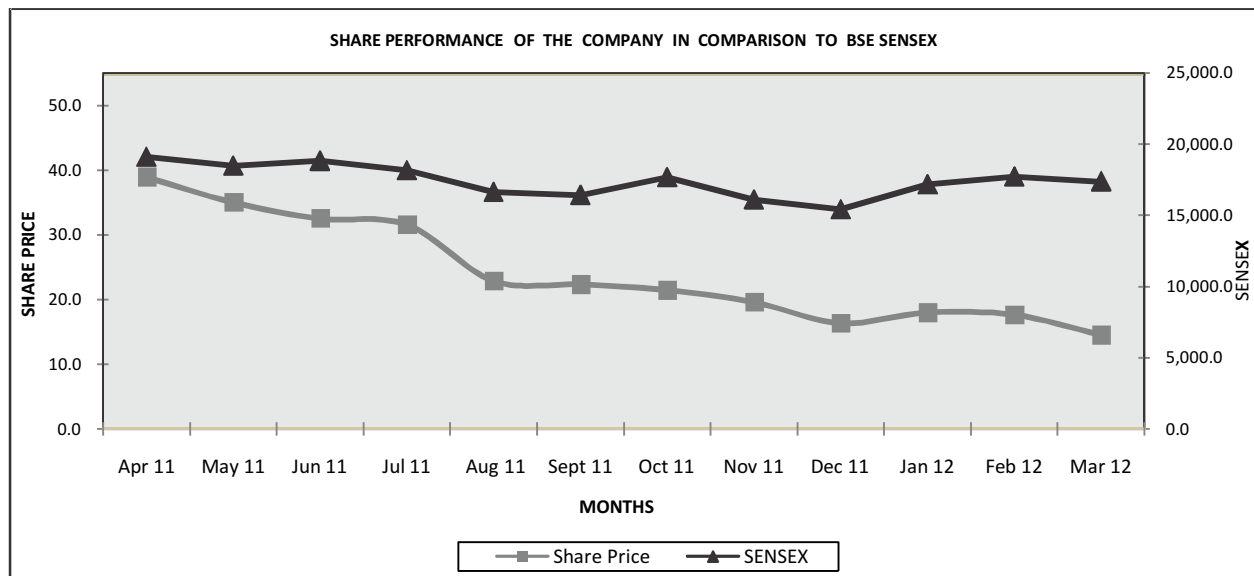
Stock Codes

- **BSE: 532946 (Scrip Code) BANG (Scrip ID)**
- **NSE: BANG (Symbol)**
- **Demat ISIN No. for NSDL and CDSL - INE863I01016**

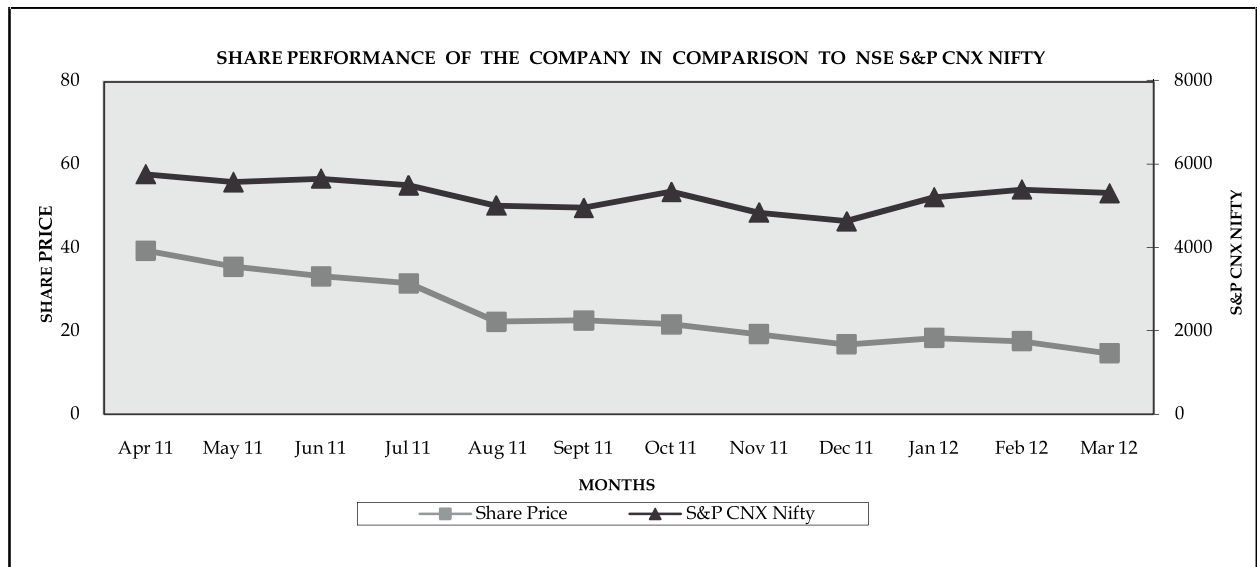
f) Stock Data

The Table below gives the Monthly High and Low Prices and Volumes of the Company's Equity Shares at Bombay Stock Exchange (BSE) and National Stock Exchange (NSE), Mumbai for the year 2011-12:

BANG OVERSEAS LIMITED					BSE SENSEX		
	High	Low	Close	No. of Shares traded	High	Low	Close
Month	(Rs.)	(Rs.)	(Rs.)		(Rs.)	(Rs.)	(Rs.)
Apr 11	45.50	37.00	38.95	2,10,268	19,811.14	18,976.19	19,135.96
May 11	40.70	34.00	35.05	56,661	19,253.87	17,786.13	18,503.28
June 11	36.85	30.30	32.55	51,249	18,873.39	17,314.38	18,845.87
July 11	39.05	31.00	31.60	3,13,570	19,131.70	18,131.86	18,197.20
Aug 11	37.00	18.00	22.90	2,29,959	18,440.07	15,765.53	16,676.75
Sept 11	28.85	21.05	22.35	53,342	17,211.80	15,801.01	16,453.76
Oct 11	23.70	20.10	21.45	18,706	17,908.13	15,745.43	17,705.01
Nov 11	22.00	16.35	19.60	47,511	17,702.26	15,478.69	16,123.46
Dec 11	21.00	13.00	16.35	53,507	17,003.71	15,135.86	15,454.92
Jan 12	19.00	15.35	18.00	19,901	17,258.97	15,358.02	17,193.55
Feb 12	20.50	17.00	17.65	41,971	18,523.78	17,061.55	17,752.68
Mar 12	18.20	14.05	14.55	30,397	18,040.69	16,920.61	17,404.20



BANG OVERSEAS LIMITED				NSE S&P CNX Nifty			
	High	Low	Close	No. of Shares traded	High	Low	Close
Month	(Rs.)	(Rs.)	(Rs.)		(Rs.)	(Rs.)	(Rs.)
Apr 11	40.50	38.65	39.2	5782.00	5804.30	5706.05	5749.50
May 11	35.95	35.25	35.30	1045.00	5571.60	5489.70	5560.15
June 11	34.00	32.50	33.10	11059.00	5657.90	5606.10	5647.40
July 11	31.85	31.15	31.35	818.00	5520.30	5453.95	5482.00
Aug 11	23.75	22.00	22.15	1717.00	5016.25	4927.55	5001.00
Sept 11	23.90	21.75	22.45	2195.00	5025.55	4924.30	4943.25
Oct 11	22.20	21.25	21.55	805.00	5360.25	5314.60	5326.60
Nov 11	20.00	17.55	19.20	2897.00	4851.55	4754.80	4832.05
Dec 11	17.00	15.00	16.65	1338.00	4690.45	4608.90	4624.30
Jan 12	18.90	17.30	18.20	947.00	5215.40	5120.15	5199.25
Feb 12	18.05	17.00	17.50	247.00	5458.80	5352.25	5385.20
Mar 12	15.85	14.10	14.55	1425.00	5307.10	5203.65	5295.55



h) Shareholding Pattern

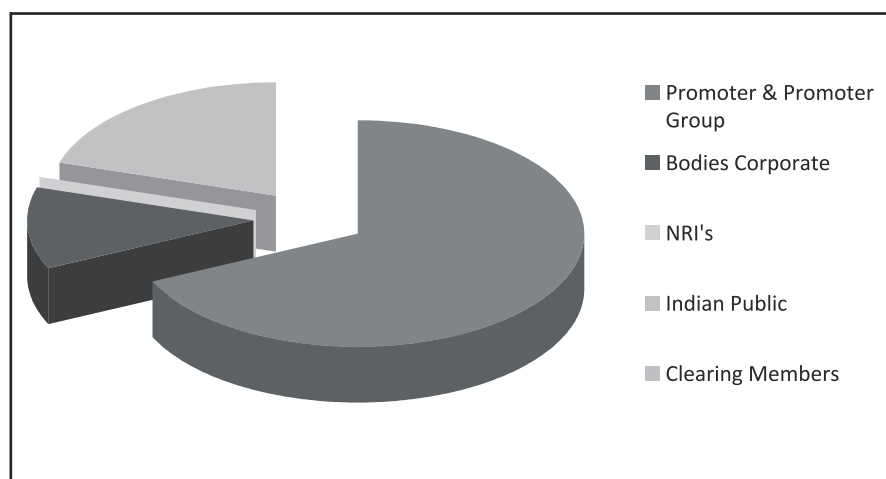
The Table below gives the pattern of Shareholding by ownership and share class respectively:

a. Shareholding Pattern by ownership as on 31st March, 2012:

Category	No. of shares held	Shareholding %
Promoters & promoter group	9228740	68.06
Bodies Corporate	1453545	10.72
NRI's	21022	0.16
Indian Public	2854996	21.05
Clearing members	1697	0.01
TOTAL	13,560,000	100.00

b. Pattern of shareholding by share class as on 31st March, 2012

Category No of Equity Shares (1)	Share Holders		Share Amount	
	Number (2)	% to Total (3)	(In Rs.) (4)	% to Total (5)
Upto - 5000	5354	86.27	7276000	5.37
5001 - 10000	434	6.99	3536480	2.61
10001 - 20000	182	2.93	2733000	2.02
20001 - 30000	68	1.10	1694330	1.25
30001 - 40000	29	0.47	1048380	0.77
40001 - 50000	36	0.58	1717800	1.27
50001 - 100000	46	0.74	3467850	2.56
100001 & above	57	0.92	114126160	84.16
Total	6206	100.00	135600000	100.00



i) Dematerialisation

The Company's Equity Shares are under compulsory Demat trading. The ISIN of the Scrip is INE863I01016.

As on 31st March, 2012, Dematerialized shares accounted for 91.48% of the Total Equity.

Karvy Computershare Private Limited, the Registrars & Transfer Agents handles the Physical Share Transfer related work and Electronic connectivity as well.

j) Details of Public Funding Obtained in the Last Three Years

There is no Public Funding obtained by the Company in the Last Three Years whereas the Company went for an IPO during the year 2007-08 and 35,00,000 Equity Shares of Rs.10/- each were issued at a premium of Rs. 197/- aggregating to Rs.7,245 lacs. The Company's shares are listed and traded at the Bombay Stock Exchange and National Stock Exchange. Utilization of Proceeds from the Issue is given elsewhere in this Annual Report.

k) Registrar and Share Transfer Agents

M/s. Karvy Computershare Private Limited has been appointed as one-point agency, for dealing with shareholders, to handle the Physical Share Transfer related work and for Electronic Connectivity as per the directives of SEBI. The Company's Equity Shares are traded at the Stock Exchanges compulsorily in Demat mode. For transfer of shares in physical form, the Company has introduced transfer cum demat facility to avoid unnecessary mailing of certificates. Certificates duly transferred are returned to those, who opt to receive certificates in physical form. There are no legal proceedings against the Company on any share transfer matter.

Shareholders correspondence should be addressed to the Company's Registrar & Share Transfer Agent at the address mentioned below:

Karvy Computershare Private Limited

Plot no. 17-24 Vittal Rao Nagar,
Madhapur, Hyderabad - 500081

Tel: (91 40) 44655000

Fax: (91 40) 2343 1551

E-mail : einward.ris@karvy.com

Website: www.karvy.com

Contact person: Mr. P.A. Varghese

l) Investor Correspondence Address

Shareholders can contact the Company Secretary for share/secretarial related matters of the Company at the below mentioned address:

Secretarial Department:

COMPANY SECRETARY & COMPLIANCE OFFICER

Ms. JALPA H. SALVI

BANG OVERSEAS LIMITED

405-406, Kewal Industrial Estate, 4th Floor,
Senapati Bapat Marg, Lower Parel (W),
Mumbai -400 013, India

Tel.: 022- 66607965

Fax: 022-66607970

E-mail: cs@banggroup.com

m) Subsidiary Companies

The Company has one material non - listed Indian Subsidiary Company, namely "Vedanta Creations Limited" and has appointed one Independent Director of the Company on the Board of the said Subsidiary. Further, the Audit Committee of the Company also reviews the financial statements, in particular, the investments made by the aforesaid Unlisted Subsidiary Company.

It has also acquired a Part IX Company called as A.S. Raiment Limited based at Vishakhapatnam in which your Company holds 99.99% stake, making the aforesaid Company its Subsidiary.

The Company has 2 (Two) more Wholly Owned Subsidiaries incorporated outside India (Foreign Body Corporates) known as "Bang Europa s.r.o. (incorporated on 12/11/2010) and Bang HK Ltd. (incorporated on 12.10.2010) based at Slovakia and Hong Kong respectively.

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL HIGHLIGHTS:

- Reduction in the Total Expenditure from Rs. 1,470,863,786/- to Rs. 1,407,520,600/-
- Growth in Other Operating Revenue from Rs. 7,774,567/- to Rs. 8,043,102/-
- Reduction in Inventories from Rs. 409,636,689/- to 233,585,754/-

INDUSTRY STRUCTURE AND DEVELOPMENTS:

The Indian textile industry is one of the largest in the world with a massive raw material and textiles manufacturing base. Our economy is largely dependent on the textile manufacturing and trade in addition to other major industries. About 27% of the foreign exchange earnings are on account of export of textiles and clothing alone. The textiles and clothing sector contributes about 14% to the industrial production and 3% to the gross domestic product of the country. Around 8% of the total excise revenue collection is contributed by the textile industry. So much so, the textile industry accounts for as large as 21% of the total employment generated in the economy. Around 35 million people are directly employed in the textile manufacturing activities. Indirect employment including the manpower engaged in agricultural based raw-material production like cotton and related trade and handling could be stated to be around another 60 million.

The Indian textile industry is one of the major sectors of Indian economy and contributes almost 14 per cent of India's industrial production, 4 per cent of National GDP and almost 17 per cent of India's export earnings.. The Indian textile industry can be divided into a number of segments such as cotton, silk, woolen, readymade, jute and handicraft.

As per the annual report 2010-11 of Ministry of Textiles, the size of Indian textile sector is expected to be USD 55 billion. Further, during FY12, the textile exports are expected to remain in the range of USD 28-30 billion. The textile exports are estimated to be around USD 18 billion upto November 2011.

Today, textile industry is one of the healthiest segments in the Indian economy and contributes to the tune of 4% to our GDP. At present, the weaving sector has about 19 lakh shuttle looms across India. The number of shuttle-less looms is about 50,000; most of them have been set up through incentives provided under the TUF scheme, offered by the Ministry of Textiles.

Indian Textile and Apparel Industry's Size

India's textile and apparel (T and A) industry (domestic and exports) is expected to grow from Rs.3.27 lakh crore (\$70billion) to Rs.10.32 lakh crore (\$220billion) by 2020, according to a research report by Technopak Advisors, a leading management consultancy. Indian Textile and Apparel Industry's Size India's textile and apparel (TandA) industry (domestic and exports) is expected to grow from Rs.3.27 lakh crore (\$70billion) to Rs.10.32 lakh crore(\$220billion)by 2020,according to a research report by Technopak Advisors, a leading management consultancy. The report says that the domestic Tand A market size in 2009 was Rs.2.18 lakh crore(\$4billion) and is expected to grow at a compounded annual growth rate(CAGR)of 11percent to Rs.6.56 lakh crore(\$140billion)by 2020.The domestic apparel retail market was worth Rs.1.54 lakh crore(\$33billion)in 2009 and will touch Rs.4.70 lakh crore by 2020.

Size of Textile Industry in India

- The textile industry in India covers a wide gamut of activities ranging from production of raw material like cotton, jute, silk and wool to providing high value-added products such as fabrics and garments to consumers.
- The industry uses a wide variety of fibers ranging from natural fibres like cotton, jute, silk and wool to man made fibers like polyester, viscose, acrylic and multiple blends of such fibres and filament yarn.
- The textile industry plays a significant role in Indian economy by providing direct employment to an estimated 35 million people, by contributing 4 per cent of GDP and accounting for 35 per cent of gross export earnings. The textile sector contributes 14 per cent of the value-addition in the manufacturing sector.

BRAND AND BUSINESS:

Your Company's Retail Division under the Brand "THOMAS SCOTT" has been demerged and transferred as a going concern basis to Thomas Scott (India) Limited.

BOL also trades into fabric and meeting ready-to-wear requirements of customers in apparel, branded garment segment not only in domestic market but also exports to renowned retailers worldwide and also manufactures garments for other renowned & established Brands.

SEGMENT-WISE OR PRODUCT-WISE PERFORMANCE

Your Company basically operates in two geographical segments i.e. India and Overseas.

During the Financial year 2011-12, Domestic Turnover of the Company has been Rs. 1,110,749,874/- as at March 31, 2012 maintaining a stability whereas the Export turnover has increased by 12.13 % from Rs. 11127.43 Lacs to Rs. 12477.26 Lacs whereas; the Export Turnover of the Company recorded a gain of 25.57% from Rs. 1790.46 lakhs to Rs. 2248.32 lakhs.

STRENGTHS:

1. Indian Textile & Apparel Industry is an Independent & Self-Reliant industry.
2. Abundant Raw Material availability that helps industry to control costs and reduces the lead-time across the operation.
3. Availability of Low Cost and Skilled Manpower provides competitive advantage to industry.
4. Availability of large varieties of cotton fiber and has a fast growing synthetic fiber industry.
5. India has great advantage in Spinning Sector and has a presence in all process of operation and value chain.
6. India is one of the largest exporters of Yarn in international market and contributes around 25% share of the global trade in Cotton Yarn.
7. The Apparel Industry is one of largest foreign revenue contributor and holds 12% of the country's total export.
8. Industry has large and diversified segments that provide wide variety of products.
9. Growing Economy and Potential Domestic and International Market.
10. Industry has Manufacturing Flexibility that helps to increase the productivity.

WEAKNESSES:

1. Indian Textile & Apparel Industry is highly Fragmented Industry.
2. Industry is highly dependent on Cotton.
3. Lower Productivity in various segments.
4. There is Declining in Mill Segment.
5. Lack of Technological Development that affect the productivity and other activities in whole value chain.
6. Infrastructural Bottlenecks and Efficiency such as, Transaction Time at Ports and transportation Time.
7. Unfavorable labor Laws.
8. Lack of Trade Membership, which restrict to tap other potential market.
9. Lacking to generate Economies of Scale.
10. Higher Indirect Taxes, Power and Interest Rates.

OPPORTUNITIES:

1. Growth rate of Domestic Textile Industry is 6-8% per annum.
2. Large, Potential Domestic and International Market.
3. Product development and Diversification to cater global needs.
4. Elimination of Quota Restriction leads to greater Market Development.
5. Market is gradually shifting towards Branded Readymade Garment.
6. Increased Disposable Income and Purchasing Power of Indian Customer opens New Market Development.
7. Emerging Retail Industry and Malls provide huge opportunities for the Apparel, Handicraft and other segments of the industry.
8. Greater Investment and FDI opportunities are available.

THREATS:

1. Competition from other developing countries, especially China.
2. Continuous Quality Improvement is need of the hour as there are different demand patterns all over the world.
3. Elimination of Quota system will lead to fluctuations in Export Demand.
4. Threat for Traditional Market for Powerloom and Handloom Products and forcing them for product diversification.
5. Geographical Disadvantages.
6. International labor and Environmental Laws.
7. To balance the demand and supply.
8. To make balance between price and quality.

India is the world's second largest producer of textiles and clothing after China and the USA. The textile and clothing industry forms a major part of India's manufacturing sector and has contributed enormously to the country's impressive economic development in recent years. India is also recognised as one of the so-called BRIC countries, which are forecast to provide much of the impetus behind global economic growth over the next few years. Furthermore, India has a huge and growing domestic market which is expected to be worth US\$140 bn in 2020 as the population increases in size and consumers become wealthier. This huge growth could provide significant opportunities for foreign exporters to India and potential foreign investors in the country, as well as for the Indian textile and clothing industry itself.

Recent Research has determined that Indian textile industry is providing employment to more than 35 million people. Indian textile industry is projected to reach US\$ 115 billion by 2012. It is projected that India's exports will increase from 4% to 7% after few years. Indian textile and apparel products are exported to more than 100 countries. Government is offering several schemes to improve textile exports. Some of the schemes include 100% FDI flow through the automatic route; Technology Mission on Cotton was introduced in 2000 to ensure availability of quality raw material at viable prices. Technology Up gradation Fund Scheme (TUFS) was launched to assist up gradation of the textiles industry.

Apparel is an ideal industry for examining the dynamics of buyer-driven value chains. Furthermore, the backward and forward linkages are extensive, and help to account for the large number of jobs associated with the industry. The apparel value chain is organized around five main parts: raw material supply, including: natural and synthetic fibres; provision of components, such as the yarns and fabrics manufactured by textile companies; production networks made up of garment factories, including their domestic and overseas subcontractors; export channels established by trade intermediaries; and marketing networks at the retail level.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has well defined and adequate internal control systems to monitor internal business process across departments to ensure efficient operations, compliance with internal policies, financial reporting, accurate reporting of financial transactions, compliance with applicable laws and to ensure that all the assets are safeguarded as well as are more productive. These internal controls are supplemented by periodic audits with management reports which are reviewed by our Audit Committee. We have a qualified and independent Audit Committee which comprises our Board of Directors. The Audit Committee reviews the adequacy and efficiency of internal controls and recommends any improvements or corrections. These internal controls ensure efficiency in operations, compliance with the internal policies of the Company, applicable laws and regulations, protection of resources and the accurate reporting of financial transactions. The head of various monitoring cells, statutory auditors and internal auditors are invited to attend the Audit Committee meetings.

The Company also has an internal audit system which is conducted by an Independent firm of Chartered Accountants viz. FRG & Company, so as to cover various operations on continuous basis and regularly monitor the Internal Control Systems and their Implementation. Summarized Internal Audit Observations/Reports are reviewed by the Audit Committee on a regular basis. The finance and accounts functions of the Company are well staffed with qualified and experienced members.

ENVIRONMENT & SAFETY/NATURE & SECURITY

Your Company is highly committed to environment friendly processes and operations. Therefore, it undertakes its operations in such a manner that it does not affect the Environment in one hand and also maintains the required Environmental balance in the other hand. Your Company has always ensured the Environmental Safety, complied with the various Environmental Laws from time to time and further commits to follow the same in future.

HUMAN RESOURCE- THE BIGGEST COMPETITIVE EDGE

Your Company believes that its Employees are the backbone of the Company and the reason behind the position of your company are its Employees. The Company is in a continuous process of evaluating, training, motivating and rewarding its employees for their unstinted performance and contributions to the Company and also so that the Company also receives the same in future also.

The total numbers of employees of the Company as on March 31, 2012 were 894.

OUTLOOK:

Your Company has year by year perform well and protect the interest of its stakeholders. The reason behind the Company's performance has been its Employees' hard work and contribution, support from its shareholders, suppliers, traders, Customers' Loyalty, favorable policies and opportunities and the other parties as well and will also continue doing the same with the available factors.

Your Company has two wholly owned subsidiaries at Hong Kong and Slovakia in order to trade its garments overseas and establish a place in the International Market as well. Bang HK limited has also incorporated its Wholly owned subsidiary at Macedonia known as Bang & Scott, LLC and is planning to remit some money to the aforesaid WOS towards its Share Capital.

Also, Your Company has purchased properties at various locations for setting up its Logistics Centre to enhance its Manufacturing activities. It is in the process of expanding its business.

Your Company has acquired a Part IX Company based at Vishakhapatnam in which it holds 99.99% stake making the aforesaid Company as its Subsidiary.

CAUTIONARY STATEMENT:

The Statements as mentioned in this Management and Discussion Analysis Report (M&DAR) contain certain forward-looking statements within the meaning of applicable laws/ Regulations and which are quoted on basis of certain assumptions, expectations, forecasts and studies undertaken by the Company. Such Statements are “forward looking statements” which reflect the Management’s intention to undertake certain actions describing their objectives and expectations with the Company as based on certain assumptions and predictions. Readers are cautioned not to place undue reliance on these forward looking statements.

Our operations and actual results are dependent on various factors within and outside the control of the Management so there are chances that they may vary from what is been quoted in this M&DAR. Important factors that could make a difference to the Company’s operations include global and domestic demand-supply conditions, finished goods prices, raw materials costs and availability, fluctuations in exchange rates, changes in Government regulations/policies and tax structure, economic developments within India and the countries with which the Company has business relations/contacts, as well as other factors such as, litigations and industrial relations.

We assume no responsibility in respect of “forward looking statements” mentioned herein which may undergo changes in future on the basis of subsequent developments, information or events. Actual results may differ from those expressed or implied herein.

PRACTISING COMPANY SECRETARY’S CERTIFICATE ON COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE UNDER CLAUSE 49 (VII) (1) OF THE LISTING AGREEMENT:

To the Members,
Bang Overseas Limited

We have examined the compliance of conditions of Corporate Governance by Bang Overseas Limited (“the Company”), for the year ended 31st March 2012, as stipulated in Clause 49 (VII) (1) of the Listing Agreement with the Stock Exchange(s) in India.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

On the basis of the records maintained by the Company we state that as at 31st March 2012, there were no investor grievances pending with the Company.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For Kothari H & Associates
Company Secretaries

Sd/-
Hitesh Kothari
Place: Mumbai
Membership No. : 16982
Dated: August 27, 2012

CEO AND CFO CERTIFICATE PURSUANT TO CLAUSE 49 (V) OF THE LISTING AGREEMENT

This is to certify that:

- (a) We have reviewed financial statements and the cash flow statement for the year 2011-12 and that to the best of our knowledge and belief:
 - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of their knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the Auditors and the Audit committee
 - (i) significant changes in internal control over financial reporting during the year;
 - (ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - (iii) instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

For Bang Overseas Limited

Sd/-

Brijgopal Bang
Managing Director

Place: Mumbai
Date : August 27, 2012

Sd/-

Jaydas Dighe
Vice President- Finance

ANNUAL DECLARATION BY CEO PURSUANT TO CLAUSE 49(I) (D) (ii) OF THE LISTING AGREEMENT

As per the requirements of Clause 49(I) (D) (ii) of the Listing Agreement, I, Brijgopal Bang, Managing Director, hereby declare that all the Board Members and Senior Management Personnel of the Company have affirmed compliance with the Company's Code of Business Conduct and Ethics for the Financial Year 2011-12.

Sd/-

Brijgopal Bang
Managing Director

Place: Mumbai
Date: August 27, 2012

AUDITOR'S REPORT

To,
The Members of
Bang Overseas Limited

1. We have audited the attached Balance Sheet of Bang Overseas Limited as at 31 March, 2012 and also the Statement of Profit and Loss for the year ended on that date and the Cash Flow Statement for the year ended on that date both annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the Auditing Standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from any material misstatement. An audit includes, examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditors' Report) Order 2003 as amended by the Companies (Auditor's Report) (Amendment) order, 2004 issued by the Central Government of India in terms of sub section (4A) of Section 227 of the Companies Act 1956, we enclosed in the Annexure a statement on the matter specified in paragraphs 4 and 5 of the said order.
4. Further to our comments in the Annexure referred to in paragraph (3) above, we report as follows:
 - a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c) The Balance Sheet and Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - d) The Balance Sheet and the Statement of Profit and Loss and Cash Flow Statement dealt with by this report comply with the Accounting Standards referred in sub-section (3C) of Section 211 of the Companies Act, 1956;
 - e) On the basis of the written representation received from the directors, and taken on record by the Board of Directors, as on 31 March 2012, we report that, none of the directors is disqualified as on 31 March 2012 from being appointed as a director in terms of clause (g) of the sub-section (1) of the Section 274 of the Companies Act, 1956;

- f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with significant accounting policies and notes to accounts give the information required by Companies Act, 1956 in the manner so required, and give a true and fair view in conformity with the accounting principles generally accepted in India;
- i) In the case of the Balance Sheet, of the state of affairs of the Company as at 31March, 2012;
- ii) In the case of Statement of Profit and Loss, of the profit of the Company for the year ended on that date; and
- iii) In the case of Cash Flow Statement, of the cash flows for the year ended on that date

For Rajendra K.Gupta & Associates
Chartered Accountants
Firm Registration No.: 108373W

Rajendra Kumar Gupta
Partner
Membership No: 9939

Place: Mumbai
Date: August 27, 2012

ANNEXURE TO THE AUDITORS' REPORT
(Referred to in paragraph 3 of our report of the even date)

(i) In respect of fixed assets:

- (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets for manufacturing units at Bangalore. The records for other units are in the process of preparation.
- (b) The fixed assets of the company have been physically verified by the management at reasonable intervals and no material discrepancies were noticed on such verification:
- (c) The fixed assets disposed off during the year does not constitute a substantial part of fixed assets of the Company and such disposal in our opinion has not affected the going concern status of the Company.

(ii) In respect of inventories:

- (a) As explain to us, the inventories have been physically verified by the management during the year.
- (b) In our opinion and according to the information and explanation given to us, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business;
- (c) In our opinion and according to the information and explanation given to us, the Company has maintained proper records of inventories. No material discrepancies were noticed on the physical verification done by the management.

(iii) In respect of loans taken / granted:

- (a) According to the information and explanation given to us, the Company has taken unsecured loans during the year from two parties covered in the register maintained under Section 301 of the Companies Act, 1956. The maximum amount due on such unsecured loans during the year is Rs. 2,66,34,827/- and the year end balance is Rs. 5,44,05,925/-
 - (b) According to the information and explanation given to us, the Company has granted unsecured loan during the year to one party covered in the register maintained under Section 301 of the Companies Act, 1956. The maximum amount receivable on such unsecured loan during the year is Rs. 1,86,00,187/- and the year end balance is Rs. 11,33,790/-
 - (c) In our opinion the terms and conditions on which the loan has been taken by / granted to the Company are not prima facie prejudicial to the interest of the Company.
 - (d) The Company is regular in repaying principal amount and interest as stipulated.
- (iv) In our opinion, and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and nature of it's business for the purchase of Inventory and Fixed assets and sale of goods. During the course of our audit, we have not observed any continuing failure to correct measure weaknesses in such internal controls.

- (v) In respect of register maintained under Section 301 of the Companies Act, 1956:
- (a) Based on the information and explanations given to us, the transaction pertaining to contracts and arrangements that need to be entered in to a register in pursuance of Section 301 of the Companies Act, 1956 have been so entered.
 - (b) According to information and explanation given to us, the transactions made in pursuance of such contract or arrangement entered in the register maintained under Section 301 of the Companies Act, 1956 and aggregating during the year to Rs.5,00,000/- or more in respect of any party have been made at prices which are reasonable having regards to the prevailing market prices.
- (vi) In our opinion, and according to the information and explanation given to us, the Company has not accept any deposit from public and therefore the provisions of Section 58 and 58AA of the Companies Act, 1956 and Rules there under are not applicable to the Company.
- (vii) In our opinion, the internal audit functions carried out during the year by the Internal Auditor have been commensurate with the size of the Company and nature of it's business.
- viii) We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules made by Central Government for the maintenance of cost records under section 209 (1) (d) of the Companies Act, 1956 and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained in respect of manufacturing of garments. However we are neither required to carry out nor have carried out any detailed examination of such accounts and records.
- (ix) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax and custom duty have generally been regularly deposited with the appropriate authorities, *except slight delay at few instances.*

According to the information and explanation given to us, there was no undisputed amount payable in respect of statutory dues were in arrears as at 31st March, 2012 for a period of more than 6 months from the date the became payable.

According to the information and explanation given to us, there are no dues of income tax, provident fund, service tax and other material statutory dues which have not been deposited with appropriate authorities on account of any disputes.

- (x) The Company does not have any accumulated losses at the end of the financial year and has not incurred cash losses during the financial covered by our audit and the immediately preceding financial year.
- (xi) Based on our audit procedures and the information and explanation given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to bank.
- (xii) According to the information and explanations given to us , the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) The Company is not a nidhi / mutual benefit fund / society.

- (xiv) In our opinion the Company is not a dealer or trader in shares, securities, debentures and other investments. All the Investments made by the Company are in the name of the Company.
- (xv) The Company has given guarantee of Rs. 10,00,00,000/- for loans taken by its Subsidiary Vedanta Creations Ltd. from Bank of India
- (xvi) According to the records of the Company, and as per the information and explanation given to us the Company has not taken the term loan and hence provision of clause 4(xvi) of the order is not applicable.
- (xvii) Based on the information and explanation given to us and over all examination of Balance Sheet of the Company, in our opinion, there are no funds raised on a short term basis which have been used for long term investment and vice versa.
- (xviii) The Company has not made any preferential allotment of shares to parties and Companies covered in the Register maintained under section 301 of the Act.
- (xix) The Company has not issued any debentures.
- (xx) We have verified the end use of money raised by public issue during the year and the same is disclosed in notes to the financial statements (Refer Note 32).
- (xxi) To the best of our knowledge and belief and according to the information and explanation given to us no fraud on or by the Company has been noticed or reported during the course of our audit.

For Rajendra K.Gupta & Associates
Chartered Accountants
Firm Registration No: 108373W

Rajendra Kumar Gupta
Partner
Membership No: 9939

Place: Mumbai
Date: August 27, 2012

BALANCE SHEET AS AT 31ST MARCH, 2012
(In Rs.)

Particulars	Note	As at 31st March 2012	As at 31st March 2011
EQUITY AND LIABILITIES			
Shareholder's Funds			
Share Capital	2	135,600,000	135,600,000
Reserves and Surplus	3	658,090,592	913,131,047
		793,690,592	1,048,731,047
Non-Current Liabilities			
Long-term borrowings	4	4,785,823	5,665,488
Deferred tax liabilities (Net) (Refer Note 31)		8,625,448	10,400,325
Other Long term liabilities	5	3,819,402	18,263,772
Long term provisions	6	-	7,486,827
		17,230,673	41,816,412
Current Liabilities			
Short-term borrowings	7	427,651,167	499,523,117
Trade payables	8	67,291,079	120,547,467
Other current liabilities	9	63,903,544	59,264,966
Short-term provisions	10	10,985,693	17,806,181
		569,831,483	697,141,731
Total		1,380,752,748	1,787,689,190
ASSETS			
Non-current assets			
Fixed assets			
	11		
Tangible assets		168,937,331	175,470,266
Intangible assets		1,404,928	1,087,747
Capital Work In progress		100,745,050	14,603,240
Non-current investments	12	19,958,400	20,458,400
Long term loans and advances	13	35,100,000	42,500,000
Other non-current assets	14	-	1,534,312
		326,145,709	255,653,965
Current assets			
Inventories	15	233,585,754	409,636,689
Trade receivables	16	500,300,507	581,556,758
Cash and bank balances	17	174,320,938	272,000,295
Short-term loans and advances	18	143,999,988	260,755,452
Other current assets	19	2,399,852	8,086,031
		1,054,607,039	1,532,035,225
Total		1,380,752,748	1,787,689,190

Significant Accounting Policies

1

The accompanying notes are an integral part of the financial statements

As per our report of even date attached

For Rajendra K. Gupta & Associates
Chartered Accountants
Firm Registration No:108373W

Rajendra Kumar Gupta
Partner
Membership No. 9939
Place: Mumbai
Date: August 27, 2012

For and on behalf of Board of Directors

Bang Overseas Ltd.

Venugopal Bang Brijgopal Bang Jalpa H. Salvi
Chairman Managing Director Company Secretary

Place: Mumbai
Date: August 27, 2012

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2012
(In Rs.)

Particulars	Note	For the year ended 31st March 2012	For the year ended 31st March 2011
INCOME			
Revenue from operations	20	1,364,335,938	1,448,934,977
Other Operating Revenue	21	8,043,102	7,774,567
Other Income	22	35,778,433	48,331,050
Total Revenue		1,408,157,473	1,505,040,594
EXPENSES			
Cost of materials consumed	23	188,253,371	271,609,723
Purchase of Stock-in-Trade	24	964,554,885	834,648,736
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	25	(23,487,691)	(33,159,058)
Employee benefit expenses	26	107,807,054	78,080,434
Financial costs	27	50,299,700	51,871,546
Depreciation and amortization expenses	11	12,341,923	19,059,772
Other expenses	28	107,751,358	233,777,378
Total Expenses		1,407,520,600	1,455,888,531
Profit before exceptional and extraordinary items and tax		636,873	49,152,063
Exceptional Items		-	55,000,000
Profit before tax		636,873	104,152,063
Tax expenses:			
(1) Current tax		130,000	25,700,000
(2) Deferred tax		(1,774,877)	(223,997)
Profit / (Loss) for the year		2,281,750	78,676,060
Earning per equity share: (Refer Note 36)			
(1) Basic		0.17	5.80
(2) Diluted		0.17	5.80

Significant Accounting Policies

1

The accompanying notes are an integral part of the financial statements

As per our report of even date attached

For Rajendra K. Gupta & Associates
Chartered Accountants
Firm Registration No:108373W

Rajendra Kumar Gupta
Partner
Membership No. 9939
Place: Mumbai
Date: August 27, 2012

For and on behalf of Board of Directors
Bang Overseas Ltd.

Venugopal Bang Brijgopal Bang Jalpa H. Salvi
Chairman Managing Director Company Secretary

Place: Mumbai
Date: August 27, 2012

CASH FLOW STATEMENT AS AT MARCH 31, 2012
(In Rs.)

Particulars	2011-2012	Amount	2010-2011	Amount
A. Cash flow from Operating Activities				
Net profit before taxation		636,873		104,305,869
Adjustments for:				
Depreciation		12,341,923		15,452,275
Amortisation		-		3,607,497
(Profit) / Loss on sale of Fixed Assets		566,060		1,000,392
Fixed Assets Written off		-		1,909,307
Sundry Balances Written back		(710,474)		2,740,863
Prior Period		416,649		103,807
Exchange rate fluctuation loss/(gain)		(5,125,618)		(7,739,870)
Bad Debts Written Off		-		7,212,229
Cancellation of Investment Demerger impact		(500,000)		-
Interest income		(21,791,153)		(28,490,694)
Dividend income		(2,240)		(2,240)
(Profit)/Loss on sales of Investements		-		(5,919,717)
(Profit)/Loss on sales of Investements included in exceptional item		-		(55,000,000)
Interest expense		39,780,574		39,223,868
Operating profit before Working Capital changes		25,612,594		78,403,586
Changes in				
Inventories		176,050,935		(48,570,327)
Trade Receivables		81,256,251		(139,426,005)
Loans and Advances & other current assets		122,441,643		(158,943,635)
Trade Payables, Other liabilities & provisions		47,951,470		(43,372,967)
Cash generated from operations		453,312,893		(311,909,347)
Direct taxes paid (net)		(554,066)		(7,423,674)
Net Cash from Operating Activities		452,758,827		(319,333,022)
B. Cash flows from Investing activities				
Purchase of Fixed Assets		(26,882,279)		(61,244,043)
Capital work-in-progress		(86,141,810)		19,583,052
Receipt from sale of assets		172,343		417,854
Purchase of Investment		-		(12,931,000)
Cancellation of Investment Demerger impact		500,000		-
Sale of Investment		-		227,404,383
Interest received		21,791,153		28,490,694
Dividends received		2,240		2,240
Net Cash from Investing Activities		(90,558,353)		201,723,180
C. Cash flows from Financing Activities				
Short Term Borrowings		(71,871,950)		8,705,137
Long Term Borrowings		(879,665)		4,563,158
Demerger Impact		(347,347,642)		-
Proceeds from working capital borrowing		-		53,935,105
Interest paid		(39,780,574)		(39,223,868)
Net cash from Financing Activities		(459,879,831)		27,979,532
Net increase in cash and cash equivalents (A + B + C)		(97,679,357)		(89,630,310)
Cash and cash equivalents at the beginning of the year		272,000,295		361,630,605
Cash and cash equivalents at the end of the year		174,320,938		272,000,295

As per our report of even date

For Rajendra K Gupta & Associates
 Chartered Accountants
 Firm Registration No: 108373W
 Rajendra Kumar Gupta
 Partner
 Membership No. 9939
 Place: Mumbai
 Date: August 27, 2012

For and on behalf of Board of Directors

Bang Overseas Ltd.
 Venugopal Bang Brijgopal Bang Jalpa H. Salvi
 Chairman Managing Director Company Secretary

Place: Mumbai
 Date: August 27, 2012

NOTE 1

SIGNIFICANT ACCOUNTING POLICIES:

1. Basis of preparation of Financial Statements

The financial statements have been prepared to comply in all material respects in respects with the standards notified under the Companies (Accounting Standards) Rules, 2006 and the relevant provisions of Companies Act, 1956. The financial statements have been prepared under the historical cost convention on an accrual basis except in case of assets for which impairment is made and revaluation is carried out and derivative instruments. The accounting policies have been consistently applied by the Company and except for the changes in accounting policy discussed more fully below, are consistent with those used in previous year.

2. Use of Estimate

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the period reported. Actual results could differ from those estimates. Any revision to accounting estimates is recognised in accordance with the requirements of the respective accounting standard.

3. Fixed Assets

Fixed assets are stated at cost (or revalued amounts, as the case may be), less accumulated depreciation and impairment losses. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use, net of VAT recoverable. Financing costs relating to construction of fixed assets are also included to the extent they relate to the period till such assets are ready to be put to use. Financing costs not relating to construction of fixed assets are charged to the income statement.

Depreciation

Depreciation on the fixed assets has been provided for on straight line method at the rates prescribed and in the manner specified in Schedule XIV to the Companies Act, 1956 for the manufacturing units. Other fixed assets have been continued depreciated by following written down value method.

Impairment

- i. The carrying amounts of assets are reviewed at each balance sheet date if there are impairment indicators. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the WACC.
- ii. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.
- iii. A previously recognised impairment loss is increased or decreased based on reassessment of recoverable amount, which is carried out if the change is significant. However the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation if there was no impairment.

4. Intangible Assets

Intangible assets include computer software and miscellaneous expenditures that are capitalized if specific criteria are met and are amortized over their useful life, generally not exceeding 5 years. The recoverable amount of an intangible asset that is not available for use or is being amortized over a period exceeding 5 years should be reviewed at least at each financial year end even if there is no indication that the asset is impaired.

5. Leases

Where the Company is the lessee

Finance leases, where substantially all the risks and benefits incidental to ownership of the leased item, are transferred to the company, are capitalized at the lower of the fair value and present value of the minimum lease payments at the inception of the lease term and disclosed as leased assets. Lease payments are apportioned between finance charges and reduction of the lease liability based on the implicit rate of return. Finance charges are charged to income. Lease management fees, legal charges and other initial direct costs are capitalized.

If there is no reasonable certainty that the Company will obtain the ownership by the end of the lease term, capitalized leased assets are depreciated over the shorter of the estimated useful life of the asset or the lease term.

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased term, are classified as operating leases. Operating lease payments are recognized as an expense in the Profit and Loss account on a straight-line basis over the lease term.

Where the Company is the lessor

Assets subject to operating leases are included in fixed assets. Lease income is recognized in the Profit and Loss Account on a straight-line basis over the lease term. Costs, including depreciation are recognized as an expense in the Profit and Loss Account. Initial direct costs such as legal costs, brokerage costs, etc. are recognized immediately in the P&L Account.

6. Government grants and subsidies

Grants and subsidies from the government are recognized when there is reasonable assurance that the grant/subsidy will be received and all attaching conditions will be complied with.

When the grant or subsidy relates to an expense item, it is recognized as income over the periods necessary to match them on a systematic basis to the costs, which it is intended to compensate. Where the grant or subsidy relates to an asset, its value is deducted in arriving at the carrying amount of the related asset.

7. Investments

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost, less provision for diminution in value other than temporary.

8. Inventories

Inventories are valued at lower of cost or net realisable value. Cost is determined on the following basis:

- i) Raw materials and manufactured finished goods are valued at cost inclusive of excise duty. Cost is determined by using average cost method.
- ii) Trade Goods are valued at cost on FIFO basis.

9. Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured.

(i) Sale of goods

Revenue is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer. Sales revenue is net of sales returns, discounts and rebates.

(ii) Interest

Revenue is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

(iii) Dividends

Revenue is recognised when the shareholders' right to receive payment is established by the balance sheet date. Dividend from subsidiaries is recognised as income only when the right to receive dividends is established. Normally, the right to receive dividend is established only when the dividend is approved by the shareholders at the annual general meeting of the investee company.

10. Foreign Exchange Transaction

- (a) Transaction denominated in foreign currencies is normally recorded at the exchange rate prevailing at the time of the transaction.
- (b) Monetary items denominated in foreign currency as at the balance sheet date are translated at the year end exchange rate.
- (c) Premium on forward cover contracts in respect of import of raw material is charged to profit & loss account over the period of contracts except in respect of liability for acquiring fixed assets, in which case the difference are adjusted in carrying cost of the same.

11. Employee benefits

- (i) Retirement benefits in the form of Provident Fund is a defined contribution scheme and the contributions are charged to the Profit and Loss Account of the year when the contributions to the statutory authority are due.
- (ii) Gratuity liability are defined benefit obligations and are provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year.

12. Current Tax and Deferred Tax

- (i) Provision for current tax is made after taking into consideration benefits admissible under the provision of the Income Tax Act, 1961.
- (ii) Deferred tax resulting from timing difference between the book and taxable profit is accounted for using the tax rates and laws that have been enacted or substantively enacted as on the balance sheet date.

13. Earning per share

Basic EPS is computed using the weighted average number of equity shares outstanding during the year. Diluted EPS is computed using the weighted average number of equity and diluted equity equivalent shares outstanding during the year except where the results would be anti-dilutive.

14. Cash Flow Statement

Cash flow statement is reported using the indirect method as specified in the Accounting standard (AS)-3, 'Cash Flow Statement' issued by The Institute of Chartered Accountants of India.

15. Provision, Contingent Liabilities and Contingent Assets

Provision involving substantial degree of estimation in measurement is recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognized but are disclosed in the notes. Contingent assets are neither recognized nor disclosed in the financial statements.

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2012
(In Rs.)

Particulars	As at 31st March 2012		As at 31st March 2011	
Note 2 : Share Capital				
Authorised				
1,60,00,000 Equity Shares of Rs. 10/- each		160,000,000		160,000,000
(Previous year 160,00,000 Equity Shares of Rs. 10/- each)		160,000,000		160,000,000
Issued, Subscribed & Paid up				
1,35,60,000 Equity Shares of Rs. 10/- each fully paid up		135,600,000		135,600,000
(Previous year 1,35,60,000 equity shares of Rs. 10/- each fully paid up)		135,600,000		135,600,000
Total		135,600,000		135,600,000
a) Terms/rights attached to Equity Shares				
The company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share.				
b) Reconciliation of Issued Share Capital	No. of shares	Amount	No. of shares	Amount
Equity shares outstanding at beginning of year	1,35,60,000	135,600,000	1,35,60,000	135,600,000
Add: Issued During the year	-	-	-	-
Less: Brought Back During the year	-	-	-	-
Equity shares outstanding at end of year	1,35,60,000	135,600,000	1,35,60,000	135,600,000
c) Shareholders holding more than 5% of shares in the company	No. of shares	% of shares	No. of shares	% of shares
Mr. Venugopal Bang	27,06,600	19.96%	27,06,600	19.96%
Mr. Brijgopal Bang	15,21,000	11.22%	15,21,000	11.22%
Mr. Ramanuj Das Bang	7,74,600	5.71%	7,74,600	5.71%
Mr. Krishna Kumar Bang	13,01,700	9.60%		
d) Particulars of submission for a continuing period of five years				
Equity Shares				
	Year (Aggregate number of shares)			
a) Aggregate number of shares allotted as fully paid up without payment being received in cash		751,740		751,740
b) Aggregate number of shares allotted as fully paid bonus shares		8,505,480		8,505,480
Note 3 : Reserves & Surplus				
(a) Securities Premium Account				
Balance at the beginning of the year		672,774,768		672,774,768
Add: Current year transfer		-		-
Less: W/O pursuant to Scheme of Demerger (Refer Note No. ...39)		75,009,630		-
Balance at the end of the year		597,765,138		672,774,768
(b) Surplus in Profit Loss Statement				
Balance at the beginning of the year		330,381,716		161,680,219
Add: Current year transfer		2,281,750		78,676,060
Less: W/O pursuant to Scheme of Demerger (Refer Note No. ...39)		272,338,012		-
Balance at the end of the year		60,325,454		240,356,279
Total		658,090,592		913,131,047

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2012
(In Rs.)

Particulars	As at 31st March 2012	As at 31st March 2011
Note 4 : Long term Borrowings		
Secured		
Car Loan	4,785,823	5,665,488
	4,785,823	5,665,488
a) Nature of Security for Long term borrowings		
Car Loan is taken from Kotak Mahindra Prime Ltd and Tata Capital Ltd is secured against hypothecation of cars.		
b) There is no default in repayment of principal amount and interest thereon .		
Note 5 : Other Long Term Liabilities		
Unsecured		
Security deposits Received	3,819,402	18,263,772
	3,819,402	18,263,772
Note 6 : Long term Provisions		
Provision for Income Tax (Net of advance tax, Refund and TDS)		7,423,674
Provision for Fringe Benefit Tax (net of advance payments)	-	13,153
Provision for wealth tax	-	50,000
	-	7,486,827
Note 7 : Short tem borrowings		
Secured		
Working capital loans	86,263,697	64,279,683
Factoring credit from The Hongkong and Shanghai Banking Corporation Ltd.	-	32,327,055
Buyers Credit in foreign currency	143,341,539	215,173,174
Unsecured		
from Promoters & Promoter group	176,136,739	168,225,186
from Directors	17,265,186	14,874,013
from related party	4,644,006	4,644,006
	427,651,167	499,523,117

a) Nature of Security for Short term borrowings

Working Capital loans and Buyer's Credit loans taken from Bank of India and Oriental Bank of Commerce is secured against hypothecation of inventories, book debts and equitable mortgage of immovable properties being factory land and buildings/other structures and embedded plant & machinery, and Corporate Guarantee of M/s. Bang Data Forms Pvt Ltd and personal guarantee of Directors Mr. Venugopal Bang and Mr. Brijgopal Bang.

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2012 (In Rs.)

Particulars	Gross Block			Depreciation			Net Block	
	as at 01/04/2011	Addition	Deduction	as on 31/3/2012	for the year up to 01/04/2011	Depreciation Adjustment	up to 31/3/2012	as on 31/3/2012
i) Tangible Assets								
Land	6,604,618	-	-	6,604,618	-	-	-	6,604,618
Building	19,894,713	-	-	19,894,713	212,896	-	534,588	19,360,125
Factory Building	48,035,134	15,135,828	-	63,170,962	8,981,648	-	10,603,246	52,567,716
Office Equipment	6,015,001	96,390	2,037,887	4,073,504	1,883,628	425,702	1,755,365	2,318,139
Computer Systems	11,492,463	495,500	1,887,939	10,100,024	8,060,494	1,115,769	7,787,134	2,312,890
Plant & Machinery	65,459,555	7,730,973	54,000	73,136,528	11,060,369	3,330,303	14,380,640	4,519,717
Furniture & Fixture	34,530,845	877,409	1,345,729	34,062,525	15,345,643	745,507	17,949,477	58,755,888
Motor Vehicles	11,026,802	1,323,622	656,000	11,694,424	2,884,335	499,658	4,294,643	16,113,048
Leasehold Improvements	29,883,570	39,995	25,752,108	4,171,457	9,043,422	8,614,801	666,331	7,399,781
Total	232,942,701	25,699,717	31,733,663	226,908,755	57,472,435	11,411,469	57,971,424	168,937,331
ii) Intangible Assets								
Computer Software	4,246,156	1,182,562	1,861,214	3,567,504	3,158,409	431,465	2,162,576	1,404,928
Total	4,246,156	1,182,562	1,861,214	3,567,504	3,158,409	431,465	2,162,576	1,404,928
iii) Capital Work in progress								
Grand Total (i+ii+iii)	237,188,857	26,882,279	33,594,877	230,476,259	60,630,844	12,341,923	60,134,000	271,087,309
Previous year	180,787,608	61,244,043	4,842,794	237,188,857	46,627,809	1,449,240	60,630,845	176,558,013

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2012
(In Rs.)

Particulars	As at 31st March 2012	As at 31st March 2011
Note 8 : Trade Payables		
Payables for goods & Services	67,191,079	120,408,759
Payables to Managing Director	100,000	138,708
	67,291,079	120,547,467
Note 9: Other Current Liabilities		
Statutory Liabilities	4,536,153	11,430,835
Payable for Capital Expenditures	1,147,829	703,004
Interest accrued but not due on loans	24,675,505	22,155,488
Payables to Subsidiary Company	33,013,749	24,495,919
Advances from customers	530,308	479,720
	63,903,544	59,264,966
Note 10: Short Term Provisions		
Provision for employee benefits	7,964,016	3,563,623
Provision for gratuity	842,745	440,821
Provision for Excise Duty on finished goods	2,178,932	13,801,737
	10,985,693	17,806,181
Note 12 : Non Current Investments		
Non Trade - Unquoted		
Name of Company	Face Value	Nos.
Saraswat Co Op Bank Ltd	10	1,000
	10,000	10,000
Investment in wholly owned subsidiaries (fully paid up unless otherwise stated)		
2,84,750 (PY 2,84,750) Equity Shares of Rs. 10/- of Vedanta Creations Ltd	7,517,400	7,517,400
50,000 (PY NIL) Equity Shares of Rs. 10/- of Thomas Scott (India) Ltd	-	500,000
Investment of Euro 200,000 in Bang Europa S.R.O.	12,143,500	12,143,500
50,000 Shares of 1HKD each of Bang HK Limited	287,500	287,500
	19,958,400	20,458,400
Note 13 : Long term Loans and advances		
Unsecured, considered good		
Capital Expenditure Advances	35,100,000	42,500,000
	35,100,000	42,500,000
Note 14 : Other Non Current Assets		
Brand Development expenses	-	1,534,313
	-	1,534,313
Note 15 : Inventories		
(As taken, Valued & Certified by the Management)		
Raw Materials and components	57,687,318	124,215,389
Work In Progress	3,873,840	6,074,301
Finished goods	18,723,776	154,658,196
Trade goods	153,300,820	124,688,803
	233,585,754	409,636,689
Note 16 : Trade Receivables		
Unsecured, considered good unless otherwise stated		
Debts outstanding for a period exceeding six months	248,285,194	240,266,382
Other Debts	226,189,334	338,386,395
Receivable from Subsidiary	25,816,957	2,903,981
Receivable from Directors & Relatives	9,022	-
	500,300,507	581,556,758
Note 17 : Cash and Bank Balances		
Cash and Cash equivalents		
Balances with Banks		
- Current Accounts	102,146	9,117,481
- Fixed Deposit Accounts	173,278,712	261,952,852
Cash In Hand	940,080	929,962
	174,320,938	272,000,295
Balances with banks in deposit accounts includes fixed deposits aggregating to Rs. 18,35,010/- against which lien has been marked by the banks as security for guarantees issued on behalf of the Company. It also includes fixed deposits aggregating to Rs. 5,11,18,326/- earmarked as margin deposits against working capital facilities and fixed deposits aggregating to Rs. 3,00,00,000/- lien against standby letter of credit issued to subsidiary company. Also fixed deposits aggregating to Rs. 2,00,00,000/- lien against working capital facilities of Subsidiary Company.		
Note 18 : Short term Loans and advances		
Unsecured, considered good unless otherwise stated		
Advances to employees	522,498	550,434
Advances towards purchase of goods / services	60,441,412	68,416,435
Receivable from related parties	1,133,790	-
Advance Tax & T.D.S. (Net of provisions)	6,932,761	-
Prepaid expenses	4,532,167	3,176,723
Balances with Government authorities	2,664,602	1,811,704
Security Deposits	7,772,758	21,800,156
Deposits with financial institutions	60,000,000	165,000,000
	143,999,988	260,755,452
Note 19 : Other Current Assets		
DFIA/DFRC import licenses	2,367,560	8,086,031
Interest accrued but not due on deposits	32,292	-
	2,399,852	8,086,031

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2012

(In Rs.)

Particulars	Year ended 31st March, 2012	Year ended 31st March, 2011
Note 20 : Revenue from Operations		
Sale of Products		
- Trade Goods	868,394,112	723,391,004
- Manufactured Goods	242,355,763	528,624,337
Export Sales		
- Trade Goods	162,982,774	145,621,397
- Manufactured Goods	61,848,800	33,424,179
Jobwork Charges/Scrap Sales	72,037,669	34,097,828
Gross Sales :	1,407,619,118	1,465,158,745
Less : Inter Department Transfer	7,097,373	11,518,117
Less : Excise Duty	36,185,807	4,705,651
Net Sales :	1,364,335,938	1,448,934,977
Note 21 : Other Operating Revenue		
Duty drawback/DEPB incentives	4,923,702	7,103,837
Misc. Income (Insurance claim received & Scrap Sales)	386,535	670,730
Decrease in Excise duty provision on finished goods	2,556,210	-
Commission Received (TDS Rs. 17,666/- PY Nil)	176,655	-
	8,043,102	7,774,567
Note 22 : Other Income		
Interest on Deposits (TDS : CY Rs. 21,79,115/- PY Rs. 26,71,371/-)	21,791,153	26,519,585
Rent received (TDS: CY Rs. 13,25,314/- PY Rs. 13,78,884)	13,253,130	13,143,600
Dividend	2,240	2,240
Sundry balances written back	710,474	774,799
Profit on sale of fixed assets	21,436	-
Profit on sale of investment	-	5,919,717
Interest received on Income Tax Refund	-	1,971,109
	35,778,433	48,331,050
Note 23: Cost of Material Consumed		
Opening stock of Raw Material	75,256,524	108,804,120
Add: Purchases of Raw Material	170,684,165	287,020,992
Less: Closing stock of Raw Material	57,687,318	124,215,389
	188,253,371	271,609,723
Note 24 : Trade Purchases		
Trade Purchases	939,595,495	761,101,324
Jobwork charges	32,056,763	85,065,529
	971,652,258	846,166,853
Less : Inter Department Transfer	7,097,373	11,518,117
Net Purchase	964,554,885	834,648,736
Note 25 : Increase (Decrease) in Inventories		
Opening Stock		
- Trade Goods	122,827,555	128,360,806
- Work -in - progress	5,540,119	10,363,824
- Finished Goods	24,043,071	113,537,612
(A)	152,410,745	252,262,242
Less: Closing Stock		
- Trade Goods	153,300,820	124,688,803
- Work -in - progress	3,873,840	6,074,301
- Finished Goods	18,723,776	154,658,196
(B)	175,898,436	285,421,300
(A) -(B)	(23,487,691)	(33,159,058)

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2012
(In Rs.)

Particulars	Year ended 31st March, 2012	Year ended 31st March, 2011
Note 26 : Employee Compensation		
Salaries, Wages, and Bonus	93,970,324	69,724,190
Contribution to Provident Fund and other fund	8,927,028	6,010,301
Gratuity Expenses	1,042,745	434,633
Workmen and staff welfare expenses	3,866,957	1,911,310
	107,807,054	78,080,434
Note 27 : Finance Expenses		
Interest		
On Working capital loans	15,084,366	14,618,929
Others	24,696,208	24,604,938
Bank Charges	10,519,126	12,647,679
	50,299,700	51,871,546
Note 28 : Other Expenses		
Power & Fuel	6,474,083	9,200,338
Freight and forwarding charges	15,562,963	23,369,441
Rent	11,356,240	35,065,735
Rates & Taxes	1,745,577	3,648,381
Insurance Charges	1,520,269	2,165,357
Repairs & Maintenance		
- Plant & Machinery	1,150,037	1,292,502
- Building	212,050	346,502
- Other	2,249,769	6,972,730
Advertising	320,866	12,863,179
Sales Promotion	2,005,965	698,652
Brokerage & Sales Commission	4,647,332	45,843,710
Travelling and Conveyance Expenses	8,674,030	6,291,367
Communication Cost	2,545,670	2,751,988
Printing & Stationary	1,676,603	1,711,911
Professional and Consultancy fees	9,291,242	11,458,758
Directors Sitting fees	80,000	80,000
Remuneration to Director	2,400,000	2,400,000
Auditor's remuneration		
- Audit fee	80,000	80,000
- Tax Audit fee	50,000	50,000
- Others	44,000	112,000
Loss on sale of fixed Assets	587,496	1,000,392
Fixed Assets written off	-	1,909,307
Foreign Exchange (Gain) / Loss	11,925,138	(4,133,646)
Courier & Postage	3,406,743	2,262,694
Vehicle Expenses	829,031	647,493
Packing Material Expenses	1,961,372	966,782
Transportation for factory workers	2,889,053	723,041
Jobwork & Washing charges	1,466,277	2,785,113
Security and service charges	2,808,760	9,482,314
Discount and rebate on sales	5,654,883	22,163,639
Bad Debts	-	7,212,229
Excise duty provision on finished goods	-	13,801,737
Wealth Tax	50,000	50,000
Prior Period Items (net)	416,649	103,807
Miscellaneous Expenses	3,669,260	8,399,925
	107,751,358	233,777,378

NOTES ON ACCOUNTS:
29. Operating Lease Arrangements:
a. As lessee:

Rental expenses of Rs. 1,13,56,240/- (P.Y. Rs.3,50,65,735) in respect of obligation under operating leases have been recognized in the profit and loss account.

At balance sheet date, minimum lease payments under non-cancelable operating leases fall due as follows:

(In Rs)		
Particulars	31.03.2012	31.03.2011
Due not later than one year	81,39,572	1,11,91,242
Due later than one year but not later than five years	81,27,977	72,92,276
Later than five years	NIL	NIL

The above figures include:

- Lease rentals calculated based on estimated date of commencement of lease in cases where the agreements / MOU's have been entered into but the date of commencement of lease is dependent on the date of construction/renovation of premises and based on the commitment for delivery by lessors.
- Lease rentals do not include common maintenance charges, tax payable, if any.
- The Company has not entered under any operating lease agreement which is not-cancelable more than five years.

b. As lessor:

Rental Income recognized in the profit & Loss account during the year Rs. 1,32,53,130/- (Previous Year Rs.1,31,43,600) relating lease arrangements.

30. Employee benefit plan:

The Company has recognized Rs. 10,42,745 (PY Rs. 4,34,633/-) in the Profit and Loss Account for the year ended 31st March 2012 under defined contribution plans.

(a) Expenses recognized in Profit & Loss Account for the year ended 31 March 2012:

(In Rs)

Particulars	2011-2012	2010-2011
Current service cost	13,22,169	7,52,068
Interest cost	2,22,541	1,62,313
Expected return on Assets	(1,72,946)	(1,19,794)
Actuarial (gains) / losses	(3,29,019)	(3,59,954)
Past service cost	-	-
Net expenses	10,42,745	4,34,633

(b) Net Asset / (Liability) recognized in the Balance Sheet as at 31 March 2012:

(In Rs)

Particulars	2011- 2012	2010- 2011
Defined benefit obligation	38,59,658	25,96,744
Fair value of plan assets	30,16,913	21,55,923
Fund status [Surplus/(Deficit)]	8,42,745	4,40,821
Net Assets / (Liability)	(8,42,745)	(4,40,821)

(c) Changes in present value of defined benefit obligation are as following:

(In Rs.)

Particulars	2011-2012	2010-2011
Opening defined benefit obligation	25,96,744	20,28,910
Current service cost	13,22,169	7,52,068
Interest cost	2,22,541	1,62,313
Benefit paid	-	-
Actuarial (gains) / Losses	(2,81,796)	(3,46,547)
Closing defined benefit obligation	38,59,658	25,96,744

(d) Changes in fair value of plan assets are as follows :

(In Rs.)

Particulars	2011-2012	2010-2011
Fair Value of Plan Assets at the beginning of the period.	21,55,923	9,80,685
Expected Return on Plan Assets	1,72,946	1,19,794
Actuarial (gains) / Losses	47,223	13,407
Assets distributed on settlements	-	-
Actual Company Contributions less Risk Premium	6,40,821	10,42,037
Benefit Payments	-	-
Fair Value of the assets	30,16,913	21,55,923

(e) The principal actuarial assumptions used in determining gratuity liability is as follows:

(In Rs.)

Assumption	2011- 2012	2010-2011
Discount rate	8.57%	8%
Expected return on assets	8%	8%
Salary Increase	7%	6%
Withdrawal rates	5%	2%
Mortality table	Indian Assured Lives Mortality (1994 '96) (Modified) Ultimate	

31. Contingent Liabilities

(In Rs.)

Particulars	31.03.2012	31.03.2011
Bank Guarantees	17,65,000	16,30,000
Letter of credit	6,68,72,722	7,16,68,684
Export Obligation	3,65,71,097	3,52,21,146
Corporate Guarantee	10,00,00,000	10,00,00,000
Total	20,52,08,819	20,85,19,830

32 Details of IPO Proceeds Utilization

(In Rs.)

Particulars	31.03.2012	31.03.2011
Net Issue Proceeds	72,45,00,000	72,45,00,000
Utilization of Funds :		
General Corporate Office	10,16,75,000	10,16,75,000
Setting up of Retail Stores & Brand Building	10,63,00,000	10,63,00,000
Setting up of Apparel Manufacturing Unit at Kolar District, Karnataka	25,000	25,000
Setting up of Apparel Manufacturing Unit in the state of Karnataka and Andhra Pradesh	12,38,75,000	1,91,24,050
Setting up of Apparel Manufacturing Unit at Visakhapatnam, Andhra Pradesh	1,91,82,110	1,91,82,110
Entering into Joint Venture / Acquisition of existing setup in India or elsewhere	1,24,31,000	1,24,31,000
Warehousing and logistic facilities	Nil	Nil
Setting up of Design, Display and Sampling Unit	2,33,16,152	2,33,16,152
Share Issue Expenses	5,15,19,932	5,15,19,932
Working Capital	28,61,75,806	-
Expansion of existing business	-	-
Total	72,45,00,000	33,35,73,244

33. Details of Deferred Tax assets and liabilities:

In view of the Accounting Standard 22 issued by Institute of Chartered Accountants of India, the significant component and classification of deferred tax liability/asset on account of timing difference comprises of the following:

(In Rs.)

Particulars	31.03.2012	31.03.2011
Deferred Tax Liabilities		
On account of difference in Tax and Book Depreciation	95,97,729	1,16,89,337
On account of expenditure allowed u/s 43B on payment basis	12,35,821	8,41,861
On account of deduction u/s 35DD	99,747	-
Total	1,09,33,297	1,25,31,198
Deferred Tax Assets		
On account of expenditure charged @ 100% in the books and amortised in computation	-	12,26,187
On account of expenses incurred on demerger	4,98,735	-
Expenditures disallowed u/s 43B	18,09,114	9,04,686
Deferred Tax Liabilities (Net)	86,25,448	1,04,00,325

34. In the opinion of the Board, sundry debtors, loans and advances and other current assets and unsecured loans are approximately of the value stated if realized in the ordinary course of business. The provisions for all known liabilities is adequate and not in excess of the amount reasonably necessary. Balances are subject to confirmation and reconciliation.

Debtors outstanding includes

- (1) Amount of Rs.18,50,24,149 recoverable from Koutons Retail India Ltd (KRIL). Some creditors are reported to have approached the Delhi High Court to recover their dues.
- (2) Amount of Rs. 1,47,43,932/- receivable from Liverpool Retail India Ltd. The Company has filed a legal case in the Metropolitan Magistrate Court, Bombay

However, the Company is negotiating with the management of the above party for recovery of its dues.

The Company is hopeful of being able to realize its entire outstanding and therefore no provision in regard thereto has been made in the accounts.

35. The Company has not received any intimation from suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures, if any, relating to amounts unpaid as the year end together with interest paid / payable as required under the said Act have not been given.

36. Earning per Share (EPS)

(In Rs.)

Particulars	31.03 .2012	31.03.2011
Profit/(Loss) for the year after tax	22,81,750	7,87,79,866
Prior period items (Net)	-	(1,03,807)
Profit /(Loss) including exceptional item	22,81,750	7,86,76,059
Exceptional items (net of taxes)	-	4,25,37,000
Profit /(Loss) excluding exceptional item (net of taxes)	22,81,750	3,61,39,059
Nominal value per share	10	10
Number of equity shares	1,35,60,000	1,35,60,000
EPS Excluding exceptional item	0.17	2.67
EPS Including exceptional item	0.17	5.80

37 Prior period expenses included under "Other expenses"

(In Rs.)

Particulars	31.03.2012	31.03.2011
Advertisement Expenses	-	4,23,476
Repairs & Maintenance Charges	-	2,38,991
Income Tax of earlier year	7,42,428	-
Sales Tax liability of earlier year	38,463	-
Total expenses	7,80,891	6,62,467
Less : Income		
Refund of Income Tax of earlier year	-	(5,58,660)
Capitalisation of expenses accounted as revenue	(3,64,242)	-
Prior Period (Income) / Expenses (net)	4,16,649	1,03,807

38. Derivative Instruments and un-hedged foreign currency exposures

- a. There are following outstanding forward exchange contracts entered into by the Company as on 31st March, 2012 for hedging the currency risk:

(In Rs.)

Particulars	Purpose	31.03.2012	31.03.2011
Forward contracts to buy USD (USD 10,00,000)	Hedge of buyers credit	5,11,56,500	-

- b. The Foreign currency exposures that have not been hedged by any derivatives instrument or otherwise as on 31 March 2012 are as follows:

(In Rs.)

Particulars	31.03.2012	31.03.2011
Assets (Receivable)	193,354,388	13,46,06,256
Liabilities (Payable)	167,741,823	21,70,33,253

39. Previous year figure has been regrouped, rearranged and restated whenever necessary.
40. Segment Reporting:
a. Primary Segment:

The company is primarily engaged in single business segment of manufacturing and marketing of textile and textile products and is managed as one business unit.

b. Secondary Segment (By Geographical Segment):

(In Rs.)

Particulars	India	Outside India	Total
Sales	113,95,04,363	22,48,31,575	136,43,35,938
	(124,77,25,764)	(17,90,45,574)	(142,67,71,338)
*Segment Assets	41,17,62,155	8,85,38,352	50,03,00,507
	(55,26,60,590)	(2,88,96,168)	(58,15,56,758)

(Figures in bracket indicate previous year's figures)

*Segment Assets from outside India represents receivables from Export Sales. In view of the interwoven / intermix nature of business and manufacturing facility, other information is not ascertainable.

41. Demerger of Retail Division

The Company filed a Scheme of arrangement under section 391 to 394 of the Companies Act, 1956 (“the scheme”) to demerge the Retail Division into a new Company, Thomas Scott India Ltd on going concern basis. The appointed date of the Scheme was 1 April 2011. The Hon’ble High Court of Judicature of Bombay vide its order dated 22 July 2011, had sanctioned the Scheme.

Consequent to the transfer of the Retail Division of the Company, the financial statements of the Company for the year ended 31 March 2012 does not include the operations of the Retail Division business and is therefore not strictly comparable with the figures of the previous year ended 31 March 2011. All the assets and liabilities of the Retail Division as on the appointed date of 1 April 2011 have been transferred to Thomas Scott India Ltd and excess of assets over liabilities relating to the Retail Business has been adjusted against the Reserves in accordance with the terms of the Scheme. Further the investment in Thomas Scott India Ltd existing prior to the date of Demerger was cancelled in accordance with the Scheme.

42. Information on Related Party Disclosure

- A. Enterprises where control exists.
- Subsidiaries
- Vedanta Creations Ltd.
Bang Europa SRO
Bang HK Limited
Thomas Scott India Ltd. (Subsidiary till 31.03.2011)
- B. Key Managerial Persons (KMP)
- Venugopal Bang (Chairman)
Brijgopal Bang (Managing Director)
- C. Relatives of Key Managerial Persons
- Balaram Bang
Radhadevi Bang
Girdhargopal Bang
Rajgopal Bang
Nandgopal Bang
- D. Enterprises owned or significantly influenced by key management personnel or their relatives
- 1) Bang Data Forms Pvt. Ltd.
2) Thomas Scott India Ltd. (from 01.04.2011)

Disclosure of transaction between the Company and related Parties and status of outstanding balances as on 31st March, 2012.

(In Rs.)

Particulars	Current year	Previous year
Subsidiaries		
Vedanta Creations Ltd.		
Sale of finished goods / raw materials etc.	103,880,820	52,402,800
Purchase of finished goods / raw materials etc.	31,964,472	-
Sale of DFRC/DFIA Licenses	7,678,742	10,448,172
Loan received	38,770,000	110,350,124
Loan Repaid	55,645,000	165,419,612
Outstanding payable as on 31st March 2012	33,013,749	24,495,919
Thomas Scott India Ltd.		
Investment in equity shares	-	500,000
Bang Europa SRO		
Sale of finished goods / raw materials etc.	51,547,623	2,807,968
Investment in equity shares	-	12,143,500
Outstanding receivable as on 31st March 2012	25,816,957	2,903,981
Bang HK Limited		
Investment in equity shares	-	287,500
Outstanding as on 31st March 2012	-	-
Key Managerial Persons (KMP)		
Venugopal Bang		
Loans taken	7,500,000	160,000
Loans repaid	7,595,000	3,760,000
Interest paid	44,981	165,107
Sale of finished goods / raw materials etc.	4,169	-
Outstanding payable as on 31st March 2012	298,686	348,705
Brijgopal Bang		
Loans taken	860,000	1,600,000
Loans repaid	-	130,000
Interest paid	1,774,641	1,641,752
Salary paid	2,400,000	2,400,000
Outstanding receivable as on 31st March 2012	18,886,123	16,290,190

(In Rs.)

Particulars	Current year	Previous year
Relatives of Key Managerial Persons		
Balaram Bang		
Loans repaid	3,000,000	4,600,000
Interest paid	5,381,451	5,937,781
Outstanding payable as on 31st March 2012	54,107,239	51,725,788
Radhadevi Bang		
Interest paid	314,927	315,811
Outstanding payable as on 31st March 2012	3,230,918	2,915,991
Girdhargopal Bang		
Loans repaid	4,387,413	4,035,000
Interest paid	229,930	760,285
Outstanding payable as on 31st March 2012	-	4,157,483
Rajgopal Bang		
Loans taken	-	3,500,000
Loans repaid	-	3,500,000
Interest paid	237,157	244,054
Outstanding payable as on 31st March 2012	2,433,055	2,195,898
Nandgopal Bang		
Interest paid	5,498	5,513
Outstanding payable as on 31st March 2012	56,401	50,903
Enterprises owned or significantly influenced by key mangement perosnnel or their relatives		
Bang Data Forms Pvt. Ltd.		
Loans taken	-	16,000,000
Loans repaid	-	12,000,000
Interest paid	626,941	715,562
Outstanding payable as on 31st March 2012	5,270,947	4,644,006
Thomas Scott (India) Ltd.		
Purchase of finished goods / raw materials etc.	28,520,760	-
Demerger expenses	500,000	-
Sale of finished goods / raw materials etc.	3,347,147	-
Interest received	786,826	-
Commission income	280,363	-
Loan received	70,221,608	-
Loan repaid	67,336,151	-
Outstanding receivable as on 31st March 2012	1,133,790	-

As per our report of even date

For Rajendra K Gupta & Associates
Chartered Accountants
Firm Registration No: 108373W

Rajendra Kumar Gupta
Partner
Membership No. 9939
Place: Mumbai
Date: August 27, 2012

For and on behalf of Board of Directors
Bang Overseas Ltd.

Venugopal Bang Brijgopal Bang Jalpa H. Salvi
Chairman Managing Director Company Secretary

Place: Mumbai
Date: August 27, 2012

43. INFORMATION PURSUANT TO SCHEDULE VI OF THE COMPANIES ACT, 1956.
1 Earnings in foreign currency

Particulars	2011-2012	2010-2011
Exports at F.O.B. Value	224,831,575	179,045,576

2 Expenditure in foreign currency

Particulars	2011-2012	2010-2011
Travelling	1,194,429	1,223,083
Interest on Buyers Credit	4,700,077	2,877,724
	5,894,506	4,100,807

3 Value of imports calculated on CIF basis

Particulars	2011-2012	2010-2011
Raw Materials	22,269,794	36,401,760
Trade Goods	660,981,502	546,612,367
Capital Goods	2,627,469	-
	685,878,765	583,014,127

4 Imported and indigenous raw materials

	2011-2012		% of total Consumption	2010-11		% of total Consumption
Fabrics	Qty	Value		Qty	Value	
Imported	65,617	12,753,827	8.26	365,099	35,957,113	15.82
Indigenous	905,166	141,604,604	91.74	1,585,313	191,297,180	84.18
	970,783	154,358,431	100	1,950,412	227,254,293	100

Accessories					Value	
Imported	-	9,998,143	29.50	-	666,135	1.50
Indigenous	-	23,896,797	70.50	-	43,689,295	98.50
		33,894,940	100		44,355,430	100

As per our report of even date

For Rajendra K Gupta & Associates
Chartered Accountants
Firm Registration No: 108373W

Rajendra Kumar Gupta
Partner
Membership No. 9939
Place: Mumbai
Date: August 27, 2012

For and on behalf of Board of Directors
Bang Overseas Ltd.

Venugopal Bang Brijgopal Bang Jalpa H. Salvi
Chairman Managing Director Company Secretary

Place: Mumbai
Date: August 27, 2012

Statement relating to subsidiary pursuant to Section 212 of the Companies Act, 1956

(In Rs.)

Name of the subsidiary Company	Financial year ending of the subsidiary	Number of equity shares held	Extent of holding	For financial year of the subsidiary		For the previous financial years since it became a subsidiary	
				Profit/(Losses) so far it concerns the members of the holding company and not dealt with in the books of account of the holding company (Except to the extent dealt with in col 6)	Profit/(Losses) so far it concerns the members of the holding company and not dealt with in the books of account of the holding company.	Profit/(Losses) so far it concerns the members of the holding company and not dealt with in the books of account of the holding company (Except to the extent dealt with in col 8)	Profit/(Losses) so far it concerns the members of the holding company and not dealt with in the books of account of the holding company.
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Vedanta Creations Ltd.	31/03/2012	284750	100%	(49,018)	-	92,612,912	-
Bang Europa S.R.O.	31/12/2011	200000	100%	(886,917)	-	934,276	-
Bang HK Limited	31/12/2011	50000	100%	(192,343)	-	(192,343)	-

Participated regarding subsidiary Companies, in accordance with General Circular No. 02/2011 dated 8th February, 2011 from the Ministry of Corporate Affairs.

(In Rs.)

Name of Subsidiary Company	Issued and subscribed share capital	Reserves	Total Assets	Total Liabilities	Investment included in Total Assets	Turnover	Profit/(Loss) before taxation	Provision for taxation	Profit/(Loss) after taxation	Proposed Dividend
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Vedanta Creations Ltd.	2,847,500	100,606,568	151,461,466	48,007,399	5,000,000	313,952,124	(33,778)	15,239	(49,018)	-
Bang Europa S.R.O.	13,668,000	47,360	65,602,349	51,886,990	-	176,390,460	(886,917)	-	(886,917)	-
Bang HK Limited	335,325	(314,887)	16,913,354	16,892,915	-	28,854,428	(168,455)	23,889	(192,343)	-

For and on behalf of Board of Directors

BANG OVERSEAS LTD.

Place : Mumbai

Date : August 27, 2012

Venugopal Bang
Chairman

Brijgopal Bang
Managing Director

Jalpa H. Salvi
Company Secretary

CONSOLIDATED AUDITOR'S REPORT

To,
The Board of Directors
Bang Overseas Limited

1. We have audited the attached Consolidated Balance Sheet of Bang Overseas Limited ('the Company' or "the Parent Company") and its subsidiaries (collectively referred to as 'the Group') as at March 31, 2012 and also the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year end date both annexed thereto. These consolidated financial statements are the responsibility of the Company's Management and have been prepared by the management on the basis of separate financial statements. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. We did not audit the financial statements of foreign subsidiaries i.e. Bang Europa SRO and Bang HK Limited included in consolidated financial statements which constitutes total assets of Rs. 8,25,15,700/- and total liabilities Rs. 6,87,79,905/- as at 31st March, 2012, total revenue of Rs. 20,52,44,888/- net profit/(Loss) of Rs. (10,79,260) for the year then ended has been certified by the Managing Director of the Holding Company.
4. We report that the Consolidated Financial Statements have been prepared by the Company's management in accordance with the requirements of Accounting Standard-21('AS') - Consolidated Financial Statements notified in the Companies (Accounting Standards) Rules, 2006.
6. Based on our audit of financial statements of the holding and the subsidiary company and on consideration of certificate from management as explained in para 3 above, and to the best of our information and according to the explanations given to us, we are of the opinion that the attached Consolidated Financial Statements gives a true and fair view in conformity with the accounting principles generally accepted in India:
 - (i) in the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at March 31, 2012;
 - (ii) in the case of the Consolidated Statement of Profit and Loss, of the profit of the Group for the year ended on that date; and
 - (iii) in the case of the Consolidated Cash Flow Statement, of the consolidated cash flows of the Group for the year ended on that date.

For Rajendra K.Gupta & Associates
Chartered Accountants
Firm Registration No. : 108373W

Rajendra Kumar Gupta
Partner
Membership No: 9939

Place: Mumbai
Date: August 27, 2012

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2012

(In. Rs.)

Particulars	Note	As at 31st March 2012	As at 31st March 2011
EQUITY AND LIABILITIES			
Shareholder's Funds			
Share Capital	2	135,600,000	135,600,000
Reserves and Surplus	3	755,332,057	1,009,877,597
		890,932,057	1,145,477,597
Non-Current Liabilities			
Long-term borrowings	4	4,785,823	5,665,488
Deferred tax liabilities (Net) (Refer Note 33)		8,499,255	10,368,893
Other Long term liabilities	5	3,819,402	18,263,772
Long term provisions	6	-	7,486,827
		17,104,480	41,784,980
Current Liabilities			
Short-term borrowings	7	524,081,728	552,028,469
Trade payables	8	116,881,417	134,538,480
Other current liabilities	9	34,206,128	35,028,948
Short-term provisions	10	11,575,707	18,154,586
		686,744,980	739,750,483
Total		1,594,781,517	1,927,013,060
ASSETS			
Non-current assets			
Fixed assets			
Tangible assets	11	175,970,049	177,763,725
Intangible assets		1,404,928	1,087,747
Capital Work In progress		100,745,050	14,603,240
Non-current investments	12	5,010,000	10,000
Long term loans and advances	13	35,100,000	42,500,000
Other non-current assets	14	-	1,534,312
		318,230,027	237,499,024
Current assets			
Inventories	15	342,652,061	463,551,639
Trade receivables	16	590,985,510	654,103,947
Cash and bank balances	17	191,223,355	284,948,471
Short-term loans and advances	18	149,014,739	275,961,114
Other current assets	19	2,675,825	10,948,865
		1,276,551,490	1,689,514,036
Total		1,594,781,517	1,927,013,060

Significant Accounting Policies

1

The accompanying notes are an integral part of the financial statements
As per our report of even date attached

For Rajendra K. Gupta & Associates
Chartered Accountants
Firm Registration No:108373W

Rajendra Kumar Gupta
Partner

Membership No. 9939

Place: Mumbai

Date: August 27, 2012

For and on behalf of Board of Directors

Bang Overseas Ltd.

Venugopal Bang
Chairman

Brijgopal Bang
Managing Director

Jalpa H. Salvi
Company Secretary

Place: Mumbai

Date: August 27, 2012

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2012 (In. Rs.)

Particulars	Note	For the year ended 31st March 2012	For the year ended 31st March 2011
INCOME			
Revenue from operations	20	1,752,390,238	1,805,469,545
Other Operating Revenue	21	8,895,175	7,808,420
Other Income	22	37,014,604	48,681,732
Total Revenue		1,798,300,017	1,861,959,697
EXPENSES			
Cost of materials consumed	23	290,956,773	273,733,575
Purchase of Stock-in-Trade	24	1,180,986,989	1,183,240,361
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	25	(62,107,739)	(58,237,749)
Employee benefit expenses	26	143,556,158	83,494,915
Financial costs	27	57,113,115	55,270,180
Depreciation and amortization expenses	11	13,834,971	19,583,023
Other expenses	28	174,382,797	245,972,405
Total Expenses		1,798,723,064	1,803,056,710
Profit before exceptional and extraordinary items and tax		(423,047)	58,902,987
Exceptional Items		29,230	55,000,000
Profit before tax		(452,277)	113,902,987
Tax expenses:			
(1) Current tax		264,375	28,475,000
(2) Deferred tax		(1,870,124)	(231,564)
Profit / (Loss) for the year		1,153,472	85,659,551
Earning per equity share: (Refer Note 36)			
(1) Basic		0.09	6.32
(2) Diluted		0.09	6.32

Significant Accounting Policies

1

The accompanying notes are an integral part of the financial statements

As per our report of even date attached

For Rajendra K. Gupta & Associates
Chartered Accountants
Firm Registration No:108373W

Rajendra Kumar Gupta
Partner
Membership No. 9939
Place: Mumbai
Date: August 27, 2012

For and on behalf of Board of Directors

Bang Overseas Ltd.

Venugopal Bang Brijgopal Bang Jalpa H. Salvi
Chairman Managing Director Company Secretary

Place: Mumbai
Date: August 27, 2012

CONSOLIDATED CASH FLOW STATEMENT AS AT MARCH 31, 2012

(In. Rs.)

Particulars	2011-2012	Amount	2010-2011	Amount
A. Cash flow from Operating Activities				
Net profit before taxation		(423,047)		114,056,793
Adjustments for:				
Depreciation		13,214,854		15,975,526
Amortisation		-		3,607,497
(Profit) / Loss on sale of Fixed Assets		648,914		1,022,954
Fixed Assets Written off		-		1,909,307
Sundry Balances Written back		(710,474)		2,740,863
Prior Period		416,649		80,281
Exchange rate fluctuation loss/(gain)		(5,250,637)		(7,923,955)
Bad Debts Written Off		-		7,212,229
Cancellation of Investment Demerger impact		(500,000)		-
Interest income		(23,046,095)		(28,848,274)
Dividend income		(2,240)		(2,240)
(Profit)/Loss on sales of Investements		-		(5,919,717)
(Profit)/Loss on sales of Investements included in exceptional item		-		(55,000,000)
Interest expense		44,393,223		41,689,198
Operating profit before Working Capital changes		28,741,147		90,600,462
Changes in				
Inventories		121,514,669		(58,109,482)
Trade Receivables		41,678,796		(182,774,035)
Loans and Advances & other current assets		127,325,429		(139,043,491)
Trade Payables, Other liabilities & provisions		108,595,586		(28,872,423)
Cash generated from operations		427,855,627		(318,198,969)
Direct taxes paid (net)		(1,132,444)		(16,168,988)
Net Cash from Operating Activities		426,723,183		(334,367,957)
B. Cash flows from Investing activities				
Purchase of Fixed Assets		(33,971,505)		(63,281,850)
Capital work-in-progress		(86,141,810)		19,583,052
Receipt from sale of assets		1,540,990		862,298
Purchase of Investment		(5,000,000)		(12,931,000)
Cancellation of Investment Demerger impact		500,000		-
Sale of Investment		-		227,404,383
Interest received		23,046,095		28,848,274
Dividends received		2,240		2,240
Net Cash from Investing Activities		(100,023,990)		200,487,397
C. Cash flows from Financing Activities				
Short Term Borrowings		(47,376,213)		20,763,355
Long Term Borrowings		18,557,119		2,097,839
Demerger Impact		(347,347,640)		-
Proceeds from share capital		-		12,934,000
Proceeds from working capital borrowing		-		53,935,104
Interest paid		(44,393,223)		(39,223,880)
Net cash from Financing Activities		(420,559,957)		50,506,418
Net increase in cash and cash equivalents (A + B + C)		(93,860,764)		(83,374,142)
Cash and cash equivalents at the beginning of the year		285,084,119		368,322,613
Cash and cash equivalents at the end of the year		191,223,355		284,948,471

As per our report of even date attached

For Rajendra K. Gupta & Associates
Chartered Accountants
Firm Registration No:108373W

Rajendra Kumar Gupta
Partner
Membership No. 9939
Place: Mumbai
Date: August 27, 2012

For and on behalf of Board of Directors

Bang Overseas Ltd.

Venugopal Bang Chairman
Brijgopal Bang Managing Director
Jalpa H. Salvi Company Secretary

Place: Mumbai
Date: August 27, 2012

Note 1

NOTES TO ACCOUNTS

SIGNIFICANT ACCOUNTING POLICIES:

1. Basis of preparation of Financial Statements

The financial statements have been prepared to comply in all material respects in respects with the standards notified under the Companies (Accounting Standards) Rules, 2006 and the relevant provisions of Companies Act, 1956. The financial statements have been prepared under the historical cost convention on an accrual basis except in case of assets for which impairment is made and revaluation is carried out and derivative instruments. The accounting policies have been consistently applied by the Company and except for the changes in accounting policy discussed more fully below, are consistent with those used in previous year.

2. Principles of Consolidation

The consolidated financial statements relate to Bang Overseas Ltd., (Parent Company) and Subsidiaries i.e. Vedanta Creations Ltd., Bang Europa SRO and Bang HK Limited. The financial statements of the Parent Company and its Subsidiaries have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances, if any.

3. Use of Estimate

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the period reported. Actual results could differ from those estimates. Any revision to accounting estimates is recognised in accordance with the requirements of the respective accounting standard.

4. Fixed Assets

Fixed assets are stated at cost (or revalued amounts, as the case may be), less accumulated depreciation and impairment losses. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use, net of VAT recoverable. Financing costs relating to construction of fixed assets are also included to the extent they relate to the period till such assets are ready to be put to use. Financing costs not relating to construction of fixed assets are charged to the income statement.

Depreciation

Depreciation on the fixed assets has been provided for on straight line method at the rates prescribed and in the manner specified in Schedule XIV to the Companies Act, 1956 for the manufacturing units. Other fixed assets have been continued depreciated by following written down value method.

Impairment

- i. The carrying amounts of assets are reviewed at each balance sheet date if there are impairment indicators. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the WACC.

- ii. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.
- iii. A previously recognised impairment loss is increased or decreased based on reassessment of recoverable amount, which is carried out if the change is significant. However the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation if there was no impairment.

5. Intangible Assets

Intangible assets include miscellaneous expenditures that are capitalized if specific criteria are met and are amortised over their useful life, generally not exceeding 5 years. The recoverable amount of an intangible asset that is not available for use or is being amortized over a period exceeding 5 years should be reviewed at least at each financial year end even if there is no indication that the asset is impaired.

6 Leases

Where the Company is the lessee

Finance leases, where substantially all the risks and benefits incidental to ownership of the leased item, are transferred to the company, are capitalized at the lower of the fair value and present value of the minimum lease payments at the inception of the lease term and disclosed as leased assets. Lease payments are apportioned between finance charges and reduction of the lease liability based on the implicit rate of return. Finance charges are charged to income. Lease management fees, legal charges and other initial direct costs are capitalised.

If there is no reasonable certainty that the Company will obtain the ownership by the end of the lease item, capitalized leased assets are depreciated over the shorter of the estimated useful life of the asset or the lease term.

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased term, are classified as operating leases. Operating lease payments are recognized as an expense in the Profit and Loss account on a straight-line basis over the lease term.

Where the Company is the lessor

Assets subject to operating leases are included in fixed assets. Lease income is recognised in the Profit and Loss Account on a straight-line basis over the lease term. Costs, including depreciation are recognised as an expense in the Profit and Loss Account. Initial direct costs such as legal costs, brokerage costs, etc. are recognised immediately in the P&L Account.

7. Government grants and subsidies

Grants and subsidies from the government are recognized when there is reasonable assurance that the grant/subsidy will be received and all attaching conditions will be complied with.

When the grant or subsidy relates to an expense item, it is recognized as income over the periods necessary to match them on a systematic basis to the costs, which it is intended to compensate. Where the grant or subsidy relates to an asset, its value is deducted in arriving at the carrying amount of the related asset.

8. Investments

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost, less provision for diminution in value other than temporary.

9. Inventories

Inventories are valued at lower of cost or net realisable value. Cost is determined on the following basis:

- i) Raw materials and manufactured finished goods are valued at cost inclusive of excise duty. Cost is determined by using average cost method.
- ii) Trade Goods are valued at cost on FIFO basis.

10. Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured.

(i) Sale of goods

Revenue is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer. Sales revenue is net of sales returns, discounts and rebates.

(ii) Interest

Revenue is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

(iii) Dividends

Revenue is recognised when the shareholders' right to receive payment is established by the balance sheet date. Dividend from subsidiaries is recognised even if same are declared after the balance sheet date but pertains to period on or before the date of balance sheet as per the requirement of revised schedule VI of the Companies Act, 1956.

11. Foreign Exchange Transaction

- (a) Transaction denominated in foreign currencies is normally recorded at the exchange rate prevailing at the time of the transaction.
- (b) Monetary items denominated in foreign currency as at the balance sheet date are translated at the year end exchange rate.
- (c) Premium on forward cover contracts in respect of import of raw material is charged to profit & loss account over the period of contracts except in respect of liability for acquiring fixed assets, in which case the difference are adjusted in carrying cost of the same.

12. Employee benefits

- (i) Retirement benefits in the form of Provident Fund is a defined contribution scheme and the contributions are charged to the Profit and Loss Account of the year when the contributions to the statutory authority are due.
- (ii) Gratuity liability are defined benefit obligations and are provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year.

13. Current Tax and Deferred Tax

- (i) Provision for current tax is made after taking into consideration benefits admissible under the provision of the Income Tax Act, 1961.
- (ii) Deferred tax resulting from timing difference between the book and taxable profit is accounted for using the tax rates and laws that have been enacted or substantively enacted as on the balance sheet date.

14. Earning per share

Basic EPS is computed using the weighted average number of equity shares outstanding during the year. Diluted EPS is computed using the weighted average number of equity and diluted equity equivalent shares outstanding during the year except where the results would be anti-dilutive.

15. Cash Flow Statement

Cash flow statement is reported using the indirect method as specified in the Accounting standard (AS)-3, 'Cash Flow Statement' issued by The Institute of Chartered Accountants of India.

16. Provision, Contingent Liabilities and Contingent Assets

Provision involving substantial degree of estimation in measurement is recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognized but are disclosed in the notes. Contingent assets are neither recognized nor disclosed in the financial statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2012 (In. Rs.)

Particulars	As at 31st March 2012	As at 31st March 2011
Note 2 : Share Capital		
Authorised		
1,60,00,000 Equity Shares of Rs. 10/- each	160,000,000	185,508,000
(Previous year 160,00,000 Equity Shares of Rs. 10/- each)	160,000,000	185,508,000
Issued, Subscribed & Paid up		
1,35,60,000 Equity Shares of Rs. 10/- each fully paid up	135,600,000	135,600,000
(Previous year 1,35,60,000 equity shares of Rs. 10/- each fully paid up)	135,600,000	135,600,000
Total		
Note 3 : Reserves & Surplus		
(a) Capital Reserve on Consolidation	12,347,600	12,347,600
(b) General Reserve	4,915,173	4,915,173
(c) Securities Premium Account	-	-
Balance at the beginning of the year	675,902,268	675,902,268
Add: Current year transfer	-	-
Less: W/O pursuant to Scheme of Demerger (Refer Note no 39)	75,009,630	-
Balance at the end of the year	600,892,638	675,902,268
(d) Surplus in Profit Loss Statement		
Balance at the beginning of the year	423,806,361	252,041,901
Add: Current year transfer	1,153,472	85,659,551
Less: W/O pursuant to Scheme of Demerger (Refer Note no 39)	272,338,012	-
Balance at the end of the year	152,621,821	337,701,452
Less : Elimination of Profit on consolidation	15,445,175	20,988,896
Total	755,332,057	1,009,877,597
Note 4 : Long term Borrowings		
Secured		
Car Loan	4,785,823	5,665,488
Total	4,785,823	5,665,488
a) Nature of Security for Long term borrowings		
Car Loan is taken from Kotak Mahindra Prime Ltd and Tata Capital Ltd is secured against hypothecation of cars.		
b) There is no default in repayment of principal amount and interest thereon .		
Note 5: Other Long Term Liabilities		
Unsecured		
Security deposits Received	3,819,402	18,263,772
	3,819,402	18,263,772
Note 6 : Long term Provisions		
Provision for Income Tax (Net of advance tax, Refund and TDS)	-	7,423,674
Provision for Fringe Benefit Tax (net of advance payments)	-	13,153
Provision for wealth tax	-	50,000
	-	7,486,827
Note 7 : Short term borrowing		
Secured		
Working capital loans	124,436,624	97,458,607
Factoring credit from The Hongkong and Shanghai Banking Corporation Ltd.	-	32,327,055
Buyers Credit in foreign currency	201,599,173	234,499,602
Unsecured		
from Promoters & Promoter group	176,136,739	168,225,186
from Directors	17,265,186	14,874,013
from related party	4,644,006	4,644,006
	524,081,728	552,028,469

a) Nature of Security for Short term borrowing Working Capital loans and Buyer's Credit loans taken from Bank of India and Oriental Bank of Commerce is secured against hypothecation of inventories, book debts and equitable mortgage of immovable properties being factory land and buildings/other structures and embedded plant & machinery, and Corporate Guarantee of M/s. Bang Data Forms Pvt Ltd and personal guarantee of Directors Mr. Venugopal Bang and Mr. Brijgopal Bang.

NOTES TO CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2012

Note 11 - Fixed Assets

Particulars	Gross Block			Depreciation			Net Block			
	as at 01/04/2011	Addition	Deduction	as on 31/3/2012	up to 01/04/2011	for the year for the year	Depreciation Adjustment	up to 31/3/2012	as on 31/3/2012	as on 31/3/2011
i) Tangible Assets										
Land	6,604,618	-	-	6,604,618	-	-	-	-	6,604,618	6,604,618
Building	19,894,713	-	-	19,894,713	212,896	321,692	-	534,588	19,360,125	19,681,817
Factory Building	48,035,134	15,135,828	-	63,170,962	8,981,648	1,621,598	-	10,603,246	52,567,716	39,053,486
Office Equipment	6,809,788	227,767	2,042,977	4,994,578	2,321,545	328,898	425,702	2,224,741	2,769,838	4,488,243
Computer Systems	12,790,023	565,804	1,908,287	11,447,540	9,074,118	965,816	1,115,769	8,924,165	2,523,375	3,715,906
Plant & Machinery	65,936,978	8,583,626	54,000	74,466,604	11,080,256	3,975,472	10,032	15,045,696	59,420,909	54,815,420
Furniture & Fixture	34,845,708	3,258,574	1,379,969	36,724,313	15,523,316	3,532,774	745,507	18,310,583	18,413,730	27,936,320
Motor Vehicles	12,382,324	3,283,622	2,011,522	13,654,424	3,147,786	2,307,550	861,215	4,594,121	9,060,303	9,234,538
Leasehold Improvements	29,883,570	1,896,302	25,752,108	6,027,764	9,043,422	349,707	8,614,801	778,328	5,249,436	12,226,220
T total	237,182,856	32,951,523	33,148,863	236,985,516	59,384,987	13,403,506	11,773,026	61,015,467	175,970,049	177,756,568
ii) Intangible Assets										
Computer Software	4,246,156	1,182,562	1,861,214	3,567,504	3,158,409	431,465	1,427,298	2,162,576	1,404,928	1,087,747
T total	4,246,156	1,182,562	1,861,214	3,567,504	3,158,409	431,465	1,427,298	2,162,576	1,404,928	-
iii) Capital Work in progress										
Grand Total (i+ii+iii)	241,429,012	34,134,085	35,010,077	240,553,020	62,543,396	13,834,971	13,200,324	63,178,043	278,120,027	233,447,555
Previous year	257,321,083	63,256,290	24,606,309	295,971,064	50,189,654	15,957,123	3,623,269	62,523,508	233,447,555	207,131,429

NOTES TO CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2012 (In. Rs.)

Particulars	As at 31st March 2012	As at 31st March 2011
Note 8 : Trade Payables		
Payables for goods & Services	116,781,417	134,399,772
Payables to Managing Director	100,000	138,708
	116,881,417	134,538,480
Note 9: Other Current Liabilities		
Statutory Liabilities	5,760,909	11,521,466
Payable for Capital Expenditures	1,147,829	703,004
Interest accrued but not due on loans	25,779,913	22,219,224
Advances from customers	1,517,477	585,254
	34,206,128	35,028,948
Note 10: Short Term Provisions		
Provision for employee benefits	8,300,245	3,873,903
Provision for gratuity	1,096,530	478,946
Provision for Excise Duty	2,178,932	13,801,737
	11,575,707	18,154,586
Note 12 : Non Current Investments		
Non Trade - Unquoted		
Name of Company	Face Value	Nos.
Saraswat Co Op Bank Ltd	10	1,000
Excel Agencies Pvt Ltd	10	500
N.K. Overseas Pvt Ltd	100	500
	5,010,000	10,000
Note 13 : Long term Loans and advances		
Unsecured, considered good		
Capital Expenditure Advances	35,100,000	42,500,000
	35,100,000	42,500,000
Note 14 : Other Non Current Assets		
Brand Development expenses	-	1,534,312
	-	1,534,312
Note 15 : Inventories		
(As taken, Valued & Certified by the Management)		
Raw Materials and components	81,789,196	131,842,512
Work In Progress	3,873,840	6,074,301
Finished goods	18,780,330	154,658,196
Trade goods	238,208,695	170,976,630
	342,652,061	463,551,639
Note 16 : Trade Receivables		
Unsecured, considered good unless otherwise stated		
Debts outstanding for a period exceeding six months	302,548,030	249,486,417
Other Debts	288,428,457	404,617,530
Receivable from Directors & Relatives	9,023	-
	590,985,510	654,103,947
Note 17 : Cash and Bank Balances		
Cash and Cash equivalents		
Balances with Banks		
- Current Accounts	1,229,569	11,683,447
- Fixed Deposit Accounts	189,004,116	271,974,626
Cash In Hand	989,670	1,290,398
	191,223,355	284,948,471
Balances with banks in deposit accounts includes fixed deposits aggregating to Rs. 18,35,010/- against which lien has been marked by the banks as security for guarantees issued on behalf of the Company. It also includes fixed deposits aggregating to Rs. 86,843,730/- earmarked as margin deposits against working capital facilities and fixed deposits aggregating to Rs. 3,00,00,000/- liened against stand by letter of credit issued to subsidiary company.		
Note 18 : Short term Loans and advances		
Unsecured, considered good unless otherwise stated		
Advances to employees	749,365	1,102,048
Advances towards purchase of goods / services	60,569,205	79,588,934
Receivable from related parties	1,133,790	-
Advance Tax & T.D.S. (Net of provisions)	8,759,759	1,313,152
Prepaid expenses	5,310,044	4,270,680
Balances with Government authorities	4,513,899	2,673,751
Security Deposits	7,978,677	22,012,549
Deposits with financial institutions	60,000,000	165,000,000
	149,014,739	275,961,114
Note 19 : Other Current Assets		
DFIA/DFRC import licenses	2,643,533	10,948,864
Interest accrued but not due on deposits	32,292	-
	2,675,825	10,948,864

NOTES TO CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2012 (In. Rs.)

Particulars	Year ended 31st March, 2012	Year ended 31st March, 2011
Note 20 : Revenue from Operations		
Sale of Products		
- Trade Goods	1,182,346,236	1,064,334,446
- Manufactured Goods	447,600,651	544,215,463
Export Sales	-	-
- Trade Goods	162,982,774	145,621,397
- Manufactured Goods	61,848,801	33,424,179
	-	-
Jobwork Charges/Scrap Sales	64,940,296	22,579,711
Gross Sales :	1,919,718,758	1,810,175,196
Less : Inter Department Transfer	131,142,713	-
Less : Excise Duty	36,185,807	4,705,651
Net Sales :	1,752,390,238	1,805,469,545
Note 21 : Other Operating Revenue		
Duty drawback/DEPB incentives	4,923,702	7,103,837
Misc. Income (Insurance claim received & Scrap Sales)	1,238,608	704,583
Decrease in Excise duty provision on finished goods	2,556,210	-
Commission Received (TDS Rs. 17,666/- PY Nil)	176,655	-
	8,895,175	7,808,420
Note 22 : Other Income		
Interest on Deposits	23,027,324	26,870,267
Rent received	13,253,130	13,143,600
Dividend	2,240	2,240
Sundry balances written off	710,474	774,799
Profit on sale of fixed assets	21,436	-
Profit on sale of investment	-	5,919,717
Interest received on Income Tax Refund	-	1,971,109
	37,014,604	48,681,732
Note 23: Cost of Material Consumed		
Opening stock of Raw Material	75,256,524	108,804,120
Add: Purchases of Raw Material	273,387,567	289,144,844
Less: Closing stock of Raw Material	57,687,318	124,215,389
	290,956,773	273,733,575
Note 24 : Trade Purchases		
Trade Purchases	1,263,933,482	1,099,868,489
Jobwork charges	48,196,220	83,371,872
	1,312,129,702	1,183,240,361
Less : Inter Department Transfer	131,142,713	-
Net Purchase	1,180,986,989	1,183,240,361
Note 25 : Increase (Decrease) in Inventories		
Opening Stock		
- Trade Goods	169,115,382	149,569,942
- Work -in - progress	5,540,119	10,363,824
- Finished Goods	24,043,071	113,537,612
(A)	198,698,572	273,471,378
Less: Closing Stock		
- Trade Goods	238,208,695	170,976,630
- Work -in - progress	3,873,840	6,074,301
- Finished Goods	18,723,776	154,658,196
(B)	260,806,311	331,709,127
(A) -(B)	(62,107,739)	(58,237,749)

(In. Rs.)

Particulars	Year ended 31st March, 2012	Year ended 31st March, 2011
Note 26 : Employee Compensation		
Salaries, Wages, and Bonus	128,478,950	74,576,628
Contribution to Provident Fund and other fund	9,190,686	6,299,726
Gratuity Expenses	1,345,057	508,139
Workmen and staff welfare expenses	4,541,465	2,110,422
	143,556,158	83,494,915
Note 27 : Finance Expenses		
Interest		
On Working capital loans	19,697,015	17,084,259
Others	24,696,208	24,604,938
Bank Charges	12,719,892	13,580,983
	57,113,115	55,270,180
Note 28 : Other Expenses		
Power & Fuel	8,394,021	9,472,247
Freight and forwarding charges	23,174,993	24,223,097
Rent	13,898,939	36,341,335
Rates & Taxes	4,674,410	5,695,656
Insurance Charges	1,857,346	2,461,134
Repairs & Maintenance	-	-
- Plant & Machinery	1,150,037	1,292,502
- Building	212,050	346,502
- Other	4,141,959	7,238,344
Advertising	320,866	12,863,179
Sales Promotion	2,223,485	883,686
Brokerage & Sales Commission	31,277,425	47,336,652
Travelling and Conveyance Expenses	14,968,023	8,252,463
Communication Cost	3,212,685	2,912,966
Printing & Stationary	1,895,385	1,856,253
Professional and Consultancy fees	10,012,925	11,760,605
Directors Sitting fees	80,000	80,000
Remuneration to Director	2,640,000	2,640,000
Auditor's remuneration	-	-
- Audit fee	162,560	127,160
- Tax Audit fee	70,000	70,000
- Others	44,000	112,000
Loss on sale of fixed Assets	670,350	1,022,954
Fixed Assets written off	-	1,909,307
Foreign Exchange (Gain) / Loss	19,330,107	(6,181,916)
Courier & Postage	3,511,823	2,335,819
Vehicle Expenses	1,037,525	769,173
Packing Material Expenses	2,894,179	1,911,165
Transportation for factory workers	2,889,053	723,041
Jobwork & Washing charges	1,484,387	2,786,251
Security and service charges	2,808,760	9,482,314
Discount and rebate on sales	8,366,607	25,264,263
Bad Debts	-	7,212,229
Excise duty provision on finished goods	-	13,801,737
Sundry Balances Weritten off	137,414	-
Wealth Tax	50,000	50,000
Prior Period Items (net)	416,649	103,807
Miscellaneous Expenses	6,374,834	8,816,480
	174,382,797	245,972,405

NOTES ON ACCOUNTS:
29. Segment Reporting:
a. Primary Segment:

The company is primarily engaged in single business segment of manufacturing and marketing of textile and textile products and is managed as one business unit.

b. Secondary Segment (By Geographical Segment):
(In. Rs.)

Particulars	India	Outside India	Total
Sales	113,95,04,363	61,28,85,875	175,23,90,238
	(153,03,57,812)	(19,39,82,013)	(172,43,39,825)
*Segment Assets	41,17,62,155	17,92,23,355	59,09,85,510
	(61,73,96,838)	(2,59,92,187)	(64,33,89,025)

(Figures in bracket indicate previous year's figures)

*Segment Assets from outside India represents receivables from Export Sales. In view of the interwoven / intermix nature of business and manufacturing facility, other information is not ascertainable.

30. Operating Lease Arrangements:
a. As lessee:

Rental expenses of Rs. 1,38,98,939/- (P.Y. Rs. 3,63,51,335) in respect of obligation under operating leases have been recognized in the profit and loss account.

At balance sheet date, minimum lease payments under non-cancelable operating leases fall due as follows:

(In. Rs.)

Particulars	31-03.2012	31-03.2011
Due not later than one year	81,39,572	1,11,91,242
Due later than one year but not later than five years	81,27,977	72,92,276
Later than five years	NIL	NIL

The above figures include:

- Lease rentals calculated based on estimated date of commencement of lease in cases where the agreements / MOU's have been entered into but the date of commencement of lease is dependent on the date of construction/renovation of premises and based on the commitment for delivery by lessors.
- Lease rentals do not include common maintenance charges, tax payable, if any.
- The Company has not entered under any operating lease agreement which is not-cancelable more than five years.

b. As lessor:

Rental Income recognized in the profit & Loss account during the year Rs. 1,32,53,130/- (Previous Year Rs. 131,43,600) relating lease arrangements. .

31. Employee benefit plan:

The Company has recognized Rs. 13,45,057 (PY Rs. 5,08,139/-) in the Profit and Loss Account for the year ended 31st March 2012 under defined contribution plans.

(a) Expenses recognized in Profit & Loss Account for the year ended 31 March 2012:

(In. Rs.)

Particulars	2011-2012	2010-2011
Current service cost	14,65,347	7,52,068
Interest cost	2,44,863	1,77,272
Expected return on Assets	(1,72,048)	(1,19,794)
Actuarial (gains) / losses	(1,93,105)	(3,01,407)
Past service cost	-	-
Net expenses	13,45,057	5,08,139

(b) Net Asset / (Liability) recognized in the Balance Sheet as at 31 March 2012:

(In. Rs.)

Particulars	2011-2012	2010-2011
Defined benefit obligation	44,36,521	28,57,209
Fair value of plan assets	33,39,991	23,78,263
Fund status [Surplus/ (Deficit)]	10,96,530	4,78,946
Net Assets / (Liability)	(10,96,530)	(4,78,946)

(c) Changes in present value of defined benefit obligation are as following:

(In. Rs.)

Particulars	2011-2012	2010-2011
Opening defined benefit obligation	28,57,209	22,15,897
Current service cost	14,65,347	7,52,068
Interest cost	2,44,863	1,77,272
Benefit paid	-	-
Actuarial (gains) Losses	(1,30,898)	(2,88,028)
Closing defined benefit obligation	44,36,521	28,57,209

(d) Changes in fair value of plan assets are as follows :

(In. Rs.)

Particulars	2011-2012	2010 2011
Fair Value of Plan Assets at the beginning of the period.	23,78,263	9,80,685
Expected Return on Plan Assets	1,72,048	1,19,794
Actuarial (gains) / Losses	62,207	13,379
Assets distributed on settlements	-	-
Actual Company Contributions less Risk Premium	7,27,473	12,64,405
Benefit Payments	-	-
Fair Value of the assets	33,39,991	23,78,263

(e) The principal actuarial assumptions used in determining gratuity liability of Parent Company is as follows:

(In. Rs.)

Assumption	2011-2012	2010-2011
Discount rate	8.57%	8.00%
Expected return on assets	8.00%	8.00%
Salary Increase	7.00%	6.00%
Withdrawal rates	5.00%	2.00%
Mortality table	Indian Assured Lives Mortality (1994 -96) (Modified) Ultimate	

- (f) The principal actuarial assumptions used in determining gratuity liability of subsidiary Company is as follows:

(In. Rs.)		
Assumption	2011- 2012	2010 2011
Discount rate	8.00%	7.85%
Expected return on assets	8.00%	0.00%
Salary Increase	6.00%	5.00%
Withdrawal rates	2.00%	2.00%
Mortality table	Indian Assured Lives Mortality (1994 96) (Modified) Ultimate	

32. Contingent Liabilities

(In. Rs.)		
Particulars	31.03.2012	31.03.2011
Bank Guarantees & Counter Guarantees	17,65,000	16,30,000
Letter of credit	6,68,72,722	8,18,92,786
Export Obligation	3,65,71,097	3,52,21,146
Corporate Guarantee	10,00,00,000	10,00,00,000
Total	20,52,08,819	21,87,43,932

33. Details of Deferred Tax assets and liabilities:

In view of the Accounting Standard 22 issued by Institute of Chartered Accountants of India, the significant component and classification of deferred tax liability/asset on account of timing difference comprises of the following:

(In. Rs.)		
Particulars	31/03/2012	31/03/2011
Deferred Tax Liabilities		
On account of difference in Tax and Book Depreciation	95,51,030	1,16,57,905
On account of expenditure allowed on payment basis e.g. Contribution paid to Gratuity Fund Manager	12,35,821	8,41,861
On account of deduction u/s. 35DD	99,747	-
Total	1,08,86,598	1,24,99,766
Deferred Tax Assets		
On account of expenditure charged @ 100% in the books and amortised in computation	-	(12,26,187)
On account of expenses incurred on demerger	(4,98,735)	-
Expenditures disallowed u/s 43B	(18,88,608)	(9,04,686)
Deferred Tax Liabilities (Net)	84,99,255	1,03,68,893

34. In the opinion of the Board, sundry debtors, loans and advances and other current assets and unsecured loans are approximately of the value stated if realized in the ordinary course of business. The provisions for all known liabilities is adequate and not in excess of the amount reasonably necessary. Balances are subject to confirmation and reconciliation.
35. The Company has not received any intimation from suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures, if any, relating to amounts unpaid as the year end together with interest paid / payable as required under the said Act have not been given.

36. Earning per Share (EPS)
(In. Rs.)

Particulars	31.03.2012	31.03.2011
Profit/(Loss) for the year after tax	11,53,472	8,55,35,413
Prior period items (Net)	-	80,281
Profit/(Loss) including exceptional item	-	8,54,55,132
Exceptional items (net of taxes)	-	4,25,37,000
Profit/(Loss) excluding exceptional item (net of taxes)	11,53,472	4,29,18,132
Nominal value per share	10	10
Number of equity shares	1,35,60,000	1,35,60,000
EPS excluding exceptional item	0.09	3.17
EPS including exceptional item	0.09	6.30

37. Prior period items
(In. Rs.)

Particulars	31.03.2012	31.03.2011
Advertisement Expenses		4,23,476
Income tax liability of earlier year	7,42,428	-
Sales tax liability of earlier year	38,463	-
Repairs & Maintenance Charges	-	2,38,991
Total expenses	7,80,891	6,62,467
Less : Income		
Refund/Reversal of Income Tax Liability of earlier years	-	(5,82,186)
Capitalisation of expenses accounted as revenue	(3,64,242)	-
Prior Period (Income) / Expenses(net)	4,16,649	80,281

38. Derivative Instruments

- a. There are following outstanding forward exchange contracts entered into by the Company as on 31st March, 2012 for hedging the currency risk:

(In. Rs.)

Particulars	Purpose	31.03.2012	31.03.2011
Forward contracts to buy USD (USD 10,00,000)	Hedge of buyers credit	5,11,56,500	-

- b. The Foreign currency exposures that have not been hedged by any derivatives instrument or otherwise as on 31 March 2012 are as follows:

(In. Rs.)

Particulars	31.03.2012	31.03.2011
Assets (Receivable)	193,354,388	13,17,02,275
Liabilities (Payable)	22,71,03,865	23,64,23,417

39. Demerger of Retail Division

The Parent Company filed a Scheme of arrangement under section 391 to 394 of the Companies Act, 1956 ("the scheme") to demerge the Retail Division into a new Company, Thomas Scott India Ltd on going concern basis. The appointed date of the Scheme was 1 April 2011. The Hon'ble High Court of Judicature of Bombay vide its order dated 22 July 2011, has sanctioned the Scheme.

Consequent to transfer of Retail Division of the Parent Company, the financial statements of the Group for the year ended 31 March 2012 does not include the operations of the Retail Division business and is therefore not strictly comparable with the figures of the previous year ended 31 March 2011.

All the assets and liabilities of the Retail Division as on the appointed date of 1 April 2011 have been transferred to Thomas Scott India Ltd and excess of assets over liabilities relating to the Retail Business has been adjusted against the Reserves in accordance with the terms of the Scheme. Further the investment in Thomas Scott India Ltd existing prior to the date of Demerger was cancelled in accordance with the Scheme.

40. Previous year figures are regrouped, rearranged and restated where ever necessary.

41. Information on Related Party Disclosure

A.	Key Managerial Persons (KMP)	Venugopal Bang (Chairman) Brijgopal Bang (Managing Director) Raghavendra Bang (Director) Purshottam Bang (Director)
B.	Relatives of Key Managerial Persons	Balaram Bang Radhadevi Bang Taradevi Bang Raghavendra Bang Girdhargopal Bang Rajgopal Bang Nandgopal Bang Harshvardhan Bang
C.	Enterprises owned or significantly influenced by key management personnel or their relatives	Bang Data Forms Pvt. Ltd. Ramchandra Shivnarayan Shree Balaji Fabrics

Disclosure of transaction between the Company and related Parties and status of outstanding balances as on 31st March, 2012

(In. Rs.)

Particulars	Current year	Previous year
Key Managerial Persons (KMP)		
Venugopal Bang		
Loans taken	7,500,000	160,000
Loans repaid	7,595,000	3,760,000
Interest paid	44,981	165,107
Rent paid	180,000	150,000
Sale of finished goods/raw material etc	4,169	
Outstanding payable as on 31st March 2012	298,686	498,705
Brijgopal Bang		
Loans taken	860,000	1,600,000
Loans repaid	-	130,000
Interest paid	1,774,641	1,641,752
Salary paid	2,400,000	2,400,000
Sale of finished goods/raw material etc	4,216	-
Outstanding payable as on 31st March 2012	1,774,641	16,290,190
Relatives of Key Managerial Persons		
Balaram Bang		
Loans repaid	3,000,000	4,600,000
Interest paid	5,381,451	5,937,781
Rent paid	180,000	150,000
Outstanding payable as on 31st March 2012	NIL	51,875,788
Radhadevi Bang		
Interest paid	314,927	315,811
Outstanding payable as on 31st March 2012	3,230,918	2,915,991
Girdhargopal Bang		
Loans repaid	4,387,413	4,035,000
Interest paid	229,930	760,285
Outstanding payable as on 31st March 2012	NIL	4,157,483
Rajgopal Bang		
Loans taken	-	3,500,000
Loans repaid	-	3,500,000
Interest paid	237,157	244,054
Outstanding payable as on 31st March 2012	2,433,055	2,195,898
Nandgopal Bang		
Interest paid	5,498	5,513
Outstanding payable as on 31st March 2012	56,401	50,903
Raghavendra Bang		
Sale of finished goods/rwa material etc	8,617	-
Salary paid	240,000	240,000
Outstanding receivable as on 31st March 2012	NIL	2,500
Taradevi Bang		
Loans repaid		-
Interest paid		-
Outstanding payable as on 31st March 2012		-
Harshvardhan Bang		
Sale of finished goods/raw material etc	1,828	-

Enterprises owned or significantly influenced by key magement personnel or their relatives		
Bang Data Forms Pvt. Ltd.		
Loans taken		16,000,000
Loans repaid		12,000,000
Interest paid	626,941	715,562
Purchase of finished goods / raw material	-	-
Outstanding payable as on 31st March 2012	5,270,947	4,644,006
Thomas Scott India Ltd.		
Purchase of finished goods / raw materials etc.	28,520,760	-
Demerger expenses	500,000	-
Sale of finished goods / raw materials etc.	3,347,147	-
Interest received	786,826	-
Commission income	280,363	-
Loan received	70,221,608	-
Loan repaid	67,336,151	-
Outstanding receivable as on 31st March 2012	1,133,790	-
Ramchandra Shivnarayan		
Sale of finished goods / raw material	-	5,340
Outstanding receivable as on 31st March 2012	-	4,197
Shree Balaji Fabrics		
Sale of finished goods / raw material	2,48,547	387,002
Loan taken	-	4,280,000
Loan repaid	-	4,280,000
Outstanding receivable as on 31st March 2012	-	-

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REGISTERED OFFICE:

Masjid Manor, 2nd Floor, 16, Homi Modi Street,
Fort, Mumbai-400 023. India.

CORPORATE OFFICE:

405/406, Kewal Industrial Estate, 4th Floor,
Senapati Bapat Marg,
Lower Parel (West), Mumbai - 400 013, India.

MANUFACTURING UNITS:

Plot No. 4, Apparel Park, Auto Nagar,
Vadlapudi, Vishakapatnam - 530 046, India

9/2, 9th Main Road, Basavapura Village,
Begur Hobli, Electronic City Post, Bangalore-560 010, India.

1941/ A & 2011, Gramathana, Kacharakanahalli,
Hennur Main Road, Bangalore – 560 084

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