

THOMAS SCOTT (INDIA) LIMITED

ANNUAL REPORT

2011-2012



INDEX

Corporate Information	1
Directors' Biography	2
Directors' Report	6
Compliance Certificate	11
Report on Corporate Governance	15
Management and Discussion Analysis	28
Auditor's Report and Financial Statements	35
Balance Sheet	40
Profit & Loss Account	41
Cash Flow Statement	42
Schedules and Other Details	43
Attendance Slip and Proxy Form	56

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. Khyati Desai

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

PRACTISING 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
AXIS BANK

REGISTERED OFFICE

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

REGISTRAR & TRANSFER AGENT

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

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.

MR. KRISHNAKUMAR BANG - NON-EXECUTIVE DIRECTOR:

Mr. Krishna Kumar Bang is aged 45 years and a Chartered Accountant. He looks after the day to day affairs of the business of the Company and is a Promoter Director of the Company and since then is involved into the operations of the Company.

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 in project finance and other related capital market activities.

NOTICE

NOTICE is hereby given that the **SECOND ANNUAL GENERAL MEETING** of the Members of **THOMAS SCOTT (INDIA) LIMITED** will be held on Saturday, 29th September, 2012 at 10:00 A.M. at the Garware Club House, Wankhede Stadium, Banquet Hall, 2nd Floor, "D" Road, Churchgate, Mumbai-400 020 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31st March, 2012 and the Profit & Loss Account for the year ended as on that date together with the Reports of the Directors' & Auditor's thereon.
2. To re-appoint Dr. M. K. Sinha as the Director of the Company who retires by rotation and being eligible, offers himself for re-appointment.
3. To re-appoint Mr. Venugopal Bang as the Director of the Company who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint M/s. Rajendra K. Gupta & Associates, Chartered Accountants as the Statutory Auditors of the Company and to authorize the Board to fix their remuneration.

For and on behalf of the Board of Directors

Sd/-
VENUGOPAL BANG
CHAIRMAN

Place: Mumbai
Date: August 27, 2012

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.**
2. The Register of Members and Share Transfer Books of the Company will remain closed from Thursday, 27th September, 2012 to Saturday, 29th September, 2012 (both days inclusive).
3. The Members are requested to notify their change of address along with their pin code immediately to the Registrars & Transfer Agent – Karvy Computershare Private Limited. Members holding shares in dematerialized form are requested to intimate any change in their address, bank details, etc. to their respective Depository Participants.
4. Those shareholders who have not dematerialised their shares are advised to dematerialise their shareholding, to avoid inconvenience in future.
5. Members holding shares in dematerialised form are required to bring their Client ID and DP ID Nos. for easier identification of attendance at the meeting.
6. Members/Proxy Holders are requested to bring their copy of Annual Report and Attendance Slip sent herewith duly filled in to the Annual General Meeting.
7. Members intending to seek explanation / clarification about the accounts at the meeting are requested to inform the Company at least a week in advance of their intention to do so in order to enable the Company to compile the information and provide replies at the meeting, if the Chairman permits such information to be furnished.
8. Members are requested to intimate their Email IDs for correspondence and quicker response to their queries.
9. A Body Corporate being a member shall be deemed to be personally present at the meeting if represented in accordance with the provisions of Section 187 of the Companies Act, 1956.
10. Members can address their queries to the Company at investor.tsil@banggroup.com.
11. In case of Joint holders attending the meeting, only such Joint holder who is higher in the order of names will be entitled to vote.

12.

ADDITIONAL INFORMATION OF DIRECTORS BEING APPOINTED / RE-APPOINTED AT THE ANNUAL GENERAL MEETING AS PER CLAUSE 49 IV G (i) OF THE LISTING AGREEMENT

The details pertaining to Directors liable to retire by rotation and eligible for re-appointment as required to be provided pursuant to Clause 49 IV G (i) of the Listing Agreement with Stock Exchanges is as follows:

Name of Director	Dr. M. K. Sinha	Mr. Venugopal Bang
Date of Birth	02.09.1935	02.06.1954
Date of Appointment	23.08.2011	22.10.2010
Expertise in specific function area	Planning & Strategy	Finance
Qualifications	Doctorate in Operational Research & Masters in Mathematics.	B.Com., C.A.
Directorships held in other Indian public limited companies as on 31st March 2012	5 (Five) 1. Jhaveri Flexo India Limited 2. Amines & Plasticizers Limited 3. First Winner Industries Limited 4. Microqual Techno Limited 5. Bang Overseas Limited	2(Two) 1. Vedanta Creations Limited 2. Bang Overseas Limited
Chairman / Member of the Committee of Board of Directors of the Company as on 31st March, 2012	1. Audit Committee – Member 2. Remuneration Committee – Chairman	1. Shareholders/Investor's Grievance Committe Member 2. Management & Finance Committee – Member
Chairman / Member of Committees of Board of Directors of other Indian public limited Companies as on 31st March, 2012	1. Jhaveri Flexo India Limited – Chairman (Audit Committee) 2. First Winner Industries Limited – Chairman (Audit Committee) 3. First Winner Industries Limited – Member (Remuneration Committee) 4. First Winner Industries Limited – Member (Shareholders/Investors Grievance Committee) 5. Bang Overseas Limited – Member(Audit Committee) 6. Bang Overseas Limited – Chairman (Remuneration Committee)	1. Bang Overseas Limited - Member (Shareholders/Investor's Grievance Committee)
No. of Shares held in the Company as on 31st March, 2012	NIL	NIL

DIRECTORS' REPORT

The Members of
THOMAS SCOTT (INDIA) LIMITED

Your Director's present with immense pleasure, the SECOND 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	
	Year Ended 31.03.12	Year Ended 31.03.11
Revenue	1581.66	0.00
Other Income	9.84	0.00
Total Expenditure	2550.69	0.50
Earnings before Interest, Depreciation and Tax (EBIDT)	(887.71)	(0.50)
Less: Interest	18.95	0.00
Earning Before Depreciation And Tax (EBDT)	(906.66)	(0.50)
Less: Depreciation	47.53	0.00
Profit before Tax (PBT)	(954.19)	(0.50)
Tax Provision (Current, Deferred, FBT and Earlier Year adjustment)	(0.00)	0.00
Profit after Tax (PAT)	(954.19)	(0.50)

PERFORMANCE REVIEW

As your Company is incorporated in October 2010 and as compared to the last year, it has gained a revenue of Rs. 1581.66 lakhs out of its operational activities which has also lead to increase in total expenditure of the company to Rs. 2550.69 lakhs which has lead to Loss on account of the increase of expenditure over Income and other unfavorable market factors.

SHARE CAPITAL

The Paid up Capital of the Company for the financial year ended March 31, 2012 is Rs.3,39,00,000/- divided into 33,90,000 Equity Shares of Rs. 10/- each as compared to Rs. 5,00,000 divided into 50,000 Equity Shares of Rs. 10/- each as on March 31, 2011.

DIVIDEND AND TRANSFER TO RESERVES

In view of the business loss during the year, your Director's do not recommend any dividend for the year 2011-12.

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 & OVERSEAS**

The Company is presently into the Retail Business of Men's Garments under its Brand "THOMAS SCOTT" which has a world class Retail network of a complete Menswear and Lifestyle and has 11 Retail Outlets and also markets its products through LFS (Large Format Stores) all over the Country but plans for business expansion. Your Company had to close some of its Retail Outlets due to locational disadvantage.

Your Company has also launched its New Brand "Bang & Scott" into the market for fabric shirt pieces and fabric to be sold in Retail.

"THOMAS SCOTT" brand products are retailed through various point of sales comprises of eleven retail outlets, franchisees, Large Format Stores (LFS) spread over across country. We also export "Thomas Scott" Shirts to UAE.

DEMERGER

Your Company was incorporated on 22nd October, 2010, with the objective of taking over the Retail Division and Business of Bang Overseas Limited (the Transferor Company) under the brand name, "Thomas Scott", on a going concern basis vide a Scheme of Arrangement (the Scheme) in accordance with Sections 391 to 394 of the Companies Act, 1956. The Honorable High Court of Mumbai approved the Scheme between Bang Overseas Limited, Thomas Scott (India) Limited and its respective Shareholders vide its order dated 22nd July, 2011. The Scheme became effective on 5th August, 2011. The Appointed date of demerger is 1st April 2011. Pursuant to the Scheme, the Retail Division of Bang Overseas Limited under the brand, "Thomas Scott", was demerged into Thomas Scott (India) Limited with effect from 1st April 2011. The Balance Sheet and Profit and Loss Account and related financial statements have been made in accordance with the provisions of the said Scheme. As per the Scheme, the Board of Directors of the Company issued and allotted on 29th August, 2011, 33, 90,000 fully paid-up equity shares of Rs.10/- each to the Share holders of Bang Overseas Limited whose names appeared in the Register of Members as on the Record Date, viz. 25th August, 2011, in the ratio of 1 (one) equity share of Rs.10/- each for every 4 (four) equity shares of Rs. 10/- each held in Bang Overseas Limited.

Further the Original Share Capital of Rs.5, 00,000/- (50,000 equity shares of Rs.10/- each) was cancelled and taken to Capital Reserve account.

The 33, 90,000 Equity Shares were listed on the National Stock Exchange of India Limited and Bombay Stock Exchange on 30th January 2012.

SUBSIDIARY COMPANIES

As on March 31, 2012, Your Company has No Subsidiaries.

DIRECTOR'S

On account of the Demerger and upon the Listing of the Equity Shares of the Company on the Stock Exchanges, there has been appointment of Mr. Viswanath Cheruvu, Mr. Vijay D. Ajgaonkar and Dr. M. K. Sinha, Independent Directors on the Board of the Company in compliance with Clause 49 of the Listing Agreement as entered into with the Stock Exchanges.

In terms of the provisions of Sections 255 and 256 of the Companies Act, 1956 and the Articles of Association of the Company, Dr. M. K. Sinha and Mr. Venugopal Bang 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 Report for the year under review, as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges in India, 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 reappointment within the meaning of Section 226 of the said Act. 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 REPORT

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

The Company's Shares got listed on National Stock Exchange of India Limited and Bombay Stock Exchange Limited on January 30, 2012 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

Particulars required to be furnished pursuant to Section 217(l)(e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988:

- (i) Part A & B of the Rules, pertaining to conservation of energy & technology absorption are not applicable to the Company.
- (ii) **FOREIGN EXCHANGE EARNING AND OUTGO:**

Foreign Exchange Earnings during the year : NIL

Foreign Exchange Outgo during the year : NIL

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)

As the Company is incorporated on October 22, 2010, 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 would like to thank all its shareholders, associates, customers Bankers, Investors for their support, co-operation extended to the Company. It also thanks the employees and their hard work which has played a very important part and role in the Company's working.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Sd/-
VENUGOPAL BANG
CHAIRMAN

PLACE: Mumbai
DATE: August 27, 2012

COMPLIANCE CERTIFICATE

To,
The Members,
THOMAS SCOTT (INDIA) LIMITED,
50, Kewal Industrial Estate,
Senapati Bapat Marg, Lower Parel (W),
Mumbai - 400 013.

We have examined the registers, records, books and papers of **THOMAS SCOTT (INDIA) LIMITED**, ('the Company') as particularly required to be maintained under the Companies Act, 1956, ('the Act') and the rules made thereunder and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended 31st March, 2012 ('the financial year'). In our opinion, and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the Company, its officers and agents, we certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained all registers as stated in **Annexure 'A'** to this certificate, as per the provisions of the Act and the rules made thereunder and all entries therein have been recorded.
2. The Company has filed the forms and returns as stated in **Annexure 'B'** to this certificate, with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities within the time prescribed under the Act and the rules made thereunder.
3. The Company being a Public Limited Company has the minimum prescribed paid-up capital and its number of members are 7 (Seven) and the Company during the year under scrutiny:
 - (i) has not invited public to subscribe for its shares or debentures; and
 - (ii) has not invited or accepted any deposits from persons other than its members, directors or their relatives.
4. The Board of Directors duly met **Seven** times on June 20, 2011, August 10, 2011, August 18, 2011, August 29, 2011, November 21, 2011, January 13, 2012 and January 28, 2012 in respect of which meetings notices were given and the proceedings were recorded and signed in the Minutes Book maintained for the purpose..
5. The Company has closed its Register of Members during the financial year at the time of its Annual General Meeting held on August 23, 2011.
6. The Annual General Meeting for the financial year ended on 31st March 2011 was held on August 23, 2011 after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in the Minutes Book maintained for the purpose.
7. During the year, One Extra-Ordinary General Meeting held on July 19, 2011 after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in the Minutes Book maintained for the purpose.

8. As per explanation and information, the Company has not given, advanced any loan to its Directors or persons or firms or Companies without comply of Section 295 of the Act, during the financial year.
9. The Company has duly entered into contracts, which are falling within the purview of Section 297 of the Act
10. The Company has made the necessary entries in the register maintained under Section 301 of the Act.
11. As there were no instances falling within the purview of Section 314 of the Act, the Company was not required to obtain any approvals from the Board of Directors, Members or Central Government, as the case may be.
12. The Company has not issued any duplicate certificates during the financial year.
13. During the financial year:
 - a. There was no transfer / allotment / transmission of securities during the year.
 - b. The Company has not deposited any amount in a separate bank account as no dividend was declared.
 - c. The Company has not posted warrants to any member of the Company as no dividend was declared.
 - d. There were no amounts in unpaid dividend account, application money due for refund, matured deposits, matured debentures and the interest accrued which have remained unclaimed or unpaid for a period of seven years be transferred to Investor Education and Protection Fund.
 - e. The Company has complied with the requirements of Section 217 of the Act.
14. The Board of Directors of the Company is properly constituted. There was an Appointment of Dr. Mithilesh Kumar Sinha, Mr. Vijay Dattatraya Ajgaonkar and Mr. Viswanath Cheruvu as Non-Executive Independent Directors of the Company and followed by Change in Designation of Mr. Brijgopal Bang and Mr. Venugopal Balaram Bang, during the financial year.
15. The appointment of Mr. Brijgopal Balaram Bang as Managing Director has been made in compliance with Section 269 of the Act read with Schedule XIII thereof.
16. The Company has not appointed any sole selling agents during the financial year.
17. The Company has complied with the Central Government, Company Law Board, Regional Director, Registrar of Companies and/or such authorities prescribed under the various provisions of the Act.
18. The Directors have disclosed their interest in other firms/ companies to the Board of Directors pursuant to the provisions of the Act and the rules made thereunder.
19. Pursuant to the Demerger, the Company has issued 33,90,000 Equity Shares of Rs. 10/- each on 29th August, 2011 upon the cancellation of its Old Equity Share Capital and after complying all the necessary applicable provisions under the Act.
20. The Company has not bought back any shares during the financial year.

21. There was no redemption of preference shares or debentures during the financial year.
22. There were no transactions necessitating the Company to keep in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
23. The Company has not invited/ accepted any deposits including any unsecured loans falling within the purview of Section 58A during the financial year.
24. The Company has not borrowed any amount as per Section 293(1) (d) of the Act during the financial year under scrutiny.
25. The Company has complied with the provisions of Section 372A of the Act with regard to loans given, investment made, or guarantee given or securities provided to other body corporate during the financial year.
26. The Company has not altered the provisions of the Memorandum of Association with respect to situation of the Company's registered office from one state to another during the year under scrutiny.
27. The Company has not altered the provisions of the Memorandum of Association with respect to the objects of the Company during the year under scrutiny.
28. The Company has not altered the provisions of the Memorandum of Association with respect to name of the Company during the year under scrutiny.
29. The Company has altered the provisions of the Memorandum of Association with respect to share capital of the company during the year under scrutiny.
30. The Company has not altered its Articles of Association during the financial year.
31. There was no prosecution initiated against or show cause notices received by the Company, during the financial year for offences under the Act.
32. The Company has not received any money as security from its employees during the financial year.
33. The Company has not deducted any contribution towards Provident Fund during the financial year in terms of Section 418 of the Act as the said Section is not applicable to the Company.

**FOR KOTHARI H. & ASSOCIATES
COMPANY SECRETARIES**

**Hitesh Kothari
(Proprietor)
C. P. No. 5502
Place: Mumbai
Date: 27th August, 2012**

Annexure – A

Registers as maintained by the Company

1. Register of members under Section 150
2. Register of Share Transfers
3. Register of particulars of contracts in which directors are interested under Section 301
4. Register of Directors, Managing Director, Manager and Secretary under Section 303
5. Register of director's shareholding under Section 307
6. Minutes book of General Meetings and Board Meetings under Section 193
7. Register of Director's Attendance

Annexure – B

Forms and Returns as filed by the Company with Registrar of Companies, Regional Director, Central Government or other authorities during the financial year ended 31st March 2012.

Sr. No.	Form No./ Return	Filed under Section	For	Date of filing	Whether filed within prescribed time Yes/ No	If delay in filing whether requisite additional fee paid Yes/ No
1	Form 23	192	Registration of Special Resolutions (Increase in Authorised Share Capital of the Company & Alteration in the Memorandum of Association)	01/08/2011	Yes	N.A.
2	Form 5	97	Increase in Authorised Share Capital of the Company	02/08/2011	Yes	N.A.
3	Form 21	394(1)	Filing of the CTC of the High Court Order (Demerger of the Retail Division)	05/08/2011	Yes	N.A.
4	Form 21	394 (1)	Filing of the CTC of the High Court Order(reduction in Share Premium)	06/08/2011	Yes	N.A.
5	Form 32	303(2)	Change in Designation of Directors	26/09/2011	No	Yes
6	Form 32	303(2)	Appointment of Non-Executive Independent Directors	28/09/2011	No	Yes
7	Form 25C	269	Appointment of Managing Director	10/10/2011	Yes	N.A.
8	Form 20B (For F.Y. 2010-11)	159	Annual Return	25/10/2011	No	Yes
9	Form 23AC & ACA (For F.Y. 2010-11)	220	Balance Sheet and P & L Account	24/12/2011	Yes	N.A.
10	Form 32	383(A)	Appointment of Company Secretary	16/03/2012	No	Yes

FOR KOTHARI H. & ASSOCIATES
COMPANY SECRETARIES

Hitesh Kothari
(Proprietor)
C. P. No. 5502
Place: Mumbai
Date: 27th August, 2012

"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:

Your Company believes in transparency and clarity in its disclosures and operations as well. It firmly considers Corporate Governance Practices and highly recommends the same. Corporate Governance encourages accountability, transparency and clarity in operations which leads to better decision making and increase Shareholders value. Better Corporate Governance builds up the Shareholders confidence in the Company which is truly an intangible and the most expensive asset to the Company amongst all of its other assets. At Thomas Scott (India) Limited, we believe in building, increasing and the most importantly maintaining shareholders value now and in future too. By following good Corporate Governance practices and transparency in its operations and disclosures, one can only build in shareholders confidence and protect their interest as well which will finally lead the Company to high level of success and achievements.

Our Corporate Governance Philosophy is linked with Transparency, Accountability, Responsibility, Communication with our shareholders. Shareholders are the Backbone of our Company. We accord highest priority to the performance oriented systems and protect the interests of all our shareholders, particularly the minority shareholders.

2. BOARD OF DIRECTORS

a) Composition

The Board of TSIL 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 six (6) Directors, out of which 2 (Two) were Executive and 3 (Three) were Independent Directors and one (1) was Non – Executive Director. 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
Non - Executive Director	Mr. Krishnakumar Bang

Pursuant to the provisions of the Companies Act 1956, Dr. M.K. Sinha and Mr. Venugopal Bang, 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 Board has complete access to any information within the Company. 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, 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, 7 (Seven) Board Meetings were held. These were on June 20, 2011, August 10, 2011, August 18, 2011, August 29, 2011, November 21, 2011, January 13, 2012 and January 28, 2012.

d) Director’s Attendance Record and Directorships

Attendance at Board Meeting held during 2011-12 and the last AGM, number of Directorships, Memberships / Chairmanship in Public Companies during 2011-12.

Name of Directors	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	7	6	Yes	3	380250
Mr. Venugopal Bang (Chairman)	Promoter Director	7	7	Yes	3	676650
Mr. Viswanath Cheruvu	Non Executive & Independent Director	7	0	No	2	Nil
Dr. M K Sinha	Non Executive & Independent Director	7	2	No	5	Nil
Mr. V. D. Ajgaonkar	Non Executive & Independent Director	7	4	No	5	Nil
Mr. Krishnakumar Bang	Non – Executive Director	7	7	Yes	1	161775

e) Information Supplied to the Board

Amongst others, information supplied to the Board includes:

- Results of the Company
- Minutes of Meetings of Audit Committee and other Committees of the Company
- Minutes of the Previous Board Meetings
- Details with respect to the Operations of the Company
- 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, 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
- Non-compliance of any regulatory, statutory or listing requirements
- 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.

2. 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.

3. 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
4	Mr. Brijgopal Bang – Managing 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.

c) Meetings and Attendance during the year 2011-12

There have been No Meetings of the Audit Committee during the year 2011-2012 as consequent upon the Demerger of the Retail Division of Bang Overseas Limited into the Company, the Equity Shares of the Company got listed on the Stock Exchanges on January 30, 2012.

d) Internal Auditors

The Company appointed FRG & Company, Chartered Accountants as the Internal Auditor for the financial year 2011-12 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.

4. SHAREHOLDERS'/INVESTOR'S GRIEVANCE COMMITTEE

The 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 Aijaonkar, 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 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 pursuant to the Clause 49 of the Listing Agreement approved at the Board Meeting of the Company dated January 13, 2012.

c) Meetings of the Committee held during the year 2011-2012

There have been No Meetings of the Shareholders' / Investor's Grievance Committee during the year 2011-2012 as consequent upon the Demerger of the Retail Division of Bang Overseas Limited into the Company , the Equity Shares of the Company got listed on the Stock Exchanges on January 30, 2012.

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 credit	0	0	0	0
Non-receipt of Refund Order	0	0	0	0
TOTAL	0	0	0	0

5. 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

There were no Meetings of the Remuneration Committee held during the year 2011-12.

d) Remuneration

During the financial year 2011-12, due to the Demerger, None of the Directors agreed to take any Remuneration, Salary, Perquisites, Sitting Fees from the Company.

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, if any, 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 (AGMs)

Financial year	Date	Time	Venue
2010-11	23.08.2011	10.00 A.M.	50, Kewal Industrial Estate, Senapati Bapat Marg, Lower Parel (W), Mumbai 400013.

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

Special Resolutions

AGM held on August 23, 2011:

1. Appointment of Mr. Brijgopal Bang as the Managing Director of the Company from 23/08/2011 to 22/08/2016 & fix his remuneration for Rs. 60,000/- per month on the terms and conditions as approved by the members.
2. Approval of borrowing powers under section 293 (1) (d) of the Companies Act, 1956
3. Approval under section 293 (1) (a) of the Companies Act, 1956
4. Approval for inter-corporate loans and investments under section 372 (A) of the Companies Act, 1956

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 all applicable Accounting Standards issued by the Institute of the Chartered Accountants of India.

v) Disclosure by Management to the Board

All Disclosures relating to Financial and 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) Company's 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.

viii) Reconciliation of Share Capital Audit Report

In line with the requirements stipulated by SEBI, Reconciliation of Share Capital Audit is carried out on a quarterly basis by a Practicing Company Secretary to confirm that the aggregate number of equity shares of the Company held in National Securities Depository Limited (NSDL), Central Depository Services (India) Limited (CDSL) and in physical form tally with the total number of issued, paid-up, listed and admitted capital of the Company.

8. MEANS OF COMMUNICATION

- **Quarterly results:** Quarterly / annual financial results are regularly submitted to the Stock Exchanges in accordance with the listing Agreement entered into with the Stock Exchanges and published in prominent English daily news paper and in a regional language newspaper.viz. Business Standard and Mumbai Lakshadeep, Mumbai edition.
- **Website:** TSIL has its 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 10:00 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, 27 September, 2012 to Saturday, 29 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.

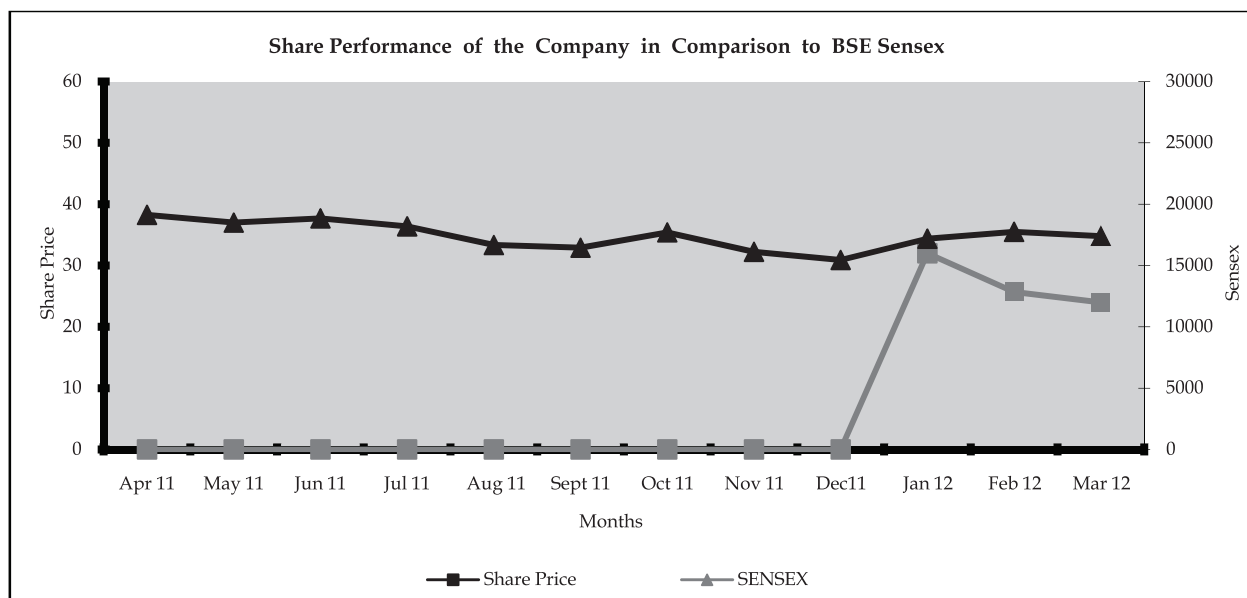
Stock Codes

- **BSE: 533941** (Scrip Code) **TSIL** (Scrip ID)
- **NSE : THOMASCOTT** (Symbol)
- **Demat ISIN No.** for NSDL and CDSL - **INE480M01011**

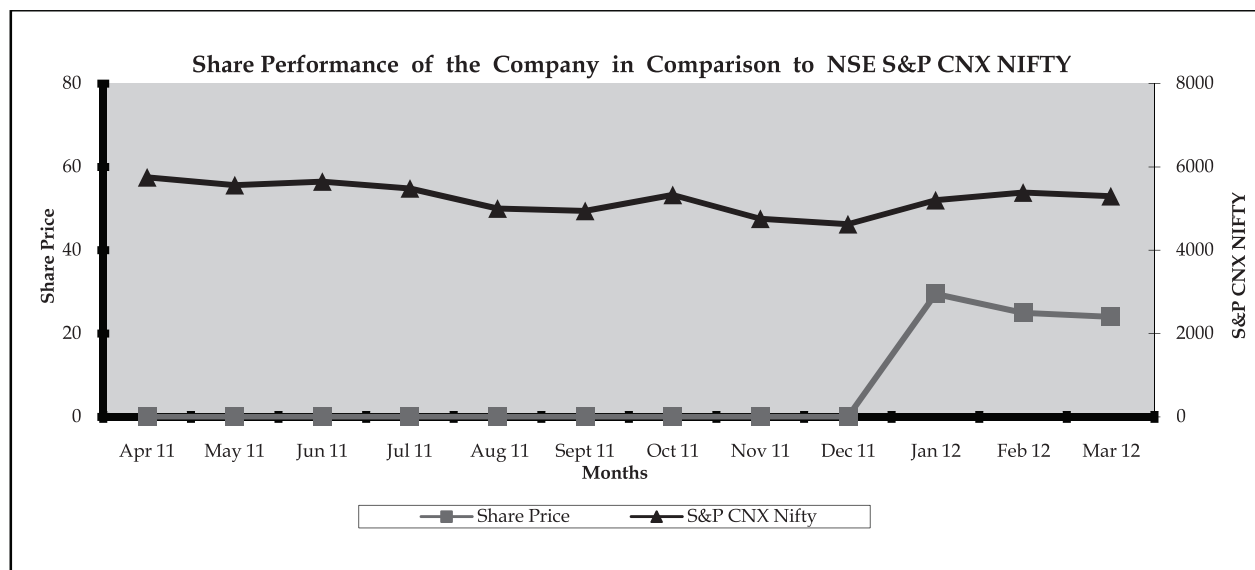
f) Stock Data

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:

THOMAS SCOTT (INDIA) LIMITED					BSE SENSEX		
	High	Low	Close	No. of Shares traded	High	Low	Close
Month	(Rs.)	(Rs.)	(Rs.)		(Rs.)	(Rs.)	(Rs.)
Apr 11	Nil	Nil	Nil	Nil	19,811.14	18,976.19	19,135.96
May 11	Nil	Nil	Nil	Nil	19,253.87	17,786.13	18,503.28
June 11	Nil	Nil	Nil	Nil	18,873.39	17,314.38	18,845.87
July 11	Nil	Nil	Nil	Nil	19,131.70	18,131.86	18,197.20
Aug 11	Nil	Nil	Nil	Nil	18,440.07	15,765.53	16,676.75
Sept 11	Nil	Nil	Nil	Nil	17,211.80	15,801.01	16,453.76
Oct 11	Nil	Nil	Nil	Nil	17,908.13	15,745.43	17,705.01
Nov 11	Nil	Nil	Nil	Nil	17,702.26	15,478.69	16,123.46
Dec 11	Nil	Nil	Nil	Nil	17,003.71	15,135.86	15,454.92
Jan 12	35.00	24.00	32.00	1,275	17,258.97	15,358.02	17,193.55
Feb 12	34.30	22.15	25.70	13,267	18,523.78	17,061.55	17,752.68
Mar 12	30.50	18.65	24.00	18,185	18,040.69	16,920.61	17,404.20



THOMAS SCOTT (INDIA) 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	Nil	Nil	Nil	184751755	5804.3	5706.05	5749.5
May 11	Nil	Nil	Nil	149409715	5571.6	5489.7	5560.15
June 11	Nil	Nil	Nil	179224275	5657.9	5606.1	5647.4
July 11	Nil	Nil	Nil	156128914	5520.3	5453.95	5482
Aug 11	Nil	Nil	Nil	181539730	5016.25	4927.55	5001
Sept 11	Nil	Nil	Nil	201962105	5025.55	4924.3	4943.25
Oct 11	Nil	Nil	Nil	149483502	5360.25	5314.6	5326.6
Nov 11	Nil	Nil	Nil	282217865	4851.55	4754.8	4832.05
Dec 11	Nil	Nil	Nil	113900727	4690.45	4608.9	4624.3
Jan 12	31.85	29.35	29.50	215770719	5215.4	5120.15	5199.25
Feb 12	28.00	24.80	24.95	226022232	5458.8	5352.25	5385.2
Mar 12	25.00	21.25	24.00	164790056	5307.1	5203.65	5295.55



h) Shareholding Pattern

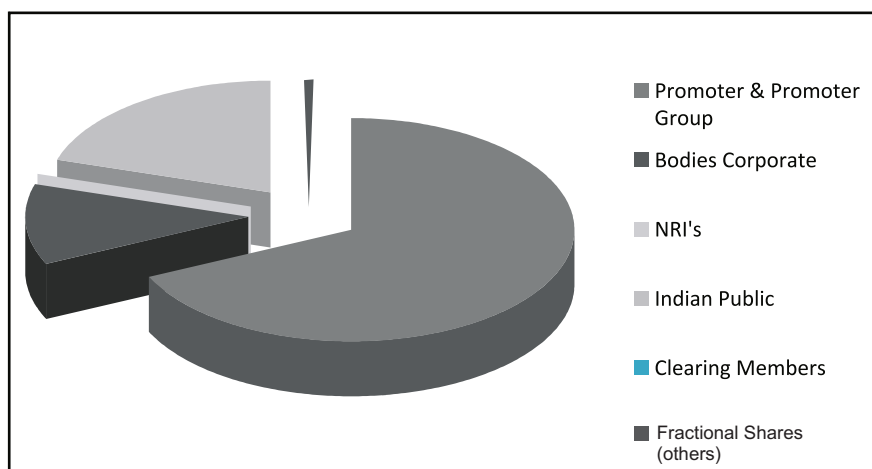
The Table below gives the pattern of Shareholding by ownership and share class respectively:

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

Category	No. of shares held	Shareholding %
Promoters & Promoter Group	2307185	68.06
Bodies Corporate	370316	10.92
NRI's	5494	0.16
Indian Public	704325	20.78
Clearing Members	1222	0.04
Others (Fractional Shares)	1458	0.04
Total	3390000	100.00

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

Category	Share Holders		Share Amount	
No of Equity Shares (1)	Number (2)	% to Total (3)	(In Rs.) (4)	% to Total (5)
Upto - 5000	5757	96.17	3412280	10.07
5001 - 10000	86	1.44	621820	1.83
10001 - 20000	73	1.22	1052070	3.10
20001 - 30000	18	0.30	449820	1.33
30001 - 40000	2	0.03	75000	0.22
40001 - 50000	2	0.03	99990	0.29
50001 - 100000	12	0.20	1082150	3.19
100001 & above	36	0.60	27106870	79.96
Total	5986	100.00	33900000	100.00



i) Dematerialisation

The Company's Equity Shares are under compulsory Demat trading. The ISIN of the Scrip is INE480M01011. As on 31st March, 2012, Dematerialized shares accounted for 39.49% 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

The Company didn't come up with an IPO in the Last Three years as pursuant to the Scheme of Demerger, the shares of the Company have got listed on the Stock Exchanges seeking an exemption under Rule 19 (2) (b) of the Securities Contracts (Regulation) Rules, 1957.

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. KHYATI DESAI

THOMAS SCOTT (INDIA) LIMITED

50, Kewal Industrial Estate,
Senapati Bapat Marg, Lower Parel (W),
Mumbai -400 013, India

Tel.: 022- 66607965 Fax: 022-66607970

E-mail: investor.tsil@banggroup.com

m) Subsidiary Companies

The Company does not have any Subsidiary.

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL HIGHLIGHTS:

- Total Revenue of Rs. 1547.85 Lakhs as on March 31, 2012
- Increase in Cash and Bank Balance of Rs. 82,23,861/-
- Growth in the Reserves and Surplus of the Company.

INDUSTRY STRUCTURE AND DEVELOPMENTS:

Indian textiles industry is a well-established with showing strong features and a bright future. In fact, the country is the second biggest textiles manufacturer worldwide, right after China. Similar force is demonstrated in the cotton production and consumption trend where India ranks just after China and USA.

India is standing on the threshold of a retail revolution and witnessing fast changing retail scenario. The growth outcome expected from the Indian fashion retail sector throws open an investment opportunity of over Rs 30,000 crore annually across the textile retail value chain. This is expected to increase the size of the textile retail industry from its current size of Rs 315,000 crore to Rs 990,000 crore by year 2020. The textile retail sector will be one of the largest employment generators apart from being a large value creator in the Indian economy.

The Indian retail industry has experienced high growth over the last decade with a noticeable shift towards organised retailing formats. The industry is moving towards a modern concept of retailing. India's retail market is expected to grow at 7 per cent over the next 10 years, reaching a size of US\$ 850 billion by 2020. Traditional retail is expected to grow at 5 per cent and reach a size of US\$ 650 billion (about 76 per cent), while organised retail is expected to grow at 25 per cent and reach a size of US\$ 200 billion by 2020. India has emerged as the fifth most favourable destination for international retailers, outpacing UAE, Russia, Indonesia and Saudi Arabia, according to A T Kearney's Global Retail Development Index (GRDI) 2012. "India remains a high potential market with accelerated retail growth of 15-20% expected over the next five years," highlighted the report by A T Kearney.

The entire textile and apparel industry in India is expected to grow by 11 per cent to touch Rs. 10,320 billion (US\$ 185.75 billion) by 2020. Currently, menswear is the major chunk of the market at 43 per cent, according to Technopak Advisors, a retail consultancy. The consumer buying patterns and behavior are changing steadily. The growth of India's retail sector not only limited to urban areas but also growing in rural areas. In the next five years, it is expected that, India's retail industry will expand more than 80%. (www.ibef.org.)

BRAND AND BUSINESS:

Pursuant to the Demerger, your Company received the Retail Division and Business under the Brand name "THOMAS SCOTT" which has a world class Retail network of a complete Menswear and Lifestyle.

"Thomas Scott" brand products are retailed through various point of sales comprises of eleven retail outlets, franchisees, Large Format Stores (LFS) and Exclusive Brand Outlets (EBO) spread over across country. Your Company also exports "Thomas Scott" Shirts to UAE building an International Presence abroad.

Our Brand "THOMAS SCOTT" has in a span of Nine years, established itself and has earned an image for quality and style.

RETAIL STORES/OUTLETS:

As on March 31, 2012, Your Company has 11 (Eleven) Operational Retail Outlets across the Country selling men's formal and casual garments through Large Format Stores under its Brand Name "THOMAS SCOTT". We have to strive hard to reach up to and maintain the day by day growing Customer's level of satisfaction and Demand.

OPPORTUNITIES & STRENGTHS:

APPAREL & RETAIL SECTOR:

The India Retail Industry is the largest among all the industries, accounting for over 10 per cent of the country's GDP and around 8 per cent of the employment. The Retail Industry in India has come forth as one of the most dynamic and fast paced industries with several players entering the market. But all of them have not yet tasted success because of the heavy initial investments that are required to break even with other companies and compete with them. The India Retail Industry is gradually inching its way towards becoming the next boom industry.

A brand's strengths are resources that contribute to its competitive edge. Factoring into a line's strengths are its reputation, its loyal consumer base, proprietary knowledge, competitive sources of raw materials, talented labor pools, industrial advantages and trade connections.

These external negative changes can impact the fashion industry by crippling profits. Shifting trends, the tightening of consumer discretionary income, trade barriers and governmental regulations increasing minimum wage all appear on SWOT radar. India has been ranked as the top retail destination globally for retail investment attractiveness among 30 emerging markets in the world. The Indian retail sector is the second largest untapped market after China.

Due to increasing number of Malls, Retail Outlets and correspondingly increasing Brand Consciousness and Loyalty of the customers, the Retail Sector has become one of Emerging Business Sector and is considered to grow steadily in near future.

EXPORTS:

India's exports have also recovered in FY10 following increased global demand and is currently worth \$ 23.5 billion. India's Apparel industry (domestic + exports) is expected to grow from the current \$ 70 billion to \$ 220 billion by 2020. India's exports have also recovered in FY10 following increased global demand and is currently worth \$ 23.5 billion

In short, following are the Opportunities and Strengths:

- Growing domestic market, increase in number of malls
- Democracy provides a stable economic and social environment, putting international players at ease
- Easy credit facility and plastic card revolution is increasing the purchasing power, particularly of the younger generations.
- Increasing demand for brands from the middle class
- Research and new product development can help the companies to move across the value chain
- Retail sector in rural India is almost untouched, presenting tremendous opportunity

FOREIGN INVESTMENT:

The Apparel and Textile Industry being one of the most prominent and promising Sectors amongst others and considering the above Textile Segment, Retail Industry, Export and Investment related trends and progress, your company sees a bright future and better opportunities in its business expansion as it mainly focuses on Manufacturing, Retailing, Export & Import related activities.

On account of the available benefits and opportunities so available in the Textile and Apparel Industry, Intense Competition and Increasing Challenges in order to survive in such a fast-growing and challenging Market is proving to act as a threat to the Industry but your Company believes that to overcome such threats by beating its own records day by day and thus creating benchmarks is even an interesting challenge.

WEAKNESSES & THREATS

Inventory management plays a key role

Inventory management is the most crucial aspect for any retailer, regardless of whether the retailer is from the organised or unorganised segment. A retailer needs to be accustomed to not only the market trend but also consumer behaviour, which will help him stock the right inventory mix in his warehouse. The inventory turnaround time, which varies from segment to segment and product to product, also plays a very important role in effective and efficient inventory management.

Use of outsourcing to improve efficiencies

Transportation is the most outsourced activity for the retail companies that responded to this survey, as 48% companies were found to depend on third party logistic management companies; the other most outsourced activities were warehousing/storage activity (12%), distribution (12%) and inventory management (11%) in that order. Transportation, warehousing and inventory management, are vital activities in terms of costs, which is why companies are re-arranging their focus on reducing inventory levels and adopting just-in-time approach. Besides lowering inventory carrying costs outsourcing also enables retailers to capitalise on the specialised services provided by outsourcing partners, which inadvertently lowers costs substantially.

Expansion, working capital requirements top fund utilisation priorities

The retail companies are confident about the future of organised retail in India and are therefore planning to utilise a majority of their funds for further expansion. Among the respondent companies, 66.7% want to utilise funds for business expansion. The other two options for using their funds are for fulfilling working capital requirements followed by marketing and advertising.

Economic slowdown pinches retail sector

The economic slowdown has been affecting the global retail sector significantly, both from the demand side and supply side. The global demand has been falling consistently over the past one year following the crisis in the US mortgage market. The resultant job losses and the fall in income have aggravated the impact on consumer demand. Besides, job uncertainty (in anticipation of job losses) has led to drop in consumer spending. The global economy, especially the developed economies, has been witnessing contraction in GDP growth over the last couple of quarters; the global GDP growth rate is expected to contract by 2.9% in 2009¹. On the supply side, however, many retailers are slowing down their expansion plans and many real estate developers are falling behind schedules in their shopping mall projects, considering the credit crunch. The economic slowdown has sector in terms of deceleration in retail sales growth, footfalls, store expansions, employment rates and most importantly, profitability.

To become a truly flourishing industry, retailing in India needs to cross the following hurdles:

- Automatic approval is not allowed for foreign investment in retail
- Regulations restricting real estate purchases, and cumbersome local laws
- Taxation, which favours small retail businesses
- Absence of developed supply chain and integrated IT management
- Lack of trained work force
- Low skill level for retailing management
- Lack of Retailing Courses and study options
- Intrinsic complexity of retailing – rapid price changes, constant threat of product obsolescence and low margins
- Predominance of unorganized sector
- Technological obsolescence in the supply chain
- **Taxation hindrances:**
 - VAT and multiple tax levies*
 - Inconsistent octroi and entry tax structure*
 - Presence of large grey market*
- Increased competition in the domestic markets
- Cheaper imports
- Changing Government's policy on FDI
- Price of land and lease rentals are high while Margins are low

The Industry is expected to adapt and react on the immediate change in the customer's preferences/tastes and changing fashion trends. Due to which, the old stock remains stored and unsold and which if sold, has to be sold at a relatively cheaper rates in order to clear the stock which ultimately results in loss.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The internal control system (the "Internal Control System") is an essential element of the corporate governance system of your Company and it plays a key role in identifying, minimizing and managing risks that are significant for the Company, contributing to the safeguarding of stockholders' investments and the Company's assets. The Internal Control System also facilitates the effectiveness and efficiency of company operations and helps ensure the reliability of financial information and compliance with laws and regulations. In particular, the accounting control system is an important element of the Internal Control System as it helps ensure that the Company is not exposed to excessive financial risks and that financial internal and external reporting is reliable.

The Internal Control System reduces, but cannot eliminate, the possibility of poor judgment in decision-making; human error; control processes being fraudulently violated by employees and others; and the occurrence of unforeseeable circumstances. A sound Internal Control System therefore provides reasonable, but not absolute, assurance that a company will not be hindered in achieving its business objectives, or in the orderly and legitimate conduct of its business, by circumstances which may reasonably be foreseen.

Your Company has developed a sound and adequate system of Internal Control and Financial Reporting that commensurate with its size and the nature of its operations. Also, your Company has appointed an experienced Internal Auditor's firm which undertakes a quarterly Internal Audit to ensure a proper track and transparency in its financial operations and a Detailed Internal Audit Report so obtained from the Internal Auditor incorporating even the minor loop-holes in the Internal Control and Financial Reporting System along with its Relevant Schedules is placed before the Audit Committee and the Board of Directors every quarter for their review and comments so that the Internal Control System is smooth and without any loop-holes.

Your Company has appointed FRG & Company, Chartered Accountants, as the Internal Auditor of the Company to regularly monitor the Internal Control Systems and their Implementation.

As per the Listing Agreement and in order to ensure a sound and effective Internal Control System, The Audit Committee as constituted by the Board of Directors of the Company regularly reviews the implementation and adequacy of the Internal Control Systems and offers their comments/suggestions in further strengthening the same.

HUMAN RESOURCE- AN ASSET TO THE ORGANISATION

Human resource is believed to be the greatest asset to any organization. The success and Performance of the Company is a result of the Performance and Hard work of the Company's dedicated employees. Your Company believes in retaining the employees and rewarding their efforts and dedications towards their work. It believes in their continuous training, motivation and appreciation which in turn boost up the employees' morale. Further, it always is in the process of continuous evaluation and training of the Employees and maintaining excellent relations between the Company and the Employees.

The total numbers of employees of the Company as on March 31, 2012 were 28.

OUTLOOK:

Your Company sees a bright and successful future in its business due to the positive factors available for its operations and survival. It also plans for Overseas expansion on a large scale.

Presently, Your Company has 11 Retail Outlets under its Brand "THOMAS SCOTT" across the Country.

Your Company also operates through Large Format Stores (LFS i.e. Lifestyle Format Stores such Globus, Reliance Trends, Gitanjali Maya etc.

CAUTIONARY STATEMENT:

This Management and Discussion Analysis Report (M&DAR) may contain forward-looking statements, which can be identified by the use of words such as "anticipates," "intends," "plans," "seeks," "believes," "estimates," "expects", "projects," "may," "will" or "should" or the negative or other variation of these or similar words, or by discussions of strategy or risks and uncertainties, and similar references to future periods. These statements are based on management's current expectations and assumptions about the industries in which your Company operates. Forward-looking statements are not guarantees of future performance and are subject to significant risks and uncertainties that may cause actual results or achievements to be materially different from the future results or achievements expressed or implied by the forward-looking statements.

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

To the Members,
Thomas Scott (India) Limited.

We have examined the compliance of conditions of Corporate Governance by Thomas Scott (India) 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

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

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 Thomas Scott (India) Limited

**Sd/-
Brijgopal Bang
Managing Director**

**Sd/-
V Raju Murali
Chief Financial Officer**

Place: Mumbai

Date : August 27, 2012

AUDITOR'S REPORT

To,
The Members of
Thomas Scott (India) Limited

1. We have audited the attached Balance Sheet of Thomas Scott (India) Limited as at March 31, 2012, and also the Statement of Profit and Loss and the Cash Flow statement annexed thereto for the year ended on that date. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with 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 the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 as amended by Companies (Auditor's Report)(Amendment) Order, 2004 (together the 'Order') issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we set out in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
4. Further to our comments in the Annexure referred to in paragraph 2 above, we report that:
 - (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose 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; proper returns adequate for the purpose of our audit have been received from the branches not visited by us.
 - (c) The Balance Sheet and the Statement of Profit and Loss and Cash Flow dealt with in this report are in agreement with the books of accounts; and with the returns received from the branches.
 - (d) In our opinion, the Balance Sheet and the Statement of Profit and Loss and Cash Flow dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;

- (e) On the basis of written representations received from the directors as on March 31, 2012 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on March 31, 2012 from being appointed as a director in terms of clause (g) of sub section (1) of section 274 of the Companies Act, 1956, and
- (f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts together with the notes thereon and attached thereto give in the prescribed manner the information required by the Companies Act, 1956 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 on March 31, 2012.
 - (ii) In the case of the Statement of Profit and Loss, of the Loss for the year ended on that date.
 - (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 2 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.
 - (b) As explained to us, 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) During the year the Company has not disposed off a substantial part of the fixed assets.
- (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 from one parties covered in the register maintained under Section 301 of the Companies Act, 1956. The maximum amount involved during the year and outstanding balance of such loan as at year ending is Rs. 1,86,00,187/- and Rs. 11,33,790/-
 - (b) According to the information and explanation given to us, the Company has not granted interest free unsecured loans repayable on demand which is covered in the register maintained under section 301 of the Companies Act, 1956.
 - (c) In our opinion the terms and conditions on which the loan has been taken by 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 accepted 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 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 two 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 they 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) According to the information and explanation given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
- (xvi) According to the records of the company and as per information and explanation given to us, the company has not taken Term Loan. Hence the provisions of clause 4 (xvi) of 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) No money has been raised by way of public issue directly by the Company during the financial year, hence this clause is not applicable.
- (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	33,900,000	500,000
Reserves and Surplus	3	127,953,010	(49,759)
		161,853,010	450,241
Current Liabilities			
Short-term borrowing	4	5,870,454	-
Trade payables	5	5,735,460	15,000
Other current liabilities	6	1,068,925	-
Short-term provisions	7	4,832,376	-
		17,507,215	15,000
Total		179,360,225	465,241
ASSETS			
Non-current assets			
<i>Fixed assets</i>	8		
Tangible assets		6,207,785	-
Intangible assets		260,350	-
Capital Work In Progress		704,820	-
Long term loans and advances	9	4,468,912	-
		11,641,867	
Current assets			
Inventories	10	80,350,802	-
Trade receivables	11	51,664,439	-
Cash and bank balances	12	8,689,102	465,241
Short-term loans and advances	13	27,014,015	-
		167,718,358	465,241
Total		179,360,225	465,241

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
Thomas Scott (India) Limited

Venugopal Bang
Chairman

Brijgopal Bang
Managing Director

Khyati Desai
Company Secretary

Place : Mumbai
Date : August 27, 2012

STATEMENT OF PROFIT & 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	14	163,735,752	-
Less: Excise Duty		5,569,841	-
Net Revenue from operations		158,165,911	-
Other Income	15	983,637	-
Total Revenue		159,149,548	-
EXPENSES			
Cost of materials consumed	16	46,597,069	-
Purchase of stock in trade	17	12,276,564	-
Changes in inventories of finished goods, work-in-progress and Stock in-Trade	18	70,636,414	-
Employee benefit expenses	19	8,703,395	-
Financial cost	20	1,895,166	215
Depreciation and amortization expense	8	4,753,297	-
Other expenses	21	110,207,083	49,544
Total Expenses		255,068,988	49,759
Profit / (Loss) before exceptional and extraordinary items and tax		(95,919,440)	(49,759)
Exceptional Item		500,000	-
Profit / (Loss) before tax		(95,419,440)	(49,759)
Profit/(Loss) for the period		(95,419,440)	(49,759)
Earning per equity share: (Refer Note 25)			
(1) Basic		(28.15)	(1.00)
(2) Diluted		(28.15)	(1.00)

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
Thomas Scott (India) Limited

Venugopal Bang
Chairman

Brijgopal Bang
Managing Director

Khyati Desai
Company Secretary

Place : Mumbai
Date : August 27, 2012

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2012

(In Rs.)

Particulars	2011-2012	2010-2011
A. Cash flow from Operating Activities		
Net profit before taxation	(95,419,440)	(49,759)
Adjustments for:		
Depreciation	3,218,984	-
Amortisation	1,534,313	-
(Profit) / Loss on sale of Fixed Assets	9,096,582	-
Prior period	224,762	-
Stock loss	7,746	-
Cancellation of shares included in exceptional item	(500,000)	-
Sundry Balances Written off	267,493	-
Exchange rate fluctuation loss/(gain)	(1,480)	-
Interest expense	1,284,302	-
Operating profit before Working Capital changes	(80,286,738)	-49759
Decrease / (Increase) in trade receivables	17,662,635	-
Decrease / (Increase) in inventories	101,618,618	-
Decrease/(Increase) long term loans and advances	7,686,252	-
Decrease/(Increase) Short term loans and advances	411,035	-
Increase / (Decrease) in Short term provisions	(4,466,170)	-
Increase / (Decrease) in other current liabilities	(55,899)	-
Increase / (Decrease) in trade payables	(22,382,905)	15,000
Cash generated from operations	20,186,828	(34,759)
Net Cash from Operating Activities	20,186,828	(34,759)
B. Cash flows from Investing activities		
Purchase of Fixed Assets	(222,011)	-
Foreign exchange gain	1,480	-
Receipt from sale of assets	1,434,584	-
Net Cash from Investing Activities	1,214,053	-
C. Cash flows from Financing Activities		
proceeds from share subscription	-	500,000
Increase/(Decrease) in short term borrowings	(11,892,718)	-
Interest expense	(1,284,302)	-
Net cash from Financing Activities	(13,177,020)	500,000
Net increase in cash and cash equivalents (A + B + C)	8,223,861	465,241
Cash and cash equivalents at the beginning of the year	465,241	-
Cash and cash equivalents at the end of the year	8,689,102	465,241

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

Thomas Scott (India) Limited
Venugopal Bang
Chairman

Brijgopal Bang
Managing Director

Khyati Desai
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 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 re-valued 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. 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 written down value method at the rates prescribed and in the manner specified in Schedule XIV to the Companies Act, 1956.

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 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.

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 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.

6. Inventories

Inventories are valued at lower of cost or net realisable value. Raw material and manufactured finished goods are valued at cost inclusive of excise duty. Cost is determined on using average cost method.

7. 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

8. 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.

9. 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

10. 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.

11. 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

12. 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.

13. 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		
40,00,000 Equity Shares of Rs. 10/- each	40,00,000	500,000
(Previous year 50,000 equity shares of Rs. 10/- each))		
10,00,000 Redemable Preference Shares of Rs. 10/- each	10,00,000	-
(Previous year NIL preference shares of Rs. 10/- each)		
	50,00,000	500,000
Issued, Subscribed & Paid up		
33,90,000 Equity Shares of Rs. 10/- each are allotted as fully paid up pursuant to scheme of demerger vide High Court dated 22.07.2011 (Refer Note 31)	33,90,000	500,000
(Previous year 50,000 equity shares of Rs. 10/- each fully paid up)		
Total	33,90,000	500,000
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) Terms/rights attached to Preference Shares		
The company has only one class of preference shares having a par value of Rs. 10 per share.		
c) Reconciliation of Issued Share Capital		
Equity shares outstanding at beginning of year	No. of shares Amount 50,000 5,00,000	No. of shares Amount 50,000 5,00,000
Add: Issued During the year (Pursuant to scheme of demerger refer note 31)	33,90,000 33,90,000	- -
Less: Cancellation during the year (Pursuant to Scheme of demerger refer note 31)	50,000 5,00,000	- -
Equity shares outstanding at end of year	33,90,000 33,90,000	50,000 5,00,000
d) Shareholders holding more than 5% of shares in the company		
Bang Overseas Limited	No. of shares % of shares -	No. of shares % of shares 50,000 100%
Mr. Venugopal Bang	6,76,650 19.96%	- -
Mr. Brijgopal Bang	3,80,250 11.22%	- -
Mr. Ramanujdas Bang	1,93,650 5.71%	- -
e) Aggregate number of bonus shares issued, share issued for consideration other than cash and shares brought back during the period of five years, immediately preceeding the reporting date:		
Equity Shares	Year (Aggregate number of shares) 2011-12 33,90,000	2010-11 -
Issued to the share holders of Bang Overseas Ltd pursuant to scheme of demerger approved by Hon. Bombay High Court. (Refer Note 31)		
Note 3 : Reserves & Surplus		
(a) General Reserve		
Balance at the beginning of the year	-	-
Add: Current year transfer (Pursuant to scheme of demerger)	223,422,209	-
Balance at the end of the year	223,422,209	-
(c) Surplus/(Deficit) in Profit Loss Statement		
Balance at the beginning of the year	(49,759)	-
Add: Current year transfer	(95,419,440)	(49,759)
Balance at the end of the year	(95,469,199)	(49,759)
Total	127,953,010	(49,759)
Note 4: Short term borrowings		
Secured, considered good		
Security deposits received from franchisee	4,736,664	-
Loan received from Related Party	1,133,790	-
	5,870,454	-

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

Particulars	Gross Block			as at 31 March 2012	Depreciation			Net Block		
	as at 1 April 2011	Addition	Deduction		up to 31 March 2011	for the year	Depreciation Adjustment	up to 31 March 2012	as on 31 March 2012	as on 31 March 2011
(a) Tangible Assets:										
Plant & Machinery	-	54,000		54,000	10,027	6,117		16,144	37,856	-
Office Equipment	-	2,081,087	1,124,349	956,738	425,702	193,300	364,914	254,088	702,650	-
Leasehold Improvements	-	25,848,514	18,214,619	7,633,895	8,614,801	2,525,051	8,553,838	2,586,015	5,047,880	-
Computer System	-	1,937,896	462,781	1,475,115	1,086,596	320,950	351,829	1,055,717	419,398	-
Total of (a)		29,921,497	19,801,748	10,119,748	10,137,126	3,045,418	9,270,581	3,911,964	6,207,785	-
(b) Intangible Assets:										
Computer software	-	1,861,214	-	1,861,214	1,427,298	173,566	-	1,600,864	260,350	-
Total of (b)	-	1,861,214	-	1,861,214	1,427,298	173,566	-	1,600,864	6,468,135	-
Total of (a+b)	-	31,782,711	19,801,748	31,782,711	11,564,424	3,218,984	9,270,581	5,512,828	648,135	-
Capital Work In Progress	-	704,820		704,820		-	-	-	704,820	-
Total	-	32,487,531	19,801,748	32,487,531	11,564,424	3,218,984	9,270,581	5,512,828	7,172,955	-

Note : Addition to fixed assets are mainly on account of demerger of Retail Division as appearing in the books of accounts of Bang Overseas Ltd pursuant to scheme of arrangement approved.

Brand Building Expenses	-	1,534,313	-	1,534,313	-	1,534,313	-	1,534,313	-	-
Total Depreciation & Amortisation						4,753,297				

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 5: Trade Payables		
For goods and services	5,605,460	5,000
Payable to related party	130,000	10,000
	5,735,460	15,000
Note 6: Other Current Liabilities		
Statutory liabilities	1,068,925	-
	1,068,925	-
Note 7: Short term Provisions		
Provision for employee benefits	326,745	-
Provision for excise duty on finished goods	4,311,820	-
Provision for Gratuity	193,811	-
	4,832,376	-
Note 9 : Long term Loans and advances		
Unsecured, considered good unless otherwise stated		
Security deposits towards Stores/Shops	4,468,912	-
	4,468,912	-
Note 10 : Inventories		
(As taken, Valued & Certified by the Management)		
Raw Materials & Consumables	18,510,842	-
Finished Good	61,839,960	-
	80,350,802	-
Note 11 : Trade Receivables		
Unsecured, considered good unless otherwise stated		
Debts outstanding for a period exceeding six months	18,998,208	-
Other Debts	32,666,231	-
	51,664,439	-
Note 12 : Cash and Bank Balances		
Cash and Cash equivalents		
Balances with Banks in		
- Current Accounts	7,950,873	465,241
- Cash In Hand	738,229	-
	8,689,102	465,241
Note 13 : Short term Loans and advances		
Unsecured, considered good unless otherwise stated		
Advances to employees	45,190	-
Advances paid to suppliers	26,527,111	-
Prepaid Expenses	183,197	-
Balance with statutory/government authorities	227,517	-
Security deposits	31,000	-
	27,014,015	-

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 14 : Revenue from Operations		
Sale of products		
- Trade Goods	20,047,580	-
- Manufactured Goods	143,688,172	-
	163,735,752	-
Note 15 : Other Income		
Rent	180,000	-
Sale of Scrap	3,200	-
Sundry Balance written off	800,437	-
	983,637	-
Note 16 : Cost of materials consumed		
Opening stock of Raw Materials	49,493,046	-
Add: Purchases	15,614,865	-
Less: Closing Stock	18,510,842	-
	46,597,069	-
Note 17 : Trade Purchases		
Purchase of stock in trade	12,276,564	-
	12,276,564	-
Note 18 : Changes in inventories of finished goods, work-in-progress and Stock-in-Trade		
Opening Stock	132,476,374	-
Less: Closing Stock	61,839,960	-
	(70,636,414)	-
Note 19 : Employee Compensation		
Salaries, Wages, and Bonus	7,944,865	-
Contribution to Provident Fund and other funds	231,915	-
Gratuity Expenses	193,811	-
Workmen and staff welfare expenses	332,804	-
	8,703,395	-
Note 20 : Finance Expenses		
Interest on others	1,284,302	-
Foreign exchange loss/(gain)	(1,480)	-
Bank Charges	612,344	215
	1,895,166	215
Note 21 : Other Expenses		
Power & Fuel	2,758,424	-
Freight and forwarding charges	5,640,465	-
Rent	15,442,346	10,000
Rates & Taxes	334,963	-
Insurance Charges	471,481	-
Repairs & Maintenance	-	-
- Other	3,682,555	-
Advertisement expense	3,021,155	-
Discount on sales	11,804,729	-
Brokerage & Sales Commission	28,691,851	-
Travelling & Conveyance expenses	185,204	-
Communication Cost	385,891	-
Printing & Stationary	181,885	6,070
Legal, Professional and Consultancy fees	1,335,452	28,474
Auditor's remuneration	-	-
- Audit fee	25,000	5,000
- Tax Audit fee	-	-
- Others	20,000	-
Job work charges	11,592,690	-
Labour Charges	1,852,202	-
Loss on sale of fixed Assets	9,096,582	-
Courier & Postage	269	-
Vehicle expenses	10,935	-
Packing Material expenses	1,722,479	-
Security & service charges	4,980,874	-
Sundry balance written off	1,067,930	-
Excise duty on stock transfer and provision	4,364,449	-
Other expenses	364,205	-
Demerger expense	948,305	-
Prior Period expenses	224,762	-
	110,207,083	49,544

NOTES ON ACCOUNTS
22. Contingent Liabilities

There are no contingent liabilities.

23. Taxes on Income

In view of the losses for the current year, no income tax provision is recorded in accounts. However, deferred tax asset on account of current year loss has not been made as the management is of the opinion that there is no virtual certainty for the reversal of the same.

The details of deferred tax asset/liability are as below:

Particulars	31.03.2012	31.03.2011
Deferred Tax Liabilities		
On account of deduction u/s. 35DD	58,605	NIL
Total	58,605	
Deferred Tax Assets		
Expenditures disallowed u/s 43B	3,66,235	
On account of difference in Tax and Book Depreciation	81,15,477	
Deferred Tax Asset (Net)	84,23,107	NIL

24. 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. Some balances are subject to confirmation and reconciliation.

25. Earning per Share (EPS)

Particulars	31.03.2012	31.03.2011
Net Profit / (Loss) including exceptional item	(9,54,19,440)	(49,759)
Exceptional item	5,00,000	–
Net Profit / (Loss) excluding exceptional item	(9,59,19,440)	–
Nominal Value per share	10	10
Weighted Average no. of shares outstanding at the end of the year	33,90,000	50,000
E.P.S. Excluding exceptional item	(28.29)	-
E.P.S. Including exceptional item	(28.15)	(1.00)

26. Operating Lease Arrangements:

As lessee:

Rental expenses of Rs. 1,54,42,346 (P.Y. Rs.10,000) 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	9,17,410	-
Due later than one year but not later than five years	13,82,747	-
Later than five years	23,00,157	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.

27. Employee benefit plan:

The Company has recognized Rs.1,93,811 /- (PY NIL) in the profit & Loss Account during the year ended 31 March 2012 under defined contribution plan.

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

(In Rs)		
Particulars	2011-2012	2010-2011
Current service cost	39,575	
Interest cost	9,780	
Expected return on Assets	-	
Actuarial (gains) / losses	1,44,456	
Past service cost	-	
Net expenses	1,93,811	

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

(In Rs)		
Particulars	As at 31 March 2012	As at 31 March 2011
Defined benefit obligation	1,93,811	-
Fair value of plan assets	-	-
Fund status [Surplus/(Deficit)]	-	-
Net Assets / (Liability)	1,93,811	-

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

(In Rs)

Particulars	2011-2012	2010-2011
Opening defined benefit obligation	-	-
Current service cost	39,575	-
Interest cost	9,780	-
Benefit paid	-	-
Actuarial (gains) / Losses	1,44,456	-
Closing defined benefit obligation	1,93,811	-

(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.	-	-
Expected Return on Plan Assets	-	-
Actuarial gains / (Losses)	-	-
Actual Company Contributions less Risk Premium	-	-
Benefit Payments	-	-
Fair Value of the assets	-	-

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

Assumption	31 March 2012	31 March 2011
Discount rate	8.57%	-
Expected return on assets	0.00%	-
Salary Increase	7.00%	-
Withdrawal rates	5.00%	-
Mortality	Indian Assured Lives Mortality (1994-96) (Modified) Ultimate	Indian Assured Lives Mortality (1994-96) (Modified) Ultimate

28. Previous year figure has been regrouped, rearranged and restated whenever necessary.

29. **Segment Reporting:**

The Company operates in only one reportable segment that is manufactures of readymade garments. Therefore no separate disclosure of segment wise information is required.

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

31. Scheme of Arrangement:

- 1) The Company was incorporated on 22nd October 2010 with an authorised share capital of Rs. 5,00,000 (50,000 equity shares of Rs. 10/- each)
- 2) In terms of the Scheme of Arrangement between Bang Overseas Limited and Thomas Scott (India) Limited and their respective shareholders sanctioned by the Honourable High Court of Bombay, which become effective on 05th August, 2011 with retrospective effect from 01st April 2011, the following effects were given:
 - (a) Authorised Share Capital increased to 40,00,000 Equity Shares of Rs. 10/- each and 10,00,000 Redeemable Preference Shares of Rs. 10/- each.
 - (b) The Pre demerger paid up share capital of Rs. 5,00,000 stands cancelled.
 - (c) 33,90,000 shares of the company were issued to the shareholders of Bang Overseas Limited pursuant to scheme of demerger in the ratio of 1:4 (One share for every four shares held in Bang Overseas Limited)

32. Prior Period expenses included under “Other Expenses”

(In Rs)

Particulars	31.03.2012	31.03.2011
Stores Rent	2,24,762	NIL
Total	2,24,762	NIL

33. Derivative Instruments

There are no outstanding forward contracts entered into the Company as on 31 March 2012.

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)	22,637	-
Liabilities (Payable)	10,955	-

34. Additional information pursuant to the provisions of Part II of the Revised Schedule VI of the Companies Act 1956.

I) Value of imported and indigenous Raw Material consumed during the year

(In Rs)

Description	Current year		Previous year	
Imported	NIL	NIL	NIL	NIL
Indigenous				
Fabrics	2,32,060/-	2,36,50,702/-	NIL	NIL
Trims		50,53,728/-		

ii) C.I.F Value of imports, Expenditure and Earning in Foreign exchange.

(In Rs)

Particulars	31.03.2012	31.03.2011
C I F Value of Imports (Fabric)	NIL	NIL
Foreign Travelling Expenses	NIL	NIL
CIF Value of Exports (Fabric)	NIL	NIL

35. Information on Related Party Disclosure

- | | |
|--|--|
| A. Key Managerial Persons (KMP) | Venugopal Bang (Director)
Brijgopal Bang (Director) |
| B. Relatives of Key Managerial Persons | Balaram Bang |
| C. Enterprises owned or significantly influenced by key mangement perosnnel or their relatives | Bang Overseas Limited
Vedanta Creations Limited
Venugopal Bang (HUF) |

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
Relatives of Key Managerial Persons		
Balaram Bang		
Rent paid	60,000	5,000
Outstanding payable as on 31st March 2012	65,000	-
Enterprises owned or significantly influenced by key management		
Bang Overseas Limited		
Sale of finished goods / raw materials etc.	28,520,760	
Cancellation of equity shares	500,000	
Purchase of finished goods / raw materials etc.	3,347,147	
Interest paid	786,826	
Loan received	67,336,151	-
Loan repaid	70,221,608	-
Sale of fabric	17,448,775	-
Outstanding payable as on 31st March 2012	1,133,790	-
Bang Data Forms Pvt. Ltd.		
Sale of finished goods / raw materials etc.	4,985	-
Outstanding receivable as on 31st March 2012	-	
Vedanta Creations Limited		
Rent received	180,000	-
Closing balance receivable as on 31st March 2012	-	
Venugopal Bang (HUF)		
Rent paid	60,000	5,000
Outstanding payable as on 31st March 2012	65,000	-

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

Rajendra Kumar Gupta
Partner
Membership No. 9939

Place: Mumbai
Date: August 27, Mumbai

For and on behalf of Board of Directors
Thomas Scott (India) Limited

Venugopal Bang
Chairman

Place: Mumbai
Date: August 27, Mumbai

Brijgopal Bang
Managing Director

Khyati Desai
Company Secretary

**THOMAS SCOTT (INDIA) LIMITED**

Regd. Office: 50, Kewal Industrial Estate, Senapati Bapat Marg, Lower Parel (West), Mumbai 400013.

**ATTENDANCE SLIP
SECOND ANNUAL GENERAL MEETING**

Folio No.: _____

No. of shares held: _____

DPID & Client I.D.No.: _____

I hereby record my presence at the SECOND ANNUAL GENERAL MEETING of the Company, on Saturday at 10:00 A.M. at Garware Club House, Wankhede Stadium, Banquet Hall, 2nd Floor, "D" Road, Churchgate, Mumbai 400 020.

Name of the Member / Proxy

Member's /Proxy's Signature

NOTE : Member/joint member/proxies are requested to bring this slip with them and hand it over at the entrance. Duplicate slips will not be issued at the entrance of the venue

**THOMAS SCOTT (INDIA) LIMITED**

Regd. Office: 50, Kewal Industrial Estate, Senapati Bapat Marg, Lower Parel (West), Mumbai 400013.

FORM OF PROXY

I/We, _____ the undersigned, being equity share holder(s) of M/s. Thomas Scott (India) Limited hereby appoint Mr./Ms. _____ resident of _____ and failing him/her Mr./Ms. _____ resident of _____ as my/our proxy, to act for me/us at the SECOND ANNUAL GENERAL MEETING of the Company, to be held on Saturday at 10:00 A.M. at Garware Club House, Wankhede Stadium, Banquet Hall, 2nd Floor, "D" Road, Churchgate, Mumbai 400 020

Dated this _____ day of _____

Folio No.: _____

DPID & Client I.D.No.: _____

No. of shares held : _____

Signature : _____

Notes:

1. Proxy must be deposited at the Registered Office of the Company not later than 48 hours before the meeting. The Proxy need not be a member of the Applicant Company.
2. In case of multiple proxies, proxy later in time shall be accepted.
3. All alterations made in the Form of Proxy should be initialed.
4. The form should be signed across the stamp.
5. Members holding shares under more than one folio may use photocopy of this Form for other folios. The Company shall provide additional forms on request.

Affix
Re. 1
Revenue
Stamp

MAN SPRING SUMMER 2013

BANG & SCOTT SPRING SUMMER 2013 COLOUR STORY



inspiration of colours

— ** —

REGISTERED OFFICE:

50, Kewal Industrial Estate, Ground Floor,
Senapati Bapat Marg,
Lower Parel (West), Mumbai - 400 013, India.

— ** —