



GROW ING FASH ION ABLY.

ANNUAL
REPORT
2014-15

KEWAL KIRAN CLOTHING LIMITED

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IT'S WHAT KEEPS US GOING. IT'S WHAT KEEPS US MOTIVATED. IT'S WHAT MAKES US LOOK GOOD. SO, IN A SENSE, GROWTH DEFINES WHO WE REALLY ARE, AND WHO WE WANT TO BE.

AT KKCL WE BELIEVE THAT OUR GROWTH HAS BEEN BECAUSE OF OUR ABILITY TO DELIVER ON OUR PROMISE OF CREATING A SOCIETY THAT IS FAMILIAR AND AT PAR WITH GLOBAL STYLES. IT IS BASED ON OUR ABILITY TO MAKE OUR CUSTOMERS FEEL GOOD AND LOOK GOOD ABOUT THEMSELVES, BY DELIVERING GLOBAL FASHION WITH BEST-IN-CLASS PRODUCTS AND OFFERINGS AT THEIR DOORSTEP.

BUT GROWTH IS ALSO ABOUT NOT RESTING. IT IS ABOUT EVOLVING AND RE-CREATING CONTINUOUSLY. HENCE, WE HAVE CONSISTENTLY INVESTED INTO OUR BUSINESS WITH THE RIGHT STRATEGIES, AND THE RIGHT RESEARCH TO REMAIN FASHION FORWARD AND RELEVANT. WE ARE ON COURSE TO ACHIEVE THE NEXT LEVEL OF GROWTH FOR OUR BRANDS, OUR ORGANISATION AND OUR PEOPLE. IN THE PROCESS, WE ARE ON COURSE TO DELIVER ENHANCED VALUE TO ALL OUR STAKEHOLDERS.

**AFTER ALL, GROWTH NEVER
GOES OUT OF FASHION.**



WE, AT KEWAL KIRAN CLOTHING LIMITED, HAVE EVOLVED INTO A YOUTH-CENTRIC, NATIONAL FASHION HOUSE OVER THE LAST 25 YEARS. WE ARE A POPULAR HOME-GROWN FASHION HOUSE THAT OFFERS MANY POPULAR BRANDS AND HAVE SUCCESSFULLY CARVED A NICHE FOR OURSELVES IN A RETAIL LANDSCAPE DOMINATED BY GLOBAL BRANDS.

The inception of the KKCL group dates back to the 1980s when there was no global denim brand in India. The brand's goal was to create unique best fits at the best prices. Since then, it has been a constant endeavour of the Company to bring value to a fashion conscious generation of customers in spite of the challenges in the economy like rising prices, slow growth and high interest rates.

At KKCL, we strive to think like our customers to be in sync with their aspirations and attitudes. We have a

finger on the pulse of society, enabling us to stay ahead of its preferences and create brands that are loved. Our team works together to across functional, geographical and hierarchical levels to achieve our business objectives of growth.

We are amongst the most preferred fashion brands in a market which is filled with the best of global brands. We are able to maintain our position as one of the largest branded apparel makers of the nation because of our ability to keep innovating and motivating ourselves to excel.



INTRODUCTION

OUR VISION

To be a world-class business organization which enables values, the best services and the enhancement of network to all the stakeholders

OUR MISSION

We will become a world-class business organization by:

- Driving excellence through our people, business partners and other stakeholders.
- Focusing on consumer satisfaction and executing a customer-centric business module.
- Adopting international standards and best practices across our operations.
- Focusing on core growth principles of Stability, Scalability and Sustainability.

OUR VALUES

ETHOS: We operate the business within our set framework of operating principles which exhibits our focus on ethical practices in our business operations.

PASSION & LONG TERM VISION:

We strive hard with passion to meet and set industry benchmarks in our systems and processes to ensure insightful experiences for our stakeholders. Our aim is to cultivate a culture where every stakeholder has a long-term vision and each and every member of our Company works in a cohesive manner to achieve it.

SEAMLESSNESS: We work together across functional, geographical and hierarchical levels to achieve our business objectives. We focus on openness, teamwork, shared responsibilities, and collaborative approach in our day-to-day functioning.

RESPECT & HUMILITY: Respect and humbleness are central to the way we communicate with our communities: stakeholders, employees, vendors, business partners, among others. We actively listen to and take suggestions from all members and make sure they play a crucial role in making key decisions and forming long-term goals.

GENEROUS THOUGHTS: We are accountable towards all our stakeholders. We are liberal and committed in giving back to the society. We always work together for the upliftment of the society as a whole.

THE APPAREL MAKERS

Being one of India's largest branded apparel manufacturers, KKCL deals in casual, formal and semi-formal western wear for men and women.

At KKCL, we are committed to providing our customers the best products at affordable prices while maintaining global standards in quality, technology, marketing and branding.

Our major iconic brands that customers love and swear by are Killer, LawmanPg3, Integriti and Easies. We design, manufacture and market jeans, casual wear, smart-formals, formals and accessories.

K-Lounge and Addictions are our Exclusive Brand Outlets as well as retail formats which operate in many cities in India and the Middle East.





STATE-OF-THE-ART MANUFACTURING PROCESSES

Our design and manufacturing facilities are located at Dadar (Mumbai), Goregaon (Mumbai), Vapi (Gujarat) and Daman (UT).

All our manufacturing processes are driven by innovation. We offer the latest designs as part of best-in-class offerings for our customers.

DEAR SHAREHOLDERS,

It is my pleasure and privilege to present the 24th Annual Report of the Company to all of you.

With total income surpassing Rs. 400 crores in FY 2014-15, the Company has crossed a milestone in its journey of growth. EBITDA increased to Rs. 96.51 crores and Profit after Tax stood at Rs. 66.25 crores despite deferment of accounting of other income. The Company continues to be debt free and the total amount in mutual fund investments and cash and cash equivalents stood at Rs. 214.32 crores. The total dividend for the year including interim and final dividend stands at Rs. 25/-per share. 'Killer' – the flagship brand achieved sales of Rs. 216 crores, decisively exceeding the Rs. 200 crores mark. There has been all round sales growth across

brands, products, geographies and channels. Retail footprint of the Company continues to grow with more than 300 stores including brand specific EBOs and K-Lounges across the country. The Company further augmented the Business Progressive Fund with an amount of Rs. 10 crores. This is a unique and pioneering initiative taken by the Company to create a dedicated reserve to counter sluggish market conditions and volatility in consumer sentiment.

'Change is the only constant' . . . these are just a few words but can make the difference between success to those who understand and follow it and failure to those who ignore it. And nowhere is this more relevant than the fashion industry, which has to not just

meet changing consumer expectations but also exceed them by constantly keeping ahead of the curve. Very few industries require companies to deliver its customers with new products every season as well as ensuring a great shopping experience at various touch points. This requires huge and continuous investments in product development, design, manufacturing, processing, quality and sourcing on one hand and distribution, supply chain, advertising and brand building on the other. Precisely for these reasons, in this industry only those companies can succeed, that have a long term, creative mindset along with the financial strength and discipline to build a sustainable and scalable business.

Within these challenges, lies the long-term growth opportunity in the fashion apparel industry, especially so in denims and casual wear, as it has as a strong and natural consumer pull because of its unique characteristics of offering a relaxed and refreshing experience. Comfortable, timeless easy going, cool, youthful, etc. – these are just some of the



THE COMPANY HAS OVER THE YEARS STRENGTHENED ALL THE CORE BUILDING BLOCKS OF THE BUSINESS- INNOVATION, CREATIVITY IN DESIGN, WORLD-CLASS MANUFACTURING, STATE-OF-THE-ART PROCESSING, STRINGENT IN-HOUSE QUALITY CHECKS, TACTICAL OUTSOURCING, DIVERSIFIED SELLING AND DISTRIBUTION ACROSS INDIA, PROFESSIONAL AND ETHICAL WORK CULTURE, HIGH CORPORATE GOVERNANCE STANDARDS, FINANCIAL STRENGTH, A ROBUST BALANCE SHEET AND MOST IMPORTANTLY, STRONG BRANDS THAT STRADDLE KEY MARKET SEGMENTS.

ways consumers relate to jeans. The versatility of denim and its ability to connect with all people has ensured that jeans is truly a democratic product and are a staple in wardrobes across the world irrespective of culture, race or religion. And therein lies the true potential of this industry and a well-established player like Kewal Kiran Clothing Limited

The new Central Government has introduced a slew of reforms that are progressive and inclusive. Some of these are like bitter pills to be swallowed upfront but result in a healthier and more sustainable recovery. With subdued inflation, the RBI has also taken steps to lower interest rates and is judiciously supporting recovery initiatives. A pick up in the capital and investment cycle will further boost sentiment and improve vibrancy in the market.

During the year, there is one question that has been asked continuously and that is – What will be the impact of e-commerce? Every new channel that

has emerged over the last decade has helped in growing the market and enhancing penetration of organized retail. It was not long ago when the entry of organized large format retailing met with reactions forecasting doom for smaller, unorganized players. There was a rapid rise in the number of malls and retail footprint across the country but this was followed by a phase of consolidation. Today, the balance retailing ecosystem continues to exist and grow and malls have become one more channel for engaging with consumers. Similarly, e-commerce will emerge as an additional channel available for brands and will co-exist with other channels. This channel is an added platform for the Company and provides an opportunity for our brands to gain visibility and sales. Sales through e-commerce stood at Rs. 8 crores showing good growth of more than ten times over the previous year.

The Company has over the years strengthened all the core building blocks of the business i.e. innovation, creativity

in design, world-class manufacturing, state-of-the-art processing, stringent in-house quality checks, tactical outsourcing, diversified selling and distribution across India, professional and ethical work culture, high corporate governance standards, financial strength, a robust balance sheet and most importantly, strong brands that straddle key market segments. Indian consumers are already highly fashion conscious and as the Indian demographic evolves along with higher affordability there is potential for volume and value growth.

I would like to extend my gratitude to all my distinguished fellow board members for their guidance and to all the stakeholders for the valuable trust they have reposed in the Company and seek their continued support as we scale greater heights.

With best wishes,

KEWALCHAND P. JAIN
CHAIRMAN & MANAGING DIRECTOR

IN THE EVER
CHANGING WORLD
OF FASHION,
BEING AHEAD OF
TRENDS IS AN
IMPERATIVE.

MARKET LEADERSHIP

At KKCL, we work in close partnership with global and local design, sourcing and production teams to ensure that we are preparing for every ensuing season with market-leading looks and styles that appeal. Embracing the rapidly transforming style environment thus comes naturally to us. This is key to our sustained leadership, and by extension, of our value creation abilities.

Our forward and backward-integrated facilities help produce superior and specialized denim styles with quick production turnarounds to create an agile denim supply chain. KKCL has an exclusive team of designers in-house, who possess strong designing expertise and the ability to deliver on the latest emerging trends. This helps us achieve style and production leadership.

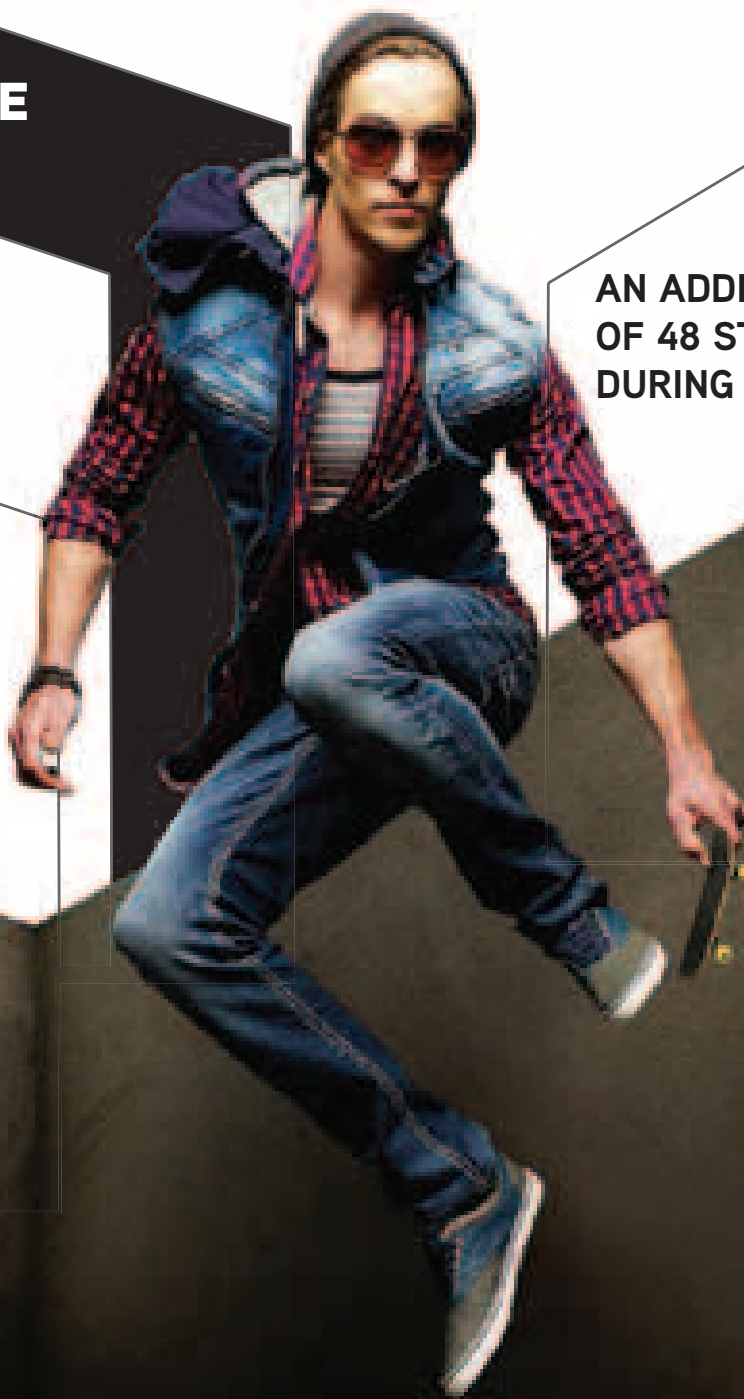
Our powerful brands have timeless appeal and are yet in sync with the latest trends. Designs are selected to meet the desires of the discerning, modern shopper. We have been able to anticipate the needs of today's shopper and consequently introduced brands that have managed to carve a niche ahead of competition and global names. With our operational excellence and fashion forward designs, our brands possess the potential to create growth opportunities.

THE OUTCOME

**TOTAL INCOME
CROSSED
₹400 CRORES**

**INCREASE IN
REALIZATION
PER UNIT THAT
INCREASED BY
3.77% TO ₹ 915
PER UNIT**

**AN ADDITION
OF 48 STORES
DURING THE YEAR**



AS WE EMBRACE THE FAST-CHANGING TASTES OF CUSTOMERS, OUR ABILITY TO BE NIMBLE AND FLEXIBLE ENABLES US TO STAY AHEAD OF THE CURVE.

RESEARCH & DEVELOPMENT





A constant commitment to innovation, a key factor for development, has always characterised KKCL's business.

At KKCL, we have a dedicated in-house R&D team that leverages in-depth market research and global fashion insights to turn trend-setting ideas and concepts into production-ready denims. Our design approach is based on the pulse of consumer trends. This helps us to channelize our product development efforts towards consumer preferences. Our team adopts a collaborative approach, to ensure a confluence of ideas from all quarters and the delivery of innovative solutions.

We understand the global fashion market and the cultural sensitivities of its various segments, which enables us to cater to the specific needs of diverse global audiences. We infuse innovation across all aspects of denim design parameters such as colour, texture, flexibility, rigidity, etc. With close collaboration between the front end and back end, our design teams envision fresh ways to make specialized, sustainable, responsible and trend-setting denim products.

MEANINGFUL GROWTH IS ABOUT CREATING HIGHER VALUE EACH YEAR. THEREFORE, PROFITABILITY AND PROFITS ARE IMPORTANT COMPONENTS OF ANY GROWTH STORY. AT KKCL, PROFITABILITY IS AT THE HEART OF BUILDING AN ORGANISATION THAT IS GROWING FASHIONABLY.

**GRO
WING
PRO
FIT
ABLY**



KKCL has always focused on continuous and profitable growth through a sustained focus on remaining competitive, consolidating our leadership and farming new markets. It has careful store expansion strategies in place to ensure healthy profitability indicators from each store.

We hold a strong position to benefit from its extensive presence. We are present in metros, mini-metros and large towns through company/franchisee owned stores, retailers and distributors and enjoy a first-mover advantage in Tier II and Tier III cities. We also have presence in lesser known regions. We continue to focus on achieving growth through an asset light model.

During the year, the Company opened 48 new stores taking the total operational stores count to 316 with presence in 192 cities across 25 states in India.

K-LOUNGE	174
KILLER EBO	75
LAWMAN PG3 EBO	15
INTEGRITI EBO	48
LAWMAN PG3 + INTEGRITI EBO	1
EASIES EBO	1
FACTORY OUTLET	2

IT IS NOT JUST
STYLES AND
TRENDS THAT ARE
CONSISTENTLY
EVOLVING. RETAILING
FORMATS AND
PRACTICES ARE
ALSO UNDERGOING
A REVOLUTIONARY
CHANGE.

ONLINE RETAIL





ONLINE RETAIL CONTRIBUTED 2% OF SALES IN 2014-15

At KKCL we believe that in order to be successful, we have to engage with all customers, and be present across all platforms, be it physical or online retail!

Online fashion is emerging as the fastest growing category in India's booming e-commerce market, backed by strong technology. This is a dextrous, versatile industry. It is growing at a rapid rate, leading experts to believe, that by 2020, India is expected to generate \$100 billion of revenue in online retail, out of which, as much as \$35 billion will come from fashion e-commerce.

With better brands, deals and discounts, all price categories and trial-and-return policy, the future looks bright in the online e-commerce fashion market. This is coupled with a huge demand for trendy clothes and fashion accessories that will continue to fuel this segment.

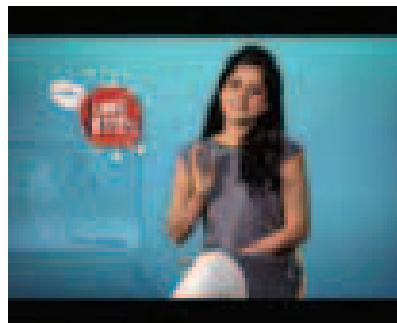
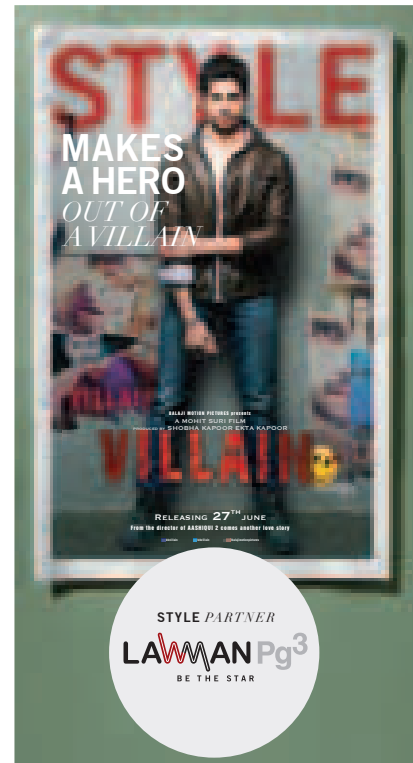
KKCL aspires to participate in this opportunity as well as to make its products available through all channels for customers to access them. We have enhanced our presence through the e-commerce route with sales increasing 10 folds from less than a crore to Rs. 7.98 crores and contributing to 2% of sales in 2014-15. Going forward, we foresee the online retail channel to grow aggressively.



SPREADING THE WORD

THE COMPANY HAS SUCCESSFULLY BUILT ICONIC BRANDS OF INTERNATIONAL STATURE FOR BOTH, THE MASSES AND THE CLASSES, BASED ON ITS MOTTO, 'THINK GLOBAL, ACT LOCAL'. THE COMPANY HAS ALWAYS SPREAD AWARENESS

BY ENGAGING IN VARIOUS PRESTIGIOUS BRANDING ACTIVITIES.



KILLER

The brand was the 'Title Sponsor' for MTV's popular show Splits Villa-7. It was also the Official Sponsor of Cricket Champions League T20 Tournament, 2014. Killer's renowned 'Water Saver' Ad was continued airing on the MTV. Killer was also the Official Sponsor for the fashion event 'The Lakme Fashion Week Summer Resort 2015 Show'.

LAWMAN PG3

The brand sponsored various programmes like 'Britain's Got Talent' on the Youth Music Channel VH1, VH1 Hip Hop Hustle, VH1 Dance 101 and Love Bytes on KappaTV - the only Youth Music Channel in Kerala. It was also the co-presenter of the Box Cricket League- December 2014 show. During the year, the brand also tied up with Balaji Motion Pictures for co-promotions of the feature film 'Ek Villain'. A new LawmanPg3 TVC was also launched on Sony Entertainment Television.

INTEGRITI

The brand was the Main Sponsor of Music Mojo (similar to Coke Studio on MTV) on KappaTV and has been the principal sponsor of the Rajasthan Royals during the IPL season 2014.

The Company enjoys an experience of more than two decades in India's branded apparel sector.

EXPERIENCE

The Company's diversified product base addresses the requirements of customers; comprising its wide gamut of casual, formal and semi formal product range.

DIVERSIFIED PRODUCT BASE

The Company periodically updates products to address emerging customer requirements. We exercise the highest levels of professionalism in our work and relationships and are committed to continuous improvement in our pursuit of excellence.

CLIENT FOCUS

We possess product quality and environmental certifications, vindicating the value of our brand. The Company's products are benchmarked against high-class quality levels and all our manufacturing units are certified ISO 9001:2008 and the Vapi unit is additionally certified ISO 14001:2004

QUALITY

CORE STRENGTHS



We use state-of-the-art technologies in jeans manufacturing processes. Our core competence in the manufacturing process, driven by innovation, helps us offer the best products to our customers.

MANUFACTURING FACILITIES

At KKCL, our wide network of distribution channels helps us remain in touch with our diverse and expanding customer base. This network also keeps us abreast of their changing requirements.

STRONG DISTRIBUTION NETWORK

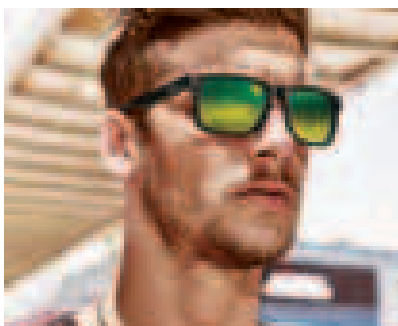
The Company invests in environment-friendly manufacturing techniques to produce consumer friendly apparel.

ENVIRONMENT FRIENDLY

WE, AT KKCL, HAVE A STRONG CONSIDERATION FOR THE DESIRE OF OUR CUSTOMERS. ALL BRANDS HAVE BEEN CAREFULLY CRAFTED KEEPING IN MIND, THE DESIRES AND ATTITUDES OF SPECIFIC MARKET SEGMENTS. EACH BRAND IS AN EXPRESSION OF THE CUSTOMER, IT CATERS TO.

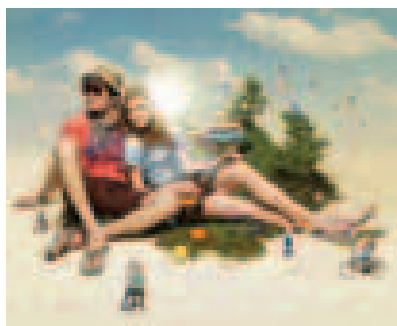
BR
AND
POWER





KILLER>K

Our flagship brand, Killer has changed the face of Indian denims. A brand with a powerful international feel and a unique style quotient, it is trendy, vibrant and dynamic – much like today's youth.



LAWMAN Pg3

Fashionable to the core, Lawman Pg3 delivers great designs that appeal to a diverse range of consumers.



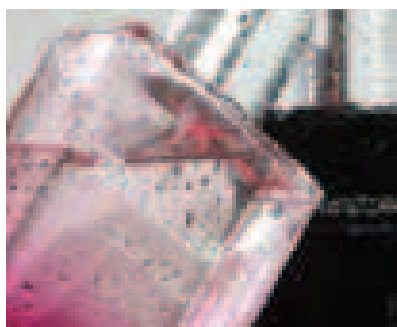
Integrati

Stylish, superior quality, yet an affordable brand that offers casuals as well as formal wear for the masses.



easies

Easies is a fashionable yet functional brand, offering a semi-formal range for those who are young at heart.



ADDICTIONS

Addictions offers a wide range of accessories that caters to a diverse customer base.



K-LOUNGE

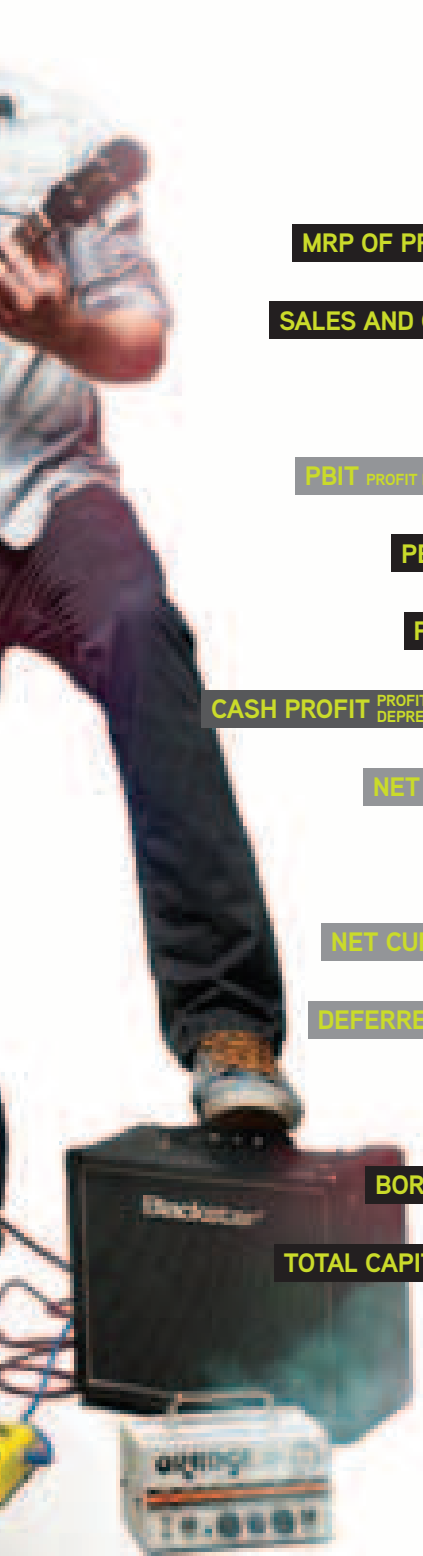
K-Lounge stores provide a direct-sales distribution channel for all our brands under one roof, enhancing customer pull.

SUS TAIN ABLE PERF ORM ANCE



FIVE YEAR FINANCIAL HIGHLIGHTS

₹ IN LAKHS



MRP OF PRODUCTS SOLD	46,325	58,086	57,700	68,579	77,260
SALES AND OTHER INCOME	24,496	31,368	31,516	37,839	41,630
EBITDA	6,869	7,336	7,366	9,340	9,651
PBIT PROFIT BEFORE INTEREST & TAX	7,132	7,891	7,989	10,008	10,075
PBT PROFIT BEFORE TAX	6,926	7,632	7,727	9,712	9,809
PAT PROFIT AFTER TAX	4,623	5,214	5,342	6,702	6,625
CASH PROFIT PROFITS AFTER CURRENT TAX + DEPRECIATION + AMORTISATION	5,196	5,837	5,935	7,217	6,998
NET FIXED ASSETS	4,272	4,432	4,425	4,267	5,821
INVESTMENTS	2,685	5,264	15,905	19,112	20,946
NET CURRENT ASSETS	13,212	14,175	6,262	6,691	6,231
DEFERRED TAX ASSETS	164	173	203	178	118
NETWORTH	19,776	22,555	25,386	29,060	31,981
BORROWED FUNDS	557	1,489	1,409	1,188	1,135
TOTAL CAPITAL EMPLOYED	20,333	24,044	26,795	30,248	33,116

PERFORMANCE IN PERSPECTIVE

	MRP OF PRODUCTS SOLD ₹ IN LAKHS	MARKET CAPITALIZATION ₹ IN LAKHS
2014-15	77260.27	262,005.64
2013-14	68,579.27	14,2354.18
2012-13	57700.12	89,375.01
2011-12	58086.32	80,735.15
2010-11	46324.64	67,756.89

KEY PERFORMANCE INDICATORS

	NETWORTH ₹ IN LAKHS	CASH & LIQUID INVESTMENTS ₹ IN LAKHS
2014-15	31980.55	7943.14
2013-14	29,060.35	19,663.14
2012-13	25,385.72	17,810.20
2011-12	22,554.58	13,703.32
2010-11	19,775.66	11,304.39

OPERATIONS IN PERSPECTIVE

	APPARELS VOLUME IN LAKHS	REALISATION PER GARMENT ₹
2014-15	42.2	915
2013-14	39.7	882
2012-13	35.8	806
2011-12	37.5	748
2010-11	33.6	690

KEY RATIOS

	FIXED ASSETS TURNOVER RATIO	RETURN ON CAPITAL EMPLOYED
		%
2014-15	8.03	31.80
2013-14	8.37	35.09
2012-13	6.79	31.43
2011-12	6.81	35.56
2010-11	5.84	36.18

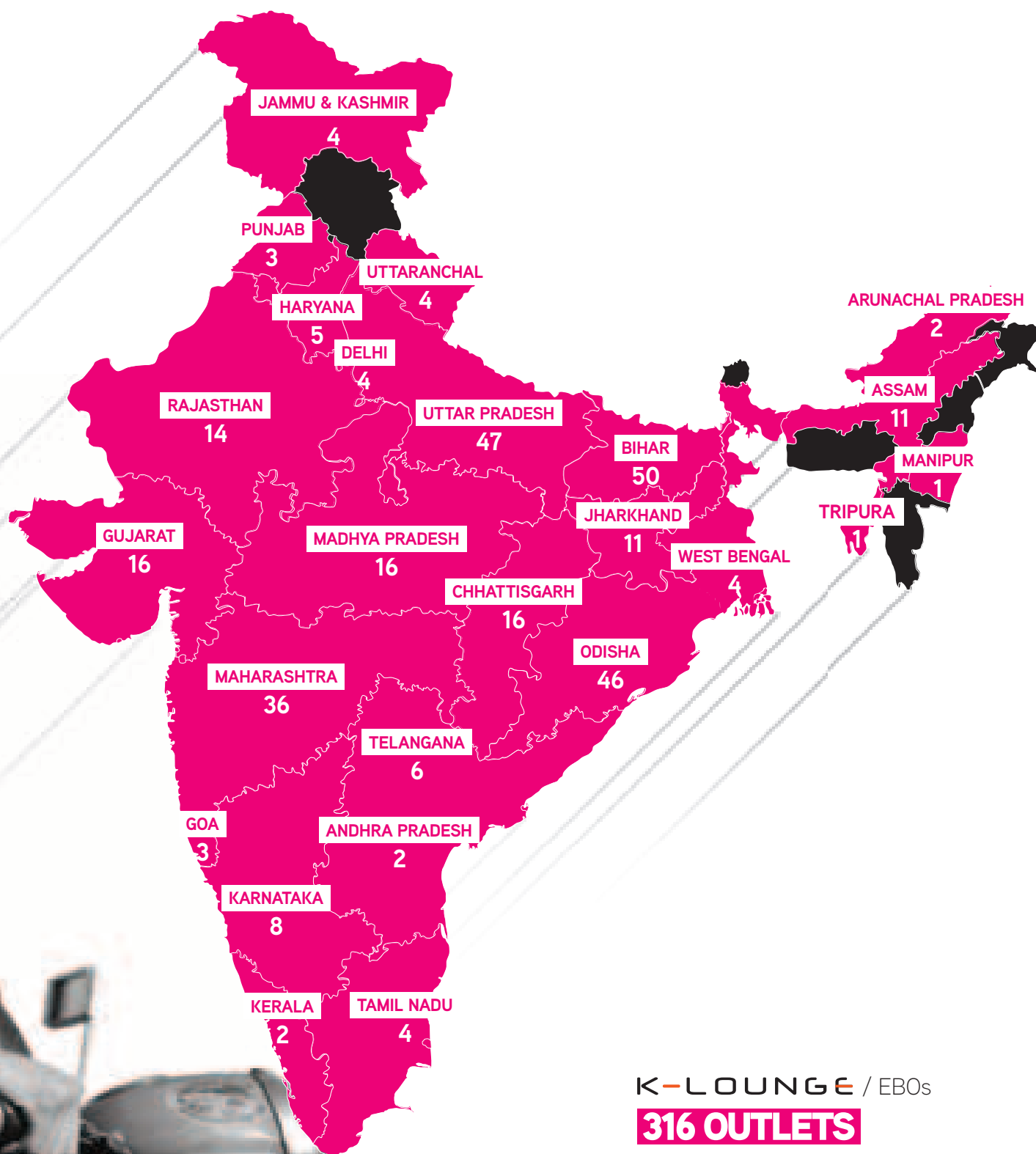
	ROCE IN OPERATIONS	RETURN ON NET WORTH
	%	%
2014-15	85.97	21.7
2013-14	92.94	24.62
2012-13	71.78	22.28
2011-12	76.43	24.31
2010-11	82.86	24.42

	DIVIDEND PER SHARE	EARNINGS PER SHARE
	₹	₹
2014-15	25.00	53.75
2013-14	21.00	54.38
2012-13	17.50	43.34
2011-12	17.00	42.30
2010-11	16.50	37.51

	DISTRIBUTION OF VALUE ADDED		
	₹ IN LAKHS		
2014-15	4531.31	4650.30	6146.07
2013-14	3825.90	4256.86	6416.10
2012-13	3407.52	4708.28	5134.89
2011-12	2923.63	5406.97	4983.00
2010-11	2577.54	2835.33	4385.97
	EMPLOYEE WELFARE	EXCHEQUER	PROVIDERS OF CAPITAL

WE HAVE A NATIONWIDE PRESENCE
WITH A WELL-ENTRENCHED
DISTRIBUTION NETWORK THAT HAS
REACHED CUSTOMERS THROUGH
VARIOUS FORMATS.





K-LOUNGE / EBOs

316 OUTLETS

We are present in 25 states and more than 192 towns and cities in India through multiple channels that touch lakhs of customers.





INTELLECTUAL CAPITAL AND HUMAN ASSETS ARE THE TWO MOST IMPORTANT DRIVERS OF ANY BUSINESS. AT KKCL, OUR BUSINESS IS BASED ON THE UNDERSTANDING OF HUMAN ASPIRATIONS AND PREFERENCES. WE BRING THIS TO BEAR NOT JUST IN THE WAY WE TREAT OUR CUSTOMERS, BUT ALSO OUR PEOPLE.

The Management firmly believes that the Company's employees are its most important asset, one that gives us a competitive edge. The financial year 2014-15 was characterized by streamlining HR practices in contexts of best-in-class corporate practices, learning and development initiatives and enhancing individual and organizational capabilities for future readiness.

We completely understand that encouraging the adoption of best corporate HR practices is the need of the hour to succeed in today's business environment. Therefore, our HR division proactively keeps on reviewing employee welfare initiatives, existing policies and systems, with an objective to identify areas of improvement to enhance the employee's effectiveness in the organization.

REINFORCEMENT OF COMPANY'S VALUES AND BELIEFS

The philosophy of founders and architects of the Company has been reinforced through the facets of five Values and Beliefs (VB), namely Ethos, Passion & Long Term Vision, Seamlessness, Respect & Humility and Generous Thought.

The HR department has taken a focused and persistent effort in promoting conducive work culture, aligned with these Values and Beliefs for carrying out business operations effectively.

PUTTING PEOPLE FIRST

Our management practice of 'putting people first' propagates an employee-oriented work culture for employees who are channelized to take ownership of their respective roles and responsibilities within the organization. We strive hard to create seamless working conditions where our employees feel empowered, well connected and render values to each others' opinions.

The management is focused on developing a culture based on mutual trust where employees have confidence in the systems and procedures, feel pride in the work they do and enjoy the company of people they work with.



'MOST ELIGIBLE BACHELOR OF KKCL' - The contest was organized on the eve of the 'Retail Employees Day' wherein the Company's young employees promoted its brands.



'TRADITIONAL DAY CONTEST' - The 'Traditional Day Contest' was held on the occasion of 'Raksha Bandhan' where the HR department recognised the best traditionally dressed employees



TEAM BUILDING TRAINING PROGRAM - A 'Team Building' activity was organised at one of the training sessions at the Corporate Head Office

BLISSFUL ATMOSPHERE

It is rightly said that 'happy employees lead to happy customers'.

We exercise passion in pressing circumstances to keep an edge over our competitors. Therefore, in order to maintain work-life balance, we regularly organize employee-engagement activities which act as stress busters and create a blissful atmosphere at the workplace.

Various employee engagement initiatives like the 'Best Buddy Contest', 'Fusion Holi', 'Traditional Day', were organized to promote team spirit and intradepartmental cohesiveness in order to build a borderless team and unity among members. On the eve of 'Retail Employee Day' (12 December), an entertaining contest 'Most Eligible Bachelor of KKCL' was organised to encourage employees to become the ambassadors of the Company's brands.

LEARNING AND DEVELOPMENT

Learning and development is an integral part of the Company's corporate policy for the development of all employees and to build the best talent and leadership tank to meet business requirements.

We firmly believe in organized efforts and investment in the learning and development of employees which enables them to deliver their best at work. Accordingly, the HR department in collaboration with the TRRAIN foundation and other renowned training consultants has organized several training sessions on Personal Effectiveness, Global Etiquettes, and Effective Communication modules for all levels of employees across all locations.

The Company has also initiated 'Leadership Transformation' and 'Brand Image Building' modules for key senior employees to help steer the culture of the organisation in the right direction and align it to business strategies.

REWARDING LONG TERM LOYALTY

The Management has recognized and rewarded employees across all locations who have served the Company for more than 25 years, showing their unflinching long term loyalty and valuably contributing to the growth of the Company.

The Company considers its employees to be the enablers of its growth and success. We believe our appreciation for our employees goes a long way in creating a sense of ownership and enhancing levels of motivation.

REWARDS AND RECOGNITIONS

Our Reward & Recognition programmes aim at gaining competitive advantage by creating a culture of performance where everyone strives to deliver the best. These programmes are not just limited to our employees. We recognise everyone who has made an extraordinary contribution to the success and growth of our Company.

We have appreciated our customer sales associates for their outstanding performance of sales at our Company's flagship store at Dadar. We have also felicitated our 25 esteemed business partners with 'Platinum Club Awards' for their outstanding and valuable contribution to sales in the retail business.

WOMEN EMPOWERMENT

The Company ensures gender sensitisation at the work place and provides an exemplary safe and cordial work environment for women.

The management's strong inclination towards women empowerment is reflected in our HR policies. For instance, whenever any women employee feels unsafe while on an official business assignment, she is allowed to opt for any mode of travel or hotel stay until she feels herself safe, without any ceiling on her tour entitlements.



LONG TERM SERVICE AWARDS - Employees were rewarded by the management for exhibiting long term loyalty towards the organization



A NOTE OF APPRECIATION - CSA's at Dadar K-lounge were appreciated for their outstanding performance



PLATINUM CLUB AWARDS - Our esteemed business partners were honored with 'Platinum Club Awards' for their valuable business contribution

GROWING FASHIONABLY

In order to combat any hostile situation the women employees are trained by a martial arts trainer to defend themselves effectively. The management promotes and recognises all women employees who demonstrate extraordinary courage in self-defence and presence of mind in any hostile situation.

HUMAN RESOURCE ACCOUNTING

We are in the process of identifying and reporting investments made in the human resources of an organization that are presently unaccounted in conventional accounting practices. Accordingly, we add values and competencies to the employees' market standing by developing their skill sets after devising the an Individual Development Plan (IDP) and a structured succession planning road map.

CONCLUSION

Human Resource is the pivotal element which shall accelerate growth and take the Company to the next level in today's competitive market.

Today the HR department is no longer an enabler instead it is a key player in charting the business strategy and the Company's priorities and preparing the organization for change.

The HR division is completely aligned to business strategies and sets context for the culture of the organisation.

The Company is fostering a culture of performance where every employee shall have a challenging role, opportunities, and a rewarding career.



SELF DEFENCE TRAINING - Self defence training was organized in association with a martial arts trainer for women employees



BRAVERY AWARD - Women employees were awarded with 'Bravery Award' by the Head HR for exhibiting extraordinary courage in safeguarding women's safety

AWARDS

EXCELLENCE IN FINANCIAL REPORTING - KKCL was awarded the prestigious 'Silver Shield Award' by The Institute of Chartered Accountants of India for excellence in financial reporting for FY 2013-14. The award was received by Mr. Yogesh A. Thar, Independent Director (4th from the right) and Mr. S.L. Kothari, Chief Financial Officer (2nd from the right) on behalf of KKCL.



BOARD OF DIRECT ORS



MR. KEWALCHAND P. JAIN

CHAIRMAN AND MANAGING DIRECTOR

**MR. HEMANT P. JAIN**

WHOLE-TIME DIRECTOR

**MR. DINESH P. JAIN**

WHOLE-TIME DIRECTOR

**ACHIEVEMENTS AND CONTRIBUTION**

- Spearheaded the group's foray into the branded apparel business
- A keen student of finance and a hands-on manager, he heads the finance functions and is responsible for the overall management of the Company's affairs

OTHER POSTS

- Trustee of Jatnobai Karmchandji Ratanparia Chauhan Charitable Trust

ACHIEVEMENTS AND CONTRIBUTION

- Leads the Company's marketing functions
- Was instrumental in launching the Company's new brands
- Being an avid traveller and field person, he keeps a keen eye on the latest trends in international fashion
- Responsible for marketing of Killer and Easies brands
- Looks after the Company's retail business

OTHER POSTS

- Trustee of Jatnobai Karmchandji Ratanparia Chauhan Charitable Trust

ACHIEVEMENTS AND CONTRIBUTION

- Joined the business in 1990
- Heads the Company's manufacturing operations
- Specialises in production and HR-related issues
- Responsible for ensuring optimum utilisation of the Company's production facilities at its units at Dadar, Goregaon, Daman and Vapi

OTHER POSTS

- Trustee of Jatnobai Karmchandji Ratanparia Chauhan Charitable Trust
- Advisor of Daman Industries Association

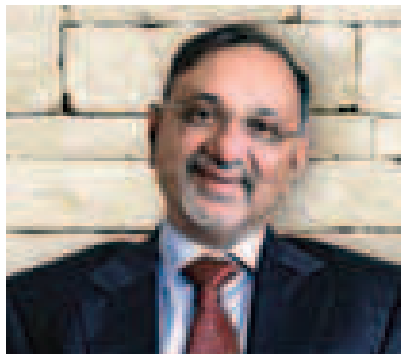
MR. VIKAS P. JAIN

WHOLE-TIME DIRECTOR



DR. PRAKASH A. MODY

INDEPENDENT DIRECTOR



MR. NIMISH G. PANDYA

INDEPENDENT DIRECTOR



ACHIEVEMENTS AND CONTRIBUTION

- Joined the group in 1992
- Heads the Company's operations and distribution functions
- Responsible for marketing of Lawman and Integriti brands
- Looks after the Company's retail business
- Spearheads the lifestyle accessories business under the brand 'Addictions'
- Travels extensively and scouts for new technologies in garment manufacturing

OTHER POSTS

- Trustee of Jatnobai Karmchandji Ratanparia Chauhan Charitable Trust

ACHIEVEMENTS AND CONTRIBUTION

- Doctorate (Ph.D.) in Organic Chemistry from the University of Mumbai
- Pursued Marketing Management from Jamnalal Bajaj Institute of Management Studies, University of Mumbai
- A Graduate Alumni of the Harvard Business School having undergone the Owner Presidents' Management Programme

EXPERIENCE

- Rich experience in Marketing, Research and Production

OTHER POSTS

- Chairman and Managing Director of Unichem Laboratories Limited.
- Member of National Committee on Drugs & Pharmaceuticals of the Confederation of Indian Industry
- Ex-president of the Indian Pharmaceutical Alliance
- Ex-Member of Executive Committee of Indian Manufacturer Association (IMA)

ACHIEVEMENTS AND CONTRIBUTION

- Bachelor's Degree in Law from the University of Mumbai
- Member of the Bar Council of Maharashtra and was appointed as a Notary Public by the Government of Maharashtra in 1993

EXPERIENCE

- Specialises in Mergers and Acquisitions, Litigation and Arbitration, Trusts and Charities, Corporate, Commercial and Financial Planning and Execution, including Transaction Support and Contracts, Intellectual Property, Technology, Media and Communications, Competition and Trade, Conveyancing and Real Estates and Family and Personal Law

OTHER POSTS

- Proprietor at Pandya and Co., Advocates and Notary
- Trustee of Shree Sathya Sai Trust, Maharashtra
- Vice President of Shree Satya Sai Seva Organisation, India

C.A. MR. YOGESH A. THAR
INDEPENDENT DIRECTOR



C.A MS. DRUSHTI R. DESAI
INDEPENDENT DIRECTOR#



ACHIEVEMENTS AND CONTRIBUTION

- Member of the Institute of Chartered Accountants of India

EXPERIENCE

- Over 29 years of experience in Business Mergers, Acquisitions and Restructuring, Business Valuations, Corporate Taxation and Taxation of Non-resident Citizens and Foreign Companies

OTHER POSTS

- Senior Partner in Bansil S. Mehta & Co., a reputed Chartered Accountancy firm in Mumbai
- Member of the Taxation Committee of the Bombay Chartered Accountants' Society
- Member of the Direct Tax Committee of the Chamber of Tax Consultants
- Member of the Management Committee of Income Tax Tribunal Bar Association, Mumbai

ACHIEVEMENTS AND CONTRIBUTION

- Member of the Institute of Chartered Accountants of India

EXPERIENCE

- Over 17 years of experience in Valuation of Shares, Businesses and Intangibles, Advisory Services on Schemes relating to Mergers, Acquisitions, Spin-offs and other forms of Corporate Restructuring and Family Settlements, Financial and Management Advice, Corporate and Individual Taxation (Income-tax, Wealth-tax, Gift-tax)

OTHER POSTS

- Partner in Bansil S. Mehta & Co., a reputed Chartered Accountancy firm in Mumbai

Ms. Drushti R. Desai was appointed as an Additional Director w.e.f. July 23, 2014



MANAGEMENT DISCUSSION AND ANALYSIS

KEY PERFORMANCE INDICATORS:

- Total income from operations surpassed ₹ 400 crores and touched ₹ 408.32 crores, representing growth of 11.39% over ₹ 366.57 crores achieved in the previous year
- EBITDA grew by 3.33% to ₹ 96.51 crores representing an EBITDA margin of 23.63%
- Profit after Tax stood at ₹ 66.25 crores comparable to similar levels as last year, despite deferment of other income due to investments in mutual funds with longer term horizon
- Other Income was lower by 32.49% from ₹ 11.82 crores to ₹ 7.98 crores
- Total dividend payout of ₹ 25 per share (including interim and final dividend) compared to ₹ 21 per share in previous year
- Strong liquidity and cash position with ₹ 214.32 crores in mutual fund investments and cash and cash equivalents

ECONOMIC AND INDUSTRY OVERVIEW

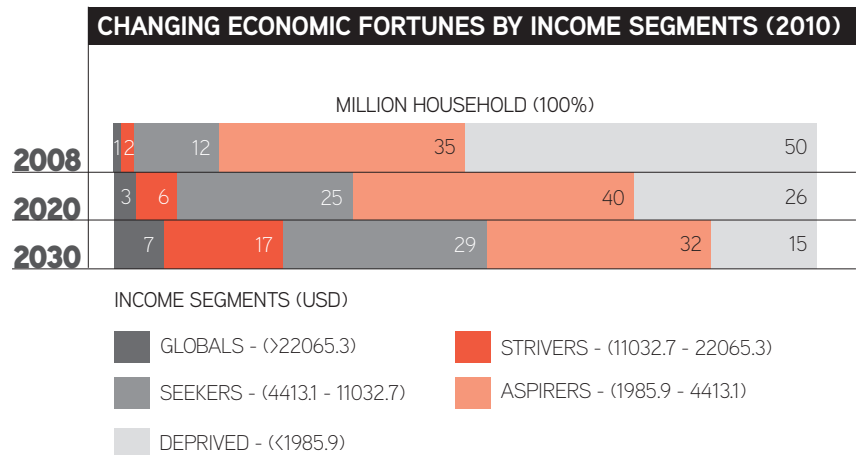
Economy: The BRIC countries, which were once considered amongst

the fastest growing emerging markets, saw a wide divergence as growth faltered, currencies dipped and investment flows stalled. The Indian economy, which also faced several macro challenges, witnessed favorable developments with easing inflation due to sharp dip in oil prices providing direction towards lowering of interest rates. The GDP growth rate is estimated at 7.5% and various initiatives are being taken to remove growth hurdles and attract capital. The new government's "Make in India" campaign is an example of positive governmental reforms. This campaign is aimed at facilitating investments, enhance skill development and build world-class manufacturing infrastructure. These initiatives have helped in restoring business confidence and promote growth.

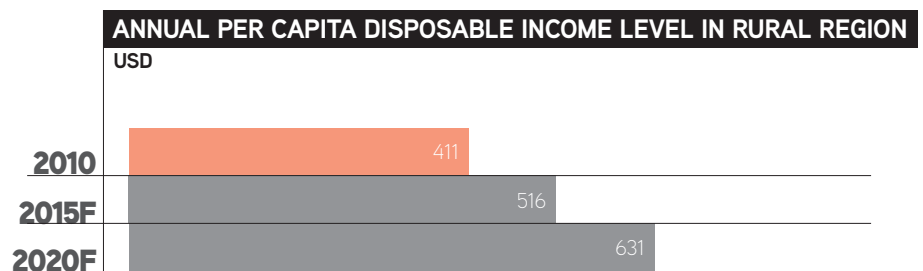
Industry: The genesis of the apparel industry is linked to basic human needs to food, shelter and "clothing". The clothing or apparel market has evolved from catering to a basic physical human need to fulfilling a much wider, emotional and personal aspect of human life. Globally, India has the second largest textile and apparel manufacturing capacity. The sector contributes 14% to industrial production, 4% to India's GDP and constitutes 13% of the country's export earnings. The domestic textile and



apparel industry in India is estimated to reach USD 100 billion in 2017 from USD 67 billion in 2014 while exports are estimated to reach USD 65 billion from USD 40 billion during the same period. India's evolving demographic profile of increasing aspirers, seekers and strivers, changing lifestyle and increasing demand for quality products are set to fuel demand for apparel from USD 65 billion in 2011 to USD 122 billion in FY2017. [source: IBEF presentation, March 2015]



Total Rural income which is currently at ~ USD 572 billion is projected to reach USD 1.8 trillion by FY2021. Annual per capital disposable income in Rural India is expected to increase from USD 411 in 2010 to USD 516 in 2015 and USD 631 in 2020. As income levels are rising, there is a clear uptrend in the share of non-food expenditure in rural India. [source: IBEF presentation, March 2015]



Retail:

Consumer expenditure is estimated to be USD 977 billion in 2010 and touch USD 3.6 trillion by 2020. Retail market in India is estimated to reach USD 1.3 trillion in 2020 from USD 490 billion in 2013 showing a CAGR of 15%. Apparel is the largest contributor in retail in the non-food category and apparel penetration is expected to

have increased to 30-35% by 2015. Though India has the largest number of retail outlets in the world at over 13 million outlets in 2014, the per capita retail space is amongst the lowest thus providing potential for growth of share organized retail from 8% in 2013 to 24% in 2020.

The online retail market is estimated

to touch USD 22 billion by FY 2018 and account for 15% of organized retail. Apparel and accessories are the second largest segment in online retail after computer and consumer electronics. With increasing internet and smartphone users this channel is likely to witness strong growth with aggressive marketing and promotions by retailers.

Organised Retail Penetration (ORP) and key trends across categories

Retail Category	Category share as a % of total market	ORP (%)	Approx. Gross Margin (%)	Key Trends
Food and Beverage	69-70	2-3	3-14	Large market and low ORP presents robust opportunities
Clothing and textile	11-13	17-20	35-50	High margins, increased preference for branded apparel
Consumer durables	4-5	15-20	10-20	Wide range of price points and good-after sales service are key differentiators
Home décor and furnishing	3	5-6	40-50	Housing boom and increasing aspiration levels are driving demand
Beauty, personal care	8-11	6-10	20-40	Growth driven by new product launches, consumers' aspirations and expansion plans of organised players
Footwear	2	16-17	25-35	Lifestyle brands are increasing their product offerings and formats
Others	3-4	9-30	10-15	Pharmacy retail, stationery retailers, etc.

The domestic apparel markets is estimated at approximately ₹ 1,25,000 crores with share of branded apparel at approximately 40% which would have been around 25% about a decade ago. This coupled with strong growth drivers like rising per capita income, favourable demographics and shift in preference for branded products is expected to boost demand. Due to this Apparel sales are expected to grow at a CAGR of 10-15 per cent over the next 5 years, much faster than the 6-7 per cent annual growth in the overall market. Consequently, by 2017, branded apparels are expected to account for over 50 per cent of the domestic

apparels market. Among domestic apparel the casual wear segment (i.e. Jeans and T-Shirts) is estimated at approximately ₹ 15,000 crores. The formal wear market has achieved high level of penetration while casual jeans and t-shirts have medium and low penetration respectively.

Particulars	Size (₹ in crores)	Share of branded apparels
Domestic apparels market	1,25,000	40%
Category-wise		
Women's traditional wear	34,200	Low
Men's formal wear	31,900	High
Kid's wear	10,100	Low
Casuals – Jeans	8,600	Medium
Casual – T Shirts	6,400	Low
Women's western wear	2,100	High

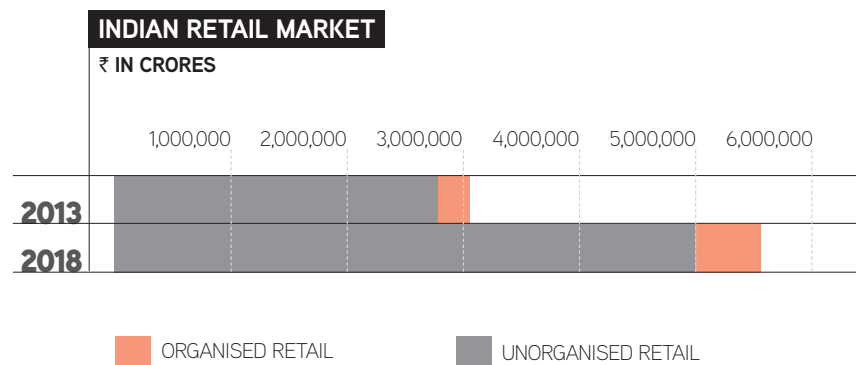
Source: CRISIL Research

Note: Market size is estimated size in 2012; Category-wise share of branded apparel is relative to the share in total apparel market

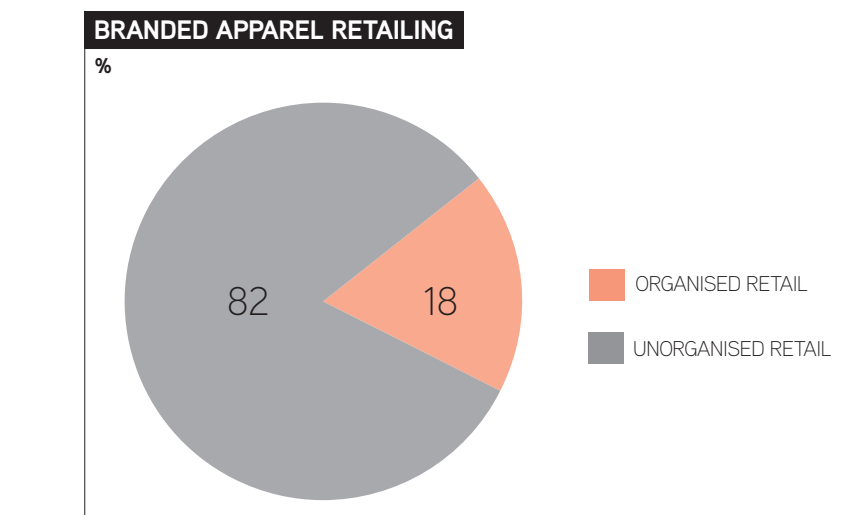


The share of organised retail in apparel sales in India is estimated at about 18 per cent, significantly lower than developed markets like the U.S. and EU where the share of organized retail is over 80 per cent. Branded apparels are likely to grow at a stronger pace, driven by increased presence of organised retail, rising disposable incomes, changing demographics and increasing brand consciousness.

(Source: CRISIL Research)



Source: industry estimates



Source: CRISIL Research

Overview:

FY2015 has been yet another milestone for the Company as its total income from operations crossed ₹ 400 crores achieving an 11.4% increase over the previous financial year to touch ₹ 408 crores. The sales value based on MRP would be ₹ 773 crores. The growth has been broad based with each brand contributing to the growth across each region.

Brands:

Killer, Lawman Pg3, Integrity, Easies and Addictions - All the Brands of the Company achieved healthy growth and contributed to the overall growth of the Company. The Company's unwavering focus on each of its brands has helped consolidate the position of each brand in its respective category.

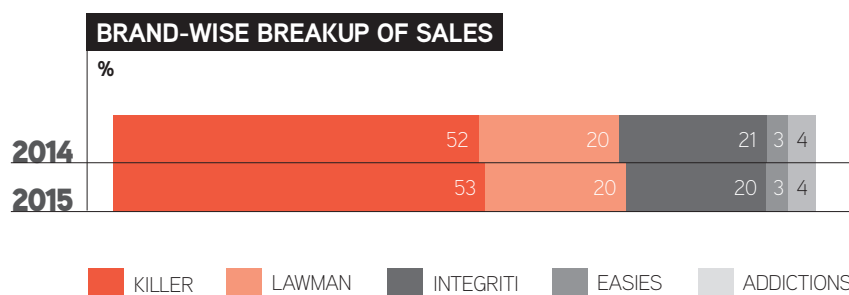
KILLER – The flagship brand has been instrumental for the success of the company right from the beginning and continues to lead the growth journey with sales exceeding ₹ 200 crores. This translates to sales of more than ₹ 400 crores on MRP value making Killer one of the leading brands in denim wear. The Killer spirit continues to build on its strong, loyal and expanding customer base. With sales of ₹ 216.24 crores, Killer brand grew by 13% over the previous year and maintained its share of 53% of total sales.

LAWMAN PG3 –The high fashion brand with its strong glamour quotient maintained its share at 20% of total sales. With its trendy collection and Bollywood connect, the brand achieved sales of ₹ 79.97 crores, an increase of 9% over the previous year.

INTEGRITI – Climbing hand in hand with sales of ₹ 79.73 crores, Integrity has continued its growth and contributed equally with a 20% share of total sales. True to its name, Integrity offers its customers with a honest, truthful and compelling value proposition across formal, semi formal and casual wear.

EASIES – The semi formal range of menswear grew 10% from ₹ 9.64 crores to ₹ 10.64 crores.

ADDICTIONS –This business provides range of lifestyle accessories like deodorants, wallets, belts, inner wear etc. These accessories complement the Company's core offering of fashion apparel and despite being a recent entrant in the Company's brand family, sales have gained traction with a 39% increase from ₹ 13.37 crores to ₹ 18.56 crores. The share in total sales has also increased from 3.67% to 4.58%.

**Products**

Jeans–The Company's DNA has been in denim wear. With a universal appeal across countries, cultures, age, gender the Jeans category is vibrant and offers a long-term sustainable and scalable business. While trends may vary, the culture of wearing jeans is well established and will continue to grow as customers seek clothing that provides them with a refreshing experience – something than only Jeans can effectively deliver. It is also a tough category compared to other apparel, as getting the product right requires multiple skillsets and expertise, which can only be gained through decades of experience. KKCL

has been a pioneer in the Indian denim wear space and has built significant strengths in Jeans right from material sourcing, designing, cutting, stitching, washing, fit and finish which all contribute to a great product. Last but not least, is a deep understanding of the youth mindset and translating that into a product that embodies and reflects it has been the cornerstone for the Company's continued success. It's no wonder that Jeans continues to dominate the product basket and sales during the year increased by 20% from ₹ 200.60 crores to ₹241.58 crores constituting 59% of sales.

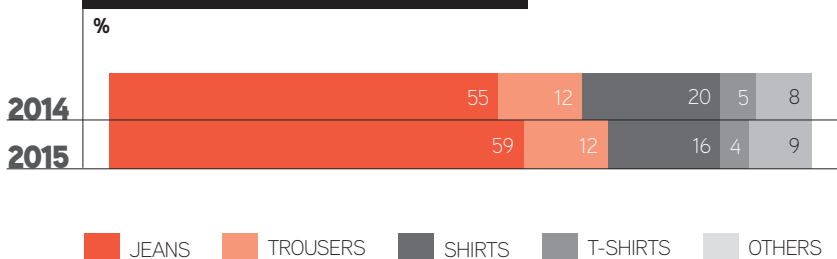
Trousers – Trousers showed growth of 6%, achieving sales of ₹48.09 crores as compared to ₹ 45.48 crores in the previous year and accounted for 12% of net sales.

Shirts – Shirts sales were down by 12% to ₹ 64.13 crores as compared to ₹ 72.65 crores in previous year and accounted for 16% of net sales.

T-Shirts – T-Shirts sales stood at 15.19 crores as compared to ₹ 17.37 crores in previous year. T-Shirts accounted for 4% of net sales.

Other products – Other products include jackets, shorts and the accessories business under ADDITIONS. These grew by 30% from ₹ 27.76 crores to ₹36.15 crores and represented 9% of total sales.

PRODUCT-WISE BREAKUP OF SALES



Sales and Distribution Channels

Given the Company's wide range of products catering to diverse target groups, the sales and distribution model has been developed to ensure that customers have easy access and reach across India and internationally. The Company is today present in 25 states and more than 192 towns and cities in India through multiple channels that touch lakhs of customers.

Multi Brand Outlets (MBOs) – A country as large, wide and dispersed as India creates opportunities as well as challenges for business. At KKCL, the Company has from the very beginning focused on establishing a pan India presence so that the brand association with customers starts at an early stage. This was achieved

primarily through MBOs and now complemented by other channels in modern retail. This channel also helps in better understanding of nuances of each region and the same can be factored in to ensure availability of the right product mix for each market. Sales through MBOs grew by 13% from ₹ 197.38 crores to ₹ 222.59 crores and contributed to 55% of sales and maintained its lead position.

K-Lounges and Exclusive Brand Outlets (EBOs) – The Company has a wide network of brand specific outlets and K-Lounges which are umbrella stores that offer all brands under one roof. These stores provide visibility and an exclusive shopping environment to customers allowing them to experience the brand offerings at leisure. Sales through

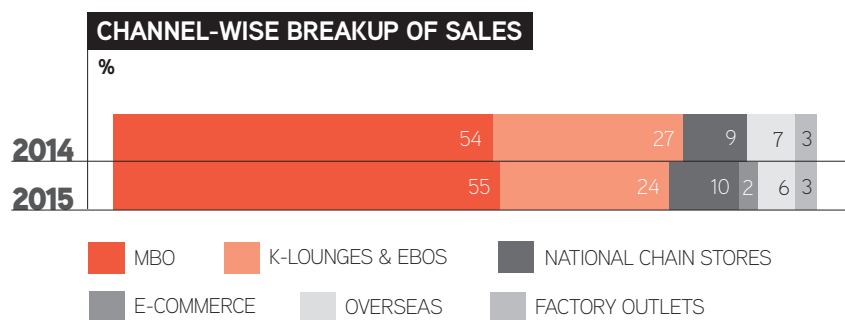
these stores touched ₹ 96.24 crores representing 24% of net sales. The Company sells through more than 300 stores under this format.

National Chain Stores(NCSs) – Modern retail and the mall culture have been firmly established with large format stores providing multiple brands in an environment comparable to world-class standards. Sales through NCSs increased by 33% from ₹ 31.22 crores to ₹ 41.55 crores and now account for 10% of net sales.

E-Commerce – The e-commerce revolution being witnessed in the country has been unprecedented and has gained scale driven by aggressive pricing and boisterous spends on advertising and promotions. With increasing smart phone penetration this channel provides a lot of opportunity. The Company has enhanced its presence through this channel significantly with sales increasing more than 10 times from less than a crore to ₹ 7.98 crores and contributed 2% of sales. The Company continues to focus on this channel to capitalize on the opportunity but without compromising on its core principle of pursuing profitable growth.

Overseas – Sales in the overseas market were down from ₹ 25.15 crores to ₹ 22.97 crores and contributed 6% to sales.

Factory Outlets – Sales through Factory outlets grew by 29% from ₹ 10.73 crores to ₹ 13.81 crores representing 3% to net sales.



EBO Store Role-out:

The Company opened 48 new stores during the year and closed 34 existing stores taking the total operational stores count to 316 with presence in over 192 cities across 25 states in India. 16 further new stores were work-in-process as on March 31, 2015. Out of 316 stores, 302 stores are franchisee owned and franchisee operated stores.

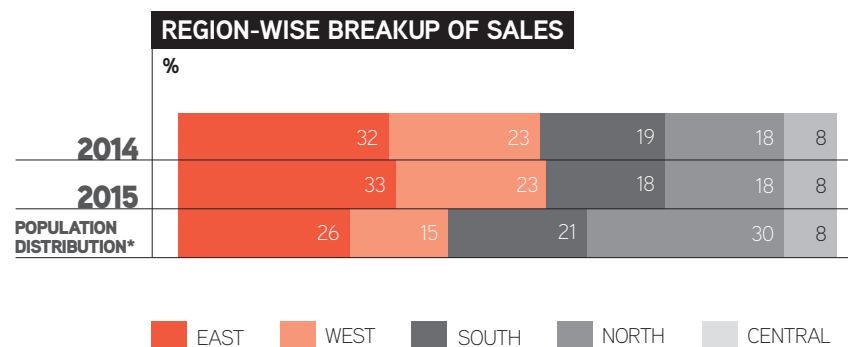
Store Type	Number of stores
K-Lounge	174
Killer EBO	75
Lawman Pg3 EBO	15
Integriti EBO	48
Lawman Pg3 + Integriti EBO	1
Easies EBO	1
Factory Outlet	2
Total	316

Regions

With strong sales and distribution network through multiple channels across India and in overseas market, the Company's sales are spread across all key regions. With deep inroads into markets across urban, semi urban and rural areas the Company is well positioned to reap the benefits of India's demographic dividend.

Eastern region maintained the highest share of sales at 33% with sales growing by 16% from ₹ 109.68 crores to ₹ 127.12 crores. Western region followed with a 23% share based on sales of ₹ 87.88 crores compared to ₹ 79.65 crores in the previous year. With sales of ₹ 69.37 crores and ₹ 68.98 crores, the Northern and Southern regions each accounted for 18% of sales and grew by 16% and 8%

respectively. Central region accounted for 8% of sales and grew by 13% from 25.54 crores to 28.82 crores. Sales from overseas markets were ₹ 22.97 crores representing 6% of sales.



*based on comparable distribution data for 11-50 years age group
Source: India Population Census Data -2011Sales

Results of Operations

Total Revenue:

FY 2015 has been a milestone year for the Company with total income from operations surpassing ₹ 400 crores. The Company clocked new high with total income from operations of ₹ 408.32 crores, achieving a growth of 11.4% over the previous year total income of ₹ 366.57 crores. Apparel sales increased by 10.3% to ₹ 386.57 crores driven by growth in sales quantity of 6.29% from 39.74 lakh units to 42.24 lakhs units and enhancement in sales realization per unit that increased by 3.74% to ₹ 915 per unit. While the Company achieved growth in each of the quarters, the full year performance of the Company is a more appropriate timeframe for analysis as there can be some seasonal impact in Q2 and Q3 periods depending on the festival period of Diwali.

Costs:

Cost of Goods Sold: The cost of goods sold as % of total income from operations increased by 230 bps from 41.5% to 43.8% at ₹ 179.02 crores. This was primarily due to higher cost of raw materials as the Company continued with its policy of using higher quality material to provide customers with a richer and more fulfilling experience. Also the product sourcing mix moved from job workers to ready stitched garments. The Company also augmented franchisees under master stockist where trade discounts are higher but post sales expenses are lower thus saving on selling and distribution expense.

Personnel cost: Personnel costs increased by 18.4% from ₹ 38.26 crores to ₹ 45.31 crores representing 11.1% of total income from operations. This Company believes that this spend

is not just an expense but also an investment as people are one of the most important factors contributing to the growth and success of the business. The Company's practice of providing its people with a world-class, professional working environment and welfare benefits has been instrumental in building a competent and trustworthy team.

Manufacturing and operating expenses: With other costs increasing the Company brought in further cost efficiencies whereby manufacturing and operating expenses were down from 8.4% of total income to 8.3% as expenses stood at ₹ 33.90 crores compared to ₹ 30.84 crores.

Selling and distribution expenses: Selling and distribution expenses were maintained at previous year levels at ₹ 33.33 crores representing 8.2% of total income from operations, lower by 101 bps compared to 9.2% of total income in previous year as the Company achieved higher sales with similar amount of spend.

Administrative and other expense: These expenses remained steady at 4.9% of total income from operations and stood at ₹20.25 crores compared to ₹ 18.18 crores in the previous year. The Company has also stepped up contribution towards Corporate Social Responsibility to ₹ 1.68 crores.

Profitability:

EBITDA and EBITDA Margin: The EBITDA of the Company increased by 3.3% from ₹ 93.41 crores to ₹ 96.51 crores. EBITDA Margin was down from 25.5% to 23.6% primarily due to higher cost of goods sold and personnel cost which were offset to some extent by

lower increase in manufacturing and operating expenses and lower selling and distribution expense.

Profit Before Tax (PBT): The PBT of the Company increased from ₹ 97.12 crores to ₹ 98.09 crores and PBT Margin stood at 24.02%

Profit after Tax (PAT): The Net Profit of the Company was steady at ₹ 66.25 crores as compared to ₹ 67.02 crores in the previous year. This is despite a drop in other income of 32.5% from ₹ 11.82 crores to ₹ 7.98 crores, which was caused primarily because of deferment of other income from FY 2015 to subsequent period due to investment in mutual funds with longer duration that are now classified as non-current investments and the income thereof will be accounted at a later date.

Earnings per Share: The EPS of the Company stood at ₹ 53.75 per share compared to ₹ 54.38 per share in the previous year.

Return on Capital Employed (ROCE): The Company achieved a ROCE of 31.80% and the ROCE from operations stood at 85.97%.

Return on Networth (RONW): The RONW of the Company was at 21.70% as compared to 24.62% in the previous year.

Financial Position and Cash flows:

The financial position of the Company continues to strengthen with strong cash flows from operations. The total amount in mutual fund investments and cash and cash equivalents stood at ₹ 214.32 crores providing the Company with strategic liquidity

and continue its net debt free status. Overall the liquidity position remains robust with current ratio at 3.36

The Working Capital cycle has been steady with Debtors turnover at 59 days, Creditors turnover at 36 days and Inventory turnover at 39 days.

Business Progressive Fund:

The initiative of the Company of creating the Business Progressive Fund has been further augmented with an amount of ₹ 10 crores thus taking the aggregate amount to ₹ 25 crores. The said fund has been established for the purpose of maintaining normal growth in sluggish market conditions and long term superior growth. The fund would be utilized in such conditions for launching and promoting new products, advertisement campaigns, promotional schemes and initial support to master stockists and franchisees for development of retail business, reinforce existing channels of sales etc.

Credit Rating

CRISIL has re-affirmed Company's debt rating as AA-/stable (High degree of Safety) which shall enable superior credit terms from the financial market and banks.

Advertising and Branding Initiatives:

The Company continued to spend on brand building, advertising and promotions through various activities and platforms.

- KILLER was the "Title Sponsor" for MTV's popular show Splits Villa-7
- KILLER was also the Official Sponsor of Cricket Champions League T20 Tournament 2014

- Killer's renowned Water Saver Ad was continued on MTV channel.
- Killer was the Official Sponsor for the fashion event "Lakme Fashion Week Summer Resort 2015 Show".
- Lawman Pg3 was the Title Sponsor of "Britain's Got Talent" on the Youth Music Channel VH1 and Associate Sponsor of VH1 Hip Hop Hustle and Sponsor of VH1 Dance 101
- Lawman Pg3 was the Title Sponsor of Love Bytes on KappaTV - the only Youth Music Channel in Kerala
- Lawman Pg3 was the co-presenter of the Box Cricket League- Dec 2014 show
- Lawman Pg3 tied up with Balaji Motion Pictures for co-promotions of feature film "Ek Villain"
- New Lawman Pg3 TVC was Launched on Sony Entertainment Television
- Integrity was the Main Sponsor of Music Mojo (Similar to Coke Studio on MTV) on KappaTV
- Integrity brand has been principal sponsor for Rajasthan Royals during the IPL season 2014
- K-Lounge was sponsor of College Festivals in Thakur College of Engineering, Thakur College of Commerce and Welingkar Institute of Technology
- In-Stadia Branding was undertaken for all the Brands
 - Killer, LawmanPg3, Easies & Integrity in India v/s West Indies Kochi ODI match
- FHM's Bachelor of The Year was co-presented by LawmanPg3 and the show was televised on NDTV
- Sponsorship of India v/s West Indies & India v/s Sri Lanka ODIs for Killer, Easies, Lawman Pg3 & Integrity
- Digital Media Spent was consistent and all brands were active on social platforms viz. Twitter, Facebook, YouTube.

Awards:

The Institute of Chartered Accountants of India awarded the Company the "Silver Shield Award" for Excellence in Financial Reporting for FY2013-14.

Outlook:

The Indian economy is at the threshold of regaining its growth momentum driven by various government initiatives and improving macro parameters like softening inflation, lower interest rates and stable currency. While these factors have improved sentiment, the impact at the ground level may take a while and is subject to factors like favorable monsoon. The Company is well positioned to leverage on its strengths and enhance its growth trajectory with improving economic conditions.

Opportunities and Threats:

With a favorable demographic profile, the Indian market provides a significant opportunity especially in the consumer sector as increasing brand consciousness and evolving

preferences urge the consumer to seek products that are at par with global trends and standards. Fashion wear and within that denim wear provides today's youth with the best option to not just express their personality and attitude but also get an experience that is relaxing, refreshing and creates a feel good factor. The Company's brands and products deliver this experience at a compelling price point and are well positioned to capitalize on the growth opportunity as consumer

spending increases. The Company also continues to take initiatives to enhance growth by introducing new products like lifestyle accessories, which complement each brand, and also expanding through new distribution channels like e-commerce.

The growth opportunity also comes with challenges in this business such as changing fashion trends, demand softening due to economic factors, sustained investments in

brand building, high cost of retail space, managing inventory and working capital. The desire to achieve extraordinary growth in this business has tempted many brands - domestic and global to ignore some of these risks and have resulted in financial stress and high mortality rates. The Company has always maintained a disciplined approach to pursue profitable growth and build a resilient business that can sustain adverse market conditions and outperform as the market develops.



DIRECTORS' REPORT

To the Members:

Your Directors have pleasure in presenting the 24th Annual Report together with the audited accounts of the Company for the year ended March 31, 2015.

FINANCIAL RESULTS

		(Amount in ₹)	
Sr. No.	Particulars	Year Ended March 31, 2015	Year Ended March 31, 2014
1	Net Sales/Income from operations	4,083,239,005	3,665,711,448
2	Other Income	79,760,219	118,236,069
3	Total Expenditure	3,118,140,766	2,731,653,362
4	Gross profit (Before deducting any of the following)	1,044,858,459	1,052,294,155
a.	Finance charges	26,606,758	29,578,840
b.	Provision for depreciation	37,396,776	51,472,969
c.	Tax provision	318,408,985	300,966,173
5	Net profit for the year	662,445,941	670,276,173
i	Prior Period Expenses (Net of Tax)	Nil	Nil
ii	Balance of profit/(loss)	662,445,941	670,276,173
6	Appropriation of profit	533,087,747	419,840,835
i	Bonus shares issued during the year	Nil	Nil
ii	Proposed Dividend (Including Dividend Tax)	22,251,178	21,629,516
iii	Transfer to General Reserve	66,244,594	67,027,617
7	Dividend (in ₹) per ordinary share	25.00	21.00
8	Paid up Equity capital	123,250,370	123,250,370
9	Reserves except revaluation reserve	1,477,014,830	1,310,770,236
10	Surplus c/f	1,597,790,281	1,472,014,586

OVERALL PERFORMANCE AND STATE OF COMPANY'S AFFAIRS

The financial year ended March 31, 2015 was a milestone year for the company as total income crossed ₹ 400 crores. The year witnessed the election of a new government with an agenda to revive economic growth. Key steps have been taken towards boosting infrastructure and augmenting government finances with coal block auction and spectrum auction. Lower crude oil prices have helped in overcoming some of the current account deficit issues faced in the past along with softening of inflationary trends. The year has also seen the revival of global interest from strategic and financial investors into India. This has led to a positive mindset and expectations of recovery in the investment and capital cycle. While the trend of lowering of interest rates has commenced, high NPAs continue to weigh on the financial sector leading to a lower trickle down effect.

Your Directors are pleased to inform you that during the financial year ended March 31, 2015, your company's sales and operating income were ₹ 408.32 crores representing a growth of 11.39%. The cash flow continues to be robust and the company has invested in mutual funds with longer duration that are now classified as non-current investments resulting in deferment of other income. In spite of this deferment the net profit after tax stood at ₹ 66.25 crores, similar to the level in the previous year.

There are no material changes and commitments, if any, affecting the financial position of the company which have occurred between the end of the financial year of the company

to which the financial statements relate and the date of the report. There is no change in the nature of business of the company. There were no companies, which have become or ceased to be its subsidiaries, joint ventures or associate companies during the year.

DIVIDEND

The total dividend for the year ended March 31, 2015 (including interim and final dividends) stood at ₹ 25 per share as compared to ₹ 21 per share in the previous year.

The Board of Directors had in their meeting held on September 10, 2014 declared the first interim dividend of ₹ 8/- per equity shares absorbing a sum of ₹ 11,53,57,416/- including dividend distribution tax. The record date for the purpose of payment of interim dividend was September 27, 2014 and the said interim dividend was paid in October 2014.

The Board of Directors had in their meeting held on October 17, 2014 declared the second interim dividend of ₹ 7.5/- per equity shares absorbing a sum of ₹ 11,09,19,972/- including dividend distribution tax. The record date for the purpose of payment of interim dividend was October 31, 2014 and the said interim dividend was paid in November 2014.

The Board of Directors had in their meeting held on January 31, 2015 declared the third interim dividend of ₹ 5/- per equity shares absorbing a sum of ₹ 7,39,46,648/- including dividend distribution tax. The record date for the purpose of payment of interim dividend was February 11, 2015 and the said interim dividend was paid in February 2015.

The Board of Directors had in their meeting held on May 14, 2015 declared the fourth interim dividend of ₹ 3/- per equity shares absorbing a sum of ₹ 4,43,67,989/- including dividend distribution tax. The record date for the purpose of payment of interim dividend was May 26, 2015 and the said interim dividend was paid in May 2015.

Your directors are pleased to recommend a final dividend of ₹ 1.5/- per equity share of ₹ 10/- each for the year ended March 31, 2015.

The dividend once approved by the members in the ensuing Annual General Meeting will be paid out of the profits of your company for the year and will sum up to a total of ₹ 2,22,51,178/- including dividend distribution tax.

An amount of ₹ 6,62,44,954/- would be transferred to the reserves.

OUTLOOK

The branded fashion apparel industry in India presents an attractive opportunity due to various factors including a young demographic profile, high fashion consciousness and increasing demand for quality, branded products. The presence and entry of foreign brands provides consumers with a benchmark for quality products at various price points. The rapid growth of e-commerce with high spends on promoting fashion apparel is an added driver for higher consumption. The retail market in India is expected to grow from USD 0.5 trillion in 2013 to USD 1.3 trillion in 2020. Apparel is the largest contributor in the non-food category and the share of organized retail in apparel is likely to increase from 18% to 30-35%.

While short term factors like monsoons and global economic developments will weigh on the sentiment, disposable income, which had been under pressure due to high inflation, high interest rates and low economic growth, is likely to rise as macro environment improve and turn favorable. The company has strong brands and distributes its products through various channels including multi brand outlets, exclusive brand outlets, large format department stores and e-commerce platforms giving it a pan India presence and multiple touch points with the consumer. Hence the company is well positioned to capture growth as the economy revives and gains momentum.

INVESTMENT IN WHITE KNITWEAR PRIVATE LIMITED

The company had invested in aggregate ₹ 34,550,000 (P.Y. ₹ 34,550,000) in Joint Venture "White Knitwear Private Limited" (WKPL). WKPL had acquired land in Surat Special Economic Zone (SEZ) and constructed factory building for setting up of manufacturing unit for production of knitwear apparels for exports. However due to slowdown in International market, SEZ could not take off and most of the members of SEZ shelved their projects and approached to Gujarat Industrial Development Corporation (GIDC) and state and central government for de-notification of SEZ. Gujarat Industrial Development Corporation vide its circular No. GIDC/CIR/Distribution/Policy /13/05 dated 14.03.2015 has de-notified the SEZ and conceded the members to convert and use the erstwhile land in SEZ as Domestic Tariff Area (DTA) subject to fulfillment of conditions stated therein. WKPL vide its letter dated 04.04.13 has

consented for de-notification of its plot of Land and undertaken to complete the formal procedure for the same.

Post de-notification joint venture partners shall dispose of the Company/land and building and realize the proceeds to return it to joint venture partners. No provision for diminution in the value of investment is considered necessary for the year ended March 31, 2015 in view of the value of underlying assets base of joint venture. However, the company had made a provision for its share of loss in joint venture of ₹ 4,900,000 (P.Y. ₹ 4,900,000) and provision is grouped under 'Other long term provisions'.

CASH FLOW STATEMENT

In conformity with the provisions of Clause 32 of the Listing Agreement with Stock Exchanges, the Cash Flow Statement for the year ended March 31, 2015 is annexed hereto.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 134(3)(c) of the Companies Act, 2013 with respect to Director's Responsibility Statement, it is hereby confirmed that:

- in the preparation of the annual accounts for the financial year ended March 31, 2015, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- the directors have selected such accounting policies and applied them consistently and made



judgments and estimates that are reasonable and prudent so as to give true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;

- (c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) the directors had prepared the accounts for the financial year ended March 31, 2015 on a 'going concern' basis;
- (e) the directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively;
- (f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

NOMINATION AND REMUNERATION POLICY AND BOARD EVALUATION POLICY

The Board had approved the Nomination and Remuneration Policy, as recommended by Nomination and Remuneration Committee, in the Board Meeting held on October 17, 2014. The policy lays down framework

in relation to remuneration of Directors, Key Managerial Personnel and Senior Management of the Company. It also envisages the criteria for selection and appointment of Board Members like determining qualification, positive attributes and independence of director, etc. The details of the remuneration policy of the company is given in the corporate governance report, which forms part of this Annual Report.

FORMAL ANNUAL EVALUATION

During the year, the Board adopted a formal mechanism for evaluating its performance and as well as that of its Committees and Individual Directors, including the Chairman of the Board. The exercise was carried out through a structured evaluation process covering various aspects of the Boards functioning such as composition of the Board and Committees, experience and competencies, performance of specific duties and obligations, governance issues etc. Separate exercise was carried out to evaluate the performance of Individual Directors including the Board Chairman who was evaluated on parameters such as attendance, contribution at the meetings and otherwise, independent judgment, safeguarding of minority shareholders interest, etc.

The evaluation of the Independent Directors was carried out by the entire Board and that of the Chairman and the Non-Independent Directors were carried out by the Independent Directors. The Directors were satisfied with the evaluation results, which reflected the overall engagement of the Board and its Committees with the Company.

The company has formulated familiarization programme for the Independent Director. The web-link for the said programme is http://kewalkiran.com/PDF's/Familiarisation_programme.pdf

DISCLOSURES

Audit Committee

In accordance with Section 177 of the Companies Act, 2013 and rules made thereunder and Clause 49 of the Listing Agreement as on March 31, 2015 the Audit Committee consisted of three non-executive independent directors of the company viz. Mr. Yogesh A. Thar (Chairman of Audit Committee), Mr. Nimish G. Pandya and Ms. Drushti R. Desai as members.

Whistle Blower/ Vigil Mechanism Policy

Fraud free and corruption free work culture has been core of your company. In view of the potential risk of fraud and corruption due to rapid growth and geographic spread of operation, the company has put an even greater emphasis to address this risk.

To meet this objective a comprehensive whistleblower policy has been adopted by your company. The details of the said policy are given in the Corporate Governance Report, which forms part of this Annual Report.

The Policy on whistle blower/ vigil mechanism may be accessed on the Company website at http://kewalkiran.com/PDF's/Whistleblower_Policy.pdf

Extracts of Annual Report

The details forming part of the extract of the annual return is enclosed in **Annexure I**.

Number of Board Meetings held

During the year under review 5 (five) meetings of the Board of Directors were held. The details of the board meetings and the attendance of the Directors are provided in the Corporate Governance Report, which forms part of this Annual Report.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT 2013

Your Company has not given any loans or guarantee. The acquisition of securities of any other body corporate are within the limit specified under section 186 of the Companies Act, 2013. The details of the same are given in the notes to financial statements.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO – Annexure II.

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1), 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given as **Annexure III**.

RELATED PARTY TRANSACTIONS

Suitable disclosure as required by the accounting standard (AS18) has been made in the notes to the financial statement.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES REFERRED TO IN SUB-SECTION (1) OF SECTION 188 OF THE COMPANIES ACT 2013

The Particulars of contracts or arrangements with related parties referred to in Section 188 (1) of Companies Act, 2013 is given as **Annexure-IV**.

There are no material related party transactions during the year under review with Promoters, Directors or Key Managerial Personnel. The Company has developed a Related Party Transactions framework through standard operating procedures for the purpose of identification and monitoring of such transactions.

All related party transactions are placed before the Audit Committee as also to the Board for approval. The policy on Related Party transactions as approved by the Board of Directors has been uploaded on the website of the Company. The web-link to the Related Party Transaction Policy is http://kewalkiran.com/PDF's/Related_party_policy.pdf

DIRECTOR'S

a. Cessation

Mr. Popatlal F. Sundesha (DIN 00030409) had tendered his resignation from the position of Non-Executive Independent Director w.e.f April 1, 2014.

b. Appointment

Ms. Drushti Desai (DIN 00294249) was appointed as the Additional Director of your company in the Board Meeting held on July 23, 2014 and her appointment was regularized in the last Annual General Meeting held on August 28, 2014.



c. Re-appointment

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of your company, Mr. Hemant P. Jain (DIN 00029822), Director of your Company would retire by rotation at the ensuing Annual General Meeting and being eligible have offered himself for re-appointment.

During the year under review, the members approved the tenure of appointment of Mr. Kewalchand P. Jain as the Chairman and Managing Director for a period of 5(five) years w.e.f April 1, 2015 to March 31, 2020. The members also approved the tenure of appointment of Mr. Hemant P. Jain, Mr. Dinesh P. Jain and Mr. Vikas P. Jain as Whole-time Directors of your company liable to retire by rotation for a period of 5(five) years w.e.f September 1, 2014 to August 31, 2019.

During the year under review, the members approved the tenure of appointment of Mr. Yogesh Thar, Mr. Nimish Pandya and Dr. Prakash Mody as Independent Directors of the Company who are not liable to retire by rotation for a period of 5 (five) consecutive years w.e.f April 1, 2014 to March 31, 2019. The members also approved the tenure of appointment of Ms. Drushti Desai as Independent Director of the Company who is not liable to retire by rotation for a period of 5 (five) consecutive years w.e.f August 28, 2014 to August 27, 2019.

The Company has received declarations from all the Independent Directors of the Company confirming that they meet with the criteria of independence as prescribed both under Section 149 (6) of the Companies Act 2013 and under Clause 49 of the Listing Agreement with the Stock Exchange.

KEY MANAGERIAL PERSONNEL

During the year under review, the Company has recognized the following persons as Key Managerial Personnel:

1. Mr. Kewalchand P. Jain – Chairman and Managing Director
2. Mr. Hemant P. Jain – Whole-time Director
3. Mr. Dinesh P. Jain – Whole-time Director
4. Mr. Vikas P. Jain – Whole-time Director
5. Mr. Abhijit Warange – Vice President – Legal and Company Secretary
6. Mr. Shantilal Kothari – Chief Financial Officer

AUDITORS AND AUDIT REPORT

Your company's auditors M/s. Jain & Trivedi, Chartered Accountants and the joint auditors M/s. N.A. Shah Associates, Chartered Accountants, retire at the conclusion of the ensuing Annual General Meeting of the company and being eligible offer themselves for re-appointment. The Companies has received letters from them to the effect that their re-appointment, if made, would be

within the prescribed limits under Section 141(3)(g) of the Companies Act, 2013 and that they are not disqualified for re-appointment.

The Auditors Report on financial statements forming part of this Annual Report is self explanatory and do not call for any further comments.

SECRETARIAL AUDIT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and rules made thereunder, the Company has appointed Mr. Ummedmal P. Jain, proprietor of M/s U. P. Jain & Co (C.P. No. 2235) to undertake the Secretarial Audit of the Company. The Secretarial Audit Report is included as **Annexure - V** and forms an integral part of this report.

There was no qualification in the secretarial audit report which required any explanation from the Board of Directors.

INTERNAL CONTROLS AND ITS ADEQUACY

Your Company has an Internal Control system, commensurate with the size, scale and complexity of its operations. The Internal Audit team monitors and evaluates the efficacy and adequacy of the internal control system in the Company, its compliance with operating systems, accounting procedures and policies at all the Company locations. Based on the report of internal audit function, process owners undertake corrective action in their respective areas and thereby strengthen the controls.

The Audit Committee of the Board of Directors actively reviews the adequacy and effectiveness of the internal control system and suggests improvements to strengthen the same.

The Audit Committee of the Board of Directors, Statutory Auditors and the Business Heads are periodically apprised of the internal audit findings and corrective actions taken. Audit plays a key role in providing assurance to the Board of Directors. Significant audit observations and corrective actions thereon are presented to the Audit Committee of the Board of Directors. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee of the Board of Directors.

RISK MANAGEMENT

During the year, your Directors have constituted a Risk Management Committee which has been entrusted with the responsibility to assist the Board in (a) Overseeing and approving the Company's enterprise wide risk management framework; and (b) Overseeing that all the risks that the organization faces such as strategic, financial, credit, market, liquidity, security, property, IT, legal, regulatory, reputational and other risks have been identified and assessed and there is an adequate risk management infrastructure in place capable of addressing those risks. A Risk Management Policy was reviewed and approved by the Committee.

The Company manages, monitors and reports on the principal risks and uncertainties that can impact its ability to achieve its strategic objectives. The Company's management systems, organisational structures, processes, standards, code of conduct and behavior together governs how the Group conducts the business of the Company and manages associated risks.

CORPORATE SOCIAL RESPONSIBILITY (CSR) REPORT

The Corporate Social Responsibility Committee has formulated and recommended to the Board, a Corporate Social Responsibility policy indicating the activities to be undertaken by the company, which has been approved by the Board.

The CSR Policy may be accessed on the Company's website at <http://kewalkiran.com/PDF's/CSR%20policy.pdf>.

The report on Corporate Social Responsibility activities as required under Companies (Corporate Social Responsibility Policy) Rule, 2014 is given as **Annexure-VI**.

ENVIRONMENT AND SAFETY

The Company is conscious of the importance of environmentally clean and safe operations. The Company's policy requires conduct of operations in such a manner, so as to ensure safety of all concerned, compliances environmental regulations and preservation of natural resources.

The Company has in place an Anti Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy. During the year under review, there were no complaints reported to the Board.

**CORPORATE GOVERNANCE**

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

The report on Corporate Governance as stipulated under Clause 49 of the Listing Agreement forms a part of the this Report.

The requisite certificate from the Auditors, M/s. N.A. Shah Associates, Chartered Accountants and M/s. Jain and Trivedi, Chartered Accountants confirming the compliance of conditions of Corporate Governance as stipulated under Clause 49 of the Listing Agreements with the stock exchanges form a part of this report.

MANAGEMENT DISCUSSION AND ANALYSIS

A detailed review of operations, performance and future outlook of the company is given separately under the head Management Discussion and Analysis and forms a part of this report.

COMPLIANCE WITH THE CODE OF CONDUCT

Your company has put in place a Code of Conduct effective January 14, 2006, for its Board members and Senior Management Personnel. Declaration of compliance with the code of conduct has been received from all the Board Members and Senior Management Personnel. A certificate to this effect from Mr. Kewalchand P. Jain, Chairman & Managing Director forms a part of this Report.

COMPLIANCE WITH THE CODE OF INDEPENDENT DIRECTORS

Your company has put in place a Code of Independent Director approved in the Board Meeting held on May 10, 2014, for its Independent Directors. Declaration of compliance with the code has been received from all the Independent Directors of your Company. A certificate to this effect from Mr. Kewalchand P. Jain, Chairman and Managing Director forms a part of this Report.

GENERAL

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

1. Details relating to deposits covered under Chapter V of the Companies Act, 2013.
2. Issue of equity shares with differential rights as to dividend, voting or otherwise.
3. Issue of shares (including sweat equity shares) to employees of the Company under any scheme and ESOS.
4. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

PENDING SHARES UPLOAD

The company has opened a demat suspense account with the Edelweiss Securities Limited and credited all the shares issued pursuant to the Initial Public Offer (IPO), which remain

unclaimed despite the best efforts of the Company and Registrar to Issue.

- i) Number of Shareholders outstanding at the beginning of the year: 7

Outstanding shares in the demat suspense account at the beginning of the year: 190

- ii) Number of shareholders who approached the company for transfer of shares from suspense account during the year: Nil

- iii) Number of shareholders to whom shares were transferred from suspense account during the year: Nil

- iv) Aggregate number of shareholders outstanding at the end of the year: 7

Outstanding shares in the suspense account lying at the end of the year: 190

- v) The voting rights on these shares are frozen till the rightful owner of such shares claims the shares.

The Company had declared Final Dividend for the financial year ended 2006-07 in the annual general meeting held on August 7, 2007. The unencashed dividend amount lying unclaimed to the credit of the said Final Dividend Account 2006-07 became due for transfer to the Investor Education and Protection Fund on September 12, 2014. The company has accordingly transferred an amount of ₹19,658/- (Rupees Nineteen Thousand Six Hundred and Fifty Eight only) being the unencashed dividend amount remaining unclaimed and due for transfer to the Investor Education and Protection Fund.

The below mentioned is the information relating to outstanding dividend accounts and the due dates for claiming dividends.

Financial year	Date of allotment/declaration	Last date for claiming dividend
Final Dividend 2007-08	August 4, 2008	September 10, 2015
Final Dividend 2008-09	August 3, 2009	September 9, 2016
Final Dividend 2009-10	August 5, 2010	September 11, 2017
1st Interim Dividend 2010-11	October 27, 2010	December 2, 2017
2nd Interim Dividend 2010-11	April 2, 2011	May 9, 2018
Final Dividend 2010-11	September 6, 2011	October 12, 2018
1st Interim Dividend 2011-12	October 20, 2011	November 26, 2018
2nd Interim Dividend 2011-12	March 2, 2012	April 8, 2019
Final Dividend 2011-12	August 3, 2012	September 8, 2019
1st Interim Dividend 2012-13	November 7, 2012	December 14, 2019
2nd Interim Dividend 2012-13	February 13, 2013	March 22, 2020
3rd Interim Dividend 2012-13	May 11, 2013	June 17, 2020
Final Dividend 2012-13	August 22, 2013	September 28, 2020
1st Interim Dividend 2013-14	October 19, 2013	November 25, 2020
2nd Interim Dividend 2013-14	January 24, 2014	March 1, 2021
3rd Interim Dividend 2013-14	May 10, 2014	June 16, 2021
Final Dividend 2013-14	August 28, 2014	October 4, 2021
1st Interim Dividend 2014-15	September 10, 2014	October 17, 2021
2nd Interim Dividend 2014-15	October 17, 2014	November 24, 2021
3rd Interim Dividend 2014-15	January 31, 2015	March 9, 2022
4th Interim Dividend 2014-15	May 14, 2015	June 22, 2022

The Company had declared Interim Dividend for the financial year ended 2007-08 in the board meeting held on October 20, 2007. The unencashed dividend amount lying unclaimed to the credit of the said Interim Dividend Account 2007-08 became due for transfer to the Investor Education and Protection Fund on November 25, 2014. The company has accordingly transferred an amount of ₹ 66,138/- (Rupees Sixty Six Thousand One Hundred and Thirty Eight only) being the unencashed dividend amount remaining unclaimed and due for transfer to the Investor Education and Protection Fund.

HUMAN RESOURCES AND INDUSTRIAL RELATIONS

Employee relations continued to be cordial during the year ended March 31, 2015. Your company had 1974 employees as on March 31, 2015. Your Company continued its thrust on Human Resource Development. Your company has initiated various customized training programs viz. personality development, development of inter personal skills,



communication skills, public speaking etc. for its employees that enhance both personal as well career growth of the employees. These programs are conducted round the year by professional trainers as well as by the human resource department of the company. Your company has also encouraged its employees to attend seminars and discussions conducted by professional institutions and trade bodies. The Board wishes to place on record its appreciation to all the employees in the company for their sustained efforts and immense contribution to the high level of performance and growth of the business during the year.

ACKNOWLEDGEMENTS

Your Board of Directors would like to place on record its sincere appreciation for the wholehearted support and contribution made by its customers, its shareholders and all its employees across the country, as well as the various Government Departments, Banks, Distributors, Suppliers and other business associates towards the conduct of efficient and effective operations of your company.

For and on behalf of the Board

Kewalchand P. Jain

Chairman & Managing Director
DIN :- 00029730

Dated: July 23, 2015

Place: Mumbai

ANNEXURE I

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2015

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

I. REGISTRATION AND OTHER DETAILS

1. CIN	L18101MH1992PLC065136
2. Registration Date	30th January, 1992
3. Name of the Company	Kewal Kiran Clothing Limited
4. Category/Sub-category of the Company	Public Company Limited by shares
5. Address of the Registered office & contact details	460/7, Kewal Kiran Estate, I. B. Patel Road, Goregaon(East), Mumbai – 400063
6. Whether listed company	Yes
7. Name, Address & contact details of the Registrar & Transfer Agent, if any.	Link Intime India Private Limited C-13 Pannalal Silk Mills Compound LBS Marg, Bhandup (West) Mumbai - 400078. Tel. no. – 2594 6970-77 Fax no. – 2596 2691 Email ID – rnt.helpdesk@linkintime.co.in

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sn. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Apparels	141 – Manufacturing of wearing apparels, except fur apparels	95.42

III. PARTICULAR OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sn. No.	Name and Address of the Company	CIN/GLN	Holding/Subsidiary/ Associate	% of shares held	Applicable Section
1	White Knitwear Pvt. Ltd. 460/7, Kewal Kiran Estate, I. B. Patel Road, Goregaon(East), Mumbai – 400063	U18101MH2005PTC157994	Associate	Equity: 33.33 Preference: 50	Section 2(6)

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

Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2014]				No. of Shares held at the end of the year [As on 31-March-2015]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	9144178	0	9144178	74.19	9144178	0	9144178	74.19	0
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	2295	0	2295	0.02	2295	0	2295	0.02	0
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any other	0	0	0	0	0	0	0	0	0
Total shareholding of Promoter (A)	9146473	0	9146473	74.21	9146473	0	9146473	74.21	0
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	842532	0	842532	6.84	1148234	0	1148234	9.32	2.48
b) Banks / FI	0	0	0	0	581	0	581	0	0
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIs	1443720	0	1443720	11.71	1368513	0	1368513	11.10	0.61
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
Sub-total (B)(1)	2286252	0	2286252	18.55	2517328	0	2517328	20.42	1.87
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	174276	0	174276	1.41	146581	0	146581	1.19	0.22
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	501542	2004	503546	4.09	353066	5	353071	2.86	1.23
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	164327	0	164327	1.33	83199	0	83199	0.68	0.65
c) Others (specify)									
Non Resident Indians	30917	0	30917	0.25	15724	0	15724	0.12	0.13
Overseas Corporate Bodies	0	0	0	0	0	0	0	0	0
Foreign Nationals	0	0	0	0	0	0	0	0	0
Clearing Members	14963	0	14963	0.12	2293	0	2293	0.02	0.10
Office Bearer	3197	0	3197	0.03	3454	0	3454	0.03	0
Independent Director	336	0	336	0	336	0	336	0	0
Foreign Portfolio Investor (Corporate)	0	0	0	0	55828	0	55828	0.45	0.45
Trusts	750	0	750	0.01	750	0	750	0.01	0
Foreign Bodies - D R	0	0	0	0	0	0	0	0	0
Sub-total (B)(2)	890308	2004	892312	7.24	661231	5	661236	5.37	1.87
Total Public Shareholding (B)=(B)	3176560	2004	3178564	25.79	3178559	5	3178564	25.79	0
(1)+(B)(2)									
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	12323033	2004	12325037	100	1235032	5	12325037	100	0

B) Shareholding of Promoter

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Shantaben P. Jain j/w Kewalchand P. Jain j/w Hemant P. Jain	6153000	49.92	0	6153000	49.92	0	0
2	Kewalchand P. Jain	613450	4.98	0	613450	4.98	0	0
3	Hemant P. Jain	613515	4.98	0	613515	4.98	0	0
4	Dinesh P. Jain	629430	5.11	0	629430	5.11	0	0
5	Vikas P. Jain	629485	5.11	0	629485	5.11	0	0
6	Kewalchand P. Jain j/w Veena Jain	76661	0.62	0	76661	0.62	0	0
7	Hemant P. Jain j/w Lata Jain	77400	0.63	0	77400	0.63	0	0
8	Dinesh P. Jain j/w Sangeeta Jain	99401	0.81	0	99401	0.81	0	0
9	Vikas P. Jain j/w Kesar Jain	91836	0.75	0	91836	0.75	0	0
10	Kewalchand P. Jain HUF	16000	0.13	0	16000	0.13	0	0
11	Hemant P. Jain HUF	16000	0.13	0	16000	0.13	0	0
12	Dinesh P. Jain HUF	16000	0.13	0	16000	0.13	0	0
13	Vikas P. Jain HUF	16000	0.13	0	16000	0.13	0	0
14	Veena K. Jain	16000	0.13	0	16000	0.13	0	0
15	Lata H. Jain	16000	0.13	0	16000	0.13	0	0
16	Sangeeta D. Jan	16000	0.13	0	16000	0.13	0	0
17	Kesar V. Jain	16000	0.13	0	16000	0.13	0	0
18	Pankaj Jain	16000	0.13	0	16000	0.13	0	0
19	Hitendra Jain	16000	0.13	0	16000	0.13	0	0
20	Kewal Kiran Finance Private Limited	2295	0.02	0	2295	0.02	0	0
Total		9146473	74.21	0	9146473	74.21	0	0

C) Change in Promoters' Shareholding (please specify, if there is no change): No Change

SN	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	9146473	74.21	9146473	74.21
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):	0	0	0	0
	At the end of the year	9146473	74.21	9146473	74.21

D) Shareholding Pattern of top ten Shareholders:

(Other than Directors, Promoters and Holders of GDRs and ADRs):

SN	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company				No. of shares	% of total shares of the company
1	Nalanda India Fund Limited	1200000	9.74	1-4-2014	0	Nil	1200000	9.74
				31-3-2015		Movement	1200000	9.74
2	SBI Magnum Global Fund	243096	1.97	1-4-2014				
				11-4-2014	14622	Transfer	257718	2.09
				30-5-2014	37048	Transfer	294766	2.39
				6-6-2014	1531	Transfer	296297	2.40
				20-6-2014	883	Transfer	297180	2.41
				30-6-2014	7660	Transfer	304840	2.47
				11-7-2014	9321	Transfer	314161	2.55
				18-7-2014	2679	Transfer	316840	2.57
				29-8-2014	163	Transfer	317003	2.57
				5-9-2014	3690	Transfer	320693	2.60
				19-9-2014	(330)	Transfer	320363	2.60
				24-10-2014	8000	Transfer	328363	2.66
				31-10-2014	4000	Transfer	332363	2.70
				14-11-2014	8099	Transfer	340462	2.76
				19-12-2014	35000	Transfer	375462	3.05
				31-12-2014	5225	Transfer	380687	3.09
				2-1-2015	9775	Transfer	390462	3.17
				6-2-2015	2980	Transfer	393442	3.19
				13-2-2015	2000	Transfer	395442	3.21
				31-3-2015			395442	3.21
3	Birla Sunlife Trustee Company Private Limited	307674	2.50	1-4-2014				
				4-4-2014	(142)	Transfer	307532	2.50
				18-4-2014	(4497)	Transfer	303035	2.46
				30-5-2014	(20000)	Transfer	283035	2.30
				13-6-2014	(2000)	Transfer	281035	2.28
				4-7-2014	(5000)	Transfer	276035	2.24
				11-7-2014	1500	Transfer	277535	2.25
				1-8-2014	(9564)	Transfer	267971	2.17
				29-8-2014	300	Transfer	268271	2.18
				3-10-2014	2217	Transfer	270488	2.19
				21-11-2014	500	Transfer	270988	2.20
				28-11-2014	14300	Transfer	285288	2.31
				5-12-2014	5139	Transfer	290427	2.36
				31-12-2014	3000	Transfer	293427	2.38
				23-1-2015	(400)	Transfer	293027	2.38
				6-2-2015	15500	Transfer	308527	2.50
				20-2-2015	(3624)	Transfer	304903	2.47
				27-2-2015	3624	Transfer	308527	2.50
				13-3-2015	2234	Transfer	310761	2.52
				20-3-2015	875	Transfer	311636	2.53
				27-3-2015	6750	Transfer	318386	2.58
				31-3-2015			318386	2.58

SN	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company				No. of shares	% of total shares of the company
4	Malabar India Fund Limited	233361	1.89	1-4-2014				
				30-5-2014	(2000)	Transfer	231361	1.88
				6-6-2014	(231361)	Transfer	0	0
				11-7-2014	218361	Transfer	218361	1.77
				25-7-2014	(505)	Transfer	217856	1.77
				12-9-2014	(4495)	Transfer	213361	1.73
				19-12-2014	(1907)	Transfer	211454	1.72
				31-12-2014	(567)	Transfer	210887	1.71
				2-1-2015	(1487)	Transfer	209400	1.70
				9-1-2015	(1039)	Transfer	208361	1.69
				20-3-2015	(51)	Transfer	208310	1.69
				27-3-2015	(4949)	Transfer	203361	1.65
				31-3-2015			203361	1.65
5	Matthews India Fund	0	0	1-4-2014				
				20-6-2014	115	Transfer	115	0.00
				4-7-2014	10000	Transfer	10115	0.08
				11-7-2014	17019	Transfer	27134	0.22
				1-8-2014	10848	Transfer	37982	0.31
				8-8-2014	10531	Transfer	48513	0.39
				15-8-2014	135	Transfer	48648	0.39
				24-10-2014	2195	Transfer	50843	0.41
				31-10-2014	20820	Transfer	71663	0.58
				14-11-2014	8142	Transfer	79805	0.65
				28-11-2014	2135	Transfer	81940	0.66
				19-12-2014	26862	Transfer	108802	0.88
				9-1-2015	18902	Transfer	127704	1.04
				6-2-2015	3053	Transfer	130757	1.06
				27-2-2015	10538	Transfer	141295	1.15
				6-3-2015	1557	Transfer	142852	1.16
				20-3-2015	1271	Transfer	144123	1.17
				31-3-2015	15816	Transfer	159939	1.30
6	Kotak Emerging Equity Scheme	129447	1.05	1-4-2014				
				4-4-2014	(61)	Transfer	129386	1.05
				11-4-2014	(4011)	Transfer	125375	1.02
				25-4-2014	(1796)	Transfer	123579	1.00
				2-5-2014	(1000)	Transfer	122579	0.99
				16-5-2014	(131)	Transfer	122448	0.99
				23-5-2014	(12608)	Transfer	109840	0.89
				30-5-2014	(4000)	Transfer	105840	0.86
				13-6-2014	(500)	Transfer	105340	0.85
				20-6-2014	(500)	Transfer	104840	0.85
				4-7-2014	(2000)	Transfer	102840	0.83
				11-7-2014	(6847)	Transfer	95993	0.78
				18-7-2014	(524)	Transfer	95469	0.77
				1-8-2014	(116)	Transfer	95353	0.77



SN	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company				No. of shares	% of total shares of the company
				8-8-2014	-8	Transfer	95345	0.77
				29-8-2014	394	Transfer	95739	0.78
				5-9-2014	(321)	Transfer	95418	0.77
				12-9-2014	179	Transfer	95597	0.78
				19-9-2014	2020	Transfer	97617	0.79
				30-9-2014	696	Transfer	98313	0.80
				3-10-2014	120	Transfer	98433	0.80
				10-10-2014	76	Transfer	98509	0.80
				24-10-2014	(9260)	Transfer	89249	0.72
				14-11-2014	7121	Transfer	96370	0.78
				21-11-2014	4663	Transfer	101033	0.82
				28-11-2014	3206	Transfer	104239	0.85
				5-12-2014	238	Transfer	104477	0.85
				12-12-2014	716	Transfer	105193	0.85
				19-12-2014	233	Transfer	105426	0.86
				31-12-2014	13	Transfer	105439	0.86
				9-1-2015	(20000)	Transfer	85439	0.69
				13-2-2015	282	Transfer	85721	0.70
				20-2-2015	2756	Transfer	88477	0.72
				27-2-2015	9138	Transfer	97615	0.79
				6-3-2015	795	Transfer	98410	0.80
				13-3-2015	834	Transfer	99244	0.81
				31-3-2015			99244	0.81
7	DSP Blackrock Micro Cap Fund	75801	0.62	1-4-2014				
				6-6-2014	1850	Transfer	77651	0.63
				4-7-2014	490	Transfer	78141	0.63
				1-8-2014	7564	Transfer	85705	0.70
				8-8-2014	359	Transfer	86064	0.70
				15-8-2014	82	Transfer	86146	0.70
				22-8-2014	857	Transfer	87003	0.71
				12-9-2014	611	Transfer	87614	0.71
				19-9-2014	2039	Transfer	89653	0.73
				21-11-2014	680	Transfer	90333	0.73
				23-1-2015	383	Transfer	90716	0.74
				30-1-2015	1662	Transfer	92378	0.75
				6-2-2015	4875	Transfer	97253	0.79
				31-3-2015			97253	0.79
8	Eicher Goodearth Private Limited	27231	0.22	1-4-2014				
				2-5-2014	5900	Transfer	33131	0.27
				9-5-2014	3586	Transfer	36717	0.30
				16-5-2014	4912	Transfer	41629	0.34
				23-5-2014	15285	Transfer	56914	0.46
				31-3-2015			56914	0.46

SN	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company				No. of shares	% of total shares of the company
9	N. S. Raghavan	42270	0.34	1-4-2014				
				31-3-2015		Nil movement	42270	0.34
10	Valuequest India Moat Fund Limited	0	0	1-4-2014				
				11-4-2014	6461	Transfer	6461	0.05
				18-4-2014	483	Transfer	6944	0.06
				25-4-2014	10684	Transfer	17628	0.14
				9-5-2014	828	Transfer	18456	0.15
				16-5-2014	661	Transfer	19117	0.16
				23-5-2014	9000	Transfer	28117	0.23
				30-5-2014	870	Transfer	28987	0.24
				6-6-2014	3254	Transfer	32241	0.26
				13-6-2014	1133	Transfer	33374	0.27
				20-6-2014	625	Transfer	33999	0.28
				6-3-2015	800	Transfer	34799	0.28
				13-3-2015	5098	Transfer	39897	0.32
				20-3-2015	1850	Transfer	41747	0.34
				31-3-2015			41747	0.34

E) Shareholding of Directors:

1	Shareholding of Kewalchand P. Jain, Chairman and Managing Director	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	690111	5.60	690111	5.60
	Date wise Increase / Decrease in director and KMP	0	0	0	0
	Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):				
	At the end of the year	690111	5.60	690111	5.60
2	Shareholding of Hemant P. Jain, Wholtime Executive Director	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	690915	5.61	690915	5.61
	Date wise Increase / Decrease in director and KMP	0	0	0	0
	Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):				
	At the end of the year	690915	5.61	690915	5.61



3	Shareholding of Dinesh P. Jain, Wholtime Executive Director	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	728831	5.92	728831	5.92
	Date wise Increase / Decrease in director and KMP Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	0	0	0	0
	At the end of the year	728831	5.92	728831	5.92

4	Shareholding of Vikas P. Jain, Wholtime Executive Director	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	721321	5.86	721321	5.86
	Date wise Increase / Decrease in director and KMP Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	0	0	0	0
	At the end of the year	721321	5.86	721321	5.86

5	Shareholding of Yogesh Thar, Non-Executive Independent Director	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	NIL		NIL	
	Date wise Increase / Decrease in director and KMP Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	0	0	0	0
	At the end of the year	NIL		NIL	

6	Shareholding of Nimish Pandya, Non-Executive Independent Director	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	NIL		NIL	
	Date wise Increase / Decrease in director and KMP	0	0	0	0
	Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):				
	At the end of the year	NIL		NIL	
7	Shareholding of Prakash Mody, Non-Executive Independent Director	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	336	0.00	336	0.00
	Date wise Increase / Decrease in director and KMP	0	0	0	0
	Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):				
	At the end of the year	336	0.00	336	0.00
8	Shareholding of Drushti Desai, Non-Executive Independent Director	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	NIL		NIL	
	Date wise Increase / Decrease in director and KMP	0	0	0	0
	Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):				
	At the end of the year	NIL		NIL	

Shareholding of Key Managerial Personnel:

9	Shareholding of Abhijit Warange, Company Secretary	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	NIL		NIL	
	Date wise Increase / Decrease in director and KMP	0	0	0	0
	Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):				
	At the end of the year	NIL		NIL	



10 Shareholding of Shantilal Kothari, Chief Financial Officer	Shareholding at the beginning of the year		Date Increase/ Decrease in Reason shareholding			Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company				No. of shares	% of total shares of the company
At the beginning of the year	1875	0.01	1-4-2014				
			3-2-2015	60	Transfer	1935	0.02
			4-2-2015	39	Transfer	1974	0.02
			6-2-2015	100	Transfer	2074	0.02
			9-2-2015	100	Transfer	2174	0.02
			10-2-2015	100	Transfer	2274	0.02
At the end of the year			31-3-2015			2274	0.02

V) INDEBTEDNESS - Indebtedness of the Company including interest outstanding/accrued but not due for payment.

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	11,87,70,178	-	-	11,87,70,178
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	11,87,70,178	-	-	11,87,70,178
Change in Indebtedness during the financial year				
* Addition	-	-	-	-
* Reduction	52,39,826	-	-	52,39,826
Net Change	52,39,826	-	-	52,39,826
Indebtedness at the end of the financial year				
i) Principal Amount	11,35,30,352	-	-	11,35,30,352
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	11,35,30,352	-	-	11,35,30,352

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

SN. Particulars of Remuneration	Name of MD/WT/ Manager				Total Amount
	Kewalchand P. Jain (CMD)	Hemant P. Jain (WTD)	Dinesh P. Jain (WTD)	Vikas P. Jain (WTD)	
1 Gross salary	79,50,000	79,50,000	79,50,000	79,50,000	3,18,00,000
(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-	-	-
(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	39,600	39,600	39,600	39,600	1,58,400
(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-	-	-
2 Stock Option	-	-	-	-	-
3 Sweat Equity	-	-	-	-	-
4 Commission					
- as % of profit	-	-	-	-	-
- others, specify...	-	-	-	-	-
5 Others, please specify	-	-	-	-	-
Total (A)	79,89,600	79,89,600	79,89,600	79,89,600	3,19,58,400
Ceiling as per the Companies Act 2013	₹ 11,21,51,042				

B. Remuneration to other directors

SN. Particulars of Remuneration	Name of Directors				Total Amount
	Nimish Pandya	Prakash Mody	Yogesh Thar	Drushti Desai	
1 Independent Directors					
Fee for attending board/ committee meetings	6,20,000	2,40,000	3,80,000	4,80,000	17,20,000
Commission	-	-	-	-	-
Others, please specify	-	-	-	-	-
Total (1)	6,20,000	2,40,000	3,80,000	4,80,000	17,20,000
2 Other Non-Executive Directors					
Fee for attending board committee meetings	-	-	-	-	-
Commission	-	-	-	-	-
Others, please specify	-	-	-	-	-
Total (2)	-	-	-	-	-
Total (B)=(1+2)	6,20,000	2,40,000	3,80,000	4,80,000	17,20,000
Total Managerial Remuneration					3,36,78,400
Ceiling as per the Companies Act 2013	₹ 11,21,51,042				

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTB

		Key Managerial Personnel			
		CEO	CS	CFO	Total
1	Gross salary		24,25,000	57,20,000	81,45,000
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961				
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961				
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961				
2	Stock Option	Not Applicable			
3	Sweat Equity				
4	Commission				
	- as % of profit				
	others, specify...				
5	Others, please specify				
	Total		24,25,000	57,20,000	81,45,000

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: - Nil

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. Company					
Penalty					
Punishment					
Compounding					
B. Directors					
Penalty					
Punishment					
Compounding					
C. Other Officers in Default					
Penalty					
Punishment					
Compounding					

ANNEXURE II

A. CONSERVATION OF ENERGY

Your company took up energy conservation activities, guided by a professional firm with 40 years experience, M/s Econ Engineers, on several fronts, from the Head office and other offices, to all manufacturing units.

The major steps taken at various locations were as under:

1. Energy Conservation Teams were formed at all large facilities and were provided with all relevant monitoring instruments.
2. Energy Efficiency of Air Conditioning Systems and equipment was improved:
 - i. At the Offices since air conditioning was the major load, your company set up regular monitoring of all the air conditioning equipment, assessing the three major energy efficiency parameters of temperature difference between supply and return air, flow rate and the power used, for all the air conditioning equipment, including Ductables, Cassette, Split and Window Air conditioners. Where ever short falls were detected, corrective action was

immediately taken to restore the equipment to rated parameters.

- ii. The practice of monitoring of the air conditioning equipment was adopted at all the factories also. Regular monitoring resulted in both improved performance and energy saving.
- iii. Old air conditioners were replaced by 5 Star ones: At a number of locations, where ever the air conditioners were very old or working for long periods, they were replaced by the modern energy efficient 5 Star Split air conditioners. This added to the energy savings.
3. Lighting Energy Conservation:
 - i. Illumination levels were checked at all locations; excess lights were removed and lights were switched on only when required;
 - ii. Energy efficient lights were adopted, including the use of LEDs
4. Improving Power Factor:

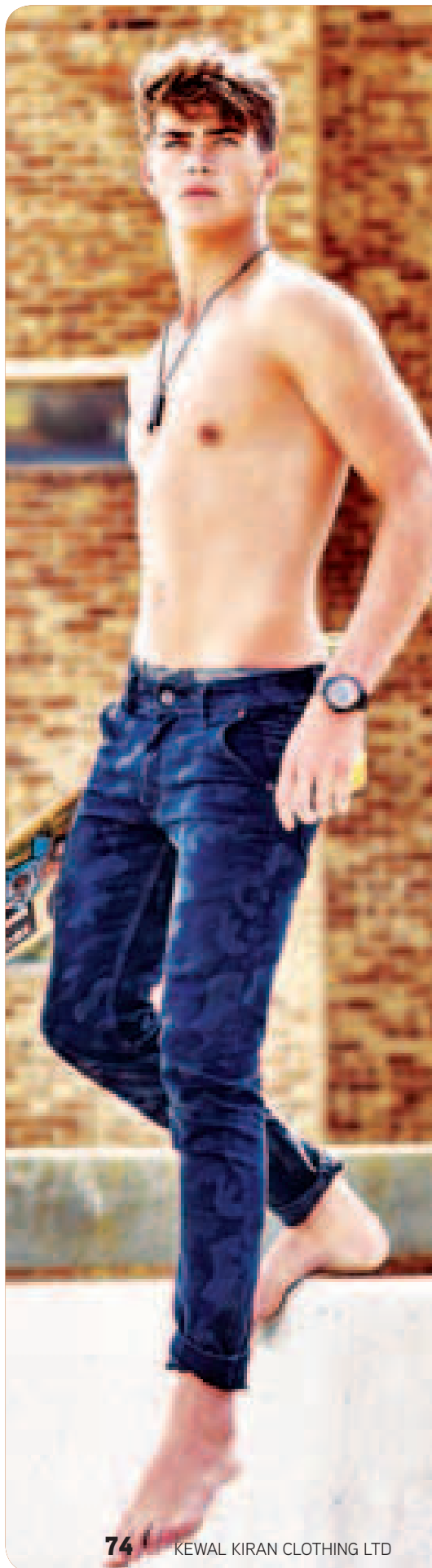
The power factor was being

controlled mostly by Automatic Power Factor Controllers. However, these were studied to optimize the maintenance of P.F. above 0.98; the monthly bonuses earned in the electricity bills will offset the investments in short periods.

5. Improving Efficiency of Boilers at the Factories

- i. Regular Monitoring of the various parameters important for maintaining high efficiency in Boilers yielded ways to improve their efficiency. This was diligently taken up; maintenance was improved and done regularly resulting in useful fuel savings.
- ii. Systems were installed to monitor the distribution of steam, including at pressure reducing stations and at steam traps, to ensure that the required steam quality and pressure was available at the various equipment using steam, eg. Tumble driers, washers, steam irons, etc. This enabled high productivity of the equipment.

6. Improving Efficiency of Driers, Washers, Steam Irons, etc at the Factories:



- i. Regular Monitoring of the various parameters important for maintaining high efficiency in the driers and washers, etc., ensured that the cycles were completed not only within rated times but also often ahead of time.
 - ii. In Washers steam usage was restricted to those cycles where temperature required was 90°C. For all other cycles the recovered hot water was used. This yielded useful savings in the use of steam, electricity and operation period.
7. Regular monitoring of all important parameters relating to improved maintenance were adopted in a dedicated way, to improve plant & equipment availability.
 8. Leakages of steam and compressed air were minimized

and plant productivity improved.

Utilising Alternate Sources of Energy

The Company already has a 600 KW Wind Turbine Generator in Gujarat which provides most of the electricity at your company's Vapi Factory.

Serious efforts are on to explore the feasibility of Roof Top Solar Power Generation.

The Central Govt. has offered to provide the necessary impetus and funds and the State Governments are gearing up to accept all the surplus energy generated allowing direct feeding into their Grid. Hence we expect this will soon be viable and we will consider their use at our factories.

B. TECHNOLOGY ABSORPTION

Your company continues to use the latest technologies for improving the productivity and quality of its products. The company's operations do not require significant import of technology.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

Activities relating to exports, initiatives taken to increase exports, development of new export markets for products and services and export plans.

Total Foreign Exchange used and earned:

Total Foreign Exchange earned	₹ 22,85,96,792/-
Total Foreign Exchange outgo	₹ 32,94,138/-

ANNEXURE III

DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH THE RULE 5 (1) OF THE COMPANIES (APPOINTMENT & REMUNERATION OF MANGERIAL PERSONNEL) RULES, 2014

- (i) The percentage increase in the remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2014-15, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2014-15 and the comparison of each Key Managerial Personnel (KMP) against the performance of the Company are as under:-

Sr. No	Name of Director/ KMP and Designation	Remuneration of the Director/KMP for the financial year 2014-15 (In ₹)	% increase in remuneration in the financial year 2014-15	Ratio of remuneration of each Director to median remuneration of employees	Comparison of the remuneration of the KMP against the performance of the Company
1.	Mr. Kewalchand P Jain, Chairman & Managing Director	79,89,600	Nil	51:1	The increase in remuneration is not solely based on the Company performance but also include various other factors like individual performance, experience, skill sets, academic background, industry trends, economic situation and future growth prospects etc. All these factors are considered by Board/Nomination and Remuneration Committee.
2	Mr. Hemant P Jain, Whole-time Director	79,89,600	Nil	51:1	
3	Mr. Dinesh P Jain, Whole-time Director	79,89,600	Nil	51:1	
4	Mr. Vikas P Jain, Whole-time Director	79,89,600	Nil	51:1	
5	Mr. Yogesh A Thar, Independent Director	3,80,000	137.5	2:1	
6	Dr. Prakash M Mody, Independent Director	2,40,000	1100	2:1	
7	Mr. Nimish G Pandya , Independent Director	6,20,000	287.5	4:1	
8	Ms. Drushti R Desai, Independent Director	4,80,000	*NA	* NA	
9	Mr. Shantilal Kothari, Chief Financial Officer	55,00,000	66.66	35:1	
10	Mr. Abhijit B Warange, Vice President - Legal & Company Secretary	24,00,000	NIL	15:1	

*Details not given as Ms. Drushti R Desai was appointed on the Board only for the part of financial year 2014-15

- (ii) The Median remuneration of employees of the company during the financial year was ₹ 1.56 Lakhs.
- (iii) In the financial year, there was increase of 14.10 % in the median remuneration of the employees (Excluding wages).
- (iv) There were 1974 permanent employees including Piece rate employees on the rolls of company as on March 31, 2015.

(v) Relationship between average increase in remuneration and Company's performance - The Profit after Tax for the financial year ended March 31, 2015 decreased by 1.15%, whereas, the increase in the median remuneration was 14.10%. The average increase in the median remuneration was in line with the increase of the salary in the Industry.

(vi) Comparison of remuneration of the Key Managerial Personnel(s) against the performance of the company -

The Total remuneration of Key Managerial Personnel(s) increased by 38.59 % from ₹ 57 lakhs in the year 2013-14 to ₹79 Lakhs in 2014-15 whereas the profit after tax decreased by 1.15 % to 66.25 Crores in the year 2014-15 (67.02 Crores in the year 2013-14).

vii) a) Variation in the market capitalization of the Company : The market capitalization as on March 31, 2015 was ₹ 2612 crores (₹1395 Crores as on March 31, 2014)

b) Price Earnings ratio of the Company as at March 31, 2015 is 39.44 times and as at March 31, 2014 was 20.81 times.

c) Percent increase over / decrease on the market quotation of the shares of the company as compared at the

rate at which the company came out with the last public offer in the year. The company has not made any public issue or rights issue of securities in the recent past, so comparison have not been made of current share price with company's offer price. The company shares are listed on BSE Limited and National Stock Exchange of India Limited.

(viii) Average percentage increase made in the salaries (Excluding wages) of the employees other than Key Managerial Personnel(s) in the last financial year 2014-15 was 10.64 % whereas , the increase in Key Managerial remuneration was 38.59%.

(ix) There are no variable component of remuneration availed by the Director except whole time Director which is based on the recommendation of the Nomination and Remuneration Committee as per remuneration policy for the Directors, Key Managerial Personnel(s) and other employees.

(x) The ratio of remuneration of the highest paid Director to that of the employees who are not Directors but receive remuneration of the highest paid Director during the year- Not Applicable, and

(xi) It is hereby affirmed that the remuneration paid is as per the remuneration policy for Directors, Key Managerial Personnel(s) and other employees.

STATEMENT PURSUANT TO SECTION 203 READ WITH CHAPTER XIII OF THE COMPANIES ACT 2013 TOGETHER WITH RULE 5(2) AND (3) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES 2014

A. Employed Throughout the Financial Year and in receipt of remuneration for the year in the aggregate in excess of the limits specified under rule 5(2) & 5(3)

Sl. No	Name	Designation	Nature of employment whether contractual or otherwise	Nature of Duties of the employee	Qualification	Age in years	Date of Commencement of employment	Total Experience in years	Gross Remuneration (₹)	Previous Employment/ Designation
1	Kewalchand P. Jain	Chairman & Managing Director	Permanent	Finance & overall control of the company affairs	Under Graduate	52	January 30, 1992	33	79,50,000	Keval Kiran & Co/ Partners
2	Hemant P. Jain	Wholetime Director	Permanent	Marketing - Killer & Easies	Under Graduate	50	January 30, 1992	32	79,50,000	Keval Kiran & Co/ Partner
3	Dinesh P. Jain	Wholetime Director	Permanent	Production	Under Graduate	45	October 2, 1997	26	79,50,000	Keval Kiran & Co/ Partner
4	Vikas P. Jain	Wholetime Director	Permanent	Marketing Lawman & Integrity K-Lounge Stores	Graduate	43	October 2, 1997	23	79,50,000	N.A

*Note

1. Mr. Kewalchand P. Jain holds 5.71% of equity shares in the company including 0.13% shares held as Karta of Kewalchand P. Jain H.U.F and 0.62% shares held j/w Veena Jain
2. Mr. Hemant P. Jain holds 5.72% of equity shares in the company including 0.13% shares held as Karta of Hemant P. Jain H.U.F and 0.63% shares held j/w Lata Jain
3. Mr. Dinesh P. Jain holds 6.03% of equity shares in the company including 0.13% shares held as Karta of Dinesh P. Jain H.U.F and 0.81% held jointly with Sangeeta Jain
4. Mr. Vikas P. Jain holds 5.96% of equity shares in the company including 0.13% shares held as Karta of Vikas P. Jain H.U.F and 0.74% shares held j/w Kesar Jain

- 
5. Gross Remuneration comprises of Salary, Allowances, Company's contribution to Provident Fund and taxable value of perquisite.
 6. Mr. Pankaj Jain, President Retail and Hitendra Jain - President-Addictions are relative of Mr. Kewalchand Jain, Mr. Hemant Jain, Mr. Dinesh Jain and Mr. Vikas Jain who are Directors on the Board of the company.
 7. Kewalchand Jain, Mr. Hemant Jain, Mr. Dinesh Jain and Mr. Vikas Jain are brothers and Directors on the Board of the company.
 - B. Employed part of the Financial Year and in receipt of remuneration for any part of that year which in the aggregate is in excess of the limits specified under rule 5(2) –NIL

ANNEXURE IV

FORM NO. AOC-2

PURSUANT TO SECTION 134(3)(H) OF THE COMPANIES ACT, 2013
AND RULE 8(2) OF THE COMPANIES (ACCOUNTS) RULES, 2014

Disclosure of particulars of contracts/ arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis

Purchase of Furniture from Enlighten Lifestyle Limited (formerly known as Kornerstone Retail Limited)

- (a) Name(s) of the related party and nature of relationship: Enlighten Lifestyle Limited. Mr. Kewalchand P. Jain, Chairman and Managing Director and Mr. Hemant P. Jain, Mr. Dinesh P. Jain and Mr. Vikas P. Jain, Wholetime Directors are also Directors in Enlighten Lifestyle Limited.
- (b) Nature of contracts/ arrangements/ transactions – Purchase of furniture and fixtures from Enlighten Lifestyle Limited.
- (c) Duration of the contracts/ arrangements/ transactions

- To purchase furniture and fixture from Enlighten Lifestyle Limited from September 1, 2014 from time to time.

- (d) Salient terms of the contracts or arrangements or transactions including the value, if any - To purchase furniture and fixture from Enlighten Lifestyle Limited from September 1, 2014 from time to time as may be required by the Company for the purpose of its business upto rupees one crore.
- (e) Justification for entering into such contracts or arrangements or transactions – The company requires furniture and fixture for office use from time to time which can be purchased from Enlighten Lifestyle Limited at a discount of 20% of MRP.
- (f) Date(s) of approval by the Board – July 23, 2014
- (g) Amount paid as advance, if any – No
- (h) Date on which the special resolution was passed in

general meeting as required under first proviso to section 188 – August 28, 2014.

To give on leave and license property situated at Shop no. 1, Shatrunjay Plaza, S.V. Road, Goregaon West, Mumbai: 400 062 to Enlighten Lifestyle Limited (formerly known as Kornerstone Retail Limited)

- (a) Name(s) of the related party and nature of relationship: Enlighten Lifestyle Limited. Mr. Kewalchand P. Jain, Chairman and Managing Director and Mr. Hemant P. Jain, Mr. Dinesh P. Jain and Mr. Vikas P. Jain, Wholetime Directors are also Directors in Enlighten Lifestyle Limited.
- (b) Nature of contracts/ arrangements/ transactions – To give on leave and license property situated at Shop no. 1, Shatrunjay Plaza, S.V. Road, Goregaon West, Mumbai: 400 062 to Enlighten Lifestyle Limited for 60 months.
- (c) Duration of the contracts/ arrangements/ transactions - October 1, 2014 to September 30, 2019.



(d) Salient terms of the contracts or arrangements or transactions including the value, if any - To give on leave and license property situated at Shop no. 1, Shatrunjay Plaza, S.V. Road, Goregaon West, Mumbai: 400 062 to Enlighten Lifestyle Limited for 60 months from the period beginning from October 1, 2014 to September 30, 2019 at a License Fee of ₹ 1,15,000/- per month or 15% of net revenue generated from the said premises whichever is higher.

(e) Justification for entering into such contracts or arrangements or transactions – The licensee fee is at par with the ongoing market rent.

(f) Date(s) of approval by the Board – July 23, 2014

(g) Amount paid as advance, if any – No

(h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188 – August 28, 2014.

Note:

M/s. Enlighten Lifestyle Limited has ceased to conduct its business from the aforesaid premises licensed by your company w.e.f. June 1, 2015 and the license agreement has since been terminated.

To take units on leave and license from promoters

(a) Name(s) of the related party and nature of relationship: Mr. Kewalchand P. Jain, Mr. Hemant P. Jain, Mr. Dinesh P. Jain, Mr. Vikas P. Jain and Mrs. Shantaben P. Jain.

Mr. Kewalchand P. Jain is the Chairman and Managing Director and Mr. Hemant P. Jain, Mr. Dinesh P. Jain and Mr. Vikas P. Jain are Wholtime Directors of the Company. Mrs. Shantaben P. Jain is one of the promoters of the company. Mrs. Shantaben P. Jain is the mother of Mr. Kewalchand P. Jain, Mr. Hemant P. Jain, Mr. Dinesh P. Jain and Mr. Vikas P. Jain.

(b) Nature of contracts/ arrangements/ transactions – To take on leave and license units from Mr. Kewalchand P. Jain, Mr. Hemant P. Jain, Mr. Dinesh P. Jain, Mr. Vikas P. Jain and Mrs. Shantaben P. Jain

(c) Duration of the contracts/ arrangements/ transactions – September 1, 2014 to August 31, 2019.

(d) Salient terms of the contracts or arrangements or transactions including the value, if any - To take on leave and license :-

- | | | |
|--|---|--|
| <p>a. Premises being Unit No. A-1, Synthofine Estate, Opp Virwani Industrial Estate, Goregaon (East), Mumbai – 400 063 from Mr. Kewalchand P. Jain, Chairman and Managing Director on monthly rent of ₹ 34,500/- (Rupees Thirty Four Thousand Five Hundred only);</p> <p>b. Premises being Unit No. A-2, Synthofine Estate, Opp Virwani Industrial Estate, Goregaon (East), Mumbai – 400 063 from Mr. Vikas P. Jain, Wholetime Director on monthly rent of ₹ 23,000/- (Rupees Twenty Three Thousand only);</p> <p>c. Premises being Unit No. A-3, Synthofine Estate, Opp Virwani Industrial Estate, Goregaon (East), Mumbai – 400 063 from Mr. Hemant P. Jain, Wholetime Director on monthly rent of ₹ 23,000/- (Rupees Twenty Three Thousand only);</p> <p>d. Premises being Unit No. A-4, Synthofine Estate, Opp Virwani Industrial Estate, Goregaon (East), Mumbai – 400 063 from Mr. Dinesh P. Jain, Wholetime Director on monthly rent of ₹ 23,000/- (Rupees Twenty Three Thousand only);</p> <p>e. Premises being Unit No. A-5, Synthofine Estate,</p> | <p>Opp Virwani Industrial Estate, Goregaon (East), Mumbai – 400 063 from joint owners Dinesh P. Jain and Vikas P. Jain, Wholetime Directors on monthly rent of ₹ 23,000/- (Rupees Twenty Three Thousand only);</p> <p>f. Premises being Unit No. A-8, Synthofine Estate, Opp Virwani Industrial Estate, Goregaon (East), Mumbai – 400 063 from joint owners Kewalchand P. Jain, Chairman and Managing Director and Hemant P. Jain, Wholetime Director on monthly rent of ₹ 18,000/- (Rupees Eighteen Thousand only);</p> <p>g. Premises being Unit No. C-3, Synthofine Estate, Opp Virwani Industrial Estate, Goregaon (East), Mumbai – 400 063 from joint owners Mr. Kewalchand P. Jain, Chairman and Managing Director and Mr. Hemant P. Jain, Wholetime Director on monthly rent of ₹ 25,300/- (Rupees Twenty Five Thousand Three Hundred only);</p> <p>h. Premises being Unit No. C-4, Synthofine Estate, Opp Virwani Industrial Estate, Goregaon (East), Mumbai – 400 063 from joint owners Dinesh P. Jain and Vikas P. Jain, Wholetime Directors on monthly rent of</p> | <p>₹ 25,300/- (Rupees Twenty Five Thousand Three Hundred only);</p> <p>i. Premises being Unit No. 3, Devare House, Dadar (west), Mumbai - 400 028 from joint owners Shantaben P. Jain, Promoter and Kewalchand P. Jain, Chairman and Managing Director and Hemant P. Jain, Wholetime Director on monthly rent of ₹ 1,08,000/- (Rupees One Lakh Eight Thousand only) and an interest free refundable security deposit of ₹ 6,48,000/- (Rupees Six Lakhs Forty Eight Thousand only);</p> <p>j. Premises being Unit No. 104, Devare House, Dadar (west), Mumbai - 400 028 from Shantaben P. Jain, Promoter on monthly rent of ₹ 22,500/- (Rupees Twenty Two Thousand Five Hundred only) and an interest free refundable security deposit of ₹ 1,35,000/- (Rupees One Lakhs Thirty Five Thousand only)</p> <p>(e) Justification for entering into such contracts or arrangements or transactions – The licensee fee is lower than the ongoing market rent.</p> <p>(f) Date(s) of approval by the Board – July 23, 2014</p> |
|--|---|--|



- (g) Amount paid as advance, if any – No
- (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188 – August 28, 2014.

Remuneration paid to Pankaj K. Jain

- a. Name(s) of the related party and nature of relationship: Mr. Pankaj K. Jain. Son of Mr. Kewalchand P. Jain, Chairman and Managing Director of the Company and nephew of Mr. Hemant P. Jain, Mr. Dinesh P. Jain and Mr. Vikas P. Jain, Wholetime Directors of the company.
- b. Nature of contracts/ arrangements/ transactions – Related Party Employment
- c. Duration of the contracts/ arrangements/ transactions - NA
- d. Salient terms of the contracts or arrangements or transactions including the value, if any - NA
- e. Justification for entering into such contracts or arrangements or transactions – Mr. Jain is a qualified Chartered Accountant and has experience in finance and retail operation and the company will be benefited with his expertise.
- f. Date(s) of approval by the Board – May 11, 2013. The

Board has further revised the remuneration payable to Mr. Jain in their meeting held on May 14, 2015.

- g. Amount paid as advance, if any – No
- h. Date on which the special resolution was passed in general meeting as required under first proviso to section 188 – The appointment of Mr. Pankaj Jain was made under the Companies Act 1956. The remuneration paid to Mr. Jain does not exceed the ceiling specified in Section 188 of the Companies Act, 2013 read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014.

Remuneration paid to Hitendra H. Jain

- a. Name(s) of the related party and nature of relationship: Mr. Hitendra H. Jain. Son of Mr. Hemant P. Jain, Wholetime Director of the Company and nephew of Mr. Kewalchand P. Jain, Chairman and Managing Director and Mr. Dinesh P. Jain and Mr. Vikas P. Jain, Wholetime Directors of the company.
- b. Nature of contracts/ arrangements/ transactions – Related Party Employment
- c. Duration of the contracts/ arrangements/ transactions - NA
- d. Salient terms of the contracts or arrangements

or transactions including the value, if any - NA

- e. Justification for entering into such contracts or arrangements or transactions – Mr. Jain holds a Masters of Science in International Business from the Leads University Business School and has experience in retail operation and the company will be benefited with his expertise.
- f. Date(s) of approval by the Board – May 11, 2013. The Board has

further revised the remuneration payable to Mr. Jain in their meeting held on May 14, 2015.

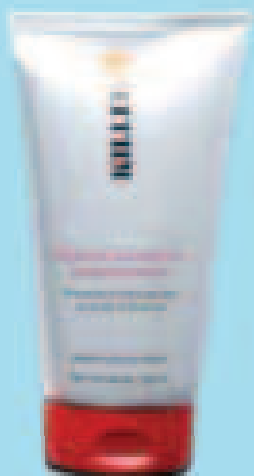
- g. Amount paid as advance, if any – No
- h. Date on which the special resolution was passed in general meeting as required under first proviso to section 188 – The appointment of Mr. Hitendra Jain was made under the Companies Act 1956. The remuneration paid to Mr. Jain

does not exceed the ceiling specified in Section 188 of the Companies Act, 2013 read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014.

2. Details of material contracts or arrangement or transactions at arm's length basis – Not applicable

For and on behalf of the Board

Kewalchand P. Jain
Chairman & Managing Director
DIN :- 00029730



ANNEXURE V

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2015

Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of The Companies (Appointment And Remuneration Of Managerial Personnel) Rules, 2014

To,
The Members,

Kewal Kiran Clothing Limited

Kewal Kiran Estate, 460/7, I. B. Patel Road, Near Western Express Highway, Goregaon(East), Mumbai - 400063

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by KEWAL KIRAN CLOTHING LIMITED (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31,

2015 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

- I. We have examined the Secretarial compliance based on the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2015, as shown to us during our audit, according to the provisions of:
 - (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
 - (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
 - (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
 - (iv) The following Regulations and Guidelines prescribed

under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

- a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992.

II. We have also examined compliance with the applicable clauses of the Listing Agreements entered into by the Company with the BSE Limited and National Stock Exchange of India Limited.

III. During the year under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

IV. We have relied on the representation made by the Company and its officers and state that in absence of any laws, rules / regulations specifically applicable to the industry under which the Company operates, we are unable to report on the compliance of the same.

V. We further report that since the Secretarial Standards issued by The Institute of Company Secretaries of India were not notified by March 31, 2015 we have not commented on the compliance of the same.

VI. The following Regulations and Guidelines prescribed under The

Securities and Exchange Board of India Act, 1992('SEBI Act') were, in our opinion, not attracted during the financial year under report;

- a. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- b. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
- c. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- d. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- e. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- f. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

VII. The provisions of the Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder in relation to Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings were not attracted during the financial year under report.

VIII. We further report that;

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors / Independent Directors. The changes in the composition of the Board of Directors that took place during the year under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Decisions at the meetings of the Board of Directors of the Company were carried through on the basis of majority. There were no dissenting views by any member of the Board of Directors during the period under review.

IX. We have relied on the representation made by the Company and its officers for the compliance of various applicable laws, rules, regulations and guidelines and after examining the system and mechanism followed by the Company for compliances we report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure the compliance of applicable laws, rules, regulations and guidelines.

X. We further report that during the audit period the Company has:

a. Authorised the Board of Directors (including committee of the Board) of the Company under section 180(1)(c) of the Act, to borrow not exceeding ₹ 200 Crores vide special resolution passed through e-voting in 23rd Annual General Meeting of the Company held on August 28, 2014.

b. Authorised the Board of Directors of the Company under section 180(1)(a) of

the Act to create charge on the Company's assets / properties vide special resolution passed through e-voting in the 23rd Annual General Meeting of the Company held on August 28, 2014.

For **U. P. Jain & Co.**
Company Secretaries

Ummedmal P. Jain
Proprietor
FCS-3735, CP-2235

Dated: July 23, 2015
Place: Mumbai

This report is to be read with our letter of even date which is annexed as 'Annexure A' and forms an integral part of this report.

Annexure A

(The Secretarial Audit Report of KEWAL KIRAN CLOTHING LIMITED for the financial year ended March 31, 2015)

To,

The Members,

KEWAL KIRAN CLOTHING LIMITED

Kewal Kiran Estate, 460/7, I. B. Patel Road,

Near Western Express Highway, Goregaon (East), Mumbai - 400063.

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that the correct facts are reflected in secretarial records. We believe that the practices and processes, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Wherever required, we obtained management representation about the compliance of laws, rules, regulations, norms and standards and happening of events.
5. In respect of the filing of forms /returns by the Company, related to the period under audit, we have not observed any material non-compliance, which can have bearing on the financial of the Company and hence have not reported in our audit report.
6. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, norms and standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
7. The secretarial audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

U. P. Jain & Co.

Company Secretaries

Ummedmal P. Jain

Proprietor

FCS-3735, CP-2235

Dated: July 23, 2015

Place: Mumbai



ANNEXURE VI

CORPORATE SOCIAL RESPONSIBILITY REPORT

1. CORPORATE SOCIAL RESPONSIBILITY POLICY –

Social and environmental responsibility has always been at the forefront of the KKCL's operating philosophy and as a result the Company consistently contributes to socially responsible activities. Corporate Social Responsibility (CSR) at KKCL portrays the deep symbiotic relationship that the group enjoys with the communities it is engaged with. As a responsible corporate citizen, we try to contribute for social and environmental causes on a regular basis. We believe that to succeed, an organization must maintain highest standards of corporate behavior towards its employees, consumers and societies in which it operates.

We are of the opinion that CSR underlines the objective of bringing about a difference and adding value to our stakeholders' lives. KKCL's Corporate Social Responsibility Policy is rooted in the Company's core values of quality, reliability and trust guided by international standards and best practices, and driven by our aspiration for excellence in the overall performance of our business.

Pursuant to Section 135 of the Companies Act, 2013 and rules made there under and clause 49 of the Listing Agreement the company had approved the Corporate Social Responsibility policy, as recommended by Corporate Social Responsibility Committee, in the Board Meeting held on January 31, 2015. The

company incurred a CSR spend of an amount of ₹ 1,68,00,000/- during the financial year 2014-15. The details of the donations made during the year ended March 31, 2015 are detailed below:

Sr. No.	Name of the Party	Amount (₹)	Purpose
1.	Ramkrishna Technical Education Society	10,00,000	Promotion of education
2.	Kasegaon Education Society	26,00,000	Promotion of education
3.	People for Animals	17,00,000	Rehabilitate sick and needy animals
4.	North Eastern Knowledge Foundation	10,00,000	Promotion of education
5.	Lord Gautam Charitable Foundation	96,00,000	Eradicating hunger, poverty and malnutrition and Promoting Health care including Preventive Health care
6.	Smt. Jatnobai Karamchandji Ratanparia Chouhan Charitable Trust	7,00,000	Promoting Health care including
7.	Naminathji Jain Foundation	2,00,000	Preventive Health care

The web-link to the CSR policy is <http://kewalkiran.com/PDF's/CSR%20policy.pdf>

2. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Pursuant to Section 135 of the Companies Act, 2013 the Board of Directors have in the Board Meeting held on May 10, 2014 constituted Corporate Social Responsibility Committee under the Chairmanship of Mr. Nimish Pandya and comprising of Mr. Kewalchand Jain and Mr. Hemant Jain as members.

The said Committee has been entrusted with the responsibility of formulating and recommending to the Board, a Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company monitoring the implementation of the framework of the CSR Policy and recommending the amount to be spent on CSR activities.

3. AVERAGE NET PROFIT OF THE COMPANY FOR LAST THREE YEARS : ₹ 83,87,00,403/-

4. PRESCRIBED CSR EXPENDITURE (2% of the amount as in item no. 3) : ₹ 1,67,74,008/-

5. DETAILS OF CSR SPENT DURING THE FINANCIAL YEAR:

- Total amount to be spent for the financial year – ₹ 1,68,00,000/-
- Amount unspent, if any – Nil
- Manner in which the amount spent during the financial year is detailed below –

Sn. No.	CSR project or activity identified	Sector in which the project is covered	Projects or programs 1. Local area or other 2. State & district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the programs or projects 1. District expenditure on programs or projects	Cumulative expenditure upto the reporting period	Amount spent: Direct or through implementing agency
1	Contribution towards Building construction Fund of the institution to forward the objective of propagating education in rural Maharashtra	Promotion of education	Taluka Sangola, Dist. – Solapur, Maharashtra	10,00,000	10,00,000	10,00,000	Implementing Agency - Ramkrishna Technical Education Society
2	Contribution towards construction of Ascend International School	Promotion of education	Mumbai, Maharashtra	26,00,000	26,00,000	26,00,000	Implementing Agency - Kasegaon Education Society
3	Contribution towards maintenance of animal hospitals or shelters, purchase of medicine, feed, ambulances and running of animal awareness programmes.	Rehabilitate sick and needy animals	Network of 200 units, 36 hospitals and 60 mobile units across India	17,00,000	17,00,000	17,00,000	Implementing Agency - People for Animals
4	Contribution towards promotion of the objective of propagating quality education in Assam.	Promotion of education	Jorhat, Assam	10,00,000	10,00,000	10,00,000	North Eastern Knowledge Foundation -

Sn. No.	CSR project or activity identified	Sector in which the project is covered	Projects or programs 1. Local area or other 2. State & district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the programs or projects 1. District expenditure on programs or projects	Cumulative expenditure upto the reporting period	Amount spent: Direct or through implementing agency
5	Contribution towards blood donation camps, water distribution programme, free medicare and hospitalisation, providing food to the underprivileged	Eradicating hunger, poverty and malnutrition and Promoting Health care including Preventive Health care	Pan India	96,00,000	96,00,000	96,00,000	Implementing Agency - Lord Gautam Charitable Foundation
6	Contribution towards operating hospital	Promoting Health care including Preventive Health care	Sadri, Rajasthan	7,00,000	7,00,000	7,00,000	Implementing Agency - Smt. Jatnobai Karamchandji Ratanparia Chouhan Charitable Trust
7	Contribution towards arranging free dialysis programme for the needy	Promoting healthcare including preventive healthcare	Mumbai, Maharashtra	2,00,000	2,00,000	2,00,000	Implementing Agency - Naminathji Jain Foundation

6. Reason for failure to spend two per cent of the average net profit of the last three financial years or any part thereof – Not applicable
7. The Chairman of the CSR Committee has given a responsibility statement on behalf of the CSR Committee that the implementation and monitoring of the CSR policy is in compliance with CSR objectives and policy of the company.

Signature

Mr. Kewalchand P. Jain
(Chairman and Managing Director)
DIN:-00029730

Mr. Nimish G. Pandya
(Chairman CSR committee)
DIN:-00326966



CORPORATE GOVERNANCE REPORT

I. COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE:

Kewal Kiran Clothing Limited is committed to good corporate governance in order to enhance stakeholders' value. The company believes that Corporate Governance is not an end in itself but a catalyst in the process towards maximization of stakeholder value. The company's philosophy on Corporate Governance enshrines the goal of achieving the highest levels of transparency, accountability and equity in all spheres of its operations and in all its dealings with its stakeholders. It is the company's belief that good ethics make good business sense and our business practices are in keeping with the spirit of maintaining the highest level of ethical standards.

The Securities and Exchange Board of India (SEBI) amended the Listing Agreement effective October 1, 2014 to bring in additional corporate governance norms for listed entities. These norms provide for stricter disclosure and protection of investor rights. The amended norms are aligned with the provisions of the Companies Act 2013 and are aimed to encourage companies to adapt best practices on corporate governance. Our Corporate Governance framework has helped us be aligned with the

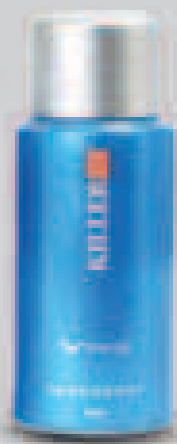
new guideline of the Companies Act 2013 and the Listing Agreement with the Stock Exchanges. We believe that an active, well informed and independent Board is necessary to ensure the highest standard of corporate governance. The Board of Directors of your company is at the core of our corporate governance practice. The Board thus oversees the company's management functions and protects the long term interest of our stakeholders.

In so far as compliance of Clause 49 of the Listing Agreement with the Stock Exchanges is concerned, the company has complied in all material respects with the requirements of Corporate Governance specified in the Listing Agreement with BSE Limited and National Stock Exchange of India Limited.

II. BOARD OF DIRECTORS: –

(a) Composition of the Board: –

The Board of Directors of Kewal Kiran Clothing Limited has an optimum combination of Executive and Non Executive Directors. As on March 31, 2015 the Board of Directors of the company comprises of the Chairman and Managing Director, Mr. Kewalchand P. Jain, who is an Executive Director and one of the promoters of the company. Besides, there are three Executive Directors



viz. Mr. Hemant P. Jain, Mr. Dinesh P. Jain and Mr. Vikas P. Jain, who are also the promoters of the company. The Board comprises of four Non-Executive Independent Directors, which accounts for fifty percent of the strength of Board. The Non Executive Independent Directors are eminent professionals with wide range of knowledge and experience in various spheres of business and industry, finance and law. The composition of the Board and other relevant details relating to Directors as on March 31, 2015 are given below: –

Name of the Director	Designation	Category of Directorship	**No. of other Directorship	**No. of Committee Chairmanship/ membership
Mr. Kewalchand P. Jain (DIN 00029730)	Chairman & Managing Director	Promoter & Executive	8	1
Mr. Hemant P. Jain (DIN 00029822)	Whole-time Director	Promoter & Executive	8	1
Mr. Dinesh P. Jain (DIN 00327277)	Whole-time Director	Promoter & Executive	7	0
Mr. Vikas P. Jain (DIN 00029901)	Whole-time Director	Promoter & Executive	6	0
Mr. Yogesh A. Thar (DIN 02687466)	Director	Independent Non Executive	2	3
Dr. Prakash A. Mody (DIN 00001285)	Director	Independent Non Executive	5	1
Mr. Nimish G. Pandya (DIN 00326966)	Director	Independent Non Executive	-	2
*Ms. Drushti R. Desai (DIN 00294249)	Director	Independent Non Executive	6	6

* Ms. Drushti R. Desai was appointed as the Additional Director of your company in the Board Meeting held on July 23, 2014 and her appointment was regularized in the previous Annual General Meeting held on August 28, 2014.

** Details of other directorships/committee memberships of all the Directors are given by way of a separate Annexure. The committee chairmanship/membership of the Directors is restricted to the chairmanship/membership of Audit Committees and Stakeholders Relationship and Shareholder/Investor Grievance Committees.

(b) Number of Board Meetings held and attended by Directors.

- (i) The meetings of the Board of Directors are scheduled well in advance. The Board Members are presented in advance with the detailed agenda in respect of all Board meetings. During the year under review five meetings of the

Board of Directors were held on the following dates: –

May 10, 2014, July 23, 2014, September 10, 2014, October 17, 2014 and January 31, 2015. The gap between two Board meetings is less than four months.

- (ii) The attendance record of each of the Directors at the Board Meetings during the year ended on March 31, 2015 and during the last Annual General Meeting is as under: –

Directors	No. of Board Meetings Attended	Attendance At The Last AGM
Mr. Kewalchand P. Jain	5 of 5	Present
Mr. Hemant P. Jain	5 of 5	Present
Mr. Dinesh P. Jain	4 of 5	Present
Mr. Vikas P. Jain	5 of 5	Present
Mr. Yogesh A. Thar	4 of 5	Present
Dr. Prakash A. Mody	3 of 5	Absent
Mr. Nimish G. Pandya	5 of 5	Present
Ms. Drushti R. Desai	4 of 4	Present

(c) Governance Codes

• Code of Conduct

In line with the company's objective of following the best Corporate Governance Standards the Board of Directors has laid down a Code of Conduct for all Board Members and Senior Management of the company. The Code is effective from January 14, 2006.

The company has also adopted code for Independent Directors in the Board meeting held on May 10, 2014 pursuant to section 149(8) of the Companies Act, 2013 which makes it mandatory for independent directors to abide by the provisions of the code.

• Conflict of Interest

Each Director informs the company on an annual basis about the Board and the Committee positions he/she occupies in other companies and notifies changes if any during the year. The Board Members while discharging their duties, avoid conflict of interest in the decision making

process. The members of the Board do not participate in any discussions nor vote in any transactions that they have concern or interest.

• Insider Trading Code

In accordance with Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 the company has in the Board Meeting held on May 14, 2015 formulated and approved (i) an Insider Trading Code to regulate dealings in the securities of the company by designated persons in compliance with the regulations and (ii) a policy for fair disclosure of unpublished price sensitive information and the aforesaid codes were effective to the Company from May 15, 2015. Mr. Abhijit B. Warange, Vice President – Legal and Company Secretary is the Compliance Officer for the purpose of Insider Trading Code, while Mr. Shantilal Kothari, Chief Financial Officer has been appointed as the Chief Investor Relations Officer for the purpose of the fair disclosure policy.

(d) Details of shares held by directors in the company as on March 31, 2015

Name of the Directors	Number of shares held
Mr. Kewalchand P. Jain*	7,06,111
Mr. Hemant P. Jain*	7,06,915
Mr. Dinesh P. Jain*	7,44,831
Mr. Vikas P. Jain*	7,37,321
Mr. Yogesh A. Thar	Nil
Dr. Prakash A. Mody	336
Mr. Nimish G. Pandya	Nil
Ms. Drushti R. Desai	Nil

61,53,000 shares are held by Shantaben P. Jain j/w Kewalchand P. Jain j/w Hemant P. Jain as trustees of the P.K. Jain Family Holding Trust.

*Note:

The said shares held by Mr. K. P. Jain includes 16,000 equity shares in his capacity of Karta of Kewalchand P. Jain H.U.F and 76,661 shares held j/w Veena K. Jain.

The said shares held by Mr. H.P. Jain includes 16,000 equity shares in his capacity of Karta of Hemant P. Jain H.U.F and 77,400 shares held j/w Lata H. Jain.

The said shares held by Mr. D.P. Jain includes 16,000 equity shares in his capacity of Karta of Dinesh P. Jain H.U.F and 99,401 shares held j/w Sangeeta D. Jain.

The said shares held by Mr. V.P. Jain includes 16,000 equity shares in his capacity of Karta of Vikas P. Jain H.U.F and 91,836 shares held j/w Kesar V. Jain.

(e) Familiarisation programme for Directors

At the time of appointing a Director, a formal letter of appointment is given to him/her, which inter alia explains the role, function, duties and

responsibilities expected of him/her as a Director of the Company. The Director is also explained in detail the Compliance required from him/her under the Companies Act, 2013, Clause 49 of the Listing Agreement and other relevant regulations and affirmation taken with respect to the same. The Chairman and Managing Director also has one to one discussion with the newly appointed Director to familiarize him/her with the Company's operations. Further the Company has put in place a policy to familiarize the Independent Directors about the company, its products, business and on-going events relating to the Company.

III. AUDIT COMMITTEE: –

Constitution of Audit Committee: –

The Audit Committee of the Board of Directors is entrusted with the responsibility to supervise the internal control and financial reporting process. The composition, quorum, powers, role and scope of the Committee are in accordance with Section 177 of the Companies Act, 2013 and the provisions of Clause 49 of the Listing Agreement. All the members of the Audit Committee are financially literate and bring in expertise in the field of finance, taxation, economics and risk. Mr. Yogesh A. Thar, Non Executive Independent Director is the Chairman of the Audit Committee. The other members of the Audit Committee include Mr. Nimish G. Pandya, Non Executive Independent Director and Ms. Drushti R. Desai, Non Executive Independent Director.

Mr. Abhijit B. Warange, Company Secretary acts as the Secretary of the Committee.

*Note:

Mr. Hemant P. Jain, Director of the company was appointed as the member of the Audit Committee on May 6, 2014 and ceased to be a member on July 23, 2014.

The Audit committee was reconstituted with Mr. Yogesh Thar, Mr. Nimish Pandya and Ms. Drushti Desai as members in the Board Meeting held on July 23, 2014.

The terms of reference of the Audit Committee includes:

Powers

1. To investigate any activity within its terms of reference.
2. To seek information from any employee.
3. To obtain outside legal or other professional advice.
4. To secure attendance of outsiders with relevant expertise, if it considers necessary.

Roles

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending to the Board, the appointment, remuneration and terms of appointment of auditors of the company.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing, with the management, the annual financial statements

before submission to the board for approval, with particular reference to:

- a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
- b. Changes if any, in accounting policies and practices and reasons for the same;
- c. Major accounting entries involving estimates based on the exercise of judgment by management;
- d. Significant adjustments made in the financial statements arising out of audit findings;
- e. Compliance with listing and other legal requirements relating to financial statements;
- f. Disclosure of any related party transactions;
- g. Qualifications in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of

funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.

7. Review and monitor the auditor's independence and performance, and effectiveness of audit process.
8. Approval or any subsequent modification of transactions of the company with related parties.
9. Scrutiny of inter-corporate loans and investments
10. Valuation of undertakings or assets of the company, wherever it is necessary.
11. Evaluation of internal financial controls and risk management systems.
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
14. Discussion with internal auditors any significant findings and follow up there on.

15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.

16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.

17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors.

18. To review the functioning of the Whistle Blower mechanism, in case the same is existing.

19. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate.

20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

The Company has system and procedure in place to ensure that the Audit Committee mandatorily reviews:

1. Management discussion and analysis of financial condition and results of operations;



2. Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
3. Management letters / Letters of internal control weaknesses issued by the statutory auditors;
4. Internal audit reports relating to internal control weaknesses; and
5. The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee

Meetings of the Audit Committee: –
During the year ended March 31, 2015, four Audit Committee meetings were held on May 10, 2014, July 23, 2014, October 17, 2014, and January 31, 2015. The attendance of each Audit Committee member is given hereunder: –

Name of the Audit Committee Member	No. of meetings attended
Mr. Yogesh A. Thar	3 of 4
Mr. Nimish G. Pandya	4 of 4
Ms. Drushti R. Desai	3 of 3
Mr. Hemant P. Jain	1 of 1

Attendees: -

The Audit Committee invites such of the Executives and Directors, as it considers appropriate to be present at its meetings. The Executive Directors, the Chief Financial Officer, the Statutory Auditors and the Internal Auditors are the permanent invitees to the Audit Committee meetings.

IV. NOMINATION AND REMUNERATION COMMITTEE:

Composition of Committee

The Nomination and Remuneration Committee constituted pursuant to section 178 of the Companies Act 2013 comprises of four Directors. Mr. Nimish G. Pandya, Non Executive Independent Director is the Chairman of the Committee. The other members of the Nomination and Remuneration Committee include Mr. Yogesh A. Thar, Dr. Prakash A. Mody and Ms. Drushti R. Desai, all being Non Executive Independent Directors. Ms. Desai was inducted as a member of the Nomination and Remuneration Committee in the Board Meeting held on July 23, 2014. Mr. Abhijit B. Warange, Company Secretary acts as the Secretary of the Committee.

The terms of reference of Nomination and Remuneration Committee includes:-

- To lay down criteria and terms and conditions with regard to identifying persons who are qualified to become Directors (Executive and Non-Executive) and persons who may be appointed in Senior Management and Key Managerial positions and to determine their remuneration.
- To determine remuneration based on the Company's size and financial position and trends and practices on remuneration prevailing in peer companies and in the industry.
- To ensure that the remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive

pay reflecting short and long –term performance objectives appropriate to the working of the company and its goals.

- To carry out evaluation of the performance of Directors, as well as Key Managerial and Senior Management Personnel.
- To provide them reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.

- To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.

Meetings of the Nomination and Remuneration Committee:

During the year ended March 31, 2015, one Nomination and Remuneration committee meeting was held on July 23, 2014. The attendance of Nomination and Remuneration committee meeting is given hereunder:

Name of the Nomination and Remuneration Committee Member	No. of meetings attended
Mr. Nimish G. Pandya	1 of 1
Mr. Yogesh A. Thar	0 of 1
Dr. Prakash A. Mody	1 of 1
Ms. Drushti R. Desai	1 of 1

Details of sitting fees, remuneration etc., paid to Directors for the year ended March 31, 2015.

Name of the Directors	Sitting Fees	Salary	Contribution to PF and Perquisites	Retiral benefits/ Bonuses/ Commission payable/ performance linked incentive/ Stock options granted	Total
Mr. Kewalchand P. Jain	Nil	₹ 75,00,000	₹ 4,89,600	Nil	₹ 79,89,600
Mr. Hemant P. Jain	Nil	₹ 75,00,000	₹ 4,89,600	Nil	₹ 79,89,600
Mr. Dinesh P. Jain	Nil	₹ 75,00,000	₹ 4,89,600	Nil	₹ 79,89,600
Mr. Vikas P. Jain	Nil	₹ 75,00,000	₹ 4,89,600	Nil	₹ 79,89,600
Mr. Yogesh A. Thar	₹ 3,80,000	Nil	Nil	Nil	₹ 3,80,000
Dr. Prakash A. Mody	₹ 2,40,000	Nil	Nil	Nil	₹ 2,40,000
Mr. Nimish G. Pandya	₹ 6,20,000	Nil	Nil	Nil	₹ 6,20,000
Ms. Drushti R. Desai	₹ 4,80,000	Nil	Nil	Nil	₹ 4,80,000

Service contracts, notice period and severance fee

The appointment of the Executive Directors is governed by the Articles of Association of the company, the resolution of the Board of Directors and the members.

There is no provision for severance fees.

Remuneration Policy of the company

Remuneration Policy for Executive Directors

The Board of Directors of the company presently comprises of four Executive Directors namely Mr. Kewalchand P. Jain, Chairman and Managing Director, Mr. Hemant P.

Jain, Mr. Dinesh P. Jain and Mr. Vikas P. Jain, Wholetime Directors.

The remuneration of the Executive Directors is governed by the Articles of Association of the company, the resolution of the Board of Directors and the members. The remuneration paid to the Executive Directors has been approved by the members in the Annual General Meeting held on August 28, 2014. The details of the remuneration paid to the Executive Directors have been detailed aforesaid.

Revisions, if any in the remuneration of the Executive Directors are deliberated by the Nomination and Remuneration Committee of the

Board. Based on the recommendation of the Nomination and Remuneration Committee, the Board decides on the revision subject to the shareholders approval.

Remuneration Policy for Non Executive Directors

Non Executive Directors of a company's Board of Directors can add substantial value to the company through their contribution to the Management of the company. In addition, they can safeguard the interest of the investors at large by playing an appropriate control role. Non Executive Directors bring in their long experience and expertise and add substantial value to the deliberations of the Board and its Committees.

Apart from receiving sitting fees for attending the Board/Committee meetings the Non Executive Directors have no other pecuniary relationship or transaction with the company. The sitting fees paid to the Non Executive Directors is within the statutory limits prescribed under the Companies Act, 2013 and the rules made there under for payment of sitting fees without the approval of the Central Government.

Performance Evaluation

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board has carried out the annual performance of Individual Directors as well as the evaluation of the working of the Board and committees in accordance with the performance evaluation policy. A structured questionnaire was prepared after circulating the draft forms, covering various aspects of the Board's functioning such as composition of the Board and Committees, experience and competencies, performance of specific duties and obligations, governance issues etc.

The evaluation of the Independent Directors was carried out by the entire Board and that of the Chairman and the Non-Independent Directors was carried out by the Independent Directors. The Directors were satisfied with the evaluation results, which reflected the overall engagement of the Board and its Committees with the Company.

V STAKEHOLDERS RELATIONSHIP AND SHAREHOLDER/INVESTOR GRIEVANCE COMMITTEE: –

Composition of Committee:

The Stakeholders Relationship and Shareholder/ Investor Grievance

Committee constituted pursuant to Section 178 of the Companies Act, 2013 and clause 49 of the Listing Agreement comprises of three Directors, Mr. Nimish Pandya, Non Executive Independent Director, is the Chairman of the Committee and Mr. Kewalchand P. Jain, Chairman & Managing Director of the Company and Mr. Hemant P. Jain, Wholetime Director of the Company are the members of the Committee. Mr. Abhijit B. Warange, Company Secretary acts as the Secretary of the Committee.

The terms of reference of Stakeholders Relationship and Shareholder/ Investor Grievance Committee are to specifically look into the redressal of shareholders and investors complaints like transfer of shares, non receipt of balance sheet, non receipt of dividends, etc.

Meetings of the Stakeholders Relationship and Shareholder/ Investor Grievance Committee:

During the year ended March 31, 2015, two Stakeholders Relationship and Shareholder/ Investor Grievance Committee meeting were held on October 7, 2014 and January 19, 2015. The attendance of Stakeholders Relationship and Shareholder/ Investor Grievance Committee meeting is given hereunder:

Name of the Stakeholders Relationship and Shareholder/ Investor Grievance Committee Member	No. of meetings attended
Mr. Nimish G. Pandya	2 of 2
Mr. Kewalchand P. Jain	2 of 2
Mr. Hemant P. Jain	2 of 2

Status report of Investors complaints for the year ended March 31, 2015

No. of complaints received	4
No. of complaints resolved	4
No. of complaints pending	NIL

Name and Designation of the compliance officer:

Mr. Abhijit B. Warange – Vice President
– Legal and Company Secretary

VI. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:-

Composition of Committee:-

Pursuant to Section 135 of the Companies Act, 2013 the Corporate Social Responsibility (CSR) Committee was constituted on May 10, 2014 and comprises of three Directors. Mr. Nimish G. Pandya, Non Executive Independent Director, is the Chairman of the Committee and Mr. Kewalchand P. Jain, Chairman & Managing Director of the Company and Mr. Hemant P. Jain, Wholetime Director of the Company are the members of the Committee. Mr. Abhijit B. Warange, Company Secretary acts as the Secretary of the Committee.

The terms of reference of Corporate Social Responsibility Committee broadly comprises:

1. To review the existing CSR policy and to make it more comprehensive so as to indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013;
2. To provide guidance on various CSR activities to be undertaken by the Company and to monitor process.

Meetings of the Corporate Social Responsibility Committee:

During the year ended March 31, 2015, one Corporate Social Responsibility Committee meeting was held on January 31, 2015. The attendance of Corporate Social Responsibility Committee meeting is given hereunder:

Name of the Corporate Social Responsibility Committee Member	No. of meetings attended
Mr. Nimish G. Pandya	1 of 1
Mr. Kewalchand P. Jain	1 of 1
Mr. Hemant P. Jain	1 of 1

The policy on CSR as approved by the Board of Directors has been uploaded on the website of the Company. The web-link to the CSR Policy is <http://kewalkiran.com/PDF's/CSR%20policy.pdf>

VII. RISK MANAGEMENT COMMITTEE:-

Composition of Committee:-

Pursuant to clause 49 of the Listing Agreement the company has constituted Risk Management Committee under the Chairmanship of Mr. Kewalchand P. Jain, Chairman & Managing Director of the Company and comprising members as Mr. Hemant P. Jain, Wholetime Director of the Company and Mr. Nimish G. Pandya, Non Executive Independent Director, Mr. Abhijit B. Warange, Vice President – Legal and Company Secretary and Mr. Shantilal Kothari, Chief Financial Officer who act as the Secretary of the Committee.

Risk Management Policy:

The Board has formulated and implemented the Risk Management policy of the company, as recommended by Risk Management Committee.

Role and Responsibilities of the Committee includes the following:

- Framing of Risk Management Plan and Policy;
- Overseeing implementation of Risk Management Plan and Policy;
- Monitoring of Risk Management Plan and Policy;
- Validating the process of risk management;
- Validating the procedure for Risk Minimisation;
- Periodically reviewing and evaluating the Risk Management Policy and practices with respect to risk assessment and risk management processes;
- Continually obtaining reasonable assurance from management that all known and emerging risks have been identified and mitigated or managed;
- Performing such other functions as may be necessary or appropriate.

Meetings of the Risk Management Committee:

During the year ended March 31, 2015, one Risk Management Committee meeting was held on January 31, 2015. The attendance of Risk Management Committee meeting is given hereunder:

Name of the Risk Management Committee Member	No. of meetings attended
Mr. Kewalchand P. Jain	1 of 1
Mr. Hemant P. Jain	1 of 1
Mr. Nimish G. Pandya	1 of 1
Mr. Abhijit B. Warange	1 of 1
Mr. Shantilal Kothari	1 of 1



VIII. INDEPENDENT DIRECTORS MEETING:

During the year under review, the Independent Directors met on March 31, 2015, inter alia, to discuss:

- Evaluation of performance of Non-Independent Directors and the Board of Directors as a whole;
- Evaluation of performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors;
- Evaluation of the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

IX. VIGIL MECHANISM/WHISTLE BLOWER POLICY:-

The Company had in the Board Meeting held on May 10, 2014 adopted the vigil mechanism/ whistle blower policy pursuant to section 177(9) of the Companies

Act, 2013 under which the Directors and Employees can report to the management about the unethical behavior, fraud or violation of company's code of conduct. The mechanism provides for adequate safeguards against victimization of Employees and Directors who use such mechanism and makes provision for direct access to the Chairman of the Audit Committee in exceptional cases. None of the personnel of the Company has been denied access to the Audit Committee.

X. RELATED PARTY TRANSACTION POLICY:-

The Company has adopted a Related Party Transaction Policy, as recommended by the Audit Committee pursuant to Clause 49 of the Listing Agreement.

The policy on Related Party transactions as approved by the Board of Directors has been uploaded on the website of the Company. The web-link to the Related Party Policy is http://kewalkiran.com/PDF's/Related_party_policy.pdf

XI. GENERAL BODY MEETINGS: –

Location, time and date where the three immediately preceding Annual General Meetings of the company were held are given below:

Financial Year	Day & Date	Time	Venue
2011-12	Friday, August 3, 2012	12.00 p.m	C. K. Naidu Hall, The Cricket Club of India Limited, Brabourne Stadium, Dinshaw Vachha Road, Mumbai – 400 020
2012-13	Thursday, August 22, 2013	12.00 p.m	M. C. Ghia Hall, Bhogilal Hargovindas Building, 2nd floor, 18/20, Kaikhushru Dubash Marg (Behind Prince of Wales Museum), Mumbai – 400 001
2013-14	Thursday, August 28, 2014	11.00 a.m	M. C. Ghia Hall, Bhogilal Hargovindas Building, 2nd floor, 18/20, Kaikhushru Dubash Marg (Behind Prince of Wales Museum), Mumbai – 400 001

Special Resolutions passed in previous three Annual General Meetings:-

21st Annual General Meeting: At this meeting there were no Special Resolutions passed by the members of the company.

22nd Annual General Meeting: At this meeting two Special Resolutions were passed with regard to revision of remuneration payable to Mr. Pankaj K. Jain and Mr. Hitendra H. Jain, relatives of the Executive Directors of the company.

23rd Annual General Meeting: At this meeting six Special Resolutions were passed with regard to:

- Adoption of new draft set of Articles of Association of the Company.
- Borrowing in excess of paid-up share capital and free reserves.
- Creating of charge on the Company's properties.
- Purchase of furniture and fixtures from Enlighten Lifestyle Limited (formerly known as Kornerstone Retail Limited).
- To give on leave and license premises at Shop no. 1, Shatrunjay Plaza, S.V. Road, Goregaon West, Mumbai to Enlighten Lifestyle Limited (formerly known as Kornerstone Retail Limited)
- To take on leave and license from Directors/Promoters Units at Synthofine Estate, Opp Virwani Industrial Estate, Goregaon (E), Mumbai: 400 063 and Unit No. 3 and Unit No. 104 at Devare

House, Bhavani Shankar Road, Dadar West, Mumbai – 400 028.

Special Resolutions whether passed by postal ballot:

No special resolution was passed by postal ballot in the last year and also no resolution requiring approval of shareholders by way of postal ballot is proposed to be passed in the ensuing Annual General Meeting of the Company.

XII. DISCLOSURES: –

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

The Register of Contracts containing the transactions in which Directors are interested is placed before the Board regularly for its approval. There are no materially significant related party transactions which have potential conflict with the interest of the company at large. Transactions with related parties are disclosed separately in note no. 2.41 to the financial statements.

- (ii) No penalties or strictures have been imposed on the company by the Stock Exchanges or SEBI or any other Statutory Authority on any matter related to capital market during the last three years.
- (iii) In the preparation of the financial statement, the Company has followed the accounting standard referred to in Section 133 of the Companies Act 2013. The significant accounting policies which are consistently applied are set out in the notes to the financial statements.

- (iv) The Board hereby confirms that no personnel have been denied access to the audit committee.

- (v) None of the Independent Non-Executive Directors have pecuniary relationship or transactions with the company except for receiving sitting fees for the Board and Committee Meetings.

- (vi) The company has complied with all the mandatory requirements of Clause 49 of the Listing Agreement. Adoption of non mandatory requirements of Clause 49 of the Listing Agreement is reviewed by the Board from time to time.

- (vii) Disclosure of relationship between Directors inter-se: Mr. Kewalchand P. Jain, Mr. Hemant P. Jain, Mr. Dinesh P. Jain and Mr. Vikas P. Jain are brothers.

XIII. MEANS OF COMMUNICATION: -

The results of the company for the financial year ended March 31, 2015 are published in The Economic Times, Business Standard, Mint and Lokmat. The results of the company are normally published in The Economic Times, Business Standard and Lokmat. The financial results and other information are displayed on the company's website viz. www.kewalkiran.com. The company also displays official news releases on its website for the information of its shareholders/investors. Even presentations made to institutional investors are displayed on the website of the company.

The company does not have the system of intimating shareholders individually of its quarterly results. However, investors/shareholders desirous of getting the quarterly audited results are given copies thereof after consideration of results by the Board and publication in newspapers. In the current year the company has send financial snap shot of its half yearly results to its shareholders in line with its continued thrust for better corporate governance. The company would make sincere attempt to continue this trend in the years ahead.

The Management Discussion and Analysis Report forms a part of the Annual Report.

XIV. GENERAL SHAREHOLDERS' INFORMATION: -

a) Annual General Meeting:

Day, Date and Time : Monday, August 31, 2015 at 12.00 pm

Venue : M. C. Ghia Hall, Bhogilal Hargovindas Building, 2nd floor, 18/20, Kaikhushru Dubash Marg (Behind Prince of Wales Museum), Mumbai – 400 001

b) Financial Year: April 1 to March 31

c) Dates of Book Closure:

August 24, 2015 to August 31, 2015 (both days inclusive)

d) Dividend payment date:

Dividend if declared by the shareholders will be made payable on or after September 7, 2015.

e) Listing on Stock Exchanges:

The Equity Shares of the company got listed on April 13, 2006 and continue to be listed at the following Stock Exchanges: –

The BSE Limited, Mumbai, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai: 400 001.

National Stock Exchange of India Limited, Exchange Plaza, Bandra Kurla Complex Bandra (E), Mumbai: 400 051.

Note:

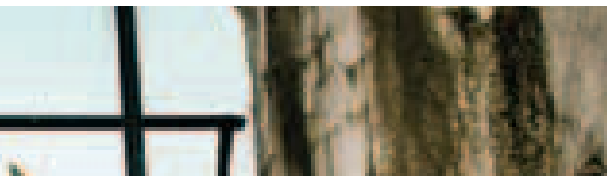
Listing fees for the financial year 2014–15 has been paid to both the stock exchanges i.e BSE Limited and National Stock Exchange of India Limited.

f) Stock Code/Symbol:

The BSE Limited	532732
The National Stock Exchange of India Limited	KKCL
ISIN No.	INE401H01017

g) Market Price Data:

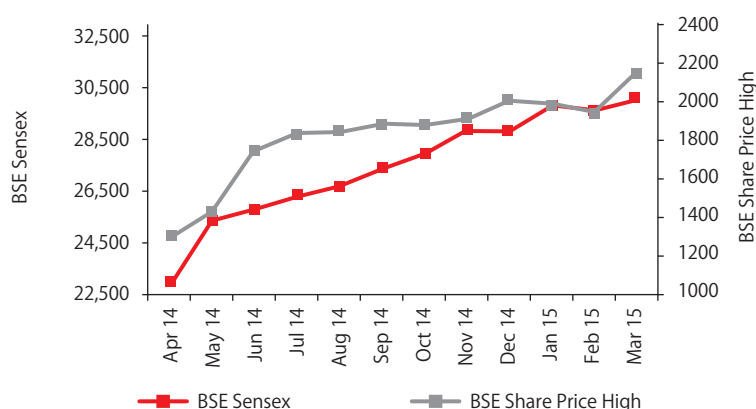
The monthly high & low quotations of the company's shares traded on the BSE Limited and the National Stock Exchange of India Limited during the financial year 2014-2015 are as under:



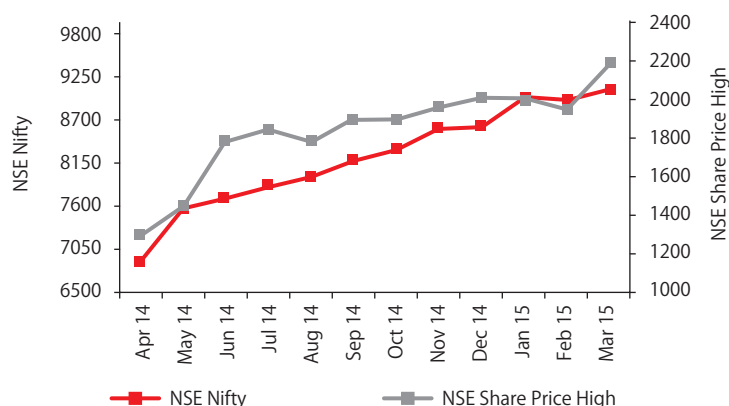
Months	BSE		NSE	
	High (₹ Per share)	Low (₹ Per share)	High (₹ Per share)	Low (₹ Per share)
April 2014	1288.00	1085.00	1295.00	1090.00
May 2014	1420.00	1150.10	1432.90	1153.50
June 2014	1738.90	1328.00	1775.00	1275.00
July 2014	1827.00	1551.00	1829.00	1600.00
August 2014	1839.00	1650.00	1774.00	1601.25
September 2014	1879.00	1710.00	1885.00	1725.25
October 2014	1875.00	1695.00	1879.95	1669.85
November 2014	1908.00	1650.00	1950.00	1650.00
December 2014	1995.00	1730.00	2000.00	1723.00
January 2015	1980.05	1842.00	1990.00	1845.00
February 2015	1931.00	1650.05	1943.00	1650.00
March 2015	2140.00	1790.00	2180.00	1787.00

h) Performance in comparison to broad based indices:

BSE



NSE



i) Registrar & Share Transfer Agents:

Link Intime India Private Limited
C-13, Pannalal Silk Mills
Compounds,
L.B.S. Marg, Bhandup (West),
Mumbai-400078
Tel: +91 22 2594 6970-77
Fax: +91 22 2596 2691
Email: mumbai@linkintime.co.in
Website: www.linkintime.co.in

j) Share Transfer System:

Share transfers are processed and share certificates duly endorsed are delivered within a period of seven days from the date of receipt, subject to documents being valid and complete in all respects. The Board has delegated the authority for approving transfer, transmission, etc. of the Company's securities to the Managing Director and/or Company Secretary. A summary of transfer/transmission of securities of the Company so approved by the Managing Director/Company Secretary is placed at every Board Meeting / Share Transfer Committee Meeting. The Company obtains from a Company Secretary in Practice half-yearly certificate of compliance with the share transfer formalities as required under clause 47(c) of the Listing Agreement and files a copy of the said certificate with stock exchanges.

k) Distribution Pattern of shareholding as on March 31, 2015: –

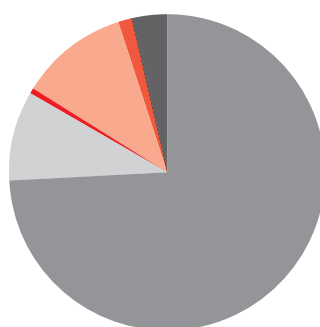
No of equity shares	Number of shareholders	% of shareholders	Number of shares held	% of shareholding
1–500	3700	94.90	139950	1.14
501–1000	61	1.56	45263	0.37
1001–2000	32	0.82	49230	0.40
2001–3000	21	0.54	49072	0.40
3001–4000	11	0.28	40165	0.32
4001–5000	6	0.15	27914	0.23
5001–10000	22	0.57	155870	1.26
10001 & above	46	1.18	11817573	95.88
Total	3899	100.00	12325037	100.00

Shareholding Pattern as on March 31, 2015.

Category	No. of Shares	% to total
Indian Promoters	9146473	74.21
Mutual Funds	1148234	9.32
Financial Institutions	581	0.00
Foreign Portfolio Investor(Corporate)	55828	0.45
FII's	1368513	11.10
NRI	15724	0.12
Bodies Corporate	146581	1.19
Independent Director	336	0.00
Clearing Members	2293	0.02
Office Bearers	3454	0.03
Trusts	750	0.01
Public	436270	3.55
Total	12325037	100.00

SHARE HOLDING PATTERN

%



Indian Promoters	74.21
Mutual Funds	9.32
Financial Institutions	0
Foreign Portfolio Investor (Corporate)	0.45
FII's	11.1
NRI	0.12
Bodies Corporate	1.19
Independent Director	0
Clearing Members	0.02
Office Bearers	0.03
Trusts	0.01
Public	3.55

l) Dematerialisation of Equity Shares

The shares of the company are compulsorily traded in dematerialised form and are available for trading under both the Depository Systems – NSDL (National Securities Depository Limited) and CDSL (Central Depository Services (India) Limited). Nearly 100% of total equity shares of the company are held in dematerialised form with NSDL and CDSL as on March 31, 2015.

Liquidity

Kewal Kiran Clothing Limited Shares are actively traded on BSE Limited and The National Stock Exchange of India Limited

m) Outstanding GDRS/ADRS/ Warrants or any Convertible Instruments conversion date and likely impact on equity:

The company has not issued any GDRS/ADRS/Warrants or any convertible instruments.

n) Plant Locations:

Vapi
Plot No. 787/1/2A/3, 40, shed
IInd Phase, G.I.D.C, Vapi: 396 195
Gujarat

Daman
697/3/5/5A/13, Near Maharani
Estate, Somnath Road, Dabel
Daman: 396 210

Mumbai
Synthofine Estate,
Opp Virwani Industrial Estate
Goregaon (East),
Mumbai: 400 063

71-73, Kasturchand Mill Estate
Bhawani Shankar Road,
Dadar (West), Mumbai: 400 028

o) Address for Investor Correspondence:

Shareholding related queries:

Link Intime India Private Limited
C-13, Pannalal Silk Mills Compounds,
L.B.S. Marg, Bhandup (West),
Mumbai-400078
Tel: +91 22 2594 6970-77
Fax: +91 22 2596 2691
Email: mumbai@linkintime.co.in
Website: www.linkintime.co.in

General correspondence:

Kewal Kiran Estate,
Behind Tirupati Udyog,
460/7, I.B. Patel Road,
Goregaon (East), Mumbai: 400 063
Tel: +91 22 26814400
Fax: +91 22 26814410
Email: abhijit.warange@kewalkiran.com
Website: www.kewalkiran.com

An exclusive id, grievanceredressal@kewalkiran.com for redressal of investor complaints has been created and the same is available on company's website www.kewalkiran.com.

ANNEXURE TO CORPORATE GOVERNANCE

Details of other directorships/committee memberships of all directors

[1] BODIES CORPORATE OF WHICH MR. KEWALCHAND P. JAIN IS A CHAIRMAN/DIRECTOR

Name of the Company	Board Position Held
Enlighten Lifestyle Limited (formerly known as Kornerstone Retail Limited)	Chairman
Kewal Kiran Management Consultancy Limited	Chairman
Kewal Kiran Media and Communication Limited	Chairman
Kewal Kiran Realtors and Infrastructures Private Limited	Chairman
Kewal Kiran Finance Private Limited	Chairman
White Knitwears Private Limited	Director
Kalpriksh Realtors and Infrastructures Private Limited	Chairman
Lord Gautam Charitable Foundation	Chairman

Committee Memberships

Name of the Company	Name of the Committee	Position Held
Kewal Kiran Clothing Limited	Stakeholders Relationship and Shareholder/ Investors Grievance Committee	Member

[2] BODIES CORPORATE OF WHICH MR. HEMANT P. JAIN IS A CHAIRMAN/ DIRECTOR

Name of the Company	Board Position Held
Enlighten Lifestyle Limited (formerly known as Kornerstone Retail Limited)	Director
Kewal Kiran Management Consultancy Limited	Director
Kewal Kiran Media and Communication Limited	Director
Kewal Kiran Realtors and Infrastructures Private Limited	Director
Kewal Kiran Finance Private Limited	Director
White Knitwears Private Limited	Director
Kalpriksh Realtors and Infrastructures Private Limited	Director
Lord Gautam Charitable Foundation	Director

Committee Memberships

Name of the Company	Name of the Committee	Position Held
Kewal Kiran Clothing Limited	Stakeholders Relationship and Shareholder/ Investors Grievance Committee	Member

[3] BODIES CORPORATE OF WHICH MR. DINESH P. JAIN IS A CHAIRMAN/DIRECTOR

Name of the Company	Board Position Held
Enlighten Lifestyle Limited (formerly known as Kornerstone Retail Limited)	Director
Kewal Kiran Management Consultancy Limited	Director
Kewal Kiran Media and Communication Limited	Director
Synthofine Chemicals of India Limited	Director
Kewal Kiran Realtors and Infrastructures Private Limited	Director
Kewal Kiran Finance Private Limited	Director
Lord Gautam Charitable Foundation	Director

[4] BODIES CORPORATE OF WHICH MR. VIKAS P. JAIN IS A CHAIRMAN / DIRECTOR

Name of the Company	Board Position Held
Enlighten Lifestyle Limited (formerly known as Kornerstone Retail Limited)	Director
Kewal Kiran Management Consultancy Limited	Director
Kewal Kiran Media and Communication Limited	Director
Kewal Kiran Realtors and Infrastructures Private Limited	Director
Kewal Kiran Finance Private Limited	Director
Lord Gautam Charitable Foundation	Director

[5] BODIES CORPORATE OF WHICH MR. YOGESH A. THAR IS A CHAIRMAN/ DIRECTOR

Name of the Company	Board Position Held
Rhodia Specialty Chemicals India Limited	Director
Sunshield Chemicals Limited	Director

Committee Memberships

Name of the Company	Name of the Committee	Position Held
Rhodia Specialty Chemicals India Limited	Audit Committee	Chairman
Sunshield Chemicals Limited	Audit Committee	Chairman
Kewal Kiran Clothing Limited	Audit Committee	Chairman

[6] BODIES CORPORATE OF WHICH DR. PRAKASH A. MODY IS A CHAIRMAN/ DIRECTOR

Name of the Company	Board Position Held
Unichem Laboratories Limited	Chairman
Unichem Farmaceutica Do Brazil Ltda.(Brazil)	Director
Unichem SA (Pty) Limited (South Africa)	Director
Unichem Pharmaceuticals (USA) Inc	Director
Unichem Laboratories Pty. Limited (Australia)	Director

Committee Memberships

Name of the Company	Name of the Committee	Position Held
Unichem Laboratories Limited	Stakeholder Relationship Committee	Member

[7] BODIES CORPORATE OF WHICH MR. NIMISH G. PANDYA IS A CHAIRMAN/ DIRECTOR

Name of the Company	Board Position Held
NIL	

Committee Memberships

Name of the Company	Name of the Committee	Position Held
Kewal Kiran Clothing Limited	Stakeholders Relationship and Shareholder/ Investors Grievance Committee	Chairman
Kewal Kiran Clothing Limited	Audit Committee	Member

[8] BODIES CORPORATE OF WHICH MS. DRUSHTI R. DESAI IS A CHAIRMAN/DIRECTOR

Name of the Company	Board Position Held
Globallogic Technologies Limited	Director
Globallogic India Limited	Director
MPIL Corporation Limited	Director
MT Educare Limited	Director
Narmada Gelatines Limited	Director
Kruti Finance and Holdings Pvt. Ltd.	Director

Committee Memberships

Name of the Company	Name of the Committee	Position Held
Globallogic Technologies Limited	Audit Committee	Chairman
Globallogic India Limited	Audit Committee	Chairman
MT Educare Limited	Audit Committee	Chairman
Kewal Kiran Clothing Limited	Audit Committee	Member
Narmada Gelatines Limited	Audit Committee	Member
MT Educare Limited	Stakeholder Relationship Committee	Member

AUDITORS' CERTIFICATE

To
The Members of
Kewal Kiran Clothing Limited

1. We have examined the compliance of conditions of Corporate Governance by Kewal Kiran Clothing Limited ('the company'), for the year ended on March 31, 2015, as stipulated in Clause 49 of the Listing Agreement of the Company with the Stock Exchanges in India.
2. The compliance of conditions of Corporate Governance is the responsibility of the Company's Management. Our examination has been limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance as stipulated in the said Clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.
3. In our opinion and to the best of our information and according to the explanations given to us and representations made by the Management, we certify that the company has complied with the conditions of Corporate Governance as stipulated in clause 49 of the above mentioned Listing Agreement to the extent applicable.
4. 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 and on behalf of
N. A. Shah Associates
Chartered Accountants
Registration No.: 116560W

Sandeep Shah
Partner
Membership No.: 37381

Place : Mumbai
Date : July 23, 2015

For and on behalf of
Jain & Trivedi
Chartered Accountants
Registration No. : 113496W

Satish Trivedi
Partner
Membership No. : 38317

Place : Mumbai
Date : July 23, 2015

CERTIFICATE OF COMPLIANCE WITH THE CODE OF CONDUCT

I, Kewalchand P. Jain, Chairman & Managing Director of the Company, hereby declare that the Company has adopted a Code of Conduct for its Board Members and Senior Management, in the Board Meeting held on January 14, 2006 and a code of Independent Director in the Board Meeting held on May 10, 2014 and the Board Members and Senior Management have affirmed compliance with the said Code of Conduct / Code of Independent Director for the financial year ended March 31, 2015.

For and on behalf of the Board

Place : Mumbai
Dated : May 14, 2015

Kewalchand P. Jain
Chairman & Managing Director
(DIN 00029730)



CHAIRMAN AND MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER CERTIFICATION

The Board of Directors
Kewal Kiran Clothing Limited
Mumbai

Dear Sirs,

Sub: Certificate for the financial year ended March 31, 2015 pursuant to Clause 49 of the Listing Agreement

We certify the following:

- a) We have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:
 - i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
 - ii) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) There are, to the best of 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.

- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d) We have indicated to the auditors and Audit committee
- i) Significant changes in internal control over financial reporting during the year;
 - ii) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements and
 - iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

Kewalchand P. Jain
Chairman & Managing Director
(DIN 00029730)

S. L. Kothari
Chief Financial Officer

Place : Mumbai
Date : May 14, 2015



INDEPENDENT AUDITORS' REPORT

TO
THE MEMBERS OF
KEWAL KIRAN CLOTHING LIMITED

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of Kewal Kiran Clothing Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (together referred to as financial statements).

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the

provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

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

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

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to

obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for

our audit opinion on the financial statements.

OPINION

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2015, and its profit and its cash flows for the year ended on that date.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2015 ('the Order') issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143 (3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge

and belief were necessary for the purposes of our audit;

- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- e) On the basis of the written representations received from the directors as on 31st March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act;

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

- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 2.37(a) to the financial statements for matters of Income Tax dispute;
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For N. A. Shah Associates

Chartered Accountants

Firm's registration number 116560W

Sandeep Shah

Partner

Membership number 37381

Place of signature: Mumbai

Date: 14th May, 2015

For Jain & Trivedi

Chartered Accountants

Firm's registration number 113496W

Satish Trivedi

Partner

Membership number 38317

Place of signature: Mumbai

Date: 14th May, 2015

ANNEXURE TO INDEPENDENT AUDITORS' REPORT

FOR THE YEAR ENDED 31ST MARCH, 2015

[Referred to in paragraph 1 under the heading "Report on other legal and regulatory requirements" of our report of even date]

- | | | |
|--|--|---|
| <p>(i) In respect of fixed assets:</p> <p>(a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.</p> <p>(b) Fixed assets have been physically verified during the year by the management. In our opinion, the frequency of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.</p> | <p>(b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and nature of its business.</p> <p>(c) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories. The discrepancies noticed on verification between the physical stocks and the book records were not material.</p> | <p>Order are not applicable to the Company.</p> |
| <p>(ii) In respect of inventories:</p> <p>(a) The inventories (other than lying with third parties) have been physically verified during the year by the management. In respect of inventories lying with the third parties, confirmations have been obtained. In our opinion, the frequency of such verification is reasonable.</p> | <p>(iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Act. Therefore, the requirement of clause (iii)(a) and (iii)(b) of paragraph 3 of the</p> | <p>(iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in aforesaid internal control system.</p> <p>(v) In our opinion and according to the explanations given to us, the Company has not accepted any deposits. Therefore, question of reporting compliance with directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Act and rules framed thereunder does not arise. We are informed that no order relating to Company has been passed by the Company law Board or National Company</p> |

Law Tribunal or Reserve Bank of India or any Court or any other Tribunal.

(vi) The Central Government has not prescribed maintenance of cost records under section 148 (1) of the Companies Act, 2013 for any of the products / services of the company. Accordingly clause (vi) of paragraph 3 the Order is not applicable to the Company.

(vii) In respect of statutory dues:

(a) According to the information and explanations given to us and on the basis of our examination of records of the Company, in respect of amounts deducted / accrued in the books of account, the Company has been regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and

any other statutory dues, as applicable to the Company, during the year with the appropriate authorities except few minor delays in payment of Tax Deducted at Source and Service Tax. There are no undisputed statutory dues payable in respect to above statutes, outstanding as at 31st March, 2015 for a period of more than six months from the date they became payable.

(b) According to information and explanations given to us, there is no disputed Sales-tax, Wealth Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, and Cess as on 31st March, 2015 which have not been deposited except the following disputed dues which have not been deposited since the matters are pending with the relevant forum:

Nature of statute	Nature of dues	Amount ₹	Period to which it relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax and Interest	689,290	Assessment year 2012-2013	CIT (Appeal) – Mumbai
Income Tax Act, 1961	Income Tax	858,446	Assessment year 2011-2012	CIT (Appeal) – Mumbai

(c) According to the information and explanations given to us, the amount required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 and Rules made thereunder has been transferred to such fund within time.

(viii) The Company does not have any accumulated losses at the end of the financial year and has not incurred cash losses in the current financial year and in the

immediately preceding financial year.

(ix) Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to bank during the year. There are no borrowings from financial institutions / debenture holders.

(x) In our opinion and according to the information and explanations given to us, the Company has not

given any guarantee for loans taken by others from banks or financial institutions. Accordingly clause (x) of paragraph 3 of the Order is not applicable to the Company.

(xi) According to the information and explanations given to us, no term loans were raised during the year by the Company and therefore the question of utilization for stated purpose does not arise.

(xii) During the course of our examination of the books of account and records of

the Company, carried out in accordance with generally accepted auditing practices in India and according to the

information and explanations given to us, we have neither come across any incidence of fraud on or by the Company noticed

or reported during the year, nor have we been informed of any such case by the management.

For N. A. Shah Associates

Chartered Accountants

Firm's registration number 116560W

For Jain & Trivedi

Chartered Accountants

Firm's registration number 113496W

Sandeep Shah

Partner

Membership number 37381

Place of signature: Mumbai

Date: 14th May, 2015

Satish Trivedi

Partner

Membership number 38317

Place of signature: Mumbai

Date: 14th May, 2015

INDEPENDENT AUDITOR'S REPORT

BALANCE SHEET

STATEMENT OF PROFIT AND LOSS

CASH FLOW STATEMENT

NOTES

BALANCE SHEET

AS AT 31ST MARCH, 2015

(₹ in Lakhs)

Particulars	Note	As at 31st March 2015	As at 31st March 2014
EQUITY & LIABILITIES			
Shareholders' Funds			
Share Capital	2.1	1,232.50	1,232.50
Reserves and Surplus	2.2	30,748.05	27,827.85
		31,980.55	29,060.35
Non-Current Liabilities			
Other Long-Term Liabilities	2.3	986.56	728.30
Long-Term Provisions	2.4	51.15	58.71
		1,037.71	787.01
Current Liabilities			
Short-Term Borrowings	2.5	1,135.30	1,187.70
Trade Payables and Other Payable	2.6	3,044.55	2,727.61
Other Current Liabilities	2.7	1,822.20	928.21
Short-Term Provisions	2.8	2,027.99	2,362.68
		8,030.04	7,206.20
Total		41,048.30	37,053.56
ASSETS			
Non-Current Assets			
Fixed Assets	2.9		
Tangible Assets		5,347.11	4,202.37
Intangible Assets		48.94	62.28
Tangible Capital Work in Progress		420.72	2.70
Intangible Capital Work in Progress		4.49	-
		5,821.26	4,267.35
Non Current Investments	2.10	14,096.09	348.68
Deferred Tax Assets(Net)	2.11	117.59	178.28
Long-Term Loans and Advances	2.12	792.57	818.54
Other Non-Current Assets	2.13	43.40	73.37
		20,870.91	5,686.22
Current Assets			
Current Investments	2.14	3,713.99	16,319.87
Inventories	2.15	4,041.45	4,789.19
Trade Receivables	2.16	7,742.62	6,368.17
Cash & Bank Balances	2.17	4,317.21	3,416.51
Short-Term Loans & Advances	2.18	209.87	359.15
Other Current Assets	2.19	152.25	114.45
		20,177.39	31,367.35
Total		41,048.30	37,053.56
Significant accounting policies and notes on accounts	1 & 2		

The notes referred to above form integral part of Balance Sheet

As per our audit report of even date

For and on behalf of
N. A. Shah Associates
 Chartered Accountants
 Registration No.: 116560W

Sandeep Shah
 Partner
 Membership No.: 37381

Place : Mumbai
 Date : 14th May 2015

For and on behalf of
Jain & Trivedi
 Chartered Accountants
 Registration No. : 113496W

Satish Trivedi
 Partner
 Membership No. : 38317

For and on behalf of the Board of Directors

Kewalchand P Jain
 Chairman & Managing Director
 DIN : 00029730

S. L. Kothari
 Chief Financial Officer

Hemant P Jain
 Whole time Director
 DIN : 00029822

Abhijit Warange
 Company Secretary

STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED 31ST MARCH, 2015

(₹ in Lakhs)

Particulars	Note	For the Year Ended 31st March 2015	For the Year Ended 31st March 2014
INCOME			
Revenue from Operations (Gross)	2.20	40,832.39	36,719.57
Less: Excise Duty		-	62.45
Revenue from Operations (Net)		40,832.39	36,657.12
Other Income	2.21	797.60	1,182.36
		41,629.99	37,839.48
EXPENDITURE			
(Increase) / Decrease in Stocks	2.22	575.76	(1,415.07)
Cost of Material Consumed	2.23	16,034.56	15,841.46
Purchase of Trading Items: Lifestyle Accessories / Products		1,291.26	800.33
Employee benefit expenses	2.24	4,531.31	3,825.90
Manufacturing and Operating Expenses	2.25	3,390.39	3,083.46
Administrative and Other Expenses	2.26	2,024.88	1,818.31
Selling and Distribution Expenses	2.27	3,333.24	3,362.14
Finance Expenses	2.28	266.07	295.79
Depreciation / Amortization	2.9	373.97	514.73
		31,821.44	28,127.05
Net Profit Before Tax		9,808.55	9,712.43
Provisions for Taxation			
Current Tax		3,095.00	2,985.00
Deferred Tax		79.14	24.66
Short Provision for Taxes of Earlier Years		9.95	-
Net Profit for the Year		6,624.46	6,702.77
Earnings per Share - Basic and Diluted (₹) (Face Value of ₹ 10 each fully paid up)		53.75	54.38
Weighted Average Number of Shares used in computing Earnings per Share - Basic and Diluted		12,325,037	12,325,037
Significant accounting policies and notes on accounts	1 & 2		

The notes referred to above form integral part of Statement of Profit and Loss

As per our audit report of even date

For and on behalf of
N. A. Shah Associates
Chartered Accountants
Registration No.: 116560W

Sandeep Shah
Partner
Membership No.: 37381

Place : Mumbai
Date : 14th May 2015

For and on behalf of
Jain & Trivedi
Chartered Accountants
Registration No. : 113496W

Satish Trivedi
Partner
Membership No. : 38317

For and on behalf of the Board of Directors

Kewalchand P Jain
Chairman & Managing Director
DIN : 00029730

S. L. Kothari
Chief Financial Officer

Hemant P Jain
Whole time Director
DIN : 00029822

Abhijit Warange
Company Secretary

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31ST MARCH, 2015

(₹ in Lakhs)

Particulars	2014-2015	2013-2014
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit Before Taxes as per Statement of Profit and Loss	9,808.56	9,712.42
Adjustments for:		
Depreciation/ Amortization	373.97	514.73
(Gain)/Loss on Sale of Fixed Assets /Fixed Asset discarded (Net)	0.79	(23.84)
(Gain)/Loss on Sales/ Redemption of Investments (Net)	(432.87)	(775.57)
Sundry Balance (written back)/written off (Net)	(184.21)	(71.17)
Finance Expenses	232.43	254.18
Dividend Income	(259.63)	(176.36)
Provision/(Reversal of provision) for Doubtful Debts, Advances, Deposits, Inventory and Investments	34.62	69.76
Provision/(Reversal of provision) for Contingent Rent	(7.56)	3.29
Provision/(Reversal of provision) for Contingencies	(39.03)	27.60
Provision/(Reversal of provision) for Margin on Sales Return	18.40	5.05
Provision/ (Reversal of Provision) of Exchange Rate Fluctuation (Net)	(0.08)	(3.71)
Interest Income	(79.15)	(126.75)
	(342.32)	(302.78)
	9,466.23	9,409.65
Changes in Assets and Liabilities		
Trade Receivable and Other Assets	(1,144.85)	(1,588.75)
Inventories	800.74	(1,452.27)
Trade Payables, Liabilities and Provisions	1,602.27	570.77
	1,258.16	(2,470.25)
Net Cash Inflow from Operating Activities	10,724.39	6,939.39
Less: Income Tax paid (refer note 1 below)	(3,191.81)	(2,717.42)
Net Cash Inflow/(outflow) from Operating Activities	7,532.58	4,221.98
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(2,004.70)	(364.36)
Sale of Fixed Assets	33.45	62.02
Purchase of Investments	(9,145.32)	(15,794.88)
Sales/Redemption of Investments (including Income tax of ₹ 42.46 lakhs (P.Y. ₹ 4.20 lakhs))	8,392.35	12,059.75
Bank Deposit offered as Security	(85.05)	(90.19)
Maturity of Bank Deposit offered as Security	99.57	76.75
Dividend Income	259.63	176.36
Interest received on Bank Deposits	45.34	208.71
Less : Income Tax Paid	(26.90)	(70.94)
Net Cash inflow /(Outflow) from Investing Activities	(2,431.63)	(3,736.78)

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31ST MARCH, 2015

(₹ in Lakhs)

Particulars	2014-2015	2013-2014
C. CASH FLOW FROM FINANCING ACTIVITIES		
Secured Loans - Working Capital Demand Loan (Net)	(52.40)	(221.37)
Interest and Finance Charges	(223.43)	(249.87)
Payment of Dividend (Including Dividend Tax)	(3,939.52)	(2,667.64)
Net Cash Inflow/(Outflow) from Financing Activities	(4,215.34)	(3,138.88)
Net Increase/ (Decrease) in Cash & Cash Equivalents	885.61	(2,653.68)
Cash and Cash Equivalents - Opening (refer note 2.17)	3,343.27	5,996.83
	4,228.88	3,343.15
Effect of Exchange Gain/(Loss) on Cash and Cash Equivalents	0.27	0.12
Cash and Cash Equivalents - Closing (refer note 2.17)	4,229.15	3,343.27
Significant accounting policies and notes on accounts 1 & 2		

The notes referred to above form integral part of Cash Flows Statement

1. The Aggregate Income Tax paid during the year is Rs.3,261.17 lakhs (P.Y. Rs.2,792.56 lakhs).

As per our audit report of even date

For and on behalf of
N. A. Shah Associates
Chartered Accountants
Registration No.: 116560W

Sandeep Shah
Partner
Membership No.: 37381

Place : Mumbai
Date : 14th May 2015

For and on behalf of
Jain & Trivedi
Chartered Accountants
Registration No. : 113496W

Satish Trivedi
Partner
Membership No. : 38317

For and on behalf of the Board of Directors

Kewalchand P Jain
Chairman & Managing Director
DIN : 00029730

S. L. Kothari
Chief Financial Officer

Hemant P Jain
Whole time Director
DIN : 00029822

Abhijit Warange
Company Secretary

NOTES

ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2015

1. SIGNIFICANT ACCOUNTING POLICIES:

1.1. Basis of Preparation of Financial Statements:

The financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on accrual basis. GAAP comprises mandatory Accounting Standards as specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies Act, 2013 (to the extent notified) and guidelines issued by the Securities and Exchange Board of India.

1.2. Presentation and Disclosure of Financial Statements:

All assets and liabilities have been classified as current & non-current as per company's normal operating cycle and other criteria set out in the Schedule III of the Companies Act, 2013.

Based on the nature of products / services and time between acquisition of assets for processing/ rendering of services and their realization in cash and cash equivalents, operating cycle is less than 12 months however for the purpose of current/non-current classification of assets & liabilities period of 12 months

has been considered as its operating cycle.

1.3. Use of Estimates:

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the application of accounting policies, reported balances of assets and liabilities, disclosure of contingent liabilities as on the date of the financial statements and reported amounts of income and expenses during the period. Management believes that the estimates and assumptions used in the preparation of financial statements are prudent and reasonable. Actual results could differ from those estimates. Any difference between the actual results and estimates are recognized in the period in which the results are known / materialize. Any revision to accounting estimates is recognized prospectively in the current and future periods.

1.4. Fixed Assets:

a) Tangible Assets

Tangible assets are stated at cost of acquisition / construction less accumulated depreciation, amortization and accumulated impairment losses, if any.

b) Intangible Assets

Intangible assets are recognized only if it is probable that the future economic benefits attributable to asset will flow to the enterprise and the cost of asset can be measured reliably. Intangible assets are stated at consideration paid for acquisition less accumulated amortization and accumulated impairment loss if any.

c) Cost of fixed assets includes non - refundable taxes and duties, borrowing cost directly attributable to the qualifying asset and any directly attributable costs for bringing the asset to its working condition for its intended use.

d) Capital work-in-progress comprises of cost incurred on fixed assets under construction / acquisition that are not yet ready for their intended use at the Balance Sheet Date.

1.5. Depreciation/Amortization:

a) Depreciation on fixed assets (other than freehold land and capital work in progress) acquired / capitalized during the year is provided using straight line basis in accordance with Schedule II

NOTES

ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2015

of the Companies Act, 2013 except:

- i. the following assets where the useful lives based on internal assessment

estimated by the management is lower than useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013. The management

believes that the useful life as given below represent the period over which the management expects to use these assets;

Assets	Useful life
Furniture & fittings at retail stores	5 years on straight line basis
Second hand factory / office building (RCC frame structure)	Balance useful life (30 Years) on straight line basis
Second hand factory / office building (other than RCC frame structure)	Balance useful life (5 Years) on straight line basis

- ii. individual assets whose cost does not exceed five thousands rupees has been provided fully in the year of purchase considering management's estimate of useful life of such assets;

(other than those given above in para a) i and ii) acquired prior to 1st April 2014, the carrying amount as on 1st April 2014 is depreciated over the remaining useful life of the assets and in respect of assets whose remaining useful life of an asset is nil, the carrying value after retaining the residual value (if any) is recognized in the opening

balance of retained earnings (net of taxes).

- b) As per the transitional provision under Part C of Schedule II of the Companies Act, 2013, in respect of assets

- c) In case of assets purchased, sold or discarded during the year, depreciation on such assets is calculated on pro-rata basis from the date of such addition or as the case may be, upto the date on which such asset has been sold or discarded.

- d) Amortization of intangible assets

Assets	Amortization Period
Computer software	3 years on straight line basis or useful life, whichever is shorter
Membership Rights	5 years on straight line basis or useful life, whichever is shorter

- e) Leasehold lands are amortized over the period of lease or useful life whichever is lower. Buildings constructed on leasehold land are depreciated at normal rate as prescribed in Schedule II of the Companies Act, 2013, in case the lease period of the land is beyond the

useful life of the building. In other cases building constructed on leasehold land are amortized over the lease period of land.

external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and

1.6. Impairment:

The carrying amounts of assets are reviewed at each balance sheet date for any indication of impairment based on internal /

NOTES

ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2015

from its disposal at the end of its useful life.

Based on the assessment done at each balance sheet date, recognised impairment loss is further provided depending on changes in circumstances. After recognition of impairment loss, the depreciation charge for the fixed asset is adjusted in future periods to allocate the asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life. If the conditions leading to recognition of impairment losses no longer exist or have decreased, impairment losses recognised are reversed to the extent it does not exceed the carrying amount that would have been determined after considering depreciation/ amortization had no impairment loss been recognised in earlier years.

1.7. Investments:

- a) Investments are classified into current and long-term investments.
- b) Investments that are readily realizable and intended to be held for not more than a year from the date on which such investments are made are classified as current investments. All other

investments are classified as long-term investments.

- c) Current investments are carried at lower of cost and fair value (net asset value in case of units of mutual fund) determined on category wise basis. Long term investments are carried at cost. However, provision for diminution in value of long term investments is made to recognize a decline, other than temporary, on an individual investment basis. Investments in liquid mutual funds are classified as cash and cash equivalents.
- d) The cost of investments comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties.
- e) Investment transactions are accounted for on a trade date basis. In determining the holding cost of investments and the gain or loss on sale of investments, the Weighted Average' method is followed.

1.8. Accounting for Interest in Joint Ventures:

- a) Incorporated Jointly Controlled Entities

- i. Income on investments in incorporated jointly controlled entities is recognized when the right to receive the same is established.
- ii. Investment in such joint ventures is carried at cost after providing for any diminution in value other than temporary in nature, if any.

1.9. Inventories:

- a) The inventories (including traded goods) are valued at lower of cost and net realizable value after providing for cost of obsolescence wherever considered necessary. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.
- b) The cost comprises of costs of purchase, duties and taxes (other than those subsequently recoverable), conversion cost and other costs incurred in bringing the inventories to their present location and condition. Since the

NOTES

ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2015

Company is in fashion industry with diverse designs / styles, the cost of inventory is determined on the basis of specific identification method (as the same is considered as more suitable).

- c) In case of work in progress and finished goods, the costs of conversion include costs directly related to the units of production and systematic allocation of fixed and variable production overheads. The cost of finished goods also includes excise duty wherever applicable.

1.10. Revenue Recognition:

- a) Sales of goods are recognized when significant risks and rewards of ownership of the goods have passed to the buyer that coincides with delivery and are recorded net of sales tax, rebates, trade discounts and sales returns.
- b) Interest income is recognized on time proportion basis taking into account the amount outstanding and rate applicable.
- c) Dividend income on investment is accounted

for in the year in which the right to receive the payment is established.

- d) Service income is recognized upon rendering of services. Service income is recorded net of service tax.
- e) Licensing revenue is recognized on accrual basis in accordance with the terms of the relevant agreements. Licensing income is recorded net of sales tax and service tax
- f) Power generation income is recognized on the basis of electrical units generated and sold in excess of captive consumption and recognized at prescribed rate as per agreement of sale of electricity by the Company. Further, value of electricity generated and captively consumed is netted off from the electricity expenses.
- g) Export incentives / benefits
- i. Export incentives under the Duty Drawback Scheme/other benefits are recognized on accrual basis in the year of export.

- ii. Export incentives / benefits in respect of duty free import of capital goods are recognized as income in Statement of Profit and Loss only on certainty of utilizing the benefit by import of capital goods.

- h) Rental income on assets given under operating lease arrangements is recognized on straight line basis over the lease term in accordance with terms of agreement. Rental income is recorded net of service tax.

1.11. Foreign Currency Transactions:

- a) Transactions denominated in foreign currencies are recorded at the exchange rates prevailing on the date of the transaction.
- b) As at balance sheet date, foreign currency monetary items are translated at closing exchange rate. Foreign currency non-monetary items are carried at historical cost using exchange rate on the date of transaction.
- c) Exchange difference arising on settlement or translation of foreign

NOTES

ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2015

currency monetary items are recognized as income or expense in the year in which they arise except to the extent exchange differences are regarded as an adjustment to interest cost and treated in accordance with Accounting Standard 16-Borrowing Cost.

1.12. Borrowing Costs:

Borrowing costs that are directly attributable to the acquisition, construction or development of a qualifying asset are capitalized as part of the cost of the respective asset till such time the asset is ready for its intended use or sale. A qualifying asset is an asset which necessarily takes a substantial period of time to get ready for its intended use or sale. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest, exchange difference arising from foreign currency borrowings to the extent they are treated as an adjustment to the borrowing cost and other costs that an entity incurs in connection with the borrowing of funds.

1.13. Employees' Benefits:

a) Short term employee benefit

All employee benefits falling due wholly within twelve months of rendering the service are classified as short term employee benefits and they are recognized as an expense at the undiscounted amount in the Statement of Profit and Loss in the period in which the employee renders the related service.

b) Post-employment benefits

i) Defined contribution plan

The defined contribution plan is post-employment benefit plan under which the Company contributes fixed contribution to a government administered fund and will have no obligation to pay further contribution. The Company's defined contribution plan comprises of Provident Fund, Employee State Insurance Scheme, Employee Pension Scheme and Labour Welfare

Fund. The Company's contribution to defined contribution plans are recognized in the Statement of Profit and Loss in the period in which employee renders the related service.

ii) Defined benefit plan

The Company's obligation towards gratuity liability is funded to an approved gratuity fund, which fully covers the said liability under Cash Accumulation Policy of Life Insurance Corporation of India (LIC). The present value of the defined benefit obligations is determined based on actuarial valuation using the projected unit credit method. The rate used to discount defined benefit obligation is determined by reference to market yields at the Balance Sheet date on Indian Government Bonds for the estimated term of obligations. Actuarial gains or losses arising on account of experience adjustment and the effect of changes in actuarial assumptions are recognized immediately in

NOTES

ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2015

the Statement of Profit and Loss as income or expense.

As per the Company's policy, employees who have completed specified years of service are eligible for death benefit plan wherein defined amount would be paid to the survivors of the employee on the death of the employee whilst in service with the Company. To fulfill the Company's obligation for the above mentioned plan, the Company has taken group term policy from an insurance Company. The annual premium for insurance cover is recognized in Statement of Profit and Loss.

1.14. Operating Lease:

Lease arrangements where risks and rewards incidental to ownership of an asset substantially vests with the lessor are classified as operating lease.

Rental expenses on assets obtained under operating lease arrangements are recognized on a straight-line basis as an expense in the Statement of Profit and Loss over the lease term of respective lease arrangement.

1.15. Taxes on Income:

- a) Tax expenses comprise of current tax, deferred tax charge or credit and adjustments of taxes for earlier years. In respect of amounts adjusted against securities premium or retained earnings, the corresponding tax effect is also adjusted against the securities premium or retained earnings as per the announcement of Institute of Chartered Accountant of India
- b) Provision for current tax is made as per the provisions of Income Tax Act, 1961.
- c) Deferred tax charge or credit reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years and are measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognized only to the extent there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can

be realized. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits. Deferred tax assets are reviewed for the appropriateness of their respective carrying amounts at each balance sheet date. At each balance sheet date the Company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax assets to the extent that it has become reasonably/virtually certain as the case may be that sufficient future taxable income will be available against which such deferred tax assets can be realized.

1.16. Cash and Cash Equivalents:

Cash and cash equivalents include cash in hand, bank balances, deposits with banks (other than on lien) and all short term highly liquid investments / mutual funds that are readily convertible into known amounts of cash and are subject to an insignificant risk of changes in value.

NOTES

ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2015

1.17. Cash Flow Statement:

Cash flows are reported using the indirect method, where by net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities are segregated.

1.18. Provisions and Contingent Liabilities:

A provision is recognized when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and

adjusted to reflect the current best estimates.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources. When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources is remote, no provision or disclosure is made.

1.19. Earnings per Share:

Basic earnings per share are calculated by dividing the net profit or loss (after tax) for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the period is adjusted for events of bonus issue and share split if any.

For the purpose of calculating diluted earnings per share, the net profit or loss (after tax) for the year attributable to equity shareholders and the weighted

average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

1.20. Segment Reporting:

The segments have been identified taking into account the nature of the products / services, geographical locations, nature of risks and returns, internal organization structure and internal financial reporting system. The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

1.21. Derivative instrument:

Derivative instrument is accounted for based on the "Guidance note on accounting for Equity Index and Equity Stock Futures and Options". As per the Guidance Note, the profit or loss on settlement is recognized in statement of profit and loss. All open contracts / options at year end are stated at year end market rates.

NOTES

ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2015

(₹ in lakhs except as otherwise stated.)			
Particulars	Note	As at 31st March 2015	As at 31st March 2014
SHARE CAPITAL	2.1		
Authorized Capital		2,000.00	2,000.00
20,000,000 (P.Y. 20,000,000) Equity shares of ₹10 each			
Issued, subscribed and Paid up :			
12,325,037 (P.Y. 12,325,037) Equity shares of ₹10 each, fully paid up		1,232.50	1,232.50
		1,232.50	1,232.50
The Company has only one class of shares referred to as equity shares having a par value of ₹ 10/-. Each holder of equity shares is entitled to one vote per share.	2.1.1		
Reconciliation of the shares outstanding at the beginning and at the end of the year	2.1.2		

(₹ in lakhs except as otherwise stated.)					
Particulars	Note	31st March 2015		31st March 2014	
		No. of shares	₹ In lakhs	No. of shares	₹ In lakhs
Shares outstanding at the beginning of the year		12,325,037	1,232.50	12,325,037	1,232.50
Shares issued during the year		-	-	-	-
Shares bought back during the year		-	-	-	-
Shares outstanding at the end of the year		12,325,037	1,232.50	12,325,037	1,232.50
Details of the shareholders holding more than 5% shares in the company	2.1.3.				

(₹ in lakhs except as otherwise stated.)					
Name of Shareholder		As at 31 March 2015		As at 31 March 2014	
		No. of Shares held	% of Holding	No. of Shares held	% of Holding
Shantaben P. Jain j/w Kewalchand P. Jain j/w Hemant P. Jain(equity shares held in their capacity as trustees/beneficiaries of P.K.Jain Family Holding Trust)		6,153,000	49.92	6,153,000	49.92
Mr.Dinesh P Jain		728,831	5.91	728,831	5.91
includes 99,401 (P.Y. 99,401) shares jointly held with Mrs Sangeeta D. Jain					
Mr.Vikas P Jain		721,321	5.85	721,321	5.85
includes 91,836 (P.Y.91,836) shares jointly held with Mrs Kesar V. Jain					
Mr. Hemant P Jain		690,915	5.61	690,915	5.61
includes 77,400 (P.Y.77,400) shares jointly held with Mrs Lata H. Jain					
Mr. Kewalchand P Jain		690,111	5.60	690,111	5.60
includes 76,661(P.Y.76,661) shares jointly held with Mrs Veena K. Jain					
Nalanda India Fund Limited		1,200,000	9.74	1,200,000	9.74

NOTES

ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2015

(₹ in lakhs except as otherwise stated.)

Particulars	Note	As at 31st March 2015	As at 31st March 2014
In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders (After due adjustment in case shares are not fully paid up.)	2.1.4		
RESERVES AND SURPLUS	2.2		
Securities Premium Reserve		8,426.77	8,426.77
(As per Last Balance Sheet)			
General Reserve			
Opening Balance		3,180.93	2,510.66
Add: Amount transferred from Balance in the Statement of Profit and Loss		662.45	670.28
		3,843.38	3,180.94
Balance in Statement of Profit and Loss			
Opening balance		14,720.15	12,215.79
Add: Net profit after tax transferred from Statement of Profit and Loss		6,624.46	6,702.76
Less: Carrying amount of Fixed assets adjusted as per Schedule II of Companies Act, 2013 (refer note 2.9.4)		(54.27)	-
Add: Deferred Tax effect on above		18.45	-
Amount retransferred from Business Progressive Fund		-	-
		21,308.78	18,918.55
Less: Appropriations			
Proposed Dividend		184.88	184.88
Interim Dividend		2,896.38	2,403.38
Tax on Proposed Dividend		37.64	31.42
Tax on Interim Dividend		549.54	408.45
Transfer to Business Progressive Fund		1,000.00	500.00
Transfer to General Reserve		662.45	670.28
		15,977.90	14,720.14
Business Progressive Fund			
Opening Balance		1,500.00	1,000.00
Add: Amount transferred from Balance in the Statement of Profit and Loss		1,000.00	500.00
Less: Amount retransferred to Balance in Statement of Profit and Loss		-	-
		2,500.00	1,500.00
		30,748.05	27,827.85
The Board of Directors have recommended a payment of final dividend of Re. 5/- per equity share of ₹ 10/- each for the financial year ended 31st March, 2015. The Payment is subject to the approval of shareholders at the Annual General Meeting of the Company.	2.2.1		

NOTES

ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2015

(₹ in lakhs except as otherwise stated.)

Particulars	Note	As at 31st March 2015	As at 31st March 2014
The Company has augmented "Business Progressive Fund" by ₹ 1,000 lakhs (P.Y. ₹ 500 lakhs) out of its profits and the aggregate amount of the fund as at year end is ₹ 2,500 lakhs (P.Y. ₹ 1,500 lakhs). This fund has been created with a view to maintain normal growth in sluggish market conditions and support superior growth for long term. The said fund shall be for the purpose of launching & promoting new products, advertisement campaigns, promotional schemes and initial support to master stockiest and franchisees for development of retail business, reinforce existing channels of sales etc. The amount of fund is specifically earmarked and invested in liquid mutual funds or any other safe and highly liquid investments. The Company has made adequate provisions in accordance with Accounting Standard (AS) -29 in normal course of business. AS-29 does not permit providing for expenses where present obligation does not exist or there is no fixed commitment.	2.2.2		
Accordingly the Company has opted to create Business Progressive Fund. Further addition to the aforesaid fund shall be reviewed from time to time considering business environment and conditions and the income accrued from the fund. Any accretion to the investment shall be credited to Statement of Profit and Loss.			
OTHER LONG-TERM LIABILITIES	2.3		
Other Liabilities			
Security Deposits		986.56	728.30
		986.56	728.30
LONG TERM PROVISIONS	2.4		
Other Long Term Provisions			
Provision for its share of loss in joint venture (refer note 2.10.1)		49.00	49.00
Other provisions (rent escalation etc.)		2.15	9.71
		51.15	58.71
SHORT TERM BORROWINGS	2.5		
Secured Loan			
a) Repayable on demand			
Working Capital Loans from Bank		1,135.30	1,187.70
(Secured by pari-passu first charge on Stock and Trade Receivables)			
		1,135.30	1,187.70
TRADE PAYABLES AND OTHER PAYABLE	2.6		
a) Micro and Small Enterprises			
Materials		92.93	32.55
b) Other than Micro and Small Enterprises			
Materials		1,807.64	1,618.51
Expenses		1,143.98	1,076.55
		3,044.55	2,727.61

NOTES

ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2015

(₹ in lakhs except as otherwise stated.)

Particulars	Note	As at 31st March 2015	As at 31st March 2014
Disclosure U/s 22 of Micro, Small and Medium Enterprises Development Act, 2006	2.6.1		
a) Principal amount remaining unpaid to micro and small enterprises (trade payable)		92.93	32.55
b) Principal amount remaining unpaid to micro and small enterprises (creditors for capital goods)		-	-
c) Principal amount paid beyond due date		0.46	1.47
d) Amount of Interest paid u/s 16		0.04	-
e) Amount of Interest due and remaining unpaid		-	-
f) Amount of Interest accrued and remaining unpaid		0.02	0.04
g) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of the above Act.		-	-
Above information is disclosed to the extent available with the company			
OTHER CURRENT LIABILITIES	2.7		
Interest accrued but not due on borrowings		-	0.31
Unclaimed Dividend		3.84	3.85
Security Deposits		610.87	20.19
Others Payable			
Capital Goods (refer note 2.6.1)		36.73	28.25
Salary and Wages payable		506.40	292.55
Employee Benefits		188.82	156.77
Statutory Liabilities		135.43	110.65
Advance from Customers		340.11	315.63
		1,822.20	928.20
SHORT TERM PROVISIONS	2.8		
Provision for Taxations (Net of Advance Tax)		-	193.51
Provisions for Dividend & Dividend Distribution Tax		666.19	937.28
Provision for Margin on Sales Return (refer note 2.45)		60.48	42.07
Provision for employee benefit		145.00	25.00
Provision for Contingencies (refer note 2.45)		446.52	568.53
Other Provisions (including Selling & Distribution Expenses etc.)		709.80	596.29
		2,027.99	2,362.68

NOTES

ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2015

FIXED ASSETS 2.9

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2.9.1 The company has given part of the premises along with amenities under operating lease. The gross carrying amount, accumulated depreciation at the balance sheet date and depreciation recognized in Statement of Profit and Loss for the year of said premises is ₹ 191.40 lakhs, ₹ 58.99 lakhs and ₹ 5.47 lakhs respectively (P.Y. ₹ 159.90 lakhs, ₹ 53.51 lakhs, and ₹ 5.60 lakhs).

2.9.2 Building includes the value of 14,000 (P.Y. 14,000) share of ₹ 100 each in Synthofine Estate CHS Ltd and value of 10 (P.Y. NIL) share of ₹ 50 each in Gautam Chemical Industrial Premises CHS Ltd.

2.9.3 Balance useful life of software (Tukacad Professional Edition software) as at year end is Nil (P.Y. 9 months). Balance useful life of membership rights as at year end is 36 months (P.Y. 48 months).

NOTES

ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2015

2.9.4 During the quarter ended 30th June 2014, the Company had realigned its depreciation policy in accordance with Schedule II to Companies Act, 2013. Consequently w.e.f. 1st April 2014 :

- the carrying value of assets acquired prior to 1st April 2014 is now depreciated over its revised remaining useful life;
- where the remaining useful life of the asset is nil as on 1st April 2014, carrying value of assets has been adjusted against opening reserves (net of deferred tax of ₹18.45 lakhs) amounting to ₹ 35.82 lakhs in accordance with transitional provision of Schedule II;
- on account of above change, depreciation charged to Statement of Profit and Loss for year 2014-2015 is lower by ₹ 139.18 lakhs and depreciation for the year 2015-2016 would be lower by ₹ 94 lakhs for the assets held as at 1st April 2014.

2.9.5 The addition to freehold land represents land acquired with integrated structure for a composite value. The value of structure is determined based on estimated depreciated value of structures and the balance is considered as the value of land. In respect of land, the company has an undivided share in land. Also an insignificant portion of land is illegally occupied by the occupant and occupant has raised some illegal structure for which the Municipal Corporation has served a demolition notice.

FIXED ASSETS 2.9: Continued-Previous Year

		(₹ in lakhs except as otherwise stated.)								
Sr. No.	Description of the Block of Assets	GROSS BLOCK				DEPRECIATION / AMORTISATION				NET BLOCK
		As at 01/04/2013	Additions	Deductions/ Discarded	As at 31/3/2014	As at 01/04/2013	Depreciation / Amortization	Deductions	As at 31/3/2014	As at 31/3/2014
Tangible Assets										
1	Free Hold Land	129.37	-	-	129.37	-	-	-	-	129.37
2	Leasehold Land	190.62	45.04	-	235.65	13.40	2.92	-	16.32	219.33
3	Building	3,820.67	26.75	-	3,847.42	1,251.48	178.56	-	1,430.03	2,417.39
4	Furnitures & Fixtures	916.56	13.17	6.83	922.90	767.20	41.86	5.77	803.29	119.61
5	Plant and Machinery	2,117.79	236.38	123.50	2,230.68	1,015.45	206.75	87.79	1,134.41	1,096.27
6	Computer	249.80	44.41	43.33	250.89	202.98	32.71	37.77	197.92	52.97
7	Office Equipments	241.28	13.32	4.74	249.85	157.86	15.30	3.87	169.29	80.56
8	Vehicles	144.22	45.65	11.01	178.86	84.74	18.27	11.01	91.99	86.87
Total of Tangible Assets		7,810.31	424.73	189.41	8,045.63	3,493.11	496.36	146.22	3,843.26	4,202.37
Intangible Assets										
1	Software (Acquired)	70.14	25.58	-	95.71	33.07	14.77	-	47.83	47.88
2	Membership Rights	-	18.00	-	18.00	-	3.60	-	3.60	14.40
Total of Intangible Assets		70.14	43.58	-	113.71	33.07	18.37	-	51.43	62.28
Capital Work in Progress (CWIP)										
1	Plant and Machinery	61.56	356.51	415.37	2.70	-	-	-	-	2.70
2	Building	5.46	19.47	24.93	-	-	-	-	-	-
3	Computer	3.32	3.31	6.63	-	-	-	-	-	-
Total Tangible CWIP		70.34	379.29	446.93	2.70	-	-	-	-	2.70
Grand total		7,950.79	847.59	636.34	8,162.04	3,526.18	514.73	146.22	3,894.69	4,267.35

NOTES

ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2015

(₹ in lakhs except as otherwise stated.)

Particulars	Note	As at 31st March 2015	As at 31st March 2014
NON CURRENT INVESTMENTS	2.10		
Long Term Investments			
a) Trade Investments (Unquoted)			
Investment in Joint Venture White Knitwear Private Limited (Refer Note 2.10.1)			
In Equity Shares			
330,000 (P.Y. 330,000) Shares of face value ₹ 10 each, fully paid up.		33.00	33.00
In Preference Shares			
3,125,000 (P.Y. 3,125,000) 9% Cumulative Redeemable Preference Shares of face value of Rs.10 each fully paid up.		312.50	312.50
b) Other than Trade Investments (Quoted)			
In Equity Shares			
4,512 (P.Y. 4,512) Reliance Power Limited Shares of face value ₹ 10 each fully paid up.		12.69	12.69
Less: Provision for Diminution in value of Investment(Quoted)		(10.14)	(9.52)
		2.55	3.17
Nil (P.Y. 5) Mahindra & Mahindra Financial Services Limited Share of face value Rs.Nil (P.Y. ₹ 2) each fully paid up.		-	0.00
7,500 (P.Y. NIL) HCL Technologies Ltd Shares of face value ₹ 2 each fully paid up.		78.13	-
25,000 (P.Y. NIL) Tech Mahindra Ltd Shares of face value ₹ 5 each fully paid up.		180.58	-
In Fixed Maturity Plan		-	-
Investment in unquoted Mutual Funds			
In units of Fixed Maturity Plans (FMP's) of ₹ 10/- each fully paid up (Refer Note 2.10.2)			
IDFC Yearly Series Interval Fund - Series 1 - Growth [Units: 15,249,970.718]		1,657.79	-
Birla Sunlife FTP Series JA Growth [Units: 5,000,000]		500.00	-
Birla Sunlife FTP Series KD Growth [Units: 5,000,000]		500.00	-
Birla Sunlife Interval Income Annual Plan 1-GZ Growth [Units: 4,599,139.041]		500.00	-
DSP Blackrock FMP Series 111-12 Month - Growth [Units: 1,196,613.851]		119.66	-
DWS FMP Series 45 Growth [Units: 2,000,000]		200.00	-
DWS FMP Series 86 Growth		500.00	-

INDEPENDENT AUDITOR'S REPORT

BALANCE SHEET

STATEMENT OF PROFIT AND LOSS

CASH FLOW STATEMENT

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NOTES

ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2015

(₹ in lakhs except as otherwise stated.)

Particulars	Note	As at 31st March 2015	As at 31st March 2014
[Units: 5,000,000]			
HDFC FMP 371D Dec 2013-2 Growth		300.00	-
[Units: 3,000,000]			
HDFC FMP 369D Jan 2014-1 Growth		509.18	-
[Units: 5,091,849]			
HDFC FMP 372D Feb 2014-1 Growth		500.00	-
[Units: 5,000,000]			
ICICI Pru FMP Series 68-369D Plan I		746.46	-
[Units: 7,464,604]			
ICICI Pru FMP Series 72-368D Plan A		200.00	-
[Units: 2,000,000]			
IDFC FTP Series 49 Growth		200.26	-
[Units: 2,002,581]			
Kotak FMP Series 111 Growth		16.00	-
[Units: 160,000]			
Kotak FMP Series 116 Growth		110.00	-
[Units: 1,100,000]			
Kotak FMP Series 128 Growth		200.26	-
[Units: 2,002,583]			
Kotak FMP Series 136 Growth		500.00	-
[Units: 5,000,000]			
Principal PNB FMP Series B14 390 Days Growth		500.00	-
[Units: 5,000,000]			
Reliance Fixed Horizon Fund - XXIV - Series 15 Growth		1,150.00	-
[Units: 11,500,000]			
Reliance Fixed Horizon Fund XXVI - Series 12 - Growth		119.71	-
[Units: 1,197,116.241]			
Reliance Yearly Interval Fund - Series 4 - Growth		500.00	-
[Units: 4,164,896.586]			
Reliance Fixed Horizon Fund XXVIII - Series 7 - Growth		750.00	-
[Units: 7,500,000]			
Sundaram FTP GJ 3 Year - Growth		500.00	-
[Units: 5,000,000]			
TATA FMP Series 43 Scheme C Growth		110.00	-
[Units: 1,100,000]			
TATA FMP Series 46 Scheme I Growth		500.00	-
[Units: 5,000,000]			
UTI Fixed Term Income Fund Series XIX-XVIII - Growth		500.00	-

NOTES

ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2015

(₹ in lakhs except as otherwise stated.)			
Particulars	Note	As at 31st March 2015	As at 31st March 2014
[Units: 5,000,000]			
UTI Fixed Term Income Fund Series XXI-VII - Growth		500.00	-
[Units: 5,000,000]			
UTI Fixed Term Income Fund Series XXI-VIII - Growth		600.00	-
[Units: 6,000,000]			
UTI Fixed Term Income Fund Series XXI-X - Growth		500.00	-
[Units: 5,000,000]			
		14,096.09	348.68
Aggregate Cost (Net of Provisions)			
- Quoted		261.26	3.18
- Unquoted		13,834.83	345.50
Aggregate Market / Net asset Value			
- Quoted		243.53	3.19
- Unquoted (units of Mutual fund)		14,757.06	-
Aggregate Provision for Diminution		10.14	9.52

The company had invested in aggregate ₹ 345.50 lakhs (P.Y. ₹ 345.50 lakhs) in Joint Venture "White Knitwear Private Limited" (WKPL). The WKPL had acquired land in Surat Special Economic Zone (SEZ) and constructed factory building for setting up of manufacturing unit for production of Knitwear Apparels for exports. However due to slowdown in International market, SEZ could not take off and most of the members of SEZ shelved their projects and approached to Gujarat Industrial Development Corporation (GIDC) and State and Central government for de-notification of SEZ.

Gujarat Industrial Development Corporation vide its circular No. GIDC/CIR/ Distribution/Policy /13/05 dated 14.03.2013 has de-notified the SEZ and conceded the members to convert and use the erstwhile land in SEZ as Domestic Tariff Area (DTA) subject to fulfillment of conditions stated therein. WKPL vide its letter dated 04.04.13 has consented for de-notification of its plot of land and undertaken to complete the formal procedure for the same, however Central Government approval is awaited.

Post de-notification joint venture partners shall dispose of the company/ land and building and realize the proceeds to return it to joint venture partners.

No provision for diminution in the value of investment is considered necessary for the year ended March 2015 in view of the value of underlying assets base of joint venture. However, the company had made a provision for its share of loss in joint venture of Rs.49.00 lakhs (P.Y. ₹ 49.00 lakhs) and provision is grouped under 'Other Long Term Provisions'. (Refer Note 2.4).

2.10.1

NOTES

ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2015

(₹ in lakhs except as otherwise stated.)

Particulars	Note	As at 31st March 2015	As at 31st March 2014
The Investments in Mutual funds that are intended to be held for more than 1 year from the investment date, have been reclassified from current investments to long term investments considering that investments in fixed maturity plans are rolled over for a tenure extending for more than 3 years. The transfer from current investments to long term investments have been made at lower of cost or fair value at the date of transfer. (also refer note 2.21.1)	2.10.2		
DEFERRED TAX	2.11		
Deferred Tax Assets:			
Various Items including Provision for Assets and Others		183.17	213.62
Deferred Tax Liability			
Depreciation/Amortization		65.58	35.34
Net Deferred Tax Asset/(Liabilities)		117.59	178.28
Deferred tax asset is recognized only on those timing differences, which reverse in the post tax free period, as company enjoys exemption under section 80-IA of Income Tax Act, 1961 in respect of revenue generated from Wind Turbine Generator.	2.11.1		
LONG-TERM LOANS & ADVANCES	2.12		
(Unsecured considered good)			
Deposits (Net of provision of ₹ 10.21 lakhs (P.Y. ₹ 9.53 lakhs))		427.47	426.06
Capital Advances		1.90	0.11
Loan to Employees		24.12	16.21
Rent Deposits to Related Parties		7.83	7.83
Advance Tax / Tax deducted at source (Net of Provision)		329.86	365.50
Advance FBT (Net of Provision)		-	0.43
Prepaid Expenses		1.39	2.41
		792.57	818.54
OTHER NON CURRENT ASSETS	2.13		
(Unsecured considered good)			
Customer Security Deposits		9.02	17.75
Bank Deposits offered as Security		23.10	52.46
Interest receivables on Bank Deposits		11.28	3.16
		43.40	73.37
CURRENT INVESTMENTS	2.14		
Investment in unquoted Mutual Funds			
In units of Fixed Maturity Plans (FMP's) of ₹ 10/- each fully paid up			
Birla Sunlife FTP Series JA Growth [Units P.Y. 5,000,000]		-	500.00
Birla Sunlife FTP Series KD Growth [Units: P.Y. 5,000,000]		-	500.00

NOTES

ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2015

(₹ in lakhs except as otherwise stated.)			
Particulars	Note	As at 31st March 2015	As at 31st March 2014
Birla Sunlife Interval Income Annual Plan 1-GZ Growth [Units: P.Y. 4,599,139.041]		-	500.00
DSP Blackrock FMP Series 111-12 Month - Growth [Units:P.Y. 1,196,613.851]		-	119.66
DWS FMP Series 45 Growth [Units:P.Y. 2,000,000]		-	200.00
HDFC FMP 371D Dec 2013-2 Growth [Units: P.Y. 3,000,000]		-	300.00
HDFC FMP 369D Jan 2014-1 Growth [Units: P.Y. 5,091,849]		-	509.18
HDFC FMP 372D Feb 2014-1 Growth [Units: P.Y. 5,000,000]		-	500.00
ICICI Pru FMP Series 68-369D Plan I [Units:P.Y. 7,464,604]		-	746.46
ICICI Pru FMP Series 72-368D Plan A [Units:P.Y. 2,000,000]		-	200.00
IDFC FTP Series 49 Growth [Units: P.Y. 2,002,581]		-	200.26
IDFC Yearly Series Interval Fund - Series 1 - Growth [Units: P.Y. 15,249,970.718]		-	1,657.79
Kotak FMP Series 111 Growth [Units: P.Y. 160,000]		-	16.00
Kotak FMP Series 116 Growth [Units: P.Y. 1,100,000]		-	110.00
Kotak FMP Series 128 Growth [Units:P.Y. 2,002,583]		-	200.26
Kotak FMP Series 136 Growth [Units: P.Y. 5,000,000]		-	500.00
Principal PNB FMP Series B14 390 Days Growth [Units:P.Y. 5,000,000]		-	500.00
Reliance Fixed Horizon Fund - XXIV - Series 15 Growth [Units:P.Y. 11,500,000]		-	1,150.00
TATA FMP Series 43 Scheme C Growth [Units: P.Y. 1,100,000]		-	110.00
TATA FMP Series 46 Scheme I Growth [Units:P.Y. 5,000,000]		-	500.00
Birla Sunlife FTP Series HB Growth [Units: NIL (P.Y. 3,603,918)]		-	363.09
Birla Sunlife FTP Series JS Growth [Units: NIL (P.Y. 5,000,000)]		-	500.00
DWS FMP Series 43 Growth [Units: NIL (P.Y. 1,001,858.70)]		-	100.19

NOTES

ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2015

(₹ in lakhs except as otherwise stated.)

Particulars	Note	As at 31st March 2015	As at 31st March 2014
HDFC FMP 370D July 2013-2 Growth [Units: NIL (P.Y. 4,155,338)]		-	415.53
HDFC FMP 91D Feb 2015(1) Growth [Units: 5,743,622 (P.Y. NIL)]		574.36	
ICICI Pru FMP Series 71-371D Plan M [Units: NIL (P.Y. 2,000,000)]		-	200.00
ICICI Pru Interval Fund III Qtrly Plan - Growth [Units: 1,489,112 (P.Y. NIL)]		221.09	
IDBI FMP Series IV 366 Days(February 2014)-E Growth [Units: NIL (P.Y. 5,000,000)]		-	500.00
IDBI FMP Series IV 387 Days(March 2014)-G Growth [Units: 5,000,000 (P.Y. 5,000,000)]		500.00	500.00
LIC NOMURA FMP Series 75 370 Days Growth [Units: NIL (P.Y. 5,000,000)]		-	500.00
Reliance Yearly Interval Fund - Series 6 - Growth [Units: NIL (P.Y. 1,100,000)]		-	110.00
Sundaram FTP EW 366 Days Growth [Units: NIL (P.Y. 5,000,000)]		-	500.00
Sundaram FTP EY 366 Days Growth [Units: NIL (P.Y. 6,000,000)]		-	600.00
Sundaram FTP FA 406 Days Growth [Units: 5,000,000 (P.Y. 5,000,000)]		500.00	500.00
Sundaram FTP FF 366 Days Growth [Units: NIL (P.Y. 5,000,000)]		-	500.00
UTI Fixed Term Income Fund Series XV-IV 366Days Growth [Units: NIL (P.Y. 12,114,448.663)]		-	1,211.44
In the units of Income Funds of ₹ 10/- each fully paid			
Birla Sunlife Income Plus - Growth [Units: NIL (P.Y. 352,601.849)]		-	200.00
Reliance Floating Rate Fund - Short Term Plan Growth [Units: 1,026,799.466 (P.Y.: 1,026,799.466)]		200.00	200.00
UTI Short Term Income Fund Growth [Units: 348,585.093 (P.Y.: 348,585.093)]		50.00	50.00
SBI Dynamic Bond Fund Growth [Units: 967,105.518 (P.Y.: 967,105.518)]		150.00	150.00
Edelweiss Short Term Income Fund - Growth [Units: 709,975.151 (P.Y.: 709,975.151)]		100.00	100.00
DWS Banking and PSU Debt Fund Growth [Units: 944,233.566 (P.Y.: 944,233.566)]		100.00	100.00
In the units of Income Funds of ₹ 1000/- each fully paid			
Axis Banking Debt Fund - Growth [Units: 15,634.034 (P.Y.: NIL)]		200.00	-

NOTES

ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2015

(₹ in lakhs except as otherwise stated.)			
Particulars	Note	As at 31st March 2015	As at 31st March 2014
In the units of Arbitrage Funds of ₹ 10/- each fully paid			
Edelweiss Arbitrage Fund - Div Reinvestment		718.54	-
[Units: 7,126,480.182 (P.Y.: NIL)]			
Edelweiss Arbitrage Fund - Growth		200.00	-
[Units: 7057970.23 (P.Y.: NIL)]			
Investment in unquoted Alternate Investment Funds			
In the units of Income Funds of ₹ 1000/- each fully paid			
Ambit Alpha Fund Scheme I		200.00	-
[Units: 20,000 (P.Y.: NIL)]			
		3,713.99	16,319.87
Aggregate Cost		3,713.99	16,319.87
Aggregate Market / Net asset Value		3,913.97	16,804.08
Aggregate Provision for diminution		-	-
INVENTORIES	2.15		
(At cost or net realisable value whichever is less)			
Raw material		305.21	418.44
Work-in-Progress		1,731.45	1,991.33
Finished goods		1,734.49	2,113.24
Traded goods		115.14	52.27
Packing material & accessories		96.28	164.54
Stores, chemicals and consumables		58.88	49.37
		4,041.45	4,789.19
TRADE RECEIVABLES	2.16		
a) Debtors (Secured against Customer Security Deposit)			
i) Over Six Months from the date they are due for payment		52.48	92.98
ii) Others		643.93	445.19
		696.40	538.17
b) Debtors (Unsecured)			
i) Over Six Months from the date they are due for payment			
a) Considered Good		786.34	594.84
b) Doubtful		147.60	24.19
ii) Others			
a) Considered Good		6,259.88	5,235.15
b) Doubtful		82.40	118.81
		7,276.22	5,972.99
Debtors (Unsecured) considered good includes :	2.16.1		
(1) ₹ 1,464.62 lakhs (P.Y. ₹ 1,104.62 lakhs) where company holds the bank guarantee.			
(2) ₹ 3.32 lakhs (P.Y. ₹ 5.56 lakhs) receivable from related parties.			

NOTES

ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2015

(₹ in lakhs except as otherwise stated.)

Particulars	Note	As at 31st March 2015	As at 31st March 2014
Less : Provision for Doubtful Debts		230.00	143.00
		7,742.62	6,368.17
CASH & BANK BALANCES	2.17		
Cash & Cash Equivalents			
Cash on Hand		23.86	20.12
Balances with Banks :-			
In Current Accounts		258.53	211.56
In EEFC Account (USD 153,431) (P.Y. USD 1,195)		96.03	0.72
In Bank Deposits		456.40	331.86
In Bank Deposits with more than 12 months maturity		258.10	335.82
Bank Deposits includes Rs.709.79 lakhs (P.Y. ₹ 667.68 lakhs) having a maturity period exceeding three months and which are readily convertible into known amounts of cash.	2.17.1		
Liquid Mutual Funds includes ₹ 2,500.00 lakhs (P.Y. ₹ 1,500.00 lakhs) earmarked in respect to Business Progressive Fund. As per details given below in note 2.17.2		3,136.23	2,443.19
		4,229.15	3,343.27
Other Bank Balances			
In Unclaimed Dividend Accounts		3.84	3.85
In Bank Deposits offered as Security		84.23	69.39
		88.07	73.24
		4,317.21	3,416.51
Details of Current Investments in Liquid Mutual Funds(Unquoted) as given below:	2.17.2		
a) Face Value of ₹ 10/- each fully paid up			
Kotak Banking and PSU Debt Fund - Daily Dividend [Units: NIL (P.Y. 2,029,520.692)]		-	204.14
LIC Nomura MF Savings Plus Fund - Growth [Units: 2,543,759.592 (P.Y. NIL)]		548.61	-
Birla Sunlife Dynamic Bond Fund-Retail Growth [Units: 732,544.24 (P.Y. 732,544.24)]		150.94	150.94
Franklin India Ultra Short Bond Fund - Growth [Units: 2,858,357.113 (P.Y.: NIL)]		504.67	-
Total (a)		1,204.22	355.08
b) Face Value of ₹ 100/- each fully paid up			
Birla Sunlife Cash Plus - Daily Div [Units: NIL (P.Y. 114,461.467)]		-	114.68
ICICI Pru Flexible Income Plan - Daily Dividend [Units: NIL (P.Y. 720,432.891)]		-	761.76

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ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2015

(₹ in lakhs except as otherwise stated.)

Particulars	Note	As at 31st March 2015	As at 31st March 2014
Birla Sunlife Savings Fund - Growth [Units: 131,990.410 (P.Y. NIL)]		349.76	-
Total (b)		349.76	876.44
c) Face Value of ₹ 1,000/- each fully paid up			
Tata Floater Fund Plan A - Daily Dividend [Units: NIL (P.Y. 54,900.946)]		-	550.96
Tata Floater Fund - Growth [Units: 28,260.413 (P.Y. NIL)]		568.49	-
Axis Treasury Advantage Fund - Growth [Units: 46,487.062 (P.Y. 46,487.062)]		660.70	660.70
Baroda Pioneer Treasury Advantage Fund - Plan B - Growth [Units: 16,230.658 (P.Y. NIL)]		253.05	-
Principal Debt Opportunities Fund Conservative Plan - Growth [Units: 4,589.90 (P.Y. NIL)]		100.00	-
Total (c)		1,582.25	1,211.67
Aggregate Cost (a+b+c)		3,136.23	2,443.19
Aggregate Market / Net asset Value		3,300.17	2,452.02
Aggregate Provision for Diminution		-	-
SHORT-TERM LOANS & ADVANCES	2.18		
(Unsecured, Considered Good)			
Advance to Employee		6.89	7.72
Loans to Employee		16.11	16.48
Deposits		9.59	100.00
Advance to Suppliers		91.23	206.36
Prepaid Expenses		86.06	28.58
		209.87	359.15
OTHER CURRENT ASSETS	2.19		
(Unsecured, Considered Good)			
Interest receivables on Bank Deposits		62.30	36.61
Duty Drawback Receivable		86.96	69.85
Other Receivable [sales tax refund receivable, etc.]		2.99	8.00
		152.25	114.45

NOTES

ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2015

(₹ in lakhs except as otherwise stated.)

Particulars	Note	For the Year Ended 31st March 2015	For the Year Ended 31st March 2014
REVENUE FROM OPERATIONS	2.20		
A. Sales Income			
Sales of Apparel and Lifestyle Accessories/Products		40,513.58	36,448.09
Less : Excise Duty		-	62.45
Sales net of tax and duty (refer note 2.20.1)		40,513.58	36,385.64
Note:-	2.20.1		
Sales (Gross of tax and duty)		41,358.75	37,165.35
Less: Excise Duty		-	62.45
Less: Sales tax		845.17	717.26
Sales net of tax and duty		40,513.58	36,385.64
B. Other Operating Income			
Service Income		75.86	43.28
Export Incentives		164.30	175.86
Miscellaneous Operating Income		59.61	35.85
Rent Income		19.04	16.48
		318.81	271.48
Total Revenue from Operations		40,832.39	36,657.11
OTHER INCOME	2.21		
Interest on Bank Deposits		79.15	126.75
Income from Current Investments and Liquid Mutual Funds:			
Dividend Income		259.63	176.36
Gain on Sales/Redemption of Investments (Net) (Refer note 2.21.1)		432.87	775.57
Reversal of Provision for Diminution in Value of Investment		-	0.40
Gain on Exchange Rate Fluctuation (Net)		25.96	79.45
Gain on Sale of Tangible Fixed Assets(Net)		-	23.84
The Company has pre-dominantly invested in Fixed Maturity plans(FMP's) of various mutual funds. Post Union Budget 2015, a majority of such investments in FMP's have been rolled over during the year for a tenure with maturity extending for more than 3 years, consequently gain on investments in FMP's to the tune of ₹ 826 lakhs has been deferred till maturity and to that extent net profit for the current year is not comparable with the previous year. (also refer note 2.10.2).	2.21.1		
		797.60	1,182.36
(INCREASE) / DECREASE IN STOCKS	2.22		
Opening stock			
Work - in- Progress		1,991.33	1,457.55
Finished goods		2,113.23	1,228.14
Traded goods		52.27	56.07
		4,156.83	2,741.77

NOTES

ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2015

(₹ in lakhs except as otherwise stated.)			
Particulars	Note	For the Year Ended 31st March 2015	For the Year Ended 31st March 2014
Closing Stock			
Work - in- Progress		1,731.45	1,991.33
Finished goods		1,734.49	2,113.23
Traded goods		115.14	52.27
		3,581.08	4,156.83
(Increase)/Decrease in Stock		575.76	(1,415.07)
COST OF MATERIAL CONSUMED	2.23		
a. Raw Material Consumed:			
Opening stock		418.44	439.50
Add: Purchases		10,189.43	9,572.07
		10,607.88	10,011.57
Less: Sale of raw material		203.33	499.92
Less: Closing stock		305.21	418.44
		10,099.34	9,093.21
b. Semi-Finished Goods		3,194.93	4,211.17
c. Packing Material, Accessories and others		2,109.75	1,970.41
d. Stores, Chemicals and Consumables		630.55	566.68
		16,034.56	15,841.46
EMPLOYEE BENEFIT EXPENSES	2.24		
Salary, Wages etc.		3,864.34	3,310.13
Contribution to Provident and other Funds		322.97	251.15
Bonus and Ex-gratia		83.01	79.39
Gratuity (refer note 2.39a)		124.47	64.04
Leave Benefits (refer note 2.39b)		83.91	69.36
Staff Welfare		52.61	51.83
		4,531.31	3,825.90
MANUFACTURING AND OPERATING EXPENSES	2.25		
Embroidery Expenses		225.17	182.98
Electricity Expenses (Net of credit received from Windmill of ₹ 62.03 lakhs (P.Y. ₹ 62.00 lakhs)		143.56	129.11
Factory Rent		23.41	23.42
General Factory Expenses		54.10	45.00
Processing Charges		1,931.76	1,877.46
Fuel Expenses		642.58	519.13
Water Charges		61.72	51.34
Waste Disposal Charges		55.07	35.93
Repairs & Maintenance		240.57	208.23
Repairs & Maintenance (Wind Mill Turbine Expenses)		12.45	10.84
		3,390.39	3,083.46

INDEPENDENT AUDITOR'S REPORT

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ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2015

(₹ in lakhs except as otherwise stated.)

Particulars	Note	For the Year Ended 31st March 2015	For the Year Ended 31st March 2014
ADMINISTRATIVE & OTHER EXPENSES	2.26		
Rent, Rates and Taxes [net of amount written back and including provision for contingency (refer note 2.45)]		81.47	174.76
Communication Expenses		80.46	75.21
Legal and Professional Fees		614.28	537.46
Consultancy Fees		132.59	135.10
Printing and Stationery		42.34	43.25
Donations (refer note 2.26.1)		8.74	156.02
Corporate social responsibility (refer note 2.26.1)		168.00	-
Vehicle Expenses		84.08	53.04
Auditors Remuneration (refer note 2.30)		71.51	51.32
Conveyance & Travelling Expenses		33.51	24.43
Electricity Expenses		146.65	129.89
Repairs & Maintenance		155.28	158.02
Directors Sitting Fees		17.20	3.40
Provision for Diminution in value of Investments		0.62	-
General Office Expenses		298.53	231.80
Bad Debts		1.85	5.61
Less: Provision for Doubtful Debts		(1.85)	(5.61)
Provision for Doubtful debts		88.85	44.61
Loss on sale/discard of Fixed Assets (Net of)		0.79	-
		2,024.89	1,818.31
The Company has incurred an expenditure of ₹ 168 lacs during the financial Year 2014-2015 on Corporate Social Responsibility (CSR) in accordance with section 135 of the Companies Act 2013. During the previous year, similar expenditures amounting to ₹ 156 lacs were incurred and classified as donations. The Company in accordance with AS-5 and following consistency has charged the CSR expenditure to Statement of Profit and Loss and not appropriated from reserves as per FAQ on CSR issued by the Institute of Chartered Accountant of India.	2.26.1		
SELLING & DISTRIBUTION EXPENSES	2.27		
Advertisement and Publicity Expenses (Net of recoveries)		1,475.05	1,697.21
Sales Promotion Expenses (Net of recoveries)		240.19	176.73
Discount and Incentive on Sales (net of amount written back)		1,053.10	1,026.88
Octroi, clearing and forwarding charges on Sales		195.19	173.19
Tour and Travelling Expenses (Net of recoveries)		264.72	190.41
Commission on Sales		86.59	92.67
Provision for Margin on Sales Return		18.40	5.05
		3,333.24	3,362.14

NOTES

ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2015

(₹ in lakhs except as otherwise stated.)			
Particulars	Note	For the Year Ended 31st March 2015	For the Year Ended 31st March 2014
FINANCE EXPENSES	2.28		
Bank Charges		12.24	13.70
Finance Charges		157.29	136.91
Interest on Working Capital Loan		96.54	139.51
Other Interest		-	5.67
		266.07	295.79
AGGREGATE AMOUNTS	2.29		
AGGREGATE EXPENSES	2.29.1		
Rent Including Common Area Maintenance Charges		143.59	136.51
Rates & Taxes (net of amount written back and including contingencies)		(38.73)	61.67
Total Rent, Rates & Taxes		104.86	198.18
Electricity Expenses(net of credit received from windmill)		290.21	259.00
Repair & Maintenance (Building)		295.05	279.15
Repair & Maintenance (Machinery)		113.25	97.94
Insurance Premium		29.65	32.54
General Expenses (Office and factory)		352.63	276.80
AGGREGATE AMOUNT WRITTEN BACK	2.29.2		
Rates & Taxes		39.03	-
Discount and Incentive on Sales		184.21	71.17
		223.24	71.17
AUDITORS REMUNERATION			
As Auditors	2.30	28.74	26.74
For Taxation matters		33.84	3.71
For Management Services		2.25	13.48
For Others matters		6.18	7.39
For Reimbursement of Expenses		0.50	-
		71.51	51.32
C.I.F.VALUE OF IMPORTS	2.31		
Capital goods		45.76	136.66
Components and Spare parts		16.48	8.35
Apparel & Life style Accessories/Product		156.94	599.07
Consumable goods		-	35.94
		219.18	780.02

INDEPENDENT AUDITOR'S REPORT

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ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2015

(₹ in lakhs except as otherwise stated.)

Particulars	Note	For the Year Ended 31st March 2015	For the Year Ended 31st March 2014
EXPENDITURE IN FOREIGN CURRENCIES	2.32		
Traveling Expenses		6.98	6.90
Advertisement Expenses		10.19	-
Legal Expenses		3.86	3.52
Bank Charges		8.45	12.65
Others		3.46	1.11
		32.94	24.18
The amounts mentioned above are net of Tax Deducted at source, if any.			
EARNINGS IN FOREIGN CURRENCIES	2.33		
Export of goods (F.O.B. value)		2,285.97	2,504.98
		2,285.97	2,504.98
INDIGENOUS AND IMPORTED CONSUMPTION	2.34		
Indigenous (98.80% (P.Y. 95.43%) of total consumption)		15,841.59	15,117.68
Imported (1.20% (P.Y. (4.57%) of total consumption)		192.97	723.78
		16,034.56	15,841.46

Particulars	Note	Measure	31st March 2015		31st March 2015	
			Qty	₹ in lakhs	Qty	₹ in lakhs
DETAILS OF MATERIAL CONSUMED	2.35					
Material						
Woven Fabric		Mtrs	5,524,822	10,095.99	5,405,399	9,090.37
Knitted Fabric		Kgs	801	3.35	686	2.83
Semi-finished		Pcs	785,430	3,194.93	960,108	4,211.17
Packing material		**	**	830.96	**	768.80
Accessories		**	**	1,278.79	**	1,201.60
Stores, chemicals and consumables		**	**	630.55	**	566.68
Total				16,034.56		15,841.46

** Comprises of various items the value of which is less than 10% of the Total Cost of Material

QUANTITATIVE AND OTHER DETAILS	2.36			
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NOTES

ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2015

PARTICULARS OF FINISHED PRODUCTS

Particulars	Opening Stock		Production		Sales/Captive Consumption		Closing Stock	
	(Qty in Units)							
	Qty	₹ in lakhs.	Qty	₹ in lakhs.	Qty	₹ in lakhs.	Qty	₹ in lakhs.
APPAREL	465,122	2,113.24	4,106,495	4,224,490	38,657.35	347,127	1,734.49	
	(273,841)	(1,242.38)	(4,165,727)	(3,974,446)	(35,048.91)	(465,122)	(2,113.24)	
Power Generation	-	-	1,108,848	1,108,848	62.03	-	-	
	-	-	(1,212,048)	(1,212,048)	(62.00)	-	-	

PARTICULARS OF TRADING ACTIVITIES

Particulars	Opening Stock		Purchases		Sales		Closing Stock	
	(Qty in Units)							
	Qty	₹ in lakhs.	Qty	₹ in lakhs.	Qty	₹ in lakhs.	Qty	₹ in lakhs.
Trading of Lifestyle Accessories/ Products	56,744	52.27	1,158,187	1,291.26	1,127,485	1,856.23	87,446	115.14
	(65,660)	(56.07)	(844,836)	(800.33)	(853,752)	(1,336.73)	(56,744)	(52.27)

Note:

- Figures in brackets indicate previous year's figures
- Sales includes sample distributed free of cost
- Closing stock is after adjusting shortages on physical verification of inventories

NOTES

ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2015

(₹ in lakhs except as otherwise stated.)

2.37 CONTINGENT LIABILITIES

- Disputed demands in respect of income tax not acknowledged as debt – ₹ 15.47 lakhs (P.Y. ₹ 68.94 lakhs). Future cash outflows in respect of above are dependent on outcome of matter under dispute.
- The Company has purchased capital assets under EPCG license against which the Company has a balance export obligation of ₹ 63.37 lakhs (P.Y. ₹ 15.55 lakhs). Contingent liability, to the extent of duty saved in respect of EPCG is Rs. 10.56 lakhs (P.Y. ₹ 2.59 lakhs). The balance export obligation to be fulfilled as per license upto year 2020-2021.

Further, in respect of the above, outstanding bonds at the year-end executed by the Company in favour of customs authority aggregates to ₹ 270.07 lakhs (P.Y. ₹ 259.10 lakhs). Out of above, bonds aggregating to ₹ 169.25 lakhs (P.Y. ₹ 251.97 lakhs) are under the process of discharge from custom authorities.

- Bank guarantees of ₹ 65.47 lakhs (P.Y. ₹ 95.22 lakhs)
- Letter of Credit of ₹ 78.75 lakhs (P.Y. Nil)

Note: The Company does not expect any outflow of resources in respect of Para (b), (c) and (d).

2.38 ESTIMATED AMOUNT OF CONTRACTS REMAINING TO BE EXECUTED ON-

- Capital Account and not provided for ₹ 129.34 lakhs (net of advances) (P.Y. ₹ 1,698.00 lakhs).
- Other commitments–Relating to Advertisement contracts aggregating to ₹ 64.39 lakhs (Net of advances) (P.Y. ₹ 41.00 lakhs). Also Refer Note 2.42 in respect of minimum lease rental payment under non-cancellable operating lease.

2.39 EMPLOYEE BENEFITS:

- Disclosure in respect of gratuity liability

(₹ in lakhs)

Reconciliation on Change in Benefit Obligation	31st March 2015	31st March 2014
Liability at the beginning of the year	274.97	244.88
Interest Cost	22.00	19.59
Current Service Cost	48.78	52.02
Benefit Paid	(43.39)	(54.09)
Actuarial (gain)/loss on obligations	79.77	12.57
Liability at the end of the year	382.14	274.97

NOTES

ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2015

	(₹ in lakhs)	
Reconciliation of Fair Value of Plan Assets :	31st March 2015	31st March 2014
Fair Value of Plan Assets at the beginning of the year	261.70	203.08
Expected Return on Plan Assets	26.08	20.15
Contributions	111.63	92.56
Benefit Paid	(43.39)	(54.09)
Fair Value of Plan Assets at the end of the year	356.03	261.70

	(₹ in lakhs)	
Amount recognized in the Balance Sheet	31st March 2015	31st March 2014
Liability at the end of the year	382.14	274.97
Fair Value of Plan Assets at the end of the year	356.03	261.70
Liability in the Balance Sheet	26.11	13.27

	(₹ in lakhs)	
Gratuity recognized in the Statement of Profit and Loss	31st March 2015	31st March 2014
Current Service Cost	48.78	52.02
Interest Cost	22.00	19.59
Expected Return on Plan Assets	(26.08)	(20.15)
Actuarial (Gain)/Loss	79.77	12.57
Expense Recognized in Statement of Profit and Loss	124.47	64.03

	(₹ in lakhs)	
Principal Assumption used in determining Gratuity liability	31st March 2015	31st March 2014
Discount Rate	8.00%	8.00%
Expected Rate of return	9.00%	9.00%
Employee Turnover	1-3%	1-3%
Salary Escalation	7.50%	7.50%
Mortality Table	LIC (1994-96) Ultimate	

NOTES

ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2015

(₹ in lakhs)

Other disclosures	31st March 2015	31st March 2014	31st March 2013	31st March 2012	31st March 2011
Defined benefit obligation	382.14	274.97	244.88	171.08	150.76
Plan assets	356.03	261.70	203.08	167.30	141.87
Surplus/(deficit)	(26.11)	(13.27)	(41.80)	(3.77)	(8.89)
Experience adjustments on plan liabilities – loss/ (gain)	79.77	12.57	(67.70)	7.84	38.44

100% of the plan assets held by gratuity trust comprises of employees group gratuity scheme with Life Insurance Corporation of India. Additional provision has been made for short fall between liability as per actuarial valuation and value of plan assets. The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market. The expected rate of return on plan assets comprising of Insurance Policy with LIC of India is based on the historical results of returns given by LIC of India.

The Company expects to contribute ₹ 125.00 lakhs (P.Y. ₹ 65.00 lakhs) to gratuity trust for contribution to LIC of India in financial year 2015-16.

b) Disclosure in respect of leave entitlement liability:

Leave entitlement is short term benefit which is recognized as an expense at the un-discounted amount in the year in which the related service is rendered.

c) Death in service benefit:

The Company has taken group term policy from an insurance Company to cover its obligation for death in service benefit given to eligible employees. The insurance premium of ₹ 7.50 lakhs (P.Y. ₹ 3.73 lakhs) is recognized in Statement of Profit and Loss.

d) The Company contributes towards Employees Provident Fund, Employees State Insurance and Labour Welfare Fund. The aggregate amount contributed and charged to Statement of Profit and Loss is ₹ 322.96 lakhs (P.Y. is ₹ 251.15 lakhs).

NOTES

ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2015

2.41 RELATED PARTY DISCLOSURE

Disclosures as per Accounting Standard (AS-18) – 'Related Party Disclosures' are given below:

- a) Related Parties where i) control exists and ii) where significant influence exists (with whom transaction have taken place during the year).

Joint Ventures

White Knitwear Private Limited

Enterprises where Key Management Personnel (KMP) and their relatives have significant influence:

Enlighten Lifestyle Limited (Formerly known as Kornerstone Retail Limited)
Smt. Jatnobai Karamchandji Ratanparia Chouhan Charitable Trust
Lord Gautam Charitable Foundation
Kewal Kiran Finance Private Limited

Key Management Personnel

Kewalchand P. Jain	Chairman & Managing Director
Hemant P. Jain	Whole-time Director
Dinesh P. Jain	Whole-time Director
Vikas P. Jain	Whole-time Director

Relatives / Other concerns of Key Management Personnel:

Shantaben P. Jain (Mother of Key Management Personnel)
Veena K. Jain (Wife of Kewalchand P. Jain.)
Lata H. Jain (Wife of Hemant P. Jain)
Sangeeta D. Jain (Wife of Dinesh P. Jain)
Kesar V. Jain (Wife of Vikas P. Jain)
Pankaj K. Jain (Son of Kewalchand P. Jain)
Hitendra H. Jain (Son of Hemant P. Jain)
Kewalchand P. Jain (HUF)
Hemant P. Jain (HUF)
Dinesh P. Jain (HUF)
Vikas P. Jain (HUF)
P.K. Jain Family Holding Trust

Employee Funds:

Kewal Kiran Clothing Limited – Employee Group Gratuity Scheme.

NOTES

ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2015

b)

(₹ in lakhs)

Nature of Transaction	Enterprises Where KMP & their relatives have significant influence.	Joint Venture	Relatives/ Other Concerns of Key Management Personnel	Key Management Personnel	Employee Funds
Purchase of Assets & consumables	0.05	-	-	-	-
	(12.93)	(-)	(-)	(-)	(-)
Purchase of Services (Repairs & Maintenance)	-	-	-	-	-
	(2.26)	(-)	(-)	(-)	(-)
Rent Expenses	-	-	9.18	29.89	-
	(-)	(-)	(9.18)	(29.89)	(-)
Managerial Remuneration	-	-	-	318.00	-
	(-)	(-)	(-)	(318.00)	(-)
Salary	-	-	31.00	-	-
	(-)	(-)	(24.33)	(-)	(-)
Rent Income (exclusive of service tax)	19.04	-	-	-	-
	(16.48)	(-)	(-)	(-)	(-)
Dividend Paid	0.62	-	1704.51	764.42	-
	(0.36)	(-)	(1,167.91)	(522.05)	(-)
CSR (Donation)	85.00	-	-	-	-
	(147.00)	(-)	(-)	(-)	(-)
Contribution to Gratuity Fund	-	-	-	-	113.27
	(-)	(-)	(-)	(-)	(92.56)
Outstanding balance as on 31st March, 2015					
Trade and Salary Payable	-	-	11.68	226.94	26.11
	(0.20)	(-)	(15.33)	(52.41)	(13.27)
Trade Receivable	3.33	-	-	-	-
	(5.56)	(-)	(-)	(-)	(-)
Deposit Receivable	-	-	4.59	3.24	-
	(-)	(-)	(4.59)	(3.24)	(-)
Investments	-	345.50	-	-	-
	(-)	(345.50)	(-)	(-)	(-)

NOTES

ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2015

(₹ in lakhs except as otherwise stated.)

- c) Disclosure of Related Party Transactions, the amounts of which are in excess of 10% of total related party transactions of the same type:

Nature of Transaction	Nature of relationship	Name of the related party	Amounts in ₹
Purchase of Assets & consumables	Enterprises where KMP & their relatives have significant influence	Enlighten Lifestyle Limited	0.05 (12.93)
Purchase of Services (Repairs & Maintenance)	Enterprises where KMP & their relatives have significant influence	Enlighten Lifestyle Limited	- (2.26)
Rent Expenses	Key Management Personnel	Kewalchand P. Jain	9.98 (9.98)
		Hemant P. Jain	8.60 (8.60)
		Dinesh P. Jain	5.66 (5.66)
		Vikas P. Jain	5.66 (5.66)
	Relatives/ Other Concerns of Key Management Personnel	Shantaben P. Jain	9.18 (9.18)
Managerial Remuneration	Key Management Personnel	Kewalchand P. Jain	79.50 (79.50)
		Hemant P. Jain	79.50 (79.50)
		Dinesh P. Jain	79.50 (79.50)
		Vikas P. Jain	79.50 (79.50)
Rent Income (exclusive of service tax)	Enterprises where KMP & their relatives have significant influence	Enlighten Lifestyle Limited	19.04 (16.48)
Salary	Relatives/ Other Concerns of Key Management Personnel	Pankaj K. Jain	20.00 (15.83)
		Hitendra H. Jain	11.00 (8.50)

NOTES

ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2015

Nature of Transaction	Nature of relationship	Name of the related party	Amounts in ₹
Dividend Paid	Relatives/ Other Concerns of Key Management Personnel	Shantaben P. Jain (Trustee/ Beneficiary of P. K. Jain Family Holding Trust)	1,661.31
			(1,138.31)
	Key Management Personnel	Kewalchand P. Jain	186.33
			(127.60)
		Hemant P. Jain	186.55
			(127.75)
		Dinesh P. Jain	196.78
			(133.35)
Contribution to Gratuity Fund	Employee Funds	Vikas P. Jain	194.76
			(133.35)
		Employee Fund	111.63
Corporate Social Responsibility (Donation)	Enterprises where KMP & their relatives have significant influence		(92.56)
		Smt. Jatnobai Karamchandji	7.00
		Ratanparia Chouhan Charitable Trust	(12.00)
Trade and Salary Payable	Key Management Personnel	Lord Gautam Charitable Foundation	96.00
			(135.00)
		Kewalchand P. Jain	58.53
			(10.05)
	Relatives of Key Management Personnel	Hemant P. Jain	59.25
			(23.39)
		Dinesh P. Jain	54.61
Trade Receivable	Enterprises where KMP & their relatives have significant influence		(9.02)
		Vikas P. Jain	54.56
			(9.96)
Deposit Receivable	Key Management Personnel	Shantaben P. Jain	7.98
			(11.72)
		Enlighten Lifestyle Limited	3.33
Investments	Joint Ventures		(5.56)
		Kewalchand P. Jain	1.62
	Relatives/ Other Concerns of Key Management Personnel		(1.62)
		Hemant P. Jain	1.62
			(1.62)
		Shantaben P. Jain	4.59
			(4.59)
		White Knitwear Private Limited	345.50
			(345.50)

NOTES

ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2015

Following are the Key Managerial Personnel (KMPs) and their relative w.e.f. 01.04.2014 in accordance with the provisions of the Companies Act, 2013:

1. S. L. Kothari Chief Financial Officer
2. Abhijit Warange Company Secretary
3. Amita S Kothari Wife of S.L. Kothari

Disclosure of transactions during the year and year-end balance with above KMP is as given below. These parties were not KMP in accordance with erstwhile Companies Act, 1956 during the preceding year accordingly previous year figures are not applicable / given.

Nature of Transaction	Name of the KMP/Relative	Amounts in ₹
Managerial Remuneration	S.L. Kothari	57.20
	Abhijit Warange	24.25
Dividend Paid	S.L. Kothari	0.53
	Amita S Kothari	0.89
Outstanding balance as on 31st March, 2015		
Salary Payable	S.L. Kothari	14.41
	Abhijit Warange	2.60

Note:

- i) Figures in brackets represents corresponding amount of previous year.
- ii) Managerial Remuneration / Salary exclude reimbursement of expenses and gratuity provision as it is determined on actuarial basis for the company as a whole.

2.42 OPERATING LEASE ARRANGEMENTS

Disclosure as per Accounting Standard (AS-19) – “Leases” are given below:

a) As lessee:

Rental expenses of ₹ 113.89 lakhs (P.Y. ₹ 107.17 lakhs) under operating leases have been recognized in the Statement of Profit and Loss. It includes contingent lease rent of ₹ 7.67 lakhs (P.Y. ₹ 17.73 lakhs) based on revenue sharing model.

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

Particulars	(₹ in lakhs)	
	31st March 2015	31st March 2014
Due not later than one year	80.30	83.95
Due later than one year but not later than five years	166.64	118.45
Total	246.94	202.40

NOTES

ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2015

The above figures include:

- i. The agreements are executed for the periods of 33 to 108 months with a non-cancellable period at the beginning of the agreement ranging from 12 to 36 months and having a clause for extension of lease period.
- ii. Lease rentals based on estimated date of commencement of lease in cases where the agreements / MOU's have been entered into but the date of commencement of lease is dependent on the date of construction/renovation of premises and based on the commitment for delivery by lessors.
- iii. The above-mentioned lease rentals include a lease the period of which is dependent on the occurrence of an event, the date of which is not ascertainable beyond five years. Hence, the lease rentals are considered up to a period of five years only.
- iv. Lease rentals do not include common area maintenance charges and tax payable, if any.
- v. The above details of lease rental obligation exclude the amounts payable by franchisee in accordance with the arrangement with them (a) not later than 1 year ₹ 93.92 lakhs (P.Y. ₹ 91.54 lakhs) (b) between 1 to 5 year ₹ 139.27 lakhs (P.Y. ₹ 123.87 lakhs) (c) more than 5 years ₹ 84.12 lakhs (P.Y. Nil).

b) As Lessor:

Rental income of ₹ 19.04 lakhs (P.Y. ₹ 16.48 lakhs) is recognized in the Statement of Profit and Loss. It includes contingent lease rent of ₹ 5.24 lakhs (P.Y. ₹ 3.03 lakhs) based on revenue sharing model, which is higher of fixed amount or percentage of revenue of lessee. There is no escalation clause and the arrangement is mutually cancellable. The initial direct cost (if any) is charged off to expenses in the year in which it is incurred.

2.43 JOINT VENTURE INFORMATION:

Details as per Accounting Standard (AS) -27 "Financial Reporting of Interest in Joint Venture" are given below:

(i) Detail of Interest in Joint Venture

Name	Description of Interest	Country of Incorporation	Percentage of interest as on 31-03-2015	Percentage of interest as on 31-03-2014
White Knitwear Private Limited	Equity Shareholding	India	33.33%	33.33%
White Knitwear Private Limited	9% Cumulative Redeemable Preference Shareholding	India	50%	50%

NOTES

ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2015

(ii) Company's Interest in the Joint Venture

(₹ in lakhs)

Name	Assets	Liabilities	Income	Expenditure
White Knitwear Private Limited	230.73	0.30	1.05	0.38
	(230.06)	(0.30)	(4.84)	(2.71)

The company's share in the contingent liability and capital/other commitment of the Joint Venture are ₹ 35.00 lakhs (P.Y. ₹ 35.00 lakhs) and ₹ Nil (P.Y. ₹ Nil) - respectively. The Company's share in contingent liability towards cumulative preference dividend including tax thereon of the Joint Venture aggregates to ₹ 162.55 lakhs (P.Y. ₹ 138.32 lakhs) which is payable to its joint venture partners.

The Company's contingent liability and capital/other commitment in relation to joint venture ₹ Nil (P.Y. ₹ Nil) and ₹ Nil (P.Y. ₹ Nil).

The current year figures are based on un-audited accounts of the joint venture and previous year figures given in bracket are based on the audited financial accounts of the joint venture.

2.44 DISCLOSURE REGARDING DERIVATIVE INSTRUMENT AND UNHEDGED FOREIGN CURRENCY EXPOSURE:

There are no open derivatives / forward exchange contracts as at year end. The year-end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below:

Particulars	Currency	31st March 2015		31st March 2014	
		Amt. in Foreign Currency	(₹)	Amt. in Foreign Currency	(₹)
Trade Receivables	USD	419,578	262.61	437,950	263.16
Advance from Customer	USD	7,891	4.94	4,437	2.66
Advance to Supplier	USD	5,472	3.43	-	-
Balance in EEFC account	USD	153,431	96.03	1,195	0.72
Foreign currency in hand	Multiple	-	4.37	-	5.26

NOTES

ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2015

2.45 PROVISIONS

Disclosure as per Accounting Standard (AS) 29 – Provisions, Contingent Liabilities and Contingent Assets are given below:

(₹ in lakhs)

Particulars	Provision for Contingencies *		Provision for Reimbursement of expenses & claims		Provision for margin on sales return	
	31st March 2015	31st March 2014	31st March 2015	31st March 2014	31st March 2015	31st March 2014
Opening Balance	115.90	88.50	452.63	401.70	42.07	37.02
Addition	12.00	27.40	306.77	491.00	18.41	5.05
Utilization	31.95	-	357.81	440.07	-	-
Reversals	51.03	-	-	-	-	-
Closing Balance	44.92	115.90	401.60	452.63	60.48	42.07

* It comprises of rates & taxes.

The above Provision has been grouped under the head 'Short Term Provisions' in Note 2.8.

The timing of the outflow is dependent on various aspects / fulfillment of conditions and occurrence of events. Such provisions are made based on the past experience and assessment of rates and taxes. However, it is most likely that outflow is expected to be within a period of one year from the date of Balance Sheet.

2.46 PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS PURSUANT TO SECTION 186(4) OF THE COMPANIES ACT, 2013-

Amount outstanding as at 31st March,, 2015

Particulars	Amount (₹ in lakhs)
Loans given	Nil
Guarantee given	Nil
Investments made*	20,946.31

NOTES

ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2015

Loan, Guarantee and Investments made during the Financial Year 2014-15

Particulars	Amount (₹ In lakhs)	Particulars of loan, guarantee and investments	Purpose for which the loans, guarantee and investments are proposed to be utilized.
Equity Share	502.66	Investment	Cash Management
Mutual Funds	9,335.69	Investment	Cash Management

* For details refer Note No. 2.10, 2.14 and 2.17 to the financial statements

2.47 Additional information as required by para 5 of general instructions for preparation of statement of profit and loss (other than already disclosed above) are either Nil or Not applicable.

2.48 Previous year figures are regrouped or rearranged wherever considered necessary.

As per our audit report of even date

For N. A. Shah Associates
Chartered Accountants
Registration No.: 116560W

Sandeep Shah
Partner
Membership No.: 37381

Place : Mumbai
Date : 14th May 2015

For Jain & Trivedi
Chartered Accountants
Registration No. : 113496W

Satish Trivedi
Partner
Membership No. : 38317

For and on behalf of the Board of Directors

Kewalchand P Jain
Chairman & Managing Director
DIN : 00029730

S. L. Kothari
Chief Financial Officer

Hemant P Jain
Whole time Director
DIN : 00029822

Abhijit Warange
Company Secretary

GENERAL INFORMATION

BOARD OF DIRECTORS

Mr. Kewalchand P. Jain

Chairman & Managing Director

Mr. Hemant P. Jain

Whole-time Director

Mr. Dinesh P. Jain

Whole-time Director

Mr. Vikas P. Jain

Whole-time Director

Dr. Prakash A. Mody

Director

Mr. Nimish G. Pandya

Director

CA Mr. Yogesh A. Thar

Director

CA Ms. Drushti R. Desai

Director (w.e.f. July 23, 2014)

Mr. S. L. Kothari

Chief Financial Officer

Mr. Abhijit B. Warange

Vice President - Legal & Company Secretary

STATUTORY AUDITORS

M/s. Jain & Trivedi

Chartered Accountants, Mumbai

M/s. N.A. Shah Associates

Chartered Accountants, Mumbai

INTERNAL AUDITORS

M/s. Bhandarkar & Kale

Chartered Accountants, Mumbai

FACTORIES

Vapi

Plot No. 787/1/2A/3, 40 Shed, II Phase, G.I.D.C

Vapi: 396 195, Gujarat

Daman

697/3/5/5A/13, Near Maharani Estate,

Somnath Road, Dhabel, Daman: 396 210

Mumbai

Synthofine Estate, Opp. Virwani Industrial Estate

Goregaon (East), Mumbai: 400 063

71-73, Kasturchand Mill Estate,

Bhawani Shankar Road,

Dadar (West), Mumbai: 400 028

Windmill

Land Survey No.1119/P, Village Kuchhadi,

Taluka Porbunder, District Porbunder, Gujarat

Website

<http://www.kewalkiran.com>

Solomon and Co., Mumbai

Solicitors & Advocates

Pandya and Co., Mumbai

Advocates, High Court & Notary

Standard Chartered Bank, Mumbai

Bankers

Registered Office

Kewal Kiran Estate, 460/7, I.B. Patel Road,

Goregaon (East), Mumbai: 400 063

Registrar & Transfer Agents

Link Intime India Private Limited,

C-13, Pannalal Silk Mills Compounds,

L.B.S. Marg, Bhandup (West),

Mumbai-400078

NOTICE

KEWAL KIRAN CLOTHING LIMITED

Registered Office : Kewal Kiran Estate, 460/7, I. B. Patel Road, Goregaon (East) Mumbai-400 063

Tel: +91 22 26814400 **Fax:** +91 22 26814410

Website: www.kewalkiran.com

CIN NO.: L18101MH1992PLC065136

Email: grievanceredressal@kewalkiran.com

NOTICE OF 24TH ANNUAL GENERAL MEETING

NOTICE is hereby given that the 24th Annual General Meeting of Kewal Kiran Clothing Limited will be held on Monday, August 31, 2015 at M. C. Ghia Hall, Bhogilal Hargovindas Building, 2nd floor, 18/20, Kaikhushru Dubash Marg (Behind Prince of Wales Museum), Mumbai – 400 001 at 12.00 p.m. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as on March 31, 2015 and the Statement of Profit and Loss Account for the financial year ended March 31, 2015 together with the report of the Directors and Auditors thereon.
2. To declare the final dividend and confirm the four interim dividends of ₹ 8/-, ₹ 7.5/-, ₹ 5/- and ₹ 3/- respectively per equity share for the year ended March 31, 2015.
3. To appoint a Director in place of Mr. Hemant P. Jain, (DIN No. 00029822) who retires by rotation and being eligible, offers himself for re-appointment.
4. To re-appoint M/s. Jain & Trivedi, Chartered Accountants as the Statutory Auditors of the Company and to fix their remuneration and in this connection to consider

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

"Resolved that pursuant to the provisions of Section 139, 141, 142 and other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors), Rules 2014 including any amendment, modification, variation or re-enactment thereof and pursuant to the recommendations of the Audit Committee of the Board of Directors, M/s. Jain & Trivedi, Chartered Accountants (Firm registration no. - 113496W) be and are hereby appointed as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the Company at a remuneration to be mutually decided by the Board of Directors of the Company and the Auditors."

5. To re-appoint M/s. N.A. Shah Associates, Chartered Accountants as the Joint Statutory Auditors of the Company and to fix their remuneration and in this connection to consider and if thought fit to pass with or without modification the

following resolution as an Ordinary Resolution.

"Resolved that pursuant to the provisions of Section 139, 141, 142 and other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors), Rules 2014 including any amendment, modification, variation or re-enactment thereof and pursuant to the recommendations of the Audit Committee of the Board of Directors, M/s. N.A. Shah Associates, Chartered Accountants (Firm registration no. - 116560W) be and are hereby appointed as the Joint Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the Company at a remuneration to be mutually decided by the Board of Directors of the Company and the Auditors."

By order of the
Board of Directors
Abhijit B. Warange
Vice President – Legal
& Company Secretary

Regd. Office:
Kewal Kiran Estate, 460/7,
I. B. Patel Road, Goregaon (E),
Mumbai - 400 063

Date: July 23, 2015
Place: Mumbai

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.

In order to be valid, proxies duly stamped, should be lodged with the Company at its registered office not later than forty eight hours before the commencement of the meeting. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

2. Corporate Members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of the Board Resolution authorizing their representatives to attend and vote on their behalf at the meeting

3. There are no items of special business to be transacted at the annual general meeting so the statement pursuant to Section 102(1) of the Companies Act 2013, setting out the material facts is not annexed hereto.

4. The Register of Members and the Share Transfer Books of the Company will remain closed from Monday, August 24, 2015 to Monday, August 31, 2015 (both days inclusive).

5. The dividend on Equity Shares, if declared at the Annual General Meeting will be payable on or after September 7, 2015 to those members of the Company whose names appear:

a) As Beneficial Owners as at the end of business hours on August 23, 2015 as per the list to be furnished by National Securities Depository Limited and Central Depository Services (India) Limited, in respect of the shares held in electronic form and

b) As members on the Register of Members of the Company as at August 31, 2015 after giving effect to valid transfers in respect of transfer request lodged with the Company on or before the close of business hours on August 23, 2015.

6. The Securities and Exchange Board of India (SEBI) and the Reserve Bank of India (RBI) have advised all listed companies to mandatorily use the National Electronic Clearing Services (NECS) facility wherever possible for dividend payment to the shareholders. In view of this stipulation the Company proposes to implement the NECS facility. Members are requested to provide the Company with NECS mandate for crediting the future dividend payment directly to their respective bank accounts. The Company shall be able to coordinate with the bankers only on receipt of the necessary information. The main information required therein is the type of account, name of the bank and the account number. It should be

signed by all the holders, as per the specimen signature recorded with the Company/Depository Participant.

7. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are therefore requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company/ R&T Agent.

8. Members who have not claimed or not encashed their dividend warrants for dividend declared by the Company so far are requested to make their claims to the Company immediately. The said amounts remaining unpaid or unclaimed for seven years from the date they become due for payment are required to be transferred to Investor Education and Protection Fund pursuant to Section 205C of the Companies Act, 1956.

9. Members holding shares in the same set of names under different ledger folios are requested to apply for consolidation of such folios along with relevant share certificates to the Company's Registrar & Transfer Agents, Link Intime India Private Limited, C-13, Pannalal Silk Mills Compound, L.B.S Marg, Bhandup (West), Mumbai 400 078.

10. Members holding shares in physical segment are requested to notify change in their address/

status, if any, immediately to the Company's Registrar & Transfer Agents, M/s Link Intime India Private Limited, C-13, Pannalal Silk Mills Compound, L.B.S Marg, Bhandup (West), Mumbai 400 078.

11. The Company has designated an exclusive e-mail id called **grievanceredressal@kewalkiran.com** for redressal of shareholders complaints /grievances. In case you have any queries/complaints or grievances then please write to us at **grievanceredressal@kewalkiran.com**

12. Members who would like to ask any questions on the accounts are requested to send their questions at Registered Office of the Company at least 10 days before the Annual General Meeting to enable the Company to answer their queries satisfactorily.

13. Members are requested to bring their copies of the Annual Report to the Annual General Meeting. Members may also note that the Notice of the 24th Annual General Meeting and Annual Report will be available on the Company's website, www.kewalkiran.com and the physical copies of the aforesaid documents will also be available at the Company's registered office for inspection during normal business hours (10.00 a.m. to 1.00 p.m.) on all working days except Sundays upto and including the date of the Annual General Meeting of the Company.

14. The members/proxies should bring the attendance slip duly filled in and signed for attending the meeting.

15. Electronic copy of Annual Report for the year 2014-15 is being sent to all members whose email IDs are registered with the Company/ Depository Participant(s) and have given their positive consent to receive the same through electronic means. Members are also being sent physical copies of the Annual Report in the permitted mode.

16. Electronic copy of the notice of the 24th Annual General Meeting of the Company interalia indicating the process and manner of e-voting with attendance slip and proxy form are being sent to all the members whose email IDs are registered with the Company/ Depository Participant and have given their positive consent to receive the same through electronic means. Members are also being sent physical copies of the notice of the 24th Annual General Meeting of the company interalia indicating the process and manner of e-voting with attendance slip and proxy form in the permitted mode.

17. Members may also note that the notice of the 24th Annual General Meeting and the Annual Report 2014-15 will also be available on the company's website www.kewalkiran.com for their download. The physical copies of the aforesaid documents will also be available at the company's registered office in Mumbai for inspection during normal business hours (10.00 a.m. to 1.00 p.m.) on working days. Even after registering for e-communication members are entitled to receive

such communication in physical form, upon making a request for the same, free of cost. For any communication, the shareholders may also send requests to the company's investor e-mail id grievanceredressal@kewalkiran.com

18. Members who have not registered their e-mail address so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc from the Company electronically.

19. Voting through Electronic means:

Pursuant to Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, the Company is pleased to provide its members the facility of 'remote e-voting' (e-voting from a place other than venue of the Annual General Meeting) to exercise their right to vote at the 24th Annual General Meeting. The business may be transacted through e-voting services rendered by Central Depository Services (India) Limited (CDSL).

The facility for voting, either through electronic voting system or through ballot shall be made available at the venue of the 24th Annual General Meeting. The members attending the meeting, who have not already casted their vote through remote e-voting shall be able to exercise their voting rights at the meeting. The members who have already casted their vote through remote

e-voting may attend the meeting but shall not be entitled to cast their vote again at the Annual General Meeting.

The Company has appointed Mr. Ummedmal P. Jain, Practicing Company Secretary (CP no. 2235) of M/s. U. P. Jain & Co. as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on Friday, August 28, 2015 at 9.00 a.m and ends on Sunday, August 30, 2015 at 5.00 p.m. During this period shareholders' of the Company, holding shares

either in physical form or in dematerialized form, as on the cut-off date i.e Monday, August 24, 2015, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting after 5.00 p.m on August 30, 2015.

- (ii) Members holding shares in physical or in demat form as on August 24, 2015 shall only be eligible for e-voting.
- (iii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iv) Click on Shareholders.
- (v) Now Enter your User ID

1. For CDSL: 16 digits beneficiary ID,
2. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
3. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

(viii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders). Members who have not updated their PAN with the Company / Depository participant are requested to use the sequence number which is printed on Attendance slip indicated in the PAN field.
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Members holding shares in physical form will then directly reach the Company

selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new

password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that

company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xii) Click on the EVSN for the relevant <Company Name> on which you choose to vote.

(xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xvii) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

(xviii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password and enter the details as prompted by the system.

(xix) Note for Non – Individual Shareholders and Custodians

- Non - Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
- The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts

they would be able to cast their vote.

- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

20. Details under Clause 49 of the Listing Agreement with the stock exchange in respect of Directors seeking appointment/reappointment forms an integral part of this notice as is give hereunder:

A. Profile of Director retiring by rotation and offering for re-appointment:

1. Mr. Hemant P. Jain (DIN 00029822):

Born on May 5, 1964, Mr. Jain decided to join the business at early age after completing school. Mr. Jain is one of the promoter's of your company and was first appointed as a Director of your company on January 30, 1992. He learnt business on the job and leads the marketing functions of the company. He has

an overall experience of 32 years. He was instrumental in launching the new brands of the company. He is also instrumental in setting up and expanding the network of the retail stores of the company under the banner of K-LOUNGE. An avid traveler and field person, he keeps a keen eye on the latest trends in international fashion.

Mr. Jain holds 7,06,915 shares which includes 16,000 shares held as a Karta of Hemant P. Jain (H.U.F) and 77,400 shares held j/w Lata H. Jain in the company as on the date of this notice. Mr. Hemant P. Jain, Mr. Kewalchand P. Jain, Mr. Dinesh P. Jain and Mr. Vikas P. Jain are brothers. In

the financial year under review 5 meeting of the Board of Directors were held and Mr. Hemant P. Jain has attended all the 5 Board Meetings.

The details of other directorships of Mr. Hemant P. Jain are as follows:-

NAME OF THE COMPANY	BOARD POSITION HELD
Enlighten Lifestyle Limited (formerly known as Kornerstone Retail Limited)	Director
Kewal Kiran Realtors and Infrastructures Private Limited	Director
Kewal Kiran Management Consultancy Limited.	Director
Kewal Kiran Finance Private Limited	Director
White Knitwears Private Limited	Director
Kewal Kiran Media and Communication Limited	Director
Kalpriksh Realtors and Infrastructures Private Limited	Director
Lord Gautam Charitable Foundation	Director

The details of committee memberships of Mr. Hemant P. Jain are as follows:-

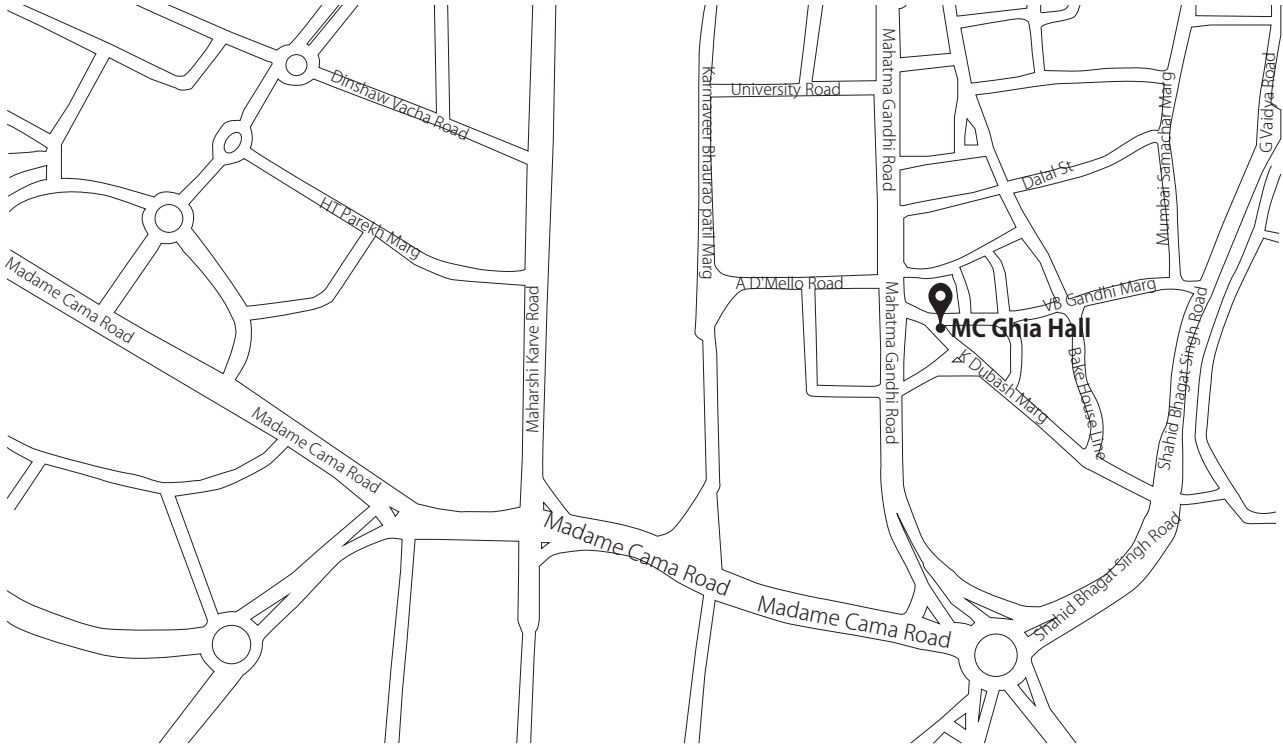
Name of the Company	Name of the committee	Position Held
Kewal Kiran Clothing Limited.	Stakeholders Relationship and Shareholder/Investor Grievance Committee	Member
Kewal Kiran Clothing Limited.	Audit Committee	Member

Mr. Hemant P. Jain, Director of the company was appointed as the member of the Audit Committee on May 6, 2014 and ceased to be a member of the Audit Committee w.e.f July 23, 2014.

By order of the Board of Directors
Abhijit B. Warange
Vice President – Legal & Company Secretary

Regd. Office: Kewal Kiran Estate
460/7, I. B. Patel Road,
Goregaon (E), Mumbai - 400 063
Date: July 23, 2015
Place: Mumbai

Towards Churchgate Station



KEWAL KIRAN CLOTHING LIMITED

Regd. Office: Kewal Kiran Estate, 460/7, I. B. Patel Road, Goregaon (East), Mumbai: 400 063

CIN NO.: L18101MH1992PLC065136

Tel: 91-22-26814400 Fax: 91-22-26814410/20

Website: www.kewalkiran.com; email: grievanceredressal@kewalkiran.com

ATTENDANCE SLIP

Folio No. No. of shares held.

D.P. Id

Client Id

Email ID

Name and Address of the shareholder/proxy:

I certify that I am a registered shareholder/ proxy for the registered shareholder of the Company.

I hereby record my presence at the 24th Annual General Meeting of the company on Monday, August 31, 2015 at M.C. Ghia Hall, Bhogilal Hargovindas Building, 2nd Floor, 18/20, Kaikhushru Dubash Marg, (Behind Prince Of Wales Museum) Mumbai: 400 001 at 12.00 P.M.

Signature of the attending member/proxy

Applicable for shareholders holding shares in electronic form.

Note:

1. Please sign this attendance slip and hand it over at the verification counter at the entrance of the meeting hall.
2. No gifts/company products shall be given at the meeting.
3. This attendance is valid only in case shares are held on the date of meeting.
4. Only shareholder of the Company and/or their proxy will be allowed to attend the meeting.



KEWAL KIRAN CLOTHING LIMITED

Regd. Office: Kewal Kiran Estate, 460/7, I. B. Patel Road, Goregaon (East), Mumbai: 400 063

CIN NO.: L18101MH1992PLC065136

Tel: 91-22-26814400 Fax: 91-22-26814410/20

Website: www.kewalkiran.com; email: grievanceredressal@kewalkiran.com

**Form No. MGT-11
PROXY FORM**

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the member (s):

Registered address:

Email Id:

Folio / DP ID –Client ID No.:

I/We being the member(s) of Kewal Kiran Clothing Ltd. holding Equity Shares hereby appoint:

(1) Name: Email ID-

Address

..... Signature or failing him;

(2) Name: Email ID-

Address

..... Signature or failing him;

(3) Name: Email ID-

Address

..... Signature

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 24th Annual General Meeting of the Company to be held on Monday, August 31, 2015 at M.C. Ghia Hall, Bhogilal Hargovindas Building, 2nd Floor, 18/20, Kaikhushru Dubash Marg (Behind Prince Of Wales Museum), Mumbai: 400 001 at 12.00 P.M. and at any adjournment thereof in respect of such resolutions as are indicated below:

Sr. No.	Resolutions
ORDINARY BUSINESS	
1	Adoption of Audited Financial Statements for the Financial Year ended March 31, 2015 and reports of the Board of Directors and the Auditors thereon.
2	Declaration of final dividend and confirmation of four interim dividends of ₹ 8/-, ₹ 7.5/-, ₹ 5/- and ₹ 3/- respectively per Equity share for the Financial Year ended March 31, 2015.
3	Re-appointment of Mr. Hemant P. Jain (DIN No.00029822) who retires by rotation.
4	Re-appointment of Jain and Trivedi, Chartered Accountants, as Statutory Auditors of the company and fixing their remuneration.
5	Re-appointment of N.A. Shah Associates, as Joint Statutory Auditors of the company and fixing their remuneration.

Signed this day of 2015

Signature of share holder

Signature of proxy holder (s)

Affix
₹ 1/-
Revenue
Stamp

Notes:

1. This Proxy Form in order to be effective should be duly completed and deposited at the Company's Registered Office atleast 48 hours before the commencement of meeting.
2. A Proxy need not be member of the Company.
3. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
4. Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.
5. Votes may be cast for or against each resolution.

FORM A

(Clause 31(a) of the Equity Listing Agreement)

Covering Letter of the annual audit report to be filed with the stock exchanges

1	Name of the Company	Kewal Kiran Clothing Limited
2	Annual Financial Statements for the year ended	31 st March 2015
3	Type of Audit observation	Unqualified Report
4	Frequency of Observation	Not Applicable
5	Signed by	
	Mr. Kewalchand P. Jain (DIN - 00029730) Chairman & Managing Director	For KEWAL KIRAN CLOTHING LTD  Chairman & Managing Director
	Mr. Shantilal Kothari Chief Financial Officer	
	M/s Jain & Trivedi Statutory Auditor Firm Reg. No. 113496W Mr. Satish Trivedi (Partner) Membership No. 38317	 
	M/s N.A. Shah Associates Joint Statutory Auditor Firm Reg. No. 116560W Mr. Sandeep Shah (Partner) Membership No. 37381	 
	C.A. Mr. Yogesh A. Thar Audit Committee Chairman DIN - 02687466	

Regd. & Corporate Off.: 460/7, Kewal Kiran Estate, I.B. Patel Rd., Near Western Express Highway, Goregaon (E), Mumbai - 400 063.

Tel: 91 - 22 - 26814400 Fax: 91 - 22 - 26814410. Email: contact@kewalkiran.com • Corporate Identity Number (CIN) : L18101MH1992PLC065136

www.kewalkiran.com