
11th Annual Report
2012-13



FIRST WINNER



Message from Managing Director



I am pleased to present the Eleventh Annual Report of the Company. At the outset, I am thankful to all the shareholders of the Company for their whole hearted support and cooperation in furthering the overall growth of the Company.

As you all know year 2011-2012 was a year of global crises and that crises continued in 2012-2013. The global economy has been passing through a prolonged phase of uncertainty and the low growth along with the atmosphere of hesitancy is also reflected in India. Continuing high inflation, unacceptable levels of fiscal and current account deficits, lackluster performance on the export front as well as a fall in the rate of growth in industrial production, high prices of crude in international markets - all these have added to the reasons for low economic growth.

During the year 2012-13, Indian Textile Industry, was one of the worst hit sector by the global financial crisis especially, due to economic crisis in the US and Europe. The Textile Industry was adversely affected by crash in prices in cotton and other textile products from April 2011 onwards, led to huge losses in the Textiles Industry. Further, due to poor demand in domestic as well as western markets and restrictions on export, led to huge accumulation of unsold stocks, which led to erosion of working capital in the Industry.

Our Company continues to face difficult circumstances particularly in terms of high interest cost, ever increasing input costs, reduced demand etc. due to which its performance has remained unsatisfactory. Looking forward to the expected revival in the global economy and the improvement in our economy in tandem, in terms of increases in demand for and prices of its various products, the outlook for the Company is expected to remain stable.

I extend my sincere thanks to all our stakeholders including shareholders, customers and the loyal staff for their continued support and confidence in helping the Company to maintain and enhance its inherent strengths even in difficult times.

Thank You
Yours' Sincerely
Rinku Patodia

First Winner Industries Limited

Board of Directors

Shri M. K. Sinha
Independent, Non Executive Chairman

Shri B. G. Agarwal
Independent, Non Executive Director

Shri Rinku Patodia
Managing Director

Smt. Anita Patodia
Executive Director

Company Secretary

Ms. Avani Gandhi

Auditors

M/S Praful M. Joshi, Chartered Accountants, Mumbai

&

M/S Deshmukh & Associates, Chartered Accountants, Mumbai

Bankers

State Bank of India

Registrar and Share Transfer Agent

Link Intime India Private Limited
(Formerly Intime Spectrum Registry Limited)
C-13 Pannalal Silk Mills Ltd., L B S Marg,
Bhandup (West), Mumbai-400078

Registered Office

605, Business Classic,
Chincholi Bunder Road,
Malad (W), Mumbai – 400064
Tel: 91 22 2880 2255/99
Fax: 91 22 2881 2288
Email: info@firstwinnerind.com

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NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Eleventh Annual General Meeting of the members of First Winner Industries Limited will be held on Friday, the 27th September, 2013 at 705, Business Classic, Chincholi Bunder Road, Malad (West), Mumbai- 400064 at 11.00 a.m. to transact the following business:

AS ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Balance Sheet as at 31st March, 2013, the Profit & Loss Account and Cash Flow Statement for the year ended on that date along with the Schedules and the Reports of the Directors and Auditors thereon.
2. To appoint a director in place of Dr. M. K. Sinha, who retires by rotation and being eligible, seeks reappointment.
3. To appoint auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting and to fix their remuneration and to pass the following resolution thereof:

“Resolved that M/s Praful M. Joshi and M/s Deshmukh & Associates, Chartered Accountants be and are hereby reappointed as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting to the conclusion of the next Annual General Meeting on such remuneration as shall be fixed by the Board of Directors of the Company.”

14th August, 2013

Registered Office:

605, Business Classic
Chincholi Bunder Road,
Malad (West),
Mumbai- 400064

By Order of the Board
First Winner Industries Ltd

sd/-
Rinku Patodia
Managing Director

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE ON A POLL ONLY INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER. (A copy of the proxy form is attached).
2. Proxies in order to be effective must be received by the Company at the registered office address not less than 48 hours before the commencement of the meeting.
3. Members are requested to notify any change in their address at the Registered Office of the Company immediately.
4. The Register of Members and Share Transfer Register shall remain closed with effect from Friday, the 20th September, 2013 to Friday, the 27th September, 2013 (both days inclusive).
5. Those members attending the Annual General Meeting are requested to bring their Annual Reports, as copies of the Annual Report will not be distributed at the venue.
6. Members are requested to preferably send their queries to the Registered Office 7 days before the date of the Annual General Meeting.
7. Members/Proxies should bring the Attendance Slip duly filled in for attending the meeting.
8. As required by Clause 49 of the Listing Agreement, members are informed that Dr. M. K. Sinha do not hold any equity shares in the Company and the additional information in respect of the said Director recommended for re-election at the AGM is appearing in the Corporate Governance Report annexed to the Directors' Report.

14th August, 2013

Registered Office:

605, Business Classic
Chincholi Bunder Road,
Malad (West),
Mumbai- 400064

By Order of the Board
First Winner Industries Ltd

sd/-
Rinku Patodia
Managing Director

DIRECTORS' REPORT

Dear Shareholders,

The Directors have pleasure in presenting their Eleventh Annual Report and Accounts for the year ended March 31, 2013.

FINANCIAL RESULTS

	2012-13 Rupees	2011-12 Rupees
Profit before depreciation and tax	-53468766	66902956
Less: Depreciation	56338028	44639692
Profit after depreciation but before tax	-109806794	22263264
Less: Provision for tax	--	4482110
Deferred tax	-13006615	7541618
Fringe Benefit tax	--	-
Less: Short provision for earlier year	--	47380
Profit after tax	-96800179	10192156
Add: Balance brought forward from previous year	161096088	145552298
Appropriation :		
Proposed Dividend	-	-
Tax on Proposed Dividend	-	-
Add: Excess provision for tax of previous year	-	5351634
Balance carried forward	64295909	161096088

DIVIDEND

The directors do not recommend payment of dividend keeping in view the requirement of surplus funds for your Company's future growth. They trust the shareholders will appreciate their efforts for the future growth of your Company.

DEPOSITS

The Company has not accepted any deposits pursuant to section 58A of the Companies Act, 1956 and the Rules framed there under including Companies (Acceptance of Deposits) Rules, 1975.

AUDITORS' REPORT

The Auditors' report to the shareholders does not contain any qualifications.

DIRECTORS' RESPONSIBILITY STATEMENT

The Board of Directors of the Company confirms:

- i. that in the preparation of the annual accounts, the applicable Accounting Standards have been followed and there has been no material departure;
- ii. that the selected Accounting Policies were applied consistently and the Directors 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 as at March 31, 2013 and of the profit of the company for the year ended on that date;
- iii. that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- iv. that the annual accounts have been prepared on going concern basis.

DIRECTORS

Dr. M. K. Sinha is liable to retire by rotation at the ensuing annual general meeting and being eligible offer herself for re-appointment and your directors recommend the re-appointment in the interest of the Company.

MANAGEMENT DISCUSSION AND ANALYSIS

The Management Discussion and Analysis Report, which gives a detailed account of operations of your company and the market in which it operates, including initiative taken by the company to further its business, forms part of this Annual Report.

CORPORATE GOVERNANCE

A report on Corporate Governance along with a certificate from the auditors of the Company regarding the compliance of conditions of corporate governance as stipulated under Clause 49 of the Listing Agreement is annexed to this report.

AUDITORS

The Joint Auditors M/s Deshmukh & Associates and M/s Praful M. Joshi, Chartered Accountants, hold office until the conclusion of the forthcoming Annual General Meeting and are recommended for re-appointment and authorize Board to fix their remuneration.

SUBSIDIARIES

Your company has three wholly owned subsidiaries, viz. First Winner Lifestyle Limited, Ramshyam Textile Industries Limited and Pal Trading Co. Pvt. Ltd. All companies are in the Textile Business and have same business line as ours and beneficial to all the Four companies to work together to reflect better turnover and profitability.

The requisite disclosure in accordance with Section 212 of the Companies Act, 1956 in respect of the subsidiaries annexed to and form part of this Report.

FUTURE OUTLOOK

As you all know year 2011-2012 was a year of global crises and that crises continued in 2012-2013 and also had an experience of huge economic crises. Surely the prevailing economic environment has had an impact on the global apparel and textile industry. Textile industries as a whole suffered a lot. This situation made us to acted with speed and purpose to expand our manufacturing competence and marketing capabilities across the globe. We prepared hard towards optimising efficiencies, maximising quality, cost cutting and reducing turnaround time. We are ready to strike an intricate balance among interests of our varied stakeholders. We are ready to embark on a phase of sustained profitable growth to capitalize on opportunities and face challenges.

DISCLOSURE OF PARTICULARS

Information as per the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, relating to Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo are given in Annexure forming part of this Report.

PARTICULARS OF EMPLOYEES

None of the Employee is in receipt of remuneration up to the limits prescribed under Section 217(2A) of the Companies Act, 1956 and the Rules made there under.

PERSONNEL

The Board of Directors wishes to express its appreciation for the outstanding contribution made by employees to the operations of the Company during the year.

ACKNOWLEDGEMENT

The Board of Directors thanks the Banks, Central and State Government authorities and all the stakeholders for their continued co-operation and support to the Company.

Mumbai, 14th August, 2013.
Registered Office: 605, Business Classic,
Chincholi Bunder Road,
Malad (West), Mumbai-400 064.

For and on behalf of the Board
First Winner Industries Limited

sd/-
Rinku Patodia
Chairman

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Overall review of the economy

2012-13 has been a challenging year for the global economy. Lower global demand, domestic policy uncertainties and the cumulative impact of monetary tightening contributed to growth slowing down considerably to the estimated level. All three sectors of the economy – agriculture, industry and services – slowed down. Even though there was moderation in agriculture growth, the year witnessed an all-time high foodgrains output. The services sector moderated primarily due to the slowdown in construction, while the disappointing performance of mining and manufacturing sub-sectors contributed to slackening of industrial growth.

At every stage of life we come across the rising price. There is no single area where the prices have not shot up. Industry is passing through the same phenomena. As you all are aware that the dollar has become more expensive which has effected all the material which are dependent on import like dyestuff, chemicals, lubricant etc.

Industry Structure and Developments

Indian Textile Industry has a very strong presence in the entire value chain and it contributes about 14% to industrial production, 14% to the manufacturing sector, 4% to the GDP and 17% to the Country's total export earnings. The Industry provides direct employment to over 35 million people and the 2nd largest provider of employment after agriculture. It is the 2nd largest producer and exporter of cotton & yarn with 18% share in the world market.

Opportunities and Threats

The company mainly deals in trading and manufacturing of Textile Fabric. The company uses its consolidated resources for committing capital for its future business activities. Increasing operational efficiency and improvement in asset resolution has been the company's objective. The company will continue to search and pursue all new opportunities of growth. Improvement in capital adequacy and debt equity ratios, also raising new financial resources at competitive cost on a regular basis is extremely important for the company to be able to fully utilize the opportunities which come in future. Although, risk is an inevitable part of any business, your company's efforts are always directed towards earning maximum returns with minimum possible risk involved.

Opportunities:-

- Indian companies need to focus on Product Development.
- Increased use of CAD to develop designing capabilities.
- Government policy is favorable for textile Industries.
- The branded companies of the overseas market have entered Indian market.
- Investing in Trend forecasting to enable the growth of industry.

Threats:-

- Competition in the Domestic Market.
- Need to revamp consumer consciousness.
- Natural calamities beyond control.
- Under the new patent regime Indian Companies cannot duplicate the MNCs processes and procedures.
- General market competition especially from established Indian Companies and MNCs.
- Tackle Chinese Aggression over the International Market.

Segment wise Performance

Trading and manufacturing of Textile Fabric is the main business activity of your Company. Segment reporting as required under Accounting Standards-17 is not applicable as all the revenue income comes from a single segment.

Internal Control

The Company maintains a system of internal control, including suitable monitoring procedures and the adequacy of the same has been reported by its auditors in their report as required under the Companies (Auditor's Report) Order, 2003. The Internal Audit Department regularly conducts a review to assess the financial and operating controls of the Company. Any significant issue is required to be brought to the attention of the audit Committee of the board. The statutory Auditors and the Head of Internal Audit are invited to attend the Audit Committee meetings.

Human Resources/ Industrial Relations Front

The Company continues to have the cordial and harmonious relations with its employees and there has been no material development on the Human Resource/ Industrial Relations front during the year. The Company considers the quality of its human resources to be most important asset and constantly endeavors to attract and recruit best possible talent.

Cautionary Statement

Statements in the Management Discussion Analysis Report describing the Company's objectives and predictions may be forward looking within the meaning of applicable rules and regulations. Actual results may differ materially from those either expressed or implied in the statement depending on circumstances.

ANNEXURE TO THE DIRECTORS' REPORT

Statement pursuant to Section 217(1) (e) of the Companies Act, 1956 and Companies (Disclosure of Particulars in the report of Board of Directors) Rules, 1988

FORM A

Form for disclosure of particulars with respect to Conservation of Energy

(A) Power and Fuel Consumption:-

		2012-13	2011-12
1.	Electricity		
	a. Purchased Units (KWH)	2231428	6096560
	Total Amount (Rs.)	11670368	23554934
	Average Rate/Unit (Rs.)	5.23	3.86
	b. Own Generation		
	i) Through diesel generator	N.A.	N.A.
	Units (KWH)		
	Units/Lt. of Diesel		
	Cost/ Unit (Rs.)		
	ii) Through Steam Turbine/ Generator	N.A.	N.A.
2.	Diesel*		
	Quantity (ltr.)	2065	99595
	Total Amount	109734	507281
	Average Rate	53.14	43.75
3.	Furnace Oil **		
	Quantity (kg.)	141105	370601
	Total Cost	6260427	17418247
	Rate/ Unit	44.36	48.00
4.	Others/ Internal Generation	N.A.	N.A.

* Diesel is used to run the generators and the power generated from the diesel generator is used for machine cleaning and lightening on holidays and not for production.

** Furnace Oil is consumed for working the boiler and the steam from the boiler is used to run sizing machine and yarn dyeing and not for power generation.

(B) Consumption per unit production

	2012-13	2011-12
Fabric (in mtrs.)*	7812119	14610417
Electricity	0.29	0.42
Diesel**	N.A.	N.A.
Furnace Oil**	N.A.	N.A.
Others	N.A.	N.A.

Note: * Fabric exclude yarn dyeing job work(in KGs) = 793936.968 kg and sizing job work (in KGs)= 777949.26 kg.

**Diesel and Furnace oil are not used for production purposes.

FORM B**Form for disclosure of particulars with respect to absorption.****Research and development (R & D)**

1. Specific areas in which R & D is carried out by the company.
 - (a) Installation of return air humidification plant for improved weaving working particularly for fine compact cotton varieties.
 - (b) In house yarn testing facility to attain better quality of woven fabric and gain in productivity.
2. Benefits derived as a result of the above R & D
Better quality of production.
3. Future plan of action
Working out on energy conservation.
4. Expenditure on R & D:
 - (a) Capital
 - (b) Recurring Included in manufacturing cost
 - (c) Total
 - (d) Total R & D expenditure as a percentage of total turnover

Technology, absorption, adaptation and innovation

1. Modification of Yarn Dying Process:
Process has been modified for reduction in process time. This helps for higher production and lowering down cost of power & fuel.
2. Changes made for saving of Energy:
 - a. All H-plant supply & return air drive converted to inverter drive, so that motor speed vary according to relative humidity.
 - b. All Ac Motors drive converted to inverter drive such that warping machine to save of consumption.
 - c. Spray pump motor converted to inverter drive to change the speed according to Rh.
 - d. T/L 80 walts change to 58/ walts inside the looms.
 - e. All fluorescent choke converted to electronic choke.

[C] FOREIGN EXCHANGE EARNINGS AND OUTGO:

1. Foreign Exchange earned : NIL
2. Foreign Exchange used : NIL

For and on behalf of the Board
First Winner Industries Limited

sd/-
Rinku Patodia
Chairman

Mumbai, 14th August, 2013

STATEMENT REGARDING SUBSIDIARIES

Particulars required under Section 212 of the Companies Act, 1956

Name of the Subsidiary company	Ramshyam Textile Industries Limited	First Winner Lifestyle Limited	Pal Trading Co. Private Limited
1 Financial Year of the Subsidiary Ended on	March 31, 2013	March 31, 2013	March 31, 2013
2 (a) Issued, subscribed and paid up Capital of Subsidiary	Rs. 2,14,53,500	Rs. 2,82,50,000	Rs. 1,22,50,000
(b) Extent of interest of FWIL in Capital of Subsidiary	21,45,270 equity Shares of Rs.10 each (99.99%)	28,24,980 equity shares of Rs.10 each (99.99%)	12,24,980 equity Shares of Rs. 10 Each (99.99%)
3 Net aggregate amount of profits of the Subsidiary so far as it concerns the members of FWIL and is not dealt within the accounts of FWILs (a) Current financial year ended on March 31, 2013 (b) Previous financial years of the Subsidiary since it became Subsidiary of FWIL	Nil Rs. 43,81,935	Nil Rs. 81,77,583	Nil Rs. 8,33,536
4 Net aggregate amount of Loss of the Subsidiary so far as it dealt with or provisions made for those losses in the Accounts of FWIL (a) Current financial year Ended on March 31, 2013 (b) Previous financial years of the Subsidiary since it became Subsidiary of FWIL	Rs. (4,52,20,210) Nil	Rs. (4,59,29,588) Nil	Rs. (3,48,99,284) Nil
5 No material changes have occurred between the end of the preceding financial year of the Subsidiary and the end of the Holding Company's financial year, in respect of the Subsidiary.	<ul style="list-style-type: none"> • Fixed Assets; • Investments; • Money lent by it; • Moneys borrowed by it for any purpose other than of meeting. • Current liabilities. 	<ul style="list-style-type: none"> • Fixed Assets; • Investments; • Money lent by it; • Moneys borrowed by it for any purpose other than of meeting. • Current liabilities. 	<ul style="list-style-type: none"> • Fixed Assets; • Investments; • Money lent by it; • Moneys borrowed by it for any purpose other than of meeting • Current liabilities.

No material changes have occurred between the end of the preceding financial year of the Subsidiary and the end of the Holding Company's financial year, in respect of the Subsidiary.

By Order of the Board of Directors
First Winner Industries Limited

sd/-
Rinku I. Patodia
Managing Director

sd/-
Anita R. Patodia
Executive Director

sd/-
Avani Gandhi
Company Secretary

CORPORATE GOVERNANCE REPORT

Company's philosophy on Code of Governance

Good governance facilitates effective management and control of business, maintaining a high level of business ethics and optimizing the value for all its stakeholders. The ultimate objective of the Corporate Governance at First Winner Industries Limited is to enhance Shareholders' value in the long term. A good governance process aims to achieve this by providing long-term visibility of its businesses, ensuring effective relationship with stakeholders, establishing systems that help the Board in understanding risk appetite and monitoring risk at every stage of the corporate evolution process.

Board Composition and particulars of Directors

Board Composition

The Company's policy is to maintain optimum combination of Executive and Non- Executive Directors. The Board consists of Four Directors, out of which two are independent Directors including Non-Executive Chairman. The Board believes that its current composition is appropriate. Composition of the Board and category of Directors are as follows:

Director	Category	No. of Board Meetings attended	Attendance at previous AGM on 28/09/2012	No. of Outside directorship held *	No. of Membership/ chairmanship in Committees
Dr. M. K. Sinha	Non- Executive, Independent	5	Present	2	Nil
Mr. B. G. Agarwal	Non- Executive, Independent	5	Present	-	Nil
Mr. Rinku Patodia	Executive	9	Present	2	Nil
Mrs. Anita Patodia	Executive	9	Present	2	Nil

* Directorship of Companies registered under the Companies Act, 1956 but excluding private companies and alternate directorship.

BOARD MEETING HELD DURING THE YEAR:

During the year 2012-2013, 9 Board Meetings were held on 15.05.2012, 22.06.2012, 25.06.2012, 11.08.2012, 22.08.2012, 31.08.2012, 10.11.2012, 29.01.2013 and 14.02.2013.

DIRECTORS SEEKING APPOINTMENT/ REAPPOINTMENT

Dr. M. K. Sinha is liable to retire by rotation and being eligible offer herself for reappointment.

Dr. M.K. Sinha, aged 75 years, is a Doctorate in Operation Research and has done his Masters in Mathematics. He retired as Chairman & Managing Director of State Bank of India in 1995 after serving the bank for almost 39 years. During his tenure in the Bank, he has been involved in critical areas like management audit, human resource, organizational development, foreign exchange, fund management, and financial restructuring. He was a representative of State Bank of India for the East European countries at Moscow for almost 4 years. He was on the Board of seven associate banks of State Bank of India while working with the SBI.

CODE OF CONDUCT

The company has laid down the Code of Conduct for Directors and senior personnel, annual affirmation from each of the Directors with regard to the adherence to the said Code of Conduct drawn are being received on a yearly basis and placed before the Board.

BOARD COMMITTEES

AUDIT COMMITTEE

The Audit Committee consists of two independent Non-executive Directors and One Executive Director. The Members of the Committee are well versed in finance matters, accounts, company law and general business practices.

The composition of the Audit Committee is as under:

Name of Director	Status in Committee	Nature of Directorship
Dr. M.K. Sinha	Chairman	Non-Executive Independent Director
Mr. B.G. Agarwal	Member	Non-Executive Independent Director
Mr. Rinku Patodia	Member	Executive Director

The terms of reference of the Audit Committee include:

- To review financial statements and pre-publication announcements before submission to the Board.
- To ensure compliance of internal control systems and action taken on internal audit reports.
- To apprise the Board on the impact of accounting policies, accounting standards and legislation.
- To hold periodical discussions with statutory auditors on the scope and content of the audit.
- To review the Company's financial and risk management policies.

During the financial year 2012-2013, Five Audit Committee Meetings were held on 15.05.2012, 11.08.2012, 31.08.2012, 10.11.2012 and 14.02.2013.

Name of Director	No. of committee Meetings held	No. of committee Meetings attended
Dr. M.K. Sinha	5	5
Mr. B.G. Agarwal	5	5
Mr. Rinku Patodia*	5	2

* Mr. Anil Gupta tendered his resignation as Director of the Company and also as a member of the committee and Mr. Rinku Patodia appointed as a member of the committee w.e.f 29.08.2012.

REMUNERATION COMMITTEE

The Remuneration Committee consists of three independent, Non-executive Directors.

The composition of the Remuneration Committee is as under:

Name of Director	Status in Committee	Nature of Directorship
Mr. B.G. Agarwal	Chairman	Non-Executive Independent Director
Dr. M.K. Sinha	Member	Non-Executive Independent Director
Mr. Rinku Patodia	Member	Executive Director

The Remuneration Committee has been constituted to recommend/ review the remuneration package of the Managing/ whole time Directors, based on performance and defined criteria.

The remuneration policy is directed towards rewarding performance based on review of achievements on a periodical basis. The remuneration policy is in consonance with the existing Industry practice.

During the financial year 2012-2013, Two Audit Committee Meetings were held on 10.11.2012 and 14.02.2013.

During the year for fulfillment of compliance of provision of Section 198 & 309 read with part II of Schedule XIII of the Companies Act, 1956, there was stoppage in payment of remuneration to Mr. Rinku patodia, Managing Director of the Company and Mrs. Anita Patodia, Executive Director of the Company w.e.f. 01.01.2013.

However the stoppage in payment of remuneration will not include the sitting fees payable to Independent Director for each meeting.

Name of Director	No. of committee Meetings held	No. of committee Meetings attended
Dr. M.K. Sinha	2	2
Mr. B.G. Agarwal	2	2
Mr. Rinku Patodia*	2	2

* Mr. Anil Gupta tendered his resignation as Director of the Company and also as a member of the committee and Mr. Rinku Patodia appointed as a member of the committee w.e.f 29.08.2012.

SHAREHOLDERS'/INVESTORS' GRIEVANCE COMMITTEE

Shareholders/ Inventors Grievance Committee is headed by Shri M. K. Sinha, a Non Executive Independent Director with Shri B. G. Agarwal and Mr. Rinku Patodia. Ms. Avani Gandhi, Company Secretary is the Compliance Officer. The Company appointed "Link Intime India Pvt. Ltd." (Formerly known as Intime Spectrum Registry Limited) as its Registrar and Share Transfer Agent for the redressal of investor's grievance and share transfer process. The RTA has acted upon all valid share transfers received during the year 2012-2013. All complaints received by the company were resolved during the year. There are no pending complaints at the end of the year.

The composition of Shareholders'/ Investor Grievance Committee is as under:

Name of Director	Status in Committee	Nature of Directorship
Dr. M.K. Sinha	Chairman	Non-Executive Independent Director
Mr. B.G. Agarwal	Member	Non-Executive Independent Director
Mr. Rinku Patodia	Member	Executive Director

The Shareholders and Investors Grievances Committee is responsible for remedying of all investor and shareholder grievances. This Committee will also oversee the performance of the Registrars, Transfer Agents and the depository related services. This Committee will also undertake all such acts, deeds and things related to share transfer, transmission, splitting of share certificates, issuance of duplicate shares certificates and other related matters as may be considered necessary in this behalf. The Committee also oversees the implementation and compliance of the Code of Conduct adopted by our Company for Prevention of Insider Trading for Listed Companies as specified in the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 as amended on February 20, 2002.

Our Company also undertakes to comply with the other requirements of Clause 49 of the Listing Agreement to be entered into with the Stock Exchanges.

During the year, the meetings of Shareholders'\ Investor Grievance Committee were held on 11.08.2012, 10.11.2012 and 14.02.2013.

Name of Director	No of Committee Meetings held	No. of Committee Meetings attended
Dr. M. K. Sinha	3	3
Mr. B. G. Agarwal	3	3
Mr. Rinku Patodia*	3	2

* Mr. Anil Gupta tendered his resignation as Director of the Company and also as a member of the committee and Mr. Rinku Patodia appointed as a member of the committee w.e.f 29.08.2012.

GENERAL BODY MEETING

Location and time where last three Annual General Meetings were held are given below:

Financial Year	Date	Location of the Meeting	Time
2011-2012	28.09.2012	Goregaon Sports Club, Link Road, Malad (West), Mumbai	11.00 A.M.
2010-2011	28.09.2011	Goregaon Sports Club, Link Road, Malad (West), Mumbai	11.00 A.M.
2009-2010	27.09.2010	Goregaon Sports Club, Link Road, Malad (West), Mumbai	11.00 A.M.

DISCLOSURES

There are no materially significant related party transactions made by the Company with its Promoters, Directors or Management, their subsidiaries or relatives, etc. that may have potential conflict with the interest of the Company at large.

The Company has complied with the requirements of regulatory authorities on capital markets and no penalty/stricture was imposed on the Company during the last three years.

MEANS OF COMMUNICATION

The Quarterly, Half- yearly and Annual Results will be generally published by the Company in English (Free press) and Vernacular (Navshakti) dailies. The results are duly posted on Company's website www.firstwinnerind.com Official news releases and notices etc. are sent to the BSE and NSE where the equity shares of the company are listed.

The Management Discussion and Analysis Report form part of the Directors' Report.

GENERAL SHAREHOLDER INFORMATION

Annual General Meeting:

DATE: 27th September, 2013.

TIME: 11.00 A.M.

VENUE: 705, Business Classic, Chincholi Bunder Road, Malad (West), Mumbai- 400064.

List of shares held in Suspense Account

Sr. No.	Name	DP Client ID	Application No.	No. of shares	Reason for shares held in suspense account
1	Mr. Darshan Sharadahai Mehta	IN30246110265280	11360746	50	Demat account details mismatched with the one available with the Depository
				50	

The above person can contact either to the company or to the Registrar viz. Link Intime India Private Limited for the process of crediting the shares in their account.

Financial Calendar

The Company follows April-March as its financial year. The result for every quarter beginning from April is declared in the month following the quarter.

Dates of Book Closure: 20.09.2013 to 27.09.2013 (both days inclusive)

Listing on Stock Exchanges and Stock Codes

Shares of the Company are listed at the Bombay Stock Exchange Limited (BSE) [Scrip Code: 532996] and National Stock Exchange of India Limited (NSE).[NSE Symbol- FIRSTWIN]

The Company has duly paid the listing fee to both the aforesaid Stock Exchanges for the financial year 2013-14.

Market Price Data

Share price during the financial year 2012-13 at BSE & NSE for one equity shares of Rs. 10 each were as under:

Month	BSE: Share Price (Rs.)		NSE: Share Price (Rs.)	
	High	Low	High	Low
April, 2012	14.24	13	14.75	12.55
May, 2012	13.8	11.26	13.95	11.05
June, 2012	12.4	9.24	12	9.10
July, 2012	11.4	8.95	11.45	8.25
August, 2012	10	8.51	9.95	8.50
September, 2012	9.82	7.52	9.70	8.00
October, 2012	10.14	8.63	9.95	8.60
November, 2012	10.6	8.55	10.70	8.30
December, 2012	9.75	8.51	9.65	8.60
January, 2013	10	8.01	10.15	7.80
February, 2013	8.06	6	8.20	5.95
March, 2013	6.79	5.15	6.90	5.25

Stock Performance:

The performance of the company's shares in comparison to BSE sensex is given in the Chart below:

Dematerialization of Shares and liquidity: ISIN for Dematerialization is INE315JO1015.

Name of Depository	Position as on 31.03.13 (No. of shares)	% of Total Issued Capital
NSDL	48353942	96.26%
CDSL	1871848	3.73%
Physical	7003	0.01%
Total No. of shares	50232793	100.00%

Share Transfer System & Registrars and Transfer Agents (RTA)

The Company has appointed Link Intime India Pvt. Ltd., C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai 400078 as the RTA for both physical and dematerialized share maintenance. Share transfers are generally effected within 15 days of lodgment or such period as may be permissible by law/regulatory authority.

Distribution of Shareholding as on 31st March, 2013

Range of shares	Number of shares	No. of shareholders	% to total shares
1 to 500	287636	2059	0.5726
501 to 1000	180560	216	0.3594
1001 to 2000	199857	128	0.3979
2001 to 3000	146667	58	0.2920
3001 to 4000	70834	20	0.1410
4001 to 5000	67502	14	0.1344
5001 to 10000	276965	40	0.5514
10001 and above	4900272	80	97.5514
Total	50232793	2615	100.0000

Shareholding Pattern:

S. No.	Category	No. of Shares held	% of Share Holding
1.	Promoters	5962635	11.8700
2.	Corporate Bodies (Promoter Co.)	18884465	37.5939
3.	Public	2483130	4.9572
4.	Clearing Member	47309	0.0942
5.	Other Bodies Corporate	22718220	45.2259
6.	Foreign Inst. Investor	--	--
7.	Non Resident Indians	92507	0.1842
8.	Non Resident (Non Repatriable)	502	0.0010
9.	Office Bearers	37022	0.0737
	TOTAL	50232793	100.00

Subsidiary Companies

The company has three wholly owned subsidiaries viz. First Winner Lifestyle Limited, Ramshyam Textile Industries Limited and Pal Trading Co. Pvt. Ltd. The requirements of Clause 49 with regard to subsidiary company have been complied with.

Manufacturing Facilities

The company has two manufacturing facilities situated at

1. **C-9/1, M.I.D.C., Tarapur, Boisar, Dist. Thane- 401506**
2. **N-66, M.I.D.C., Tarapur, Boisar, Dist. Thane- 401506**

Address for Correspondence

The Shareholders may address their communications, suggestions, grievances and queries to:

1. The Company Secretary

First Winner Industries Limited

605, Business Classic, Chincholi Bunder Road, Malad (West),

Mumbai- 400064 Ph: 022- 2880- 2255/99 Fax: 022- 2881 2288 Email: cs@firstwinnerind.com

2. Link Intime India Private Limited,

C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai 400078 Ph. 022- 25963838

Mumbai, 14th August, 2013

605, Business Classic, Chincholi Bunder Road,
Malad (West), Mumbai-400064

For and on behalf of the Board
First Winner Industries Limited

sd/-

Rinku Patodia
Managing Director

CHIEF EXECUTIVE OFFICER/ CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION

The Board of Directors

First Winner Industries Limited

Dear Sirs,

We have reviewed the financial statements read with the cash flow statement of First Winner Industries Limited for the year ended on 31st day of March 2013 and to the best of our knowledge and belief, we state that:

- a) These statements do not contain any materially untrue statement or omit any material fact or contain statements, that might be misleading;
- b) 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;
- c) There are, to the best of our 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;
- d) We accept responsibility for establishing and maintaining internal controls and that we have evaluated the effectiveness of the internal control systems of the Company and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and steps taken or proposed to be taken for rectifying these deficiencies;
- e) We have indicated to the auditors and the Audit Committee:
 - i) Significant changes in internal control 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;
 - 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.

Yours Sincerely

sd/-

Rinku Patodia
Managing Director

Mumbai, 14th August, 2013

AUDITOR'S CERTIFICATE ON COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE UNDER CLAUSE 49 OF THE LISTING AGREEMENT:

To the Members of First Winner Industries Limited,

We have examined the compliance of conditions of Corporate Governance by First Winner Industries Limited (the Company) for the year ended 31st March 2013 as stipulated in Clause 49 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 2013, 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 Deshmukh & Associates
Chartered Accountants

sd/-
[Deepen Kapadia – Partner]
Membership No. 112565

Place : Mumbai
Dated : 30/05/2013

For Praful M. Joshi
Chartered Accountants

sd/-
[Praful M. Joshi- Proprietor]
Membership No. 30276

Independent Auditors' Report

To the Members of

First Winner Industries Limited.

We have audited the accompanying financial statements of **First Winner Industries Limited**, ("the Company"), which comprise the Balance Sheet as at March 31, 2013, and the Statement of Profit and Loss for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position and financial performance of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. 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 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 control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, 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.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the 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:

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013 and
- b) in the case of the Profit and Loss Account, of the **LOSS** for the year ended on that date.

Report on other legal & Regulatory Requirements:

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, 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
 - c) the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.

- d) in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;
- e) on the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
- f) Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

For Praful M. Joshi
Chartered Accountants
FRN: 108056 W

For Deshmukh & Associates
Chartered Accountants
FRN: 102375W

sd/-
[Praful M. Joshi Proprietor]
Membership No : 100/30276

sd/-
[Deepen M. Kapadia Partner]
Membership No.: 112565

Place: Mumbai
Date: 30.05.2013

The Annexure to Independent Auditor's Report, referred to in paragraph 1, under the heading of "Report on other Legal & Regulatory Requirements" of the report of even date.

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

1. (a) The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
(b) As explained to us, fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.
(c) In our opinion and according to the information and explanations given to us, no fixed asset has been disposed during the year and therefore does not affect the going concern assumption.
2. (a) As explained to us, inventories have been physically verified during the year by the management at reasonable intervals.
(b) In our opinion and according to the information and explanations given to us, 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) In our opinion and on the basis of our examination of the records, the Company is generally maintaining proper records of its inventories. No material discrepancy was noticed on physical verification of stocks by the management as compared to book records.
3. (a) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has granted loans, secured or unsecured, to companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956. Consequently, the provisions of clauses iii (b), iii(c) and iii (d) of the order are applicable to the Company.
(b) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has taken loans from companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956. Thus sub clauses (f) & (g) are applicable to the company.
4. In our opinion and according to the information and explanations given to us, there is generally an adequate internal control procedure commensurate with the size of the company and the nature of its business, for the purchase of inventories & fixed assets and payment for expenses & for sale of goods. During the course of our audit, no major instance of continuing failure to correct any weaknesses in the internal controls has been noticed.
5. a) Based on the audit procedures applied by us and according to the information and explanations provided by the management, the particulars of contracts or arrangements referred to in section 301 of the Act have been entered in the register required to be maintained under that section.
b) As per information & explanations given to us and in our opinion, the transaction entered into by the company with parties covered u/s 301 of the Act, aggregating during the year to Rs. 5,00,000/= (Rs. Five Lacs only) or more in respect of each party have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time for such goods, material and services have been made with other parties.
6. The Company has not accepted any deposits from the public covered under section 58A and 58AA of the Companies Act, 1956.
7. As per information & explanations given by the management, the Company has an internal audit system commensurate with its size and the nature of its business.
8. As per information & explanation given by the management, maintenance of cost records has been prescribed by the Central Government under clause (d) of sub-section (1) of section 209 of the Act and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained.
9. (a) According to the records of the company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, cess to the extent applicable and any other statutory dues have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us there were no outstanding statutory dues as on 31st of March, 2013 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, there is no amounts payable in respect of income tax, wealth tax, service tax, sales tax, customs duty and excise duty which have not been deposited on account of any disputes.
10. The Company does not have any accumulated loss and has incurred cash loss during the financial year covered by our audit but not incurred any loss in the immediately preceding financial year.
 11. Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that, the Company has defaulted in repayment of dues to a financial institution, bank. The Company has not issued any debenture.
 12. 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.
 13. The Company is not a chit fund or a nidhi /mutual benefit fund/society. Therefore, the provision of this clause of the Companies (Auditor's Report) Order, 2003 (as amended) is not applicable to the Company.
 14. According to information and explanations given to us, the Company has not traded in Shares, Mutual funds & other Investments. The requirement for maintenance Proper records & timely entries of Investments are not applicable to the Company.
 15. According to the information and explanations given to us, the Company has not given any guarantees for loan taken by others from a bank or financial institution.
 16. Based on our audit procedures and on the information given by the management, we report that the company has not raised any term loans during the year.
 17. Based on the information and explanations given to us and on an overall examination of the Balance Sheet of the Company as at 31st March, 2013, we report that no funds raised on short-term basis have been used for long-term investment by the Company.
 18. Based on the audit procedures performed and the information and explanations given to us by the management, we report that the Company has not made any preferential allotment of shares during the year.
 19. The Company has no outstanding debentures during the period under audit.
 20. The Company has not raised any money by public issue during the year.
 21. Based on the audit procedures performed and the information and explanations given to us, we report that no fraud on or by the Company has been noticed or reported during the year, nor have we been informed of such case by the management.

For Praful M. Joshi
Chartered Accountants
FRN: 108056 W

sd/-
[Praful M. Joshi Proprietor]
Membership No : 100/30276

Place: Mumbai
Date: 30.05.2013

For Deshmukh & Associates
Chartered Accountants
FRN: 102375W

sd/-
[Deepen M. Kapadia Partner]
Membership No.: 112565

BALANCE SHEET AS AT 31st MARCH 2013

Note No.	PARTICULARS	As at 31/03/2013	As at 31/03/2012
EQUITY AND LIABILITIES			
Shareholders' funds			
2	Share capital	502,327,930	502,327,930
3	Reserves and surplus	1,228,549,332	1,325,349,511
	Sub-total	1,730,877,262	1,827,677,441
Non-current liabilities			
4	Long-term borrowings	323,347,996	258,967,628
5	Deferred tax liabilities (net)	64,881,717	77,888,332
	Sub-total	388,229,713	336,855,959
Current liabilities			
6	Short-term borrowings	342,279,764	280,631,309
7	Trade payables	55,687,396	698,654,300
8	Other current liabilities	102,520,270	104,924,969
9	Short-term provisions	-	4,482,110
	Sub-total	500,487,430	1,088,692,688
	TOTAL	2,619,594,404	3,253,226,088
ASSETS			
Non-current assets			
10	Fixed assets		
	Tangible assets	1,027,366,906	1,076,266,613
	Capital work-in-progress	-	285,880
	Sub-total	1,027,366,906	1,076,552,493
11	Non-current investments	839,797,300	839,847,300
12	Long-term loans and advances	58,219,477	35,682,980
13	Other non-current assets	410,000	630,000
	Sub-total	898,426,777	876,160,280
Current assets			
Current investments			
14	Inventories	-	94,046,978
15	Trade receivables	660,022,181	1,142,605,764
16	Cash and Bank Balance	16,101,177	43,742,905
17	Short-term loans and advances	12,798,066	7,166,179
18	Other current assets	4,879,299	12,951,489
	Sub-total	693,800,722	1,300,513,315
	TOTAL	2,619,594,404	3,253,226,088
1	Accompanying Notes are an integral part of the financial statements		

As per our Report of even date

For Praful M Joshi
Chartered Accountant
[FRN : 108056W]

For DESHMUKH & ASSOCIATES
Chartered Accountants
[FRN : 102375W]

For First Winner Industries Limited

Sd/-
DirectorSd/-
Director

Sd/-
[PRAFUL M JOSHI - Proprietor]
Membership No. 100/030276

Sd/-
[Deepen M Kapadia - Partner]
Membership No. 112565

Sd/-
Company SecretaryPlace : Mumbai
Date : 30.05.2013Place : Mumbai
Date : 30.05.2013

STATEMENT OF PROFIT & LOSS ACCOUNT FOR YEAR ENDED 31st MARCH 2013

Note No.	PARTICULARS	YEAR ENDED 31/03/2013	YEAR ENDED 31/03/2012
A	INCOME FROM OPERATIONS		
19	Revenue from operations	849,384,239	3,491,339,621
20	Other income	4,834,727	3,677,669
	TOTAL REVENUE:	854,218,965	3,495,017,290
	EXPENDITURE		
21	Cost of Sales	459,820,658	3,088,561,243
22	Changes in inventories of Finished Goods	88,876,927	32,925,987
23	Employee benefits expense	60,767,927	41,396,526
24	Finance costs	84,349,544	61,327,739
25	Depreciation and amortization expense	56,558,028	44,800,141
26	Other expenses	213,652,675	203,742,392
	TOTAL EXPENDITURE:	964,025,759	3,472,754,026
	Profit / (Loss) before exceptional and extraordinary items and tax (3 - 4)	(109,806,794)	22,263,264
	Exceptional items		
	Profit / (Loss) before extraordinary items and tax	(109,806,794)	22,263,264
	Extraordinary items		-
	Profit / (Loss) before tax	(109,806,794)	22,263,264
	Tax expense:		
	Current Tax		
	Current tax expense for current year (MAT)	-	4,482,110
	Current tax expense relating to prior years	-	47,380
	Deferred tax	(13,006,615)	7,541,618
	Sub-total	(13,006,615)	12,071,108
	Profit from continuing operations	(96,800,179)	10,192,156
B	DISCONTINUING OPERATIONS		
	Profit / (Loss) from discontinuing operations		
	Sub-total	-	-
	Profit / (Loss) for the year	TOTAL (96,800,179)	10,192,156
27	Earnings per Eq.Share of face value of Rs.Each.		
	Basic	-	0.20
	Diluted	-	0.32
	Earnings Per share Excluding Extraordinary Item		
	Basic	-	0.20
	Diluted	-	0.32
1	Accompanying Notes are an integral part of the financial statements		

As per our Report of even date

For Praful M Joshi
Chartered Accountant
[FRN : 108056W]

For DESHMUKH & ASSOCIATES
Chartered Accountants
[FRN : 102375W]

For First Winner Industries Limited

Sd/-
DirectorSd/-
DirectorSd/-
Company SecretarySd/-
[PRAFUL M JOSHI - Proprietor]
Membership No. 100/030276Sd/-
[Deepen M Kapadia - Partner]
Membership No. 112565Place : Mumbai
Date : 30.05.2013Place : Mumbai
Date : 30.05.2013

CASH FLOW STATEMENT AS ON 31ST MARCH 2013

Particulars	As at 31.03.2013	As at 31.03.2012
Cash Flow from Operating Activities		
Net Profit before Taxes / (Loss)	(109,806,794)	22,263,264
Adjustments for		
Depreciation	56,338,028	44,639,692
Interest Income	(1,206,182)	(2,213,890)
Preliminary Expenses W/off	220,000	160,449
Interest Expenses	84,349,544	61,327,739
(Profit)/Loss on sale of assets	(71,343)	676,004
Operating Profit Before Working Capital Changes	29,823,254	126,853,257
(Increase) / Decrease in Inventories	94,046,978	28,249,360
(Increase) / Decrease in Trade Receivables	482,583,582	(528,648,212)
(Increase) / Decrease in Short Term Loans & Advances	(1,157,407)	3,877,638
(Increase) / Decrease in Other Current assets	8,072,191	(12,402,354)
Increase / (Decrease) in Trade Payables	(642,966,903)	465,350,336
Increase / (Decrease) in Other Current Liabilities	(2,404,698)	7,590,586
Increase / (Decrease) in Provisions	(4,482,110)	(26,375,704)
Cash generated from Operations	(36,485,113)	64,494,907
Income Tax Paid	(4,474,480)	(5,076,337)
Net Cash from Operating Activities	(40,959,593)	59,418,570
Cash flows from Investing Activities		
Purchases/Additions of Fixed Assets	(9,341,895)	(344,882,879)
Sale proceeds of Assets Sold	2,250,000	1,025,000
(Purchase) / Sales of Trade Investments	60,795	(380,000,000)
Increase in Fixed Deposits with Bank	21,557,652	(22,109,903)
Preliminary Expenses Incurred	-	-
Interest Income Earned	1,206,182	2,213,890
Net cash used in Investing Activities	15,732,734	(743,753,891)
Cash flows from Financing Activities		
Proceeds from Issuance of Share Capital	-	500,000,000
Proceeds from Long Term Borrowings	64,380,368	6,197,727
Proceeds from Short Term Borrowings	61,648,454	14,110,690
Reduction in Long Term Advances & Deposits	(22,536,496)	230,423,231
Dividend Paid	-	-
Interest Paid	(84,349,544)	(61,327,739)
Net Cash from Financing Activities	19,142,782	689,403,909
Net Increase / (Decrease) in Cash & equivalents	(6,084,077)	5,068,588
Cash & Equivalents at the beginning of the year	6,371,033	1,302,445
Cash & equivalents at the end of the year	286,956	6,371,033

Note :

- The above cash flow has been prepared as set out in the accounting standard on Cash Flow Statements (AS-3) issued by the Institute of Chartered Accountants of India.
- Previous year's figures have been rearranged / regrouped wherever necessary.

As per our Report of even date

For Praful M Joshi
Chartered Accountant
[FRN : 108056W]

For DESHMUKH & ASSOCIATES
Chartered Accountants
[FRN : 102375W]

For **First Winner Industries Limited**

Sd/-
Director

Sd/-
Director

Sd/-
Company Secretary

Sd/-
[PRAFUL M JOSHI - Proprietor]
Membership No. 100/030276

Sd/-
[Deepen M Kapadia - Partner]
Membership No. 112565

Place : Mumbai
Date : 30.05.2013

Place : Mumbai
Date : 30.05.2013

Notes on Financial Statements for the Year ended 31st March 2013

1.00 SIGNIFICANT ACCOUNTING POLICIES

1.01 Basis of preparation of Financial Statements :

The financial statements have been prepared under the historical cost convention in accordance with the generally accepted accounting principles in India and the provision of the Companies Act, 1956.

1.02 Use of Estimate :

The preparation of financial statements requires estimates and assumptions to be made that effects the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known / materialized.

1.03 Revenue Recognition :

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

a Sale of goods

Revenue is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer. Sales revenue is net of sales return.

b Interest: Revenue is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable

c Dividends: Revenue is recognized as when received.

1.04 Fixed Assets :

Fixed Assets are stated at cost less accumulated depreciation and impairment loss, if any. The cost of an asset comprises of purchase price and any directly attributable cost of bringing the assets to its present condition for intended use

1.05 Depreciation :

Depreciation on the fixed assets has been provided for on straight-line method at the rates prescribed and in the manner specified in Schedule XIV to the Companies Act, 1956

1.06 Inventories :

Inventories are measured at lower of cost or net realizable value. Raw Material is valued at cost, Stores, Spares parts and packing material valued as cost.

1.07 Investment:

Current Investments are measured at the lower of cost or market value. Long Term Investments are measured at Cost.

1.08 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.

1.09 Employee Retirement Benefits

The company provides for gratuity, a defined benefit plan in accordance with the rules of the company based on valuation carried out by the management at the balance sheet date. Contribution payable to the Employees benefits is charged to Profit & Loss Account on as & when incurred.

Notes on Financial Statements for the Year ended 31st March 2013

1.10 Borrowing Costs:

Borrowing cost which are directly attributable to the acquisition/construction of Qualifying Assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.

1.11 Leases:

Assets acquired under leases where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Lease rentals are charged to the Profit & Loss account on accrual basis.

1.12 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.

1.13 Current Tax and Deferred Tax :

No Provision for current tax is made, as company incurred business loss during the year.

The Company unable to follow, the Accounting standard, for provision for Deferred Tax, as the Company incurred huge amount of business loss.

1.14 Intangible Assets :

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

1.15 Provision, Contingent Liabilities and contingent assets :

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

1.16 Impairment of Assets :

The company assesses at each balance sheet date whether there is any indication that an assets may be impaired. If any such indication exists, the company estimates the recoverable amount of the assets. If such recoverable amount of the assets or the recoverable amount of the cash generating unit to which the asset belong is less than its carrying amount, the carrying amount is reduced to its recoverable amount. If at the balance sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost.

2.00 SHARE CAPITAL

2.01 Authorized Share Capital

Particulars	As at	As at
	31/03/2013	31/03/2012
51,000,000, Equity shares of Rs. 10/- each with voting rights (P.Y. 51,000,000,)	510,000,000	510,000,000
	510,000,000	510,000,000

2.02 Issued Subscribed and Paid up

Particulars	As at	As at
	31/03/2013	31/03/2012
50,232,793 Equity shares of Rs. 10/- each with voting rights (PY 50,232,793)	502,327,930	502,327,930
TOTAL :	502,327,930	502,327,930

Notes on Financial Statements for the Year ended 31st March 2013

2.03 Details of Shares held by Share holders holding more than 5% of the aggregate shares in the company

Particulars	As at 31st March 2013		As at 31st March 2012	
	Number of Share	% held	Number of Share	% held
Name of Share Holders				
Rinku Patodia	3527505	7.02%	3527505	7.02%
Anita Patodia	2435130	4.85%	2435130	4.85%
Solitaire Texfab & Traders Pvt. Ltd.	3865865	7.70%	3865865	7.70%
Rikosh Fashions Pvt. Ltd.	3806500	7.58%	3806500	7.58%
Bhagwat Textiles Pvt. Ltd.	3800000	7.56%	3800000	7.56%
Starwood Exports Pvt. Ltd.	3712100	7.39%	3712100	7.39%
First Winner Textile (India) Pvt. Ltd.	3700000	7.37%	3700000	7.37%

2.04 The reconciliation of the number of shares outstanding is set out below:

Particulars	As at 31st March 2013		As at 31st March 2012	
	Number of Share	Amount	Number of Share	Amount
Eq.Sh.as at 01.04.2012	50232793	502,327,930	25232793	252,327,930
Add: Shares issued	0	-	25000000	250,000,000
Less: Shares cancelled	-	-	-	-
Eq.Sh. As at 31.03.2013	50232793	502,327,930	50232793	502,327,930

3.00 RESERVES & SURPLUS

3.01 Securities Premium Reserves:

Particulars	As at 31/03/2013	As at 31/03/2012
As per last Balance Sheet	1,164,253,423	914,253,423
Add: On issue of shares	-	250,000,000
Sub-Total (a) :	1,164,253,423	1,164,253,423

3.02 Profit & Loss Accounts:

Particulars	As at 31/03/2013	As at 31/03/2012
As per last Balance Sheet	161,096,088	145,552,298
Add: Profit for the year	(96,800,179)	10,192,156
	64,295,909	155,744,454
Less: Appropriations:		
Add: Excess Provisions for Tax of Previous years	-	5,351,634
Sub-Total (b) :	64,295,909	161,096,088
TOTAL :	1,228,549,332	1,325,349,511

4.00 LONG TERM BORROWINGS:

Particulars	As at 31/03/2013	As at 31/03/2012
SECURED - TERM LOANS		
From Banks		
Term Loan from State Bank of India	305,397,085	247,658,829
Term Loan from State Bank of Indore	17,950,911	11,308,799
TOTAL :	323,347,996	258,967,628

Notes on Financial Statements for the Year ended 31st March 2013

4.01 Term loan are secured by

- Term loan from State Bank of India secured by way of First Mortgage / Charge on Immovable Properties & all Plant & machinery of the company situated at C/91 & N/66 MIDC Tarapur Boisar Dist Thane-401506.
- Term loan from State Bank of Indore secured by way of First Mortgage / Charge on Immovable Properties & all Plant & machinery situated at C/91 & N/66 MIDC Tarapur Boisar Dist Thane-401506. of the Company having Pari-passu Charge with State Bank of India.
- Term Loans from State Bank of India & State Bank of Indore are personally guaranteed by Mr. Rinku Patodia - Managing Director and Mrs. Anita Patodia - Director of the Company.
- The Company defaulted in paying the Term Loan installments and interest due to State Bank of India and State Bank of Indore, therefore the account become Non Performing Assets in the books of both the bank.
- The Term loan amount include the provision for Interest payable at the end of year.

4.02 Rate of Interest & Maturity Profile of Term Loan are set out as follows:

Term Loan	Rate of Interest	2013-14	2014-15	2015-16	Beyond 4 Years
S B I	13.75%	86,988,000	71,194,000	68,040,000	16,810,000
SB Indore	13.75%	9,474,000	1,551,147	-	-

Note: The Schedule of Repayment of Term Loan, does not include the Interest payable on term loan.

5.00 DEFERRED TAX LIABILITIES (Net)

Particulars	As at 31/03/2013	As at 31/03/2012
Deferred Tax Liabilities:		
- Related to Depreciation	77,888,332	77,888,332
Deferred Tax Assets:	(13,006,615)	
TOTAL :	<u>64,881,717</u>	<u>77,888,332</u>

6.00 SHORT TERM BORROWINGS:

Particulars	As at 31/03/2013	As at 31/03/2012
Secured - Working Capital Loans from Banks	338,932,523	280,631,309
Sub-Total (a) :	<u>338,932,523</u>	<u>280,631,309</u>
UNSECURED LOAN		
FROM SUBSIDIARY COMPANY	2,147,241	-
FROM Others	1,200,000	-
Sub-Total (b) :	<u>3,347,241</u>	<u>-</u>
TOTAL :	<u>342,279,764</u>	<u>280,631,309</u>

- Working Capital Loans are secured by hypothecation of present and future stock of Raw Materials Stock-in-process Finished Goods Stores and Spares (not relating to plant & machinery) Book Debts Outstanding monies Claims.
- Working Capital Loans from State Bank of India is personally guaranteed by Mr. Rinku Patodia - Managing Director and Mrs. Anita Patodia - Director of the Company.
- The Company defaulted in respect of Interest Payable on working capital loan to the State Bank of India, therefore the working capital loans account become Non Performing Assets, in the books of the Bank.

Notes on Financial Statements for the Year ended 31st March 2013

7.00 TRADE PAYABLES:

Particulars	As at 31/03/2013	As at 31/03/2012
Acceptance	-	22,483,149
Other than acceptance	55,687,396	676,171,151
TOTAL :	55,687,396	698,654,300

7.01 TRADE PAYABLES:

Particulars	As at 31/03/2013	As at 31/03/2012
- Micro Small and Medium Enterprises	-	-
- Others	55,687,396	698,654,300
TOTAL :	55,687,396	698,654,300

7.02 The details of amount outstanding to Micro, Small and Medium Enterprises, based on available information with the Company. There is no default reported by the Company.

8.00 OTHER CURRENT LIABILITIES

Particulars	As at 31/03/2013	As at 31/03/2012
Current maturities of Long Term Debt - St Bank of India (12 Mth)	71,194,000	86,988,000
Current maturities of Long Term Debt - State Bank of Indore	1,551,147	9,474,000
Current maturities of Long Term Debt - Kotak Mahindra Car Loan	-	192,651
Creditors for Capital Expenditures -	4,774,134	7,602,655
Other Payable - include Statutory dues Deposit & Advances etc	25,000,989	667,663
TOTAL :	102,520,270	104,924,969

9.00 SHORT TERM PROVISIONS:

Particulars	As at 31/03/2013	As at 31/03/2012
Provision for Income Tax (Current. Year)	-	4,482,110
TOTAL :	-	4,482,110

10.00 FIXED ASSETS:

Particulars	As at 31/03/2013	As at 31/03/2012
Gross Block	1,215,049,238	1,207,610,915
Less Accumulated Depreciation	187,682,332	131,344,302
Net Block	1,027,366,906	1,076,266,613
Capital Work in Progress	-	285,880
TOTAL :	1,027,366,906	1,076,552,493

(Amt. in Rs.)

NOTE : : FIXED ASSETS

Description of Assets	Gross Block			Depreciation / Amortisation			Net Block			
	As at 01.04.2012	Additions during the year	Deductions during the year	As at 31.03.2013	Up to 31.03.2012	Adjustments	Provided for the period ended 31.03.2013	Total Upto 31.03.2013	As at 31.03.2013	As at 31.03.2012
TANGIBLE ASSETS:										
OWN ASSETS:										
Plot At Wada	5,452,160	-	-	5,452,160	-	-	-	-	5,452,160	5,452,160
Factory Building	57,836,111	-	-	57,836,111	9,447,485	-	1,946,084	11,393,569	46,442,542	48,388,626
Factory Building Unit 2 (N-66)	194,183,785	237,049	-	194,420,834	16,890,183	-	19,865,321	36,755,504	157,665,330	177,293,602
ffats at Boisar	-	2,189,452	2,189,452	-	-	-	-	-	-	-
Godowns	3,530,560	-	-	3,530,560	461,236	-	57,548	518,784	3,011,776	3,069,324
Office Premises	3,325,000	-	-	3,325,000	468,378	-	54,198	522,576	2,802,424	2,856,623
Staff Quarters	649,200	-	-	649,200	45,089	-	10,582	55,671	593,529	604,111
Plot at Paighar	-	-	-	-	-	-	-	-	-	-
Plant & Machinery	255,040,572	1,661,379	1,661,379	256,701,951	58,774,466	-	12,142,383	70,916,849	185,785,102	196,266,106
Plant & Machinery Expansion (Unit 2)	181,081,176	1,423,845	-	182,505,021	26,729,593	-	8,612,357	35,341,950	147,163,071	154,351,583
Plant & Machinery Expansion 2 (Unit 2)	475,046,911	230,000	-	475,276,911	11,594,071	-	11,332,948	22,927,019	452,349,891	463,452,839
Electrical Installations	6,447,578	-	-	6,447,578	1,861,553	-	408,132	2,269,685	4,177,893	4,586,025
Electrical Installation Unit 2	7,811,985	-	-	7,811,985	294,138	-	105,176	399,314	7,412,671	7,517,848
Vehicle	4,224,203	-	-	4,224,203	1,315,042	-	401,299	1,716,341	2,507,862	2,909,161
Furniture & Fixtures	3,351,484	24,000	-	3,375,484	830,784	-	317,729	1,148,513	2,226,971	2,520,700
Furniture & Fixture Unit 2	1,846,198	2,328,883	-	4,174,881	71,004	-	30,976	101,980	4,072,901	1,775,194
Other Assets	2,378,269	275,631	-	2,653,900	214,449	-	119,033	333,482	2,320,418	2,163,820
Air Conditioner & Refrigerator	830,279	-	-	830,279	106,364	-	44,511	151,475	678,804	723,315
Computers	4,575,444	1,257,736	-	5,833,180	2,239,866	-	889,753	3,129,619	2,703,561	2,335,578
Sub-Total : A :	1,207,610,915	9,627,775	2,189,452	1,215,049,238	131,344,302	-	56,338,028	187,682,332	1,027,366,906	1,076,266,615
INTANGIBLE ASSETS:										
Software										
Sub-Total : B :										
TOTAL (A + B) :	1,207,610,915	9,627,775	2,189,452	1,215,049,238	131,344,302	-	56,338,028	187,682,332	1,027,366,906	1,076,266,615
PREVIOUS YEAR:	829,073,715	380,799,177	2,261,977	1,207,610,915	87,265,583	560,973	44,639,692	131,344,302	1,076,266,613	741,808,132
Capital Work in Progress (Expansion)	285,880	1,793,038	2,078,918	-	-	-	-	-	-	285,880
Total	1,207,896,795	11,420,813	4,268,370	1,215,049,238	131,344,302	-	56,338,028	187,682,332	1,027,366,906	1,076,552,495

Notes on Financial Statements for the Year ended 31st March 2013

11.00 NON CURRENT INVESTMENTS:

11.01 Trade Investments

In Equity Shares - Wholly own Subsidiaries Unquoted Fully paid up

		As at 31/03/2013	As at 31/03/2012
Number	Name of Company		
2145270	Ramshyam Textile Ind. Ltd.	313,577,700	313,577,700
2824980	First Winner Lifestyle Ltd..	312,999,800	312,999,800
1224980	Pal Trading Co. Pvt. Ltd.	165,599,800	165,599,800
	Sub-Total : a :	<u>792,177,300</u>	<u>792,177,300</u>
In Equity Shares - Associate Company Unquoted Fully paid up			
475000	Solitaire Texfeb & Traders Pvt. Ltd.	47,500,000	47,500,000
	Sub-Total : b :	<u>47,500,000</u>	<u>47,500,000</u>

11.02 Other Investments

		As at 31/03/2013	As at 31/03/2012
In Mutual Fund - Quoted fully paid up			
4,000.00	SBI Infrastructure Fund	40,000	40,000
	SBI Capital Protection Oriented Fund	-	50,000
1,000.00	SBI One India Fund	10,000	10,000
2,500.00	UTI Infrastructure	25,000	25,000
4,500.00	UTI Wealth Builder Fund Series II	45,000	45,000
	Sub-Total : c :	<u>120,000</u>	<u>170,000</u>
	Total Non Current Investment (a+b+c) :	<u>839,797,300</u>	<u>839,847,300</u>
Aggregate Amount of quoted investments		120,000	170,000
Market Value of quoted Investments		201,303	170,000
Aggregate Amount of unquoted investments		839,677,300	839,677,300

12.00 LONG TERM LOANS AND ADVANCES:

Particulars	As at 31/03/2013	As at 31/03/2012
(Unsecured and Considered Good)		
Advances for Property (Capital Nature)	14,876,816	16,876,806
Other Loans and Advances		
- Advances for Expenses	380,930	462,247
- Advances for Rent	144,897	52,183
- Advances Others	38,301,457	14,024,909
- Staff Advances	747,355	738,735
- Sundry Deposits	3,768,022	3,528,100
TOTAL:	<u>58,219,477</u>	<u>35,682,980</u>

Notes on Financial Statements for the Year ended 31st March 2013

12.01 ADVANCES GIVEN TO RELATED PARTIES - NATURE OF ADVANCE Nil Nil

13.00 NON CURRENT ASSETS

Particulars	As at 31/03/2013	As at 31/03/2012
Unamortized Expenses:		
Current portion of Share issue expenses	410,000	630,000
TOTAL:	410,000	630,000

14.00 INVENTORIES

Particulars	As at 31/03/2013	As at 31/03/2012
- Raw Material	-	5,170,051
- Finished Goods	-	88,876,927
TOTAL:	-	94,046,978

14.01 ITEM WISE / VALUE WISE Finished Goods

Particulars	As at 31/03/2013	As at 31/03/2012
Finished Goods		
Traded Goods		
Readymade Garments	-	4,908,680
Mfg. Fabrics	-	3,309,212
Gray Fabrics	-	6,996,109
Garment Fabrics & Treams	-	1,550,145
Raw Material		
Cotton Yarn	-	5,170,051
TOTAL:	-	94,046,978

15.00 TRADE RECEIVABLES

Particulars	As at 31/03/2013	As at 31/03/2012
(Unsecured and Considered Good)		
Over six months	497,654,954	29,866,207
Others	162,367,227	1,112,739,557
TOTAL:	660,022,181	1,142,605,764

16.00 CASH AND BANK BALANCE

16.01 Balance with Banks

Particulars	As at 31/03/2013	As at 31/03/2012
- Balances in current A/C	80,010	5,848,543

16.02 Cash on Hand

206,946 522,489

16.03 Fixed Deposit with Bank

- Fixed Deposit With State Bank Of India	15,814,220	32,195,990
- Fixed Deposit With State Bank Of Indore	-	5,175,882
TOTAL:	16,101,177	43,742,905

16.04 Balance with bank include the Unclaimed dividend of Rs. 0/= (Previous year Rs. 0/=)

Notes on Financial Statements for the Year ended 31st March 2013

17.00 SHORT TERM LOANS AND ADVANCES

(Unsecured and Considered Good)

(Loans and Advances of nature having maturity less than 12 Month)

17.01 Advance Income Tax (Net of Provisions)

Particulars	As at 31/03/2013	As at 31/03/2012
- Advance Tax	-	2,000,000
- Tax Deducted at Sources	4,474,480	3,028,957
- I T Refund Due	2,618,230	2,071,383

17.02 Balance with M Vat authorities

- Input Vat Receivable (Garments)	5,705,356	65,839
TOTAL:	<u>12,798,066</u>	<u>7,166,179</u>

18.00 OTHER CURRENT ASSETS

Particulars	As at 31/03/2013	As at 31/03/2012
- Stores & Spares (Stock)	4,879,299	12,951,489
TOTAL:	<u>4,879,299</u>	<u>12,951,489</u>

19.00 REVENUE FROM OPERATIONS:

Particulars	As at 31/03/2013	As at 31/03/2012
Sale of Products		
- Finished Goods	10,185,104	104,305,803
- Traded Goods	570,390,064	3,113,857,157
	<u>580,575,168</u>	<u>3,218,162,960</u>
Income from Services	268,809,071	273,176,661
TOTAL:	<u>849,384,239</u>	<u>3,491,339,621</u>

19.01 PARTICULARS OF SALE OF PRODUCTS

Particulars	As at 31/03/2013	As at 31/03/2012
(Break-up in major products of sale - Value - should tally with sale of products)		
Finished (Mfg. Fabric) Goods	46,220,617	101,375,985
Traded (Fabric) Goods	529,040,767	3,096,135,156
Garments	5,313,784	21,543,631
Job Work Charges Received	268,809,071	272,284,849
TOTAL:	<u>849,384,239</u>	<u>3,491,339,621</u>

Notes on Financial Statements for the Year ended 31st March 2013

20.00 OTHER INCOME:

Particulars	As at 31/03/2013	As at 31/03/2012
Interest From Current Investment		
F.D. Interest	1,206,182	2,213,890
Other non-operating income		
Discount Received & Miscellaneous Income	2,825,839	902,978
Insurance Claim Received	29,397	8,722
Sale of Scrap	701,966	552,079
Capital Gains	71,343	-
TOTAL:	<u>4,834,727</u>	<u>3,677,669</u>

21.00 COST OF MATERIAL CONSUMED

Particulars	As at 31/03/2013	As at 31/03/2012
Inventories of Raw material (At commencement)	5,170,051	493,424
Add: Purchases		
- Indigenous	454,650,607	3,093,237,870
- Imported	-	-
Sub-Total :	<u>459,820,658</u>	<u>3,093,731,294</u>
Less: Inventories of Raw Material (At close)	-	5,170,051
TOTAL:	<u>459,820,658</u>	<u>3,088,561,243</u>

22.00 CHANGES IN INVENTORIES OF FINISHED GOODS

Particulars	As at 31/03/2013	As at 31/03/2012
Inventories Goods (At close)		
- Finished Goods	-	88,876,927
Inventories Goods (At commencement)		
- Finished Goods	88,876,927	121,802,915
TOTAL:	<u>88,876,927</u>	<u>32,925,987</u>

23.00 EMPLOYEE BENEFITS EXPENSE:

Particulars	As at 31/03/2013	As at 31/03/2012
Salaries & Wages	54,287,301	33,381,632
Directors' Remuneration	1,575,000	2,100,000
Keyman Insurance	-	483,964
Contribution to Provident Fund & Other funds	1,014,960	1,170,904
Staff Welfare Expenses	3,890,666	4,260,026
TOTAL:	<u>60,767,927</u>	<u>41,396,526</u>

Notes on Financial Statements for the Year ended 31st March 2013

24.00 FINANCE COSTS

Particulars	As at 31/03/2013	As at 31/03/2012
Interest Expenses		
Bank Interest on CC A/c.	46,931,116	41,673,945
Bank Interest on Term Loan	37,038,138	11,264,757
Interest On Car Loan	9,949	102,430
L C Discounting Charges	286,188	4,994,202
Bank Charges	84,153	534,731
Loan Processing Charges Mortgage Charges etc		1,200,000
Bank Commission		1,557,675
TOTAL:	<u>84,349,544</u>	<u>61,327,739</u>

25.00 DEPRECIATION AND AMORTISATION EXPENSE

Particulars	As at 31/03/2013	As at 31/03/2012
Depreciation & Amortization Expenses	56,338,028	44,639,692
Preliminary Expenses Written off	220,000	160,449
TOTAL:	<u>56,558,028</u>	<u>44,800,141</u>

26.00 OTHER EXPENSES

26.01 Manufacturing Expenses

Particulars	As at 31/03/2013	As at 31/03/2012
Beam Draping Charges	66,978	24,795
Beam Drawing Charges	2,452,813	1,884,389
Beam Gaiting Exp	2,157,894	1,804,260
Beam Leasing Charges	259,917	641,316
Beam Piecing Charges	269,453	294,203
Boiler Water & Liquid Oxygen	58,720	131,322
Designing Charges	4,000	68,885
Diesel & Petrol (DG Set)	399,740	504,135
Electricity Exp.	31,152,665	20,614,734
Furness Oil	22,676,002	17,690,051
Garment Material Exp.	-	480,236
Job Work Process & Washing Charges (Garments)	1,225,978	5,071,366
Job Work Charges Paid	77,384,970	112,729,028
Labeling Exp.	-	128,566
Labour Charges	624,945	-
Loading & Unloading Charges	9,330	101,408
Mending Charges	1,167,829	1,043,776
Other Direct Expenses	3,824,265	4,935,815
Packing Charges	1,036,061	1,278,805
Piecing Charges	-	5,472
Reckoning Charges	-	13,289
Coning Charges	35,270	119,947
Stores & Spares Used	50,645,393	14,743,433
Testing Fees	3,371	5,236
Water Charges	2,543,305	934,428
Sub-Total	<u>197,998,899</u>	<u>185,248,895</u>

Notes on Financial Statements for the Year ended 31st March 2013

26.02 Export Expenses

Particulars	As at 31/03/2013	As at 31/03/2012
Agency Charges	-	15,619
Freight Charges (Export)	22,210	206,562
Other Service Charges	10,643	40,758
Sub-Total	<u>32,853</u>	<u>262,939</u>

26.03 Selling & Distribution Expenses

Particulars	As at 31/03/2013	As at 31/03/2012
Advertisement Exp.	116,016	1,003,578
Business Promotion Expenses	324,050	1,179,724
Coolie & Cartage Expenses	511,193	723,467
Discount & Brokerage Claim Rebate Paid	4,264,265	3,210,088
Rate Difference	358,021	27,706
Sampling Exp.	12,139	84,635
Transportation Charges	165,330	365,006
Sub-Total	<u>5,751,014</u>	<u>6,594,204</u>

26.04 Establishment Expenses

Particulars	As at 31/03/2013	As at 31/03/2012
AMC Charges	152,067	276,617
Annual General Meeting Exp.	7,865	-
Audit Fees & Other charges	132,416	132,416
BSE Fees	92,697	-
Computer Expenses	192,476	91,779
Conveyance Expenses	143,603	321,087
Courier & Postage Charges	199,749	211,827
Donation	92,000	52,000
Loss on Sale of Car	-	676,004
Electricity Exp	298,513	433,553
Franking Exp	1,550	11,820
Grampanchayat Tax	84,638	61,544
House Keeping Charges	217,953	222,601
Inspection charges	41,560	180,648
Insurance Charges	582,837	573,920
Internet Expenses	203,417	247,004
License Fees & Registration Fees	339,387	125,505
Membership & Subscription Exp.	40,431	20,626
NSDL Fees	56,180	59,562
Stock Exchange Listing Fees	196,630	473,855
Office & General Expenses	335,754	321,081
Petrol Expenses	265,003	302,125
Pooja Expenses	12,641	14,262

Notes on Financial Statements for the Year ended 31st March 2013

Particulars	As at	As at
	31/03/2013	31/03/2012
Printing & Stationery Charges	369,411	497,938
Professional Fees	722,416	973,817
Professional Tax	-	2,500
Repairs & Maintenance Expenses	2,494,839	2,103,917
ROC Fees	3,570	3,500
Room Rent & Society Maintenance	771,822	792,371
Shop & Establishment Exp. (License Fees)	-	7,240
Sitting Fees Charges	410,000	190,000
Software Exp.	18,140	5,100
Stamp Duty Charges	-	1,120,500
Sundry Debtors W/off	5,000	-
Telephone Charges	463,772	397,983
Travelling Expenses	727,885	528,369
Vehicle Expenses	193,688	203,284
	Sub-Total	11,636,354
	Total	203,742,392

26.05 VALUE OF RAW MATERIAL STORES PACKING MATERIAL CONSUMED

	Year: 2012-13		Year: 2011-12	
	Rs.	% of Consumption	Rs.	% of Consumption
Imported	-	-	-	-
Indigenous	511,502,112	100.00%	3,104,583,481	100.00%
Total	511,502,112		3,104,583,481	

26.06 PAYMENT TO AUDITORS AS:

Particulars	As at	As at
	31/03/2013	31/03/2012
a) Auditors		
- Statutory Audit Fees	111,150	111,150
- Tax Audit Fees	21,266	21,266
b) Certification and Consultation Fees	21,236	68,605
Total	153,652	201,021

26.07 EXPENDITURE IN FOREIGN CURRENCY

Particulars	As at	As at
	31/03/2013	31/03/2012
Capital Expenditure	-	73,043,705
Foreign Travel	-	14,393
Total	-	73,058,098

26.08 EARNINGS IN FOREIGN CURRENCY

Particulars	As at	As at
	31/03/2013	31/03/2012
Revenue from Exports on FOB Basis	-	6,498,800
Total	-	6,498,800

Notes on Financial Statements for the Year ended 31st March 2013

26.09 MANEGERIAL REMUNERATION

Particulars	As at	As at
	31/03/2013	31/03/2012
Director's Remuneration	1,575,000	2,100,000
Sitting fees to Directors	410,000	190,000
Total	<u>1,985,000</u>	<u>2,290,000</u>

26.10 EARNING PER SHARE

Net Profit after Tax as per statement of Profit & Loss account attributable to Equity Share holder	(96,800,179)	10,192,156
Total No. of Shares Outstanding	50,232,793	50,232,793
Weighted Avg no. of Shares Outstanding	-	-
EPS	-	0.20
Diluted EPS	-	0.32

26.11 Discloser pursuant to Accounting Standard (AS) 15 (Revised) Employee Benefits

Short term employee benefits

The short term employee benefits payable wholly within twelve months of rendering service are classified as short term employee benefits. This benefits include compensated absence such as paid annual leave and sickness leave.

The undisclosed amount of short term employee benefits expected to be paid in exchange for the services rendered by employees recognized as an expense during the period.

Long Term Employee Benefits

The Company deposits the Provident fund liabilities regularly, as per the Provident Fund Act. The Company accounts the Gratuity on actual basis. No provision is made for outstanding Gratuity liability.

26.12 Segment Information:

The Company is considered to be a single segment company, engaged in business of Trading in Fabrics & Job Job work of weaving of fabrics. Consequently, the Company has in its primary segment only one reportable business segment. As per Accounting Standard - 17 "Segment Reporting", if a Company is having single Segment the financial statement needed be presented only on the basis of financial statements. Accordingly, the information required to be presented under AS 17 "Segment Reporting" has been given in financial statements

26.13 Related Party Transactions:

As per the Accounting standard -18 issued by the Institute of Chartered Accountants of India, the disclosure of transaction with related parties as defined in the accounting standard are given below:

Name of the parties	Nature of Relationship	Nature of Transactions	Amount in Lakhs
Rinku I. Patodia	Managing Director	Director's Remuneration	9.00
Anita R. Patodia	Executive Director	Director's Remuneration	6.75
Ramshyam Textile Industries Ltd.	Subsidiary Company	Corporate Guarantee given	6,360.95
Ramshyam Textile Industries Ltd.	Subsidiary Company	Job Work Charges	
		Received	80.98
		Paid	18.43
First Winner Lifestyle Ltd.	Subsidiary Company	Corporate Guarantee given	3,354.43
First Winner Lifestyle Ltd.	Subsidiary Company	Job Work Charges	
		Received	151.04
		Paid	230.21

Notes on Financial Statements for the Year ended 31st March 2013

26.14 Contingent Liabilities

[Rupees in Lakhs]

Particulars	3/31/2013	3/31/2012	3/31/2011
a) Bank Guarantees	124.54	124.54	118.71
b) Corporate Guarantees given to bankers on behalf on subsidiary company:			
Ramshyam Textile Industries Ltd.	6,360.95	5,190.47	1,836.00
First Winner Lifestyle Pvt. Ltd.	3,354.43	3,487.43	4,689.00

26.15 Additional information pursuant to the provision of paragraph 3,4C & 4D of PART II of SCHEDULE VI of the Company act 1956. (As prepared & Certified by the management, being technical matter relied upon by the Auditor.)

Particulars	Unit	3/31/2013	3/31/2012
A. Licensed Capacity	Meters in lacs	232.42	232.42
B. Installed Capacity	Meters in lacs	232.42	232.42
C. Actual Utilization of Capacity	Meters in lacs	93.84	146.10

26.16 The adoption of the Revised Schedule-VI does not impact recognition and measurement principles followed for preparation of Financial Statements and has no significant impact on the disclosures made in the Financial statement.

All Assets and Liabilities have been classified as Current or Non-Current as per the Company's normal operating cycles and other criteria set out in the Revised Schedule - VI to the Companies Act 1956, which is applicable from the previous year ended 31st March 2012.

26.17 Further the Board confirms that all transactions in which supporting evidence are missing are genuinely occurred for the business. No personal expenses of the directors are debited to any accounts.

26.18 Previous Year Regrouping

Previous year 's figures have been regrouped / restated wherever necessary to confirm to current years' Classification as per the Revised Schedule-VI notified under The Companies Act, 1956 which is applicable from the Current year.

As per our Report of even date

For Praful M Joshi
Chartered Accountant
[FRN : 108056W]

For DESHMUKH & ASSOCIATES
Chartered Accountants
[FRN : 102375W]

For **First Winner Industries Limited**

Sd/-
Director

Sd/-
Director

Sd/-
[PRAFUL M JOSHI - Proprietor]
Membership No. 100/030276

Sd/-
[Deepen M Kapadia - Partner]
Membership No. 112565

Sd/-
Company Secretary

Place : Mumbai
Date : 30.05.2013

Place : Mumbai
Date : 30.05.2013

INDEPENDENT AUDITORS' REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

Independent Auditors' Report to the Board of Directors of First Winner Industries Limited on the Consolidated Financial Statements of First Winner Industries Limited and its Subsidiaries.

We have audited the accompanying Consolidated financial statements of **First Winner Industries Limited**, (hereinafter referred as "the Company"), the holding Company, its subsidiaries, (hereinafter collectively referred to as "the Group") which comprise the Consolidated Balance Sheet as at March 31, 2013, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended on that date, and a summary of significant accounting policies and other explanatory information, prepared in accordance with the accounting principles generally accepted in India

Management Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position and financial performance of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. 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 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 control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, 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.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the 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:

- (a) In case of the consolidated Balance Sheet, of the consolidated state of affairs of the Group as at 31st March, 2013;
- (b) In case of the consolidated Statement Profit and Loss, of the consolidated results of operations of the Group for the year then ended; and
- (c) In case of the consolidated Cash Flow Statement, of the consolidated cash flows of the Group for the year ended on that date.

Report on other legal & Regulatory Requirements:

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, 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
- c) the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;
- e) on the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
- f) Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

For Praful M. Joshi
Chartered Accountants
FRN: 108056W

sd/-

[Praful M. Joshi Proprietor]
Membership No: 100/30276

Date : 30.05.2013
Place : Mumbai

For Deshmukh & Associates
Chartered Accountants
FRN: 102375W

sd/-

[Deepen M. Kapadia Partner]
Membership No.: 112565

CONSOLIDATED BALANCE SHEET AS AT 31st MARCH 2013

Note No.	PARTICULARS	As at 31/03/2013	As at 31/03/2012
EQUITY AND LIABILITIES			
Shareholders' funds			
2	Share capital	502,327,930	502,327,930
3	Reserves and surplus	1,357,201,136	1,580,052,296
	Sub-total	1,859,529,066	2,082,380,226
Non-current liabilities			
	Minority Interest	21,249	19,349
4	Long-term borrowings	630,825,596	608,735,984
5	Deferred tax liabilities (net)	119,031,909	144,439,255
6	Other long-term liabilities	50,000	50,000
	Sub-total	749,928,753	753,244,588
Current liabilities			
7	Short-term borrowings	1,201,031,983	881,542,865
8	Trade payables	161,760,783	1,780,034,314
9	Other current liabilities	264,710,007	206,756,792
10	Short-term provisions	25,813,067	37,018,659
	Sub-total	1,653,315,840	2,905,352,630
	TOTAL	4,262,773,659	5,740,977,445
ASSETS			
Non-current assets			
11	Fixed assets		
	Tangible assets	1,489,550,047	1,565,104,614
	Capital work-in-progress	83,001,991	39,959,118
	Sub-total	1,572,552,038	1,605,063,732
12	Non-current investments	82,940,000	82,990,000
13	Long-term loans and advances	340,516,432	492,859,023
14	Other non-current assets	419,603	731,461
	Sub-total	423,876,035	576,580,484
Current assets			
Current investments			
15	Inventories	-	221,623,543
16	Trade receivables	2,162,683,639	3,202,673,777
17	Cash and Bank Balance	22,723,231	66,737,935
18	Short-term loans and advances	41,802,439	41,018,463
19	Other current assets	39,136,278	27,279,511
	Sub-total	2,266,345,586	3,559,333,229
	TOTAL	4,262,773,659	5,740,977,445

1 Accompanying Notes are an integral part of the financial statements

As per our Report of even date

For Praful M Joshi
Chartered Accountant
[FRN : 108056W]

For DESHMUKH & ASSOCIATES
Chartered Accountants
[FRN : 102375W]

For First Winner Industries Limited

Sd/-
Director

Sd/-
Director

Sd/-
Company Secretary

Sd/-
[PRAFUL M JOSHI - Proprietor]
Membership No. 100/030276

Sd/-
[Deepen M Kapadia - Partner]
Membership No. 112565

Place : Mumbai
Date : 30.05.2013

Place : Mumbai
Date : 30.05.2013

CONSOLIDATED STATEMENT OF PROFIT & LOSS ACCOUNT FOR YEAR ENDED 31st MARCH 2013

Note No.	PARTICULARS	YEAR ENDED 31/03/2013	YEAR ENDED 31/03/2012
A	INCOME FROM OPERATIONS		
20	Revenue from operations	2,064,436,857	9,661,097,794
21	Other income	5,574,777	7,282,203
	TOTAL REVENUE:	2,070,011,634	9,668,379,997
	EXPENDITURE		
22	Cost of Sales	1,550,126,675	9,000,925,466
23	Changes in inventories of Finished Goods	88,876,927	32,925,987
24	Employee benefits expense	92,775,929	66,269,829
25	Finance costs	218,067,865	170,367,091
26	Depreciation and amortization expense	83,453,377	72,102,863
27	Other expenses	284,826,726	277,455,743
	TOTAL EXPENDITURE:	2,318,127,498	9,620,046,978
	Profit / (Loss) before exceptional and extraordinary items and tax (3 - 4)	(248,115,864)	48,333,018
	Exceptional items	-	-
	Profit / (Loss) before extraordinary items and tax	(248,115,864)	48,333,018
	Extraordinary items	-	-
	Profit / (Loss) before tax	(248,115,864)	48,333,018
	Tax expense:		
	Current Tax	-	10,098,306
	Current tax expense for current year (MAT)	140,744	1,822,001
	Current tax expense relating to prior years	(25,407,347)	13,098,635
	Deferred tax	-	-
	Sub-total	(25,266,603)	25,018,941
	Profit from continuing operations	(222,849,262)	23,314,077
		(0)	(271,132)
B	DISCONTINUING OPERATIONS		
	Profit / (Loss) from discontinuing operations	Sub-total	-
	Profit / (Loss) for the year	TOTAL	23,314,077
		(222,849,262)	
28	Earnings per Eq.Share of face value of Rs. Each.		
	Basic	-	0.46
	Diluted	-	0.65
	Earnings Per share Excluding Extraordinary Item		
	Basic	-	0.46
	Diluted	-	0.65

1 Accompanying Notes are an integral part of the financial statements

As per our Report of even date

For Praful M Joshi
Chartered Accountant
[FRN : 108056W]

For DESHMUKH & ASSOCIATES
Chartered Accountants
[FRN : 102375W]

For First Winner Industries Limited

Sd/-
DirectorSd/-
Director

Sd/-
[PRAFUL M JOSHI - Proprietor]
Membership No. 100/030276

Sd/-
[Deepen M Kapadia - Partner]
Membership No. 112565

Sd/-
Company SecretaryPlace : Mumbai
Date : 30.05.2013Place : Mumbai
Date : 30.05.2013

CONSOLIDATED CASH FLOW STATEMENT AS ON 31ST MARCH 2013

Particulars	As at 31/03/2013	As at 31/03/2012
CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before Taxes	(248,115,864)	48,333,018
Adjustments for		
Depreciation	83,141,519	71,779,129
Interest Income	(1,476,294)	(5,238,606)
Other Income	(116,000)	(84,500)
Interest Expenses	215,744,065	142,519,265
Preliminary Expenses W/off	311,858	323,734
Loss / (Profit) on Sale of Investments	(10,795)	26,000
Loss / (Profit) on Sale of Assets	(60,548)	676,004
Operating Profit Before Working Capital Changes	49,417,940	258,334,044
(Increase) / Decrease in Inventories	221,623,543	41,906,967
(Increase) / Decrease in Trade Receivables	1,039,990,137	(1,499,817,131)
(Increase) / Decrease in Short Term Loans & Advances	5,706,819	28,002,592
(Increase) / Decrease in Other Current assets	(11,856,766)	(10,964,393)
Increase / (Decrease) in Trade Payable	(1,618,273,531)	1,099,379,790
Increase / (Decrease) in short Term Borrowings	319,489,118	233,949,454
Increase / (Decrease) in Other Current Liabilities	57,953,215	52,908,880
Increase / (Decrease) in Provisions	(11,205,592)	(42,032,810)
Cash generated from Operations	52,844,884	161,667,394
Income Tax Paid	(6,631,539)	(24,410,048)
Net Cash from Operating Activities	46,213,345	137,257,346
CASH FLOW FROM INVESTING ACTIVITIES		
Purchases/Additions of Fixed Assets	(52,819,278)	(394,046,488)
Sale proceeds of Assets Sold	2,250,000	1,025,000
Sale proceeds of Investments Sold	60,795	974,000
Subsidy Received on Assets	-	31,400,000
(Purchase) / Sales of Investments	-	(4,500,000)
Preliminary Expenses Incurred	-	-
Interest Income Earned	1,476,294	5,238,606
Rental Income	116,000	84,500
Net cash used in Investing Activities	(48,916,190)	(359,824,382)
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Issuance of Share Capital	-	425,000,000
Share Application Money Received	-	2,500,000
Interest Expenses on Long Term Borrowings	(215,744,065)	(142,519,265)
Increase / (Decrease) in long Term Advances & Deposits	152,342,592	(219,187,076)
Increase in long Term Fixed Deposits	39,438,686	(15,549,072)
Dividend Paid	-	-
Proceeds from Long Term Borrowings	22,089,612	175,447,575
Net Cash from Financing Activities	(1,873,175)	225,692,162
Net Increase / (Decrease) in Cash & equivalents	(4,576,018)	3,125,124
Cash & Equivalents at the beginning of the year	5,799,073	2,673,949
Cash & equivalents at the end of the year	1,223,056	5,799,073

Note :

- The above cash flow has been prepared as set out in the accounting standard on Cash Flow Statements (AS-3) issued by the Institute of Chartered Accountants of India.
- Previous year's figures have been rearranged / regrouped wherever necessary.

As per our Report of even date

For Praful M Joshi
Chartered Accountant
[FRN : 108056W]

For DESHMUKH & ASSOCIATES
Chartered Accountants
[FRN : 102375W]

For First Winner Industries Limited

Sd/-
Director

Sd/-
Director

Sd/-
[PRAFUL M JOSHI - Proprietor]
Membership No. 100/030276

Sd/-
[Deepen M Kapadia - Partner]
Membership No. 112565

Sd/-
Company Secretary

Place : Mumbai
Date : 30.05.2013

Place : Mumbai
Date : 30.05.2013

Consolidated Notes on Financial Statements for the Year ended 31st March 2013

1.00 SIGNIFICANT ACCOUNTING POLICIES

1.01 Basis of preparation of Financial Statements :

The financial statements have been prepared under the historical cost convention in accordance with the generally accepted accounting principles in India and the provision of the Companies Act, 1956.

1.02 Use of Estimate :

The preparation of financial statements requires estimates and assumptions to be made that effects the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known / materialized.

1.03 Revenue Recognition :

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

a Sale of goods

Revenue is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer. Sales revenue is net of sales return.

b Interest: Revenue is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable

c Dividends: Revenue is recognized as when received.

1.04 Fixed Assets :

Fixed Assets are stated at cost less accumulated depreciation and impairment loss, if any. The cost of an asset comprises of purchase price and any directly attributable cost of bringing the assets to its present condition for intended use

1.05 Depreciation :

Depreciation on the fixed assets has been provided for on straight-line method at the rates prescribed and in the manner specified in Schedule XIV to the Companies Act, 1956

1.06 Inventories :

Inventories are measured at lower of cost or net realizable value. Raw Material is valued at cost, Stores, Spares parts and packing material valued as cost.

1.07 Investment:

Current Investments are measured at the lower of cost or market value. Long Term Investments are measured at Cost.

1.08 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.

1.09 Employee Retirement Benefits

The company provides for gratuity, a defined benefit plan in accordance with the rules of the company based on valuation carried out by the management at the balance sheet date. Contribution payable to the Employees benefits is charged to Profit & Loss Account on as & when incurred.

Consolidated Notes on Financial Statements for the Year ended 31st March 2013

1.10 Borrowing Costs:

Borrowing cost which are directly attributable to the acquisition/construction of Qualifying Assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.

1.11 Leases:

Assets acquired under leases where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Lease rentals are charged to the Profit & Loss account on accrual basis.

1.12 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.

1.13 Current Tax and Deferred Tax :

No Provision for current tax is made, as company incurred business loss during the year.

The Company unable to follow, the Accounting standard, for provision for Deferred Tax, as the Company incurred huge amount of business loss.

1.14 Intangible Assets :

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

1.15 Provision, Contingent Liabilities and contingent assets :

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

1.16 Impairment of Assets :

The company assesses at each balance sheet date whether there is any indication that an assets may be impaired. If any such indication exists, the company estimates the recoverable amount of the assets. If such recoverable amount of the assets or the recoverable amount of the cash generating unit to which the asset belong is less than its carrying amount, the carrying amount is reduced to its recoverable amount. If at the balance sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost.

2.00 SHARE CAPITAL

2.01 Authorized Share Capital

Particulars	As at	As at
	31/03/2013	31/03/2012
51,000,000 Equity shares of Rs. 10/- each with voting rights (P.Y. 51,000,000)	510,000,000	510,000,000
	510,000,000	510,000,000

2.02 Issued Subscribed and Paid up

50,232,793 Equity shares of Rs. 10/- each with voting rights (PY 50,232,793)	502,327,930	502,327,930
TOTAL :	502,327,930	502,327,930

Consolidated Notes on Financial Statements for the Year ended 31st March 2013

2.03 Details of Shares held by Share holders holding more than 5% of the aggregate shares in the company

Particulars Name of the Share Holders	As at 31st March 2013		As at 31st March 2012	
	Number of Share	% held	Number of Share	% held
Rinku Patodia	3527505	7.02%	3527505	7.02%
Anita Patodia	2435130	4.85%	2435130	4.85%
Solitaire Texfab & Traders Pvt. Ltd.	3865865	7.70%	3865865	7.70%
Rikosh Fashions Pvt. Ltd.	3806500	7.58%	3806500	7.58%
Bhagwat Textiles Pvt. Ltd.	3800000	7.56%	3800000	7.56%
Starwood Exports Pvt. Ltd.	3712100	7.39%	3712100	7.39%
First Winner Textile (India) Pvt. Ltd.	3700000	7.37%	3700000	7.37%

2.04 The reconciliation of the number of shares outstanding is set out below:

Particulars	As at 31st March 2013		As at 31st March 2012	
	Number of Share	Amount	Number of Share	Amount
Eq.Sh.as at 01.04.2012	50232793	502,327,930	25232793	252,327,930
Add: Shares issued	0	-	25000000	250,000,000
Less: Shares cancelled	-	-	-	-
Eq.Sh. As at 31.03.2013	50232793	502,327,930	50232793	502,327,930

3.00 RESERVES & SURPLUS

3.01 Securities Premium Reserves:

Particulars	As at 31/03/2013	As at 31/03/2012
As per last Balance Sheet	1,227,304,123	977,304,123
Add: On issue of shares	-	250,000,000
Sub-Total (a) :	1,227,304,123	1,227,304,123

3.02 Profit & Loss Accounts:

Particulars	As at 31/03/2013	As at 31/03/2012
As per last Balance Sheet	352,748,173	324,082,687
Add: Profit for the year	(222,849,262)	23,314,077
Add: Excess Provisions for Tax of Previous years	-	5,351,634
	129,898,912	352,748,398
Less: Appropriations:		
- Minority Interest in Curr Year's Profit	1,899	225
Sub-Total (b) :	129,897,013	352,748,173
TOTAL :	1,357,201,136	1,580,052,296

Consolidated Notes on Financial Statements for the Year ended 31st March 2013

4.00 LONG TERM BORROWINGS:

SECURED - TERM LOANS

Particulars	As at 31/03/2013	As at 31/03/2012
From Banks		
Term Loan from State Bank of India	612,874,685	597,427,185
Term Loan from State Bank of Indore	17,950,911	11,308,799
Sub-Total (a) :	630,825,596	608,735,984
TOTAL :	630,825,596	608,735,984

4.01 Term loan are secured by

- Term loan from State Bank of India secured by way of First Mortgage / Charge on Immovable Properties & all Plant & machinery of the company.
- Term loan from State Bank of Indore secured by way of First Mortgage / Charge on Immovable Properties & all Plant & machinery.
- Term Loans from State Bank of India & State Bank of Indore are personally guaranteed by Mr. Rinku Patodia - Managing Director and Mrs. Anita Patodia - Director of the Company.
- The Company defaulted in paying the Term Loan installments and interest due to State Bank of India and State Bank of Indore, therefore the account become Non Performing Assets in the Books of both the Bank.
- The term Loan amount include the provision for interest payable at the end of the year

4.02 Rate of Interest & Maturity Profile of Term Loan are set out as follows:

Term Loan	Rate of Interest	2013-14	2014-15	2015-16	Beyond 4 Years
S B I	13.75%	86,988,000	71,194,000	13,656,000	-
S B I	14.70%	29,700,000	2,473,000	-	-
S B I	14.65%	30,000,000	30,000,000	2,500,000	-
S B I	13.90%	62,222,400	62,222,400	62,222,400	62,221,600
SB Indore	13.75%	9,474,000	1,551,147	-	-

5.00 DEFERRED TAX LIABILITIES (Net)

Particulars	As at 31/03/2013	As at 31/03/2012
Deferred Tax Liabilities:		
- Related to Depreciation	138,363,214	144,439,255
Deferred Tax Assets:		
- duto bussnes loss	(19,331,306)	-
TOTAL :	119,031,909	144,439,255

Consolidated Notes on Financial Statements for the Year ended 31st March 2013

7.00 SHORT TERM BORROWINGS:

Particulars	As at 31/03/2013	As at 31/03/2012
Secured - Working Capital Loans from Banks	1,186,834,924	863,778,934
SLOC A/C with SBI	-	6,080,194
SOD Facility from IDBI	-	1,678,192
Unsecured Loans	14,197,059	10,005,545
TOTAL :	<u>1,201,031,983</u>	<u>881,542,865</u>

7.01 Working Capital Loans are secured by hypothecation of present and future stock of Raw Materials Stock-in-process Finished Goods Stores and Spares (not relating to plant & machinery) Book Debts Outstanding monies Claims Receivables bills.

7.02 Credit balance in Current Account with IDBI Bank Ltd, due to excess cheques issued.

7.03 Working Capital Loans from State Bank of India, and IDBI Bank, are personally guaranteed by Mr. Rinku Patodia - Managing Director and Mrs. Anita Patodia - Director of the Company.

7.04 the company defaulted in respect of interest payable on working capital loan to the State Bank of India, therefore the working capital loan account become non performing assets in the books of the bank

8.00 TRADE PAYABLES:

Particulars	As at 31/03/2013	As at 31/03/2012
Acceptance	-	149,867,985
Other than acceptance	161,760,783	1,630,166,329
TOTAL :	<u>161,760,783</u>	<u>1,780,034,314</u>

8.01 TRADE PAYABLES:

Particulars	As at 31/03/2013	As at 31/03/2012
- Micro Small and Medium Enterprises	-	-
- Others	161,760,783	1,780,034,314
TOTAL :	<u>161,760,783</u>	<u>1,780,034,314</u>

8.02 The details of amount outstanding to Micro Small and Medium Enterprises is based on available information with the Company. There is no default reported by the company.

9.00 OTHER CURRENT LIABILITIES

Particulars	As at 31/03/2013	As at 31/03/2012
Current maturities of Long Term Debt - St Bank of India (12 Month)	226,379,298	182,399,200
Current maturities of Long Term Debt - State Bank of Indore	1,551,147	9,474,000
Current liabilities for share Application Money	2,500,000	2,500,000
Current maturities of Long Term Debt - Kotak Mahindra Car Loan	-	715,585
Creditors for Capital Expenditures -	7,859,603	8,301,506
Other Payable - include Statutory dues Deposit & Advances etc	26,419,959	3,366,501
TOTAL :	<u>264,710,007</u>	<u>206,756,792</u>

Consolidated Notes on Financial Statements for the Year ended 31st March 2013

10.00 SHORT TERM PROVISIONS:

Particulars	As at 31/03/2013	As at 31/03/2012
Provision for Income Tax (Current. Year)	-	8,521,416
Provision for Income Tax (Old)	25,813,067	28,497,243
TOTAL :	<u>25,813,067</u>	<u>37,018,659</u>

11.00 FIXED ASSETS:

Particulars	As at 31/03/2013	As at 31/03/2012
Gross Block	1,816,902,190	1,809,315,237
Less Accumulated Depreciation	327,352,143	244,210,624
Net Block	1,489,550,047	1,565,104,612
Capital Work in Progress	83,001,991	39,959,118
TOTAL :	<u>1,572,552,038</u>	<u>1,605,063,730</u>

Consolidated Notes on Financial Statements for the Year ended 31st March 2013

11.00 FIXED ASSETS:

PARTICULARS	GROSS BLOCK			DEPRECIATION			NET BLOCK		
	AS ON 1/04/12	ADDITION	DEDUCTION	AS ON 31/03/13	FOR THE Period	DEDUCTION	UPTO 31/03/13	AS ON 31/03/13	AS ON 31/03/12
TANGIBLE ASSETS									
Air Conditioner & Refrigerator	1,230,892	-	-	1,230,892	63,540	-	210,218	1,020,674	1,084,214
Computer & Printers	6,483,292	1,257,736	-	7,741,028	1,036,389	-	4,954,448	2,786,580	2,565,233
Electric Installations	21,140,475	-	-	21,140,475	869,118	-	4,429,741	16,710,734	17,579,853
Factory Buildings	380,885,120	237,049	-	381,122,169	26,115,504	-	68,844,345	312,277,824	338,156,279
Furnitures & Fixtures	7,961,400	2,388,079	-	10,349,479	525,353	-	2,069,936	8,279,543	6,416,817
Godown & Office Premises	17,685,976	-	-	17,685,976	288,282	-	1,744,756	15,941,220	16,229,503
Office Equipments	201,462	-	-	201,462	9,570	-	64,778	136,684	146,254
Other Assets	2,534,044	275,631	-	2,809,675	126,432	-	367,887	2,441,788	2,292,589
Plant & Machinery	1,348,459,959	3,428,458	-	1,351,888,417	52,864,403	-	240,355,676	1,111,532,740	1,160,968,685
Plots of Land at Wada	9,050,390	-	-	9,050,390	-	-	-	9,050,390	9,050,390
Staff Quarters	649,200	-	-	649,200	10,582	-	55,671	593,529	604,111
Television	121,900	-	-	121,900	5,790	-	16,365	105,535	111,325
Vehicles	12,911,130	-	-	12,911,130	1,226,558	-	4,238,321	8,672,809	9,899,366
Flats at Boisar	-	2,189,452	2,189,452	-	-	-	-	-	-
SUB-TOTAL : A :	1,809,315,240	9,776,405	2,189,452	1,816,902,193	83,141,521	-	327,352,143	1,489,550,049	1,565,104,618
INTANGIBLE ASSETS									
SUB-TOTAL : B :									
TOTAL (A + B) :									
Previous Year	1,452,624,009	430,026,443	33,661,977	1,848,988,475	700,470	71,639,632	244,210,622	1,604,777,851	1,279,631,544
Capital Work In Progress (Expansion)	39,959,118	45,121,791	2,078,918	83,001,991	-	-	-	83,001,991	39,959,118
Total Capital WIP	39,959,118	45,121,791	2,078,918	83,001,991	-	-	-	83,001,991	39,959,118
Total	1,849,274,358	54,898,196	4,268,370	1,899,904,184	83,141,519	-	327,352,145	1,572,552,038	1,605,063,732

Consolidated Notes on Financial Statements for the Year ended 31st March 2013

12.00 NON CURRENT INVESTMENTS:

12.01 Trade Investments

Particulars	As at 31/03/2013	As at 31/03/2012
In Equity Shares - Associate Company Unquoted Fully paid up		
630,000 Rikosh Fashions Pvt Ltd	31,650,000	31,650,000
475,000 Solitaire Texfeb & Traders Pvt. Ltd.	47,500,000	47,500,000
Sub-Total : a :	<u>79,150,000</u>	<u>79,150,000</u>

12.02 Other Investments

Particulars	As at 31/03/2013	As at 31/03/2012
In Mutual Fund - Quoted fully paid up		
4000 SBI Infrastructure Fund	40,000	40,000
0 SBI Capital Protection Oriented Fund	-	50,000
1000 SBI One India Fund	10,000	10,000
350000 SBI Debt Fund Series	3,500,000	3,500,000
5000 UTI Infrastructure	50,000	50,000
10000 UTI India Lifestyle Fund (G)	100,000	100,000
9000 UTI Wealth Builder Fund Series II	90,000	90,000
Sub-Total : b :	<u>3,790,000</u>	<u>3,840,000</u>
Total Non Current Investment (a+b) :	<u>82,940,000</u>	<u>82,990,000</u>
Aggregate Amount of quoted investments	3,790,000	3,840,000
Market Value of quoted Investments	4,382,531	3,840,000
Aggregate Amount of unquoted investments	79,150,000	79,150,000

13.00 LONG TERM LOANS AND ADVANCES:

Particulars	As at 31/03/2013	As at 31/03/2012
(Unsecured and Considered Good)		
Advances for Capital Goods (Expansion)	279,579,394	279,584,260
Advances for Property (Capital Nature)	14,876,816	16,876,806
Other Loans and Advances		
- Advances for Expenses	551,760	1,022,897
- Advances for Rent	144,897	52,183
- Advances Others	38,605,927	178,209,254
- Staff Advances	789,170	861,418
- Sundry Deposits	5,968,468	16,256,507
TOTAL:	<u>340,516,432</u>	<u>492,863,325</u>

Consolidated Notes on Financial Statements for the Year ended 31st March 2013

Particulars	As at 31/03/2013	As at 31/3/2012
13.01 ADVANCES GIVEN TO RELATED PARTIES - NATURE OF ADVANCE	Nil	Nil

14.00 NON CURRENT ASSETS

Unamortized Expenses:

Current portion of Share issue expenses	419,603	731,461
	<u>419,603</u>	<u>731,461</u>

15.00 INVENTORIES

Particulars	As at 31/03/2013	As at 31/03/2012
- Raw Material	-	5,170,051
- Finished Goods	-	216,453,492
TOTAL:	<u>-</u>	<u>221,623,543</u>

15.01 ITEM WISE / VALUE WISE Finished Goods

Particulars	As at 31/03/2013	As at 31/03/2012
Finished Goods		
Traded Goods	-	199,689,346
Readymade Garments	-	4,908,680
Mfg. Fabrics	-	3,309,212
Gray Fabrics	-	6,996,109
Garment Fabrics & Treams	-	1,550,145
Raw Material	-	-
Cotton Yarn	-	5,170,051
	<u>-</u>	<u>221,623,543</u>

16.00 TRADE RECEIVABLES

Particulars	As at 31/03/2013	As at 31/03/2012
(Unsecured and Considered Good)		
Over six months	1,550,429,086	49,096,375
Others	612,254,553	3,153,577,402
TOTAL:	<u>2,162,683,639</u>	<u>3,202,673,777</u>

Consolidated Notes on Financial Statements for the Year ended 31st March 2013

Particulars	As at 31/03/2013	As at 31/03/2012
17.00 CASH AND BANK BALANCE		
17.01 Balance with Banks		
- Balances in current A/C	200,962	3,718,308
17.02 Cash on Hand	1,022,094	2,080,766
17.03 Fixed Deposit with Bank		
- Fixed Deposit With State Bank Of India	16,328,217	50,885,033
- Fixed Deposit With State Bank Of Indore	5,171,957	10,053,827
TOTAL:	22,723,231	66,737,934

17.04 Balance with bank include the Unclaimed dividend of Rs. 0/= (Previous year Rs. 0/=)

17.05 The Fixed Deposits with Bank are offered as Security for Issue of Letter of Credit and Bank Guarantee.

18.00 SHORT TERM LOANS AND ADVANCES

(Unsecured and Considered Good)

(Loans and Advances of nature having maturity less than 12 Month)

18.01 Advance Income Tax

Particulars	As at 31/03/2013	As at 31/03/2012
- Advance Tax	7,900,000	10,500,000
- Tax Deducted at Sources	13,290,336	9,828,498
- S A Tax / Refund Due	14,906,747	20,624,126

18.02 Balance with M Vat authorities

- Input Vat Receivable (Garments)	5,705,356	65,839
TOTAL:	41,802,439	41,018,463

19.00 OTHER CURRENT ASSETS

Particulars	As at 31/03/2013	As at 31/03/2012
- Stores & Spares (Stock)	5,041,630	13,479,693
- Interest accrued on Investments & Processing Fees Receivable		
- TUFF Subsidy Receivable	34,094,648	13,799,818
TOTAL:	39,136,278	27,279,511

Consolidated Notes on Financial Statements for the Year ended 31st March 2013

20.00 REVENUE FROM OPERATIONS:

	As at 31/03/2013	As at 31/03/2012
Sale of Products		
- Finished Goods	10,185,104	104,305,803
- Traded Goods	1,686,405,287	9,103,501,263
Income from Services	367,846,466	453,290,728
TOTAL:	<u>2,064,436,857</u>	<u>9,661,097,794</u>

20.01 PARTICULARS OF SALE OF PRODUCTS

	YEAR ENDED 31/03/2013	YEAR ENDED 31/03/2012
(Break-up in major products of sale - Value - should tally with sale of products)		
Finished (Mfg. Fabric) Goods	51,402,965	101,375,985
Traded (Fabric) Goods	1,639,747,365	9,085,779,262
Garments	5,440,061	21,543,631
Job Work Charges Received	367,846,466	452,398,916
TOTAL:	<u>2,064,436,857</u>	<u>9,661,097,794</u>

21.00 OTHER INCOME:

	YEAR ENDED 31/03/2013	YEAR ENDED 31/03/2012
Interest From Current Investment		
F.D. Interest	1,476,294	5,238,606
Other non-operating income		
Discount Received	3,179,778	1,398,296
Insurance Claim Received	29,397	8,722
Sale of Scrap	701,966	552,079
Other income	187,343	84,500
TOTAL:	<u>5,574,777</u>	<u>7,282,203</u>

22.00 COST OF MATERIAL CONSUMED

	YEAR ENDED 31/03/2013	YEAR ENDED 31/03/2012
Inventories of Raw material (At commencement)	132,746,615	141,727,595
Add: Purchases		
- Indigenous	1,417,380,059	8,991,944,487
- Imported	-	-
Sub-Total :	<u>1,550,126,675</u>	<u>9,133,672,082</u>
Less: Purchase Incentives		
Inventories of Raw Material (At close)	-	132,746,615
TOTAL:	<u>1,550,126,675</u>	<u>9,000,925,466</u>

Consolidated Notes on Financial Statements for the Year ended 31st March 2013

23.00 CHANGES IN INVENTORIES OF FINISHED GOODS

	YEAR ENDED 31/03/2013	YEAR ENDED 31/03/2012
Inventories Goods (At close)		
- Finished Goods	-	88,876,927
Inventories Goods (At commencement)		
- Finished Goods	88,876,927	121,802,915
TOTAL:	<u>88,876,927</u>	<u>32,925,987</u>

24.00 EMPLOYEE BENEFITS EXPENSE:

	YEAR ENDED 31/03/2013	YEAR ENDED 31/03/2012
Salaries & Wages	84,816,899	56,490,304
Directors Remuneration	1,575,000	2,100,000
Keyman Insurance	-	483,964
Contribution to Provident Fund & Other funds	1,793,327	2,207,102
Staff Welfare Expenses	4,590,703	4,988,459
TOTAL:	<u>92,775,929</u>	<u>66,269,829</u>

25.00 FINANCE COSTS

	YEAR ENDED 31/03/2013	YEAR ENDED 31/03/2012
Interest Expenses		
Bank Interest on CC A/c.	86,356,119	59,712,119
Bank Interest on SLOC A/c.	356,263	1,895,464
Bank Interest on Term Loan	51,328,208	29,366,405
Interest On Car Loan	30,767	218,655
L C Discounting Charges	286,188	4,994,202
L/C Bank Commission	-	6,334,784
Bank Charges	547,926	2,095,268
Loan Processing Charges Mortgage Charges etc	661,686	2,934,000
Bank Commission	-	11,184,947
Bank Interest	30,500,052	26,218,026
Bank Processing Charges	828,000	188,400
Interest on Cash Credit	46,843,182	25,107,551
Interest on other Loan	329,474	117,271
TOTAL:	<u>218,067,865</u>	<u>170,367,091</u>

Consolidated Notes on Financial Statements for the Year ended 31st March 2013

26.00 DEPRECIATION AND AMORTISATION EXPENSES

	YEAR ENDED 31/03/2013	YEAR ENDED 31/03/2012
Depreciation & Amortization Expenses	83,141,519	71,779,129
Preliminary Expenses Written off	311,858	323,734
TOTAL:	<u>83,453,377</u>	<u>72,102,863</u>

27.00 OTHER EXPENSES

27.01 Manufacturing Expenses

	YEAR ENDED 31/03/2013	YEAR ENDED 31/03/2012
Beam Draping Charges	66,978	24,795
Beam Drawing Charges	3,529,152	2,693,613
Beam Gaiting Charges	3,713,911	3,432,552
Beam Leasing Charges	564,881	850,049
Beam Piecing Charges	269,453	294,203
Boiler Water & Liquid Oxygen	58,720	131,322
Coning Charges	35,270	119,947
Designing Charges	4,000	68,885
Diesel & Petrol (DG Set)	399,740	504,135
Electricity Exp.	31,152,665	20,614,734
Furness Oil	22,676,002	17,690,051
Garment Material Exp.	-	480,236
Job Work Process & Washing Charges (Garments)	1,225,978	5,071,366
Job Work Charges Paid	111,616,522	146,464,674
Labeling Exp.	-	128,566
Labour Charges	624,945	150,305
Loading & Unloading Charges	9,330	101,408
Maharashtra Pollution Control Fees	75,000	-
Mending Charges	2,039,627	1,888,851
Mending Charges		
Other Direct Expenses	3,862,425	4,968,046
Packing Charges	1,036,061	1,278,805
Piecing Charges	-	5,472
Power & Fuel	18,141,678	16,088,472
Reckoning Charges	-	13,289
Repairs & Maintenance		
Stores & Spares Consumed	55,661,440	21,632,119
Testing Fees	3,371	5,236
Sub-Total	<u>256,767,149</u>	<u>244,701,131</u>

Consolidated Notes on Financial Statements for the Year ended 31st March 2013

27.02 Export Expenses

	YEAR ENDED 31/03/2013	YEAR ENDED 31/03/2012
Agency Charges	-	15,619
Freight Charges (Export)	22,210	206,562
Other Service Charges	10,643	40,758
Sub-Total	32,853	262,939

27.03 Selling & Distribution Expenses

	YEAR ENDED 31/03/2013	YEAR ENDED 31/03/2012
Advertisement Exp.	195,006	1,670,566
Business Promotion Expenses	386,234	1,923,524
Collie & Cartage	44,090	190,025
Discount & Brokerage Claim Rebate Paid	5,724,895	4,115,457
Sampling Exp.	12,139	84,635
Transportation Charges	165,530	367,606
Sub-Total	6,527,894	8,351,813

27.04 Establishment Expenses

	YEAR ENDED 31/03/2013	YEAR ENDED 31/03/2012
Advertisement and Sales Promotions		
AMC Charges	152,067	276,617
Annual General Meeting Exp.	7,865	-
Audit Fees & Other charges	241,407	241,406
Beam Drawing and Leasing charges	811,579	604,365
Brokerage & Commission	380,143	741,962
BSE Fees	92,697	-
Communication Costs	-	246,944
Computer Expenses	192,476	91,779
Conveyance Expenses	1,134,602	1,587,836
Coollie & Cartage	580,463	759,872
Courier & Postage Charges	310,153	389,484
Discount Allowed, Rate Diff.	-	6,853
Donation	252,000	230,000
Electricity Exp	387,763	478,382
Electric Inspection Fees	7,400	7,400
Franking Exp	1,550	636,010
General Exp. & Office Exp.	339,850	506,618
Grampanchayat Tax	135,868	91,944
House Keeping Charges	435,932	552,505
Inspection charges	41,560	180,648

Consolidated Notes on Financial Statements for the Year ended 31st March 2013

	YEAR ENDED 31/03/2013	YEAR ENDED 31/03/2012
Insurance Charges	1,272,005	1,164,382
Internet Expenses	203,417	247,004
Legal & Professional Fees (ROC fees)	219,488	280,145
License Fees & Registration Fees	350,187	139,235
Loss on Sale of Car	-	676,004
Loss on Sale of SBI Gold Fund	-	26,000
Membership & Subscription	59,813	34,252
Miscellaneous Expenses	60,330	38,414
Motor Car Expenses	44,926	155,092
NSDL Fees	56,180	59,562
Office & General Expenses	399,957	427,654
Petrol & Diesel Expenses	600,890	485,696
Pooja Expenses	71,253	87,948
Printing & Stationery Charges	525,151	835,069
Profession Tax	-	7,500
Professional Fees	1,500,861	1,370,482
Rate Difference & Discount	358,021	58,461
Rent, Rates and Taxes	74,706	111,538
Repairs & Maintenance Expenses	2,772,703	2,368,052
Repairs & Maintenance-Plant and Machinery	496,263	524,602
ROC Fees	30,863	7,500
Room Rent & Society Maintenance	802,938	823,487
Shop & Establishment Exp. (License Fees)	-	7,240
Sitting Fees Charges	410,000	190,000
Software Exp.	18,140	5,100
Stamp Duty Paid	-	2,228,982
Stock Exchange Listing Fees	196,630	473,855
Sundry Debtors W/off	5,000	-
Telephone Charges	803,604	505,903
Travelling Expenses	1,553,929	1,669,373
Vehicle Expenses	409,059	367,327
Water Charges	2,697,141	1,133,377
Sub-Total	21,498,830	24,139,860
Total	284,826,726	277,455,743

Consolidated Notes on Financial Statements for the Year ended 31st March 2013

27.05 VALUE OF RAW MATERIAL STORES PACKING MATERIAL CONSUMED

	Year: 2012-13		Year: 2011-12	
	Rs.	% of Consumption	Rs.	% of Consumption
Imported	-	-	-	-
Indigenous	1,474,077,561	100.00%	9,014,855,411	100.00%
Total	<u>1,474,077,561</u>		<u>9,014,855,411</u>	

27.06 PAYMENT TO AUDITORS AS:

	YEAR ENDED 31/03/2013	YEAR ENDED 31/03/2012
a) Auditors		
- Statutory Audit Fees	111,150	111,150
- Tax Audit Fees	21,266	21,266
b) Certification and Consultation Fees	21,236	68,605
Total	<u>153,652</u>	<u>201,021</u>

27.07 EXPENDITURE IN FOREIGN CURRENCY

	YEAR ENDED 31/03/2013	YEAR ENDED 31/03/2012
Capital Expenditure	-	73,043,705
Foreign Travel	-	14,393
Total	<u>-</u>	<u>73,058,098</u>

27.08 EARNINGS IN FOREIGN CURRENCY

	YEAR ENDED 31/03/2013	YEAR ENDED 31/03/2012
Revenue from Exports on FOB Basis	-	64,988,000
Total	<u>-</u>	<u>64,988,000</u>

27.09 MANAGERIAL REMUNERATION

	YEAR ENDED 31/03/2013	YEAR ENDED 31/03/2012
Director's Remuneration	1,575,000	2,100,000
Sitting fees to Directors	410,000	190,000
Total	<u>1,985,000</u>	<u>2,290,000</u>

Consolidated Notes on Financial Statements for the Year ended 31st March 2013

27.10 EARNING PER SHARE

	YEAR ENDED 31/03/2013	YEAR ENDED 31/03/2012
Net Profit after Tax as per statement of Profit & Loss account attributable to Equity Share holder	(222,849,262)	23,314,077
Total No. of Shares Outstanding	50,232,793	50,232,793
Weighted Avg no. of Shares Outstanding	50,232,793	35,649,460
EPS	-	0.46
Diluted EPS	-	0.65

27.11 Discloser pursuant to Accounting Standard (AS) 15 (Revised) Employee Benefits

Short term employee benefits

The short term employee benefits payable wholly within twelve months of rendering service are classified as short term employee benefits. This benefits include compensated absence such as paid annual leave and sickness leave.

The undisclosed amount of short term employee benefits expected to be paid in exchange for the services rendered by employees recognized as an expense during the period.

Long Term Employee Benefits

The Company deposits the Provident fund liabilities regularly, as per the Provident Fund Act. The Company accounts the Gratuity on actual basis. No provision is made for outstanding Gratuity liability.

27.12 Segment Information:

The Company is considered to be a single segment company, engaged in business of Trading in Fabrics & Job Job work of weaving of fabrics. Consequently, the Company has in its primary segment only one reportable business segment. As per Accounting Standard - 17 "Segment Reporting", if a Company is having single Segment the financial statement needed be presented only on the basis of financial statements. Accordingly, the information required to be presented under AS 17 "Segment Reporting" has been given in financial statements

27.13 Related Party Transactions:

As per the Accounting standard -18 issued by the Institute of Chartered Accountants of India, the disclosure of transaction with related parties as defined in the accounting standard are given below:

Name of the parties	Nature of Relationship	Nature of Transactions	Amount in Lakhs
Rinku I. Patodia	Managing Director	Director's Remuneration	12.00
Anita R. Patodia	Executive Director	Director's Remuneration	9.00
Ramshyam Textile Industries Ltd.	Subsidiary Company	Corporate Guarantee given	6,360.95
Ramshyam Textile Industries Ltd.	Subsidiary Company	Job Work Charges	
		Received	44.48
		Paid	18.43
First Winner Lifestyle Ltd.	Subsidiary Company	Corporate Guarantee given	3,354.43
First Winner Lifestyle Ltd.	Subsidiary Company	Job Work Charges	
		Received	215.55
		Paid	338.40

Consolidated Notes on Financial Statements for the Year ended 31st March 2013

27.14 Contingent Liabilities

Rupees in Lakhs

Particulars	31/03/2013	31/03/2012	31/03/2011
a) Bank Guarantees	124.54	124.54	118.71
b) Corporate Guarantees given to bankers on behalf on subsidiary company:			
Ramshyam Textile Industries Ltd.	6,360.95	5,190.47	1,836.00
First Winner Lifestyle Pvt. Ltd.	3,354.43	3,487.43	4,689.00

27.15 Additional information pursuant to the provision of paragraph 3,4C & 4D of PART II of SCHEDULE VI of the Company act 1956. (As prepared & Certified by the management, being technical matter relied upon by the Auditor.)

Particulars	Unit	31/03/2013	31/03/2012
A. Licensed Capacity	Meters in lacs	399.08	399.08
B. Installed Capacity	Meters in lacs	399.08	399.08
C. Actual Utilization of Capacity	Meters in lacs	201.49	275.06

27.16 The adoption of the Revised Schedule-VI does not impact recognition and measurement principles followed for preparation of Financial Statements and has no significant impact on the disclosures made in the Financial statement.

All Assets and Liabilities have been classified as Current or Non-Current as per the Company's normal operating cycles and other criteria set out in the Revised Schedule - VI to the Companies Act 1956, which is applicable from the Previous year ended 31st March 2012.

27.17 Further the Board confirms that all transactions in which supporting evidence are missing are genuinely occurred for the business. No personal expenses of the directors are debited to any accounts.

27.18 Previous Year Regrouping

Previous year 's figures have been regrouped / restated wherever necessary to confirm to current years' Classification as per the Revised Schedule-VI notified under The Companies Act, 1956 which is applicable from the Current year.

As per our Report of even date

For Praful M Joshi
Chartered Accountant
[FRN : 108056W]

For DESHMUKH & ASSOCIATES
Chartered Accountants
[FRN : 102375W]

For **First Winner Industries Limited**

Sd/-
Director

Sd/-
Director

Sd/-
[PRAFUL M JOSHI - Proprietor]
Membership No. 100/030276

Sd/-
[Deepen M Kapadia - Partner]
Membership No. 112565

Sd/-
Company Secretary

Place : Mumbai
Date : 30.05.2013

Place : Mumbai
Date : 30.05.2013



FIRST WINNER INDUSTRIES LIMITED

Registered Office: 605, Business Classic, Chincholi Bunder Road, Malad (West), Mumbai – 400064

PROXY FORM

I _____ of _____ in the district of _____
 _____ being member of the above named Company and holding _____ equity
 shares hereby appoint Shri _____ in the district of _____
 _____ as my proxy to vote for me on my behalf at the 11th Annual General Meeting of the Company to be held
 on Friday, the 27th September, 2013 at 11.00 a.m. or at any adjournment thereof.

Affix Revenue Stamp

Signature of the shareholder

Note:

- (1) This Proxy Form in order to be effective should be duly stamped, completed and signed and must be deposited at the Company's Registered Office not less than 48 hours before the Meeting,
- (2) Proxy form should be signed by all the joint shareholders.



FIRST WINNER INDUSTRIES LIMITED

Registered Office: 605, Business Classic, Chincholi Bunder Road, Malad (West), Mumbai – 400064

ATTENDANCE SLIP

Name and Address of the Member _____

Reg. Folio/ Client ID No. _____

I certify that I am a registered shareholder of the Company and hold _____ shares.

Please indicate whether Member/ Proxy _____

Member's/ Proxy Name in BLOCK Letters

Member's/ Proxy's Signature

NOTE: MEMBERS ATTENDING THE MEETING MUST FILL IN THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL.



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