

J. T. Shah & Co.

CHARTERED ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

To,
The Members of
NANDAN DENIM LIMITED
Ahmedabad

1. Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **NANDAN DENIM LIMITED ("the Company")**, which comprise the Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

2. Management's Responsibility for the Standalone Financial Statements

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

3. Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements



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based on our audit.

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

4. Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:-

- i. In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2015;



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- ii. In the case of the Profit and Loss Account, of the profit for the year ended on that date; and
- iii. In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

5. Report on Other Legal and Regulatory Requirements

- i. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2015, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
- ii. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.



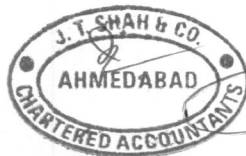
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(f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to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

- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 27 to the financial statements;
- ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 36 to the financial statements;
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

Place: Ahmedabad
Date: 29/05/2015



For, J. T. Shah & Co.
Chartered Accountants,
[FRN No. 109616W]

(J. T. Shah)
Partner
[M. No. 3983]

NANDAN DENIM LIMITED

ANNEXURE TO THE AUDITORS REPORT

Referred to in paragraph 5 (i) of our Report of even date to the Members of **NANDAN DENIM LIMITED** for the year ended 31st March, 2015.

1. In respect of Fixed Assets :

- (a) The Company has maintained proper records showing full particulars including quantitative details and situation of Fixed Assets on the basis of available information.
- (b) As per the information and explanations given to us, the management at reasonable intervals during the year in accordance with a programme of physical verification physically verified the fixed assets and no material discrepancies were noticed on such verification as compared to the available records.

2. In respect of its Inventories :

- (a) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
- (b) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) On the basis of our examination of the records of inventory, we are of opinion that the company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and books records were not material.

3. In respect of Loans and Advances granted during the year.

As regards the loans , the company has not granted any loans, secured or unsecured during the year under audit, to the companies, firms and other parties covered in the register maintained under section 189 of the Companies Act, 2013 and therefore, the clauses (iii) (a) and (b) of the Companies (Auditor's Report) Order, 2015 are not applicable.

- 4.** 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 the nature of its business with regard to purchases of inventory, fixed assets and with regard to the sale of goods and services. During the course of our audit, no major continuing failures to correct major weaknesses has been observed.



NANDAN DENIM LIMITED

5. During the year, the company has not accepted any deposits and hence the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under are not applicable to the company.
6. As per the information and explanation provided to us the company is not required to maintain the cost records as per the provisions of Companies(Cost Records and Audit) Rules,2014, hence Clause (vi) of the Companies (Auditor's Report) Order,2015.

7. **In respect of Statutory Dues :**

- (a) According to the records of the Company, the Company is by and large regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities applicable to it.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect statutory dues were outstanding as at 31st March, 2015 for a period of more than six months from the date they became payable.
- (c) According to the records of the company, the dues of income tax, sales tax, wealth tax or service tax or duty of customs or duty of excise or value added tax or cess which have not been deposited on account of disputes and the forum where the dispute is pending are as under:

Name of the Statute	Nature of the Dues	Year	Amount (Rs.)	Forum where dispute is pending
Income Tax Act,1961	Income Tax Demand	2009-10	5,996,110	Commissioner of Income Tax (Appeals)
	Income Tax Demand	2012-13	847,220	Commissioner of Income Tax (Appeals)
Value Added Tax	Value Added Tax Demand	2010-11	3,740,628	Joint Commissioner (Appeals)
	Value Added Tax Interest & Penalty	2010-11	4,002,472	Joint Commissioner (Appeals)

- (d) During the year no amount is required to transfer to the investor education and protection fund and hence clause (c) of clause (vii) of the Companies (Auditor's Report) Order,2015 is not applicable to the company.



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8. The company has no accumulated losses and has not incurred any cash losses during the financial year under review or in the immediately preceding financial year.
9. Based on our audit procedure and according to the information and explanation given to us, we are of the opinion that the Company has not defaulted in repayment of dues to a Financial Institutions, Banks or debenture holders.
10. According to the information and explanation given to us, the company has given the guarantee for loans taken by others from a bank, the terms & condition thereof in our opinion are not prima facie prejudicial to the interest of the company.
11. According to the information and explanations given to us, during year under review the company has applied the term loan for the purpose for which the loans were obtained.
12. Based upon the audit procedures performed and information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

Place : Ahmedabad
Date : 29/05/2015

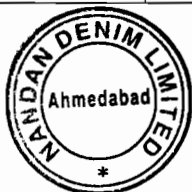


For, J. T. Shah & Co.
Chartered Accountants,
[FRN No. 109616W]

(J. T. Shah)
Partner
[M. No. 3983]

AUDITED FINANCIAL RESULTS FOR THE YEAR AND QUARTER ENDED 31ST MARCH, 2015

PART - I					
(Rs. in lakhs except share and per equity share data)					
Sr. No.	Particulars	Quarter Ended			Year Ended
		31.03.2015	31.12.2014	31.03.2014	31.03.2015
		Unaudited	Unaudited	Unaudited	Audited
1.	Income from operations				
	(a) Net Sales/Income from operations	27,830.72	27,759.57	23,884.63	109,653.34
	(b) Other operating	-	-	-	-
	Total Income from operations (net)	27,830.72	27,759.57	23,884.63	109,653.34
2.	Expenses				
	(a) Cost of materials consumed	14,399.07	18,427.38	15,542.37	72,201.25
	(b) Purchase of stock-in-trade	362.10	285.33	4,050.65	1,376.02
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	4,833.32	209.07	(983.68)	2,199.17
	(d) Employee benefit expenses	1,154.05	1,276.51	491.94	4,381.26
	(e) Depreciation and amortization expense	1,373.13	1,531.28	1,296.02	5,955.03
	(f) Other expenses	3,327.79	3,197.27	2,249.87	12,951.34
	Total Expenses	25,449.46	24,926.84	22,647.16	99,064.07
3.	Profit from operations before other income, finance costs and exceptional items (1-2)	2,381.26	2,832.73	1,237.47	10,589.27
4.	Other income	39.77	126.93	136.67	304.23
5.	Profit from ordinary activities before finance costs and exceptional items (3+4)	2,421.03	2,959.66	1,374.14	10,893.50
6.	Finance costs	808.30	931.42	435.03	3,770.86
7.	Profit from ordinary activities after finance costs but before exceptional items (5-6)	1,612.73	2,028.24	939.10	7,122.64
8.	Exceptional items	-	-	-	-
9.	Profit from ordinary activities before tax (7+8)	1,612.73	2,028.24	939.10	7,122.64
10.	Tax expense				
	- Current Tax	(134.24)	915.62	147.76	1,629.63
	- Deferred Tax	215.82	(151.03)	(447.43)	355.13
	- (Excess)/Short provision of Income Tax & Deferred Tax of earlier years	-	-	-	-
11.	Net Profit from ordinary activities after tax	1,531.16	1,263.65	1,238.78	5,137.88
12.	Extraordinary items	-	-	-	-
13.	Net Profit for the period (11+12)	1,531.16	1,263.65	1,238.78	5,137.88
14.	Paid-up Equity Share Capital (Face Value Rs. 10/- per share)	4,554.91	4,554.91	4,554.91	4,554.91
15.	Reserve excluding Revaluation Reserves (as per balance sheet of previous accounting year)	-	-	-	21,327.91
16(i)	Earnings per share (before extraordinary items)				
	- Basic	3.36	2.77	2.72	11.28
	- Diluted	3.36	2.77	2.72	11.28
16(ii)	Earnings per share (after extraordinary items)				
	- Basic	3.36	2.77	2.72	11.28
	- Diluted	3.36	2.77	2.72	11.28



Ahmedabad
29th May, 2015

For NANDAN DENIM LIMITED

VEDPRAKASH CHIRIPAL
CHAIRMAN
(DIN: 00290545)

Nandan Denim Limited
(Formerly known as Nandan Exim Limited)
(CIN:L51909GJ1994PLC022719)

Plant & Regd. Office:

Survey No. 198/1, 203/2, Sajipur-Gopalpur, Pirana Road, Piplej, Ahmedabad - 382 405
Ph.: +91 9879200199 Website: www.nandandenim.com Email: info@nandandenim.com

Corporate House:

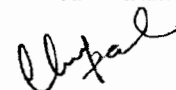
Chiripal House, Shivranjani Cross Roads, Satellite, Ahmedabad - 380 015
Ph.: 079-26734660/2/3 Fax: 079-26768656

PART - II						
Sr. No.	Particulars	Quarter Ended			Year Ended	
		31.03.2015	31.12.2014	31.03.2014	31.03.2015	31.03.2014
A.	PARTICULARS OF SHAREHOLDING					
1.	Public Shareholding					
	- Number of Shares	1,77,90,336	1,81,00,362	1,89,83,110	1,77,90,336	1,89,83,110
	- Percentage of Shareholding	39.06%	39.74%	41.68%	39.06%	41.68%
2.	Promoters & Promoter Group Shareholding					
	(a) Pledged / Encumbered					
	- Number of Shares	1,05,40,000	1,79,90,000	1,94,90,000	1,05,40,000	1,94,90,000
	- Percentage of shares (as a percentage of the total shareholding of Promoter & Promoter Group)	37.97%	65.54%	73.36%	37.97%	73.36%
	- Percentage of shares (as a percentage of the total share capital of the Company)	23.14%	39.49%	42.79%	23.14%	42.79%
	(b) Non-encumbered					
	- Number of Shares	1,72,18,720	94,58,694	70,75,946	1,72,18,720	70,75,946
	- Percentage of shares (as a percentage of the total shareholding of Promoter & Promoter Group)	62.03%	34.46%	26.64%	62.03%	26.64%
	- Percentage of shares (as a percentage of the total share capital of the Company)	37.80%	20.77%	15.53%	37.80%	15.53%
B.	INVESTOR COMPLAINTS	Quarter ended 31.03.2015				
	Pending at the beginning of the quarter	NIL				
	Received during the quarter	05				
	Disposed of during the quarter	05				
	Remaining unresolved at the end of quarter	NIL				

NOTES:

- The above Audited Results have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 29th May, 2015;
- The Company has provided depreciation on fixed assets considering useful lives specified in Schedule II of the Companies Act, 2013 or as re-assessed. Accordingly, the useful life of certain assets required a change from previous estimates. Management believes that the revised useful lives of the assets reflect the periods over which these assets are expected to be used. As a result of change, the charge for depreciation for the year ended 31st March 2015, is higher by Rs. 2.45 crores for the assets held as on 1st April, 2014.
- The Company has only one business segment i.e. Textiles. Hence, segment wise reporting is not applicable;
- During the quarter ended 31st March 2015, total 74,50,000 pledged shares were released;
- The Board of Directors have recommended a Dividend of 10% (Re. 1.00 per equity share of face value of Rs. 10/- each) for the year 2014-15 and Interim Dividend of 6% has already been paid for the year 2014-15. The payment is subject to the approval of the shareholders in the ensuing Annual General Meeting of the Company;
- Figures for the 4th quarter are the balancing figures between unaudited figures in respect of the full financial year and the audited published year to date figures upto the third quarter respectively;
- Figures of the previous quarter / year have been regrouped/ rearranged wherever necessary;
- The results of the Company are available at www.bseindia.com, www.nseindia.com and www.nandandenim.com.

For NANDAN DENIM LIMITED



VEDPRAKASH CHIRIPAL
CHAIRMAN
(DIN: 00290545)

Ahmedabad
29th May, 2015



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NANDAN DENIM LIMITED

STATEMENT OF ASSETS AND LIABILITIES AS AT 31ST MARCH, 2015

Sr. No.	Particulars	(Rs. in lakhs)	
		As at 31.03.2015 Audited	As at 31.03.2014 Audited
A	EQUITY AND LIABILITIES		
1.	Shareholders' Funds:		
	(a) Share Capital	4,554.91	4,554.91
	(b) Reserves and Surplus	21,327.91	17,095.71
	(c) Money received against share warrants	0.00	0.00
	Sub-Total - Shareholders' Funds	25,882.82	21,650.62
2.	Share Application Money pending allotment	0.00	0.00
3.	Non-Current Liabilities		
	(a) Long Term Borrowings	27,772.03	28,287.30
	(b) Deferred Tax Liabilities (net)	2,492.77	2,157.07
	(c) Other Long Term Liabilities	0.00	0.00
	(d) Long Term Provisions	0.00	0.00
	Sub-Total - Non Current Liabilities	30,264.80	30,444.37
4.	Current Liabilities		
	(a) Short Term Borrowings	14,514.86	10,783.15
	(b) Trade Payables	6,830.42	5,763.54
	(c) Other Current Liabilities	7,202.43	9,873.39
	(d) Short Term Provisions	1,292.37	655.22
	Sub-Total - Current Liabilities	29,840.08	27,075.31
	TOTAL - EQUITY AND LIABILITIES	85,987.70	79,170.30
B.	ASSETS		
1.	Non-Current Assets		
	(a) Fixed Assets	44,742.98	45,234.84
	(b) Non-Current Investments	734.97	416.36
	(c) Deferred Tax Assets (net)	0.00	0.00
	(d) Long Term Loans & Advances	1,205.44	58.30
	(e) Other Non-Current Assets	547.27	1,174.53
	Sub-Total - Non Current Assets	47,230.66	46,884.03
2.	Current Assets		
	(a) Current Investments	0.00	0.00
	(b) Inventories	14,093.44	13,850.42
	(c) Trade Receivables	14,722.75	12,141.64
	(d) Cash and Cash Equivalents	6,010.28	2,607.27
	(e) Short Term Loans & Advances	3,930.57	3,686.93
	(f) Other Current Assets	0.00	0.00
	Sub-Total - Current Assets	38,757.04	32,286.27
	TOTAL ASSETS	85,987.70	79,170.30

Ahmedabad
29th May, 2015



For NANDAN DENIM LIMITED

(Signature)
VEDPRAKASH CHIRIPAL
CHAIRMAN
(DIN: 00290545)

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