KEWAL KIRAN CLOTHING LIMITED

New ideas
FOR A NEW GENERATION

ANNUAL REPORT 2020-21

Index

Key Highlights

₹ 319.77 Cr
Total Revenue

₹ 18.66 Cr
EBITDA

₹ 19.42 Cr
Profit After Tax

₹ 15.76
Earnings Per Share

322
Stores

Killer, Lawman Pg3, Integriti, Easies, Desi Belle
Brands

Jeans, Shirts, Trousers, T-shirt
Major Products

16% Share of online in total sales
(7% in FY 20)

New Ideas For a New Generation

To continue staying relevant in an evolving market, we maintain a high level of flexibility in our strategy, operations, and financial planning. We strive to stay ahead of the curve by leveraging our storied past and prior learnings, while monitoring and adopting the latest trends across distinct product categories and demographics.

Kewal Kiran Clothing Limited (KKCL) has weathered several economic volatilities over the years. During our journey, we have invested our resources in developing powerful brand names, resilient production capabilities, and a robust distribution network. Simultaneously, we have always shunned high-risk leveraged expansion in favour of establishing substantial financial reserves to cushion the impact of any unexpected downturn, such as the COVID-19 pandemic we are facing today.

At KKCL, we believe in the tried-and-true value and importance of being trendy, adaptable, and forward-thinking. Our innovative approach to building and keeping up with trends and meeting customer requirements stands as a testament of our commitment towards fashion that is fresh and generates excitement.

WHO WE ARE

Our Roads Lead to Evolution

KKCL is one of India's top lifestyle companies and ranks amongst the country's leading manufacturers and retailers of branded apparels and lifestyle accessories. Our global reach and in-house production expertise enable us to cater to a varied set of clients with different requirements. In addition, our traditional and contemporary fashionwear across the globe is created with the finest design and quality. Our flexible approach allows us to cater to a wide spectrum spanning casual, formal, semi-formal, and western wear for men and fusion wear for women.

VISION

To be a world-class business organisation which enables value, best services and enhancement of net worth for all the stakeholders.

MISSION

- 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
- Executing the business based on the three core growth principles of: Stability, Sustainability and Scalability

VALUES

ETHOS

We run the business within our set frameworks of operating principles which exhibit morality and rightness. Ethical practices are the base of our business operations.

PASSION AND LONG-TERM VISION

We strive hard with passion and pain to meet and set the industry's benchmarks in all systems and processes and thereby give a delightful experience to our stakeholders. Our aim is to cultivate the culture where every stakeholder shall have a long-term vision and all shall work in a cohesive team to achieve our shared long-term vision.

SEAMLESSNESS

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

RESPECT AND HUMILITY

Every stakeholder, including employees, vendors and business partners, is treated with great respect and humility. They admit what they do not know, actively listen to ideas/ suggestions from people at all levels and let their work speak instead of talking about it.

GENEROUS THOUGHTS

We are accountable towards stakeholders and society. We are liberal in giving back to the stakeholders to whom we are always committed. We work with them for the upliftment of society.

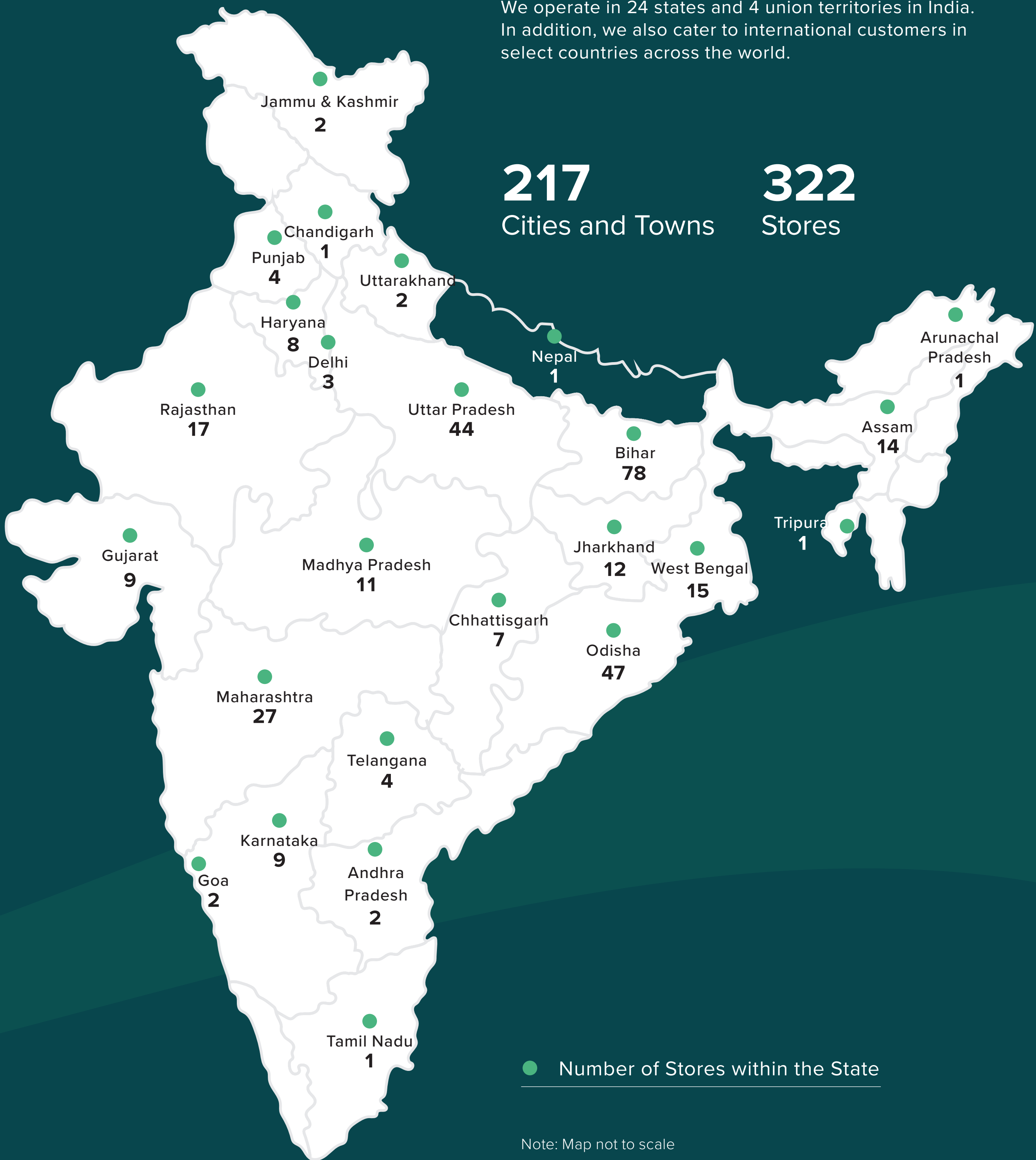
OUR PRESENCE

Fashionable Footprint

We operate in 24 states and 4 union territories in India. In addition, we also cater to international customers in select countries across the world.

217
Cities and Towns

322
Stores



Number of Stores within the State

Note: Map not to scale

OUR PORTFOLIO

Making Our Mark

In response to the changing demands of the Indian consumer, we have upgraded our product range and branding proposition. The conscientious customer of today's generation is not simply looking for products. The experience and story of the brands that emphasise quality, sustainability, and comfort have become more important than ever before.

322
Brand outlets

125+
Distributors

~4,500
Multi-brand Outlets (MBOs)

35 Lakhs+
Quantity of Apparel Sales (Units)

A BRAND FOR EVERYONE

Our portfolio is carefully designed to cater to different personalities, with different choices and priorities. The product range includes a variety of high-quality bottom and top wear items such as jeans, trousers, shirts, t-shirts, jackets, pullovers and western wear, such as skirts, capris, shorts, dresses, cardigan, tops and tunics among others.

JEANS

TROUSERS

SHIRTS

T-SHIRTS

OTHERS

OUR PORTFOLIO

BRANDS THAT INSPIRE

With a wide collection of branded stores, we appeal to different fashion categories, such as clothing, footwear, and accessories. Our brands are divided into three segments, which are Premium Luxury, Premium Mid-Market and Premium Mass Market along with specialised fashionwear, partywear, lounge wear and athleisure. Despite stiff competition from foreign brands, our five prominent Indian clothing and accessories brands and two prominent Indian retail trade names have successfully etched a space for themselves with a loyal customer following.

KILLER
this is us

Our flagship brand embodies the spirit of the youth and reimagines denim, giving it a distinctive personality.

LAWMAN Pg^3

A glamorous brand that specialises in denim and partywear for the youth. Lawman Pg^3 has taken over the showbiz magazine CineBlitz and rebranded it to reflect the brand DNA of glamour and elegance.

easies
BY KILLER

With this collection of semi-formal menswear, produced from the highest quality materials, we are redefining corporate fashion in India.

DÉSI BELLE
BREAK FREE

Our latest brand is in the investment phase, with substantial long-term potential and unique prospects to fuel future growth.

K-LOUNGE

A one-stop destination for the fashion-conscious, K-Lounge stores showcase KKCL's home-grown apparel and other accessories.

integriti

Our second-largest brand, which lends a genuine and trustworthy value proposition across professional and casual clothing, echoing the ambition and enthusiasm of millennials.

ADDICTIONS

The accessories wing of KKCL, Addictions offers lifestyle products such as deodorants, watches, wallets, belts and innerwear.

STEADY AND STRATEGIC EXPANSION

Long-term consumer recall is made possible by our powerful “phygital” network. By constantly positioning ourselves at the right places, we have established a leadership position in the apparel and lifestyle industry.

To promote sales growth, KKCL has established a broad footprint of directly managed and franchised stores with a presence in large format stores, multi-brand outlets (MBOs) across multiple formats, carefully selected exclusive-brand outlets (EBOs) and several leading e-commerce portals.

102
EBOs

219
K-Lounge Stores

56
New Stores In Pipeline

1
Factory Outlet

4
Plants in India spanning 2,37,000 sq. ft.

BRICK-AND-MORTAR STORES

- Company Owned and Company Operated (COCO)
- Franchisee Owned and Franchisee Operated (FOFO)
- Factory Outlets
- Multi-Brand Outlets (MBO)
- National Chain Stores (NCS)

E-COMMERCE PLATFORMS

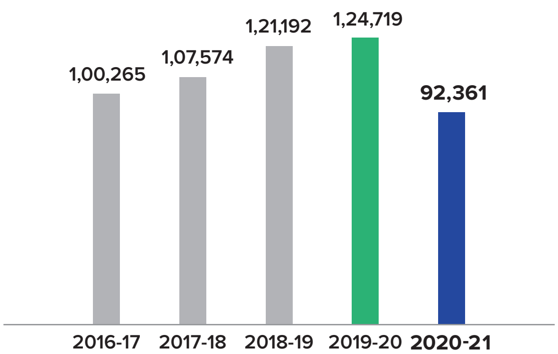
KEY PERFORMANCE INDICATORS

Another Year of Perseverance

While navigating the challenges arising from the global pandemic, we utilised the year to lay down the foundation for further expansion. Despite the challenging circumstances, our portfolio has gradually grown, and we have solidified our capabilities.

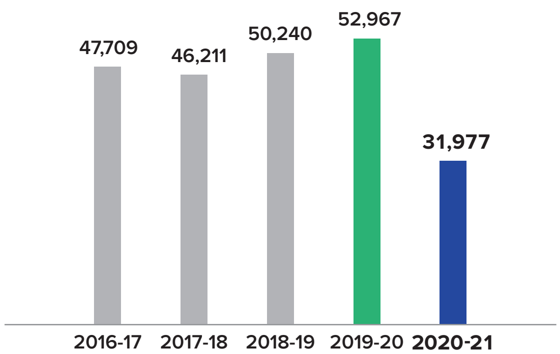
MRP Turnover

(₹ in Lakh)



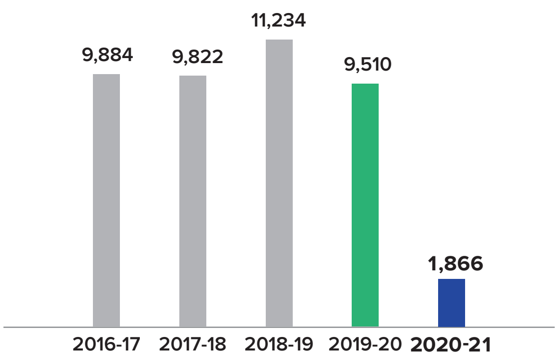
Revenue

(₹ in Lakh)



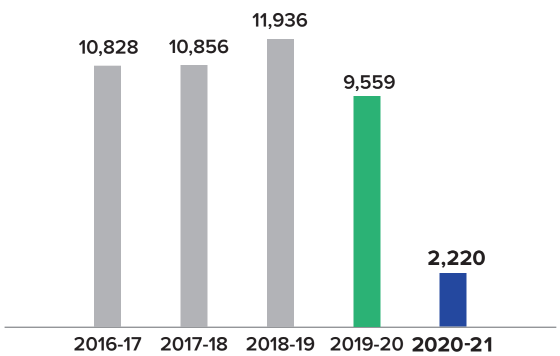
Operating Profit

(₹ in Lakh)

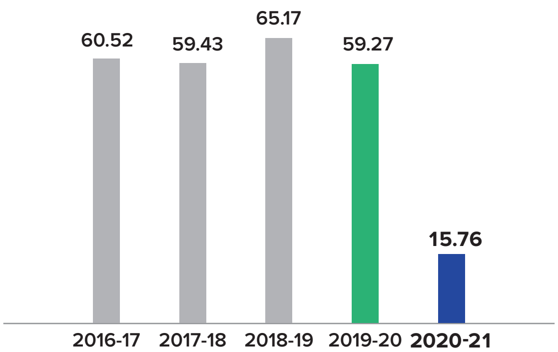


Net Profit Before Tax

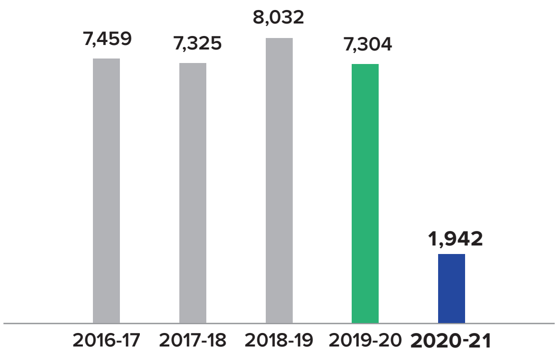
(₹ in Lakh)



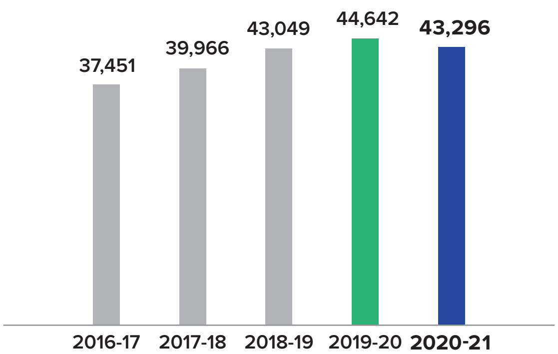
Earnings Per Share
(₹)



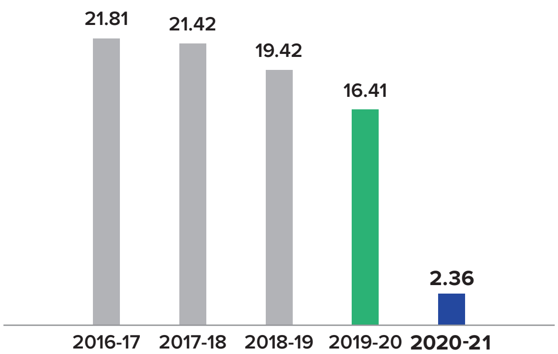
Profit After Tax
(₹ in Lakh)



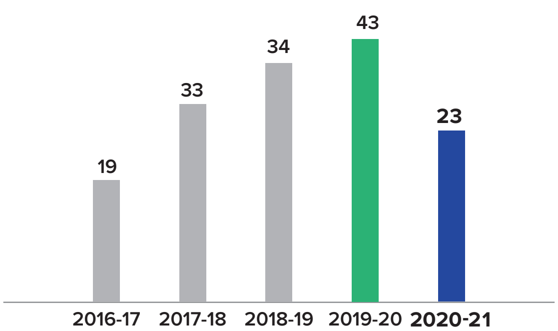
Net Worth
(₹ in Lakh)



Return on Capital Employed
(%)



Dividend Per Share
(₹)



CHAIRMAN'S STATEMENT

On the Road to Expansion

The financial year gone by was eclipsed by the dire effects of the COVID-19 pandemic. The associated lockdowns triggered a major economic crisis for the society with uncertainty all around. Our heart goes out to all those who may have lost their loved ones during this time.

The economy plunged into recession in Q1 incomparable to anything in the near past. With the improving scenario around Q2/Q3 of the past financial year, there was rising hope and positive sentiment amongst people which was short-lived and marred by the onset of the second wave of the pandemic.

The focus on vaccination, immediate government and RBI measures, localised micro-containment measures, state-specific movement restrictions, mobilisation of health supplies and ramping up of health infrastructure will be instrumental in helping us emerge stronger from these difficult times.

The COVID-19 pandemic fundamentally altered how organisations operated and called for reassessment of the approach to operations with a cut towards all the unwarranted expenses and no-frills work environment. Cost saving was the new mantra and continuous adaptation was the key to survival.

Agile Adaptation to the Changing Scenario

As an organisation, we were on a constant learning strategy, keeping all our stakeholders' interests in mind. In spite of the abrupt shutting down of our offices, manufacturing units and retail outlets, an agile adaptation to the new work from home culture and digital technology ensured continuation of operations and reduced the impact on the business during these times. Various cost mitigation measures were adopted and as an organisation we prioritised cost reduction measures especially involving discretionary spends across processes, which has helped us in navigating through these tough times. The pandemic has also led to major learnings for our Company to further improve our efficiencies, as evidenced by not opting government offered moratorium, and risk management practices, such as increased insurance coverage for some of the uncertainty which were never earlier envisaged.

I am proud of and grateful for the commitment and dedication of our employees displayed during this year.

OUR PERFORMANCE

The surge of COVID-19 followed by localised lockdown affected the branded apparel and retail performance. Our Company was not immune to the unprecedented slump in the economy. The localised lockdown during the key festive season and deferred wedding season coupled with fall in footfalls across retail outlets due to hesitancy and precautionary measures amongst anxious shoppers, led to subdued business sales during the year. However, we were able to minimise the impact to the extent possible and achieved nearly 60% of operating income of FY 2019-20. We achieved an operating income of ₹ 302.73 crore in FY2020-21 as compared to ₹ 529.67 crore in FY2019-20 and total revenue (including other income) of ₹ 319.77 crore in FY 2020-21 as against ₹ 547.20 crore in FY2019-20.

The EBITDA of the Company stood at ₹ 18.66 crore in FY 2020-21 as compared to ₹ 95.08 crore in FY 2019-20. Due to the implementation of timely cost-saving measures, we were able to post a profit after tax of ₹ 19.42 crore in FY2020-21, despite the grim situation and loss in the Q1 FY2021.

Short-Term Strategy for Long-Term Gain

Consistent discounting tools have been the new normal to attract customers in times of falling demand. Consumers today are continuously looking for value and deals, which lead to demand generation through discounts. In the world of fashion, the inventory is largely dependent on seasons — spring, summer, fall and winter. Consequently, we adopted discounting practices for season-specific inventory that had piled during the lockdown across retail outlets. These practices, in the short term, led to an improvement in sales but hurt our margins. We believe this is a temporary phenomenon and as a long-term objective, we strive to strike the right balance between when and how often to use such discounting practices.

Timely Measures for Survival

Based on our time-tested way of conducting business, well-capitalised balance sheet, net debt-free status, disciplined cost control and prudent financial practices, we successfully protected the interests of all our stakeholders in this particularly challenging year. Despite the impact on business, the financial risk profile remained strong backed by healthy capital structure, comfortable debt protection metrics and strong liquidity providing the much-needed confidence to face untoward events in the future.

KKCL has a strong financial position with net cash balance (cash and investments minus borrowings) of ₹ 252.1 crore as compared to ₹ 187.39 crore in previous financial year. We reduced short-term borrowings to ₹ 46.4 crore from ₹ 88.0 crore in previous year. Our conservative nature in financial management has led to a strong liquidity base of ₹ 298.5 crore as on March 31, 2021, in the form of current and non-current investments against nil term debt. We have been able to enhance our liquidity position as compared to previous financial year through cost rationalisation in the form of reduction of non-essential spends, working capital optimisation through healthy realisations and prompt liquidation of inventory. We strongly believe that maintenance of adequate liquidity is the critical for businesses like ours to tide through these rough waters. This will help us to regain a strong foothold when the economy recovers.

FUTURE GROWTH STRATEGY

Balancing Expansion and Profitability

We continue to leverage the sectoral opportunity by presenting a wide portfolio of products in India's organised apparel market to meet the diverse consumer demand in India. The adoption of digitalisation in our business, which started before the onset of COVID-19, played an important role especially with frequent lockdowns affecting store-level operations. Our renewed perspective on considering the digital channel as a key distribution medium will bring us closer to customers. Moreover, this digital strategy will evolve without impacting profitability and cash generation and enable us to capture the growth potential of different consumer segments like the tech-savvy and millennials going forward. We are already beginning to see green shoots of this digital push initiatives. Our sales from online retail platform rose from 7% of total sales in FY2019-20 to nearly 16% of total sales in FY2020-21. We will continue evaluating this strategy on a cost benefit analysis in terms of visibility and potential sales generation.

With stores gradually opening across the country with easing of lockdown restrictions, we hope for positive demand outlook. The festive season which is expected to bring in renewed demand for branded apparel and higher footfalls and ticket size sales would be the key driving factor for sales for the apparels, as was seen during the end of first wave. Our plan is to focus on growth through accelerated store additions across geographies where we can leverage our customer loyalty. Further, we plan to rationalise certain stores to improve profitability.

With a strong balance sheet, we are chasing high business growth in the coming times, while prioritising our primary business ethos of profitability in mind.

Further, due to the ever-changing environment, the past year has taught us to be more adaptable and flexible. This has resulted in the adoption of strategic measures such as periodic assessment of business models, identification of strategic and tactical opportunities to improve effectiveness and the reduction of avoidable costs. We shall continue building on these initiatives in the future as well.

OUTLOOK

The future belongs to businesses that can sail through these turbulent waters with time-tested measures as the industry goes through a phase of consolidation. Many brands have fallen by the wayside on account of the unprecedented slowdown in the economy coupled with internal challenges.

As the number of cases subside and with planned easing of restrictions and return of normalcy, we are more optimistic, cognisant of the enormous opportunity ahead of us. I have no doubt that with a strong balance sheet, resilient business fundamentals, strong brands, robust infrastructure, well-entrenched distribution and a culture of innovation, we are geared to exceed the demands and aspirations of modern, fashion-conscious consumers and expect to achieve double digit growth in the coming years on the back of strong demand and conducive business environment.

Let me conclude by thanking all our Board members, our investors, our employees and all our good-wishers for their tremendous support during these times. A special word of appreciation and gratitude for our customers who continue to repose their brand loyalty and their association with us, keeping us motivated to strive for more. Wishing all of you the best of health and happiness.

Kewalchand P. Jain

Chairman & Managing Director

EXTERNAL ENVIRONMENT

Volatility and Resilience

The growth of the branded apparel business is inextricably connected to spending trends and general economic and consumer sentiment. Renewed consumer discretionary spending drove a solid operating performance across the industry with revenues rebounding. This was the result of higher footfalls and a sharp increase in profitability driven by greater operating leverage and cost-cutting efforts.

Branded apparel and retail companies anticipated a consistent increase in sales and business that would surpass the pre-COVID pace. However, the appearance of the second wave created a significant impact on retail footfall.

THE NEED FOR AGILE BUSINESS MODELS

Business continuity is a priority for organisations along with protecting the safety of various stakeholders. Business models are being reviewed and reworked to enhance the supply chain, deepen collaboration with partners, increase customer communication and explore new opportunities.

36%

Increase in e-commerce order volumes in Q4 FY21

EVOLVING TRENDS AND REQUIREMENTS

Social distancing instilled a need for shopping experiences that are safe, efficient, and stress-free. As a result, customers avoid visiting retail establishments as much as possible, with a strong preference for online shopping. Customers are showing preference for brands that offer better value and prefer athleisure and comfortable clothes while being at home. Casual apparel has developed substantially over the years, with segments such as denim, sportswear, and stylish skirts outperforming formal attire.

The relaxation of the lockdown restrictions, which led to the re-opening of stores and improved mobility, resulted in a significant increase in sales for branded clothes, retail, jewellery, and footwear companies. In the long run, the retail fashion industry is likely to benefit from expanding millennial population, rising wealth among middle-income households, and increased female participation in the workforce.

40%

Share of apparel in e-commerce retail by value

RISE OF SUSTAINABLE FASHION

When companies exhibit social responsibility, give back to underserved areas, and prioritise environmental sustainability, consumers respond favourably. Additionally, sustainable packaging has become a priority across businesses considering the rapid increase in online sales and deliveries.

REVIVAL IN ACTIVITY

The Indian government has been aggressive in expanding healthcare facilities in order to flatten the COVID-19 curve, and the plan is already yielding positive results. The rate of vaccinations has picked up pace and since the economy is recovering, people are quickly returning to retail shops and malls are witnessing greater footfalls. With the vaccination drives in progress and public anxiety subsiding, businesses are likely to reopen in large cities in the coming months, potentially increasing demand for footwear and branded apparel.

DEMAND FROM TIER II AND TIER III CITIES

Considering fundamental growth prospects such as a sizeable younger population who are fashion driven, accessibility to the latest fashion and constantly changing styles with permeation of social media, there is greater demand outside major metros and in Tier II And Tier III cities for branded and retail apparel.

As a result of the extraordinary downturn, several brands have been bought or shut down. We are convinced that our time-tested approach of pursuing sustainable and profitable growth will allow us to capture a greater percentage of the market share, and bounce back stronger than before. We are excited about the huge potential ahead of us as the number of COVID-19 cases declines and restrictions are further eased.

KKCL'S RESPONSE TO VOLATILITY IN THE OPERATING ENVIRONMENT

Our diverse product portfolio will also help diversify our income sources. The start of the festival season is expected to boost demand and help the sector gain momentum again. We are adhering to a consistent and disciplined strategy by enhancing our distribution and reach, and adopting rigorous cost controls. In addition, we are constantly upgrading our manufacturing facilities and monitoring the latest trends across the globe.

BUSINESS MODEL

Delivering Value

We are committed to ensuring that our stakeholders benefit from their association with us, across the board.

STRENGTHS WE RELY ON

HALLMARK BRANDS
A combination of world-class and indigenous brands competing at the global stage.

STRENGTH OF DELIVERY
We are able to deliver our products to the customer's doorstep through a large network of MBOs, NCSs, over 320 brand stores, and a strong e-commerce presence across India.

QUALITY TALENT
Our workforce consists of some of the brightest people, hand-picked from around the country. Alignment with company principles aids us in maintaining a constant standard of achievement.

HEALTHY FINANCIALS
Our tried-and-true business model successfully preserved our interests, keeping us debt-free even through a challenging year.

CAPABILITIES THAT ASSIST IN DELIVERY

DESIGN - AT PAR WITH THE BEST
Our output is constantly distinguished, owing to a confluence of the creative minds working on ideas, as well as high-quality raw materials acquired sustainably.

MANUFACTURING QUALITY AND EXCELLENCE
Our cutting-edge facilities and highly experienced personnel enable us to compete with global competitors while also ensuring that we remain the brand of choice among our customers.

ENGAGEMENT - REGULAR AND ROBUST
Increasing consumer communication, experimenting with different shop formats, and fostering a transparent culture.

MARKETING - SAVVY AND STRATEGIC
Customers identify with the KKCL brand owing to our marketing initiatives.

OFFERINGS THAT STAND APART

JEANS

TROUSERS

SHIRTS

T-SHIRTS

INDO-WESTERN OUTFITS

ACCESSORIES (EYEWEAR, WATCHES, WALLETS, BELTS, DEODORANT, TRAVEL BAGS, AMONG OTHERS)

VALUE-CREATED FOR STAKEHOLDERS

CONSUMERS

Our commitment to our customers is strong, and we are always working to expand our design range to accommodate every Indian persona and inclination.

COMMUNITIES

We are committed to shared growth and playing a larger role for society

₹ 1.84 Cr

CSR expenditure

PEOPLE

We strive to make our workspace a healthy and encouraging setting for employees to flourish and achieve their goals.

₹ 52.64 Cr

Total employee benefits and compensation

SHAREHOLDERS

Investors are encouraged by our stability with a solid net-debt-free balance sheet. Cash availability is the greatest way to protect shareholder wealth.

₹ 19.42 Cr

Net profit

₹ 15.76

EPS

OUR STRATEGY

Forging the Future of KKCL

The challenges we experienced have strengthened us and honed our abilities. Our panoramic perspective of the whole business keeps us aware of both the risks and opportunities that may present themselves.

Our aim is to serve a diverse consumer group with our vast brand portfolio while also enhancing our customer experience to match evolving aspirations. We have developed a one-of-a-kind brand, offering the finest within the most reasonable price range. We continue to be the brand of choice, generating value for stylish youth.

STRATEGIC PRIORITIES

Periodic assessment of business models
The pandemic has taught businesses to be more adaptable and agile.

Identification of opportunities to improve efficiency
Identification of strategic and tactical possibilities to increase efficiency is a crucial aspect of our strategy.

Reduction of avoidable costs
We have been able to navigate several challenges by focusing on cost reduction and continuous alignment with the changing external environment.

Adaptability
Adapting quickly to the new work-from-home culture and undergoing digital transformation helped us stay afloat during these trying times.

Customer retention
To attract the customers' interest and engage them, we introduced enticing discounts and other marketing tools.

16%
Of overall sales from online retail platform

ROADMAP

Efficient Approach

Our strategy follows the fundamentals of ensuring efficiency and revenue generation. We foresee a stronger demand as stores gradually open across the country with public anxiety dissipating and restrictions being eased. Brand demand and increasing footfalls will be the primary driver of apparel sales.

In order to provide value to our customers, we employ a variety of resources and partnerships. Our goal is to use our resources wisely, with suitable and adaptable scenario preparation and thorough analysis of risks and subsequent rewards.

Strategy For Expansion

We want to focus on expansion through faster store additions and a targeted store growth strategy, concentrating on areas where we can capitalise brand loyalty. Additionally, several stores will be rationalised in order to maintain revenue. We will maintain a sharp focus on stores that do not prove to be value generative and adopt corrective measures. Our priority continues to be on well-planned retail growth as well as retaining loyal customers.

Maintaining Cash Flow

For businesses, retaining steady cash flow is a key requirement. When accumulating unsold inventory owing to falling consumption, businesses must have cash reserves at their disposal to help them navigate the crisis. Therefore, aside from manufacturing and administrative costs, we are re-examining the various factors that have a significant influence on our balance sheet.

Leveraging Technology

This strategy was pursued at a rapid pace to counter the challenges posed by the pandemic, with regular lockdowns impacting store-level operations due to a surge in cases. In the future, we will also be considering digital as a medium for distribution.

To meet the evolving consumer demand, KKCL has expanded its online presence in addition to its offline retail presence. We are witnessing signs of success due to this digital push. Going forward, we will continue to monitor the effectiveness of this approach in terms of viability and possible revenue generation.

Finding The Right Price Point

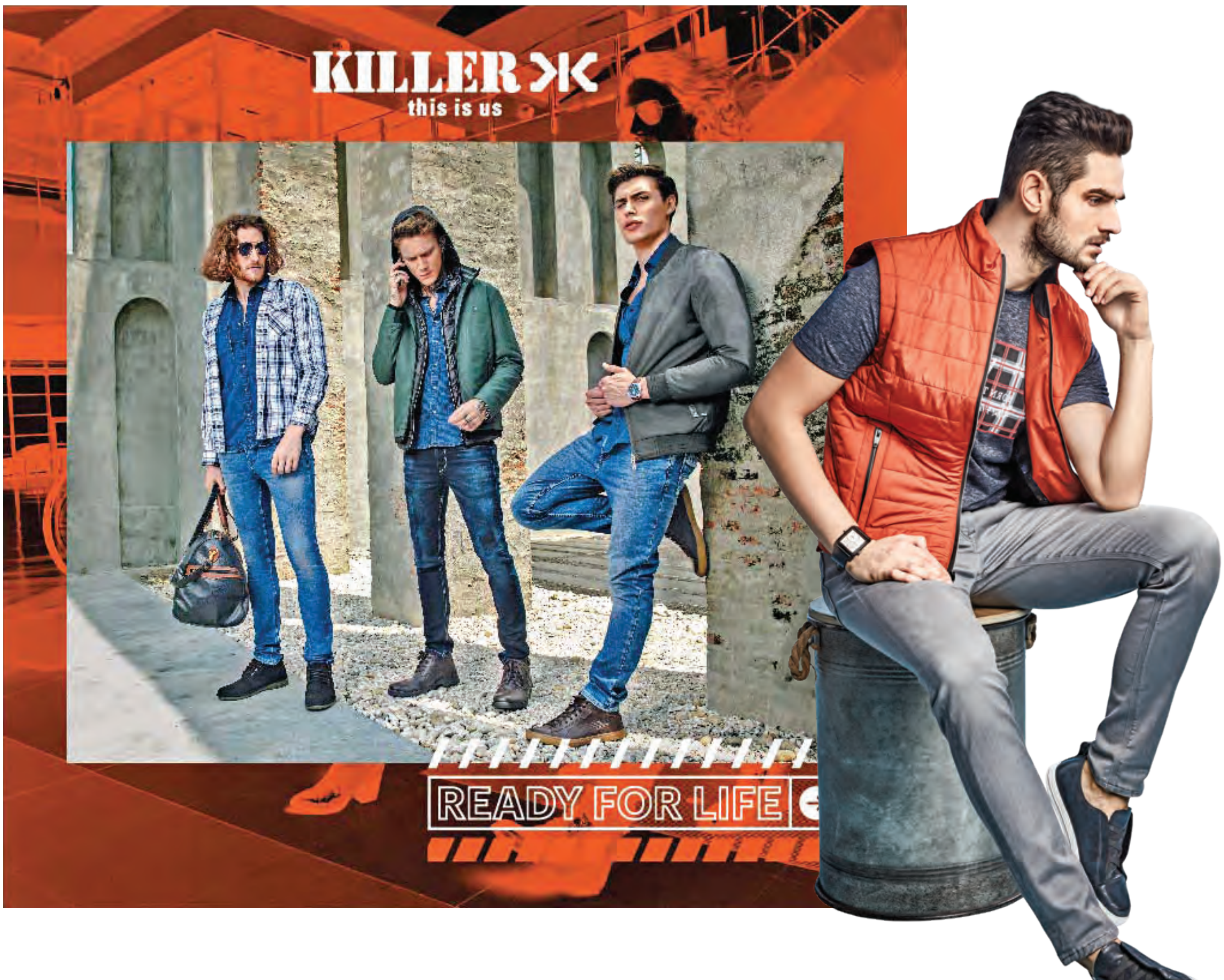
Given the present trend of heavy discounting, full-price models maintain the advantage of having an unadulterated brand recall. We continue to believe that when items are sold at huge discounts, brands lose their exclusive value. As a result, Killer Jeans was launched as a full-price brand. Our rationale is straightforward: selling at full price encourages brand loyalty and increased revenues, allowing us to introduce new brands with comparable pricing models.

CUSTOMER ENGAGEMENT

Meaningful Communication

We are indigenous, and our contributions have aided India's ascension to the world stage. We endeavour to capitalise on the industry potential by delivering a diverse range of items in India's organised clothing market and providing a selection that meets Indian customers' aspirations

SPEAKING THE LANGUAGE OF YOUTH
Our goal is to view the customer as a long-term partner in a fulfilling relationship. Earlier, we had brought our in-house brands to India's universities, presenting and supporting a variety of events in line with what today's youth trends, such as EDM nights.



'Killer' showcased its Spring Summer Collections in Bombay Times Fashion Week where showstoppers were actors Aditya Seal and Anushka Ranjan

Fashion in the Digital Age

The only way to handle a sluggish business climate and falling consumption is via operational efficiency and resource restraint. We are streamlining our current processes while also investing in advanced technology. Having witnessed the momentum for sustainable materials and production technologies, we have implemented the appropriate technologies at our manufacturing plants.

Small Steps Towards Expansion

KKCL is embracing digitalisation across its line of work. This transformation began well before the start of the pandemic. We are looking at digital channels as a significant distribution route, allowing us to capitalise on India's future development potential within various customer categories and catering to the tech savvy new generation. We are considering visibility and possible sales generation via digital platforms and adaptability to the volatile digital environment along with the cost benefits that apply.

We aim to achieve double digit growth in forthcoming years on upswing demand and a favourable business climate, with solid financials, durable fundamentals, brand recognition, excellent distribution, and an entrepreneurial spirit.

Going Digital

With a strong emphasis on increasing our understanding of consumers and deliberately working towards becoming an omnichannel fashion brand, a new viewpoint on treating the digital channel as a significant distribution medium is in the process of being implemented. With the rising popularity of e-commerce, we feel there is opportunity to capitalise on our brand equity and customer confidence.

Building the right online exposure in the face of growing competition, gaining new consumers, and attracting customers to shop online are factors to be considered in e-commerce. Discounting has been a key contributing element in enticing and persuading people to buy online, resulting in a tremendous increase in the e-commerce segment growth in recent years.

However, we want to expand our digital approach without losing sight of our basic business principles of profitability and cash generation. The plan to improve the digital footprint is actively being co-created with a cost benefit analysis in terms of visibility and potential sales generation through online platforms versus margin contraction and adaptability to the dynamic digital environment.

Brimming with Potential

KKCL has a strong distribution mechanism that allows it to operate in both domestic and international markets. We are implementing short-term development plans while navigating risks from the outside world, including the pandemic and strong competition. Our focus on establishing a strong supply network has resulted in exceptional product quality.

India's apparel sector is anticipated to expand at a CAGR of 5.5% between FY 2019-20 and FY 2024-25, reaching $ 77 billion by FY 2024-25, owing to increased brand awareness, digitalisation, buying power, and urbanisation. KKCL is a leader in domestic manufacturing and customised products tailored to Indian tastes. The government's encouragement of domestic goods and localisation has energised businesses.

While diversifying our portfolio, we entered new business segments, such as Indo-Western womenswear with brand Desi Belle. We are progressing at a steady pace to capture the large growth potential of this segment.

The key to our profitability lies in the combination of conventional distribution channels and long-term relationships with channel partners. Based on the market scenario today, we have adopted a calculated approach towards digitalisation by balancing the importance of online visibility with projected sales and profitability.

On February 25, 2021, we established a wholly owned subsidiary, “K Lounge Lifestyle Limited,” with the intention of further maintaining and strengthening our retail footprint across India in order to capitalise on the growth potential of the emerging retail space.

We plan to expand further through our own channel of company-owned and operated stores, largely on a rental basis, which will allow us to be more agile and customer-focused. We recognise that expanding through our own COCO shop channel may prove to be capital intensive considering the costs of furniture and fixtures, as well as security deposits and maintaining inventory. However, the ability to locate and purchase significant retail sites is critical to our success.

Retail Stores And Expansion

The focus is on keeping with our portfolio expansion plan, with the eventual goal of establishing family stores through a dedicated retail subsidiary.

We have identified and prepared for the challenges we may face as part of this retail expansion strategy, including identifying viable markets and appropriate locations, securing attractive leases for such stores, dealing with local competition, and maintaining optimal inventory levels.

We hope to implement this plan over time, using a multi-dimensional business assessment matrix that considers a variety of factors such as appealing rental offers and shop locations. As a result, locating and acquiring suitable premises, as well as entering into leasehold or rental agreements on economically advantageous terms will be critical for us to capitalise on the growing prospects in the industry.

THE TEAM

Our Pillar of Strength

KKCL's resilience in the face of challenges may be attributed to the support of its talented and determined personnel. Employees have a crucial role to play in our ability to resolve issues while also inspiring hope for the future. We have developed a culture of inclusivity and motivation to ensure that our people get the opportunity to grow with us.

1,777
Employee strength

888
Number of personnel that underwent training for skill enhancement

2,664
Total hours spent on learning

OUR CULTURE

Our employees continue to prove themselves to be one of the most significant assets to the organisation. We strive to provide them with the best possible working environment by introducing a variety of learning experiences as well as engaging events through the year. Our people are encouraged to push themselves to accomplish new and exciting things.

We place a strong emphasis on retaining and nurturing our people. We have made significant efforts to boost employee morale by improving internal communication and aligning employees with the Company's strategic vision.

LEARNING AND DEVELOPMENT

Our culture of learning encourages employees to develop new skills, reach their full potential, and work together to generate value. We are focused on developing organisational competency through employee training and development as well as a performance-based remuneration system.

HEALTH AND SAFETY

We proactively maintain and implement practices towards workplace health and safety and meet the highest standards. These practices are regularly reviewed and upgraded to ensure that we provide the best-in-class facilities.

Despite the COVID-19 pandemic, KKCL did not conduct any downsizing exercises and continued to provide the required assistance to ensure the well-being of our people.

COVID-19 RESPONSE

Adaptability in the Times of Crisis

The pandemic wreaked havoc on supply networks, exports, and operations. Meanwhile, it adversely impacted the lives of our stakeholders and employees. It put business resilience to the test, which led organisations all over the world to review their daily operations in a new light.

KKCL has been able to continue its operations despite the difficulties due to the unwavering support of our employees and supply network. Priorities were established, and activities were planned in accordance with strict social distancing guidelines. Expenses were reviewed to maintain diligence during these trying times.

SHOP LEVEL SAFETY

To guarantee the safety and security of our stakeholders, we have followed safety standards stringently. Customers were advised to constantly wear masks and the premises were regularly disinfected.

QUALITY AND STANDARDS

We have implemented strict procedures at our production sites to guarantee that our employees operate in a COVID-free environment.

- All our employees wear hand gloves and face masks.
- Sanitation stops with foot pedals have been installed at various locations.
- Every vehicle that enters the premises is sanitised.

ENGAGING WITH STAKEHOLDERS

We provided daily updates and recent news through our social media handles to keep customers and stakeholders informed of developments in light of the pandemic.

We engaged with our fraternity of stakeholders via social media with encouraging messages to raise morale amid the lengthy lockdown and social isolation.

FISCAL MEASURES

To keep our operations running effectively, we implemented adequate controls over cash flow, capital expenditure, and recurrent overheads. Additionally, we have established a regular interval assessment system for receivables and inventory.

BOARD OF DIRECTORS

Ability and Reliability

KEWALCHAND P. JAIN
Chairman and Managing Director
Mr. Jain, a student of finance and our hands-on manager, was instrumental in introducing the branded apparel segment to KKCL. He oversees our finance functions and is responsible for the overall management of the Company's affairs. He is also the acting Trustee of Jatnobai Karmchandji Ratanparia Chauhan Charitable Trust.

HEMANT P. JAIN
Joint Managing Director
Mr. Jain has played a key role in launching Killer and Easies brands. He is in charge of the Killer and Easies brands and supervises operations of the Desi Belle brand. He also oversees the retail business of the Company. He is one of the Trustees of Jatnobai Karmchandji Ratanparia Chauhan Charitable Trust.

DINESH P. JAIN
Whole-time Director
Mr. Jain manages the manufacturing operations of the Company. His specialisation lies in production, human resources and industrial relations. His leadership ensures optimum utilisation of the Company's production facilities, its personnel and overall development. He is one of the Trustees of Jatnobai Karmchandji Ratanparia Chauhan Charitable Trust.

VIKAS P. JAIN
Whole-time Director
Mr. Jain spearheads the LawmanPg3 and Integriti brands, alongside supervising the lifestyle accessories business of our brand, Addictions. He also manages the retail business of the Company. He is one of the trustees of Jatnobai Karmchandji Ratanparia Chauhan Charitable Trust.

DR. PRAKASH A. MODY

Independent Director

Dr. Mody has a doctorate in Organic Chemistry from University of Mumbai. He pursued Marketing Management from Jamnalal Bajaj Institute of Management Studies, University of Mumbai and is a graduate alumnus of the Harvard Business School, the Owner Presidents' Management Programme. He is the Chairman and Managing Director of Unichem Laboratories Limited and brings onboard rich experience in marketing, research and production.

NIMISH G. PANDYA

Independent Director

Mr. Pandya is a renowned lawyer and a founding partner at Pandya Juris LLP, International Lawyers & Tax Consultants and proprietor at Pandya and Co., Advocates and Notary. He is a member of the Bar Council of Maharashtra and was appointed as Notary Public by the Government of Maharashtra in 1993. He specialises in mergers and acquisitions, litigation and arbitration, trust and charities, corporate commercial and financial planning and execution including transaction support and contracts, intellectual property, technology, media and communications and competition and trade, conveyance and real estate and family and personal law. He is the Trustee of Shree Satya Sai Trust, Maharashtra and the All-India President of Shree Satya Sai Seva Organisation.

YOGESH A. THAR

Independent Director

Mr. Thar is a member of the Institute of Chartered Accountants of India and a Senior Partner in Bansi S. Mehta & Co., a renowned chartered accountancy firm in Mumbai. He has more than 31 years of experience in business mergers, acquisitions and restructuring, business valuations, corporate taxation and taxation of non-resident citizens and foreign companies. He is a Member of the Direct Tax Committee of the Chamber of Tax Consultants.

DRUSHTI R. DESAI

Independent Director

Ms. Desai is a member of the Institute of Chartered Accountants of India and is one of the partners in Bansi S. Mehta & Co. She brings with her over 20 years of experience in valuation of shares, businesses and intangibles and advisory services on schemes relating to mergers, acquisitions, spin-offs and other forms of corporate restructuring and family settlements, financial and management advice and corporate and individual taxation (income tax, wealth tax and gift tax, among others).

Management Discussion and Analysis

ECONOMY & INDUSTRY OVERVIEW

FY2021 was predominantly affected by the negative effects of COVID-19 leading to a major crisis on the economy, defying all prognoses and producing downturns that were deeper than the most pessimistic projections. From the time it was declared a public health emergency of international concern by WHO in early 2020, the contagion rapidly spread across the globe leading to stringent lockdowns that resulted in larger disruptions to economic activity.

Unlike in other recessions, private consumption demand, services output and the labour market, especially for low-skilled workers who do not have the option of working from home, on account of a combination of social distancing norms, activity and mobility restrictions, steep income losses, went into a marked retrenchment which severely affected the consumer confidence. Businesses cut back on investment in the face of falling demand, supply chain disruptions and pessimism about future earnings. Thus, the pandemic became a double-edged sword of fall in demand and lockdown-induced supply constraints. As the pandemic unfolded, it reshaped how people lived, worked and shopped. Almost overnight, health, hygiene and immunity became a priority as people sought to protect themselves and their families from Covid-19. With the country going into a lockdown, daily habits changed dramatically: from eating out to eating at home, from shopping in stores to shopping online and from working in offices to working from home.

In its first wave, the effect of pandemic was at its peak in Q1 FY2021. The Indian economy contracted 24.4% Y-o-Y. In Q2, however, the contraction started to ease, reflecting rigorous efforts to revive the economy, gradual relaxation of mobility restrictions, monetary and liquidity easing, and fiscal support. The economy began recovering with the restart of activity and a strong pickup in demand. Overall activity normalised faster than anticipated, with private consumption rebounding. A quick turnaround lifted the economy from an unprecedented contraction in Q1 to positive territory by Q3, aided by supportive financial conditions engendered by the Reserve Bank's liquidity measures.

However, COVID-19, with its mutated contagious strains, struck again with a rapid resurgence in cases in India. The pace of contagion in the second wave has been alarming, stretching the health infrastructure in terms of the capacity to handle a surge of this size and speed. Consequently, the country had to slow down re-opening and reinstate lockdowns, which eventually caused GDP to decelerate again. Daily new confirmed infections surpassed the peak of the first wave and crossed 1 lakh in early April 2021, before rising above 4 lakh by the end of the month and then dipping downwards.

At this juncture, rapid vaccination lended a ray of hope. Recognising vaccination as the crucial pillar to the 'test, track, treat and COVID-appropriate behaviour' strategy, the access to vaccines has been deregulated and opened to all individuals above the age of 18 years. The second wave in India has now seen new peaks in daily cases, daily deaths, active cases and positivity rates with government-imposed steps like localised micro-containment measures, state-specific movement restrictions, mobilisation of health supplies and ramping up of health infrastructure along with focus on vaccination.

With the normalisation of business activities, high pent-up demand and improved consumer sentiments as the rollout of vaccines gather traction, India is expected to become the world's fastest growing major economy in 2021. However, the onset of the second wave has triggered a raft of revisions to growth projections, with the consensus gravitating towards the Reserve Bank's projection of 10.5% for FY 2021-22 with 26.2% in Q1, 8.3% in Q2, 5.4% in Q3 and 6.2% in Q4. The upside outlook stems on the back of capex push by the government, rising capacity utilisation and the turnaround in capital goods imports. However, the pandemic and the surrounding uncertainty is the biggest risk to this positive outlook.

INDUSTRY

The branded apparel industry is closely linked to growth in consumption and overall economic and consumer sentiment. Renewed consumer discretionary spending led to a strong operating performance in Q3 FY 2021 and early part of Q4 FY 2021 across the Industry with recovery in sales led by improving footfalls and stark improvement in profitability led by better operating leverage and cost-saving initiatives undertaken by companies. On the back of easing of local lockdown leading to opening up of stores and improvement in the mobility led to strong improvement in sales of branded apparel, retail, jewellery, and footwear companies in second half of FY 2021. Further tier III and tier IV towns witnessed higher demand, while metros/top cities saw recovery in sales.

Branded apparel and retail companies were hoping sustained improvement in sales and business crossing pre-Covid levels. However, the emergence of second wave of COVID-19 and consequent lockdowns and restrictions in almost all parts of the country impacted sales from middle of March 2021. The emergence of second wave of COVID 19 and consequent lockdowns and restrictions in large parts of the country dramatically impacted the footfall across retail stores towards the end of Q4 FY 2021.

However, with cases decreasing and lockdown restrictions easing out, month-on-month recovery is expected post Q1 FY 2021 and with vaccination drives gaining momentum and fear amongst people receding, offices are expected to reopen in major cities in the months ahead, which may result in better demand for footwear products and apparels. The festive season which is expected to bring in renewed demand for branded apparel and higher footfalls and higher ticket size sales would be the key driving factor for sales for the apparel and jewellery segment, as was seen during the end of first wave.

With multiple vaccination options now available in large parts of the world, there is optimism and hope to emerge stronger from this pandemic. Higher farm income, reverse migration and increased public expenditure is likely to result in restoration of demand in rural and semi-urban areas, including discretionary demand. Notwithstanding this uncertainty over the short to medium term, India is expected to return to a strong growth trajectory in the apparel and retail sector, given the underlying growth drivers like large young workforce who are fashion oriented; access to latest fashion trends and evolving fashion with penetration of internet and social media platforms and increasing fashion spends beyond key metro cities to tier III and tier IV towns cities and rural areas as well. The Indian casual wear market has evolved significantly over the years and categories such as denim, activewear, casual shirts, and fashionable skirts are outpacing the growth of formal wear in India reflecting the changing consumer trend and increasing usage of casual wear in offices as well as home.

Outlook

While organised retail, primarily brick and mortar, has been in India for two decades now, contribution to total retail is still low at 11.9% ($ 94 Bn) in 2020. Organised retail penetration was ~8.3% in 2015. The apparel market size in India in FY 2019-20 is pegged at $ 59 Bn. It is also expected to grow at a CAGR of ~5.5% between FY 2019-20 and FY 2024-25 to reach $ 77 Bn on the back of factors like higher brand consciousness, increasing digitisation, greater purchasing power and increasing urbanisation. While the market degrew in FY 2020-21 due to negative impact of COVID-19 pandemic, the market is expected to recover at a higher pace of 19% between FY 2020-21 and FY 2024-25. The branded apparel and organised apparel retail are expected to grow at CAGR of ~10% and ~13% respectively during FY 2021 and FY 2025. In other words, growth of both branded apparel share and organised apparel retail share in apparel category will outpace the overall category growth of 5.5%. However, any resurgence of pandemic related cases giving rise to the third wave of COVID-19, effects of which cannot be predicted, remains a key factor which could mar the future positive outlook leading to an uncertain external environment atleast for an indefinite near future.

Management Discussion and Analysis (Contd.)

COMPANY PERFORMANCE

Revenues

On the back of a global pandemic stringent lockdowns and accessibility difficulty for consumers severely affected the consumer confidence. Businesses across were affected owing to falling demand and supply chain disruptions. Our Company was not immune to this unprecedented crisis and our performance was affected largely during the year leading to a fall in operating income to ₹ 302.73 crore in FY 2021 from ₹529.67 crore in FY2020. Total Revenue (including Other Income) stood at ₹ 319.77 crore as against ₹ 547.20 crore in FY 2020. This was a reflection of the closure of stores and point of sales during the pandemic resulting into lower business during the period.

Costs

Cost of Goods Sold (COGS including manufacturing and operating expenses): Cost of goods sold stood at ₹180.05 crore as compared to ₹262.08 crore in last year. The COGS percentage to sales increased to 59.5% in FY 2021 from 49.5% in FY 2020.

Manufacturing and operating expenses: Manufacturing expenses stood at ₹21.34 crore against ₹49.01 crore in previous year. Manufacturing expenses as percentage to sales trended lower this year to 7.1% compared to 9.3% last year with high focus on costs control on account of the limited operations.

Personnel cost: Personnel costs settled at ₹52.64 crore in FY 2021 from ₹71.45 crore in FY 2020. It is important to note that despite the reduction in sales and disruption of Company's operations on account of the pandemic, the Company has retained its full staff force and provided necessary support.

Selling and Distribution expenses: Selling and Distribution expenses reduced to ₹18.60 crore from ₹67.97 crore in FY 2020 due to curtailed marketing activity and discontinuation of trade shows keeping in mind government laid norms on social distancing and prohibition on gatherings. The Selling and Distribution expenses as a percentage to sales also decreased to 6.2% from 12.8%.

Administrative and other expense: Administrative and other expense remained almost stable at ₹32.76 crore as compared to ₹33.08 crore. However, on account of lower sales, the Administrative and other expense as percentage of sales moved higher to 10.82% from 6.25% in the previous year.

Profitability

EBITDA and EBITDA margin: EBITDA, excluding Other Income stood at ₹18.66 crore as compared to ₹95.10 crore in last year and the reduction was mainly due to limited period of operations leading to fall in sales and static fixed cost. EBITDA margin stood at 6.2% as compared to 18.0% in the previous year.

Profit Before Tax (PBT): PBT stood at ₹22.20 Crore as compared to ₹95.58 Crore in FY2020 and correspondingly the PBT margin was at 6.9% as against 17.50% in the previous year.

Profit After Tax (PAT): Despite the fall in sales and limited operations, the Company on the back of costs control measures was able to recover its losses of Q1 FY 2021 and managed to report a net profit on a yearly basis of ₹19.42 crore in FY 2021 as against ₹73.04 crore in FY 2019-20. Net Profit Margin stood at 6.1% as compared to 13.3% in previous year.

Earnings per Share (EPS): The EPS for the year was ₹15.76 compared to ₹59.27 in the previous year.

Details of significant changes in key financial ratios, along with explanation thereof

Ratios	Mar-21	Mar-20	Variance
Debtors Turnover (Days)	170	115	The year was unprecedented and marred with pandemic. During the year, due to Covid and government imposed lock-down throughout the country, business operations were in absolute shut-down mode for 2-3 months. Subsequently, resumption of business was at snail pace and business operations were severely impacted, and hence, the ratios are appearing beyond normal range of the organisation.
Inventory Turnover (Days)	84	59	
Interest Coverage (EBIT/INT)	1.76	9.86	
Current Ratio	3.28	2.69	
Debt / Equity	0.11	0.20	
Operating (EBIDTA) Margin	6.17%	17.95%	
NP Margin	7.35%	13.23%	
Return on Networth	5.35	16.51	

Financial Position and Cash Flows

Our primary sources of liquidity and capital resources is cash generated from operating activities. Our primary requirements for liquidity and capital are working capital and general corporate needs, including manufacturing operating costs, marketing, payroll and capital expenditures associated with opening new stores and remodeling existing stores.

Despite the impact on business, the financial risk profile is expected to remain strong backed by healthy capital structure as on March 31, 2021, comfortable debt protection metrics and strong liquidity. KKCL continues to have strong liquidity of ₹298 crore as on March 31, 2021, in the form of current and non-current investments (non-current investments includes a small amount of ₹3.45 crore of investments in Associates) against nil term debt. These prudent cash conservation practices have helped the Company weather through these difficult times and enforced the confidence to face any uncertainty in the future if it were to arise on account of any further waves of rising cases of COVID-19.

The Company has a strong financial position with net cash balance (Cash & Investments minus borrowings) of ₹251.95 crore. The Company reduced its short-term borrowings to ₹46.44 crore from ₹88.01 crore in previous year. Despite the of lockdowns and sluggishness in the market, the Company was able to maintain reasonable control on the net working capital cycle with strong focus on collections and inventory management. However, the Company thought it prudent to conserve capital in these difficult and uncertain times and have accordingly decided not to recommend any final dividend for the financial year ended March 31, 2021.

Business Progressive Fund

The Business Progressive Fund stood at ₹40 crore. The Company had taken a first-of-its-kind initiative in FY 2012-13 by setting up a 'Business Progressive Fund'. The genesis of this fund was to create and build up a reserve from the profits of the Company to address potential market volatility that are inherent to the industry due to potential macro-economic events that impact consumer sentiment and spending behaviour. In these difficult times, initiatives like these clearly showcase the Company's outlook to continue operating by withstanding the vagaries of uncertain situations. The amount of fund is specifically earmarked and invested in safe and highly liquid investments.

CREDIT RATING

CRISIL, India's leading ratings, research, risk and policy advisory company has assigned 'AA- / Negative' for the banking facilities of the Company. This will further ensure superior credit terms from the financial market and banks.

BRANDS

We cater to multiple categories including apparel, footwear, and accessories with a strong portfolio of owned brands. Our brands operate across segments which include Premium Luxury segment, Premium Mid-Market segment and Premium mass market segment and focused fashionwear/partywear/loungewear/athleisure brand. Some of our brands have already achieved a scale of operations and our new brand Desi Belle is in the investment phase and have significant long-term potential with unique opportunities to drive future growth. Through our own brands, we cater to men's wear and women's wear across various products and price categories.

↗ Killer

The Company's flagship brand Killer imbibes the cool confidence of today's youth and redefines denims, giving a bold character to them. Killer is a powerful and iconic brand and is regarded as one of the established and well-regarded denim brands in India. Killer continues to be the flagship brand amongst our brand portfolio contributing to 57% of total sales. Killer maintained its leadership role and contributed sales of ₹170.78 crore

↗ Easies

A blend of classic and contemporary preferences, Easies Brand is reshaping corporate fashion in India through its range of semi-formal menswear, made from the most premium range of fabric and linen. Easies a well-established brand known for its collection of chinos and shirts has a dedicated customer following supported by the increasing trend of semi-formal wear. Sales from Easies stood at ₹13.59 crore and its revenue share stood at 5%.

↗ Lawman Pg3

A glamorous, lifestyle brand, LawmanPg3 specialises in trendsetting denim and partywear for young adults. In line with the brand ethos, LawmanPg3 has taken over the movie magazine CineBlitz and re-branded it LawmanPg3 CineBlitz in order to live upto the brand DNA about glamour and style. The brand plays a unique role in bringing the glamour quotient to the fashion wardrobe. Lawman sales stood at ₹31.81 crore, contributing 11% of total sales.

↗ Integriti

Reflecting and resonating the ambition and energy of youth, Integriti offers a credible, trusted and value proposition across work and casual wear. Integriti is the second largest brand for the Company with 16% revenue share. Sales under Integriti stood at ₹48.92 crore.

Management Discussion and Analysis (Contd.)

Desi Belle

Desi Belle, the emerging brand amongst our portfolio is an Indo-Western women's wear focused brand that exists at the confluence of modern style and desi touch, catering to the contemporary woman.

Desi Belle coupled with our other product sales registered the least decline of 3.22% and posted sales of ₹35.58 crore.

PRODUCT WISE SALES

The Company's product portfolio consists of a mix of quality bottom wear and topwear products spread across jeans, trousers, shirts, t-shirts, jackets, pullovers etc. With the acquisition of the brand Desi Belle, the Company has also forayed into the women's wear segment. The Company also believes in opportunistic fashion accessories play with a focused strategy in lined with its brand recognition and entrenchment. The product sales primarily drives profitability margins and sales efficiency across its retail outlets.

- Jeans: sales stood at ₹155.16 crore contributing to 52% of the total sales as compared to ₹299.83 crore in the previous year.
- Trousers: sales stood at ₹19.18 crore compared to ₹45.68 crore in the previous year. Trousers contributed 6% of total revenues.
- Shirts: contribution to total sales stood at 19% with ₹55.83 crore compared to ₹95.33 crore in the previous year.
- T-shirts: sales stood at ₹13.67 crore contributing to 5% of the total sales from ₹28.32 crore in the previous year.

SALES AND DISTRIBUTION CHANNEL

The Company operates in domestic and overseas markets through its multiple distribution channels and robust distribution model. The Company maintains a judicious balance through its extensive footprint of directly operated and franchise operated stores with a presence in large format stores, multi-brand outlets (MBOs) across various formats and carefully selected exclusive-brand outlets (EBOs) to drive sales growth, along with maintaining discipline to mitigate inventory and payments risk. The Company has been focused on the traditional distribution channels which has been the key to profitability and its long term association with channel partners has been its major success driver. In line with the modern day requirements the Company has been taking calculative approach to digital adoption keeping the visibility factor in mind with a balanced approach towards expected sales and margins while finalising online platform for sales.

Multi Brand Outlets (MBOs): maintained its revenue share of 36% at ₹ 109.12 crore.

K-Lounges and Exclusive Brand Outlets (EBOs): sales stood at ₹ 48.11 crore. Retail sales through K-Lounge and EBOs contributed to 16% of total sales.

National Chain Stores (NCSs): sales contributed 23% to the revenue share and the sales stood at ₹ 69.18 crore.

E-commerce: sales settled at ₹ 49.32 crore and accounted for 16% of total sales.

Overseas: sales contribution is 1.5% with sales of ₹ 4.54 crore.

The Company has presence in 24 states and 4 Union Territories in India and also sells in select markets globally catering to international customers.

RETAIL STORES

The Company has 322 existing retail stores as on March 31, 2021 and 56 stores are in work in progress phase. Of the 322 stores, 219 stores are in K-Lounge format, 102 stores are EBOs and 1 is a factory outlet format. 56 new stores are in pipeline resulting in total store count of 378 inclusive of work-in-progress stores.

The Company has also created a wholly owned subsidiary namely "K-Lounge Lifestyle Limited" on February 25, 2021 with an intent and focus on further developing and enhancing its retail footprint pan India with an intent to leverage the growth opportunities in the evolving retail space and which will help the Company to be more agile and customer focused. The Company's retail focus is in-line with its strategy of portfolio expansion with ultimate objective of creating family stores through the dedicated retail subsidiary.

OUTLOOK, OPPORTUNITIES AND THREATS

The initial response to the pandemic was through expansive, countrywide, administrative lockdowns to safeguard public health. But prolonged lockdown led to disruption in economic activity and the trend now is towards opening up of economy and business activities. Economic recovery is expected to be gradual because a certain amount of social distancing will continue over the short to medium term to avoid another wave of infection. The process of recovery is likely to be gradual and uneven across different sectors with discretionary consumption taking the brunt as spending is geared towards essentials, healthcare and connectivity that enables work from home. Sectors catering to social distancing, including personal mobility, packaged foods, telecom, and home improvement, automation, white goods, and consumer electronics, are likely to witness pent up demand and recover faster. On the other hand, businesses such as retail, hospitality, tourism, cinemas, exhibitions, social gatherings etc. may see restricted activity. It is difficult to predict consumer behaviour even after the restrictions are lifted but fashion consciousness and retail therapy have become a core part of human lifestyle and are likely to recover and gain momentum eventually. This period can be a test of survival for many companies, especially those with leveraged balance sheets, high-cost structures and concentrated geographic and channel concentration. The future belongs to companies and businesses that can sail through these turbulent waters as the industry goes through a phase of consolidation.

Based on its well-capitalised balance sheet, prudent financial practices, debt-free status and disciplined cost control, the Company has the ability to protect interests of all its stakeholders. With the added strength of its strong brands and robust pan India distribution network the Company is well positioned to meet the near-term challenges and emerge stronger and more committed to its long-term vision of pursuing sustainable and profitable growth. We believe companies like KKCL having a stable balance sheet, pan-India presence and strong brand recognition are likely to see faster recovery post normalisation of the pandemic situation.

RISK AND CONCERNS

The biggest risk in recent times has been the impact of macro events on consumer sentiments. Fashion wear is a discretionary expenditure and in times of liquidity crisis the impact on the consumer confidence has a protracted impact on discretionary spending. Increasing competition has resulted in pricing pressure as other players offer discounts and extend sale periods to drive revenue growth. Higher discounts to MRP to attract consumers over an extended period of time has become a new normal resulting in pressure on margins. This coupled with inability to pass the increase in raw material prices, which has seen a substantial increase in recent times, has led to a double whammy situation for fashion retailers leading to pressure on margins. Further, the Indian markets have attracted foreign brands who spend heavily on advertisement and promotion to establish their presence, thereby increasing costs for the Company to maintain its visibility in the market. The branded apparel industry needs continuous product innovation to track fashion trends and changes in consumer preferences. The ability to create products in line with changing trends at affordable price points is critical to maintain the brand pull and connect with the consumer. With shifts in consumer taste the Company may be left with unsold inventory or mark down in value of stocks.

KKCL is uniquely placed in the sector with an integrated business model that encompasses design, manufacturing and sourcing, distribution and logistics and retailing. The Company has an in-house team of designers that track national and international trends to create innovative fashionable products that customers would relate to. Our design and merchandising team, together with our marketing and procurement teams, are focused in developing innovative design concepts across product categories and believe that our innovative and organised design process as well as our experienced marketing team allows us to develop new and differentiated products and respond to evolving market trends and our customers' preferences. The Company has state-of-the-art manufacturing facilities that ensure quality and timely deliveries. Further, with the improvement in business demand, the Company believes unproductive practices of offering higher discounts to MRP will take its course of extinction, though may not be fully but to a large extent, creating a healthy business environment.

Credit Risk

Credit risk is the risk that a counter-party will not meet its obligations under a financial instrument or customer contract. Our operations involve extending credit for periods of time, ranging typically from 60 to 90 days, to our franchisee operated exclusive brand outlets, large format stores, multi-brand stores and online retailers, and consequently, we face the risk of the uncertainty regarding the receipt of these outstanding amounts.

If our franchisees, large format stores, multi-brand stores and online retailers delay or default in making payments in the future, our profits margins and cash flows may be adversely affected. The Company also have instituted steps to mitigate / reduce the risk of recovery by taking bank guarantee and / or security deposits from the channel partners. These steps assist the Company to strengthen the recovery process and reduce the uncertainities associated with recovery.

Commodity risk

We are exposed to the price risk associated with purchasing our raw materials, which form a significant component of our expenses. We typically do not enter into long terms arrangements with our vendors and typically source raw materials based on periodic purchase orders and price negotiations. Therefore, fluctuations in the price and availability of raw materials may affect our business, cash flows and results of operations.

YOUR COMPANY'S RESPONSE TO COVID-19

The impact of COVID-19 pandemic on the overall economic environment still being uncertain, may affect our business assumptions and projections. Any risks arising on account of a fresh round of COVID-19 such as in relation to lockdown, slowdown of economic activities, loss of life and debilitation of key personnel can have an adverse effect on our business, results of operations, cash flows and financial condition.

However, the Company will continue to closely monitor any material changes to future economic conditions. The Company has taken appropriate control measure over cash flow, capital expenditure and recurring overheads to smoothly manage its operations. The Company has reduced / delayed majority of its capital expenditure plans, baring marginal replacement cost, and has taken cashflow control and overhead control measures to manage the operations.

The country-wide lockdown had also taken a toll on the supply chain of the Company. The agility and robust planning of the supply chain allowed the Company to cater to the production orders and helped reduce the finished goods inventory. The Company has also inculcated regular interval review mechanism adopted to review the receivables and inventories.

Furthermore, when the market opens with new normal way of working, the Company is gearing up for a post-lockdown scenario by working with its channel partners to make their store environment safe and hygienic for customers. Your Company believes that consumers strongly attribute trust and service experience with organized formats and hence, these formats would not cede preference even in post-COVID times, as consumers are eager to re-engage with these formats. Similar care has also been taken to ensure a healthy environment at the Company's facilities for the employees to resume work.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Sound internal control systems are a prerequisite for building and enhancing shareholder value in the long run. The Company has a sound system of internal controls commensurate with the size of the Company and the nature of its business to ensure that all assets are safeguarded and protected against loss from unauthorised use or disposition and that transactions are authorised and recorded correctly and adequately. The Company's internal controls are supplemented by internal audits, review by management and documented policies, guidelines and procedures. The internal control is designed to ensure that financial and other records are reliable for preparing financial information and for maintaining accountability of assets.

The key constituents of the internal control system are:

- Establishment and review of business plans
- Identification of key risks and opportunities
- Clear and well-defined organisational structure and limits of financial authority
- Continuous identification of area requiring strengthening of internal controls
- Operating procedures to ensure effectiveness of business process
- Systems of monitoring compliance with statutory regulations
- Well-defined principles and procedures for evaluation of new business proposals capital expenditure
- A robust management information system
- Strong internal audit and review system

The Company has appointed Internal Auditors to review and monitor the Internal Control systems and its implementation. The Audit Committee of the Board of Directors actively reviews the adequacy and effectiveness of internal control systems and suggests improvement for strengthening them. The Company has a strong Management Information System, which is an integral part of the control mechanism. The Company continues to strengthen its risk management and internal control capabilities by improving its policies and procedures and introducing advanced risk management tools.

HUMAN RESOURCE

The performance of the Company is driven by a highly motivated and professional team of employees. The Company believes in creating a culture and environment that allows human resources utilise their skills, knowledge and leadership abilities.

The Company's human resource practices aim to recruit a talented and qualified workforce, facilitate their integration and encourage development of their skills in order to facilitate the growth of operations. Additionally, the focus at the Company has been on retaining and grooming the best talent available. The Company continues to invest in building competence in the organisation through employee training and development and compensation structure that rewards performance. The Company has also taken steps to further strengthen the employee morale by enhancing internal communication mechanism and aligning the employees with the Company's strategic vision and initiatives to promote business excellence. The Company continued to maintain excellent industrial relations with all its employees at manufacturing facilities. Further, we are also committed to maintaining high standards of workplace health and safety and we will continue to improve the same on ongoing basis. We regard the safeguarding of such interests as one of our most fundamental responsibilities as an employer. On account of difficult external environment and inspite of uncertainty revolving around the Company's operations, the Company did not adopt to retrenchment practices for its workforce and retained the entire workforce and provided the necessary support.

As on March 31, 2021, the Company had 1,777 employees. In addition, we have entered into arrangements with third party personnel companies for the supply of contract labour. The number of contract labourers varies from time to time based on the nature and extent of work contracted to independent contractors.

CAUTIONARY STATEMENT

This discussion contains certain forward-looking statements within the meaning of applicable securities laws. Readers are cautioned not to place undue reliance on these forward-looking statements, which reflects management's analysis describing our objectives and expectations based on certain information and assumptions. Our operations are dependent on various internal and external factors within and outside the control of the management. We assume no responsibility in respect of the forward-looking statements herein, which may undergo changes in future on the basis of subsequent developments, information or events. Actual results may differ from those expressed or implied herein.

CYCLE FOR HEALTH

Directors' Report

To
The Members,

Your Board of Directors are pleased to present the 30th Annual Report together with the Audited Accounts of the Company for the year ended March 31, 2021.

FINANCIAL SUMMARY & HIGHLIGHTS (STANDALONE)

(Amount in Lakhs)

Sr. No.	Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020
1	Net Sales/Income from operations	30272.96	52967.01
2	Other Income	1704.36	1753.36
3	Total Expenditure	29757.39	45161.44
4	Gross profit (Before deducting any of the following)	3570.78	11263.42
a.	Finance charges	681.04	881.08
b.	Depreciation/Amortisation	669.82	823.40
c.	Tax provision	277.73	2254.52
5	Net profit for the Period	1942.20	7304.41
6	Other Comprehensive Income	409.73	65.05
7	Total of Comprehensive Income (net of tax)	2351.93	7239.36
8	Profit b/f from previous years	25607.29	24014.15
9	Appropriation of profit	3697.51	5646.22
	i) Dividend (Including DDT) on equity shares	3697.51	5646.22
	ii) Transfer to Business Progressive fund	-	-
10	Dividend (in ₹) per ordinary share	23	43
11	Paid up Equity capital	1232.50	1232.50
12	Reserves except revaluation reserve	17802.40	17,802.40

OVERALL PERFORMANCE AND STATE OF COMPANY AFFAIRS

The company achieved a total revenues of ₹ 302.73 crores compared to ₹ 529.67 crores in the previous year. The EBITDA was ₹ 18.67 crores compared to ₹ 95.10 crores and Profit After Tax stood at ₹ 19.42 crores resulting in an EPS of ₹ 15.76 per share.

Despite the year marred with pandemic induced lock-down, contrary to marker outlook, the company managed to achieve 57% of its last year total revenue. The company's flagship brand "Killer" has stood out in this uncertain environment by contributing 57% of total revenue. The company continues to adopt its time tested strategy to pursue sustainable and profitable growth.

TRANSFER TO RESERVES

During the year under review no amount was transferred to the reserves.

SHARE CAPITAL

There is no change in share capital during the financial year 2020-21.

DIVIDEND

The total dividend for the year ended March 31, 2021 stood at ₹ 23 per share as compared to ₹ 43/- per share in the previous year.

The Board of Directors had in their meeting held on October 22, 2020 declared the first interim dividend of ₹ 15/- (150%) per equity share absorbing a sum of ₹ 1848.75 lakhs. The record date for the purpose of payment of interim dividend was November 4, 2020 and the said interim dividend was paid in November 2020.

The Board of Directors had in their meeting held on January 22, 2021 declared the second interim dividend of ₹ 8/- (80%) per equity share absorbing a sum of ₹ 986 lakhs. The record date for the purpose of payment of interim dividend was February 4, 2021 and the said interim dividend was paid in February 2021.

The Board thought it prudent to conserve capital in this difficult and uncertain times and have accordingly decided not to recommend any final dividend for the financial year ended March 31, 2021.

DIVIDEND DISTRIBUTION POLICY

The Company has formulated Dividend Distribution policy in terms of Regulation 43A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Annual dividend consists of a few interim dividend and a final dividend at the year end. The Board of Directors seeks to balance member needs of returns and company's requirement of long term growth. After meeting internal cash balance towards any strategic investments, the Company will endeavour to return the rest of the free cash generated to shareholders through regular dividend. The said policy as approved by the Board of Directors has been uploaded on the website of the Company. The dividend distribution policy is available on https://kewalkiran.com/wp-content/uploads/2021/05/Dividend-policy-KKCL-15.7.2020-.pdf

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There have been no material changes and commitments, which affect the financial position of the company which have occurred between the end of the financial year to which the financial statements relate and the date of this Report. There is no change in the nature of business of the Company.

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 the 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.

DISCLOSURES RELATING TO SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

White Knitwears Private Limited is a joint venture of the Company and K-Lounge Lifestyle Limited is a subsidiary of the Company (K-Lounge Lifestyle Limited was incorporated on February 25, 2021).

FINANCIAL STATEMENTS

The Company has prepared the Consolidated Financial Statement in accordance with the applicable Accounting Standards. The audited consolidated financial statements together with the Auditor's Report form part of the Annual Report.

M/s. K-Lounge Lifestyle Limited being incorporated on February 25, 2021, the first financial statements of the subsidiary company will be drawn up from the period begning February 25, 2021 upto March 31, 2022.

Pursuant to Section 129(3) of the Companies Act, 2013 a statement containing the salient features of the financial statements of the Joint Venture is attached to the Financial Statements in Form AOC-1.

The Financial Statements of the Company, Consolidated Financial Statements along with relevant documents and separate audited accounts in respect of joint venture, are available on the website of the Company www.kewalkiran.com

Directors' Report (Contd.)

CASH FLOW STATEMENT

In conformity with the provisions of Regulation 34(2)(c) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Consolidated and Standalone Cash Flow Statements for the year ended March 31, 2021 forms a part of this Annual Report.

BUSINESS RESPONSIBILITY REPORT

Regulation 34 (2) of the Listing Regulations, interalia, provides that the annual report of the top 1000 listed entities based on market capitalisation (calculated as on March 31 of every financial year), shall include a Business Responsibility Report("BRR").

Your Company is featuring in the list of top 1000 listed entities as per market capitalisation calculated as on March 31, 2020 and hence the Business Responsibility Report forms a part of this annual report.

OVERVIEW OF INDUSTRY AND IMPORTANT CHANGES IN THE INDUSTRY

The growth of the branded apparel industry is closely linked to overall economic growth and majorly to consumer sentiments. The industry has witnessed consolidation and exits / closure of some of the brands during the year due to disruption in the economic and market environment thereby affecting consumer sentiment. The prevailing market conditions are likely to continue and challenge the growth as consumer spending will be impacted due to various factors.

EXTERNAL ENVIRONMENT AND ECONOMIC OUTLOOK

The Indian economy witnessed a bump in FY 2020-21 starting from complete lock-down to resumption of business activities to re-emergence of virus induced partial lock-down. In the pandemic scenario, the priority was healthcare and subsequent thereto was requirement of cash flow. Individual to business houses have unanimously voted in favor of cash surplus. Preservance of cash flow would impact, in short-term to all consumer spending; however, in the long-term it would help, as better brands will remain in the market and lower tier brands to exit.

CREDIT RATING

CRISIL, India's leading ratings, research, risk and policy advisory company has assigned 'AA- / Negative' for the banking facilities of the company. This will further ensure superior credit terms from the financial market and banks.

INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

Unclaimed Dividend

Pursuant to the provisions of Section 124(5) of the Companies Act, 2013, if the dividend transferred to the Unpaid Dividend Account of the Company remains unpaid or unclaimed for a period of seven years from the date of such transfer then such unclaimed or unpaid dividend shall be transferred by the Company along with interest accrued, if any to the Investor Education and Protection Fund ('the IEPF'), a fund established under sub-section (1) of section 125 of the Act. The details of unclaimed/unpaid dividend are available on the website of the Company viz. https://kewalkiran.com/investor-new/#tabs_desc_725_11

The Company had during the year, accordingly, transferred to IEPF, the unpaid and unclaimed dividend amounts pertaining to 2nd Interim Dividend 2012-13 of ₹ 13,901/-, 3rd Interim Dividend 2012-13 of ₹ 8469/- Final Dividend 2012-13 of ₹ 2,800/-, 1st Interim Dividend 2013-14 of ₹ 19,327.5/- and 2nd Interim dividend 2013-14 of ₹ 21,462/-.Subsequent to the end of the financial year 2020-21 till the date of this report the company transferred the 3rd Interim Dividend 2013-14 of ₹ 9225/- to the IEPF. Dividend declared by the Company thereafter, is still lying in the respective unpaid dividend accounts of the Company.

Mandatory Transfer of Shares to Demat Account of Investors Education and Protection Fund Authority (IEPFA) in case of unpaid/ unclaimed dividend on shares for a consecutive period of seven years

In terms of Section 124(6) of the Companies Act, 2013 read with Rule 6 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, (as amended from time to time) (IEPF Rules) shares on which dividend has not been paid or claimed by a shareholder for a period of seven consecutive years or more are credited to the Demat Account of Investor Education and Protection Fund Authority (IEPFA) within a period of thirty days of such shares becoming due to be so transferred. Upon transfer of such shares, all benefits (like bonus, etc.), if any, accruing on such shares shall also be credited to such Demat Account and the voting rights on such shares shall remain frozen till the rightful owner claims the shares. Shares which are transferred to the Demat Account of IEPFA can be claimed back by the shareholders from IEPFA by following the procedure prescribed under the aforesaid rules. The Company sends out individual communication to the concerned Members whose shares are liable to be transferred to IEPFA on a continuous basis, to take immediate action in the matter.

An aggregate of 403 shares are transferred to the IEPFA till date.

Disclosure with respect to demat suspense account/unclaimed suspense account
The Company does not have any shares in the demat suspense /unclaimed suspense account.

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

Financial year	Date of allotment/ declaration	Unclaimed Dividend (in ₹)	Last date for claiming dividend
Final Dividend 2013-14	August 28, 2014	4,998	October 4, 2021
1st Interim Dividend 2014-15	September 10, 2014	22,224	October 17, 2021
2nd Interim Dividend 2014-15	October 17, 2014	15,922.50	November 24, 2021
3rd Interim Dividend 2014-15	January 31, 2015	12,215	March 9, 2022
4th Interim Dividend 2014-15	May 14, 2015	4,365	June 22, 2022
Final Dividend 2014-15	August 31, 2015	3,841.50	October 8, 2022
1st Interim Dividend 2015-16	June 16, 2015	64,820	July 24, 2022
2nd Interim Dividend 2015-16	November 6, 2015	14,229	December 14, 2022
3rd Interim Dividend 2015-16	February 6, 2016	25,584	March 14, 2023
4th Interim Dividend 2015-16	March 9 ,2016	19,397	April 16, 2023
Final Dividend 2015-16	September 7, 2016	10,159.50	October 14, 2023
1st Interim Dividend 2016-17	October 27, 2016	21,123	December 3, 2023
2nd Interim Dividend 2016-17	January 27, 2017	25,466	March 6, 2024
Final Dividend 2016-17	September 7, 2017	3,601.50	October 14, 2024
1st Interim Dividend 2017-18	April 25, 2017	22,393	June 2, 2024
2nd Interim Dividend 2017-18	October 14, 2017	19,300	November 20, 2024
3rd Interim Dividend 2017-18	January 18, 2018	58,520	February 26, 2025
4th Interim Dividend 2017-18	March 10, 2018	20,110	April 16, 2025
Final Dividend 2017-18	September 4, 2018	9514.50	October 12, 2025
1st Interim Dividend 2018-19	July 21, 2018	26,341	August 27, 2025
2nd Interim Dividend 2018-19	October 25, 2018	38470	December 1, 2025
3rd Interim Dividend 2018-19	January 23, 2019	66970	March 1, 2026
4th Interim Dividend 2018-19	March 7, 2019	32610	April 15, 2026
Final Dividend 2018-19	September 18, 2019	7356	October 25, 2026
1st Interim Dividend 2019-20	June 20, 2019	39974	July 29, 2026
2nd Interim Dividend 2019-20	October 22, 2019	37540	November 28, 2026
3rd Interim Dividend 2019-20	January 28, 2020	68295	March 6, 2027
4th Interim Dividend 2019-20	May 26, 2020	24418	July 2, 2027
Final dividend 2019-2020	September 15, 2020	8075	October 22, 2027
1st Interim Dividend 2020-21	October22, 2020	56684	December 1, 2027
2nd Interim Dividend 2020-21	January 22, 2021	81720	March 1, 2028

The web-addresses of the company and IEPF Authority, where the details of unpaid and unclaimed amounts lying with the company are uploaded, are https://kewalkiran.com/investor-new/#tabs_desc_725_11 and http://www.iepf.gov.in/

Directors' Report (Contd.)

NODAL OFFICER

The nodal officer appointed by the company under the provisions of IEPF is Mr. Abhijit Warange, Vice President – Legal & Company Secretary and the web-address on which the said details are available is https://kewalkiran.com/investor-new/#tabs_desc_725_10

DIRECTORS

Re-appointment of Director retiring by rotation

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 has offered himself for re-appointment.

KEY MANAGERIAL PERSONNEL

The Company has recognised the following persons as Key Managerial Personnel in accordance with the Companies Act, 2013.

1. Mr. Kewalchand P. Jain – Chairman and Managing Director
2. Mr. Hemant P. Jain – Joint Managing Director (designated as Joint Managing Director from May 26, 2021)
3. Mr. Dinesh P. Jain – Whole-time Director
4. Mr. Vikas P. Jain – Whole-time Director
5. Mr. Bhavin Sheth – Chief Financial Officer
6. Mr. Abhijit Warange – Vice President – Legal & Company Secretary

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 as stipulated under Regulation 26(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. A certificate to this effect from the 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 as required under Section 134 (3)(d) of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. A certificate to this effect from the Chairman and Managing Director forms a part of this Report.

DECLARATION BY INDEPENDENT DIRECTORS

The Company has received declarations from all the Independent Directors of the Company confirming that they meet with the criteria of independence as prescribed under Sub Section (6) of Section 149 of the Companies Act, 2013 read with Rule 6(1) and (2) of the Companys (Appointment and Qualification of Directors) Rules, 2014 together SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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. Issue of Equity Shares with differential rights as to dividend, voting or otherwise.
2. Issue of shares (including Sweat Equity Shares) to employees of the Company under any scheme and ESOS.
3. Issue of shares pursuant to SEBI (Employees Stock Option scheme) Regulations and SEBI (Share Based Employee Benefit) Regulation, 2014.
4. Issue of shares on Preferential basis pursuant to Section 62 of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

BOARD MEETINGS

The details of the number and dates of meetings of the Board of Directors held during the Financial Year 2020-21 forms part of the Corporate Governance Report.

COMMITTEES

The disclosure of composition of all committees constituted by the Board under the Act and the Listing Regulations and the changes if any in the composition of such committees during the year as well the number and dates of the meetings of the committee are given in the Corporate Governance report, which forms part of this Annual Report.

COMPANY'S POLICY ON DIRECTORS' APPOINTMENT, REMUNERATION AND EVALUATION

In terms of the applicable provision of the Companies Act, 2013 read with rules made thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board had approved the Nomination and Remuneration Policy and Evaluation Policy as recommended by Nomination and Remuneration committee, in the Board Meeting held on October 10, 2014. The Nomination and Remuneration Committee has incorporated the criteria for determining qualifications, positive attribute and independence of Director in the Nomination and Remuneration and Evaluation Policy in terms of provision of Section 178(3) and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Company's policy on directors' appointment and remuneration and the criteria for determining qualifications, positive attributes and independence of a Director is given at https://kewalkiran.com/wp-content/uploads/2018/12/nomination-policy.pdf

The said policy envisages the criteria for selection and appointment of Board Members like determining qualification, positive attributes and independence of director, etc. It also lays down the framework in relation to remuneration of Directors, Key Managerial Personnel and Senior Management of the Company. The detail of the remuneration policy of the company is given in the Corporate Governance Report, which forms part of this Annual Report. The said policy also lays down the criterion for payment of remuneration to Non-Executive Directors and the web-link of the same is https://kewalkiran.com/wp-content/uploads/2018/12/nomination-policy.pdf

ANNUAL BOARD EVALUATION

The Board has adopted a formal mechanism for evaluating its performance and as well as that of its committee and individual directors, including the chairman of the Board.

The criteria for performance evaluation of the Board include aspects like Board composition and structure effectiveness of Board processes, information and functioning, experience, competencies, etc. 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.

REMUNERATION OF DIRECTORS AND EMPLOYEES

The information required under section 197(12) of the Companies Act, 2013 read with rule 5(2) and 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and forming part of the Directors' report for the year ended March 31, 2021 and the prescribed particulars of employees required under Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are attached as '**Annexure-IV**' and forms part of this report.

Save and except the relation between the Executive Directors inter se (the executive directors are brothers) none of the employees listed in the said annexure is a relative of any Director of the company. None of the employees (save and except the Executive Directors) hold (by himself or along with his/her spouse and dependent children) more than two percent of the equity shares of the company.

Directors' Report (Contd.)

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 134(3)(c) read with Section 134(5) of the Companies Act, 2013 with respect to Director's Responsibility Statement, it is hereby confirmed that:

(a) in the preparation of the annual accounts for the financial year ended March 31, 2021, the applicable accounting standards had been followed along with proper explanation relating to material departures;

(b) 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, 2021 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.

INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

Your Company has an Internal Control system, commensurate with the size, scale and complexity of its operations. The Internal Auditors monitor and evaluate 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 Auditors, 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.

Your Board has also reviewed the Internal Processes, System and the Internal Financial Control and the Directors' Responsibility Statement contain a confirmation as regards adequacy of the Internal Financial Controls.

Details of Internal Financial Controls and its adequacy are included in the Management Discussion and Analysis Report ('MDAR') which forms part of this Report.

AUDITORS

The Members of the Company in the 26th Annual General Meeting held on September 7, 2017 had appointed M/s. Khimji Kunverji & Co. LLP, (previously known as Khimji Kunverji & Co.) Chartered Accountants, (Firm Registration No.: 105146W) as the Statutory Auditors of the Company for a period of five years i.e. to hold office from the conclusion of 26th Annual General Meeting till the conclusion of the 31st Annual General Meeting of the Company to be held in the year 2022.

AUDIT REPORT

There are no Qualification or Adverse Remark in the Auditors report which require any explanation from the Board of Directors. The Auditors Report on financial statements forming part of this Annual Report is self-explanatory and do not call for any further comments. During the year under review, no frauds were reported by the auditor under section 143(12) of Companies Act, 2013.

DEPOSITS

The Company has not accepted any public deposits within the meaning of Section 73 and 74 of the Companies Act, 2013 read with Companies (Acceptance of Deposit) Rules, 2014 during Financial Year 2020-21.

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

Your Company has not given any loans or guarantee during the financial year 2020-21. The acquisitions of securities of any other body corporate are within the limit specified u/s 186 of the Companies Act, 2013. The details of the same are given in the notes to financial statements.

RELATED PARTY TRANSACTIONS

Suitable disclosure as required by the Accounting Standard (AS-24) 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 the Companies Act, 2013 is given in **Annexure – II.**

There were no material related party transaction during the year under review with Promoters, Directors or Key Managerial Personnel which may have potential conflict of interest with the company at large. 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. A statement of all Related Party Transactions is placed before Audit Committee for its review on a quarterly basis, specifying the nature, value and terms and conditions of the transactions 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 Policy is https://kewalkiran.com/wp-content/uploads/2019/01/Related-Party-Transaction-Policy.pdf

Directors' Report (Contd.)

CORPORATE SOCIAL RESPONSIBILITY (CSR) REPORT

The Corporate Social Responsibility Committee has formulated and recommended to the Board a Corporate Social Responsibility Policy of the Company 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 https://kewalkiran.com/wp-content/uploads/2018/12/CSR-policy.pdf

The report on Corporate Social Responsibility initiatives as required under Companies (Corporate Social Responsibility Policy) Rules, 2014 is given as **Annexure-V.**

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The details of conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 is given as **Annexure I.**

RISK MANAGEMENT

Your Company has 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 organisation 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.

The Committee has adopted a Risk Management Policy in accordance with Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 which has been approved by Board of Directors.

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

VIGIL MECHANISM / WHISTLE BLOWER 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, your company has put an even greater emphasis to address this risk.

To meet this objective your company has adopted a Whistle Blower Policy establishing Vigil Mechanism to provide a formal mechanism to the Directors and employees to report their concern about unethical behavior, actual or suspect fraud or violation of the Company's Code of Conduct or ethics policy. The Policy provides for adequate safeguards against victimisation of employee who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee.

It is affirmed that no personnel of the company have been denied access to the Audit Committee in the Financial Year 2020-21.

The Policy on whistle blower/ vigil mechanism may be accessed on the Company website at https://kewalkiran.com/wp-content/uploads/2019/01/Whistle-Blower-Policy.pdf

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS

There are no significant and/or material orders passed by the Regulators or Courts or Tribunal which would impact the going concern status of the Company and its future operation.

SECRETARIAL AUDIT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with rule 9 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, 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 III** and forms an integral part of this report.

There are no Qualification, Reservation or Adverse Remark in the Secretarial Audit report which require any explanation from the Board of Directors.

SECRETARIAL STANDARDS

The company has complied with all applicable Secretarial Standards issued by Institute of Company Secretaries of India on Meetings of Board of Directors, General Meeting, Dividend and The Board's Report.

EXTRACT OF ANNUAL RETURN

Pursuant to amendment to Section 92 of the Act read with the Rule 12 of Companies (Management and Administration) Rules, 2014, the Company is not required to provide extract of Annual Return (Form MGT-9) as part of the Board's Report. Annual Return as at March 31, 2021 is available on the weblink https://kewalkiran.com/wp-content/uploads/2021/08/Form_MGT_7-.pdf

ENVIRONMENT AND SAFETY

Your Company is conscious of the importance of environmentally clean and safe operations. Your Company's policy requires conduct of operations in such a manner, so as to ensure safety of all concerned, compliances with environmental regulations and preservation of natural resources. The Company provides a safe and healthy workplace focussing on creating right safety culture across the organisation and aims to achieve ultimate goal of zero injuries to all its employees and all stakeholders associated with the Company's operations.

MAINTENANCE OF COST RECORD

The Company is not required to maintain cost record as specified by the Central Government under section 148(1) of the Companies Act, 2013.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

A detailed review of Industry Structure and Developments, Internal Control System, Risk and Concern, operations, performance and future outlook of the company is given separately under the head Management Discussion and Analysis Report as stipulated under Regulation 34(2)(e) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and forms a part of this Annual Report.

Directors' Report (Contd.)

CORPORATE GOVERNANCE

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

The report on Corporate Governance as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 forms a part of the Annual Report.

The requisite certificate from the Auditors, M/s. Khimji Kunverji & Co. LLP, (previously known as Khimji Kunverji & Co), Chartered Accountants confirming the compliance of conditions of Corporate Governance as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 forms a part of this report.

DISCLOSURES PERTAINING TO THE SEXUAL HARASSMENT OF WOMEN AT THE WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The company has in place a Policy for prevention of Sexual Harassment at the Workplace in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & 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.

The following is a summary of sexual harassment complaints received and disposed of during the year:

(a) Number of complaints pending at the beginning of the year; 0

(b) Number of complaints received during the year: 0

(c) Number of complaints disposed of during the year: Not Applicable

(d) Number of cases pending at the end of the year: Not Applicable

ACKNOWLEDGEMENTS

The Board 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

Place: Mumbai
Date: July 29, 2021

ANNEXURE I

A. CONSERVATION OF ENERGY

Your company had taken 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. Whereever 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, wherever 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 optimise 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, e.g. tumble driers, washers, steam irons, etc. This enabled high productivity of the equipment.

6. Improving efficiency of driers, ashers, 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 washer's steam usage was restricted to those cycles where temperature required was 90^{0}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 minimised and plant productivity improved.

Directors' Report (Contd.)

UTILISING ALTERNATE SOURCES OF ENERGY
The Company already has a 600 KW Wind 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.

The capital investment on energy conservation equipment is estimated as approx. ₹ 5,00,000/-

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:

FOB Value earned	₹ 48,075,000/-
Total Foreign Exchange outgo	₹ 24,324,000/-

ANNEXURE II

Particulars of Contracts/Arrangement with related parties

FORM NO. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014)

This form pertains to the 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 arm's length transactions under the third proviso thereto

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

A. Leave and License of premises owned by the 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, Mr. Hemant P. Jain is the Joint Managing Director, Mr. Dinesh P. Jain and Mr. Vikas P. Jain are Wholetime Directors of the Company. Mrs. Shantaben P. Jain is one of the promoters of the company and 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 – Leave and license of premises 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, 2019 to August 31, 2024.

(d) Salient terms of the contracts or arrangements or transactions including the value, if any - Leave and license of premises as detailed below:-

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);

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);

c. Premises being Unit No. A-3, Synthofine Estate, Opp Virwani Industrial Estate, Goregaon (East), Mumbai – 400 063 from Mr. Hemant P. Jain, Joint Managing Director on monthly rent of ₹ 23,000/-(Rupees Twenty Three Thousand only) ;

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);

e. Premises being Unit No. A-5, 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 ₹ 23,000/-(Rupees Twenty Three Thousand only) ;

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, Joint Managing Director on monthly rent of ₹ 18,000/-(Rupees Eighteen Thousand only) ;

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, Joint Managing Director on monthly rent of ₹ 25,300/- (Rupees Twenty Five Thousand Three Hundred only);

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 ₹ 25,300/- (Rupees Twenty Five Thousand Three Hundred only);

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, Joint Managing 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);

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)

(e) Justification for entering into such contracts or arrangements or transactions – A few premises are used by the company for operating its stitching units and a few other premises are used by the company to operate a retail outlet. The licensee fee for the said premises is lower than the ongoing market rent.

(f) Date(s) of approval by the Board – July 24, 2019

(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 – NA

B. Remuneration paid to Mr. Pankaj K. Jain, 'President – Retail' being relative of the Executive Director

a. Name(s) of the related party and nature of relationship: Mr. Pankaj K. Jain is the son of Mr. Kewalchand P. Jain, Chairman and Managing Director of the Company.

b. Nature of contracts/ arrangements/ transactions – Employment with the company in the capacity of an employee

c. Duration of the contracts/ arrangements/ transactions – From May 1, 2017

d. Salient terms of the contracts or arrangements or transactions including the value, if any – Annual CTC of ₹ 28,00,000/-

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 –April 25, 2017

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 – NA

C. Remuneration paid to Mr. Hitendra H. Jain, 'President – Addictions' being relative of the Executive Director

a. Name(s) of the related party and nature of relationship: Mr. Hitendra H. Jain is the son of Mr. Hemant P. Jain, Joint Managing Director of the Company

b. Nature of contracts/ arrangements/ transactions – Employment with the company in the capacity of an employee

c. Duration of the contracts/ arrangements/ transactions – from May 1, 2017

d. Salient terms of the contracts or arrangements or transactions including the value, if any – Annual CTC of ₹ 24,00,000/-

e. Justification for entering into such contracts or arrangements or transactions – Mr. Jain holds a Masters of Science in International Business from the Leeds 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 –April 25, 2017

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 – NA

D. Remuneration paid to Mr. Yash V. Jain, 'Manager - Sales' being relative of the Executive Director

a. Name(s) of the related party and nature of relationship: Mr. Yash V. Jain is the son of Mr. Vikas P. Jain, Wholetime Director of the Company

b. Nature of contracts/ arrangements/ transactions – Employment with the company in the capacity of an employee

c. Duration of the contracts/ arrangements/ transactions – from November 1, 2018

d. Salient terms of the contracts or arrangements or transactions including the value, if any – Annual CTC of ₹ 5,00,008/-

e. Justification for entering into such contracts or arrangements or transactions – Mr. Jain holds a degree of Bachelor in Management Studies from the University of Mumbai and has also perceived Executive Education Programme from London School of Business and Finance and the company will be benefited with his expertise.

f. Date(s) of approval by the Board – October 25, 2018

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 – NA

E. Remuneration paid to Mr. Jai D. Jain, 'Manager – Production and development' being relative of the Executive Director

a. Name(s) of the related party and nature of relationship: Mr. Jai D. Jain is the son of Mr. Dinesh P. Jain, Wholetime Director of the Company

b. Nature of contracts/ arrangements/ transactions – Employment with the company in the capacity of an employee

c. Duration of the contracts/ arrangements/ transactions – from November 1, 2018

d. Salient terms of the contracts or arrangements or transactions including the value, if any – Annual CTC of ₹ 5,00,008/-

e. Justification for entering into such contracts or arrangements or transactions – Mr. Jain holds a degree of Bachelor in Commerce from the University of Mumbai and the company will be benefited with his expertise.

f. Date(s) of approval by the Board – October 25, 2018

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 – NA

F. Remuneration paid to Ms. Nami D. Jain, 'Manager - HR' being relative of the Executive Director

a. Name(s) of the related party and nature of relationship: Ms. Nami D. Jain is the daughter of Mr. Dinesh P. Jain, Wholetime Director of the Company

b. Nature of contracts/ arrangements/ transactions – Employment with the company in the capacity of an employee

c. Duration of the contracts/ arrangements/ transactions – from February 1, 2020

d. Salient terms of the contracts or arrangements or transactions including the value, if any – Annual CTC of ₹ 5,00,008/-

e. Justification for entering into such contracts or arrangements or transactions – Ms. Jain holds a degree of Bachelor in Management Studies from University of Mumbai. Ms. Jain has done Management of Business Administration (MBA) from Welingkar Institute and the company will be benefited with her expertise.

f. Date(s) of approval by the Board – January 28, 2020.

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 – NA

G. Remuneration paid to Ms. Krushika D. Jain, 'Manager - Production' being relative of the Executive Director

a. Name(s) of the related party and nature of relationship: Ms. Krushika D. Jain is the daughter of Mr. Dinesh P. Jain, Wholetime Director of the Company

Directors' Report (Contd.)

b. Nature of contracts/ arrangements/ transactions – Employment with the company in the capacity of an employee

c. Duration of the contracts/ arrangements/ transactions – from February 1, 2020 to November 30, 2020

d. Salient terms of the contracts or arrangements or transactions including the value, if any – Annual CTC of ₹ 5,00,008/-

e. Justification for entering into such contracts or arrangements or transactions – Ms. Jain is a Bachelor in Commerce from the University of Mumbai and also Bachelor in Law (LLB) from the University of Mumbai

f. Date(s) of approval by the Board – January 28, 2020.

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 – NA

H. Professional fees Payment to Bansi S. Mehta & Co.

(a) Name(s) of the related party and nature of relationship: M/s Bansi S. Mehta & Co., Chartered Accountants. Mr. Yogesh Thar and Ms. Drushti Desai Non Executive Independent Directors are partners of M/s. Bansi S. Mehta & Co.

(b) Nature of contracts/ arrangements/ transactions – Professional fees.

(c) Duration of the contracts/ arrangements/ transactions – Payment of professional fees from time to time upto an amount not exceeding ₹ 5,00,000/-.

(d) Salient terms of the contracts or arrangements or transactions including the value, if any – To pay professional fees to M/s. Bansi S. Mehta & Co. from time to time for an amount not exceeding ₹ 5,00,000/- to represent the company in income tax matters. Out of the said amount the company has paid an amount of ₹ 3,95,000/- till date and the same was paid during the financial year 2020-21.

(e) Justification for entering into such contracts or arrangements or transactions – M/s. Bansi S. Mehta & Co. Chartered Accountants have an extensive experience in income tax matters and the company is benifited by their advice/ representation from time and time.

(f) Date(s) of approval by the Board – January 23, 2019

(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 – NA

2. Details of contracts or arrangements or transactions at arm's length basis – Nil

ANNEXURE III

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2021

Pursuant to section 204(1) of the Companies Act, 2013 and rule No.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** [CIN: L18101MH1992PLC065136] (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 authorised 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, 2021 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, 2021, 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 provisions of the Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment.

   (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992:

      a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, to the extent applicable;

      b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, to the extent applicable.

      c. Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, to the extent applicable.

II. We further report that the Company has complied with the Secretarial Standards issued by The Institute of Company Secretaries of India.

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

IV. We have relied on the representation made by the Company and its officers, and state that there are no other laws, rules / regulations specifically applicable to the industry under which the Company operates.

V. The following Regulations and Guidelines prescribed under The Securities and Exchange Board of India Act, 1992 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 (Share Based Employee Benefits) Regulations, 2014;

   c. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

Directors' Report (Contd.)

d. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the 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.

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

VII. 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.

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 year under review.

VIII. 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.

IX. We further report that during the audit period, there has not been any specific events / actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines etc.

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

Ummedmal P. Jain
Proprietor
FCS-3735, CP-2235
UDIN: F003735C000703676

Place: Mumbai
Date: July 29, 2021

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

(To the Secretarial Audit Report of KEWAL KIRAN CLOTHING LIMITED
for the financial year ended March 31, 2021)

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 material 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.

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

Ummedmal P. Jain
Proprietor
FCS-3735, CP-2235
UDIN: F003735C000703676

Place: Mumbai
Date: July 29, 2021

Directors' Report (Contd.)

ANNEXURE IV

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 MANAGERIAL PERSONNEL) RULES, 2014

(i) The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2020-21 and the percentage increase in the remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2020-21 are as under: -

Sr. No	Name of Director/ KMP and Designation	Remuneration of the Director/ KMP for the financial year 2020-21 (In Rupees)	% increase in remuneration in the financial year 2020-21	Ratio of remuneration of each Director to median remuneration of employees
1.	Mr. Kewalchand P. Jain, Chairman & Managing Director	4,750,203	Nil	26: 1
2	Mr. Hemant P. Jain, Joint Managing Director	4,750,996	Nil	26: 1
3	Mr. Dinesh P. Jain, Whole Time Director	4,750,996	Nil	26: 1
4	Mr. Vikas P. Jain, Whole Time Director	4,750,996	Nil	26: 1
5	Mr. Bhavin Sheth, Chief Financial Officer	4,353,769	Nil	24: 1
6	Mr. Abhijit Warange, Company Secretary	3,380,745	Nil	18: 1

Notes:

Gross remuneration figures are based on Cost to Company (CTC) and does not include gratuity to be paid at the time of separation or retirement from services.

The Non-Executive Independent Directors are paid only sitting fees which is not considered as remuneration.

(ii) The Median remuneration of employees of the company during the financial year was ₹ 1.83 Lakhs. (Excluding CTC of Directors and KMP)

(iii) In the financial year, there was decrease of 34% in the median remuneration of the employees.

(iv) There were 1777 permanent employees including Piece rate employees on the rolls of company as on March 31, 2021.

(v) Average percentage decrease made in the salaries of the employees (excluding wages) other than Key Managerial Personnel(s) in the financial year 2020-21 was 33.41% whereas, the decrease in Key Managerial remuneration was 26.34%.

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

COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

A. Name of top 10 employees in terms of remuneration drawn:

Sr. 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	59	January 30, 1992	37	4,750,203	Kewal Kiran & Co/Partners
2	Hemant P. Jain	Joint Managing Director	Permanent	Marketing - Killer & Easies	Under Graduate	57	January 30, 1992	35	4,750,996	Kewal Kiran & Co/Partner
3	Dinesh P. Jain	Wholetime Director	Permanent	Production	Under Graduate	52	October 2, 1997	30	4,750,996	Kewal Kiran & Co/Partner
4	Vikas P. Jain	Wholetime Director	Permanent	Marketing- Lawman Integriti & K-Lounge Stores	B. Com	50	October 2, 1997	27	4,750,996	N.A
5	Lakhbir Singh	Brand Head - Killer	Permanent	End to End operations of Killer brand	1. B. Com 2. M. Com 3. M.B.A. 4. M. Phil	41	September 21, 2018	19	48,55,147	Royal Classic Group (Classic Polo) – Business Head
6	Bhavin Sheth	Chief Financial Officer	Permanent	Financial Operations & Control	1.B. Com 2.C.A. 3.D.I.S.A.	44	January 15, 2016	22	43,53,769	GTL Limited – Joint CFO
7	Himanshu Pant	Brand Head – Lawman Pg3 & Integriti	Permanent	End to End operations of Lawman Pg3 & Integriti brand	1. B. A 2. M. A	54	April 11, 2019	28	38,83,170	Pepe Jeans – Assistant General Manager - Distribution
8	Abhijit Warange	Vice President – Legal and Company Secretary	Permanent	Legal and Secretarial	1.B. Com 2.C.S. 3.L.L.B	42	November 1, 2009	19	33,80,745	Zodiac Clothing – Assistant Manager – Secretarial
9	Nimesh Anandpara	Deputy General Manager	Permanent	Financial Operations	1.B. Com 2.C.A.	38	January 7, 2008	18	28,29,084	Shruti Shah & Co – Audit and Taxation Manager
10	Ashish Barodia	Head Operations – Easies	Permanent	End to End operations of Easies brand	1.Diploma in Mechanical Engineering 2. M.B.A.- Marketing	47	April 1, 2014	28	24,90,558	K.G. Denim- General Manager – Apparel Division

Note:-

- Mr. Kewalchand P. Jain, Mr. Hemant P. Jain, Mr. Dinesh P. Jain and Mr. Vikas P. Jain are brothers. Save and except Mr. Kewalchand P. Jain, Mr. Hemant P. Jain, Mr. Dinesh P. Jain and Mr. Vikas P. Jain none of the other employees' aforesaid hold equity shares in the company either individually or together with their spouse or dependent children exceding two percent of the total equity shares. The details of the shareholding of Mr. Kewalchand P. Jain, Mr. Hemant P. Jain, Mr. Dinesh P. Jain and Mr. Vikas P. Jain are detailed in the Corporate Governance Report which forms a part of the Annual Report.
- Gross Remuneration figures are based on Cost to Company (CTC) as on 31st March 2021 and does not include gratuity to be paid at the time of separation or retirement from service.

Directors' Report (Contd.)

ANNEXURE V

CORPORATE SOCIAL RESPONSIBILITY REPORT

1. **Brief outline on CSR Policy of the Company.**

Social and Environmental responsibility has always been at the forefront of Kewal Kiran Clothing Limited's operating philosophy and as a result the Company consistently contributes to socially responsible activities. Corporate Social Responsibility (CSR) at Kewal Kiran Clothing Limited 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 organisation 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. Kewal Kiran Clothing Limited'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 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.

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation/Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. Nimish G. Pandya	Non Executive -Independent Director	1	1
2.	Mr. Kewalchand P. Jain	Director	1	1
3.	Mr. Hemant P. Jain	Director	1	1

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company: https://kewalkiran.com/wp-content/uploads/2021/08/CSR.pdf

4.	Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report).	Not Applicable
5.	Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 And amount required for set off for the financial year, if any	Not Applicable
6.	Average net profit of the company as per section 135(5).	91,14,16,932/-
7.	(a) Two percent of average net profit of the company as per section 135(5)	1,82,28,339/-
	i. Surplus arising out of the CSR projects or programmes or activities of the previous financial years.	NIL
	ii. Amount required to be set off for the financial year, if any	NIL
	iii. Total CSR obligation for the financial year (7a+7b-7c).	1,82,28,339/-

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
1,84,31,000/-	N.A	N.A	N.A	N.A	N.A

(b) Details of CSR amount spent against **ongoing projects** for the financial year: Not Applicable

(c) Details of CSR amount spent against other than **ongoing projects** for the financial year:

(1) Sl. No.	(2) Name of the Project	(3) Item from the list of activities in schedule VII to the Act.	(4) Local area (Yes/ No).	(5) Location of the project. State.	District.	(6) Amount spent for the project (in ₹).	(7) Mode of implementation -Direct (Yes/ No).	(8) Mode of implementation – Through implementing agency. Name.	CSR registration number.
1.	N.A	Promoting Health care including Preventive Health care	No	Rajasthan	Sadri	1,67,00,000/-	No	Smt. Jatnobai Karamchandji Ratanparia Chouhan Charitable Trust	CSR00005369
2.	N.A	Promoting Education for children	Yes	Maharashtra	Mumbai	8,00,000/-	No	Lord Gautam Charitable Trust	–
3.	N.A	Rehabilitate sick and needy animals	Yes	Maharashtra	Mumbai	3,00,000/-	No	People for Animals	–
4.	N.A	Promoting Training for children	Yes	Maharashtra	Mumbai	2,00,000/-	No	JITO Administrative Trading Foundation	–
5.	N.A	Promoting Education for children	Yes	Maharashtra	Mumbai	2,00,000/-	No	Prabhodan Trust	–
6.	N.A	Promoting Health care including preventive health care	Yes	Maharashtra	Mumbai	2,31,000/-	No	Lifeline	–

(d) Amount spent in Administrative Overheads NIL

(e) Amount spent on Impact Assessment, if applicable. N.A

(f) Total amount spent for the Financial Year (8b+8c+8d+8e) ₹ 1,84,31,000/-

(g) Excess amount for set off, if any:

Sl. No.	Particular	Amount (in ₹)
(i)	Two percent of average net profit of the company as per section 135(5)	1,82,28,339/-
(ii)	Total amount spent for the Financial Year	1,84,31,000/-
(iii)	Excess amount spent for the financial year [(ii)-(i)]	2,02,661/-
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NIL
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	2,02,661/-

9. (a) Details of Unspent CSR amount for the preceding three financial years: NIL

(b) Details of CSR amount spent in the financial year for **ongoing projects** of the preceding financial year(s): Not Applicable

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year - Not Applicable.

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5). Not Applicable

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

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

Business Responsibility Report

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

No.	Particulars	Company Information
1	Corporate Identity Number (CIN) of the Company	L18101MH1992PLC065136
2	Name of the Company	Kewal Kiran Clothing Limited
3	Registered address	Kewal Kiran Estate, 460/7, I.B. Patel Road, Near Western Express Highway, Goregoan(East) Mumbai: 400063
4	Website	http://www.kewalkiran.com/
5	E-mail id	abhijit.warange@kewalkiran.com
6	Financial Year reported	Year ended on March 31, 2021 (FY21)
7	Sector(s) that the Company is engaged in (industrial activity code-wise)	Apparels- NIC code 141- Manufacturing of wearing apparels, except fur apparels
8	List three key products/services that the Company manufactures/ provides (as in balance sheet)	Product includes Garment under its 5 iconic brands i.e. Killer, Easies, LawmanPg3, Integriti, and Desi Belle and also extensive range of branded Lifestyle Accessories
9	Total number of locations where business activity is undertaken by the Company	
9.1	Number of International Locations	KKCL does not have any manufacturing unit outside India
9.2	Number of National Locations	Manufacturing facilities at Vapi, Daman and Mumbai
10	Markets served by the Company – Local/State/National/ International	Company serves Local, State, National & International markets

SECTION B: FINANCIAL DETAILS OF THE COMPANY

No.	Particulars	Company Information
1	Paid up Capital (₹)	1232.50 lakhs (12,325,037 equity shares of ₹ 10 each)
2	Total Turnover (₹)	₹ 30272.96 lakhs
3	Total profit after taxes (₹)	₹ 1942.20 lakhs
4	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	₹ 184.31 lakhs (9.48%)
5	List of activities in which expenditure in 4 above has been incurred	Education for needy People
		Promoting Health care
		Rehabilitate sick and needy animals
		Health care for needy People

Business Responsibility Report (Contd.)

SECTION C: OTHER DETAILS

1. **Does the Company have any Subsidiary Company/ Companies?**
Yes the company have a subsidiary called K-Lounge Lifestyle Limited and it also has an associate company called White Knitwear Private Limited (WKPL).

2. **Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)**
The subsidiary company was incorporated on 25th February, 2021 and was yet to commence business as on 31st March 2021. The company has encouraged its subsidiary company to participate in the BR initiatives of the parent company

3. **Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]**
The company has not mandated any entities e.g. suppliers, distributors etc. of the Company for participating in the BR initiatives of the Company. However going forward company will encourage them to adopt BR initiatives of the company.

SECTION D: BUSINESS RESPONSIBILITY (BR) INFORMATION

1. **Details of Director/Directors responsible for BR**

a. **Details of the Director/Directors responsible for implementation of the BR policy/policies**

No.	Particulars	Company Information
1	DIN Number	00029730
2	Name	Kewalchand Pukhraj Jain
3	Designation	Chairman and Managing Director

b. **Details of BR head:**

No.	Particulars	Company Information
1	DIN Number	00029730
2	Name	Kewalchand Pukhraj Jain
3	Designation	Chairman and Managing Director
4	Telephone number	022-26814400
5	e-mail id	kewaljain@kewalkiran.com

2. **Principle-wise (as per National Voluntary Guidelines (NVGs) Business Responsibility Policy/policies**
Principle 1: Ethics, Transparency and Accountability [P1]

Principle 2: Products Lifecycle Sustainability [P2]

Principle 3: Employees' Well-being [P3]

Principle 4: Stakeholder Engagement [P4]

Principle 5: Human Rights [P5]

Principle 6: Environment [P6]

Principle 7: Policy Advocacy [P7]

Principle 8: Inclusive Growth [P8]

Principle 9: Customer Value [P9]

a. The response regarding the above 9 principles (P1 to P9) is given below

No.	Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
1	Do you have a policy/ policies for....	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Does the policy conform to any national / international standards? If yes, specify?	All the policies are compliant with respective principles of NVG guidelines								
4	Has the policy being approved by the Board?	Y	Y	Y	Y	Y	Y	Y	Y	Y
	Is yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
5	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6	Indicate the link for the policy to be viewed online?	http://www.kewalkiran.com/policies/								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Yes. All policies are communicated to internal stakeholders and are available on internal network. Policies applicable to external stakeholders are available on the Company's website								
8	Does the company have in-house structure to implement the policy/policies?	Yes. There is an in-house structure which clearly defines roles and responsibilities that are periodically reviewed.								
9	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10	Has the Company carried out independent audit/evaluation of the working of this policy by an internal or external agency?	While the company has not carried out independent audit of the policies, the internal audit function periodically looks at the implementation of the policies.								

b. If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

No.	Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
1	The company has not understood the Principles	Not applicable								
2	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
3	The company does not have financial or manpower resources available for the task									
4	It is planned to be done within next 6 months									
5	It is planned to be done within the next 1 year									
6	Any other reason (please specify)									

3. Governance related to Business Responsibility (BR):

No.	Questions	Information
1	Frequency of review, by the BR Committee to assess the BR performance. Within 3 months, 3-6 months, Annually, More than 1 year	The management of the company periodically accesses the BR performance of the company
2	Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?	This is the Fourth Business Report of the company and the company would publish BRR annually (as applicable for top 1000 companies)

SECTION E: PRINCIPLE-WISE PERFORMANCE

Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability

Business with ethics evokes the feeling of trust in the minds of its stakeholders. At Kewal Kiran Clothing Limited (KKCL), we have always traversed the ethical growth path guided by a principled leadership team, robust governance mechanisms and transparent accounting platforms. This has helped us to boost shareholder trust, gain competitive advantage as well as remain responsible towards our employees, our communities and the environment.

Business Responsibility Report (Contd.)

To ensure that these principles translate into consistent practice, the below enablers lead us towards high standards of business conduct.

a. **Whistle Blower Policy** – to provide an avenue for directors and employees to inform about any wrongdoing in the company and reassurance that they will be protected from reprisals or victimization for whistle blowing.

b. **Policy for Determining Materiality of Events and Information** – The objective of this Policy is: (a) to ensure disclosure of any event or information which, pursuant to SEBI regulations is material, (b) to determine whether an event or information is material or not, and (c) to ensure timely, accurate, uniform and transparent disclosure.

c. **Code of Conduct for Directors and Senior Management** – to ensure, interalia, protection of confidential information, preventing conflict of interest, ensuring that anti-bribery and corruption laws are complied with, and ensure compliance with all the applicable laws, regulations and Company's policies.

d. **Company's Code of Conduct on (prevention of) Insider Trading** – in order to protect the interest of investors, the company has mechanism to prevent insider trading and protect unpublished price sensitive information (UPSI).

e. **Policy on prevention of sexual harassment** – the Company has instituted processes and mechanisms to ensure that issues relating to sexual harassment are effectively addressed. In terms of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, Internal Complaints Committees (ICC) has been constituted. These Committees are intended to facilitate open and structured discussions on sexual harassment complaints and to ensure their resolution in a fair and justified manner. All employees (permanent, contractual, temporary, trainees) are covered under this policy. During the year under review, there were no complaints reported to the ICC.

f. **Anti-bribery and anti-corruption policy** – KKCL is committed to the prevention, deterrence and detection of fraud, bribery and all other corrupt and unethical business practices. It is our policy to conduct our business activities with honesty, integrity and the highest possible ethical standards while vigorously enforcing our business practice of not engaging in bribery or corruption across our operations.

Information with reference to BRR framework:

No.	Questions	Information
1.1	Does the policy relating to ethics, bribery and corruption cover only the Company? Yes/ No. Does it extend to the Group/ Joint Ventures/ Suppliers/Contractors/ NGOs /Others?	The Code of Conduct of KKCL provides guidelines on ethics, bribery and corruption. It is binding to all KKCL senior management and employees. The guidelines are also communicated to most of our key associates to encourage fair practices in all activities.
1.2	How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.	No complaints were received/pending in respect of sexual harassment and/or bribery and/or corruption and/or insider traiding.

Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

The Company's strategic intent to create enduring value by investing in its strong and competitive capabilities in R&D, innovation and technology and an array of institutional strengths including deep consumer insights, brand building capability, trade marketing and distribution infrastructure, focus on quality and world-class manufacturing practices, strong rural linkages and outstanding human resources.

The Company endeavours to embed the principles of sustainability, as far as practicable, into the various stages of product or service life-cycle. This involves an end-to-end analysis of the product, taking into account

all raw materials, transport, production processes, usage and disposal of the product.

The company has continuously achieved reduction in specific energy consumption, and increased share of renewable energy sources.

Environment, Health and Safety – the company has consciously followed the importance of environmentally clean and safe operations. Our policy requires conduct of operations in such a manner, so as to ensure safety of all concerned, compliances with environmental regulations and preservation of natural resources. The Company provides a safe and healthy workplace focussing on creating right safety culture across the organisation and aims to achieve ultimate goal of zero injuries to all its employees and all stakeholders associated with the Company's operations.

Waste Management – The principles underlying waste separation are:

- to reduce the volume of hazardous waste,
- to maintain safety standards during handling, transportation and treatment,
- to eliminate the need for waste separation at disposal sites, and
- to facilitate the recycling process.

Information with reference to BRR framework:

No.	Questions	Information
2.1	List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/ or opportunities.	Although the company has not designed any product taking into concern socio-environment factors however it has made efforts to reduce carbon footprints by taking several measures and used alternate sources of energy effectively and also taken utmost care to produce quality products.
2.2	Does the company have procedures in place for sustainable sourcing (including transportation)?	The company doesn't have prescribed mechanism for sustainable sourcing however it endeavours to source the raw materials sustainably.
2.3	Has the company taken any steps to procure goods and services from local and small producers, including communities surrounding their place of work?	The company as of now is not procuring any goods and services from the local communities although it is constantly working for the capacity development of the surrounding coterie.
2.4	Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste	The Company has always strived to reduce waste associated with its products and try to recycle it as far as possible.

Principle 3: Businesses should promote the wellbeing of all employees

Physical health and fitness are important elements of employee well-being and to facilitate this, the company arranged several programs to make the employees' health and fitness cautious. The Company had organized a Covid- 19 Vaccination drive for the employees.

Protection of employees from employment injury is a major continuing objective. We continue to enhance safety and security at the workplace by prescribing policies and procedures, creating awareness and imparting trainings.

We proudly say that our office environment is free from harassment of any nature. We had undertaken several measures for creating awareness through POSH and other Training programmes for the employees, managers and ICC officer members to educate and equip them to effective handle any such untoward situation, if any in the company.

A zero-tolerance approach is adopted towards issues concerning discrimination on the grounds of race, religion, gender, age, sexual or any disability.

Company always emphasis on 'Knowledge' as a key differentiator, wherein we undertake continuous efforts for creating an environment of continuous learning which equips employees with knowledge and skills aligned to the Company's strategic objectives and business goals.

We never miss any single opportunity of enjoying the festivals and special days at KKCL family. We organize fun-centric activities and contest on various occasions such as Diwali, Dussehra, X-mas, Rakshabandhan, Women's Day etc. to boost the employee morale and enhancing bonding between cross functional teams.

Business Responsibility Report (Contd.)

Information with reference to BRR framework:

No.	Questions	Information
3.1	Please indicate the Total number of employees.	1777
3.2	Please indicate the Total number of employees hired on temporary/contractual/casual basis.	1321
3.3	Please indicate the Number of permanent women employees.	235
3.4	Please indicate the Number of permanent employees with disabilities	None
3.5	Do you have an employee association that is recognized by management.	None
3.6	What percentage of your permanent employees is members of this recognized employee association?	Not applicable

3.7. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.

No.	Category	No of complaints filed during the financial year	No of complaints pending as on end of the financial year
3.7.1	Child labour/forced labour	Nil	Nil
3.7.2	Involuntary labour	Nil	Nil
3.7.3	Sexual harassment	Nil	Nil
3.7.4	Discriminatory employment	Nil	Nil

3.8. What percentage of your under mentioned employees were given safety & skill up- gradation training in the last year?

No.	Employee Categories	% trained on Safety & Skill up-gradation
a	Permanent employees	50%
b	Permanent women employees	45%
c	Contract employees	40%
d	Employees with disabilities	Not applicable

Principle 4: Businesses should respect the interests of and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.

We strive hard with passion to meet and set industry benchmarks in our systems and processes to ensure insightful experiences for our stakeholders. 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.

KKCL recognises employees, business associates (network of suppliers, stockists and dealers), customers, shareholders/investors and communities surrounding our operations and regulating authorities as key stakeholders. The Company continues its engagement with them through various mechanisms such as consultations with local communities, supplier/vendor meets, customer/employee satisfaction surveys, investor forums, etc.

The Company consistently contributes to socially responsible activities. Corporate Social Responsibility (CSR) at Kewal Kiran Clothing Limited portrays the deep symbiotic relationship that the group enjoys with the communities it is engaged with.

Information with reference to BRR framework:

4.1 Has the Company mapped its internal and external stakeholders? Yes/No

Yes, the company has mapped its internal and external stakeholders into following categories:

1. Employees and their families,
2. Local community and society,
3. Customers and their families,
4. Investors and Shareholders,
5. Dealers, suppliers and other business partners,
6. Government and Regulators,
7. Environment and regulatory authorities, Financial Institutions and related service providers.

4.2 Out of the above, has the Company identified the disadvantaged, vulnerable & marginalised stakeholders?

As a responsible corporate citizen, we try to contribute for social and environmental causes on a regular basis for the upliftment of the society as a whole.

4.3 **Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalised stakeholders? If so, provide details thereof, in about 50 words or so.**
For socio-economically disadvantaged sections of the society, the Company through it CSR programmes has donated fund to various trust and foundation for CSR activities like Eradicating hunger, poverty and malnutrition, Promoting Health care, Rehabilitated sick and needy animals and Education for needy people.

Beside this the safety of workers is of utmost importance and a culture of safety is brought in, not just for the Company's employees but also for the other stakeholders. The initiatives adapted at all the units resulted in curtailing fatalities to NIL fatality in the last financial year.

Principle 5: Businesses should respect and promote human rights
Human rights are fundamental rights and we adhere to this principle in the most earnest spirit. Confirming our commitment is our Human Rights Policy which spans various principles ranging from freedom of association to freedom from harassment, and applies across our operations.

Not only our intentions, but also our actions are compliant with all the statutory laws and regulations. In the financial year, there were no human rights violation complaints relating either to child, forced and involuntary labour, or sexual harassment /discriminatory employment, against the Company.

KKCL respects and promotes human rights for all individuals. The Company's commitment to human rights and fair treatment is set in its Policy on Human Rights. The policy provides to conduct the operations with honesty, integrity and openness with respect for human rights and interests of employees.

KKCL supports freedom of association and collective bargaining as a part of our commitment to support the fair and equitable treatment of our workers. All workers, regardless of rank or job grade, have the right to form and join trade unions of their choice and to bargain collectively. This approach helps in building, strengthening and sustaining harmonies between employer and the employees.

Information with reference to BRR framework:

No.	Questions	Information
5.1	Does the policy of the Company on human rights cover only the Company or extend to the Group/Joint Ventures/Suppliers/ Contractors/NGOs/Others?	The Company's Anti sexual harassment policy applies to all KKCL employees, customers, vendors, consultants, and anyone else doing business on the company premises, as well as those involved in activities in which company's name is associated.
5.2	How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?	No complaints were received by the company in respect of any kind of sexual harassment and/or discriminatory employment.

Principle 6: Business should respect, protect and make efforts to restore the environment
KKCL has been working systematically to reduce its impact on the Environment. We take seriously our impact on the natural resources in the communities where we operate and have put in place measures to not merely comply with regulations but to responsibly take care of the Planet, preserve its beauty and resources for future generations.

Clean air, fresh water, rich biodiversity and abundant natural resources is imperative to human health and well-being. At KKCL we are aware of the environmental challenges that resource depletion pose and are converting them into business opportunities by taking systematic conservation measures. Reducing our dependence on scarce resources is not only easing the pressure on the planet but also improving our operational cost.

Measures for carbon footprint reduction – the practice of monitoring of the air conditioning equipment was adopted at all the factories, offices which resulted in both improved performance and energy saving. At a number of locations, wherever 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.

Lighting Energy Conservation measures adopted by checking Illumination levels at all locations, excess lights were removed and lights were switched on only when required. Also energy efficient lights were adopted, including the use of LEDs.

The company has saved fuel consumption of factories boilers by Regular Monitoring of the various parameters important for maintaining high efficiency in Boilers.

Improved the efficiency of Driers, Washers, Steam Irons, etc.at the factories by regular monitoring of the various

Business Responsibility Report (Contd.)

parameters important for maintaining high efficiency. In Washers steam usage was restricted to those cycles where temperature required was 90 degree Celsius.

Information with reference to BRR framework:

6.1 **Does the policy related to Principle 6 cover only the company or extends to the Group /Joint Ventures/ Suppliers/Contractors/NGOs/others.**
Many facets of environment protection are embedded in the company's operations as also in its products. The company has not mandated it applicability to its group companies and suppliers although it encourage the adoption of best environmental practises.

6.2 **Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.**
As a responsible corporate citizen, the company is committed to addressing climate change risks in proactive ways and modes. We endorse the precautionary principle towards global warming and climate change and take up various committed initiatives towards resource conservation and preservation. Our initiatives for energy and water conservation have seen increasing efficiencies over the years and our emissions and waste have been in constant check and control.

6.3 **Does the company identify and assess potential environmental risks? Y/N**
The company doesn't have any mechanism regarding assessment of potential environment risks however company has initiated several measures to conserve our fossil fuels consumptions.

6.4 **Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?**
The Company has not undertaken any project related to Clean Development Mechanism however the Company has been working systematically to reduce its impact on the Environment. We take seriously our impact on the natural resources in the communities where we operate and have put in place measures to not merely comply with regulations but to responsibly take care of the Planet, preserve its beauty and resources for future generations.

6.5 **Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc.Y/N. If yes, please give hyperlink for web page etc.**
The company has invested in green energy. Prime amongst them is the investment in generation of wind energy. One of our facilities is dedicated towards harnessing the power of wind to generate energy. The Company has a 600 KW Wind Generator in Gujarat which provides most of the electricity at Company's Vapi Factory.

6.6 **Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?**
Yes, the emissions/ waste generated by the Company are within the permissible limits given by CPCB/SPCB and are reported on periodic basis.

6.7 **Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.**
None

Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

KKCL has representation in national and international industry and trade associations. Some of the trade/ business associations where KKCL is a member are listed below.

1. The Associated Chambers of Commerce and Industries of India
2. Federation of Indian Chambers of Commerce and Industry.
3. All India Association of Industries
4. Retailers Association of India.
5. Indo German Chamber

KKCL hasn't advocated/lobbied through above associations for the advancement or improvement of public good.

Principle 8: Businesses should support inclusive growth and equitable development

We support the principles of inclusive growth and equitable development through our corporate social responsibility initiatives. KKCL believes that social, environmental and economic values are interlinked and we belong to an Interdependent Ecosystem Comprising Shareholders, Consumers, Associates, Employees, Government, Environment and Society. We are committed to ensure a positive impact of our existence on all these stakeholders. It's our continuous endeavour to integrate sustainability considerations in all our business decisions.

Information with reference to BRR framework:

No.	Questions	Information
8.1	Does the company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.	Yes the Company has formulated a well- defined CSR policy, which focuses on issues like Education, health care, environment, rural development, etc.
8.2	Are the programmes/projects undertaken through in-house team/ own foundation/external NGO/government structures/any other organization?	The programmes/ projects are undertaken through in-house teams/ our foundation external NGO to serve areas of community growth and sustainable development.
8.3	Have you done any impact assessment of your initiative?	Yes the Company has conducted in house impact assessment of its CSR initiatives.
8.4	What is your company's direct contribution to community development projects- Amount in ₹ and the details of the projects undertaken.	During the year under review, the Company has spent an amount of ₹ 184.31 lakhs on CSR activities mainly on education, health care, environment, rural development, etc.
8.5	Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.	Yes, Initiatives conducted under the CSR are tracked to determine the outcome achieved and the benefits to the community.

Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner

The Company is committed to providing products and services that offer best-in-class quality and user experience. All businesses of the Company comply with all regulations and relevant voluntary codes concerning marketing communications, including advertising, promotion and sponsorship. The Company's communications are aimed at enabling customers to make informed purchase decisions.

Information with reference to BRR framework:

No.	Questions	Information
9.1	What percentage of customer complaints/consumer cases are pending as on the end of financial year.	No complaints were received/pending against the company regarding unfair trade practise, irresponsible advertsing and/or anti-competative behaviour.
9.2	Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/ No/N.A. /Remarks(additional information)	KKCL adheres to all the applicable regulations regarding product labelling and displays relevant information on it.The product details are also given on the website of the Company.
9.3	Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year.	None
9.4	Did your company carry out any consumer survey/ consumer satisfaction trends?	The company maintains visitor's books for comments, suggestions, and complaints and it reviews consumer feedbacks periodically.

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. Your company believes that Corporate Governance is not an end in itself but a catalyst in the process towards maximization of stakeholder value. Your 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 your 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 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 provide for stricter disclosure and protection of investor rights by listed entities. The regulations 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 frame work has helped us be aligned with the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. 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 practices. The Board thus overseas your company's management functions and protects the long term interest of our stakeholders.

In so far as compliance of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is concerned, your company has complied in all material respects with the requirements of Corporate Governance specified in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Your Company continues to undertake the Audit of its secretarial records by Practicing Company Secretary in respect of compliance with the applicable provision of Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the applicable regulations and guidelines issued by Securities and Exchange Board of India. A copy of the Secretarial Audit Report for the period under review is a part of the Annual Report.

II. BOARD OF DIRECTORS

Composition of the Board: –

The Board of Directors along with its Committees provides leadership and guidance to your Company's management as also direct, supervise and control the performance of the Company.

The Board of Directors of your company has an optimum combination of Executive and Non Executive Directors. As at March 31, 2021 the Board of Directors comprise of 8 Directors of which 4 are Independent Non-executive Directors including 1 Woman Director. The Executive Directors of your company have more than two decades of hands on experience in manufacturing and retailing of branded apparels. 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.

None of the Director on the Company's Board is a Member of more than ten (10) Committees and Chairman of more than five (5) Committees (Committees being Audit Committee and Stakeholder Relationship Committee) across all the public limited companies in which he/she is a Director. All the Directors have made necessary disclosures regarding Committee position held by them in other Companies and do not hold the office of Director in more than twenty (20) companies, including ten (10) public companies. None of the Non-Executive Independent Director is acting as an Independent Director in more than seven (7) listed entities. None of the Non-Executive Independent Director who is serving as a Whole time Director in a listed entity is acting as an Independent Director in more than three (3) listed entities.

The composition of the Board and other relevant details relating to Directors as on March 31, 2021 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	9	1
Mr. Hemant P. Jain (DIN – 00029822)	Joint Managing Director	Promoter & Executive	8	1
Mr. Dinesh P. Jain (DIN - 00327277)	Whole-time Director	Promoter & Executive	8	0
Mr. Vikas P. Jain (DIN – 00029901)	Whole-time Director	Promoter & Executive	7	0
Mr. Yogesh A. Thar (DIN - 02687466)	Director	Independent- Non Executive	0	1
Dr. Prakash A. Mody (DIN – 00001285)	Director	Independent- Non Executive	2	1
Mr. Nimish G.Pandya (DIN – 00326966)	Director	Independent Non Executive	0	2
Ms. Drushti R. Desai (DIN – 00294249)	Director	Independent- Non Executive	3	4

Note:

Mr. Hemant P. Jain has been designated as Joint Managing Director from May 26, 2021

Details of other directorships (excluding directorship in Kewal Kiran Clothing Limited)/Committee memberships (including committee chairmanship/ membership in Kewal Kiran Clothing Limited) are given by way of a separate Annexure.
The Committee chairmanship/membership of the Directors is restricted to the chairmanship/membership of Audit Committee and Stakeholders Relationship and Shareholder/Investor Grievance Committee. Excludes Chairmanship/ Membership in Private Companies, Foreign Companies and Companies under Section 8 of the Companies Act, 2013.

Corporate Governance Report (Contd.)

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 four (4) meetings of the Board of Directors were held on the following dates: –

May 26, 2020, July 29, 2020, October 22, 2020 and January 22, 2021. The Maximum time gap between any two consecutive meetings did not exceed 120 days.

(ii) The attendance record of each of the Directors at the Board Meetings during the year ended on March 31, 2021 and during the last Annual General Meeting (AGM) is as under: –

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

Disclosure of relationship between the Directors inter-se:

Mr. Kewalchand P. Jain, Mr. Hemant P. Jain, Mr. Dinesh P. Jain and Mr. Vikas P. Jain are brothers.

Details of shares held by directors in the company as on March 31, 2021

Name of the Directors	Number of shares held
Mr. Kewalchand P. Jain*	7,06,611
Mr. Hemant P. Jain*	7,07,915
Mr. Dinesh P. Jain*	7,45,831
Mr. Vikas P. Jain*	7,37,821
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 held in his capacity as Karta of Kewalchand P. Jain H.U.F and 79,361 shares held jointly with Mrs. Veena K. Jain.

The said shares held by Mr. H.P. Jain includes 16,000 equity shares held in his capacity as Karta of Hemant P. Jain H.U.F and 80,665 shares held jointly with Mrs. Lata H. Jain.

The said shares held by Mr. D.P. Jain includes 16,000 equity shares held in his capacity as Karta of Dinesh P. Jain H.U.F and 102,581 shares held jointly with Mrs. Sangeeta D. Jain.

The said shares held by Mr. V.P. Jain includes 16,000 equity shares held in his capacity as Karta of Vikas P. Jain H.U.F and 94,571 shares held jointly with Mrs. Kesar V. Jain.

Details of names of the listed entities where the Director is a Director and the category of directorship

Sr. no.	Name of the Director	Name of listed company where Director other than KKCL	Category of Directorship
1	Mr. Kewalchand P. Jain	NIL	NA
2	Mr. Hemant P. Jain	NIL	NA
3	Mr. Dinesh P. Jain	NIL	NA
4	Mr. Vikas P. Jain	NIL	NA
5	Mr. Yogesh A. Thar	NIL	NA
6	Dr. Prakash A. Mody	Unichem Laboratories Limited	Executive Director
7	Mr. Nimish G.Pandya	NIL	NA
8	Ms. Drushti R. Desai	(i) Narmada Gelatines Limited (ii) Chemfab Alkalis Limited	Non-Executive Non- Independent Independent Director

Familiarisation Programme for Independent Directors:-
At the time of appointing an Independent Director, a formal letter of appointment is given to him/her, which interalia explains the role, function, duties and responsibilities expected of him/her as an Independent Director of the Company. The Independent Director is also explained in detail the Compliance required from him/her under the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other relevant regulations. The Chairman and Managing Director also has one to one discussion with the newly appointed Independent 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.

During the financial year 2020-21 the Independent Directors have attended familiarization programme conducted by the company and the web-link for the details of familiarization programme is https://kewalkiran.com/wp-content/uploads/2021/05/familiarisation-programme-20-21.pdf

Core skills/expertise/competencies identified by the board of directors for it to function effectively and available with the Board:
The Board of Directors ('Board') has not established specific minimum age, education, years of business experience or specific types of skills for appointing any individual as a Board member, but, in general, expects an individual to have ample experience and a proven record of professional success, leadership and the highest level of personal and professional ethics, integrity and values and loyalty to the interest of the Company and its stakeholders.

The Board would generally ensure that an individual should have ability to exercise objectivity and independence in making informed business decisions, willingness and commitment to devote the required time to fulfil his/her duties, ability to communicate effectively and collaborate with other Board members to contribute effectively to the diversity of perspectives that enhances Board perspective including a willingness to listen and respect the views of others.

The Board would also assess individual's skills, knowledge and expertise relevant to the Company's business, with extensive experience at a senior leadership level in a comparable company or organization, including, but not limited to relevant experience in international operations, public service, finance, accounting, strategic planning, technology and marketing.The Company believes that an effective and diverse Board will leverage differences in thought, perspective, knowledge, skill, regional and industry experience, cultural and geographical background, age, ethnicity, race and gender, which will ensure that the Company retains its competitive advantage.

The ultimate objective is to have a Board that offers a broad range of perspectives that are directly relevant to the business and organizational needs.

Name of the Director	Expertise in specific functional area
Kewalchand Jain	Apparel and Textile Industry domain expert, Finance, Banking and Corporate Management
Hemant Jain	Apparel and Textile Industry domain expert, Business Strategy, Marketing, Corporate Management, Retail Business
Dinesh Jain	Apparel and Textile Industry domain expert, Human Resources (HR) and Industrial Relations (IR), Resource Management, Overall operation and development of production facilities
Vikas Jain	Apparel and Textile Industry domain expert, Marketing, Retail Business, Coporate Management, Research for new technologies in manufacturing
Prakash Mody	Marketing, Communication, Advertising, Media, Research and Production
Drushti Desai	Valuation of Shares, Businesses and Intangibles and Advisory Services on schemes relating to Mergers, Acquisitions, Spin-offs and other forms of Corporate Restructuring and Family Settlements, Financial and Management Advice and Corporate and Individual Taxation (income tax, wealth tax and gift tax)
Nimish Pandya	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, Conveyance and Real Estates and Family and Personal Law
Yogesh Thar	Business Mergers,Acquisitions and Restructuring, Business Valuations, Corporate Taxation and Taxation of Non-resident Citizens and Foreign Companies

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section149(6) of the Companies Act, 2013 and Regulation 16(1) (b) of the Listing Regulations. In the opinion of the Board, the Independent Directors, fulfil the conditions of independence specified in Section 149(6) of the Companies Act, 2013 and Regulation 16(1) (b) of the Listing Regulations and are independent of the management. A formal letter of appointment to Independent Directors as provided in Companies Act, 2013 has been issued and disclosed on the website of the Company.

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. All the Board members and Senior Management of the Company as on March 31, 2021 have affirmed compliance with the Code of Conduct in accordance with Regulation 26(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

  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 neither participate in any discussions nor vote in any transactions in which they have any concern or interest.

- **Insider Trading Code**

  In accordance with Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 the company had formulated and approved (i) Insider Trading Code to regulate dealings in the securities of the company by designated persons in compliance with the regulations, (ii) policy for fair disclosure of unpublished price sensitive information and (iii) Unpublished Price Sensitive Information Leak Enquiry Policy. The aforesaid codes were effective to the company from April 1, 2019. Mr. Abhijit Warange, Vice President – Legal and Company Secretary is the Compliance Officer for the purpose of Insider Trading Code while Mr. Bhavin Sheth, Chief Financial Officer is Chief Investor Relations Officer for the purpose of the fair disclosure policy.

III. AUDIT COMMITTEE

Composition of 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 Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. All the members of the Audit Committee are financially literate and bring in expertise in the field of Finance, Taxation, Economics and Risk Management.

The Audit Committee comprises the following members:

Mr. Yogesh A. Thar, Non Executive-Independent Director	Chairman and Member
Mr. Nimish G. Pandya, Non Executive-Independent Director	Member
Ms. Drushti R. Desai, Non Executive-Independent Director	Member

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

The primary objective of the Audit Committee is to monitor and provide an effective supervision of the Management's financial reporting process. The Audit Committee, inter-alia, performs the functions of discussing and reviewing quarterly and audited financial results, recommendation of appointment of statutory auditors and their remuneration, recommendation of appointment and remuneration of internal auditors, review of Internal Audit Reports, approval and review of related party transactions. For the smooth and effective functioning, the Audit Committee has also powers to investigate any activity within its terms of reference, to seek information from employees and obtain outside and legal/ professional advise. In addition to the above, the other role and terms of reference of the Audit Committee cover the matters as specified in Section 177 of the Companies Act, 2013 read with Regulation 18(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

Meetings of the Audit Committee: –

During the year ended March 31, 2021, four (4) Audit Committee meetings were held on May 26, 2020, July 29, 2020, October 22, 2020 and January 22, 2021. The attendance of each Audit Committee member is given hereunder: –

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

Attendees: -

At the invitation of the Company, representatives from various divisions of the company, internal auditors, statutory auditors and the Chief Financial Officer also attend the Audit Committee Meeting to respond to queries raised at the Committee Meetings

IV. NOMINATION AND REMUNERATION COMMITTEE

Composition of Committee:-

The Nomination and Remuneration Committee's constitution and terms of reference are in compliance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 and Part D (Point A) of the Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Nomination and Remuneration Committee comprises of the following members:

Mr. Nimish G. Pandya, Non Executive-Independent Director	Chairman and Member
Mr. Yogesh A. Thar, Non Executive-Independent Director	Member
Dr. Prakash A. Mody, Non Executive-Independent Director	Member
Ms. Drushti R. Desai, Non Executive-Independent Director	Member

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

The primary objective of Nomination and Remuneration Committee is to lay down criteria and terms and conditions with regard to identifying persons who are qualified to become directors and persons who may be appointed in senior management and key managerial positions, to determine their 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 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, to device policy on diversity of Board of Directors and to determine whether to extend or continue the term of appointment of the independent director on the basis of the report of performance evaluation of independent director. In addition to the above, the other role and terms of reference of the Nomination and Remuneration Committee cover the matters as specified in Section 178 of the Companies Act, 2013 read with Regulation 19(4) and Part D to Schedule II of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Meetings of the Nomination and Remuneration Committee:

During the year ended March 31, 2021 one (1) Nomination and Remuneration Committee meeting was held on May 26, 2020. 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	1 of 1
Dr. Prakash A. Mody	1 of 1
Ms. Drushti R. Desai	1 of 1

Performance Evaluation:-

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out the annual performance evaluation 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.

Corporate Governance Report (Contd.)

V. REMUNERATION OF DIRECTORS

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, Joint Managing Director, Mr. Dinesh P. Jain and Mr. Vikas P. Jain, Whole-time 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 details of the remuneration paid to the Executive Directors have been detailed hereafter.

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 Committee.

All pecuniary relationship or transactions of the non-executive directors vis-à-vis the listed entity
During the year under review payments to M/s. Bansi S. Mehta, Chartered Accountants for consultancy services where Mr. Yogesh Thar and Ms. Drushti Desai are partners amounted to ₹ 3,95,000/-.

Criteria of making payment to Non-Executive Directors:-
Save and except as stated herein 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 thereunder for payment of sitting fees without the approval of the Central Government.

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.

Details of sitting fees, remuneration etc. paid to Directors for the year ended March 31, 2021.

Name of the Directors	Sitting Fees	Salary	Contribution to PF and Perquisites	Retiral benefits/ Bonuses/ Commission payable/ performance linked incentive/pension/ Stock options granted	Total
Mr. Kewalchand P. Jain	Nil	₹ 44,84,834	₹ 2,65,369	Nil	₹ 4,750,203
Mr. Hemant P. Jain	Nil	₹ 44,85,627	₹ 2,65,369	Nil	₹ 4,750,996
Mr. Dinesh P. Jain	Nil	₹ 44,85,627	₹ 2,65,369	Nil	₹ 4,750,996
Mr. Vikas P. Jain	Nil	₹ 44,85,627	₹ 2,65,369	Nil	₹ 4,750,996
Mr. Yogesh A. Thar	₹ 7,00,000	Nil	Nil	Nil	₹ 7,00,000
Dr. Prakash A. Mody	₹ 3,80,000	Nil	Nil	Nil	₹ 3,80,000
Mr. Nimish G. Pandya	₹ 7,60,000	Nil	Nil	Nil	₹ 7,60,000
Ms. Drushti R. Desai	₹7,00,000	Nil	Nil	Nil	₹7,00,000

VI. STAKEHOLDERS RELATIONSHIP AND SHAREHOLDER/INVESTOR GRIEVANCE COMMITTEE

Composition of Committee:-

The Stakeholders Relationship and Shareholder/ Investor Grievance Committee's constitution and terms of reference are in compliance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 and Part D (Point B) of the Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Stakeholders Relationship and Shareholder/ Investor Grievance Committee comprise of the following members:

Mr. Nimish G. Pandya, Non Executive- Independent Director	Chairman and Member
Mr. Kewalchand P. Jain, Chairman & Managing Director	Member
Mr. Hemant P. Jain, Joint Managing Director	Member

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, 2021 one Stakeholders Relationship and Shareholder/ Investor Grievance Committee meeting was held on March 19, 2021. The attendance of Shareholder/ Investor Grievance Committee member is given hereunder: –

Name of the Stakeholders Relationship and Shareholder/ Investor Grievance 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

Status report of the complaints received and resolved to the satisfaction of the shareholders/ investors during the year ended March 31, 2021.

No. of complaints received	-	0
No. of complaints resolved	-	0
No. of compliants not resolved to the satisfaction of shareholders	-	0
No. of complaints pending	-	0

Name and Designation of the Compliance Officer:-

Mr. Abhijit B. Warange – Vice President – Legal and Company Secretary, who is the Compliance Officer, can be contacted at, Kewal Kiran Estate, 460/7, I.B. Patel Road, Goregaon (East), Mumbai - 400063
Tel: 022-26814400, Fax: 02226814410
E-mail: grievanceredressal@kewalkiran.com

VII. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Composition of Committee:-

The Corporate Social Responsibility (CSR) Committee was constituted pursuant to Section 135 of the Companies Act, 2013.

Corporate Social Responsibility Committee comprises of the following members:

Mr. Nimish G. Pandya, Non Executive-Independent Director	Chairman and Member
Mr. Kewalchand P. Jain, Chairman & Managing Director	Member
Mr. Hemant P. Jain, Joint Managing Director	Member

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

The primary objective of Corporate Social Responsibility Committee is to make the CSR policy of the company more comprehensive so as to indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013, to provide guidance on various CSR activities to be undertaken by the Company, to recommend the amount of expenditure to be incurred on the activities as specified in Schedule VII of the Companies Act, 2013 and to monitor the Corporate Social Responsibility Policy of the company from time to time.

Corporate Governance Report (Contd.)

Meetings of the Corporate Social Responsibility Committee:-
During the year ended March 31, 2021, one (1) Corporate Social Responsibility Committee meeting was held on May 26, 2020. The attendance of Corporate Social Responsibility Committee meeting is given hereunder:

Name of the Member of Corporate Social Responsibility Committee	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 https://kewalkiran.com/wp-content/uploads/2018/12/CSR-policy.pdf

VIII. RISK MANAGEMENT COMMITTEE

Composition of Committee:-
Pursuant to Regulation 21 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company has constituted Risk Management Committee.

Risk Management Committee comprises of the following members:

Mr. Kewalchand P. Jain , Chairman & Managing Director	Chairman
Mr. Hemant P. Jain, Joint Managing Director	Member
Mr. Nimish G. Pandya, Non Executive-Independent Director	Member
Mr. Bhavin Sheth, Chief Financial Officer	Member and Secretary
Mr. Abhijit Warange , Vice President Legal and Company Secretary	Member

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

The primary objective of Risk Management Committee is framing of risk management plan and policy of the company, 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 minimization, 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, seek information from employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise and performing such other functions as may be necessary or appropriate.

Meetings of the Risk Management Committee:-
During the year ended March 31, 2021, One (1) Risk Management Committee meeting was held on October 15, 2020. 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. Bhavin Sheth	1 of 1

IX. INVESTMENT COMMITTEE

Composition of Committee:-
The Investment Committee comprises of the following members:

Mr. Kewalchand P. Jain , Chairman & Managing Director	Chairman
Mr. Hemant P. Jain, Joint Managing Director	Member
Mr. Dinesh P. Jain, Whole-time Director	Member
Mr. Vikas P. Jain, Whole-time Director	Member

The Investment Committee is responsible for investing idle funds of the Company not immediately required for the business of the company and to monitor the investments made for the benefit of the Company.

Meetings of the Investment Committee:-

During the year ended March 31, 2021, Three (3) Investment Committee meetings were held on May 27, 2020, October 22, 2020 and November 14, 2020. The attendance of Investment Committee meeting is given hereunder:

Name of the Investment Committee Member	No. of meetings attended
Mr. Kewalchand P. Jain	3 of 3
Mr. Hemant P. Jain	3 of 3
Mr. Dinesh P. Jain	3 of 3
Mr. Vikas P. Jain	3 of 3

X. BORROWING COMMITTEE

Composition of Committee:-

The Borrowing Committee comprises of the following members:

Mr. Kewalchand P. Jain, Chairman & Managing Director	Chairman
Mr. Hemant P. Jain, Joint Managing Director	Member
Mr. Dinesh P. Jain, Whole-time Director	Member
Mr. Vikas P. Jain, Whole-time Director	Member

The Committee is responsible for considering the need of borrowing and utilization of the borrowed fund to meet various requirements of the Company. It is also responsible to determine and balance the debt and equity ratio for the benefit of the Company.

Meetings of the Borrowing Committee:-

During the year ended March 31, 2021, One (1) Borrowing Committee meeting was held on March 8, 2021. The attendance of Borrowing Committee meeting is given hereunder:

Name of the Borrowing Committee Member	No. of meetings attended
Mr. Kewalchand P. Jain	1 of 1
Mr. Hemant P. Jain	1 of 1
Mr. Dinesh P. Jain	1 of 1
Mr. Vikas P. Jain	1 of 1

XI. INDEPENDENT DIRECTORS MEETING

During the year under review, the Independent Directors met on March 19, 2021 interalia, 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-Executives 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

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.

XII. 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
2017-18	Tuesday, September 4, 2018	12.00 noon	M. C. Ghia Hall, Bhogilal Hargovindas Buiding, 4th floor, 18/20, Kaikhushru Dubash Marg (Behind Prince of Wales Museum), Mumbai – 400 001
2018-19	Wednesday, September 18, 2019	12.00 noon	M. C. Ghia Hall, Bhogilal Hargovindas Buiding, 4th floor, 18/20, Kaikhushru Dubash Marg (Behind Prince of Wales Museum), Mumbai – 400 001
2019-20	Tuesday, September 15, 2020	12.00 noon	Deemed Venue i.e Kewal Kiran Estate, 460/7, I. B. Patel Road, Goregaon East, Mumbai – 400 063

Corporate Governance Report (Contd.)

Special Resolutions passed in previous three Annual General Meetings:

27th Annual General Meeting: At this meeting seven (7) Special Resolutions were passed by the members of the Company. These special resolutions were with regard to:

- Appointment and remuneration of Mr. Hemant P. Jain as the Whole-time Director of the Company
- Appointment and remuneration of Mr. Dinesh P. Jain as the Whole-time Director of the Company
- Appointment and remuneration of Mr. Vikas P. Jain as the Whole-time Director of the Company
- Re-appointment of Ms. Drushti R. Desai, Independent Non-Executive Director of the Company not be liable to retire by rotation to hold office for a second term of 5 (five) consecutive years
- Re-appointment of Mr. Nimish G. Pandya, Independent Non-Executive Director of the Company not be liable to retire by rotation to hold office for a second term of 5 (five) consecutive years
- Re-appointment of Dr. Prakash A. Mody, Independent Non-Executive Director of the Company not be liable to retire by rotation to hold office for a second term of 5 (five) consecutive years
- Re-appointment of Mr. Yogesh A. Thar, Independent Non-Executive Director of the Company not be liable to retire by rotation to hold office for a second term of 5 (five) consecutive years

28th Annual General Meeting: At this meeting one (1) Special Resolution was passed by the members of the Company. This special resolution was with regard to appointment and remuneration of Mr. Kewalchand P. Jain as the Managing Director of the Compnay

29th Annual General Meeting: At this meeting there were no Special Resolutions passed by the members of the Company.

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.

XIII. MEANS OF COMMUNICATION

The Quarterly, Half Yearly and Annual Financial Results of the company are published in the newspaper in India which include The Free Press Journal and Navshakti. 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 have been hosted 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.

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	: Wednesday, September 15, 2021 at Deemed Venue i.e Kewal Kiran Estate, 460/7, I. B. Patel Road, Goregaon East, Mumbai – 400 063 at 12 Noon.
Mode	: Video Conference and other audio visual mode

b) **Financial Year:** April 1, 2020 to March 31, 2021

c) **Dates of Book Closure:**
Thursday, September 9, 2021 to Wednesday, September 15, 2021

d) **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 as applicable has been paid to both the stock exchanges i.e BSE Limited and National Stock Exchange of India Limited.

e) Stock Code/Symbol:

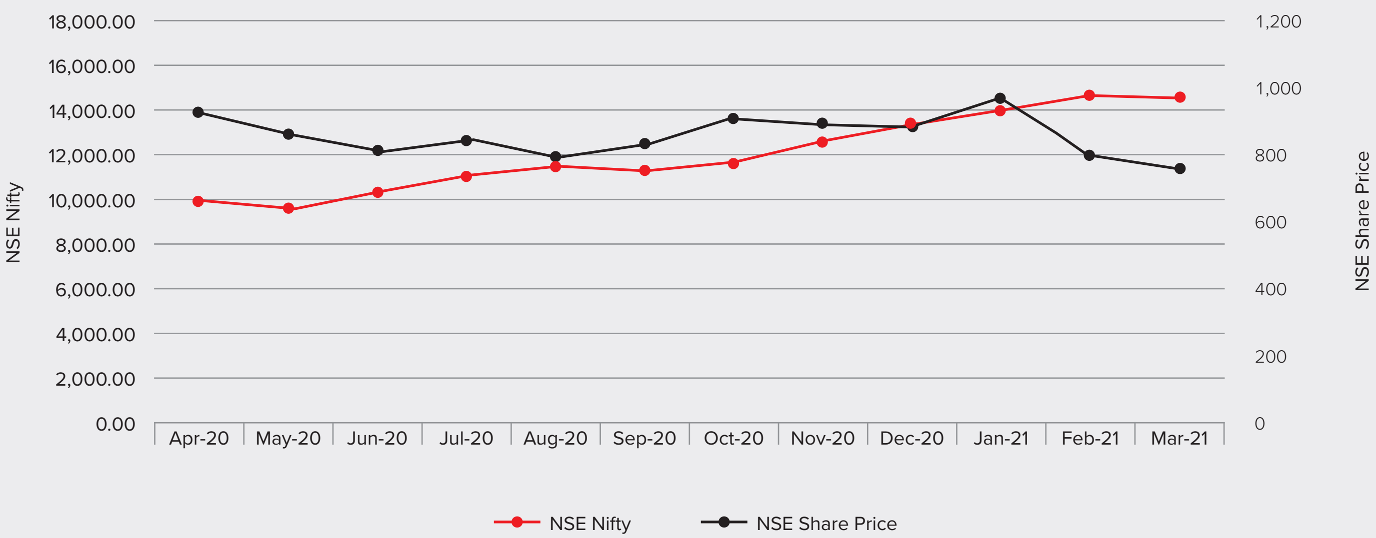
The BSE Limited	:	532732
The National Stock Exchange of India Limited	:	KKCL
ISIN No.	:	INE401H01017

f) Market Price Data:

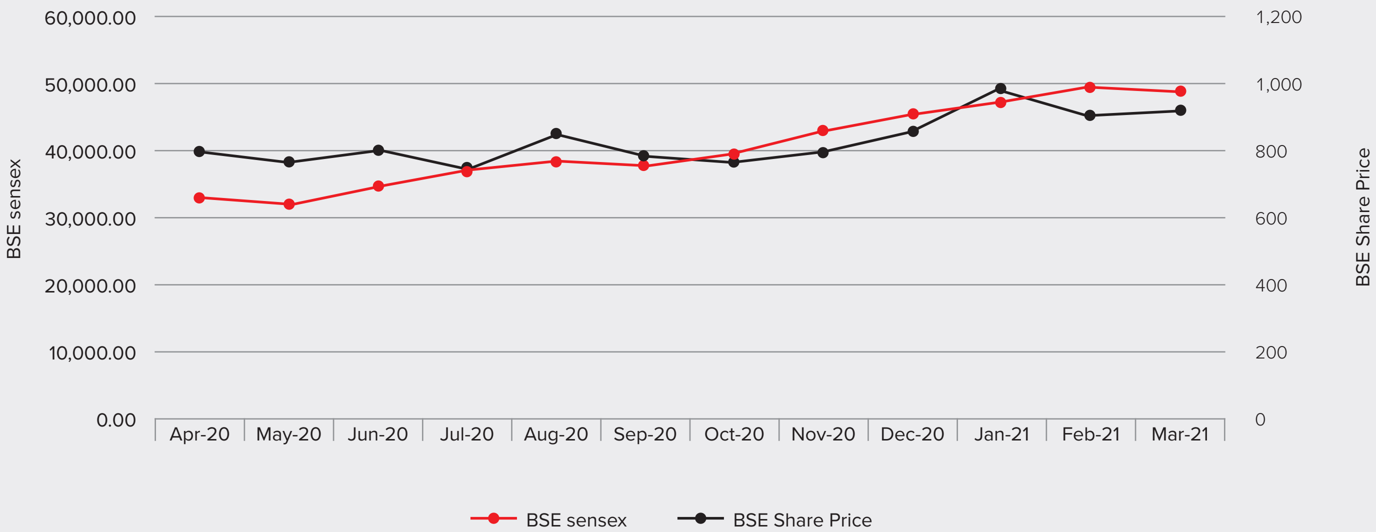
The monthly high and low quotations of the company's shares traded on the BSE Limited and the National Stock Exchange of India Limited during the financial year 2020-2021 are as under:

Months	BSE		NSE	
	High (₹ Per share)	Low (₹ Per share)	High (₹ Per share)	Low (₹ Per share)
April 20	830.85	597.00	850.00	590.80
May 20	803.00	693.35	809.00	674.00
June 20	839.00	706.00	850.00	701.15
July 20	776.00	669.00	780.00	669.65
August 20	890.70	672.00	908.95	670.00
September 20	823.15	715.30	822.00	730.00
October 20	801.25	721.25	899.00	723.05
November 20	829.00	704.00	797.95	691.00
December 20	895.00	755.25	898.00	752.00
January 21	1,036.00	825.00	1,032.50	821.05
February 21	953.00	866.65	953.00	875.00
March 21	969.95	848.00	965.00	841.55

g) Performance in comparison to broad based indices:



Corporate Governance Report (Contd.)



h) Suspension of securities from trading –
Not Applicable

i) Registrar & Share Transfer Agents:
Link Intime India Private Limited
C-101, 247 Park,
L.B.S. Marg, Vikhroli (West),
Mumbai-400083
Tel: +91 22 49186000
Fax: +91 22 49186060
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 fifteen 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 Regulation 40(9) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and files a copy of the said certificates with stock exchange(s).

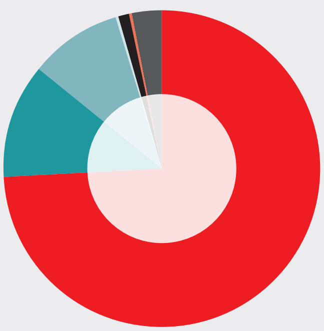
k) Distribution Pattern of shareholding as on March 31, 2021:

No of equity shares	Number of shareholders	% of shareholders	Number of shares held	% of shareholding
1–500	5,775	97.86	193,144	1.57
501–1000	41	0.70	32,408	0.26
1001–2000	22	0.37	32,754	0.27
2001–3000	9	0.15	22,181	0.18
3001–4000	2	0.03	6,309	0.05
4001–5000	3	0.05	13,015	0.10
5001–10000	14	0.24	90,119	0.73
10001 & above	35	0.60	11,935,107	96.84
Total	**5,901**	**100**	**12,325,037**	**100**

Shareholding Pattern as on March 31, 2021:

Category	No. of Shares	% to total
Indian Promoters	9,151,473	74.25
Mutual Funds	1,450,143	11.77
Foreign Portfolio Investor(Corporate)	1,165,585	9.46
Investor Education and Protection Fund (IEPF)	403	0.00
NRI	17,055	0.14
Bodies Corporate	132,595	1.08
Independent Director	336	0.00
Clearing Members	1,762	0.01
Office Bearers	650	0.00
HUFs	37,929	0.31
NBFC'S Registered With RBI	22	0.00
Public	367,084	2.98
Total	**12,325,037**	**100.00**

Shareholding Pattern as on March 31, 2021:



	(%)
Indian Promoters	74.25
Mutual Funds	11.77
Foreign Portfolio Investor(Corporate)	9.46
Investor Education and Protection Fund (IEPF)	0.00
NRI	0.14
Bodies Corporate	1.08
Independent Director	0.00
Clearing Members	0.01
Office Bearers	0.00
HUFs	0.31
NBFC'S Registered With RBI	0.00
Public	2.98
Total	**100.00**

Corporate Governance Report (Contd.)

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). 99.99% of total equity shares of the company are held in dematerialised form with NSDL & CDSL as on March 31, 2021.

Liquidity:-

Kewal Kiran Clothing Limited's 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) Commodity price risk or foreign exchange risk and hedging activities:

Your Company is not having much exposure to foreign exchange and there is a natural hedging partly available in terms of exports made by the company.

In respect of price risk of raw material used for manufacturing purposes the same is taken care of as per industry requirements.

o) 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/8/9/12/13, 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

p) Address for Investor Correspondence:

Shareholding related queries
Link Intime India Private Limited
C-101, 247 Park,
L.B.S. Marg, Vikhroli (West),
Mumbai-400083
Tel: +91 22 49186000
Fax: +91 22 49186060
Email: mumbai@linkintime.co.in
Website: www.linkintime.co.in

General Correspondence
Kewal Kiran Estate,
460/7, I.B. Patel Raod,
Adjacent to Western Express Highway
Goregaon (East), Mumbai: 400 063
Tel: +91 22 26814400
Fax: +91 22 26814410
Email: info@kewalkiran.com
Website: www.kewalkiran.com

An exclusive email address, grievanceredressal@kewalkiran.com for redressal of investor complaints has been created and the same is available on company's website www.kewalkiran.com/wp-content/uploads/2018/12/contact-for-investor-grievance.pdf

q) Credit ratings obtained by the entity along with any revisions thereto during the relevant financial year:

CRISIL, India's leading Ratings, Research, Risk and policy Advisory Company has assigned 'AA-/ Negative' rating for the banking facilities of the company.

XV OTHER DISCLOSURES

a. 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.

b. 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.

c. The Company has adopted the Vigil Mechanism/ Whistle Blower Policy pursuant to Section 177(9) of the Companies Act, 2013 and Regulation 22 of SEBI (Listing

Obligations and Disclosure Requirements) Regulations, 2015 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. The Board hereby confirms that no personnel have been denied access to the Audit Committee.

d. The company has complied with all the mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Adoption of non mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is reviewed by the Board from time to time.

e. The company has one subsidiary and the web link of policy for determining 'material' subsidiaries is https://kewalkiran.com/wp-content/uploads/2021/05/policy-for-determining-materia-subsidiary.pdf

f. The Company has adopted a Related Party Transaction policy, as recommended by the Audit Committee pursuant to Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. 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 https://kewalkiran.com/wp-content/uploads/2019/01/related-party-transaction-policy.pdf

g. Disclosure of commodity price risks and commodity hedging activities – Your Company is not having much exposure to foreign exchange and there is a natural hedging partly available in terms of exports made by the company.

h. The Company did not raise any funds through preferential allotment or qualified institutions placement during the year under review.

i. None of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority. A Certificate from practicing company secretary, U.P. Jain & Co. to that effect is annexed to this Report.

j. 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. The board had accepted all recommendations of committees of the board which were mandatorily required, in the relevant financial year.

k. Total fees for all services paid by the company, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part is - ₹ 27,34,000/- (Excluding TDS).

l. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

    a. Number of complaints filed during the financial year - 0

    b. Number of complaints disposed of during the financial year – 0

    c. Number of complaints pending as on end of the financial year – 0

In terms of Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 Mr. Kewalchand P. Jain, Chairman & Managing Director and Mr. Bhavin Sheth, Chief Financial Officer have furnished certificate to the Board in the prescribed format for the year ended March 31, 2021.

The Company has formulated policy on archival and preservation of documents in terms of Regulation 9 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Company has formulated policy for determination of materiality of event in terms of Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Corporate Governance Report (Contd.)

ANNEXURE TO CORPORATE GOVERNANCE

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10) (i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members of
Kewal Kiran Clothing Limited,
Kewal Kiran Estate, 460/7, I. B. Patel Road,
Near Western Express Highway,
Goregaon (East),
Mumbai – 400063

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Kewal Kiran Clothing Limited having CIN: L18101MH1992PLC065136 and having registered office at Kewal Kiran Estate, 460/7, I. B. Patel Road, Near Western Express Highway, Goregaon (East), Mumbai–400063 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal (www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2021 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	NAME OF DIRECTOR	DIN	DATE OF APPOINTMENT IN COMPANY
1.	KEWALCHAND PUKHRAJ JAIN	00029730	30/01/1992
2.	HEMANT PUKHRAJ JAIN	00029822	30/01/1992
3.	DINESH PUKHRAJ JAIN	00327277	02/10/1997
4	VIKAS PUKHRAJ JAIN	00029901	02/10/1997
5.	YOGESH ARVIND THAR	02687466	13/02/2013
6.	PRAKASH AMRUT MODY	00001285	14/11/2005
7.	NIMISH GULABRAI PANDYA	00326966	14/11/2005
8.	DRUSHTI RAHUL DESAI	00294249	23/07/2014

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

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

(Ummedmal P. Jain)
Proprietor
FCS-3735, CP-2235
UDIN: F003735C000703731

Place: Mumbai
Date: July 29, 2021

ANNEXURE TO CORPORATE GOVERNANCE

(A) DETAILS OF OTHER DIRECTORSHIPS AND 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	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
Lord Gautam Charitable Foundation	Chairman
Porwal Jain Foundation	Director
K-Lounge Lifestyle Limited	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

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

NAME OF THE COMPANY	BOARD POSITION HELD
Enlighten Lifestyle 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
K-Lounge Lifestyle 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	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
K-Lounge Lifestyle Limited	Director

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

NAME OF THE COMPANY	BOARD POSITION HELD
Enlighten Lifestyle 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
K-Lounge Lifestyle Limited	Director

Corporate Governance Report (Contd.)

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

NAME OF THE COMPANY	BOARD POSITION HELD
NIL	NIL

COMMITTEE MEMBERSHIPS

NAME OF THE COMPANY	Name of the Committee	POSITION HELD
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 & Managing Director
Unichem Pharmaceuticals (USA) Inc.	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	NIL

COMMITTEE MEMBERSHIPS

	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
Chemfab Alkalis Limited (Formerly known as Teamec Chlorates Limited)	Director
Narmada Gelatines Limited	Director
Kruti Finance and Holdings Private Limited	Director

COMMITTEE MEMBERSHIPS

NAME OF THE COMPANY	Name of the Committee	POSITION HELD
Kewal Kiran Clothing Limited	Audit Committee	Member
Narmada Gelatines Limited	Audit Committee	Member
Chemfab Alkalis Limited (Formerly known as Teamec Chlorates Limited)	Audit Committee	Chairman
Chemfab Alkalis Limited (Formerly known as Teamec Chlorates Limited)	Stakeholder Relationship Committee	Chairman

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

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 March 31, 2021, as per the relevant provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended ('Listing Regulations').

Management's Responsibility

2. The compliance of conditions of Corporate Governance is the responsibility of the management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

Auditor's Responsibility

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

4. We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

5. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information and Other Assurance and Related Services Engagements.

Opinion

7. Based on our examination of the relevant records and according to the information and explanations given to us, we certify that the Company has generally complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations.

8. 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 **Khimji Kunverji & Co LLP.**
Chartered Accountants
FRN: 105146W/W100621

Hasmukh Dedhia
Partner
Membership no. 033494
UDIN: 21033494AAAAKV8373

Place: Mumbai
Date: July 29, 2021

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 and a code for Independent Directors, in terms of Regulation 17(5) of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 and the Board Members and Senior Management have affirmed compliance with the said Code of Conduct of board of directors and senior management.

For and on behalf of the Board

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

Place: Mumbai
Date: May 26, 2021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Independent Auditor's Report

To the Members of Kewal Kiran Clothing Limited

REPORT ON THE AUDIT OF THE STANDALONE IND AS FINANCIAL STATEMENTS

Opinion

1. We have audited the accompanying Standalone Ind AS Financial Statements of Kewal Kiran Clothing Limited ('the Company'), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

   In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Ind AS Financial Statements give the information required by the Companies Act, 2013 ('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 March 31, 2021, and its profit (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

2. We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements Section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder; and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

3. Attention is invited to Note No 2.56 to the Standalone Ind AS Financial Statements regarding the uncertainties arising out of the outbreak of COVID-19 pandemic and the assessment made by the management on its operations and financial reporting for the year ended March 31, 2021; such an assessment and the outcome of the pandemic, as made by the management, is dependent on the circumstances as they evolve in the subsequent periods. Our report is not modified in respect of this matter.

Key Audit Matters

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Ind AS Financial Statements for the year under audit. We have determined that there is no key audit matter to be communicated in our report.

Information Other than the Financial Statements and Auditor's Report Thereon

5. The Company's Board of Directors is responsible for the preparation of the other information, comprising of the information included in the Management Discussion and Analysis, Directors' Report including Annexures to Directors' Report, Corporate Governance and such other disclosures related Information, excluding the Standalone Ind AS Financial Statements and auditors report thereon ('Other Information'). The other information is expected to be made available to us after the date of this auditors' report. Our opinion on the Standalone Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

   In connection with our audit of the Standalone Ind AS Financial Statements, our responsibility is to read the other information when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Standalone Ind AS Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. When we read the other Information and if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charges with governance as required under SA 720 'The Auditor's responsibilities Relating to other Information'.

Responsibility of Management for Standalone Ind AS Financial Statements

6. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Standalone Ind AS Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under prescribed Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records

in accordance with the provisions of the Act for safeguarding of 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; 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 Standalone Ind AS Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. In preparing the Standalone Ind AS Financial Statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements

7. Our objectives are to obtain reasonable assurance about whether the Standalone Ind AS Financial Statements, as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone Ind AS Financial Statements. Our audit process in accordance with the SAs is narrated in Annexure 1 to this report.

Other Matter

8. In view of restricted movements to restrict the spread of COVID-19 Pandemic, the audit finalisation processes were carried out from remote locations i.e., other than the Office of the Company, where books of account and other records are kept, based on the data/details made available and based on financial information/records remitted by the management through digital medium. Being constrained, we resorted to and relied upon the results of the related alternate audit procedures to obtain sufficient and appropriate audit evidence for the significant matters in course of our audit. Our report is not modified in respect of this matter.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

9. As required by the Companies (Auditor's Report) Order, 2016 ('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 2, a statement on the matters specified in paragraphs 3 and 4 of the Order.

10. 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 including Other Comprehensive Income, the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

    d. In our opinion, the aforesaid Standalone Ind AS Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 3 of the Companies (Accounting Standards) Rules, 2015.

    e. On the basis of the written representations received from the directors as on March 31, 2021, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.

    f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure 3.

    g. In terms of provisions of Section 197(16) of the Act, as per the information and explanations given, we report that the managerial remuneration paid by the Company to its Directors is in accordance with provisions of Section 197 of the Act.

h. 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, we report as under:

(i) The Company has disclosed the impact of pending litigations on the financials position in its Standalone Ind AS Financial Statements. Refer Note No. 2.45 to the Standalone Ind AS Financial Statements;

(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 Khimji Kunverji & Co LLP
Chartered Accountants
Firm's Registration No.: 105146W/W100621

Hasmukh B. Dedhia
Partner
Membership No.: 033494
ICAI UDIN: 21033494AAAAHC8172

Place: Mumbai
Date: May 26, 2021

Annexure 1 to the Independent Auditors' Report to the members of Kewal Kiran Clothing Limited

[referred to in para 7 titled 'Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements']

As part of our audit in accordance with SAs we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, to design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
- From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our Auditor's Report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Annexure 2 to the Independent Auditors' Report to the members of Kewal Kiran Clothing Limited

[referred to in para 9 under 'Report on Other Legal and Regulatory Requirements']

i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) As informed to us, fixed assets were physically verified by the Management at regular intervals. In our opinion, the frequency of physical verification is reasonable having regard to the size of the Company and nature of its business; according to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.

ii. The Inventories (other than lying with the third parties) have been physically verified during the year by the management. In our opinion, the frequency of such verification is reasonable. As informed, the discrepancies noticed on verification between the physical stocks and the book records were not material. In respect of inventories lying with third parties periodic statements have been received and discrepancies therein were informed to be not material.

iii. The Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Act. Therefore, the requirement of clause (iii)(a), (iii)(b) and (iii)(c) of paragraph 3 of the Order are not applicable to the company.

iv. In our opinion and according to the information and explanations given to us, the Company has not granted any loans, or provided any guarantees or securities covered under Section 185 and 186 of the Act and in respect of Investments made by company, provisions of Section 186 of the Act have been complied with.

v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public during the year in terms of the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.

vi. The maintenance of cost records has not been specified by the Central Government under Section 148(1) of the Act for the business activities carried out by the Company. Thus, reporting under (vi) of the Order is not applicable.

vii. In respect of Statutory dues:

(a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including Provident Fund, Income-tax, Sales-tax, Service tax, Goods and Service Tax, Cess and other material statutory dues generally have been regularly deposited during the year by the Company with the appropriate authorities. There are no undisputed statutory dues payable in respect to the above statues, outstanding as at March 31, 2021 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no dues of Sales-tax, Service tax, Goods and Service Tax and Value added tax which have not been deposited as on March 31, 2021 on account of disputes except as under:

Nature of Statue	Nature of Dues	Period to which the Amount Relates (Assessment Year)	Forum where Dispute is Pending	Amount Unpaid/ (refund) ₹
Income Tax, 1961*	Income Tax	2005 – 06	Bombay HC (appeal filed by the department)	68,94,194
Income Tax, 1961	Income Tax	2011 – 12	Hon. CIT (Appeals)	11,33,190
Income Tax, 1961	Income Tax	2012 – 13	Hon. CIT (Appeals)	13,47,960
Income Tax, 1961	Income Tax	2018 – 19	Hon. CIT (Appeals)	22,69,700

*Adjusted against refund of assessment year 2007-08

viii. In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to banks and dues to debenture holders. The Company has not taken loans or borrowings from government and financial institutions.

ix. In our opinion and according to the information and explanations given to us, Company did not raise any money by way of initial public offer (including debt instruments) and loans. Hence, clause (ix) of paragraph 3 of the Order is not applicable.

x. During the course of our examination of the books of account and records of the Company and according to information and explanation given to us, we have neither noticed nor have been informed by the management, any incidence of fraud by the Company or on the Company by its officers or employees.

xi. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, reporting under clause (xii) of the Order is not applicable.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the Standalone Ind AS Financial Statements as required under applicable Indian Accounting Standards (Ind AS).

xiv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, reporting under clause (xiv) of the Order is not applicable to the Company.

xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, reporting under clause (xv) of the Order is not applicable to the Company.

xvi. In our opinion, The Company is not required to be registered under Section 45IA of the Reserve Bank of India Act, 1934.

For Khimji Kunverji & Co LLP
Chartered Accountants
Firm's Registration No.: 105146W/W100621

Hasmukh B. Dedhia
Partner
Membership No.: 033494
ICAI UDIN: 21033494AAAAHC8172

Place: Mumbai
Date: May 26, 2021

Annexure 3 to the Independent Auditors' Report to the members of Kewal Kiran Clothing Limited

[referred to in paragraph 10(f) under 'Report on Other Legal and Regulatory Requirements']

REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE ACT

We have audited the internal financial controls over financial reporting of Kewal Kiran Clothing Limited ('the Company') as at March 31, 2021 in conjunction with our audit of the Standalone Ind AS Financial Statements of the Company for the year ended on that date.

OPINION

In our opinion considering the nature and size of the operations, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Standalone Ind AS Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that:

(a) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company.

(b) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Standalone Ind AS Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and

(c) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the Standalone Ind AS Financial Statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For Khimji Kunverji & Co LLP
Chartered Accountants
Firm's Registration No.: 105146W/W100621

Hasmukh B. Dedhia
Partner
Membership No.: 033494
ICAI UDIN: 21033494AAAAHC8172

Place: Mumbai
Date: May 26, 2021

Standalone Balance Sheet

ON ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2021 | CIN: L18101MH1992PLC065136

(₹ in lakhs except as otherwise stated)

Particulars	Note	As at March 31, 2021 Audited	As at March 31, 2020 Audited
ASSETS			
1) Non-Current Assets			
a) Property, Plant and Equipment	2.1	7,571.40	7,537.00
b) Capital Work in Progress	2.1	96.95	286.00
c) Right of use Asset	2.1	512.07	557.33
d) Investment Property	2.1.1	131.30	134.23
e) Other Intangible Assets	2.1	16.06	29.83
f) Intangible Assets under Development		-	-
g) Financial Assets			
i) Investments	2.2	2,193.29	5,844.75
ii) Loans		-	-
iii) Other Financial Assets	2.3	479.71	248.16
h) Deferred Tax Assets (Net)		-	-
i) Other Non-Current Assets	2.4	288.90	436.95
		11,289.68	**15,074.25**
2) Current Assets			
a) Inventories	2.5	5,056.64	9,003.34
b) Financial Assets			
i) Investments	2.6	10,895.64	13,674.21
ii) Trade Receivables	2.7	13,103.09	17,092.47
iii) Cash & Cash Equivalents	2.8	16,749.50	7,970.87
iv) Bank Balances other than iii above	2.9	10.28	49.51
v) Loans		-	-
vi) Other Financial Assets	2.10	125.72	99.35
c) Current Tax Assets (Net)		-	-
d) Other Current Assets	2.11	1,003.64	728.91
		46,944.51	**48,618.66**
TOTAL ASSETS		**58,234.19**	**63,692.91**
EQUITY & LIABILITIES			
Equity			
a) Equity Share Capital	2.12	1,232.50	1,232.50
b) Other Equity	2.13	42,064.11	43,409.69
		43,296.61	**44,642.19**
Liabilities			
1) Non-Current Liabilities			
a) Financial Liabilities	2.13A	311.43	342.01
b) Provisions	2.14	6.50	6.50
c) Deferred Tax Liability	2.15	288.00	545.00
d) Other non - current liabilities	2.16	-	110.40
		605.93	**1,003.91**
2) Current Liabilities			
a) Financial Liabilities			
i) Borrowings	2.17	4,643.80	8,801.18
ii) Trade Payables	2.18		
- Due to Micro and Small Enterprises		24.25	100.01
- Due to Others		4,540.15	4,880.11
iii) Other financial liabilities	2.19	586.07	539.53
b) Other Current Liabilities	2.20	2,202.28	1,722.35
c) Provisions	2.21	2,335.10	2,003.63
d) Current Tax Liabilities (Net)	2.22	-	-
		14,331.65	**18,046.81**
TOTAL EQUITY AND LIABILITIES		**58,234.19**	**63,692.91**
Significant accounting policies and notes on accounts	1 & 2		

The notes referred to above form integral part of Financial Statements

As per our Audit Report of even date
For and on behalf of
Khimji Kunverji & Co LLP
Chartered Accountants
Registration No.:105146W/W100621

Hasmukh Dedhia
Partner

Membership No. : 033494

Place: Mumbai
Date: May 26, 2021

For and on behalf of the Board of Directors
of **Kewal Kiran Clothing Ltd**

Kewalchand P. Jain
Chairman & Managing Director
Din No : 00029730

Hemant P. Jain
Whole time Director
(Jt. Managing Director wef 26th May 2021)
Din No : 00029822

Bhavin Sheth
Chief Financial Officer

Abhijit Warange
Company Secretary

Place: Mumbai
Date: May 26, 2021

Standalone Statement of Profit and Loss

ON ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2021 | CIN: L18101MH1992PLC065136

(₹ in lakhs except as otherwise stated)

Particulars	Note	For the year ended March 31, 2021 Audited	For the year ended March 31, 2020 Audited
INCOME			
Revenue from Operations	2.23	30,272.96	52,967.01
Other Income	2.24	1,704.36	1,753.36
		31,977.32	**54,720.37**
EXPENDITURE			
Changes in inventories of Finished goods, Stock in trade and Work in progress	2.25	4,606.90	(943.23)
Cost of Material Consumed	2.26	9,364.82	19,473.35
Purchase of Trading Items: Lifestyle Accessories/ Products		1,899.16	2,776.09
Employee Benefit Expenses	2.27	5,264.48	7,145.18
Finance Cost	2.28	681.04	881.08
Depreciation/ Amortization	2.1	669.82	823.40
Manufacturing and Operating Expenses	2.29	2,134.20	4,901.49
Administrative and Other Expenses	2.30	3,276.48	3,307.88
Selling and Distribution Expenses	2.31	1,860.49	6,796.20
		29,757.39	**45,161.44**
Net Profit Before Tax		2,219.93	9,558.93
Tax Expense			
Current Tax		622.07	2,256.52
Deferred Tax		(267.00)	(2.00)
(Excess)/Short Provision for Taxes of Earlier Years		(77.34)	-
Net Profit for the Period		**1,942.20**	**7,304.41**
Other Comprehensive Income (OCI)			
Items that will not be reclassified to Profit and Loss			
Effect [gain / (loss)] of measuring equity instruments at fair value through OCI		188.72	(69.36)
Remeasurement gain /(loss) on net defined benefit liability		268.94	5.79
Income tax relating to items that will not be reclassified to profit and loss		(47.93)	(1.48)
Total Comprehensive Income for the year		**2,351.93**	**7,239.36**
Earnings per Share - Basic and Diluted (Face Value of ₹ 10 each fully paid up)		15.76	59.27
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 Financial Statements

As per our Audit Report of even date
For and on behalf of
Khimji Kunverji & Co LLP
Chartered Accountants
Registration No.:105146W/W100621

Hasmukh Dedhia
Partner

Membership No. : 033494

Place: Mumbai
Date: May 26, 2021

For and on behalf of the Board of Directors
of **Kewal Kiran Clothing Ltd**

Kewalchand P. Jain
Chairman & Managing Director
Din No : 00029730

Hemant P. Jain
Whole time Director
(Jt. Managing Director wef 26th May 2021)
Din No : 00029822

Bhavin Sheth
Chief Financial Officer

Abhijit Warange
Company Secretary

Place: Mumbai
Date: May 26, 2021

Standalone Cash Flow Statement

ON ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2021 | CIN: L18101MH1992PLC065136

(₹ in lakhs except as otherwise stated)

Particulars	For the Year Ended March 31, 2021 Audited		For the Year Ended March 31, 2020 Audited	
A. CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit Before Taxes as per Statement of Profit and Loss		**2,219.93**		**9,558.93**
Adjustments for:				
Depreciation/Amortization	666.89		814.80	
(Gain)/Loss on Sale/discard of Property plant & equipment (Tangible Assets) (Net)	20.01		(10.67)	
Depreciation on Investment Property	2.93		8.60	
Effect of fair value measurement of investments	(1,429.60)		(1,547.53)	
Sundry Balance (written back)/written off (Net)	8.23		7.01	
Finance costs	651.70		871.14	
Dividend Income	(5.21)		(6.75)	
Provision/(Reversal of provision) for Doubtful Debts, Advances, Deposits and Investments	690.64		129.36	
Provision/(Reversal of Provision) of Exchange Rate Fluctuation (Net)	10.61		(37.36)	
Interest Income	(185.13)		(25.70)	
		431.07		**202.90**
		2,651.00		**9,761.83**
Changes in Current & Non-current Assets and Liabilities				
Trade Receivable and Other Assets	2,808.42		572.13	
Inventories	3,946.71		(693.08)	
Trade Payables, Liabilities and Provisions	637.19		(2,250.64)	
		7,392.32		**(2,371.59)**
Net Cash Inflow from Operating Activities		**10,043.32**		**7,390.24**
Less: Income Tax paid (Net of Refund)		(372.63)		(2,296.43)
Net Cash Inflow/(outflow) from Operating Activities		**9,670.69**		**5,093.81**
B. CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of Property Plant & Equipment (including Capital Advances)		(302.44)		(1,424.81)
Sale of Property Plant & Equipment		34.85		308.68
Purchase of Investments		(3,720.00)		(259.00)
Redemption of Investments (net of taxes)		11,514.73		5,953.08
Maturity of Bank Deposit offered as Security		5.16		1.25
Dividend Income		5.21		6.75
Interest received on Bank Deposits	122.33		8.48	
Less: Income Tax Paid (refer note 1 below)	(30.79)	91.54	(2.12)	6.36
Net Cash inflow /(Outflow) from Investing Activities		**7,629.05**		**4,592.32**

Standalone Cash Flow Statement

ON ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2021 | CIN: L18101MH1992PLC065136

(₹ in lakhs except as otherwise stated)

Particulars	For the Year Ended March 31, 2021 Audited	For the Year Ended March 31, 2020 Audited
C. CASH FLOW FROM FINANCING ACTIVITIES		
Working Capital Demand Loan (Net)	(4,157.38)	(544.81)
Interest and Finance Charges	(606.44)	(800.78)
Payment of Lease liability	(63.07)	(46.00)
Payment of Dividend (Including Dividend Tax)	(3,694.20)	(5,644.38)
Net Cash Inflow/(Outflow) from Financing Activities	**(8,521.09)**	**(7,035.97)**
Net Increase/ (Decrease) in Cash & Cash Equivalents	**8,778.65**	**2,650.16**
CASH AND CASH EQUIVALENTS - OPENING	**7,970.87**	**5,320.61**
	16,749.52	**7,970.77**
Effect of Exchange (Gain)/Loss on Cash and Cash Equivalents	(0.02)	(0.10)
CASH AND CASH EQUIVALENTS - CLOSING	**16,749.50**	**7,970.87**
Significant accounting policies and notes on accounts 1&2		

The notes referred to above form integral part of cash flow statement

1. The Aggregate Income Tax paid during the year is ₹ 620.00 lakhs (P.Y. ₹ 2,429.00 lakhs).
2. The amount of undrawn borrowing facilities that may be available for future operating activities and to settle capital commitments as on March 31, 2021 is ₹ 7356.2 lakhs (P.Y. ₹ 5199.99 lakhs).

As per our Audit Report of even date
For and on behalf of
Khimji Kunverji & Co LLP
Chartered Accountants
Registration No.:105146W/W100621

Hasmukh Dedhia
Partner

Membership No. : 033494

Place: Mumbai
Date: May 26, 2021

For and on behalf of the Board of Directors
of **Kewal Kiran Clothing Ltd**

Kewalchand P. Jain
Chairman & Managing Director
Din No : 00029730

Hemant P. Jain
Whole time Director
(Jt. Managing Director wef 26th May 2021)
Din No : 00029822

Bhavin Sheth
Chief Financial Officer

Abhijit Warange
Company Secretary

Place: Mumbai
Date: May 26, 2021

Statement of Standalone Change in Equity

ON ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2021 | CIN: L18101MH1992PLC065136

A) EQUITY SHARE CAPITAL

(₹ in lakhs except as otherwise stated)

	As at March 31, 2021	As at March 31, 2020
Balance at the beginning of the reporting year	1232.50	1232.50
Changes in Equity Share capital during the year	-	-
Balance at the end of the reporting year	**1,232.50**	**1,232.50**

B) OTHER EQUITY

(₹ in lakhs except as otherwise stated)

	General Reserve	Retained Earning	Securities Premium	Business Progressive Fund (refer note below)	Equity Instruments through OCI	Total
Balance as at March 31, 2020 (III) = I+II	**5,375.63**	**25,582.64**	**8,426.77**	**4,000.00**	**24.65**	**43,409.69**
Profit for the year	-	1,942.20	-	-	-	1,942.20
Items of OCI for the year, net of tax	-					
Remeasurement of net defined benefit liability	-	221.01	-	-	-	221.01
Effect of measuring equity instruments at fair value through OCI	-	-	-	-	188.72	188.72
Total Comprehensive income from the year (2020-21) (I)	**-**	**2,163.21**	**-**	**-**	**188.72**	**2,351.93**
Dividends	-	(3,697.51)	-	-	-	(3,697.51)
Tax on dividends	-	-	-	-	-	-
Total (II)	**-**	**(3,697.51)**	**-**	**-**	**-**	**(3,697.51)**
Balance as at March 31, 2021 (III) = I+II	**5,375.63**	**24,048.34**	**8,426.77**	**4,000.00**	**213.37**	**42,064.11**

BUSINESS PROGRESSIVE FUND

* The Company has created "Business Progressive Fund" out of its profits 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 Indian Accounting Standard (AS) -37 in normal course of business. INDAS-37 does not permit providing for expenses where present obligation does not exist or there is no fixed commitment.

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.

As per our Audit Report of even date
For and on behalf of
Khimji Kunverji & Co LLP
Chartered Accountants
Registration No.:105146W/W100621

Hasmukh Dedhia
Partner

Membership No. : 033494

Place: Mumbai
Date: May 26, 2021

For and on behalf of the Board of Directors
of **Kewal Kiran Clothing Ltd**

Kewalchand P. Jain
Chairman & Managing Director
Din No : 00029730

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Whole time Director
(Jt. Managing Director wef 26th May 2021)
Din No : 00029822

Bhavin Sheth
Chief Financial Officer

Abhijit Warange
Company Secretary

Place: Mumbai
Date: May 26, 2021

Statement of Standalone Change in Equity

ON ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2020 | CIN: L18101MH1992PLC065136

A) EQUITY SHARE CAPITAL

(₹ in lakhs except as otherwise stated)

	As at March 31, 2020	As at March 31, 2019
Balance at the beginning of the reporting year	1232.50	1232.50
Changes in Equity Share capital during the year	-	-
Balance at the end of the reporting year	**1,232.50**	**1,232.50**

B) OTHER EQUITY

(₹ in lakhs except as otherwise stated)

	General Reserve	Retained Earning	Securities premium	Business Progressive fund (refer note below)	Equity Instruments through OCI	Total
Balance as at 31st March 2019 (III) = I+II	**5,375.63**	**23,920.14**	**8,426.77**	**4,000.00**	**94.01**	**41,816.55**
Profit for the year	-	7,304.41	-	-	-	7304.41
Items of OCI for the year, net of tax						-
Remeasurement of net defined benefit liability	-	4.31	-	-	-	4.31
Effect of measuring equity instruments at fair value through OCI	-		-	-	(69.36)	(69.36)
Total Comprehensive income from the year (2019-20) (I)	**-**	**7,308.72**	**-**	**-**	**(69.36)**	**7,239.36**
Dividends	-	(4,683.51)	-	-	-	(4,683.51)
Tax on dividends	-	(962.71)	-	-	-	(962.71)
Total (II)	**-**	**(5,646.22)**	**-**	**-**	**-**	**(5,646.22)**
Balance as at 31st Mar 2020 (III) = I+II	**5,375.63**	**25,582.64**	**8,426.77**	**4,000.00**	**24.65**	**43,409.69**

As per our Audit Report of even date
For and on behalf of
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Hasmukh Dedhia
Partner

Membership No. : 033494

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Bhavin Sheth
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Abhijit Warange
Company Secretary

Place: Mumbai
Date: May 26, 2021

Standalone Notes

ON ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2021 | CIN: L18101MH1992PLC065136

(₹ in lakhs except as otherwise stated)

1. COMPANY OVERVIEW AND SIGNIFICANT ACCOUNTING POLICIES:

A. Corporate Information

Kewal Kiran Clothing Limited ("the Company") is a Public Limited Company incorporated in India having its registered office at Mumbai, Maharashtra. The Company is engaged into manufacturing, marketing and retailing of branded readymade garments and finished accessories.

B. Statement of Compliance and Basis of Preparation

(i) Compliance with Ind AS

The financial statements are prepared in accordance with Indian Accounting Standards ("Ind AS") as notified under the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter, the relevant provisions of the Companies Act, 2013 ("the Act") and guidelines issued by the Securities and Exchange Board of India ("SEBI"), as applicable.

(ii) Basis of Preparation and presentation

Basis of Preparation:

The financial statements have been prepared on a historical cost basis, except the following assets and liabilities which have been measured at fair value

- Certain financial assets and liabilities (refer accounting policy regarding financial instruments)
- Employee's Defined Benefit Plan as per actuarial valuation

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions, regardless of whether that price is directly observable or estimated using another valuation technique. In determining the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

Functional and Presentation Currency:

The financial statements are presented in Indian Rupees and all values are rounded to the nearest Lakh (INR 00,000), except otherwise indicated.

C. Summary of Significant Accounting Policies

1.1 Classification of Assets and Liabilities into Current/ Non-Current:

The Company has ascertained its operating cycle as twelve months for the purpose of Current/ Non-Current classification of its Assets and Liabilities.

For the purpose of Balance Sheet, an asset is classified as current if:

a) It is expected to be realised, or is intended to be sold or consumed, in the normal operating cycle; or

b) It is held primarily for the purpose of trading; or

c) It is expected to realise the asset within twelve months after the reporting period; or

d) The asset is a cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current. A liability is classified as current if:

a) It is expected to be settled in the normal operating cycle; or

b) It is held primarily for the purpose of trading; or

c) It is due to be settled within twelve months after the reporting period; or

d) The Company does not have an unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could result in its settlement by the issue of equity instruments at the option of the counterparty does not affect this classification.

All other liabilities are classified as non-current.

1.2 Property, Plant and Equipment (PPE):

The initial cost of PPE comprises its purchase price, including import duties and non-refundable purchase taxes and any directly attributable costs of bringing an asset to working condition and location for its intended use, including relevant borrowing costs and any expected costs of decommissioning. Following initial recognition, items of PPE are carried at its cost less accumulated depreciation and accumulated impairment losses, if any. Gross carrying amount of all PPE are measured using cost model. Expenditure incurred after the PPE have been put into operation, such as repairs and maintenance, are charged to the Statement of Profit and Loss in the period in which the costs are incurred. PPE are eliminated from financial statement either on disposal or when retired from active use. Capital work-in-progress comprises of cost incurred on property, plant and equipment under construction / acquisition that are not yet ready for their intended use at the Balance Sheet Date

If significant parts of an item of PPE have different useful lives, then they are accounted for as separate

Standalone Notes

ON ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2021 | CIN: L18101MH1992PLC065136

(₹ in lakhs except as otherwise stated)

items (major components) of PPE. Material items such as spare parts, stand-by equipment and service equipment are classified as PPE when they meet the definition of PPE as specified in Ind AS 16 – Property, Plant and Equipment.

1.3 Expenditure during construction period:

a) Expenditure / Income during construction period (including financing cost related to borrowed funds for construction or acquisition of qualifying PPE) is included under Capital Work-in-Progress and the same is allocated to the respective PPE on the completion of their construction.

Advances given towards acquisition or construction of PPE outstanding at each reporting date are disclosed as Capital Advances under "Other non-current Assets".

b) Property, plant and equipment are eliminated from financial statement either on disposal or when retired from active use. Assets held for disposal are stated at net realizable value. Losses arising in case of retirement of property, plant and equipment and gains or losses arising from disposal of property, plant and equipment are recognized in the statement of profit and loss in the year of occurrence.

1.4 Depreciation:

a) Depreciation on the property, plant and equipment (other than freehold land and capital work in progress) is provided on a straight-line method (SLM) over their useful lives which is in consonance of useful life mentioned in Schedule II to the Act except certain class of assets specified in table (i) below, based on internal assessment estimated by the management of the Company, where the useful life is lower than as mentioned in said Schedule II.

Assets where useful life is lower than useful life mentioned in Schedule II

Assets	Estimated useful life depreciated on SLM basis
Furniture & fittings at retail stores	5 years
Second hand factory / office building (RCC frame structure)	30 years
Second hand factory / office building (other than RCC frame structure)	5 years
Individual assets whose cost does not exceed ₹ 5,000	Fully depreciated in the year of purchase

b) The range of useful lives of the property, plant and equipment not covered in table above and are in accordance with Schedule II are as follows:

Particulars	Useful life
Factory buildings	30 years
Other buildings (RCC structure)	60 years
Other Plant and Machinery	15 years
Computers	3 years
Furniture & fittings	10 years
Motor vehicles	8 years
Windmill	22 years

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, up to the date on which such asset has been sold or discarded.

d) Depreciation methods, useful lives and residual values are reviewed at each financial year end and adjusted prospectively.

e) Leasehold lands are amortized over the period of lease or useful life whichever is lower. Buildings constructed on leasehold land are depreciated over its useful life which matches with the useful life mentioned in Schedule II. In cases where building is having useful life greater than the period of lease (where the Company does not have right of renewal), the same is amortized over the lease period of land.

1.5 Investment properties

Property that is held for long-term rental yields or for capital appreciation or both and that is not occupied by the Company for its own business, is classified as investment property. Investment properties are measured at its cost, including related transaction costs and where applicable borrowing costs less depreciation and impairment if any.

Depreciation on building held as Investment Properties is provided over it's useful life (of 60 years) using the straight-line method.

1.6 Intangible Assets and Amortisation:

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

b) Cost of an intangible asset includes purchase price including non - refundable taxes and duties, borrowing cost directly attributable

Standalone Notes

(₹ in lakhs except as otherwise stated)

to the qualifying asset and any directly attributable expenditure on making the asset ready for its intended use.

c) Intangible assets under development comprises of cost incurred on intangible assets under development that are not yet ready for their intended use as at the Balance Sheet date.

d) Class of intangible assets and their estimated useful lives are as under:

Assets	Estimated useful life amortized on SLM basis
Computer software	3 years
Membership rights	5 years
Trademark	As per Management Estimate

e) Amortisation methods and useful lives are reviewed at each financial year end and adjusted prospectively.

f) In case of assets purchased during the year, amortization on such assets is calculated on pro-rata basis from the date of such addition.

1.7 Non-current assets (or disposal Company) classified as held for disposal:

Assets are classified as held for disposal and stated at the lower of carrying amount and fair value less costs to sell.

To classify any Asset as "Asset held for disposal" the asset must be available for immediate sale and its sale must be highly probable. Such assets are presented separately in the Balance Sheet, in the line "Assets held for disposal". Once classified as held for disposal, intangible assets and PPE are no longer amortised or depreciated, but carried at lower of cost or NRV.

1.8 Impairment of Non-Financial Assets:

At the end of each reporting period, the Company reviews the carrying amounts of non-financial assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in Statement of Profit and Loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the Statement of Profit and Loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.9 Inventories:

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.

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 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).

In case of work in progress and finished goods, the costs of conversion include costs directly related

Standalone Notes

ON ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2021 | CIN: L18101MH1992PLC065136

(₹ in lakhs except as otherwise stated)

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 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. A qualifying asset is an asset which necessarily takes a substantial period of time to get ready for its intended use. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest, amortization of discounts, hedge related cost incurred in connection with foreign currency borrowings and 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.

1.11 Provisions, Contingent Liabilities and Contingent Assets:

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources that can be reliably estimated, will be required to settle such an obligation.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Unwinding of the discount is recognised in the Statement of Profit and Loss as a finance cost.

Provisions are reviewed at each reporting date and are adjusted to reflect the current best estimate.

A present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is disclosed as a contingent liability. Contingent liabilities are also disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non -occurrence of one or more uncertain future events not wholly within the control of the Company.

Claims against the Company where the possibility of any outflow of resources in settlement is remote, are not disclosed as contingent liabilities.

A contingent asset is disclosed, where an inflow of economic benefits is probable. Contingent assets are not recognised in financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognised.

1.12 Revenue Recognition:

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

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 is measured at the fair value of consideration received or receivable taking net off the amount of goods and services tax (GST), sales tax, rebates, 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 period/year in which the right to receive the same is established.

d) Service income is recognized upon rendering of services. Service income is recorded net of service tax/GST.

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/GST

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 principally comprises of Duty Drawback, merchandise exports from India scheme (MEIS) and rebate on state & central taxes and levies (RoSTCL) based on guidelines formulated for the respective scheme by the government authorities. These incentives are recognized as income on accrual basis in Statement of Profit and Loss only to the extent that realisation/utilisation is certain.

h) Rental income (net of taxes) on assets given under operating lease arrangements is recognized on a straight-line basis over the period of the lease unless the receipts

Standalone Notes

ON ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2021 | CIN: L18101MH1992PLC065136

(₹ in lakhs except as otherwise stated)

are structured to increase in line with expected general inflation to compensate for the Company's expected inflationary cost increases.

1.13 Leases:

The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated on a straight-line basis over the lease term. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

1.14 Employees' Benefits:

a) Short term employee benefits-

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, National 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. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and fair value of plan assets. Re-measurement gains or losses arising from experience adjustments changes in actuarial assumptions is reflected immediately in the Balance Sheet with a charge or credit recognized in Other Comprehensive Income (OCI) in the period in which they occur. Re-measurement recognized in OCI is reflected immediately in retained earnings and will not be reclassified to Statement of Profit and Loss in the subsequent period.

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 while

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in service with the Company. To fulfil the Company's obligation for the above-mentioned plan, the Company has taken Company term policy from an insurance company. The annual premium for insurance cover is recognized in Statement of Profit and Loss.

1.15 Income Taxes:

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 or other reserves, the corresponding tax effect is also adjusted against the securities premium or retained earnings or other reserves, as the case may be, as per the announcement of Institute of Chartered Accountants of India.

b) Current Tax is measured on the basis of estimated taxable income for the current accounting period in with the applicable tax rates and the provisions of the Income-tax Act, 1961 and other applicable tax laws.

c) Deferred tax is provided, on all temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax assets and liabilities are measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted at the reporting date.

   Tax relating to items recognised directly in equity or OCI is recognised in equity or OCI and not in the Statement of Profit and Loss. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets and they relate to income taxes levied by the same tax authority, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable.

1.16 Earnings per Share:

Basic earnings per share (EPS) 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.

1.17 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 carried at fair value are translated at the rates prevailing at the date when the fair value was determined. Foreign currency non-monetary items measured in terms of historical cost are translated using the exchange rate as at the date of initial transactions.

c) Exchange difference arising on settlement or translation of foreign 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 on those foreign currency borrowings.

1.18 Financial Instruments:

Financial assets and financial liabilities are recognised when a Company becomes a party to the contractual provisions of the instruments.

Measurement

At initial recognition, the Company measures a financial asset and financial liabilities at its fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss and ancillary costs related to borrowings) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in Statement of Profit and Loss.

Classification and Subsequent Measurement: Financial Assets

The Company classifies financial assets as subsequently measured at amortised cost, fair value

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through other comprehensive income (“FVTOCI”) or fair value through profit or loss (“FVTPL”) on the basis of following:

- the entity’s business model for managing the financial assets and
- the contractual cash flow characteristics of the financial asset.

Amortised Cost:
A financial asset shall be classified and measured at amortised cost if both of the following conditions are met:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Fair Value through OCI (FVTOCI):
A financial asset shall be classified and measured at FVTOCI if both of the following conditions are met:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Fair Value through Profit or Loss (FVTPL):
A financial asset shall be classified and measured at fair value through profit or loss unless it is measured at amortised cost or at FVTOCI.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Equity instruments:
The Company subsequently measures its specific equity investments other than investments in joint venture at fair value. Where the Company’s management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to the Statement of Profit and Loss. Dividends from such investments are recognized in the Statement of Profit and Loss as other income when the Company’s right to receive payments is established.

Impairment of financial assets
The Company assesses on a forward-looking basis the expected credit losses associated with its assets. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables, the Company applies ‘simplified approach’ as specified under Ind AS 109, which requires expected lifetime losses to be recognized from initial recognition of the receivables. The application of simplified approach does not require the Company to track changes in credit risk. The Company calculates the expected credit losses on trade receivables using a provision matrix on the basis of its historical credit loss experience and is adjusted for forward looking estimates.

Derecognition of financial assets:
The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset (other than specific equity instrument classified as FVTOCI) in its entirety, the difference between the asset’s carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

On derecognition of a financial asset other than in its entirety (e.g. when the Company retains an option to repurchase part of a transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had

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been recognised in other comprehensive income is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

Subsequent measurement: Financial Liabilities

All financial liabilities of the Company are subsequently measured at amortized cost using the effective interest method.

Under the effective interest method, the future cash payments are exactly discounted to the initial recognition value using the effective interest rate. The cumulative amortization using the effective interest method of the difference between the initial recognition amount and the maturity amount is added to the initial recognition value (net of principal repayments, if any) of the financial liability over the relevant period of the financial liability to arrive at the amortized cost at each reporting date. The corresponding effect of the amortization under effective interest method is recognized as interest expense over the relevant period of the financial liability. The same is included under finance cost in the Statement of Profit and Loss.

Derecognition of Financial Liabilities:

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the Derecognition of the original liability and the recognition of a new liability. The difference between the carrying amount of the financial liability derecognized and the consideration paid is recognized in the Statement of Profit and Loss.

1.19 Cash Flow Statement and 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 (with zero exit load at the time of investment) that are readily convertible into known amounts of cash and are subject to an insignificant risk of changes in value. 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.

1.20 Dividend distribution:

Final equity dividends on shares are recorded as a liability on the date of approval by the shareholders and interim equity dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

1.21 Segment Reporting:

Operating 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. These operating results are regularly reviewed by the company's Chief Operating Decision Maker ("CODM").

1.22 Critical accounting judgements and key sources of estimation uncertainty:

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosures and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods

Critical judgements and estimates in applying accounting policies:

1) **Property, Plant and Equipment:**

Property, Plant and Equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life. The useful lives of the Company's assets are determined by the management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technical or commercial obsolescence arising from changes or improvements in production or from a change in market demand of the product or service output of the asset.

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2) Estimation of Defined benefit obligation:

The costs of providing post-employment benefits are charged to the Statement of Profit and Loss in accordance with Ind AS 19 'Employee benefits' over the period during which benefit is derived from the employees' services. The costs are assessed on the basis of assumptions selected by the management. These assumptions include salary escalation rate, discount rates, expected rate of return on assets and mortality rates. The same is disclosed in Note 2.40

3) Sales Returns:

The Company accounts for sales returns by recording an allowance for sales returns concurrent with the recognition of revenue at the time of a product sale. This allowance is based on the Company's estimate of expected sales returns. The Company deals in various products and operates in various markets. Accordingly, the estimate of sales returns is determined primarily by the Company's historical experience in the markets in which the Company operates.

4) Fair value measurement of Financial Instruments: Refer Note 2.50

5) Impairment

An impairment loss is recognised for the amount by which an asset's or cash-generating unit's carrying amount exceeds its recoverable amount to determine the recoverable amount, management estimates expected future cash flows from each asset or cash generating unit and determines a suitable interest rate in order to calculate the present value of those cash flows. In the process of measuring expected future cash flows, management makes assumptions about future operating results. These assumptions relate to future events and circumstances. The actual results may vary and may cause significant adjustments to the Company's assets. In most cases, determining the applicable discount rate involves estimating the appropriate adjustment to market risk and the appropriate adjustment to asset-specific risk factors.

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2.1: PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

Sr. No.	Description of the Block of Assets	GROSS BLOCK				DEPRECIATION / AMORTISATION				NET BLOCK
		As at 01/04/2020	Additions	Deductions/ Discarded	As at 31/03/2021	As at 01/04/2020	Depreciation	Deductions/ Discarded	As at 31/03/2021	As at 31/03/2021
Property Plant & Equipment (Tangible Assets)										
1	Free Hold Land	1,801.18	-	-	1,801.18	-	-	-	-	1,801.18
2	Building	4,097.66	471.39	-	4,569.05	504.23	175.21	-	679.45	3,889.60
3	Furnitures & Fixtures	114.44	1.60	-	116.04	52.66	17.63	-	70.30	45.74
4	Plant and Machinery	2,866.43	172.84	282.80	2,756.47	1,100.26	293.29	142.56	1,250.99	1,505.48
5	Computer	206.61	2.24	3.45	205.39	178.66	22.17	3.45	197.37	8.02
6	Office Equipments	319.05	11.61	0.01	330.65	177.08	59.66	0.01	236.73	93.92
7	Vehicles	256.85	129.10	29.84	356.10	112.32	39.63	23.29	128.65	227.45
	Total of Property Plant & equipment (a)	**9,662.21**	**788.78**	**316.11**	**10,134.88**	**2,125.20**	**607.60**	**169.32**	**2,563.48**	**7,571.40**
Intangible Assets (other than internally generated)										
1	Software (Acquired)	134.52	0.28	-	134.80	104.71	14.03	-	118.74	16.06
	Total of Intangible Assets (e)	**134.52**	**0.28**	**-**	**134.80**	**104.71**	**14.03**	**-**	**118.74**	**16.06**
Right of Use Assets										
1	Land		204.05	-	204.05	3.06	3.05	-	6.11	197.94
2	Building	386.00	-	-	386.00	29.66	42.21	-	71.87	314.13
	Total of Right of Use Assets (c)	**386.00**	**204.05**	**-**	**590.05**	**32.72**	**45.26**	**-**	**77.98**	**512.07**

Sr. No.	Description of the Block of Assets	GROSS BLOCK				DEPRECIATION / AMORTISATION				NET BLOCK
		As at 01/04/2020	Additions	Capitalised	As at 31/03/2021					As at 31/03/2021
Capital Work in Progress (CWIP)										
1	Plant and Machinery	21.02	9.00	30.02	-	-	-	-	-	-
2	Building	264.98	153.36	321.39	96.95	-	-	-	-	96.95
	Total CWIP (b)	**286.00**	**162.36**	**351.41**	**96.95**	**-**	**-**	**-**	**-**	**96.95**
Intangible Assets under development										
1	Software (Acquired)		-		-	-	-	-	-	-
	Total CWIP (b)	**286.00**	**162.36**	**351.41**	**96.95**	**-**	**-**	**-**	**-**	**96.95**
Investment Properties (2.1.1)										
1	Building	255.91	-	-	255.91	121.69	2.93	-	124.61	131.30
	Total Investment properties (d)	**255.91**	**-**	**-**	**255.91**	**121.69**	**2.93**	**-**	**124.61**	**131.30**
	Grand total (a+b+c+d+e)	**10,724.65**	**1,155.47**	**667.52**	**11,212.59**	**2,384.31**	**669.82**	**169.32**	**2,884.81**	**8,327.78**

Sr. No.	Description of the Block of Assets	GROSS BLOCK				DEPRECIATION / AMORTISATION				NET BLOCK
		As at 01/04/2019	Additions	Deductions/ Discarded	As at 31/3/2020	As at 01/04/2019	Depreciation	Deductions/ Discarded	As at 31/3/2020	As at 31/3/2020
Property Plant & Equipment (Tangible Assets)										
1	Free Hold Land	1,697.36	103.82	-	1,801.18	-	-	-	-	1,801.18
2	Building	3,862.22	496.27	260.83	4,097.66	355.61	151.90	3.28	504.23	3,593.43
3	Furnitures & Fixtures	91.51	22.92	-	114.43	35.70	16.96	-	52.66	61.77
4	Plant and Machinery	2,815.67	106.64	55.88	2,866.43	811.08	304.73	15.55	1,100.26	1,766.17
5	Computer	187.09	19.94	0.42	206.61	138.27	40.81	0.42	178.66	27.95
6	Office Equipments	312.88	6.55	0.39	319.05	111.84	65.49	0.26	177.08	141.97
7	Vehicles	256.85	-	-	256.85	77.16	35.16	-	112.32	144.53
	Total of Property Plant & equipment (a)	**9,223.57**	**756.16**	**317.52**	**9,662.21**	**1,529.66**	**615.05**	**19.51**	**2,125.20**	**7,537.00**

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Sr. No.	Description of the Block of Assets	GROSS BLOCK				DEPRECIATION / AMORTISATION				NET BLOCK
		As at 01/04/2019	Additions	Deductions/ Discarded	As at 31/3/2020	As at 01/04/2019	Depreciation	Deductions/ Discarded	As at 31/3/2020	As at 31/3/2020
Intangible Assets (other than internally generated)										
1	Software (Acquired)	131.84	2.68	-	134.52	88.08	16.61	-	104.70	29.83
2	Trademark	300.00	-	-	300.00	149.57	150.43	-	300.00	-
	Total of Intangible Assets (e)	431.84	2.68	-	434.52	237.66	167.04	-	404.70	29.83
	Right of Use Assets									
1	Land		204.05	-	204.05	-	3.06	-	3.06	200.99
2	Building	-	386.00	-	386.00	-	29.66	-	29.66	356.34
	Total of Right of Use Assets (c)	**-**	**590.05**	**-**	**590.05**	**-**	**32.72**	**-**	**32.72**	**557.33**

Sr. No.	Description of the Block of Assets	As at 01/04/2019	Additions	Capitalised	As at 31/3/2020	As at 01/04/2019	Depreciation	Deductions/ Discarded	As at 31/3/2020	As at 31/3/2020
Capital Work in Progress (CWIP)										
1	Plant and Machinery	13.24	12.98	5.20	21.02	-	-	-	-	21.02
2	Building	210.92	112.44	58.38	264.98	-	-	-	-	264.98
	Total CWIP (b)	**224.16**	**125.42**	**63.58**	**286.00**	**-**	**-**	**-**	**-**	**286.00**
Intangible Assets under development										
1	Software (Acquired)	15.35	-	15.35	-	-	-	-	-	-
	Total CWIP (b)	**239.51**	**125.42**	**78.93**	**286.00**	**-**	**-**	**-**	**-**	**286.00**
Investment Properties (2.1.1)										
1	Building	255.91	-	-	255.91	113.08	8.60	-	121.68	134.23
	Total Investment properties (d)	**255.91**	**-**	**-**	**255.91**	**113.08**	**8.60**	**-**	**121.68**	**134.23**
	Grand total (a+b+c+d+e)	**10,135.48**	**1,474.31**	**381.10**	**11,228.69**	**1,880.40**	**823.40**	**19.51**	**2,684.29**	**8,544.39**

2.1.1 Investment Property

Particulars	March 31, 2021	March 31, 2020
Rental income derived from Investment property	89.81	92.33
Direct operating expenses (Including repair and maintenance)	2.58	-
Income arising from Investment properties before depreciation	87.23	92.33
Depreciation	2.93	8.60
Income from Investment properties (Net)	84.31	83.73

2.1.2 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.10) share of ₹ 50 each in Gautam Chemical Industrial Premises CHS Ltd.

2.1.3 Right to Use - Building includes building constructed on lease hold land having Gross block of ₹ 226.65 lakhs (P.Y. ₹ 226.65 lakhs)

2.1.4 In the year 2014-15, the company has acquired freehold land with integrated structures for a composite value whose conveyance is registered and municipal records updated. The value of the structure is determined based on estimated depreciated value of structures and the balance is considered as the value of the land. In respect of the land, the company has undivided share in land. Also an insignificant portion of land is unlawfully occupied by an illegal occupant and the said occupant had raised some illegal structures which were demolished by the Municipal Corporation. The said illegal occupant has filed a suit in the Hon'ble High Court for his alleged claim in respect of the portion of the land illegally occupied by him. The company has refuted the alleged claim of the illegal occupant and is defending the suit. The Company has filed an Eviction suit against the illegal occupant in the Hon'ble Small Causes Court. Both the said matters are sub-judiced.There is insignificant impact of these litigations on the financial position of the company.

2.1.5 Amount capitalised under building block includes ₹ 321.39 lakhs (P.Y. ₹ 58.32 lakhs) being the amount of capital expenditure incurred on self-constructed assets. Further such amount included under CWIP is aggregating to ₹ 96.95 lakhs (P.Y.₹ 262.78 lakhs).

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2.2: INVESTMENTS

Long Term Investments

Particulars	As at March 31, 2021	As at March 31, 2020
a) Trade Investments (Unquoted)		
Investment in Joint Venture White Knitwear Private Limited		
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 ₹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.	0.20	0.06
15,000 (P.Y. 15,000) HCL Technologies Ltd Shares of face value ₹ 2 each fully paid up.	147.52	65.51
25,000 (P.Y. 25,000) Tech Mahindra Ltd Shares of face value ₹ 5 each fully paid up.	247.81	141.24
In Fixed Maturity Plan		
Investment in unquoted Mutual Funds		
Franklin India FMP-Series 2-Plan A - Growth	-	118.24
[Units: 1,000,000 (P.Y.: 1,000,000)]		
Franklin India FMP-Series 2-Plan B - Growth	-	119.09
[Units: 1,000,000 (P.Y.: 1,000,000)]		
HSBC FTS 130 Growth 1204 days - Growth	-	118.14
[Units: 1,000,000 (P.Y.: 1,000,000)]		
Nippon India Fixed Horizon Fund XXXV - Series 7 - Growth	-	237.99
(Formerly known as Reliance Fixed Horizon Fund XXXV - Series 7 - Growth)		
[Units: 2,000,000 (P.Y.: 2,000,000)]		
Nippon India Fixed Horizon Fund XXXVI-Series 6 - Growth	-	830.28
(Formerly known as Reliance Fixed Horizon Fund XXXVI-Series 6 - Growth)		
[Units: 7,000,000 (P.Y.: 7,000,000)]		
Nippon India Fixed Horizon Fund XXXVI-Series 6 - Growth	-	352.84
(Formerly known as Reliance Fixed Horizon Fund XXXVI-Series 6 - Growth)		
[Units: 3,000,000 (P.Y.: 3,000,000)]		
Aditya Birla Sunlife FTP Series PV- Direct-Growth	523.52	481.64
[Units: 4,000,000 (P.Y.: 4,000,000)]		
Aditya Birla Sunlife FTP Series PV-Growth	130.15	119.96
[Units: 1,000,000 (P.Y.: 1,000,000)]		
DSP FMP-Series 232-36M-Growth	-	117.43
[Units: 1,000,000 (P.Y.: 1,000,000)]		
DSP FMP-Series 235-36M-Growth	-	116.60
[Units: 1,000,000 (P.Y.: 1,000,000)]		
ICICI Pru FMP Series 82 - 1119 Days Plan X - Growth	-	762.74
[Units: 6,500,000 (P.Y.: 6,500,000)]		
ICICI Pru FMP Series 82 - 1141 Days Plan Y-Direct- Growth	-	354.29
[Units: 3,000,000 (P.Y.: 3,000,000)]		
ICICI Pru FMP Series 82 - 1141 Days Plan Y - Growth	-	353.65
[Units: 3,000,000 (P.Y.: 3,000,000)]		
IDFC FTP Series 152 - Growth	126.36	115.83
[Units: 1,000,000 (P.Y.: 1,000,000)]		

Standalone Notes

ON ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2021 | CIN: L18101MH1992PLC065136

(₹ in lakhs except as otherwise stated)

Particulars	As at March 31, 2021	As at March 31, 2020
Invesco India FMP Series 31 Plan D - Growth	130.75	119.70
[Units: 1,000,000 (P.Y.: 1,000,000)]		
Kotak FMP Series 228 - Direct-Growth	-	118.66
[Units: 1,000,000 (P.Y.: 1,000,000)]		
Kotak FMP Series 228 - Growth	-	118.23
[Units: 1,000,000 (P.Y.: 1,000,000)]		
Tata FMP Series 55 Scheme G - Growth	-	116.18
[Units: 1,000,000 (P.Y.: 1,000,000)]		
UTI FTIF-Series XXIX-VI - Growth	-	118.32
[Units: 1,000,000 (P.Y.: 1,000,000)]		
In the units of Fixed Maturity Plan (FMP'S) of ₹ 1000/- each fully paid		
PGIM India Fixed Duration Fund-Series AY-Growth	260.13	239.45
(Formerly known as DHFL Pramerica Fixed Duration Fund-Series AY-Growth)		
[Units: 20,000 (P.Y.: 20,000)]		
PGIM India Fixed Duration Fund-Series BA-Growth	128.46	119.16
(Formerly known as DHFL Pramerica Fixed Duration Fund-Series BA-Growth)		
[Units: 10,000 (P.Y.: 10,000)]		
Investment in Portfolio management services		
Mehta Multifocused Fund		
Capital Contribution	28.15	19.22
Kotak India Whizdom Fund		
Capital Contribution	10.42	80.55
Sistema Asia Fund		
Capital Contribution	114.32	44.25
	2,193.29	**5,844.75**
Aggregate Market / Net asset Value		
- Quoted	395.53	206.81
- Unquoted	1,797.76	5,637.94

2.2.1 The Company had invested in aggregate ₹ 34,550,000 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.

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 2021

2.3: OTHER FINANCIAL ASSETS

(Unsecured considered good)

Particulars	As at March 31, 2021	As at March 31, 2020
Security Deposits	395.11	215.48
Loan to Employees	26.88	22.37
Rent Deposits to Related Parties	7.83	7.83
Bank Deposits offered as Security	48.00	2.13
Interest receivables on Bank Deposits	1.89	0.35
	479.71	**248.16**

Standalone Notes

ON ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2021 | CIN: L18101MH1992PLC065136

(₹ in lakhs except as otherwise stated)

2.4: OTHER NON CURRENT ASSETS

Particulars	As at March 31, 2021	As at March 31, 2020
Capital Advances	12.04	178.94
Prepaid Expenses	24.67	16.95
Advance Tax / Tax deducted at source (Net of Provision)	252.19	241.06
	288.90	**436.95**

2.5: INVENTORIES

Particulars	As at March 31, 2021	As at March 31, 2020
Finished goods	2,265.93	6,392.86
Work-in-Progress	1,295.85	1,433.69
Raw material	1,063.47	536.12
Traded goods	186.77	528.90
Packing material & accessories	143.88	72.72
Stores, chemicals and consumables	100.74	39.05
	5,056.64	**9,003.34**

2.6: CURRENT INVESTMENTS (REFER NOTE 1.18)

(includes current maturity of non current investment)

Particulars	As at March 31, 2021	As at March 31, 2020
Investment in unquoted Mutual Funds		
In units of Fixed Maturity Plans (FMP's) of ₹ 10/- each fully paid up		
(Current Portion of Long Term Investments)		
Aditya Birla Sunlife FTP Series OF Growth	-	1,186.97
[Units: NIL (P.Y.: 9,510,574)]		
DSP FMP-Series 209-37M-Growth	-	367.67
[Units: NIL (P.Y.: 3,000,000)]		
HDFC FMP 1199D Jan 2017(1) - Growth	-	1,283.49
[Units: NIL (P.Y.: 10,000,000)]		
HDFC FMP 1178D Feb 2017(1) - Growth	-	418.70
[Units: NIL (P.Y.: 3,252,951)]		
ICICI Pru FMP Series 80 - 1170D Plan I - Growth	-	676.05
[Units: NIL (P.Y.: 5,253,506)]		
Kotak FMP Series 202 - Growth	-	618.74
[Units: NIL (P.Y.: 5,000,000)]		
Nippon India Fixed Horizon Fund XXXII - Series 2 - Growth	-	199.88
(Formerly known as Reliance Fixed Horizon Fund XXXII - Series 2 - Growth)		
[Units: NIL (P.Y.: 1,600,000)]		
Nippon India Fixed Horizon Fund XXXII - Series 2 - Regular-Growth	-	123.38
(Formerly known as Reliance Fixed Horizon Fund XXXII - Series 2 - Regular-Growth)		
[Units: NIL (P.Y.: 1,000,000)]		
Nippon India Fixed Horizon Fund XXXII - Series 5 - Growth	-	253.07
(Formerly known as Reliance Fixed Horizon Fund XXXII - Series 5 - Growth)		
[Units: NIL (P.Y.: 2,000,000)]		
Nippon India Fixed Horizon Fund XXXIII - Series 2 - Growth	-	240.66
(Formerly known as Reliance Fixed Horizon Fund XXXIII - Series 2 - Growth)		
[Units: NIL (P.Y.: 2,000,000)]		
Nippon India Fixed Horizon Fund XXXIII - Series 5 - Growth	-	723.67
(Formerly known as Reliance Fixed Horizon Fund XXXIII - Series 5 - Growth)		
[Units: NIL (P.Y.: 6,006,447.403)]		
UTI Fixed Term Income Fund Series XXV-XII - Growth	-	251.75
[Units: NIL (P.Y.: 2,000,000)]		
UTI Fixed Term Income Fund Series XXVI-I - Growth	-	376.64
[Units: NIL (P.Y.: 3,019,459.258)]		

Standalone Notes

ON ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2021 | CIN: L18101MH1992PLC065136

(₹ in lakhs except as otherwise stated)

Particulars	As at March 31, 2021	As at March 31, 2020
UTI Fixed Term Income Fund Series XXVI-II - Growth	-	1,244.89
[Units: NIL (P.Y.: 10,000,000)]		
HDFC FMP 1165D April 2017 (1) - Growth	-	808.09
[Units: NIL (P.Y.; 6,542,049)]		
ICICI Pru FMP Series 81 1205 Days - Growth	-	185.65
[Units: NIL (P.Y.: 1,500,000)]		
UTI FTIF-Series XXVII-VI - Growth	-	336.61
[Units: NIL (P.Y.: 3,000,000)]		
Franklin India FMP-Series 2-Plan A - Growth	125.54	-
[Units: 1,000,000 (P.Y.: 1,000,000)]		
Franklin India FMP-Series 2-Plan B - Growth	126.34	-
[Units: 1,000,000 (P.Y.: 1,000,000)]		
HSBC FTS 130 Growth 1204 days - Growth	124.36	-
[Units: 1,000,000 (P.Y.: 1,000,000)]		
Nippon India Fixed Horizon Fund XXXV - Series 7 - Growth	252.93	-
(Formerly known as Reliance Fixed Horizon Fund XXXV - Series 7 - Growth)		
[Units: 2,000,000 (P.Y.: 2,000,000)]		
Nippon India Fixed Horizon Fund XXXVI-Series 6 - Growth	883.36	-
(Formerly known as Reliance Fixed Horizon Fund XXXVI-Series 6 - Growth)		
[Units: 7,000,000 (P.Y.: 7,000,000)]		
Nippon India Fixed Horizon Fund XXXVI-Series 6 - Growth	375.40	-
(Formerly known as Reliance Fixed Horizon Fund XXXVI-Series 6 - Growth)		
[Units: 3,000,000 (P.Y.: 3,000,000)]		
DSP FMP-Series 232-36M-Growth	124.78	-
[Units: 1,000,000 (P.Y.: 1,000,000)]		
DSP FMP-Series 235-36M-Growth	124.05	-
[Units: 1,000,000 (P.Y.: 1,000,000)]		
ICICI Pru FMP Series 82 - 1119 Days Plan X - Growth	807.61	-
[Units: 6,500,000 (P.Y.: 6,500,000)]		
ICICI Pru FMP Series 82 - 1141 Days Plan Y-Direct- Growth	376.37	-
[Units: 3,000,000 (P.Y.: 3,000,000)]		
ICICI Pru FMP Series 82 - 1141 Days Plan Y - Growth	375.38	-
[Units: 3,000,000 (P.Y.: 3,000,000)]		
Kotak FMP Series 228 - Direct-Growth	126.55	-
[Units: 1,000,000 (P.Y.: 1,000,000)]		
Kotak FMP Series 228 - Growth	125.87	-
[Units: 1,000,000 (P.Y.: 1,000,000)]		
Tata FMP Series 55 Scheme G - Growth	124.96	-
[Units: 1,000,000 (P.Y.: 1,000,000)]		
UTI FTIF-Series XXIX-VI - Growth	126.37	-
[Units: 1,000,000 (P.Y.: 1,000,000)]		
In the units of Fixed Maturity Plan (FMP'S) of ₹ 1000/- each fully paid		
PGIM India Fixed Duration Fund-Series AF-Growth	-	353.44
(Formerly known as DHFL Pramerica Fixed Duration Fund-Series AF-Growth)		
[Units: NIL (P.Y.: 30,000)]		
Investment in unquoted Mutual Funds		
In the units of Income Funds of ₹ 10/- each fully paid		
HDFC Corporate Bond Fund - Growth	1,212.54	833.22
[Units: 4,814,823.517 (P.Y.: 3,609,580.445)]		
ICICI Pru Credit Risk Fund -Direct- Growth	-	334.00
[Units: NIL (P.Y.: 1,442,895.749)]		
IDFC Credit Risk Fund - Growth	-	767.63
[Units: NIL (P.Y.: 6,030,225.274)]		
IDFC Corporate Bond Fund -Regular - Growth	348.99	320.15
[Units: 2,323,070.357 (P.Y.: 2,323,070.357)]		
Principal Short Term Debt Fund - Growth	944.22	874.73

Standalone Notes

ON ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2021 | CIN: L18101MH1992PLC065136

(₹ in lakhs except as otherwise stated)

Particulars	As at March 31, 2021	As at March 31, 2020
[Units: 2,600,012.482 (P.Y.: 2,600,012.482)]		
IIFL Dynamic Bond Fund - Growth	-	116.07
[Units: NIL (P.Y.: 704,061.732)]		
BNP Paribas Corporate Bond Fund - Growth	-	161.50
[Units: NIL (P.Y.: 769,974.199)]		
PGIM India Credit Risk Fund - Growth	-	291.62
(Formerly known as DHFL Pramerica Credit Risk Fund - Growth)		
[Units: NIL (P.Y.: 1,981,600.813)]		
DSP Corporate Bond Fund - Growth	533.42	118.34
[Units: 4,167,079.735 (P.Y.: 1,000,000)]		
L&T Triple Ace Bond Fund - Growth	224.02	207.60
[Units: 375,629.179 (P.Y.: 375,629.179)]		
Axis Corporate Debt Fund - Direct - Growth	305.05	-
[Units: 2,248,594.563 (P.Y.: NIL)]		
Axis Corporate Debt Fund - Regular - Growth	201.08	-
[Units: 1,526,175.217 (P.Y.: NIL)]		
Bharat Bond FOF - Direct - Growth	950.90	-
[Units: 9,291,652.263 (P.Y.: NIL)]		
ICICI Pru Corporate Bond Fund - Growth	622.64	-
[Units: 2,648,774.634 (P.Y.: 1,785,278.593)]		
Kotak Bond Fund - Growth	496.09	-
[Units: 766,059.715 (P.Y.: NIL)]		
Mirae Asset Dynamic Bond Fund - Direct - Growth	302.33	-
[Units: 2,186,878.081 (P.Y.: NIL)]		
Nippon India Corporate Bond Fund - Direct - Growth	253.31	-
[Units: 540,209.829 (P.Y.: NIL)]		
UTI Corporate Bond Fund - Direct - Growth	301.18	-
[Units: 2,351,809.029 (P.Y.: NIL)]		
	10,895.64	**13,674.21**
Aggregate Market / Net asset Value	10,895.64	13,674.21

2.7: TRADE RECEIVABLES

Particulars	As at March 31, 2021	As at March 31, 2020
a) Trade Receivables considered good - Secured	1,701.12	2,447.57
b) Trade Receivables considered good - Unsecured	12,726.97	15,219.90
Less : Provision for Doubtful Debts (based on Expected Credit Loss model)	(1,325.00)	(575.00)
c) Trade Receivables which has significant increase in credit risks	-	-
d) Trade Receivables - credit impaired	-	-
	13,103.09	**17,092.47**

2.8: CASH & CASH EQUIVALENT

Particulars	As at March 31, 2021	As at March 31, 2020
Cash on Hand	26.19	37.35
Balances with Banks :-		
In Current Accounts	196.90	131.51
In Bank Deposits	1,373.18	171.57
In Bank Deposits with more than 12 months maturity	1,385.55	101.25
Liquid Mutual Funds	13,767.68	7,529.19
	16,749.50	**7,970.87**

Standalone Notes

ON ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2021 | CIN: L18101MH1992PLC065136

(₹ in lakhs except as otherwise stated)

2.9: OTHER BANK BALANCES

Particulars	As at March 31, 2021	As at March 31, 2020
Earmarked balances in bank		
In Unclaimed Dividend Accounts	10.03	8.56
In Bank Deposits offered as Security (Maturity of less than 12 Months)	0.25	40.95
	10.28	**49.51**
	16,759.78	**8,020.38**

2.8.1: Details of Current Investments in Liquid Mutual Funds(Unquoted) as given below:

Particulars	As at March 31, 2021	As at March 31, 2020
a) Face Value of ₹ 10/- each fully paid up		
HDFC Banking and PSU Debt Fund - Regular - Growth	-	253.13
[Units: NIL (P.Y.: 1,532,179.602)]		
ICICI Pru Corporate Bond Fund - Growth	-	384.01
[Units: 2,648,774.634 (P.Y.: 1,785,278.593)]		
DSP Low Duration Fund-Growth	108.26	101.97
[Units: 684,125.551 (P.Y.: 684,125.551)]		
Franklin India Savings Fund-Growth	-	102.37
[Units: NIL (P.Y.: 270,007.56)]		
HDFC Ultra Short Term Fund - Growth	1,352.60	228.30
[Units: 11,328,926.639 (P.Y.: 2,027,837.083)]		
Nippon India Floating Rate Fund - Growth	1,531.44	1,399.25
[Units: 4,255,404.586 (P.Y.: 4,255,404.586)]		
Nippon India Money Market Fund - Growth	109.55	103.83
[Units: 3,401.512 (P.Y.: 3,401.512)]		
PGIM India Ultra Short Term Fund - Growth	-	102.46
[Units: NIL (P.Y.: 391,502.823)]		
HDFC Banking and PSU Debt Fund - Direct - Growth	502.02	-
[Units: 2,750,878.956 (P.Y.: NIL)]		
Mirae Asset Banking & PSU Debt Fund - Direct - Growth	501.67	-
[Units: 4,892,506.274 (P.Y.: NIL)]		
Tata Banking & PSU Debt Fund - Direct - Growth	303.14	-
[Units: 2,688,278.526 (P.Y.: NIL)]		
Total (a)	**4,408.68**	**2,675.32**
b) Face Value of ₹ 100/- each fully paid up		
Aditya Birla Sunlife Savings Fund - Growth	-	882.27
[Units: NIL (P.Y.: 220,111.299)]		
Aditya Birla Sunlife Savings Fund - Growth-Regular	-	401.62
[Units: NIL (P.Y.: 101,032.528)]		
Aditya Birla Sunlife Banking & PSU Debt Fund - Growth	272.00	251.48
[Units: 96,032.789 (P.Y.: 96,032.789)]		
Aditya Birla Sunlife Floating Rate Fund - Growth	538.04	312.96
[Units: 198,771.602 (P.Y.: 124.046.445)]		
ICICI Pru Savings Fund - Growth	-	384.47
[Units: NIL (P.Y.: 98,488.109)]		
ICICI Pru Money Market Fund - Growth	1,036.67	648.53
[Units: 351,082.473 (P.Y.: 232,227.534)]		
Aditya Birla Sun Life Banking & PSU Debt Fund - Growth	1,260.24	-
[Units: 434,984.733 (P.Y.: NIL)]		
Total (b)	**3,106.95**	**2,881.33**

Standalone Notes

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(₹ in lakhs except as otherwise stated)

Particulars	As at March 31, 2021	As at March 31, 2020
c) Face Value of ₹ 1,000/- each fully paid up		
Axis Treasury Advantage Fund - Growth	1,116.13	1,048.60
[Units: 46,486.382 (P.Y.: 46,486.382)]		
Baroda Pioneer Treasury Advantage Fund - Growth (segregate)	-	314.16
[Units: 25,056.297 (P.Y.: 25,056.297)]		
Kotak Money Market Scheme - Growth	196.08	186.47
[Units: 5,628.328 (P.Y.: 5,628.328)]		
Tata Treasury Advantage Fund - Growth	82.14	77.38
[Units: 2,645.036 (P.Y.: 2,645.036)]		
Principal Low Duration Fund - Growth	94.68	90.65
[Units: 3,325.994 (P.Y.: 3,325.994)]		
Invesco India Treasury Advantage Fund - Growth	413.51	102.04
[Units: 13,549.553 (P.Y.: 3,565.121)]		
Tata Money Market Fund - Growth	162.25	153.24
[Units: 4,421.036 (P.Y.: 4,421.036)]		
Axis Banking & PSU Debt Fund - Regular - Growth	481.30	-
[Units: 23,370.742 (P.Y.: NIL)]		
Kotak Low Duration Fund - Direct - Growth	503.48	-
[Units: 18,152.527 (P.Y.: NIL)]		
SBI Liquid Fund - Direct - Growth	361.07	-
[Units: 11,207.587 (P.Y.: NIL)]		
SBI Liquid Fund - Regular - Growth	515.93	-
[Units: 16,107.328 (P.Y.: NIL)]		
SBI Overnight Fund - Direct - Growth	503.49	-
[Units: 15,021.778 (P.Y.: NIL)]		
Tata Liquid Fund - Regular - Growth	670.67	-
[Units: 20,797.331 (P.Y.: NIL)]		
UTI Liquid Cash Plan - Direct - Growth	647.17	-
[Units: 19,201.003 (P.Y.: NIL)]		
UTI Treasury Advantage Fund - Regular - Growth	504.15	-
[Units: 19,274.573 (P.Y.: NIL)]		
Total (c)	**6,252.05**	**1,972.54**
Aggregate Market / Net asset Value	13,767.68	7,529.19

2.10: OTHER FINANCIAL ASSETS

(Unsecured, Considered Good)

Particulars	As at March 31, 2021	As at March 31, 2020
Advance to Employee	14.44	51.21
Loans to Employee	18.58	15.29
Interest receivables on Bank Deposits	92.70	32.85
	125.72	**99.35**

2.11: OTHER CURRENT ASSETS

Particulars	As at March 31, 2021	As at March 31, 2020
Export Incentive Receivable	46.42	69.22
Prepaid Expenses	109.72	69.82
Other Receivable	53.14	25.06
Advance for gratuity	157.77	-
Advance to Suppliers	636.59	564.81
	1,003.64	**728.91**

Standalone Notes

ON ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2021 | CIN: L18101MH1992PLC065136

(₹ in lakhs except as otherwise stated)

2.12: SHARE CAPITAL

Particulars	As at March 31, 2021	As at March 31, 2020
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**

2.12.1 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.

2.12.2 Reconciliation of the shares outstanding at the beginning and at the end of the year

Particulars	March 31, 2021		March 31, 2020	
	No. of shares	Amount	No. of shares	Amount
Shares outstanding at the beginning of the year	12,325,037	123,250,370	12,325,037	123,250,370
Shares issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	**12,325,037**	**123,250,370**	**12,325,037**	**123,250,370**

2.12.3 Details of the shareholders holding more than 5% shares in the Company

Name of Shareholder	March 31, 2021		March 31, 2020	
	No. of shares	Amount	No. of shares	Amount
Shares outstanding at the beginning of the year	12,325,037	123,250,370	12,325,037	123,250,370
Shares issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-

Name of Shareholder	March 31, 2021		March 31, 2020	
	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	729,831	5.92	729,831	5.92
includes 102,581 (P.Y.100,401) shares jointly held with Mrs. Sangeeta D. Jain				
Mr. Vikas P Jain	721,821	5.86	721,821	5.86
includes 94,571 (P.Y.92,336) shares jointly held with Mrs. Kesar V. Jain				
Mr. Hemant P Jain	691,915	5.61	691,915	5.61
includes 80,665 (P.Y.78,400) shares jointly held with Mrs. Lata H. Jain				
Mr. Kewalchand P Jain	690,611	5.60	690,611	5.60
includes 79,361(P.Y.77,161) shares jointly held with Mrs. Veena K. Jain				
SBI Small Cap Fund	678,695	5.51	685,470	5.56
Nalanda India Fund Limited	879,081	7.13	879,081	7.13

2.12.4 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. However, there are no preferential amounts inter-se equity shareholders. 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.)

2.12.5 For the period of five years immediately preceding the date as at which the Balance Sheet is prepared:

(i) No shares have been allotted as fully paid-up without payment being received in cash.

(ii) No shares have been allotted as fully paid-up by way of bonus shares.

(iii) No shares have been bought back by the company.

Standalone Notes

ON ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2021 | CIN: L18101MH1992PLC065136

(₹ in lakhs except as otherwise stated)

2.13 OTHER EQUITY

Particulars	As at March 31, 2021	As at March 31, 2020
Securities Premium	8,426.77	8,426.77
General Reserve		
Opening Balance	5,375.63	5,375.63
Add: Amount transferred from Balance in the Statement of Profit and Loss	-	-
	5,375.63	**5,375.63**
Balance in Statement of Profit and Loss		
Opening balance	25,607.29	24,014.15
Add: Net profit after tax transferred from Statement of Profit and Loss	2,351.93	7,239.36
	27,959.22	**31,253.51**
Less: Appropriations		
Final Dividend (pertaining to previous year)	123.25	246.50
Interim Dividend	3,574.26	4,437.01
Tax on Final Dividend	-	50.67
Tax on Interim Dividend	-	912.04
Transfer to Business Progressive Fund	-	-
	24,261.71	**25,607.29**
Business Progressive Fund		
Opening Balance	4,000.00	4,000.00
Add: Amount transferred from Balance in the Statement of Profit and Loss		
Less: Amount retransferred to Balance in the Statement of Profit and Loss	-	-
	4,000.00	**4,000.00**
	42,064.11	**43,409.69**

2.13.1 The Company has created "Business Progressive Fund" by appropriating a sum of ₹ NIL (P.Y. ₹ 500) lakhs out of its profits 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 Indian Accounting Standard (AS) -37 in normal course of business. INDAS-37 does not permit providing for expenses where present obligation does not exist or there is no fixed commitment.

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.

2.13A: FINANCIAL LIABILITIES

Particulars	As at March 31, 2021	As at March 31, 2020
Lease Liability	311.43	342.01
	311.43	**342.01**

2.14: PROVISIONS

(Long term)

Particulars	As at March 31, 2021	As at March 31, 2020
Other Long Term Provisions	6.50	6.50
Other Provision	-	-
	6.50	**6.50**

Standalone Notes

ON ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2021 | CIN: L18101MH1992PLC065136

(₹ in lakhs except as otherwise stated)

2.15: DEFERRED TAX

Particulars	As at March 31, 2021	As at March 31, 2020
Deferred Tax Assets:		
Provision for Assets	363.92	178.17
Others	100.73	101.31
Depreciation	-	-
Deferred Tax Liability		
Depreciation	274.82	255.28
Tax on LTCG on Mutual Fund	(477.84)	(569.20)
Deferred Tax Asset/(Liabilities)	**(288.00)**	**(545.00)**

2.15.1 Tax effect of share issue expenses eligible for the Income tax deduction, under section 35D, credited to securities premium reserve account

2.15.2 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.

2.16: OTHER NON CURRENT LIABILITIES

Particulars	As at March 31, 2021	As at March 31, 2020
Deferred income on EPCG (i.e. Government Grant)	-	110.40
	-	**110.40**

2.17: BORROWINGS

Particulars	As at March 31, 2021	As at March 31, 2020
Secured Loan		
Cash Credit from Bank (payable on demand)	2,643.80	6,160.17
(Secured by pari-passu first charge on Stock and Trade Receivables)		
	2,643.80	6,160.17
Unsecured Loan (payable on demand)		
Working Capital Loan from Bank	2,000.00	2,500.00
Financial Institute	-	141.01
	4,643.80	**8,801.18**

2.18: TRADE PAYABLES

Particulars	As at March 31, 2021	As at March 31, 2020
a) Micro and Small Enterprises		
Materials	24.25	100.01
b) Other than Micro and Small Enterprises		
Materials	3,316.69	3,321.51
Expenses	1,223.46	1,558.60
	4,564.40	**4,980.12**

2.18.1: Disclosure U/s 22 of Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act)

Particulars	As at March 31, 2021	As at March 31, 2020
a) Principal amount remaining unpaid to micro and small enterprises (trade payable)	24.25	100.01
b) Principal amount remaining unpaid to micro and small enterprises (creditors for capital goods)	-	-
c) Principal amount paid beyond due date	-	-
d) Amount of Interest paid u/s 16 of MSMED Act	-	-
e) Amount of Interest due and remaining unpaid	-	-
f) Amount of Interest accrued and remaining unpaid	-	-
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

Standalone Notes

ON ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2021 | CIN: L18101MH1992PLC065136

(₹ in lakhs except as otherwise stated)

2.19: OTHER FINANCIAL LIABILITIES

Other Liabilities

Particulars	As at March 31, 2021	As at March 31, 2020
Security Deposits	531.45	459.78
Interest accrued but not due on borrowings	14.01	43.26
lease liability	30.58	27.93
Unclaimed Dividend	10.03	8.56
	586.07	**539.53**

2.20: OTHER CURRENT LIABILITIES

Particulars	As at March 31, 2021	As at March 31, 2020
Security Deposits	270.24	277.90
Other Payables		
Capital Goods	70.91	31.47
Salary and Wages payable	662.02	531.22
Employee Benefits	147.25	181.54
Statutory Liabilities	69.91	14.11
Advance from Customers	981.95	686.11
	2,202.28	**1,722.35**

2.20.1: Upon the enactment of 'The payment of Bonus (Amendment) Act 2015' the company had made additional provision for bonus amounting to ₹ 45 lakhs during the year 2015-16 pertaining to financial year 2014-15, Payment is not made pending final judgement from judicial authorities.

2.21: PROVISIONS

(Short Term)

Particulars	As at March 31, 2021	As at March 31, 2020
Provision for Gratuity	-	234.44
Provision for Employee Benefit	103.92	103.92
Provision for Contingencies	290.78	520.67
Other Provisions (including Selling & Distribution Expenses etc.)	1,940.40	1,144.60
	2,335.10	**2,003.63**

2.22: CURRENT TAX LIABILITIES (NET)

Particulars	As at March 31, 2021	As at March 31, 2020
Provision for Taxations (Net of Advance Tax)	-	-
	-	**-**

2.23: REVENUE FROM OPERATIONS

Particulars	For the Year Ended March 31, 2021 Audited	For the Year Ended March 31, 2020 Audited
A. Sales Income		
Sales of Apparel and Lifestyle Accessories/Products	30,059.99	52,486.80
Sale of Power	5.67	1.31
Sales of Apparel and Lifestyle Accessories/Products	**30,065.66**	**52,488.11**
B. Other Operating Income		
Service Income	121.42	240.90
Export Incentives	24.37	133.63
Miscellaneous Operating Income	61.51	104.37
	207.30	**478.90**
Total Revenue from Operations	**30,272.96**	**52,967.01**

Standalone Notes

ON ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2021 | CIN: L18101MH1992PLC065136

(₹ in lakhs except as otherwise stated)

2.24: OTHER INCOME

Particulars	For the Year Ended March 31, 2021 Audited	For the Year Ended March 31, 2020 Audited
Interest on Bank Deposits	185.13	25.70
Income from Current Investments and Liquid Mutual Funds:		
Effect of fair value measurements	1,191.71	776.96
Income from Non Current Investments		
Dividend on Equity Shares	5.21	6.75
Effect of fair value measurements	237.89	770.57
Rent Income on Investment Property	89.81	95.16
Exchange Rate Fluctuation (Net)	(5.39)	67.55
Profit on Sale of Property Plant & Equipment (Net)	-	10.67
	1,704.36	**1,753.36**

2.25: CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK IN TRADE AND WORK IN PROGRESS

Particulars	For the Year Ended March 31, 2021 Audited	For the Year Ended March 31, 2020 Audited
Opening stock		
Work - in- Progress	1,433.69	2,691.45
Traded Goods	528.90	411.11
Finished goods	6,392.86	4,309.66
	8,355.45	**7,412.22**
Closing Stock		
Work - in- Progress	1,295.85	1,433.69
Traded Goods	186.77	528.90
Finished goods	2,265.93	6,392.86
	3,748.55	**8,355.45**
Add/(Less): Variation in Excise Duty on Opening and Closing Stock of Finished goods	-	-
(Increase)/Decrease in Stock	**4,606.90**	**(943.23)**

2.26: COST OF MATERIAL CONSUMED

Particulars	For the Year Ended March 31, 2021 Audited	For the Year Ended March 31, 2020 Audited
a. Raw Material Consumed:		
Opening stock	536.12	741.91
Add: Purchases	5,477.21	10,933.89
	6,013.33	**11,675.80**
Less: Sale of raw material	492.55	663.69
Less: Closing stock	1,063.47	536.12
	4,457.31	**10,475.99**
b. Semi-Finished Goods	3,379.98	5,502.40
c. Packing Material, Accessories and others	1,029.96	2,444.73
d. Stores, Chemicals and Consumables	497.57	1,050.23
	9,364.82	**19,473.35**

2.27: EMPLOYEE BENEFIT EXPENSES

Particulars	For the Year Ended March 31, 2021 Audited	For the Year Ended March 31, 2020 Audited
Salary, Wages and Allowances	4,578.90	6,093.77
Contribution to Provident and other Funds	367.50	535.13
Bonus and Ex-gratia	103.39	135.56
Gratuity	151.13	298.65
Leave Benefits	0.13	2.15
Staff Welfare	63.43	79.92
	5,264.48	**7,145.18**

Standalone Notes

ON ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2021 | CIN: L18101MH1992PLC065136

(₹ in lakhs except as otherwise stated)

2.28: FINANCE COSTS

Particulars	For the Year Ended March 31, 2021 Audited	For the Year Ended March 31, 2020 Audited
Bank Charges	3.34	9.93
Finance Charges	94.81	105.32
Interest on Working Capital Loan	582.89	765.83
	681.04	**881.08**

2.29: MANUFACTURING AND OPERATING EXPENSES

Particulars	For the Year Ended March 31, 2021 Audited	For the Year Ended March 31, 2020 Audited
Embroidery Expenses	98.91	253.89
Electricity Expenses ((net of credit received from windmill of ₹ 47.71 Lacs (P.Y. ₹ 63.96 Lakh)	78.98	189.50
Factory Rent	40.12	49.73
General Factory Expenses	25.67	29.06
Processing Charges	1,343.62	3,583.91
Lease premium charged	-	-
Fuel Expenses	274.48	438.06
Water Charges	47.57	104.21
Waste Disposal Charges	29.74	68.11
Repairs & Maintenance	178.97	171.86
Wind Turbine Expenses	16.14	13.16
	2,134.20	**4,901.49**

2.30: ADMINISTRATIVE & OTHER EXPENSES

Particulars	For the Year Ended March 31, 2021 Audited	For the Year Ended March 31, 2020 Audited
Rent, Rates and Taxes	117.91	165.66
Communication Expenses	28.00	69.96
Insurance Premium (net of recoveries)	99.89	99.48
Legal and Professional Fees	673.05	1,273.42
Printing and Stationery	20.98	35.30
Donations	29.11	67.97
Corporate social responsibility	183.21	196.00
Vehicle Expenses	121.20	190.01
Auditors Remuneration	27.34	28.77
Conveyance & Travelling Expenses	47.68	88.85
Electricity Expenses	88.08	118.03
Repairs & Maintenance	270.60	321.76
Directors Sitting Fees	26.10	25.60
General Office Expenses	773.32	567.07
Provision for Doubtful debts	750.00	60.00
Loss on sale/discard of Property Plant & Equipment (Net)	20.01	-
	3,276.48	**3,307.88**

2.31: SELLING & DISTRIBUTION EXPENSES

Particulars	For the Year Ended March 31, 2021 Audited	For the Year Ended March 31, 2020 Audited
Advertisement and Publicity Expenses	509.53	739.86
Sales Promotion Expenses	800.11	4,060.61
Octroi, clearing and forwarding charges on Sales	215.04	285.43
Tour and Travelling Expenses (Net of recoveries)	187.90	1,522.39
Commission on Sales	147.91	187.91
Provision for Margin on Sales Return (Net of reversal)	-	-
Provision for Contingencies	-	-
	1,860.49	**6,796.20**

Standalone Notes

ON ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2021 | CIN: L18101MH1992PLC065136

(₹ in lakhs except as otherwise stated)

2.32 AGGREGATE EXPENSES

Particulars	For the Year Ended March 31, 2021 Audited	For the Year Ended March 31, 2020 Audited
Rent Including Common Area Maintenance Charges	107.70	149.90
Rates & Taxes (net of amount written back and including contingencies)		
Total Rent, Rates & Taxes	**107.70**	**149.90**
Electricity Expenses(net of credit received from windmill)	157.29	301.74
Repair & Maintenance (Building)	363.00	437.86
Repair & Maintenance (Machinery)	102.72	68.92
Insurance Premium(net of recoveries)	99.89	-
General Expenses	232.74	123.81

2.33: AUDITORS REMUNERATION

Particulars	For the Year Ended March 31, 2021 Audited	For the Year Ended March 31, 2020 Audited
As Auditors	27.00	28.44
For Taxation matters	-	-
For Management Services		
For Others matters	-	-
For Reimbursement of Expenses	0.34	0.33
Total	**27.34**	**28.77**

2.34: C.I.F.VALUE OF IMPORTS

Particulars	For the Year Ended March 31, 2021 Audited	For the Year Ended March 31, 2020 Audited
Capital goods	76.76	-
Components and Spare parts	0.50	1.74
Apparel & Life style Accessories/Product	107.76	526.30
Total	**185.02**	**528.04**

2.35: EXPENDITURE IN FOREIGN CURRENCIES

Particulars	For the Year Ended March 31, 2021 Audited	For the Year Ended March 31, 2020 Audited
Traveling Expenses	-	20.32
Advertisement Expenses	-	-
Legal Expenses	-	0.62
Bank Charges	1.45	2.87
Professional & Technical Services	56.77	5.35
Others	-	-
	58.22	**29.16**

The amounts mentioned above are net of Tax Deducted at source, if any.

2.36: EARNINGS IN FOREIGN CURRENCIES

Particulars	For the Year Ended March 31, 2021 Audited	For the Year Ended March 31, 2020 Audited
Export of goods (F.O.B. value)	480.75	1,562.78
Total	**480.75**	**1,562.78**

2.37: INDIGENOUS AND IMPORTED CONSUMPTION

Particulars	For the Year Ended March 31, 2021 Audited	For the Year Ended March 31, 2020 Audited
Indigenous (98.88% (P.Y. 97.30%) of total consumption)	9,257.06	18,947.05
Imported (1.12% (P.Y. (2.70%) of total consumption)	107.76	526.30
Total	**9,364.82**	**19,473.35**

Standalone Notes

ON ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2021 | CIN: L18101MH1992PLC065136

(₹ in lakhs except as otherwise stated)

2.38: DETAILS OF MATERIAL CONSUMED

Particulars	Measure	March 31, 2021		March 31, 2020	
		Qty	₹ in lakhs.	Qty	₹ in lakhs.
Material					
Woven Fabric	Mtrs	2,874,809	4,457	5,908,155	10,476
Semi-finished Garments	Pcs	944,690	3,380	1,458,125	5,502
Packing material	**	**	605	**	948
Accessories	**	**	425	**	1,497
Stores, chemicals and consumables	**	**	498	**	1,050
Total			**9,364.83**		**19,473.36**

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

2.39: QUANTITATIVE AND OTHER DETAILS

PARTICULARS OF FINISHED PRODUCTS

(Qty in Nos)

Particulars	Opening Stock		Production		Sales/Captive Consumption		Closing Stock	
	Qty	₹ in lakhs.	Qty		Qty	₹ in lakhs.	Qty	₹ in lakhs.
Apparel	1,357,729	6,392.86	2,738,135		3,674,724	27,507	421,140	2,372.93
	(9,834.88)	(4,309.66)	(5,795,708)	-	(5,421,957)	(49,312.00)	(1,357,239)	(6,392.86)
Power Generation	-	-	791,480		791,480	47.71	-	-
	-	-	(763,380)		(763,380)	(63.96)	-	-

PARTICULARS OF TRADING ACTIVITIES

(Qty in Nos)

Particulars	Opening Stock		Production		Sales/Captive Consumption		Closing Stock	
	Qty	₹ in lakhs.	Qty	₹ in lakhs.	Qty	₹ in lakhs.	Qty	₹ in lakhs.
Trading of Lifestyle Accessories/ Products	546,553	180.00	1,693,496	1,899	2,102,226	2,553	137,823	187
	(269,551)	(411.00)	(3,150,114)	(983.00)	(2,873,112)	(3,175.00)	(546,553)	(180.00)

Note:

a. Figures in brackets indicate previous year's figures

b. Sales includes sample distributed free of cost

c. Closing stock is after adjusting shortages on physical verification of inventories

2.40 EMPLOYEE BENEFITS:

a) Disclosure in respect of gratuity liability

Reconciliation of Defined Benefit Obligation (DBO):	As at March 31, 2021	As at March 31, 2020
Present value of DBO at start of the year	**1,020.49**	**751.23**
Interest Cost	66.33	55.59
Current Service Cost	147.37	167.89
Past Service Cost	-	129.43
Benefit Paid	(84.15)	(79.25)
Re-measurements:		
a. Actuarial Loss/(Gain) from changes in demographic assumptions	-	-
b. Actuarial Loss/(Gain) from changes in financial assumptions	(176.27)	85.75
c. Actuarial Loss/(Gain) from experience over the past period	97.03	(90.15)
Present value of DBO at end of the year	**876.74**	**1,020.49**

Standalone Notes

ON ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2021 | CIN: L18101MH1992PLC065136

(₹ in lakhs except as otherwise stated)

Reconciliation of Fair Value of Plan Assets:	As at March 31, 2021	As at March 31, 2020
Fair Value of Plan Assets at the beginning of the year	**786.05**	**752.79**
Interest Income on Plan Assets	62.57	54.26
Contributions by Employer	274.40	56.86
Benefit Paid	(84.15)	(79.25)
Re-measurements:		
a. Actuarial (Loss)/Gain from changes in financial assumptions	-	-
b. Return on plan assets excluding amount included in net interest on the net defined benefit liability/(asset)	-	-
c. Re-measurements on Plan Assets Gain/ (Loss)	(4.36)	1.39
Fair Value of Plan Assets at the end of the year	**1,034.51**	**786.05**
Actual Return on Plan Assets	58.21	55.65

Amount recognized in the Balance Sheet:	As at March 31, 2021	As at March 31, 2020
Present value of DBO at the end of the year	876.74	1,020.49
Fair Value of Plan Assets at the end of the year	1,034.51	786.05
Net Asset / (Liability) in the Balance Sheet	**157.77**	**(234.44)**

Gratuity recognized in the Statement of Profit and Loss	For the year ended March 31, 2021	For the year ended March 31, 2020
Current Service Cost	147.37	167.89
Past Service Cost	-	129.43
Net Interest on net defined benefit liability/ (asset)	3.76	1.33
Expense Recognized in Statement of Profit and Loss	**151.13**	**298.65**

Principal Assumption used in determining Gratuity liability	For the year ended March 31, 2021	For the year ended March 31, 2020
Discount Rate	6.60% pa	6.50% pa
Interest rate for net interest on net DBO	6.50% pa	7.40% pa
Withdrawal Rate	Upto age 35 years: 10% pa	Upto age 35 years: 10% pa
	Above age 35 years: 5% pa	Above age 35 years: 5% pa
Salary Escalation	5% pa	7.50% pa
Mortality Table	IALM 2012-14 Ult	IALM 2012-14 Ult
Expected average remaining working life	9 Years	9 Years
Retirement Age	58 years	58 years

Movement in Other Comprehensive Income	As at March 31, 2021	As at March 31, 2020
Balance at start of year (loss)/gain	**1.35**	**(4.44)**
Re-measurements on DBO		
a. Actuarial (Loss)/Gain from changes in demographic assumptions	-	-
b. Actuarial (Loss)/Gain from changes in financial assumptions	176.27	(85.75)
c. Actuarial (Loss)/Gain from experience over the past period	97.03	90.15
Re-measurements on Plan Assets		
a. Actuarial (Loss)/Gain from changes in financial assumptions	-	-
b. Return on Plan assets, excluding amount included in net interest on the net defined benefit liability/(asset)	-	-
c. Re-measurements on Plan Assets Gain/ (Loss)	(4.36)	1.39
Balance at end of year (loss)/gain	**270.29**	**1.35**

Standalone Notes

ON ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2021 | CIN: L18101MH1992PLC065136

(₹ in lakhs except as otherwise stated)

Movement in Surplus/ (Deficit)	As at March 31, 2021	As at March 31, 2020
Surplus/ (Deficit) at start of year	**(234.44)**	**1.56**
Movement during the year		
Current Service Cost	(147.37)	(167.89)
Past Service Cost	-	(129.43)
Net Interest on net DBO	3.76	(1.33)
Actuarial gain/ (loss)	268.94	5.79
Contributions	274.40	56.86
Surplus/ (Deficit) at end of year	**157.77**	**(234.44)**

Other disclosures	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019	As at March 31, 2018	As at March 31, 2017
Defined benefit obligation	876.74	1020.49	751.23	656.94	563.63
Plan assets	1,034.51	786.05	752.79	717.47	674.59
Surplus/(deficit)	157.77	(234.44)	1.56	60.54	110.96
Experience adjustments on plan liabilities – loss/ (gain)	(97.03)	(90.15)	(7.11)	(41.14)	(17.89)
Experience adjustments on plan Assets – (loss)/ gain*	-	-	-	(5.24)	(13.68)

* Information is disclosed to the extent available

Sensitivity Analysis	As at March 31, 2021		As at March 31, 2020	
	Increases 1%	Decreases 1%	Increases 1%	Decreases 1%
	Change in DBO (Amount)		Change in DBO (Amount)	
Salary Growth Rate	80.42	(70.96)	110.65	(96.07)
Discount Rate	(69.34)	79.93	(96.07)	112.91
Withdrawal Rate	5.62	(6.61)	(11.48)	12.57

Maturity profile

The average expected remaining lifetime of the plan members is 9 years (March 31, 2020: 9 years) as at the date of valuation. This represents the weighted average of the expected remaining lifetime of all plan participants.

The sensitivity analyses above have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period and may not be representative of the actual change. It is based on a change in the key assumption while holding all other assumptions constant. When calculating the sensitivity to the assumption, the method (Projected Unit Credit Method) used to calculate the liability recognized in the balance sheet has been applied. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared with the previous period.

100% of the plan assets held by gratuity trust comprises of employees group gratuity scheme with Life Insurance Corporation of India. The estimates of future salary increase, 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 ₹ 200.00 lakhs to gratuity trust for contribution to LIC of India in financial year 2021-22.

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 and disclosed under other current liabilities.

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 ₹ 30.61 lakhs (P.Y. ₹ 29.27 lakhs) is recognized in Statement of Profit and Loss.

Standalone Notes

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(₹ in lakhs except as otherwise stated)

d) The Company contributes towards Employees Provident Fund, Employees State Insurance, National Pension Scheme and Labour Welfare Fund. The aggregate amount contributed and charged to Statement of Profit and Loss is ₹ 367.50 lakhs (P.Y. ₹ 535.13 lakhs).

The Hon'ble Supreme Court of India ("SC") by its order dated February 28, 2019, in the case of Surya Roshani Limited & others V/s EPFO, set out the principles based on which allowances paid to the employees should be identified for inclusion in basic wages for the purposes of computation of Provident Fund contribution. Based on the same, the company has changed its Salary Structure from April 1, 2019, but impact of the previous years is not ascertainable, since the retrospective date of applicability of the same is not yet clarified.

2.41 RELATED PARTY DISCLOSURE:

Disclosures as per Ind AS 24 – '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).

Wholly Owned Subsidiary:

K-Lounge Lifestyle Limited (Refer note 2.58)

Joint Ventures:

White Knitwear Private Limited

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

Enlighten Lifestyle 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
Prakash A. Mody	Independent Director
Nimish G. Pandya	Independent Director
Yogesh A. Thar	Independent Director
Drushti R. Desai	Independent Director

Relatives / Other concerns of Key Management Personnel (In cases where transactions are there):

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)

Yash V. Jain (Son of Vikas P. Jain)

Jai D. Jain (Son of Dinesh P. Jain)

Nami D. Jain (Daughter of Dinesh P. Jain)

Krushika D. Jain (Daughter of Dinesh P. Jain)

Kewalchand P. Jain (HUF)

Standalone Notes

ON ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2021 | CIN: L18101MH1992PLC065136

(₹ in lakhs except as otherwise stated)

Hemant P. Jain (HUF)
Dinesh P. Jain (HUF)
Vikas P. Jain (HUF)
P.K. Jain Family Holding Trust
Pandya & Co. (Controlled by Mr. Nimish G. Pandya)
Bansi S. Mehta & Co. [Partnership Firm- Yogesh A. Thar and Drushti R. Desai (Partners)]

Employee Funds:
Kewal Kiran Clothing Limited – Employee Group Gratuity Scheme.

b) The following transactions were carried out with the related parties in the ordinary course of business:

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
Rent Expenses	-	-	9.18	29.89	-
	(-)	(-)	(9.18)	(29.89)	(-)
Managerial Remuneration	-	-	-	190.80	-
	(-)	(-)	(-)	(318.00)	(-)
Salary	-	-	54.51	-	-
	(-)	(-)	(63.67)	(-)	(-)
Sitting Fees Paid	-	-	-	26.10	-
	(-)	(-)	(-)	(25.60)	(-)
Dividend Paid	1.29	-	1893.90	850.25	-
	1.63	-	2,398.94	1,076.99	-
CSR (Donation)	175.00	-	-	-	-
	(189.00)	(-)	(-)	(-)	(-)
Contribution to Gratuity Fund	-	-	-	-	274.40
	(-)	(-)	(-)	(-)	(56.86)
Legal & Professional Services received	-	-	3.95	-	-
	(-)	(-)	(3.25)	(-)	(-)

Outstanding Balances	As at March 31, 2021	As at March 31, 2020
Trade and Salary Payable		
Relatives/ Other Concerns of Key Management Personnel	21.80	15.13
Key Management Personnel	150.41	87.58
Trade Receivable & Advances		
Employee Funds	157.77	(234.44)
Deposit Receivable		
Relatives/ Other Concerns of Key Management Personnel	4.59	4.59
Key Management Personnel	3.24	3.24
Investments		
Joint Venture	345.50	345.50

Standalone Notes

ON ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2021 | CIN: L18101MH1992PLC065136

(₹ in lakhs except as otherwise stated)

c) Disclosure in respect of material transactions with related parties during the year:

Nature of Transaction	Nature of relationship	Name of the related party	Amount
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 (Salary)	Key Management Personnel	Kewalchand P. Jain	47.70
			(79.50)
		Hemant P. Jain	47.70
			(79.50)
		Dinesh P. Jain	47.70
			(79.50)
		Vikas P. Jain	47.70
			(79.50)
Salary	Relatives/ Other Concerns of Key Management Personnel	Pankaj K. Jain	20.56
			(28.00)
		Hitendra H. Jain	18.31
			(24.00)
Dividend Paid	Enterprises Where KMP & their relatives have significant influence	Kewal Kiran Finance Private Limited	1.29 (1.63)
	Relatives/ Other Concerns of Key Management Personnel	Shantaben P. Jain (Trustee/Beneficiary of P. K. Jain Family Holding Trust)	1845.90 (2,338.14)
	Key Management Personnel	Kewalchand P. Jain	207.18
			(262.43)
		Hemant P. Jain	207.57
			(262.93)
		Dinesh P. Jain	218.95
			(277.34)
		Vikas P. Jain	216.55
			(274.29)
Contribution to Gratuity Fund	Employee Funds	Employee Fund	274.40
			(56.86)
Corporate Social Responsibility (Donation)	Enterprises where KMP & their relatives have significant influence	Smt. Jatnobai Karamchandji Ratanparia Chouhan Charitable Trust	167.00
			(189.00)
		Lord Gautam Charitable Foundation	8.00
			(-)
Legal & Professional Services received	Relatives/ Other Concerns of Key Management Personnel	Pandya & Co.	-
			(3.25)
		Bansi S. Mehta & Co.	3.95
			(-)

Standalone Notes

ON ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2021 | CIN: L18101MH1992PLC065136

(₹ in lakhs except as otherwise stated)

Compensation to KMP of the Company

Nature of Benefits#	For the year ended March 31, 2021	For the year ended March 31, 2020
Short-term employee benefits (including Sitting Fees)	216.90	343.60
Post-employment gratuity and medical	-	-
Other long-term benefits	-	-
Share-based payment transactions	-	-
Termination Benefits	-	-
Total	**216.90**	**343.60**

The aforesaid amounts exclude gratuity provision as it is determined on actuarial basis for the Company as a whole.

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

1. Bhavin Sheth Chief Financial Officer
2. Abhijit Warange Company Secretary

Disclosure of transactions during the year and year-end balance with above KMP / relative of KMP.

Nature of Transaction	Name of the KMP/Relative	Amount
Managerial Remuneration (Salary)	Bhavin Sheth	45.84 (64.25)
	Abhijit Warange	34.23 (43.30)
Outstanding balance as on March 31, 2021		
Salary Payable	Bhavin Sheth	3.37 (6.09)
	Abhijit Warange	2.07 (4.20)

Note:

i) Figures in brackets represents corresponding amount of previous year.

ii) Above transactions exclude reimbursement of expenes

iii) In case of KMP under the Companies Act, 2013, managerial remuneration excludes gratuity provision as it is determined on actuarial basis for the Company as a whole.

2.42 LEASES - IND AS 116

a) As Lessee:

Effective April 1, 2019, the Company adopted Ind AS 116 and applied the standard to all lease contracts existing on April 1, 2019 using the modified retrospective method. Consequently, the Company recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the right of use asset at an amount equal to lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognized in the balance sheet immediately before the date of initial application.

The incremental borrowing rate applied to lease liabilities as at April 1, 2020- 9.5% p.a (P.Y. 9.5% p.a).

Following is the information pertaining to leases-

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
(a) Depreciation Charge for Right to Use Asset	45.26	32.72
(b) Interest Expense on Lease Liability	35.14	30.73
(c) Expense relating to short term leases accounted in profit & loss	82.82	117.72
(d) Total Cash Outflow for Leases for the period	63.07	46.00
(e) Additions to Right to use Assets	-	590.05
(f) Carrying Amount of Right to use Assets at year end	512.07	557.33
(g) Lease Liability at year end	342.01	369.94

Table showing contractual maturities of lease liabilities on undiscounted basis:

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ON ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2021 | CIN: L18101MH1992PLC065136

(₹ in lakhs except as otherwise stated)

Due	As at March 31, 2021	As at March 31, 2020
Due not later than one year	63.07	63.07
Due later than one year but not later than five years	198.78	258.50
More than 5 years	378.00	405.00
Total	**639.86**	**726.57**

b) As Lessor:

The Company has given certain part of its property on operating lease. These lease arrangements are for a period of 9 years and cancellable solely at discretion of the lessees. Rental income from leasing of property of ₹ 89.81 lakhs (P.Y. ₹ 95.16 lakhs) is recognized in the Statement of Profit and Loss. The initial direct cost (if any) is charged off to expenses in the year in which it is incurred.

The Company has not given any property under non -cancellable operating lease.

2.43 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	As at March 31, 2021		As at March 31, 2020	
		Amt. in Foreign Currency	Amount	Amt. in Foreign Currency	Amount
Trade Receivables	USD	6,26,027.01	455.47	7,84,519.86	591.21
Trade Payables	USD	3,565.81	2.61	3,565.81	2.69
Advance from Customer	USD	2,099.49	1.54	18,786.24	14.16
Foreign currency in hand	Multiple	3,179.95	1.40	5,179.95	2.94

Note: The above figures do not include open purchase orders/sales orders.

2.44 PROVISIONS:

Disclosure as per Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets are given below:

Particulars	Provision for Contingencies				Other Provisions (Selling & Distributions Expenses including dealer incentives and discounts	
	Provision for Claims/ Schemes etc.		Other Contingencies*			
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
Opening Balance	333.67	545.09	187.11	181.86	1,144.60	1,642.59
Addition	793.98	1330.77	-	5.25	2,181.63	2,592.25
Utilization	1008.96	1542.19	15.02	-	1,385.83	3,090.24
Reversals	-	-	-	-	-	-
Closing Balance	**118.69**	**333.67**	**172.09**	**187.11**	**1,940.40**	**1,144.60**

* It comprises of rates & taxes.

The above Provision has been grouped under the head 'Current Provisions' in Note 2.21.

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.

2.45 CONTINGENT LIABILITIES:

a) Disputed demands in respect of income tax not acknowledged as debt by the Company of ₹ 47.51 lakhs (P.Y. ₹ 34.25 lakhs). Future cash outflows in respect of above are dependent on outcome of matter under dispute.

In respect of Assessment year 2005-2006, there was tax demand of ₹ 68.94 lakhs (P.Y. ₹ 68.94 lakhs) which had been adjusted by the tax authorities against refund due to the Company in respect of other years. During F.Y. 2015-16, the Company had received favourable Order passed by the ITAT, Mumbai against which the Income Tax Department has filed the appeal before the Bombay High Court and is under admission stage.

Future cash outflows in respect of above are dependent on outcome of matter under dispute.

Standalone Notes

ON ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2021 | CIN: L18101MH1992PLC065136

(₹ in lakhs except as otherwise stated)

b) The Company had in earlier years purchased capital assets under EPCG license against which the Company has a balance export obligation of ₹ Nil (P.Y. ₹ 1,387.93 lakhs). The Company Contingent liability, to the extent of duty saved in respect of EPCG is ₹ Nil (P.Y. ₹ 231.32 lakhs).

Further, in respect of the above, outstanding bonds at the year end executed by the Company in favour of customs authority aggregates to ₹ 700.24 lakhs (P.Y. ₹ 805.68 lakhs). Out of above, bonds aggregating to ₹ 700.24 lakhs (P.Y. ₹ 176.04 lakhs) are under the process of discharge from custom authorities.

In F.Y. 2020-21, the Company has paid ₹ 378 lakhs towards pending export obligations.

c) Bank guarantees issued by the Company of ₹ 35.62 lakhs (P.Y. ₹ 35.46 lakhs)

d) The company's contingent liability and capital/other commitment in relation to joint venture ₹ Nil

e) The Company has process in place to ascertain the impact of pending litigation.

Note: No outflow of resources is expected in respect of Para (b) and (c).

2.46 ESTIMATED AMOUNT OF CONTRACTS REMAINING TO BE EXECUTED ON-

a) **Capital Commitment**- Purchase of Machineries - ₹ 35.78 Lakhs (P.Y. ₹ Nil)

b) **Other commitments**- Capital Contribution Commitment for investment in Sistema Asia Fund ₹ 71.00 lakhs (P.Y. ₹ 91.00 lakhs).

2.47 INCOME TAXES (IND AS 12):

Reconciliation of Effective Tax Rate:

Particulars	As at March 31, 2021	As at March 31, 2020
Applicable tax rate (%)	25.17%	25.17%
Profit before tax	2,219.93	9,558.97
Current tax expenses on Profit before tax as per applicable tax rate	558.71	2,405.80
Tax effect of the amounts which are not deductible/(taxable) in calculating taxable income		
Effect of Income exempt from tax	(110.74)	(236.74)
Effect of Tax paid at a lower rate	(16.68)	(11.91)
Effect of Previous year adjustments	(77.34)	-
Effect of expenses that are not deductible in determining taxable profits	15.35	19.37
Tax effect on unrealised gain/loss	(92.00)	26.00
Other Items	0.43	52.00
Total income tax expense/(credit)	**277.73**	**2,254.52**

The effective tax rate is 12.51% (P.Y. 23.59%).

2.48 CORPORATE SOCIAL RESPONSIBILITY

As per Section 135 of the Companies Act, 2013, the company has spent on Corporate Social Responsibility as per its CSR policy.

a) Gross amount required to be spent by the company during the year is ₹ 182.28 lakhs (P.Y. ₹ 191.42 lakhs)

b) Amount spent during the year on:

Sr. No.	Particulars	In Cash (Amount)	Yet to be paid (Amount)	Total (Amount)
(i)	Construction / acquisition of any asset	- (-)	- (-)	- (-)
(ii)	On purposes other than (i) above	183.21 (196.00)	- (-)	183.21 (196.00)

Note: 1 Figures in brackets represents corresponding amount of previous year.

Note: 2 Cash flow from operating activities includes CSR amounting to ₹ 183.21 lakhs (P.Y. ₹ 196.00 lakhs)

c) Refer note no. 2.41 for transactions with related parties

Standalone Notes

ON ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2021 | CIN: L18101MH1992PLC065136

(₹ in lakhs except as otherwise stated)

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

Amount outstanding as at year end

Particulars	As at March 31, 2021	As at March 31, 2020
Loans given	-	-
Guarantee given	-	-
Investments made*	26,856.60	27,048.14

*Also Refer note no. 2.2, 2.6 and 2.8

2.50 FAIR VALUE MEASUREMENT:

The management assessed that cash and bank balances, trade receivables, trade payables, cash credits and other financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The Company has established the following fair value hierarchy that categorises the values into 3 levels. The inputs to valuation techniques used to measure fair value of financial instruments are:

- Level 1: This hierarchy uses quoted (unadjusted) prices in active markets for identical assets or liabilities. The fair value of all equity investments and units of mutual funds which are traded in the stock exchanges is valued using the closing price or dealer quotations as at the reporting date.
- Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on company specific estimates. The mutual fund units are valued using the closing Net Asset Value. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.
- Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities-

A. Quantitative disclosures fair value measurement hierarchy for financial assets as at March 31, 2021, March 31, 2020

Particulars	Fair value measurement using			Total (Amount)
	(Level 1) Amount	(Level 2) Amount	(Level 3) Amount	
As at March 31, 2021:-				
Financial Assets at amortised cost:				
Trade receivables	-	-	13,103.09	13,103.09
Investments (non-current)	-	-	345.50	345.50
Cash and bank balances	-	-	2,992.10	2,992.10
Other financial assets	-	-	605.44	605.44
Assets measured at fair value				
Fair value through Other Comprehensive Income				
Investment in Equity shares, quoted	395.53	-	-	395.53
Fair value through Profit and Loss				
Investment in units of Mutual Funds & PMS	-	26,115.57	-	26,115.57
As at March 31, 2020:-				
Financial Assets at amortised cost:				
Trade receivables	-	-	17,092.49	17,092.49
Investments (non-current)	-	-	345.50	345.50
Cash and bank balances	-	-	491.19	491.19
Other financial assets	-	-	347.51	347.51
Assets measured at fair value				
Fair value through Other Comprehensive Income				
Investment in Equity shares, quoted	206.81	-	-	206.81
Fair value through Profit and Loss				
Investment in units of Mutual Funds & PMS	-	26,495.83	-	26,495.83

Standalone Notes

ON ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2021 | CIN: L18101MH1992PLC065136

(₹ in lakhs except as otherwise stated)

B. Quantitative disclosures fair value measurement hierarchy for financial liabilities as at March 31, 2021, March 31, 2020

Particulars	Fair value measurement using			Total (Amount)
	(Level 1) Amount	(Level 2) Amount	(Level 3) Amount	
As at March 31, 2021:-				
Financial Liabilities at amortised cost:				
Cash Credits/Working Capital Borrowing	-	-	4,643.80	4,643.80
Trade payables	-	-	4,564.39	4,564.39
Other financial liabilities	-	-	897.51	897.51
As at March 31, 2020:-				
Financial Liabilities at amortised cost:				
Cash Credits/Working Capital Borrowing	-	-	8,801.18	8,801.18
Trade payables	-	-	4,980.12	4,980.12
Other financial liabilities	-	-	881.54	881.54

2.51 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES:

The Company's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include trade and other receivables, investments and cash & cash equivalents that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. It is the Company's policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

a) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: (i) interest rate risk and (ii) currency risk. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables and borrowings. The sensitivity analyses in the following sections relate to the position as at March 31, 2021 and March 31, 2020.

The analyses exclude the impact of movements in market variables on: the carrying values of gratuity and other post-retirement obligations; provisions.

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at March 31, 2021 and March 31, 2020.

(i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's short term debt obligations with floating interest rates. The Company has sufficient amount of liquid investments to mitigate the interest risk on its short term debt obligations.

Interest rate sensitivity-

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings taken at floating rates. With all other variables held constant, the Company's profit / (loss) before tax is affected through the impact on floating rate borrowings, as follows:

Basis Points	As at March 31, 2021		As at March 31, 2020	
	5% increase	5% decrease	5% increase	5% decrease
Effect on profit before tax (Amount)	(29.15)	29.15	(38.29)	38.29

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(₹ in lakhs except as otherwise stated)

(ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company transacts business in local currency and in foreign currency, primarily in USD. The Company's trade receivables in foreign currency as at March 31, 2021 is ₹ 455.47 lakhs (P.Y. ₹ 591.21 lakhs).

Foreign currency sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in rate of USD, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities. The Company's exposure to foreign currency changes for all other currencies is not material.

Basis Points	As at March 31, 2021		As at March 31, 2020	
	2% increase	2% decrease	2% increase	2% decrease
Effect on profit before tax (Amount)	9.11	(9.11)	11.82	(11.82)

b) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables).

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of default occurring on asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forwarding-looking information such as:

i. Actual or expected significant adverse changes in business,

ii. Actual or expected significant changes in the operating results of the counterparty,

iii. Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations,

iv. Significant increase in credit risk on other financial instruments of the same counterparty,

v. Significant changes in the value of the collateral supporting the obligation or in the quality of the third-party guarantees or credit enhancements.

Financial assets are written off when there are no reasonable expectations of recovery, such as a debtor failing to engage in a repayment plan with the Company.

Assets in the nature of Investment, security deposits, loans and advances are measured using 12 months expected credit losses (ECL). Balances with Banks is subject to low credit risk due to good credit rating assigned to these banks. Trade receivables are measured using lifetime expected credit losses.

Financial Assets for which loss allowances is measured using the Expected Credit Losses (ECL):

The Ageing analysis of Account receivables has been considered from the date the invoice falls due-

Ageing	As at March 31, 2021	As at March 31, 2020
0-180 days	9,662.91	13,572.38
181 days to 365 days	732.10	3,094.60
beyond 365 days	4,033.08	1,000.49
Total	**14,428.09**	**17,667.47**

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(₹ in lakhs except as otherwise stated)

The following table summarizes the changes in loss allowances measured using lifetime expected credit loss model and provision is made after considering credit notes/recoveries anticipated.

Provisions	As at March 31, 2021	As at March 31, 2020
Opening Provision	575.00	515.00
Add:- Additional provision made	750.00	60.00
Less:- Provision utilised against bad debts	-	-
Closing provisions	**1,325.00**	**575.00**

No Significant changes in estimation techniques or assumptions were made during the year

c) **Liquidity risk**

The Company's principal source of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The Company believes that the working capital is sufficient to meet its current requirements.

As on March 31, 2021, the Company had working capital of ₹ 32,613.42 lakhs (P.Y. ₹ 30,571.91 lakhs) including cash and cash equivalents of ₹ 16,749.50 lakhs (P.Y. ₹ 7,970.87 lakhs) and current investments of ₹ 10,895.64 lakhs (P.Y. ₹ 13,674.21 lakhs).

Maturity patterns of the Financial Liabilities of the Company at the reporting date based on contractual undiscounted payment-

As at March 31, 2021	Less than 1 year (Amount)	1 to 5 years (Amount)	More than 5 Years (Amount)	Total (Amount)
Borrowings	4,643.80	-	-	4,643.80
Trade payables	4,564.39	-	-	4,564.39
Other financial liabilities	586.08	98.92	212.51	897.51
Total	**9,794.27**	**98.92**	**212.51**	**10,105.70**

As at March 31, 2020	Less than 1 year (Amount)	1 to 5 years (Amount)	More than 5 Years (Amount)	Total (Amount)
Borrowings	8,801.18	-	-	8,801.18
Trade payables	4,980.12	-	-	4,980.12
Other financial liabilities	539.53	123.28	218.73	881.54
Total	**14,320.83**	**123.28**	**218.73**	**14,662.84**

2.52 CAPITAL MANAGEMENT

(a) **Risk Management**

For the purposes of the Company's capital management, capital includes issued capital, share premium and all other equity reserves attributable to the equity holders. The Company aims to manage its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to our shareholders.

The capital structure of the Company is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. We consider the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

Standalone Notes

ON ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2021 | CIN: L18101MH1992PLC065136

(₹ in lakhs except as otherwise stated)

The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The Company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure

The Company monitors capital using Net debt-equity ratio, which is Net debt (i.e. total debt less cash & cash equivalents and current investments) divided by total equity.

Particulars	As at March 31, 2021	As at March 31, 2020
Net Debt	-	-
Total Equity	43,296.60	44,642.24
Net Debt to Equity Ratio (%)	0%	0%

(b) Distributions made and proposed:

Particulars	As at March 31, 2021	As at March 31, 2020
Cash dividends on equity shares declared and paid:		
Final dividend For the year ended March 31, 2020 ₹ 1.00 (March 31, 2019 – ₹ 2.00) per fully paid share	123.25	246.50
Dividend distribution tax on final dividend*	-	50.67
Interim Dividend For the year ended March 31, 2021 ₹ 29.00 (March 31, 2020 – ₹ 36.00) per fully paid share	3,574.26	4,437.01
Dividend distribution tax on interim dividend*	-	912.04
Proposed dividends on Equity shares:		
Final dividend for the year ended on March 31, 2021 ₹ Nil (March 31, 2020– ₹ 1.00) per fully paid share	-	123.25
This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting. The same is not recognised at the end of the reporting period.		

* Dividend Distribution Tax (DDT) in the hands of companies is abolished from 01st April 2020.

2.53 SEGMENT REPORTING:

The Company is engaged in the business of manufacturing and marketing of apparels & trading of lifestyle accessories/ products. The Company is also generating power from Wind Turbine Generator. The power generated from the same is predominantly used for captive consumption. However, the operation of Wind Turbine Segment is within the threshold limit stipulated under Ind AS 108 "Operating Segments" and hence it does not require disclosure as a separate reportable segment. As defined in Ind AS 108 'Operating Segments', the Chief Operating Decision Maker evaluates the Company's performance related to Apparels business and allocates resources based on an analysis of various performance indicators. Accordingly, Sale of Apparels is considered as only business segment.

2.54 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.

2.55 Previous year figures are regrouped or rearranged wherever considered necessary.

2.56 The financial year ended March 31, 2021 was unprecedented due to the spread of Coronavirus pandemic, impacting all the geographies of the business operations and more particularly in the early months of the financial year when the severity was extreme. Significant decline in the economic activity of the whole nation and the disruption created across the businesses have affected the operations of the Company as well.

Subsequently, the nation-wide lockdown was lifted by the Government of India, although partial regional lockdowns continued in affected areas, have resulted in gradual resumption of manufacturing and business operations. However, we displayed strong ability to ramp-up production and meeting logistical challenges.

The sequential recovery in most of the market operations has resulted in substantial recovery of business, however, came with volatility in prices of raw material.

Further, the company has been working on a safety first principle, making sure that all our employees / associates and business / channel partners are safe and taking all necessary precautions, as time-to-time advised by government authorities.

Standalone Notes

ON ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2021 | CIN: L18101MH1992PLC065136

(₹ in lakhs except as otherwise stated)

As per our current assessment, the Company expects to recover the carrying amount of all its assets including inventory, receivables and loans in the ordinary course of business based on information available on current economic conditions. The Company is continuously monitoring any material changes in future economic conditions for taking prompt corrective actions within its purview and would keep assessing the impact for taking appropriate cognizance in financial reporting in the forthcoming quarters.

2.57 The new Code on Social Security, 2020 has been enacted, which could impact the contributions by the Company towards Provident Fund, Gratuity and bonus. The effective date from which the changes are applicable is yet to be notified and the rules are yet to be framed. The Company will complete its evaluation and will give appropriate impact in the financial statements in the period in which the Code becomes effective and the related rules are published.

2.58 The company has incorporated wholly owned subsidiary company K-Lounge Lifestyle Limited on 25 February 2021 as per certificate of incorporation received by the company. The Authorized Share Capital of the said subsidiary company is ₹ 10,00,00,000 and paid-up Share Capital the said subsidiary company is ₹ 5,00,00,000. The company has subscribed entire paid-up Share Capital of ₹ 5,00,00,000 on 19th April 2021 and the subsidiary company is yet to commence the business operation as on the date.

As per our Audit Report of even date
For and on behalf of
Khimji Kunverji & Co LLP
Chartered Accountants
Registration No.:105146W/W100621

Hasmukh Dedhia
Partner

Membership No. : 033494

Place: Mumbai
Date: May 26, 2021

For and on behalf of the Board of Directors
of **Kewal Kiran Clothing Ltd**

Kewalchand P. Jain
Chairman & Managing Director
Din No : 00029730

Hemant P. Jain
Whole time Director
(Jt. Managing Director wef 26th May 2021)
Din No : 00029822

Bhavin Sheth
Chief Financial Officer

Abhijit Warange
Company Secretary

Place: Mumbai
Date: May 26, 2021

Independent Auditor's Report

To the Members of Kewal Kiran Clothing Limited

REPORT ON THE AUDIT OF THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

Opinion

1. We have audited the accompanying Consolidated Ind AS Financial Statements ('CFS') of Kewal Kiran Clothing Limited ('the Holding Company') and a Joint Venture namely White Knitwears Private Limited (The holding company and a Joint Venture collectively referred to as the 'Group'), which comprise the Consolidated Balance Sheet as at March 31, 2021, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

   In our opinion and to the best of our information and according to the explanations given to us, the aforesaid CFS give the information required by the Companies Act, 2013 ('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 Consolidated financial position of the Group as at March 31, 2021, and their consolidated financial performance (including other comprehensive income), consolidated statement of changes in equity and their consolidated cash flows for the year ended on that date.

Basis for Opinion

2. We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements section of our report. We are independent of the group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder; and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

3. Attention is invited to Note No 2.47 to the CFS regarding the uncertainties arising out of the outbreak of COVID-19 pandemic and the assessment made by the management on its operations and financial reporting for the year ended March 31, 2021; such an assessment and the outcome of the pandemic, as made by the management, is dependent on the circumstances as they evolve in the subsequent periods. Our report is not modified in respect of this matter.

Key Audit Matters

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the CFS for the year under audit. We have determined that there are no key audit matters to be communicated in our report.

Information Other than the Financial Statements and Auditor's Report Thereon

5. The Holding company's Board of Directors is responsible for the preparation of the other information, comprising of the information included in the Management Discussion and Analysis, Directors' Report including Annexures to Directors' Report, and such other disclosures related Information, excluding the Standalone as well as Consolidated Ind AS Financial Statements and auditors report thereon ('Other Information'). The other information is expected to be made available to us after the date of this auditors' report. Our opinion on the CFS does not cover the other information and we do not express any form of assurance conclusion thereon.

   In connection with our audit of the CFS, our responsibility is to read the other information when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the CFS or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. When we read the other Information and if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charges with governance as required under SA 720 'The Auditor's responsibilities Relating to other Information'

Responsibility of Management for Consolidated Ind AS Financial Statements

6. The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these CFS that give a true and fair view of the consolidated financial position, consolidated financial performance (including other comprehensive income), consolidated statement of changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under prescribed Section 133 of the Act. This responsibility also includes maintenance of adequate

accounting records in accordance with the provisions of the Act for safeguarding of the assets of the respective entities 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; 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 CFS that give a true and fair view and are free from material misstatement, whether due to fraud or error. In preparing the CFS, the respective Board of Directors of the companies included in the Group are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The Board of Directors of the Holding Company are also responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements

7. Our objectives are to obtain reasonable assurance about whether the CFS, as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these CFS. Our audit process in accordance with the SAs is narrated in Annexure 1 to this report.

Other Matters

8. In view of restricted movements to restrict the spread of COVID-19 Pandemic, the audit finalisation processes were carried out from remote locations i.e., other than the Office of the Company, where books of accounts and other records are kept, based on the data/details made available and based on financial information/records remitted by the management through digital medium. Being constrained, we resorted to and relied upon the results of the related alternate audit procedures to obtain sufficient and appropriate audit evidence for the significant matters in course of our audit. Our report is not modified in respect of this matter.

9. We did not audit the Financials Statements of the Joint Venture included in the CFS Group, whose share of net profit is ₹ 37.99 Lakhs for the year ended March 31, 2021. These Financial Statements have been audited by another auditor whose report has been furnished to us by the Management of the Company. In our opinion on the CFS, in so far as it relates to the amounts and disclosures included pertaining to the joint venture, is based solely on the report of another auditor. Our opinion is not modified on this matter.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

10. 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 of the CFS.

    b. In our opinion, proper books of account as required by law relating to the preparation of the CFS have been kept by the Company so far as it appears from our examination of those books and the reports of the other auditor.

    c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the CFS.

    d. In our opinion, the aforesaid CFS comply with the Accounting Standards specified under section 133 of the Act, read with Rule 3 of the Companies (Indian Accounting Standard) Rules, 2015.

    e. On the basis of the written representations received from the directors of the Holding Company as on March 31, 2021, taken on record by the Board of Directors of the Holding Company and the reports of the Statutory Auditor of the Joint Venture incorporated in India, none of the directors of the Group are disqualified as on March 31, 2021 from being appointed as a director in terms of section 164 (2) of the Act.

    f. With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate Report in Annexure 2.

    g. In terms of provisions of Section 197(16) of the Act, as per the information and explanations given, we report that the managerial remuneration paid by the Company to its Directors is in accordance with provisions of Section 197 of the Act.

h. 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, and based on the consideration of reports of other auditor on Standalone Financial Statements and other financial information of the Joint Venture, we report as under:

(i) The Company has disclosed the impact of pending litigations on the financials position in its CFS. Refer Note no. 2.37 to the CFS;

(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 Group.

For Khimji Kunverji & Co LLP
Chartered Accountants
Firm's Registration No.: 105146W/W100621

Hasmukh B. Dedhia
Partner
Membership No.: 033494
ICAI UDIN: 21033494AAAAHC8172

Place : Mumbai
Date : May 26, 2021

Annexure 1 to the Independent Auditors' Report to the Members of Kewal Kiran Clothing Limited

[referred to in para 7 titled 'Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements']

As part of our audit in accordance with SAs we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, to design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
- From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our Auditor's Report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Annexure 2 to the Independent Auditors' Report to the Members of Kewal Kiran Clothing Limited

[referred to in paragraph 10(f) under 'Report on Other Legal and Regulatory Requirements']

REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE ACT

In conjunction with our audit of the Consolidated Ind AS Financial Statements ('CFS') of the Company as of and for the year ended March 31, 2021, we report on internal financial controls over financial reporting of Kewal Kiran Clothing Limited (hereinafter referred to as 'the Holding Company'), and a Joint Venture (the Holding Company and a Joint Venture together referred to as 'the Group'), incorporated in India, as of that date.

OPINION

In our opinion, to the best of our information and according to the explanations given to us and based on auditor's report of the Joint Venture, incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Holding company considering the essential components of internal control stated in the Guidance Note.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The respective Board of Directors of the Holding Company and its Joint Venture, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective entities considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 ("the Act")

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Holding Company based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the CFS, whether due to fraud or error

We believe that the audit evidence we have obtained and in terms of other auditor report referred to in paragraph of the Other Matters below, the audit evidence obtained by them, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Holding Company.

OTHER MATTERS

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to the sole Joint Venture, is based on the report of the auditors of joint venture.

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that:

(a) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;

(b) provide reasonable assurance that transactions are recorded as necessary to permit preparation of CFS in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and

(c) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the CFS.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For Khimji Kunverji & Co LLP
Chartered Accountants
Firm's Registration No.: 105146W/W100621

Hasmukh B. Dedhia
Partner
Membership No.: 033494
ICAI UDIN: 21033494AAAAHC8172

Place : Mumbai
Date : May 26, 2021

Consolidated Balance Sheet

ON ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2021 | CIN: L18101MH1992PLC065136

(₹ in lakhs except as otherwise stated)

Particulars	Note	As at March 31, 2021 Audited	As at March 31, 2020 Audited
ASSETS			
1) Non-Current Assets			
a) Property, Plant and Equipment	2.1	7,571.40	7,537.00
b) Capital Work in Progress	2.1	96.95	286.00
c) Right of use Asset	2.1	512.07	557.33
d) Investment Property	2.1.1	131.30	134.23
e) Other Intangible Assets	2.1	16.06	29.83
f) Intangible Assets under Development		-	-
g) Financial Assets			
i) Investments	2.2	2,180.74	5,794.21
ii) Loans		-	-
iii) Other Financial Assets	2.3	479.71	248.16
h) Deferred Tax Assets (Net)		-	-
i) Other Non-Current Assets	2.4	288.90	436.95
		11,277.13	**15,023.71**
2) Current Assets			
a) Inventories	2.5	5,056.64	9,003.34
b) Financial Assets			
i) Investments	2.6	10,895.64	13,674.21
ii) Trade Receivables	2.7	13,103.09	17,092.47
iii) Cash & Cash Equivalents	2.8	16,749.50	7,970.87
iv) Bank Balances other than iii above	2.9	10.28	49.51
v) Loans		-	-
vi) Other Financial Assets	2.10	125.72	99.35
c) Current Tax Assets (Net)		-	-
d) Other Current Assets	2.11	1,003.64	728.91
		46,944.51	**48,618.66**
TOTAL ASSETS		**58,221.64**	**63,642.37**
EQUITY & LIABILITIES			
Equity			
a) Equity Share Capital	2.12	1,232.50	1,232.50
b) Other Equity	2.13	42,051.56	43,359.15
		43,284.06	**44,591.65**
Liabilities			
1) Non-Current Liabilities			
a) Financial Liabilities	2.13A	311.43	342.01
b) Provisions	2.14	6.50	6.50
c) Deferred Tax Liability	2.15	288.00	545.00
d) Other non - current liabilities	2.16	-	110.40
		605.93	**1,003.91**
2) Current Liabilities			
a) Financial Liabilities			
i) Borrowings	2.17	4,643.80	8,801.18
ii) Trade Payables	2.18		
- Due to Micro and Small Enterprises		24.25	100.01
- Due to Others		4,540.15	4,880.11
iii) Other financial liabilities	2.19	586.07	539.53
b) Other Current Liabilities	2.20	2,202.28	1,722.35
c) Provisions	2.21	2,335.10	2,003.63
d) Current Tax Liabilities (Net)	2.22	-	-
		14,331.65	**18,046.81**
TOTAL EQUITY AND LIABILITIES		**58,221.64**	**63,642.37**
Significant accounting policies and notes on accounts	1 & 2		

The notes referred to above form integral part of Financial Statements

As per our Audit Report of even date
For and on behalf of
Khimji Kunverji & Co LLP
Chartered Accountants
Registration No.:105146W/W100621

Hasmukh Dedhia
Partner

Membership No. : 033494

Place: Mumbai
Date: May 26, 2021

For and on behalf of the Board of Directors
of **Kewal Kiran Clothing Ltd**

Kewalchand P. Jain
Chairman & Managing Director
Din No : 00029730

Hemant P. Jain
Whole time Director
(Jt. Managing Director wef 26th May 2021)
Din No : 00029822

Bhavin Sheth
Chief Financial Officer

Abhijit Warange
Company Secretary

Place: Mumbai
Date: May 26, 2021

Consolidated Statement of Profit and Loss

ON ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2021 | CIN: L18101MH1992PLC065136

(₹ in lakhs except as otherwise stated)

Particulars	Note	For the year ended March 31, 2021 Audited	For the year ended March 31, 2020 Audited
INCOME			
Revenue from Operations	2.23	30,272.96	52,967.01
Other Income	2.24	1,704.36	1,753.36
		31,977.32	**54,720.37**
EXPENDITURE			
Changes in inventories of Finished goods, Stock in trade and Work in progress	2.25	4,606.90	(943.23)
Cost of Material Consumed	2.26	9,364.82	19,473.35
Purchase of Trading Items: Lifestyle Accessories/ Products		1,899.16	2,776.09
Employee Benefit Expenses	2.27	5,264.48	7,145.18
Finance Cost	2.28	681.04	881.08
Depreciation/ Amortization	2.1	669.82	823.40
Manufacturing and Operating Expenses	2.29	2,134.20	4,901.49
Administrative and Other Expenses	2.30	3,276.48	3,307.88
Selling and Distribution Expenses	2.31	1,860.49	6,796.20
		29,757.39	**45,161.44**
Profit before exceptional items, share of profit/(loss) of investment using equity method and tax		2,219.93	9,558.93
Share of profit/(loss) of joint venture using equity method		37.99	(1.40)
Profit before exceptional items and tax		2,257.92	9,557.53
Exceptional items		-	-
Net Profit Before Tax		**2,257.92**	**9,557.53**
Tax Expense			
Current Tax		622.07	2,256.52
Deferred Tax		(267.00)	(2.00)
(Excess)/Short Provision for Taxes of Earlier Years		(77.34)	-
Net Profit for the Period		**1,980.19**	**7,303.01**
Other Comprehensive Income (OCI)			
Items that will not be reclassified to Profit and Loss			
Effect [gain / (loss)] of measuring equity instruments at fair value through OCI		188.72	(69.36)
Remeasurement gain /(loss) on net defined benefit liability		268.94	5.79
Income tax relating to items that will not be reclassified to profit and loss		(47.93)	(1.48)
Total Comprehensive Income for the year		**2,389.92**	**7,237.96**
Earnings per Share - Basic and Diluted (Face Value of ₹ 10 each fully paid up)		16.07	59.25
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 Financial Statements

As per our Audit Report of even date
For and on behalf of
Khimji Kunverji & Co LLP
Chartered Accountants
Registration No.:105146W/W100621

Hasmukh Dedhia
Partner

Membership No. : 033494

Place: Mumbai
Date: May 26, 2021

For and on behalf of the Board of Directors
of **Kewal Kiran Clothing Ltd**

Kewalchand P. Jain
Chairman & Managing Director
Din No : 00029730

Hemant P. Jain
Whole time Director
(Jt. Managing Director wef 26th May 2021)
Din No : 00029822

Bhavin Sheth
Chief Financial Officer

Abhijit Warange
Company Secretary

Place: Mumbai
Date: May 26, 2021

Consolidated Cash Flow Statement

ON ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2021 | CIN: L18101MH1992PLC065136

(₹ in lakhs except as otherwise stated)

Particulars	For the Year Ended March 31, 2021 Audited		For the Year Ended March 31, 2020 Audited	
A. CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit Before Taxes as per Statement of Profit and Loss		**2,257.92**		**9,557.53**
Adjustments for:				
Depreciation/ Amortization	666.89		814.80	
Share of lost in Joint Venture	(37.99)		1.40	
(Gain)/Loss on Sale / discard of Property plant & equipment (Tangible Assets) (Net)	20.01		(10.67)	
Depreciation on Investment Property	2.93		8.60	
Effect of fair value measurement of investments	(1,429.60)		(1,547.53)	
Sundry Balance (written back)/written off (Net)	8.23		7.01	
Finance costs	651.70		871.14	
Dividend Income	(5.21)		(6.75)	
Provision/(Reversal of provision) for Doubtful Debts, Advances, Deposits and Investments	690.64		129.36	
Provision/(Reversal of Provision) of Exchange Rate Fluctuation (Net)	10.61		(37.36)	
Interest Income	(185.13)		(25.70)	
		393.07		**204.30**
		2,651.00		**9,761.83**
Changes in Current & Non-current Assets and Liabilities				
Trade Receivable and Other Assets	2,808.42		572.13	
Inventories	3,946.71		(693.08)	
Trade Payables, Liabilities and Provisions	637.19		(2,250.64)	
		7,392.32		**(2,371.59)**
Net Cash Inflow from Operating Activities		**10,043.32**		**7,390.24**
Less: Income Tax paid (Net of Refund)		(372.63)		(2,296.43)
Net Cash Inflow/(outflow) from Operating Activities		**9,670.69**		**5,093.81**
B. CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of Property Plant & Equipment (including Capital Advances)		(302.44)		(1,424.81)
Sale of Property Plant & Equipment		34.85		308.68
Purchase of Investments		(3,720.00)		(259.00)
Redemption of Investments (net of taxes)		11,514.73		5,953.08
Maturity of Bank Deposit offered as Security		5.16		1.25
Dividend Income		5.21		6.75
Interest received on Bank Deposits	122.33		8.48	
Less: Income Tax Paid	(30.79)	91.54	(2.12)	6.36
Net Cash inflow /(Outflow) from Investing Activities		**7,629.05**		**4,592.32**

Consolidated Cash Flow Statement

ON ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2021 | CIN: L18101MH1992PLC065136

(₹ in lakhs except as otherwise stated)

Particulars	For the Year Ended March 31, 2021 Audited	For the Year Ended March 31, 2020 Audited
C. CASH FLOW FROM FINANCING ACTIVITIES		
Working Capital Demand Loan (Net)	(4,157.38)	(544.81)
Interest and Finance Charges	(606.44)	(800.78)
Payment of Lease liability	(63.07)	(46.00)
Payment of Dividend (Including Dividend Tax)	(3,694.20)	(5,644.38)
Net Cash Inflow/(Outflow) from Financing Activities	**(8,521.09)**	**(7,035.97)**
Net Increase/ (Decrease) in Cash & Cash Equivalents	**8,778.65**	**2,650.16**
CASH AND CASH EQUIVALENTS - OPENING	**7,970.87**	**5,320.61**
	16,749.52	**7,970.77**
Effect of Exchange (Gain)/Loss on Cash and Cash Equivalents	(0.02)	(0.10)
CASH AND CASH EQUIVALENTS - CLOSING	**16,749.50**	**7,970.87**
Significant accounting policies and notes on accounts 1&2		

The notes referred to above form integral part of cash flow statement

1. The Aggregate Income Tax paid during the year is ₹ 620.00 lakhs (P.Y. ₹ 2,429.00 lakhs).
2. The amount of undrawn borrowing facilities that may be available for future operating activities and to settle capital commitments as on March 31, 2021 is ₹ 7356.2 lakhs (P.Y. ₹ 5199.99 lakhs).

As per our Audit Report of even date
For and on behalf of
Khimji Kunverji & Co LLP
Chartered Accountants
Registration No.:105146W/W100621

Hasmukh Dedhia
Partner

Membership No. : 033494

Place: Mumbai
Date: May 26, 2021

For and on behalf of the Board of Directors
of **Kewal Kiran Clothing Ltd**

Kewalchand P. Jain
Chairman & Managing Director
Din No : 00029730

Hemant P. Jain
Whole time Director
(Jt. Managing Director wef 26th May 2021)
Din No : 00029822

Bhavin Sheth
Chief Financial Officer

Abhijit Warange
Company Secretary

Place: Mumbai
Date: May 26, 2021

Statement of Consolidated Change in Equity

ON ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2021 | CIN: L18101MH1992PLC065136

A) EQUITY SHARE CAPITAL

(₹ in lakhs except as otherwise stated)

	As at March 31, 2021	As at March 31, 2020
Balance at the beginning of the reporting year	1232.50	1232.50
Changes in Equity Share capital during the year	-	-
Balance at the end of the reporting year	**1,232.50**	**1,232.50**

B) OTHER EQUITY

(₹ in lakhs except as otherwise stated)

	General Reserve	Retained Earning	Securities premium	Business Progressive fund (refer note below)	Equity Instruments through OCI	Total
Balance as at 31st March 2020 (III) = I+II	**5,375.63**	**25,532.10**	**8,426.77**	**4,000.00**	**24.65**	**43,359.15**
Profit for the year	-	1,980.19	-	-	-	1,980.19
Items of OCI for the year, net of tax						-
Remeasurement of net defined benefit liability	-	221.01	-	-	-	221.01
Effect of measuring equity instruments at fair value through OCI	-	-	-	-	188.72	188.72
Total Comprehensive income from the year (2020-21) (I)	**-**	**2,201.20**	**-**	**-**	**188.72**	**2,389.92**
Dividends	-	(3,697.51)	-	-	-	(3,697.51)
Tax on dividends	-	-	-	-	-	-
Total (II)	**-**	**(3,697.51)**	**-**	**-**	**-**	**(3,697.51)**
Balance as at 31st March 2021 (III) = I+II	**5,375.63**	**24,035.79**	**8,426.77**	**4,000.00**	**213.37**	**42,051.56**

BUSINESS PROGRESSIVE FUND

* The Company has created "Business Progressive Fund" out of its profits 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 Indian Accounting Standard (AS) -37 in normal course of business. INDAS-37 does not permit providing for expenses where present obligation does not exist or there is no fixed commitment.

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.

As per our Audit Report of even date
For and on behalf of
Khimji Kunverji & Co LLP
Chartered Accountants
Registration No.:105146W/W100621

Hasmukh Dedhia
Partner

Membership No. : 033494

Place: Mumbai
Date: May 26, 2021

For and on behalf of the Board of Directors
of **Kewal Kiran Clothing Ltd**

Kewalchand P. Jain
Chairman & Managing Director
Din No : 00029730

Hemant P. Jain
Whole time Director
(Jt. Managing Director wef 26th May 2021)
Din No : 00029822

Bhavin Sheth
Chief Financial Officer

Abhijit Warange
Company Secretary

Place: Mumbai
Date: May 26, 2021

Statement of Consolidated Change in Equity

ON ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2020 | CIN: L18101MH1992PLC065136

A) EQUITY SHARE CAPITAL

(₹ in lakhs except as otherwise stated)

	As at March 31, 2020	As at March 31, 2019
Balance at the beginning of the reporting year	1232.50	1232.50
Changes in Equity Share capital during the year	-	-
Balance at the end of the reporting year	**1,232.50**	**1,232.50**

B) OTHER EQUITY

(₹ in lakhs except as otherwise stated)

	General Reserve	Retained Earning	Securities premium	Business Progressive fund (refer note below)	Equity Instruments through OCI	Total
Balance as at 31st March 2019 (III) = I+II	**5,375.63**	**23,870.99**	**8,426.77**	**4,000.00**	**94.01**	**41,767.41**
Profit for the year	-	7,303.01	-	-	-	7303.01
Items of OCI for the year, net of tax						-
Remeasurement of net defined benefit liability	-	4.31	-	-	-	4.31
Effect of measuring equity instruments at fair value through OCI	-		-	-	(69.36)	(69.36)
Total Comprehensive income from the year (2019-20) (I)	**-**	**7,307.32**	**-**	**-**	**(69.36)**	**7,237.96**
Dividends	-	(4,683.51)	-	-	-	(4,683.51)
Tax on dividends	-	(962.71)	-	-	-	(962.71)
Total (II)	**-**	**(5,646.22)**	**-**	**-**	**-**	**(5,646.22)**
Balance as at 31st March 2020 (III) = I+II	**5,375.63**	**25,532.10**	**8,426.77**	**4,000.00**	**24.65**	**43,359.15**

As per our Audit Report of even date
For and on behalf of
Khimji Kunverji & Co LLP
Chartered Accountants
Registration No.:105146W/W100621

Hasmukh Dedhia
Partner

Membership No. : 033494

Place: Mumbai
Date: May 26, 2021

For and on behalf of the Board of Directors
of **Kewal Kiran Clothing Ltd**

Kewalchand P. Jain
Chairman & Managing Director
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(Jt. Managing Director wef 26th May 2021)
Din No : 00029822

Bhavin Sheth
Chief Financial Officer

Abhijit Warange
Company Secretary

Place: Mumbai
Date: May 26, 2021

Consolidated Notes

ON ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2021 | CIN: L18101MH1992PLC065136

(₹ in lakhs except as otherwise stated)

1. COMPANY OVERVIEW AND SIGNIFICANT ACCOUNTING POLICIES:

A. Corporate Information

Kewal Kiran Clothing Limited (“the Parent Company”) is a Public Limited Company incorporated in India having its registered office at Mumbai, Maharashtra. The Parent Company is engaged into manufacturing, marketing and retailing of branded readymade garments and finished accessories. The Parent Company together with its joint venture (i.e. White Knitwear Private Limited) is referred to as the “Group”.

B. Statement of Compliance and Basis of Preparation and Consolidation

(i) Compliance with Ind AS

The Consolidated Financial Statements (CFS) are prepared in accordance with Indian Accounting Standards (“Ind AS”) as notified under the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter, the relevant provisions of the Companies Act, 2013 (“the Act”) and guidelines issued by the Securities and Exchange Board of India (“SEBI”), as applicable.

(ii) Basis of Preparation and presentation

Basis of Preparation:

The financial statements have been prepared on a historical cost basis, except the following assets and liabilities which have been measured at fair value

- Certain financial assets and liabilities (refer accounting policy regarding financial instruments)
- Employee’s Defined Benefit Plan as per actuarial valuation

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions, regardless of whether that price is directly observable or estimated using another valuation technique. In determining the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

Functional and Presentation Currency:

The CFS are presented in Indian Rupees and all values are rounded to the nearest Lakh (INR 00,000), except otherwise indicated.

(iii) Principles of Consolidation and equity accounting

Joint Venture

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The Group’s investments in its joint venture are accounted for using the equity method

Equity Method

Under the equity method, the investment in a joint venture is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group’s share of net assets of the joint venture since the acquisition date. Goodwill relating to the joint venture is included in the carrying amount of the investment and is not tested for impairment individually.

The statement of profit and loss reflects the Group’s share of the results of operations of the joint venture.

Any change in OCI of those investees is presented as part of the Group’s OCI. In addition, when there has been a change recognised directly in the equity of the joint venture, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the joint venture are eliminated to the extent of the interest in the joint venture.

The aggregate of the Group’s share of profit or loss of a joint venture is shown on the face of the statement of profit and loss. The financial statements of the joint venture are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its joint venture. At each reporting date, the Group determines whether there is objective evidence that the investment in the joint venture is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the joint venture and its carrying value and then recognises the loss as ‘Share of profit of a joint venture’ in the statement of profit or loss.

Consolidated Notes

ON ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2021 | CIN: L18101MH1992PLC065136

(₹ in lakhs except as otherwise stated)

Upon loss of significant influence over the joint control over the joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the joint venture upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

C. Summary of Significant Accounting Policies

1.1 Classification of Assets and Liabilities into Current/ Non-Current:

The Group has ascertained its operating cycle as twelve months for the purpose of Current/ Non-Current classification of its Assets and Liabilities.

For the purpose of Balance Sheet, an asset is classified as current if:

a) It is expected to be realised, or is intended to be sold or consumed, in the normal operating cycle; or

b) It is held primarily for the purpose of trading; or

c) It is expected to realise the asset within twelve months after the reporting period; or

d) The asset is a cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current., A liability is classified as current if:

a) It is expected to be settled in the normal operating cycle; or

b) It is held primarily for the purpose of trading; or

c) It is due to be settled within twelve months after the reporting period; or

d) The Group does not have an unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could result in its settlement by the issue of equity instruments at the option of the counterparty does not affect this classification.

All other liabilities are classified as non-current.

1.2 Property, Plant and Equipment (PPE):

The initial cost of PPE comprises its purchase price, including import duties and non-refundable purchase taxes and any directly attributable costs of bringing an asset to working condition and location for its intended use, including relevant borrowing costs and any expected costs of decommissioning. Following initial recognition, items of PPE are carried at its cost less accumulated depreciation and accumulated impairment losses, if any. Gross carrying amount of all PPE are measured using cost model. Expenditure incurred after the PPE have been put into operation, such as repairs and maintenance, are charged to the Statement of Profit and Loss in the period in which the costs are incurred. PPE are eliminated from financial statement either on disposal or when retired from active use. Capital work-in-progress comprises of cost incurred on property, plant and equipment under construction / acquisition that are not yet ready for their intended use at the Balance Sheet Date

If significant parts of an item of PPE have different useful lives, then they are accounted for as separate items (major components) of PPE. Material items such as spare parts, stand-by equipment and service equipment are classified as PPE when they meet the definition of PPE as specified in Ind AS 16 – Property, Plant and Equipment.

1.3 Expenditure during construction period:

a) Expenditure / Income during construction period (including financing cost related to borrowed funds for construction or acquisition of qualifying PPE) is included under Capital Work-in-Progress and the same is allocated to the respective PPE on the completion of their construction.

Advances given towards acquisition or construction of PPE outstanding at each reporting date are disclosed as Capital Advances under “Other non-current Assets”.

b) Property, plant and equipment are eliminated from financial statement either on disposal or when retired from active use. Assets held for disposal are stated at net realizable value. Losses arising in case of retirement of property, plant and equipment and gains or losses arising from disposal of property, plant and equipment are recognized in the statement of profit and loss in the year of occurrence.

1.4 Depreciation:

a) Depreciation on the property, plant and equipment (other than freehold land and capital work in progress) is provided on a straight-line method (SLM) over their useful lives which is in consonance of useful life mentioned in Schedule II to the Act except certain class of assets specified in table (i) below, based on internal assessment estimated by the management of The Group, where the useful life is lower than as mentioned in said Schedule II.

Consolidated Notes

ON ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2021 | CIN: L18101MH1992PLC065136

(₹ in lakhs except as otherwise stated)

Assets where useful life is lower than useful life mentioned in Schedule II

Assets	Estimated useful life depreciated on SLM basis
Furniture & fittings at retail stores	5 years
Second hand factory / office building (RCC frame structure)	30 years
Second hand factory / office building (other than RCC frame structure)	5 years
Individual assets whose cost does not exceed ₹ 5,000	Fully depreciated in the year of purchase

b) The range of useful lives of the property, plant and equipment not covered in table above and are in accordance with Schedule II are as follows:

Particulars	Useful life
Factory buildings	30 years
Other buildings (RCC structure)	60 years
Other Plant and Machinery	15 years
Computers	3 years
Furniture & fittings	10 years
Motor vehicles	8 years
Windmill	22 years

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) Depreciation methods, useful lives and residual values are reviewed at each financial year end and adjusted prospectively.

e) Leasehold lands are amortized over the period of lease or useful life whichever is lower. Buildings constructed on leasehold land are depreciated over its useful life which matches with the useful life mentioned in Schedule II. In cases where building is having useful life greater than the period of lease (where the Parent Company does not have right of renewal), the same is amortized over the lease period of land.

1.5 Investment properties

Property that is held for long-term rental yields or for capital appreciation or both and that is not occupied by the Group for its own business, is classified as investment property. Investment properties are measured at its cost, including related transaction costs and where applicable borrowing costs less depreciation and impairment if any.

Depreciation on building held as Investment Properties is provided over it's useful life (of 60 years) using the straight line method.

1.6 Intangible Assets and Amortisation:

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

b) Cost of an intangible asset includes purchase price including non - refundable taxes and duties, borrowing cost directly attributable to the qualifying asset and any directly attributable expenditure on making the asset ready for its intended use.

c) Intangible assets under development comprises of cost incurred on intangible assets under development that are not yet ready for their intended use as at the Balance Sheet date.

d) Class of intangible assets and their estimated useful lives are as under:

Assets	Estimated useful life amortized on SLM basis
Computer software	3 years
Membership rights	5 years
Trademark	As per Management Estimate

e) Amortisation methods and useful lives are reviewed at each financial year end and adjusted prospectively.

f) In case of assets purchased during the year, amortization on such assets is calculated on pro-rata basis from the date of such addition.

1.7 Non-current assets (or disposal groups) classified as held for disposal:

Assets are classified as held for disposal and stated at the lower of carrying amount and fair value less costs to sell.

To classify any Asset as "Asset held for disposal" the asset must be available for immediate sale and its sale must be highly probable. Such assets are presented separately in the Balance Sheet, in the line "Assets held for disposal". Once classified as held for disposal, intangible assets and PPE are no longer amortised or depreciated, but carried at lower of cost or NRV.

1.8 Impairment of Non-Financial Assets:

At the end of each reporting period, the Group reviews the carrying amounts of non-financial assets to determine whether there is any indication that those assets have suffered an impairment loss. If

Consolidated Notes

ON ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2021 | CIN: L18101MH1992PLC065136

(₹ in lakhs except as otherwise stated)

any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in Statement of Profit and Loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the Statement of Profit and Loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.9 Inventories:

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.

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 Parent 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).

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 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. A qualifying asset is an asset which necessarily takes a substantial period of time to get ready for its intended use. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest, amortization of discounts, hedge related cost incurred in connection with foreign currency borrowings and 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.

1.11 Provisions, Contingent Liabilities and Contingent Assets:

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources that can be reliably estimated, will be required to settle such an obligation.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Unwinding of the discount is recognised in the Statement of Profit and Loss as a finance cost.

Provisions are reviewed at each reporting date and are adjusted to reflect the current best estimate.

Consolidated Notes

ON ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2021 | CIN: L18101MH1992PLC065136

(₹ in lakhs except as otherwise stated)

A present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is disclosed as a contingent liability. Contingent liabilities are also disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non -occurrence of one or more uncertain future events not wholly within the control of the Group.

Claims against the Group where the possibility of any outflow of resources in settlement is remote, are not disclosed as contingent liabilities.

A contingent asset is disclosed, where an inflow of economic benefits is probable. Contingent assets are not recognised in financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognised.

1.12 Revenue Recognition:

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

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 is measured at the fair value of consideration received or receivable taking net off the amount of goods and services tax (GST), 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 period/year in which the right to receive the same is established.

d) Service income is recognized upon rendering of services. Service income is recorded net of service tax/GST.

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/GST

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 Parent Company. Further, value of electricity generated and captively consumed is netted off from the electricity expenses.

g) Export incentives principally comprises of Duty Drawback, merchandise exports from India scheme (MEIS) and rebate on state & central taxes and levies (RoSTCL) based on guidelines formulated for the respective scheme by the government authorities. These incentives are recognized as income on accrual basis in Statement of Profit and Loss only to the extent that realisation/utilisation is certain.

h) Rental income (net of taxes) on assets given under operating lease arrangements is recognized on a straight-line basis over the period of the lease unless the receipts are structured to increase in line with expected general inflation to compensate for the Company's expected inflationary cost increases.

1.13 Leases:

The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether: (i) the contract involves the use of an identified asset (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Group has the right to direct the use of the asset.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated on a straight-line basis over the lease term. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets.

Consolidated Notes

ON ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2021 | CIN: L18101MH1992PLC065136

(₹ in lakhs except as otherwise stated)

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Group changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

1.14 Employees' Benefits:

a) Short term employee benefits-

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 Group contributes fixed contribution to a government administered fund and will have no obligation to pay further contribution. The Group's defined contribution plan comprises of Provident Fund, Employee State Insurance Scheme, Employee Pension Scheme, National Pension Scheme and Labour Welfare Fund. The Group'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 Group'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. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and fair value of plan assets. Re-measurement gains or losses arising from experience adjustments changes in actuarial assumptions is reflected immediately in the Balance Sheet with a charge or credit recognized in Other Comprehensive Income (OCI) in the period in which they occur. Re-measurement recognized in OCI is reflected immediately in retained earnings and will not be reclassified to Statement of Profit and Loss in the subsequent period.

As per the Parent 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 while in service with the Parent Company. To fulfill the Parent Company's obligation for the above mentioned plan, the Parent Company has taken group term policy from an insurance company. The annual premium for insurance cover is recognized in Statement of Profit and Loss.

1.15 Income Taxes:

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 or other reserves, the corresponding tax effect is also adjusted against the securities premium or retained earnings or other reserves, as the case may be, as per the announcement of Institute of Chartered Accountants of India.

b) Current Tax is measured on the basis of estimated taxable income for the current accounting period in with the applicable tax rates and the provisions of the Income-tax Act, 1961 and other applicable tax laws.

c) Deferred tax is provided, on all temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax assets and liabilities are measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted at the reporting date.

Tax relating to items recognised directly in equity or OCI is recognised in equity or OCI and not in the Statement of Profit and Loss. Deferred tax

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assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets and they relate to income taxes levied by the same tax authority, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable.

1.16 Earnings per Share:

Basic earnings per share (EPS) 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.

1.17 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 carried at fair value are translated at the rates prevailing at the date when the fair value was determined. Foreign currency non-monetary items measured in terms of historical cost are translated using the exchange rate as at the date of initial transactions.

c) Exchange difference arising on settlement or translation of foreign 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 on those foreign currency borrowings.

1.18 Financial Instruments:

Financial assets and financial liabilities are recognised when a Company becomes a party to the contractual provisions of the instruments

Measurement

At initial recognition, the Group measures a financial asset and financial liabilities at its fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss and ancillary costs related to borrowings) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in Statement of Profit and Loss.

Classification and Subsequent Measurement: Financial Assets

The Group classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income (“FVTOCI”) or fair value through profit or loss (“FVTPL”) on the basis of following:

- the entity’s business model for managing the financial assets and
- the contractual cash flow characteristics of the financial asset.

Amortised Cost:

A financial asset shall be classified and measured at amortised cost if both of the following conditions are met:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Fair Value through OCI (FVTOCI):

A financial asset shall be classified and measured at FVTOCI if both of the following conditions are met:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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Fair Value through Profit or Loss (FVTPL):

A financial asset shall be classified and measured at fair value through profit or loss unless it is measured at amortised cost or at FVTOCI.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Equity instruments:

The Group subsequently measures its specific equity investments other than investments in joint venture at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to the Statement of Profit and Loss. Dividends from such investments are recognized in the Statement of Profit and Loss as other income when the Group's right to receive payments is established.

Impairment of financial assets

The Group assesses on a forward looking basis the expected credit losses associated with its assets. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables, the Company applies 'simplified approach' as specified under Ind AS 109, which requires expected lifetime losses to be recognized from initial recognition of the receivables. The application of simplified approach does not require the Company to track changes in credit risk. The Company calculates the expected credit losses on trade receivables using a provision matrix on the basis of its historical credit loss experience and is adjusted for forward looking estimates.

Derecognition of financial assets:

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset (other than specific equity instrument classified as FVTOCI) in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

On derecognition of a financial asset other than in its entirety (e.g. when the Group retains an option to repurchase part of a transferred asset), the Group allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

Subsequent measurement: Financial Liabilities

All financial liabilities of the Group are subsequently measured at amortized cost using the effective interest method.

Under the effective interest method, the future cash payments are exactly discounted to the initial recognition value using the effective interest rate. The cumulative amortization using the effective interest method of the difference between the initial recognition amount and the maturity amount is added to the initial recognition value (net of principal repayments, if any) of the financial liability over the relevant period of the financial liability to arrive at the amortized cost at each reporting date. The corresponding effect of the amortization under effective interest method is recognized as interest expense over the relevant period of the financial liability. The same is included under finance cost in the Consolidated Statement of Profit and Loss.

Derecognition of Financial Liabilities:

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the Derecognition of the original liability and

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the recognition of a new liability. The difference between the carrying amount of the financial liability derecognized and the consideration paid is recognized in the Consolidated Statement of Profit and Loss.

1.19 Cash Flow Statement 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 (with zero exit load at the time of investment) that are readily convertible into known amounts of cash and are subject to an insignificant risk of changes in value. 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.

1.20 Dividend distribution:

Final equity dividends on shares are recorded as a liability on the date of approval by the shareholders and interim equity dividends are recorded as a liability on the date of declaration by the Parent Company's Board of Directors.

1.21 Segment Reporting:

Operating 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 Group prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the consolidated financial statements of the Group as a whole. These operating results are regularly reviewed by the company's Chief Operating Decision Maker ("CODM").

D. Critical accounting judgements and key sources of estimation uncertainty (Parent Company):

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosures and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods

Critical judgements and estimates in applying accounting policies:

1) Property, Plant and Equipment:

Property, Plant and Equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life. The useful lives of the Company's assets are determined by the management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technical or commercial obsolescence arising from changes or improvements in production or from a change in market demand of the product or service output of the asset.

2) Estimation of Defined benefit obligation:

The costs of providing post-employment benefits are charged to the Statement of Profit and Loss in accordance with Ind AS 19 'Employee benefits' over the period during which benefit is derived from the employees' services. The costs are assessed on the basis of assumptions selected by the management. These assumptions include salary escalation rate, discount rates, expected rate of return on assets and mortality rates. The same is disclosed in Note 2.32

3) Sales Returns:

The Company accounts for sales returns by recording an allowance for sales returns concurrent with the recognition of revenue at the time of a product sale. This allowance is based on the Company's estimate of expected sales returns. The Company deals in various products and operates in various markets. Accordingly, the estimate of sales returns is determined primarily by the Company's historical experience in the markets in which the Company operates.

4) Fair value measurement of Financial Instruments:

Refer Note 2.40

5) Impairment

An impairment loss is recognised for the amount by which an asset's or cash-generating unit's carrying amount exceeds its recoverable amount to determine the recoverable amount, management estimates expected future cash flows from each asset or cash generating unit and determines a suitable interest rate in order to calculate the present value of those cash flows. In the process of measuring expected future cash flows, management makes assumptions about future operating results. These assumptions relate to future events and circumstances. The actual results may vary and may cause significant adjustments to the Company's assets. In most cases, determining the applicable discount rate involves estimating the appropriate adjustment to market risk and the appropriate adjustment to asset-specific risk factors.

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2.1: PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

Sr. No.	Description of the Block of Assets	GROSS BLOCK				DEPRECIATION / AMORTISATION				NET BLOCK
		As at 01/04/2020	Additions	Deductions/ Discarded	As at 31/03/2021	As at 01/04/2020	Depreciation	Deductions/ Discarded	As at 31/03/2021	As at 31/03/2021
Property Plant & Equipment (Tangible Assets)										
1	Free Hold Land	1,801.18	-	-	1,801.18	-	-	-	-	1,801.18
2	Building	4,097.66	471.39	-	4,569.05	504.23	175.21	-	679.45	3,889.60
3	Furnitures & Fixtures	114.44	1.60	-	116.04	52.66	17.63	-	70.30	45.74
4	Plant and Machinery	2,866.43	172.84	282.80	2,756.47	1,100.26	293.29	142.56	1,250.99	1,505.48
5	Computer	206.61	2.24	3.45	205.39	178.66	22.17	3.45	197.37	8.02
6	Office Equipments	319.05	11.61	0.01	330.65	177.08	59.66	0.01	236.73	93.92
7	Vehicles	256.85	129.10	29.84	356.10	112.32	39.63	23.29	128.65	227.45
	Total of Property Plant & equipment (a)	**9,662.21**	**788.78**	**316.11**	**10,134.88**	**2,125.20**	**607.60**	**169.32**	**2,563.48**	**7,571.40**
Intangible Assets (other than internally generated)										
1	Software (Acquired)	134.52	0.28	-	134.80	104.71	14.03	-	118.74	16.06
	Total of Intangible Assets (e)	**134.52**	**0.28**	**-**	**134.80**	**104.71**	**14.03**	**-**	**118.74**	**16.06**
Right of Use Assets										
1	Land		204.05	-	204.05	3.06	3.05	-	6.11	197.94
2	Building	386.00	-	-	386.00	29.66	42.21	-	71.87	314.13
	Total of Right of Use Assets (c)	**386.00**	**204.05**	**-**	**590.05**	**32.72**	**45.26**	**-**	**77.98**	**512.07**

Sr. No.	Description of the Block of Assets	GROSS BLOCK				DEPRECIATION / AMORTISATION				NET BLOCK
		As at 01/04/2020	Additions	Capitalised	As at 31/03/2021					As at 31/03/2021
Capital Work in Progress (CWIP)										
1	Plant and Machinery	21.02	9.00	30.02	-	-	-	-	-	-
2	Building	264.98	153.36	321.39	96.95	-	-	-	-	96.95
	Total CWIP (b)	**286.00**	**162.36**	**351.41**	**96.95**	**-**	**-**	**-**	**-**	**96.95**
Intangible Assets under development										
1	Software (Acquired)	-	-	-	-	-	-	-	-	-
	Total CWIP (b)	**286.00**	**162.36**	**351.41**	**96.95**	**-**	**-**	**-**	**-**	**96.95**
Investment Properties (2.1.1)										
1	Building	255.91	-	-	255.91	121.69	2.93	-	124.61	131.30
	Total Investment properties (d)	**255.91**	**-**	**-**	**255.91**	**121.69**	**2.93**	**-**	**124.61**	**131.30**
	Grand total (a+b+c+d+e)	**10,724.65**	**1,155.47**	**667.52**	**11,212.59**	**2,384.31**	**669.82**	**169.32**	**2,884.81**	**8,327.78**

Sr. No.	Description of the Block of Assets	GROSS BLOCK				DEPRECIATION / AMORTISATION				NET BLOCK
		As at 01/04/2019	Additions	Deductions/ Discarded	As at 31/3/2020	As at 01/04/2019	Depreciation	Deductions/ Discarded	As at 31/3/2020	As at 31/3/2020
Property Plant & Equipment (Tangible Assets)										
1	Free Hold Land	1,697.36	103.82	-	1,801.18	-	-	-	-	1,801.18
2	Building	3,862.22	496.27	260.83	4,097.66	355.61	151.90	3.28	504.23	3,593.43
3	Furnitures & Fixtures	91.51	22.92	-	114.43	35.70	16.96	-	52.66	61.77
4	Plant and Machinery	2,815.67	106.64	55.88	2,866.43	811.08	304.73	15.55	1,100.26	1,766.17
5	Computer	187.09	19.94	0.42	206.61	138.27	40.81	0.42	178.66	27.95
6	Office Equipments	312.88	6.55	0.39	319.05	111.84	65.49	0.26	177.08	141.97
7	Vehicles	256.85	-	-	256.85	77.16	35.16	-	112.32	144.53
	Total of Property Plant & equipment (a)	**9,223.57**	**756.16**	**317.52**	**9,662.21**	**1,529.66**	**615.05**	**19.51**	**2,125.20**	**7,537.00**

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Sr. No.	Description of the Block of Assets	GROSS BLOCK				DEPRECIATION / AMORTISATION				NET BLOCK
		As at 01/04/2019	Additions	Deductions/ Discarded	As at 31/3/2020	As at 01/04/2019	Depreciation	Deductions/ Discarded	As at 31/3/2020	As at 31/3/2020
Intangible Assets (other than internally generated)										
1	Software (Acquired)	131.84	2.68	-	134.52	88.08	16.61	-	104.70	29.83
2	Trademark	300.00	-	-	300.00	149.57	150.43	-	300.00	-
	Total of Intangible Assets (e)	431.84	2.68	-	434.52	237.66	167.04	-	404.70	29.83
	Right of Use Assets									
1	Land		204.05	-	204.05	-	3.06	-	3.06	200.99
2	Building	-	386.00	-	386.00	-	29.66	-	29.66	356.34
	Total of Right of Use Assets (c)	**-**	**590.05**	**-**	**590.05**	**-**	**32.72**	**-**	**32.72**	**557.33**

Sr. No.	Description of the Block of Assets	As at 01/04/2019	Additions	Capitalised	As at 31/3/2020	As at 01/04/2019	Depreciation	Deductions/ Discarded	As at 31/3/2020	As at 31/3/2020
Capital Work in Progress (CWIP)										
1	Plant and Machinery	13.24	12.98	5.20	21.02	-	-	-	-	21.02
2	Building	210.92	112.44	58.38	264.98	-	-	-	-	264.98
	Total CWIP (b)	**224.16**	**125.42**	**63.58**	**286.00**	**-**	**-**	**-**	**-**	**286.00**
Intangible Assets under development										
1	Software (Acquired)	15.35	-	15.35	-	-	-	-	-	-
	Total CWIP (b)	**239.51**	**125.42**	**78.93**	**286.00**	**-**	**-**	**-**	**-**	**286.00**
Investment Properties (2.1.1)										
1	Building	255.91	-	-	255.91	113.08	8.60	-	121.68	134.23
	Total Investment properties (d)	**255.91**	**-**	**-**	**255.91**	**113.08**	**8.60**	**-**	**121.68**	**134.23**
	Grand total (a+b+c+d+e)	**10,135.48**	**1,474.31**	**381.10**	**11,228.69**	**1,880.40**	**823.40**	**19.51**	**2,684.29**	**8,544.39**

2.1.1 Investment Property

Particulars	March 31, 2021	March 31, 2020
Rental income derived from Investment property	89.81	92.33
Direct operating expenses (Including repair and maintenance)	2.58	0.00
Income arising from Investment properties before depreciation	87.23	92.33
Depreciation	2.93	8.60
Income from Investment properties (Net)	84.31	83.73

2.1.2 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.10) share of ₹ 50 each in Gautam Chemical Industrial Premises CHS Ltd.

2.1.3 Right to Use - Building includes building constructed on lease hold land having Gross block of ₹ 226.65 lakhs (P.Y. ₹ 226.65 lakhs)

2.1.4 In the year 2014-15, the company has acquired freehold land with integrated structures for a composite value whose conveyance is registered and municipal records updated. The value of the structure is determined based on estimated depreciated value of structures and the balance is considered as the value of the land. In respect of the land, the company has undivided share in land. Also an insignificant portion of land is unlawfully occupied by an illegal occupant and the said occupant had raised some illegal structures which were demolished by the Municipal Corporation. The said illegal occupant has filed a suit in the Hon'ble High Court for his alleged claim in respect of the portion of the land illegally occupied by him. The company has refuted the alleged claim of the illegal occupant and is defending the suit. The Company has filed an Eviction suit against the illegal occupant in the Hon'ble Small Causes Court. Both the said matters are sub-judiced.There is insignificant impact of these litigations on the financial position of the company.

2.1.5 Amount capitalised under building block includes ₹ 321.39 (P.Y. ₹ 58.32) being the amount of capital expenditure incurred on self-constructed assets. Further such amount included under CWIP is aggregating to ₹ 96.95 lakhs (P.Y. ₹ 262.78 lakhs).

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2.2: INVESTMENTS

Long Term Investments

Particulars	As at March 31, 2021	As at March 31, 2020
a) Trade Investments (Unquoted)		
Investment in Joint Venture White Knitwear Private Limited		
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 ₹ 10 each fully paid up.	312.50	312.50
Add/Less: Share of Profit/(loss) for earlier years	(50.54)	(49.14)
Add/Less: Share of Profit/(loss) for the year	37.99	(1.40)
Total trade Investment (using equity method)	**332.95**	**294.96**
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.	0.20	0.06
15,000 (P.Y. 15,000) HCL Technologies Ltd Shares of face value ₹ 2 each fully paid up.	147.52	65.51
25,000 (P.Y. 25,000) Tech Mahindra Ltd Shares of face value ₹ 5 each fully paid up.	247.81	141.24
In Fixed Maturity Plan		
Investment in unquoted Mutual Funds		
In units of Fixed Maturity Plans (FMP's) of ₹ 10/- each fully paid up		
Franklin India FMP-Series 2-Plan A - Growth	-	118.24
[Units: 1,000,000 (P.Y.: 1,000,000)]		
Franklin India FMP-Series 2-Plan B - Growth	-	119.09
[Units: 1,000,000 (P.Y.: 1,000,000)]		
HSBC FTS 130 Growth 1204 days - Growth	-	118.14
[Units: 1,000,000 (P.Y.: 1,000,000)]		
Nippon India Fixed Horizon Fund XXXV - Series 7 - Growth	-	237.99
(Formerly known as Reliance Fixed Horizon Fund XXXV - Series 7 - Growth)		
[Units: 2,000,000 (P.Y.: 2,000,000)]		
Nippon India Fixed Horizon Fund XXXVI-Series 6 - Growth	-	830.28
(Formerly known as Reliance Fixed Horizon Fund XXXVI-Series 6 - Growth)		
[Units: 7,000,000 (P.Y.: 7,000,000)]		
Nippon India Fixed Horizon Fund XXXVI-Series 6 - Growth	-	352.84
(Formerly known as Reliance Fixed Horizon Fund XXXVI-Series 6 - Growth)		
[Units: 3,000,000 (P.Y.: 3,000,000)]		
Aditya Birla Sunlife FTP Series PV- Direct-Growth	523.52	481.64
[Units: 4,000,000 (P.Y.: 4,000,000)]		
Aditya Birla Sunlife FTP Series PV-Growth	130.15	119.96
[Units: 1,000,000 (P.Y.: 1,000,000)]		
DSP FMP-Series 232-36M-Growth	-	117.43
[Units: 1,000,000 (P.Y.: 1,000,000)]		
DSP FMP-Series 235-36M-Growth	-	116.60
[Units: 1,000,000 (P.Y.: 1,000,000)]		
ICICI Pru FMP Series 82 - 1119 Days Plan X - Growth	-	762.74
[Units: 6,500,000 (P.Y.: 6,500,000)]		
ICICI Pru FMP Series 82 - 1141 Days Plan Y-Direct- Growth	-	354.29
[Units: 3,000,000 (P.Y.: 3,000,000)]		
ICICI Pru FMP Series 82 - 1141 Days Plan Y - Growth	-	353.65
[Units: 3,000,000 (P.Y.: 3,000,000)]		
IDFC FTP Series 152 - Growth	126.36	115.83
[Units: 1,000,000 (P.Y.: 1,000,000)]		

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Particulars	As at March 31, 2021	As at March 31, 2020
Invesco India FMP Series 31 Plan D - Growth	130.75	119.70
[Units: 1,000,000 (P.Y.: 1,000,000)]		
Kotak FMP Series 228 - Direct-Growth	-	118.66
[Units: 1,000,000 (P.Y.: 1,000,000)]		
Kotak FMP Series 228 - Growth	-	118.23
[Units: 1,000,000 (P.Y.: 1,000,000)]		
Tata FMP Series 55 Scheme G - Growth	-	116.18
[Units: 1,000,000 (P.Y.: 1,000,000)]		
UTI FTIF-Series XXIX-VI - Growth	-	118.32
[Units: 1,000,000 (P.Y.: 1,000,000)]		
In the units of Fixed Maturity Plan (FMP'S) of ₹ 1000/- each fully paid		
PGIM India Fixed Duration Fund-Series AY-Growth	260.13	239.45
(Formerly known as DHFL Pramerica Fixed Duration Fund-Series AY-Growth)		
[Units: 20,000 (P.Y.: 20,000)]		
PGIM India Fixed Duration Fund-Series BA-Growth	128.46	119.16
(Formerly known as DHFL Pramerica Fixed Duration Fund-Series BA-Growth)		
[Units: 10,000 (P.Y.: 10,000)]		
Investment in Portfolio management services		
Mehta Multifocused Fund		
Capital Contribution	28.15	19.22
Kotak India Whizdom Fund		
Capital Contribution	10.42	80.55
Sistema Asia Fund		
Capital Contribution	114.32	44.25
	2,180.74	**5,794.21**
Aggregate Market / Net asset Value		
- Quoted	395.53	206.81
- Unquoted	1,785.21	5,587.41

2.2.1 The Company had invested in aggregate ₹ 34,550,000 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.

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 2021.

2.3: OTHER FINANCIAL ASSETS

(Unsecured considered good)

Particulars	As at March 31, 2021	As at March 31, 2020
Security Deposits	395.11	215.48
Loan to Employees	26.88	22.37
Rent Deposits to Related Parties	7.83	7.83
Bank Deposits offered as Security	48.00	2.13
Interest receivables on Bank Deposits	1.89	0.35
	479.71	**248.16**

Consolidated Notes

ON ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2021 | CIN: L18101MH1992PLC065136

(₹ in lakhs except as otherwise stated)

2.4: OTHER NON CURRENT ASSETS

Particulars	As at March 31, 2021	As at March 31, 2020
Capital Advances	12.04	178.94
Prepaid Expenses	24.67	16.95
Advance Tax / Tax deducted at source (Net of Provision)	252.19	241.06
	288.90	**436.95**

2.5: INVENTORIES

Particulars	As at March 31, 2021	As at March 31, 2020
Finished goods	2,265.93	6,392.86
Work-in-Progress	1,295.85	1,433.69
Raw material	1,063.47	536.12
Traded goods	186.77	528.90
Packing material & accessories	143.88	72.72
Stores, chemicals and consumables	100.74	39.05
	5,056.64	**9,003.34**

2.6: CURRENT INVESTMENTS (REFER NOTE 1.18)

(includes current maturity of non current investment)

Particulars	As at March 31, 2021	As at March 31, 2020
Investment in unquoted Mutual Funds		
In units of Fixed Maturity Plans (FMP's) of ₹ 10/- each fully paid up		
(Current Portion of Long Term Investments)		
Aditya Birla Sunlife FTP Series OF Growth	-	1,186.97
[Units: NIL (P.Y.: 9,510,574)]		
DSP FMP-Series 209-37M-Growth	-	367.67
[Units: NIL (P.Y.: 3,000,000)]		
HDFC FMP 1199D Jan 2017(1) - Growth	-	1,283.49
[Units: NIL (P.Y.: 10,000,000)]		
HDFC FMP 1178D Feb 2017(1) - Growth	-	418.70
[Units: NIL (P.Y.: 3,252,951)]		
ICICI Pru FMP Series 80 - 1170D Plan I - Growth	-	676.05
[Units: NIL (P.Y.: 5,253,506)]		
Kotak FMP Series 202 - Growth	-	618.74
[Units: NIL (P.Y.: 5,000,000)]		
Nippon India Fixed Horizon Fund XXXII - Series 2 - Growth	-	199.88
(Formerly known as Reliance Fixed Horizon Fund XXXII - Series 2 - Growth)		
[Units: NIL (P.Y.: 1,600,000)]		
Nippon India Fixed Horizon Fund XXXII - Series 2 - Regular-Growth	-	123.38
(Formerly known as Reliance Fixed Horizon Fund XXXII - Series 2 - Regular-Growth)		
[Units: NIL (P.Y.: 1,000,000)]		
Nippon India Fixed Horizon Fund XXXII - Series 5 - Growth	-	253.07
(Formerly known as Reliance Fixed Horizon Fund XXXII - Series 5 - Growth)		
[Units: NIL (P.Y.: 2,000,000)]		
Nippon India Fixed Horizon Fund XXXIII - Series 2 - Growth	-	240.66
(Formerly known as Reliance Fixed Horizon Fund XXXIII - Series 2 - Growth)		
[Units: NIL (P.Y.: 2,000,000)]		
Nippon India Fixed Horizon Fund XXXIII - Series 5 - Growth	-	723.67
(Formerly known as Reliance Fixed Horizon Fund XXXIII - Series 5 - Growth)		
[Units: NIL (P.Y.: 6,006,447.403)]		
UTI Fixed Term Income Fund Series XXV-XII - Growth	-	251.75
[Units: NIL (P.Y.: 2,000,000)]		
UTI Fixed Term Income Fund Series XXVI-I - Growth	-	376.64

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(₹ in lakhs except as otherwise stated)

Particulars	As at March 31, 2021	As at March 31, 2020
[Units: NIL (P.Y.: 3,019,459.258)]		
UTI Fixed Term Income Fund Series XXVI-II - Growth	-	1,244.89
[Units: NIL (P.Y.: 10,000,000)]		
HDFC FMP 1165D April 2017 (1) - Growth	-	808.09
[Units: NIL (P.Y.; 6,542,049)]		
ICICI Pru FMP Series 81 1205 Days - Growth	-	185.65
[Units: NIL (P.Y.: 1,500,000)]		
UTI FTIF-Series XXVII-VI - Growth	-	336.61
[Units: NIL (P.Y.: 3,000,000)]		
Franklin India FMP-Series 2-Plan A - Growth	125.54	-
[Units: 1,000,000 (P.Y.: 1,000,000)]		
Franklin India FMP-Series 2-Plan B - Growth	126.34	-
[Units: 1,000,000 (P.Y.: 1,000,000)]		
HSBC FTS 130 Growth 1204 days - Growth	124.36	-
[Units: 1,000,000 (P.Y.: 1,000,000)]		
Nippon India Fixed Horizon Fund XXXV - Series 7 - Growth	252.93	-
(Formerly known as Reliance Fixed Horizon Fund XXXV - Series 7 - Growth)		
[Units: 2,000,000 (P.Y.: 2,000,000)]		
Nippon India Fixed Horizon Fund XXXVI-Series 6 - Growth	883.36	-
(Formerly known as Reliance Fixed Horizon Fund XXXVI-Series 6 - Growth)		
[Units: 7,000,000 (P.Y.: 7,000,000)]		
Nippon India Fixed Horizon Fund XXXVI-Series 6 - Growth	375.40	-
(Formerly known as Reliance Fixed Horizon Fund XXXVI-Series 6 - Growth)		
[Units: 3,000,000 (P.Y.: 3,000,000)]		
DSP FMP-Series 232-36M-Growth	124.78	-
[Units: 1,000,000 (P.Y.: 1,000,000)]		
DSP FMP-Series 235-36M-Growth	124.05	-
[Units: 1,000,000 (P.Y.: 1,000,000)]		
ICICI Pru FMP Series 82 - 1119 Days Plan X - Growth	807.61	-
[Units: 6,500,000 (P.Y.: 6,500,000)]		
ICICI Pru FMP Series 82 - 1141 Days Plan Y-Direct- Growth	376.37	-
[Units: 3,000,000 (P.Y.: 3,000,000)]		
ICICI Pru FMP Series 82 - 1141 Days Plan Y - Growth	375.38	-
[Units: 3,000,000 (P.Y.: 3,000,000)]		
Kotak FMP Series 228 - Direct-Growth	126.55	-
[Units: 1,000,000 (P.Y.: 1,000,000)]		
Kotak FMP Series 228 - Growth	125.87	-
[Units: 1,000,000 (P.Y.: 1,000,000)]		
Tata FMP Series 55 Scheme G - Growth	124.96	-
[Units: 1,000,000 (P.Y.: 1,000,000)]		
UTI FTIF-Series XXIX-VI - Growth	126.37	-
[Units: 1,000,000 (P.Y.: 1,000,000)]		
In the units of Fixed Maturity Plan (FMP'S) of ₹ 1000/- each fully paid		
PGIM India Fixed Duration Fund-Series AF-Growth	-	353.44
(Formerly known as DHFL Pramerica Fixed Duration Fund-Series AF-Growth)		
[Units: NIL (P.Y.: 30,000)]		
Investment in unquoted Mutual Funds		
In the units of Income Funds of ₹ 10/- each fully paid		
HDFC Corporate Bond Fund - Growth	1,212.54	833.22
[Units: 4,814,823.517 (P.Y.: 3,609,580.445)]		
ICICI Pru Credit Risk Fund -Direct- Growth	-	334.00
[Units: NIL (P.Y.: 1,442,895.749)]		
IDFC Credit Risk Fund - Growth	-	767.63
[Units: NIL (P.Y.: 6,030,225.274)]		
IDFC Corporate Bond Fund -Regular - Growth	348.99	320.15
[Units: 2,323,070.357 (P.Y.: 2,323,070.357)]		

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ON ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2021 | CIN: L18101MH1992PLC065136

(₹ in lakhs except as otherwise stated)

Particulars	As at March 31, 2021	As at March 31, 2020
Principal Short Term Debt Fund - Growth	944.22	874.73
[Units: 2,600,012.482 (P.Y.: 2,600,012.482)]		
IIFL Dynamic Bond Fund - Growth	-	116.07
[Units: NIL (P.Y.: 704,061.732)]		
BNP Paribas Corporate Bond Fund - Growth	-	161.50
[Units: NIL (P.Y.: 769,974.199)]		
PGIM India Credit Risk Fund - Growth	-	291.62
(Formerly known as DHFL Pramerica Credit Risk Fund - Growth)		
[Units: NIL (P.Y.: 1,981,600.813)]		
DSP Corporate Bond Fund - Growth	533.42	118.34
[Units: 4,167,079.735 (P.Y.: 1,000,000)]		
L&T Triple Ace Bond Fund - Growth	224.02	207.60
[Units: 375,629.179 (P.Y.: 375,629.179)]		
Axis Corporate Debt Fund - Direct - Growth	305.05	-
[Units: 2,248,594.563 (P.Y.: NIL)]		
Axis Corporate Debt Fund - Regular - Growth	201.08	-
[Units: 1,526,175.217 (P.Y.: NIL)]		
Bharat Bond FOF - Direct - Growth	950.90	-
[Units: 9,291,652.263 (P.Y.: NIL)]		
ICICI Pru Corporate Bond Fund - Growth	622.64	-
[Units: 2,648,774.634 (P.Y.: 1,785,278.593)]		
Kotak Bond Fund - Growth	496.09	-
[Units: 766,059.715 (P.Y.: NIL)]		
Mirae Asset Dynamic Bond Fund - Direct - Growth	302.33	-
[Units: 2,186,878.081 (P.Y.: NIL)]		
Nippon India Corporate Bond Fund - Direct - Growth	253.31	-
[Units: 540,209.829 (P.Y.: NIL)]		
UTI Corporate Bond Fund - Direct - Growth	301.18	-
[Units: 2,351,809.029 (P.Y.: NIL)]		
	10,895.64	**13,674.21**
Aggregate Market / Net asset Value	10,895.64	13,674.21

2.7: TRADE RECEIVABLES

Particulars	As at March 31, 2021	As at March 31, 2020
a) Trade Receivables considered good - Secured	1,701.12	2,447.57
b) Trade Receivables considered good - Unsecured	12,726.97	15,219.90
Less : Provision for Doubtful Debts (based on Expected Credit Loss model)	(1,325.00)	(575.00)
c) Trade Receivables which has significant increase in credit risks	-	-
d) Trade Receivables - credit impaired	-	-
	13,103.09	**17,092.47**

2.8: CASH & CASH EQUIVALENT

Particulars	As at March 31, 2021	As at March 31, 2020
Cash on Hand	26.19	37.35
Balances with Banks :-		
In Current Accounts	196.90	131.51
In Bank Deposits	1,373.18	171.57
In Bank Deposits with more than 12 months maturity	1,385.55	101.25
Liquid Mutual Funds	13,767.68	7,529.19
	16,749.50	**7,970.87**

Consolidated Notes

ON ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2021 | CIN: L18101MH1992PLC065136

(₹ in lakhs except as otherwise stated)

2.9: OTHER BANK BALANCES

Particulars	As at March 31, 2021	As at March 31, 2020
Earmarked balances in bank		
In Unclaimed Dividend Accounts	10.03	8.56
In Bank Deposits offered as Security (Maturity of less than 12 Months)	0.25	40.95
	10.28	**49.51**
	16,759.78	**8,020.38**

2.8.1: DETAILS OF CURRENT INVESTMENTS IN LIQUID MUTUAL FUNDS(UNQUOTED) AS GIVEN BELOW:

Particulars	As at March 31, 2021	As at March 31, 2020
a) Face Value of ₹ 10/- each fully paid up		
HDFC Banking and PSU Debt Fund - Regular - Growth	-	253.13
[Units: NIL (P.Y.: 1,532,179.602)]		
ICICI Pru Corporate Bond Fund - Growth	-	384.01
[Units: 2,648,774.634 (P.Y.: 1,785,278.593)]		
DSP Low Duration Fund-Growth	108.26	101.97
[Units: 684,125.551 (P.Y.: 684,125.551)]		
Franklin India Savings Fund-Growth	-	102.37
[Units: NIL (P.Y.: 270,007.56)]		
HDFC Ultra Short Term Fund - Growth	1,352.60	228.30
[Units: 11,328,926.639 (P.Y.: 2,027,837.083)]		
Nippon India Floating Rate Fund - Growth	1,531.44	1,399.25
[Units: 4,255,404.586 (P.Y.: 4,255,404.586)]		
Nippon India Money Market Fund - Growth	109.55	103.83
[Units: 3,401.512 (P.Y.: 3,401.512)]		
PGIM India Ultra Short Term Fund - Growth	-	102.46
[Units: NIL (P.Y.: 391,502.823)]		
HDFC Banking and PSU Debt Fund - Direct - Growth	502.02	-
[Units: 2,750,878.956 (P.Y.: NIL)]		
Mirae Asset Banking & PSU Debt Fund - Direct - Growth	501.67	-
[Units: 4,892,506.274 (P.Y.: NIL)]		
Tata Banking & PSU Debt Fund - Direct - Growth	303.14	-
[Units: 2,688,278.526 (P.Y.: NIL)]		
Total (a)	**4,408.68**	**2,675.32**
b) Face Value of ₹ 100/- each fully paid up		
Aditya Birla Sunlife Savings Fund - Growth	-	882.27
[Units: NIL (P.Y.: 220,111.299)]		
Aditya Birla Sunlife Savings Fund - Growth-Regular	-	401.62
[Units: NIL (P.Y.: 101,032.528)]		
Aditya Birla Sunlife Banking & PSU Debt Fund - Growth	272.00	251.48
[Units: 96,032.789 (P.Y.: 96,032.789)]		
Aditya Birla Sunlife Floating Rate Fund - Growth	538.04	312.96
[Units: 198,771.602 (P.Y.: 124.046.445)]		
ICICI Pru Savings Fund - Growth	-	384.47
[Units: NIL (P.Y.: 98,488.109)]		
ICICI Pru Money Market Fund - Growth	1,036.67	648.53
[Units: 351,082.473 (P.Y.: 232,227.534)]		
Aditya Birla Sun Life Banking & PSU Debt Fund - Growth	1,260.24	-
[Units: 434,984.733 (P.Y.: NIL)]		
Total (b)	**3,106.95**	**2,881.33**

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(₹ in lakhs except as otherwise stated)

Particulars	As at March 31, 2021	As at March 31, 2020
c) Face Value of ₹ 1,000/- each fully paid up		
Axis Treasury Advantage Fund - Growth	1,116.13	1,048.60
[Units: 46,486.382 (P.Y.: 46,486.382)]		
Baroda Pioneer Treasury Advantage Fund - Growth (segregate)	-	314.16
[Units: 25,056.297 (P.Y.: 25,056.297)]		
Kotak Money Market Scheme - Growth	196.08	186.47
[Units: 5,628.328 (P.Y.: 5,628.328)]		
Tata Treasury Advantage Fund - Growth	82.14	77.38
[Units: 2,645.036 (P.Y.: 2,645.036)]		
Principal Low Duration Fund - Growth	94.68	90.65
[Units: 3,325.994 (P.Y.: 3,325.994)]		
Invesco India Treasury Advantage Fund - Growth	413.51	102.04
[Units: 13,549.553 (P.Y.: 3,565.121)]		
Tata Money Market Fund - Growth	162.25	153.24
[Units: 4,421.036 (P.Y.: 4,421.036)]		
Axis Banking & PSU Debt Fund - Regular - Growth	481.30	-
[Units: 23,370.742 (P.Y.: NIL)]		
Kotak Low Duration Fund - Direct - Growth	503.48	-
[Units: 18,152.527 (P.Y.: NIL)]		
SBI Liquid Fund - Direct - Growth	361.07	-
[Units: 11,207.587 (P.Y.: NIL)]		
SBI Liquid Fund - Regular - Growth	515.93	-
[Units: 16,107.328 (P.Y.: NIL)]		
SBI Overnight Fund - Direct - Growth	503.49	-
[Units: 15,021.778 (P.Y.: NIL)]		
Tata Liquid Fund - Regular - Growth	670.67	-
[Units: 20,797.331 (P.Y.: NIL)]		
UTI Liquid Cash Plan - Direct - Growth	647.17	-
[Units: 19,201.003 (P.Y.: NIL)]		
UTI Treasury Advantage Fund - Regular - Growth	504.15	-
[Units: 19,274.573 (P.Y.: NIL)]		
Total (c)	**6,252.05**	**1,972.54**
Aggregate Market / Net asset Value	13,767.68	7,529.19

2.10: OTHER FINANCIAL ASSETS

(Unsecured, Considered Good)

Particulars	As at March 31, 2021	As at March 31, 2020
Advance to Employee	14.44	51.21
Loans to Employee	18.58	15.29
Interest receivables on Bank Deposits	92.70	32.85
	125.72	**99.35**

2.11: OTHER CURRENT ASSETS

Particulars	As at March 31, 2021	As at March 31, 2020
Export Incentive Receivable	46.42	69.22
Prepaid Expenses	109.72	69.82
Other Receivable	53.14	25.06
Advance for gratuity	157.77	-
Advance to Suppliers	636.59	564.81
	1,003.64	**728.91**

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ON ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2021 | CIN: L18101MH1992PLC065136

(₹ in lakhs except as otherwise stated)

2.12: SHARE CAPITAL

Particulars	As at March 31, 2021	As at March 31, 2020
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**

2.12.1 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.

2.12.2 Reconciliation of the shares outstanding at the beginning and at the end of the year

Particulars	March 31, 2021		March 31, 2020	
	No. of shares	Amount	No. of shares	Amount
Shares outstanding at the beginning of the year	12,325,037	123,250,370	12,325,037	123,250,370
Shares issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	**12,325,037**	**123,250,370**	**12,325,037**	**123,250,370**

2.12.3 Details of the shareholders holding more than 5% shares in the Company

Name of Shareholder	March 31, 2021		March 31, 2020	
	No. of shares	Amount	No. of shares	Amount
Shares outstanding at the beginning of the year	12,325,037	123,250,370	12,325,037	123,250,370
Shares issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-

Name of Shareholder	March 31, 2021		March 31, 2020	
	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	729,831	5.92	729,831	5.92
includes 102,581 (P.Y.100,401) shares jointly held with Mrs. Sangeeta D. Jain				
Mr. Vikas P Jain	721,821	5.86	721,821	5.86
includes 94,571 (P.Y.92,336) shares jointly held with Mrs. Kesar V. Jain				
Mr. Hemant P Jain	691,915	5.61	691,915	5.61
includes 80,665 (P.Y.78,400) shares jointly held with Mrs. Lata H. Jain				
Mr. Kewalchand P Jain	690,611	5.60	690,611	5.60
includes 79,361(P.Y.77,161) shares jointly held with Mrs. Veena K. Jain				
SBI Small Cap Fund	678,695	5.51	685,470	5.56
Nalanda India Fund Limited	879,081	7.13	879,081	7.13

2.12.4 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. However, there are no preferential amounts inter-se equity shareholders. 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.)

2.12.5 For the period of five years immediately preceding the date as at which the Balance Sheet is prepared:

(i) No shares have been allotted as fully paid-up without payment being received in cash.

(ii) No shares have been allotted as fully paid-up by way of bonus shares.

(iii) No shares have been bought back by the company.

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ON ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2021 | CIN: L18101MH1992PLC065136

(₹ in lakhs except as otherwise stated)

2.13 OTHER EQUITY

Particulars	As at March 31, 2021	As at March 31, 2020
Securities Premium	8,426.77	8,426.77
General Reserve		
Opening Balance	5,375.63	5,375.63
Add: Amount transferred from Balance in the Statement of Profit and Loss	-	-
	5,375.63	**5,375.63**
Balance in Statement of Profit and Loss		
Opening balance	25,556.75	23,965.01
Add: Net profit after tax transferred from Statement of Profit and Loss	2,389.92	7,237.96
	27,946.67	**31,202.97**
Less: Appropriations		
Final Dividend (pertaining to previous year)	123.25	246.50
Interim Dividend	3,574.26	4,437.01
Tax on Final Dividend	-	50.67
Tax on Interim Dividend	-	912.04
Transfer to Business Progressive Fund	-	-
	24,249.16	**25,556.75**
Business Progressive Fund		
Opening Balance	4,000.00	4,000.00
Add: Amount transferred from Balance in the Statement of Profit and Loss	-	-
	4,000.00	**4,000.00**
	42,051.56	**43,359.15**

2.13A: FINANCIAL LIABILITIES

Particulars	As at March 31, 2021	As at March 31, 2020
Lease Liability	311.43	342.01
	311.43	**342.01**

2.14: PROVISIONS

(Long term)

Particulars	As at March 31, 2021	As at March 31, 2020
Other Long Term Provisions	6.50	6.50
Other Provision	-	-
	6.50	**6.50**

2.15: DEFERRED TAX

Particulars	As at March 31, 2021	As at March 31, 2020
Deferred Tax Assets:		
Provision for Assets	363.92	178.17
Others	100.73	101.31
Depreciation	-	-
Deferred Tax Liability		
Depreciation	274.82	255.28
Tax on LTCG on Mutual Fund	(477.84)	(569.20)
Deferred Tax Asset/(Liabilities)	**(288.00)**	**(545.00)**

2.15.1 Tax effect of share issue expenses eligible for the Income tax deduction, under section 35D, credited to securities premium reserve account

2.15.2 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.

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ON ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2021 | CIN: L18101MH1992PLC065136

(₹ in lakhs except as otherwise stated)

2.16: OTHER NON CURRENT LIABILITIES

Particulars	As at March 31, 2021	As at March 31, 2020
Deferred income on EPCG (i.e. Government Grant)	-	110.40
	-	**110.40**

2.17: BORROWINGS

Particulars	As at March 31, 2021	As at March 31, 2020
Secured Loan		
Cash Credit from Bank (payable on demand)	2,643.80	6,160.17
(Secured by pari-passu first charge on Stock and Trade Receivables)		
	2,643.80	6,160.17
Unsecured Loan (payable on demand)		
Working Capital Loan from Bank	2,000.00	2,500.00
Financial Institute	-	141.01
	4,643.80	**8,801.19**

2.18: TRADE PAYABLES

Particulars	As at March 31, 2021	As at March 31, 2020
a) Micro and Small Enterprises		
Materials	24.25	100.01
b) Other than Micro and Small Enterprises		
Materials	3,316.69	3,321.51
Expenses	1,223.46	1,558.60
	4,564.40	**4,980.12**

2.19: OTHER FINANCIAL LIABILITIES

Other Liabilities

Particulars	As at March 31, 2021	As at March 31, 2020
Security Deposits	531.45	459.78
Interest accrued but not due on borrowings	14.01	43.26
lease liability	30.58	27.93
Unclaimed Dividend	10.03	8.56
	586.07	**539.53**

2.20: OTHER CURRENT LIABILITIES

Particulars	As at March 31, 2021	As at March 31, 2020
Security Deposits	270.24	277.90
Other Payables		
Capital Goods	70.91	31.47
Salary and Wages payable	662.02	531.22
Employee Benefits	147.25	181.54
Statutory Liabilities	69.91	14.11
Advance from Customers	981.95	686.11
	2,202.28	**1,722.35**

2.21: PROVISIONS

(Short Term)

Particulars	As at March 31, 2021	As at March 31, 2020
Provision for Gratuity	-	234.44
Provision for Employee Benefit	103.92	103.92
Provision for Contingencies	290.78	520.67
Other Provisions (including Selling & Distribution Expenses etc.)	1,940.40	1,144.60
	2,335.10	**2,003.63**

Consolidated Notes

ON ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2021 | CIN: L18101MH1992PLC065136

(₹ in lakhs except as otherwise stated)

2.22: CURRENT TAX LIABILITIES (NET)

Particulars	As at March 31, 2021	As at March 31, 2020
Provision for Taxations (Net of Advance Tax)	-	-
	-	-

2.23: REVENUE FROM OPERATIONS

Particulars	For the Year Ended March 31, 2021 Audited	For the Year Ended March 31, 2020 Audited
A. Sales Income		
Sales of Apparel and Lifestyle Accessories/Products	30,059.99	52,486.80
Sale of Power	5.67	1.31
Sales of Apparel and Lifestyle Accessories/Products	**30,065.66**	**52,488.11**
B. Other Operating Income		
Service Income	121.42	240.90
Export Incentives	24.37	133.63
Miscellaneous Operating Income	61.51	104.37
	207.30	**478.90**
Total Revenue from Operations	**30,272.96**	**52,967.01**

2.24: OTHER INCOME

Particulars	For the Year Ended March 31, 2021 Audited	For the Year Ended March 31, 2020 Audited
Interest on Bank Deposits	185.13	25.70
Income from Current Investments and Liquid Mutual Funds:		
Effect of fair value measurements	1,284.20	776.96
Income from Non Current Investments		
Dividend on Equity Shares	5.21	6.75
Effect of fair value measurements	145.40	770.57
Rent Income on Investment Property	89.81	95.16
Exchange Rate Fluctuation (Net)	(5.39)	67.55
Profit on Sale of Property Plant & Equipment (Net)	-	10.67
	1,704.36	**1,753.36**

2.25: CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK IN TRADE AND WORK IN PROGRESS

Particulars	For the Year Ended March 31, 2021 Audited	For the Year Ended March 31, 2020 Audited
Opening stock		
Work - in- Progress	1,433.69	2,691.45
Traded Goods	528.90	411.11
Finished goods	6,392.86	4,309.66
	8,355.45	**7,412.22**
Closing Stock		
Work - in- Progress	1,295.85	1,433.69
Traded Goods	186.77	528.90
Finished goods	2,265.93	6,392.86
	3,748.55	**8,355.45**
Add/(Less): Variation in Excise Duty on Opening and Closing Stock of Finished goods	-	-
(Increase)/Decrease in Stock	**4,606.90**	**(943.23)**

Consolidated Notes

ON ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2021 | CIN: L18101MH1992PLC065136

(₹ in lakhs except as otherwise stated)

2.26: COST OF MATERIAL CONSUMED

Particulars		For the Year Ended March 31, 2021 Audited	For the Year Ended March 31, 2020 Audited
a.	Raw Material Consumed:		
	Opening stock	536.12	741.91
	Add: Purchases	5,477.21	10,933.89
		6,013.33	**11,675.79**
	Less: Sale of raw material	492.55	663.69
	Less: Closing stock	1,063.47	536.12
		4,457.31	**10,475.99**
b.	Semi-Finished Goods	3,379.98	5,502.40
c.	Packing Material, Accessories and others	1,029.96	2,444.73
d.	Stores, Chemicals and Consumables	497.57	1,050.23
		9,364.82	**19,473.35**

2.27: EMPLOYEE BENEFIT EXPENSES

Particulars	For the Year Ended March 31, 2021 Audited	For the Year Ended March 31, 2020 Audited
Salary, Wages and Allowances	4,578.89	6,093.77
Contribution to Provident and other Funds	367.50	535.13
Bonus and Ex-gratia	103.39	135.56
Gratuity	151.13	298.65
Leave Benefits	0.13	2.15
Staff Welfare	63.43	79.92
	5,264.48	**7,145.18**

2.28: FINANCE COSTS

Particulars	For the Year Ended March 31, 2021 Audited	For the Year Ended March 31, 2020 Audited
Bank Charges	3.34	9.93
Finance Charges	94.81	105.32
Interest on Working Capital Loan	582.89	765.83
	681.04	**881.08**

2.29: MANUFACTURING AND OPERATING EXPENSES

Particulars	For the Year Ended March 31, 2021 Audited	For the Year Ended March 31, 2020 Audited
Embroidery Expenses	98.91	253.89
Electricity Expenses	78.98	189.50
Factory Rent	40.12	49.73
General Factory Expenses	25.67	29.06
Processing Charges	1,343.62	3,583.91
Lease premium charged	-	-
Fuel Expenses	274.48	438.06
Water Charges	47.57	104.21
Waste Disposal Charges	29.74	68.11
Repairs & Maintenance	178.97	171.86
Wind Turbine Expenses	16.14	13.16
	2,134.20	**4,901.49**

Consolidated Notes

ON ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2021 | CIN: L18101MH1992PLC065136

(₹ in lakhs except as otherwise stated)

2.30: ADMINISTRATIVE & OTHER EXPENSES

Particulars	For the Year Ended March 31, 2021 Audited	For the Year Ended March 31, 2020 Audited
Rent, Rates and Taxes	117.91	165.66
Communication Expenses	28.00	69.96
Insurance Premium (net of recoveries)	99.89	99.48
Legal and Professional Fees	673.05	1,273.42
Printing and Stationery	20.98	35.30
Donations	29.11	67.97
Corporate social responsibility	183.21	196.00
Vehicle Expenses	121.20	190.01
Auditors Remuneration	27.34	28.77
Conveyance & Travelling Expenses	47.68	88.85
Electricity Expenses	88.08	118.03
Repairs & Maintenance	270.60	321.76
Directors Sitting Fees	26.10	25.60
General Office Expenses	773.32	567.07
Provision for Doubtful debts	750.00	60.00
Loss on sale/discard of Property Plant & Equipment (Net)	20.01	-
	3,276.48	**3,307.88**

2.31: SELLING & DISTRIBUTION EXPENSES

Particulars	For the Year Ended March 31, 2021 Audited	For the Year Ended March 31, 2020 Audited
Advertisement and Publicity Expenses	509.53	739.86
Sales Promotion Expenses	800.11	4,060.61
Octroi, clearing and forwarding charges on Sales	215.04	285.43
Tour and Travelling Expenses (Net of recoveries)	187.90	1,522.39
Commission on Sales	147.91	187.91
Provision for Contingencies	-	-
	1,860.49	**6,796.20**

2.32: EMPLOYEE BENEFITS:

a) Disclosure in respect of gratuity liability

Reconciliation of Defined Benefit Obligation (DBO):	As at March 31, 2021	As at March 31, 2020
Present value of DBO at start of the year	**1,020.49**	**751.23**
Interest Cost	66.33	55.59
Current Service Cost	147.37	167.89
Past Service Cost	-	129.43
Benefit Paid	(84.15)	(79.25)
Re-measurements:		
a. Actuarial Loss/(Gain) from changes in demographic assumptions	-	-
b. Actuarial Loss/(Gain) from changes in financial assumptions	(176.27)	85.75
c. Actuarial Loss/(Gain) from experience over the past period	97.03	(90.15)
Present value of DBO at end of the year	**876.74**	**1,020.49**

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ON ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2021 | CIN: L18101MH1992PLC065136

(₹ in lakhs except as otherwise stated)

Reconciliation of Fair Value of Plan Assets:	As at March 31, 2021	As at March 31, 2020
Fair Value of Plan Assets at the beginning of the year	**786.05**	**752.79**
Interest Income on Plan Assets	62.57	54.26
Contributions by Employer	274.40	56.86
Benefit Paid	(84.15)	(79.25)
Re-measurements:		
a. Actuarial (Loss)/Gain from changes in financial assumptions	-	-
b. Return on plan assets excluding amount included in net interest on the net defined benefit liability/(asset)	-	-
c. Re-measurements on Plan Assets Gain/ (Loss)	(4.36)	1.39
Fair Value of Plan Assets at the end of the year	**1,034.51**	**786.05**
Actual Return on Plan Assets	58.21	55.65

Amount recognized in the Balance Sheet:	As at March 31, 2021	As at March 31, 2020
Present value of DBO at the end of the year	876.74	1,020.49
Fair Value of Plan Assets at the end of the year	1,034.51	786.05
Net Asset / (Liability) in the Balance Sheet	**157.77**	**(234.44)**

Gratuity recognized in the Statement of Profit and Loss	For the year ended March 31, 2021	For the year ended March 31, 2020
Current Service Cost	147.37	167.89
Past Service Cost	-	129.43
Net Interest on net defined benefit liability/ (asset)	3.76	1.33
Expense Recognized in Statement of Profit and Loss	**151.13**	**298.65**

Principal Assumption used in determining Gratuity liability	For the year ended March 31, 2021	For the year ended March 31, 2020
Discount Rate	6.60% pa	6.50% pa
Interest rate for net interest on net DBO	6.50% pa	7.40% pa
Withdrawal Rate	Upto age 35 years: 10% pa	Upto age 35 years: 10% pa
	Above age 35 years: 5% pa	Above age 35 years: 5% pa
Salary Escalation	5% pa	7.50% pa
Mortality Table	IALM 2012-14 Ult	IALM 2012-14 Ult
Expected average remaining working life	9 Years	9 Years
Retirement Age	58 years	58 years

Movement in Other Comprehensive Income	As at March 31, 2021	As at March 31, 2020
Balance at start of year (loss)/gain	**1.35**	**(4.44)**
Re-measurements on DBO		
a. Actuarial (Loss)/Gain from changes in demographic assumptions	-	-
b. Actuarial (Loss)/Gain from changes in financial assumptions	176.27	(85.75)
c. Actuarial (Loss)/Gain from experience over the past period	97.03	90.15
Re-measurements on Plan Assets		
a. Actuarial (Loss)/Gain from changes in financial assumptions	-	-
b. Return on Plan assets, excluding amount included in net interest on the net defined benefit liability/(asset)	-	-
c. Re-measurements on Plan Assets Gain/ (Loss)	(4.36)	1.39
Balance at end of year (loss)/gain	**270.29**	**1.35**

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ON ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2021 | CIN: L18101MH1992PLC065136

(₹ in lakhs except as otherwise stated)

Movement in Surplus/ (Deficit)	As at March 31, 2021	As at March 31, 2020
Surplus/ (Deficit) at start of year	**(234.44)**	**1.56**
Movement during the year		
Current Service Cost	(147.37)	(167.89)
Past Service Cost	-	(129.43)
Net Interest on net DBO	3.76	(1.33)
Actuarial gain/ (loss)	268.94	5.79
Contributions	274.40	56.86
Surplus/ (Deficit) at end of year	**157.77**	**(234.44)**

Other disclosures	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019	As at March 31, 2018	As at March 31, 2017
Defined benefit obligation	876.74	1020.49	751.23	656.94	563.63
Plan assets	1,034.51	786.05	752.79	717.47	674.59
Surplus/(deficit)	157.77	(234.44)	1.56	60.54	110.96
Experience adjustments on plan liabilities – loss/ (gain)	(97.03)	(90.15)	(7.11)	(41.14)	(17.89)
Experience adjustments on plan Assets – (loss)/ gain*	-	-	-	(5.24)	(13.68)

* Information is disclosed to the extent available

Sensitivity Analysis	As at March 31, 2021		As at March 31, 2020	
	Increases 1%	Decreases 1%	Increases 1%	Decreases 1%
	Change in DBO (Amount)		Change in DBO (Amount)	
Salary Growth Rate	80.42	(70.96)	110.65	(96.07)
Discount Rate	(69.34)	79.93	(96.07)	112.91
Withdrawal Rate	5.62	(6.61)	(11.48)	12.57

Maturity profile

The average expected remaining lifetime of the plan members is 9 years (March 31, 2020: 9 years) as at the date of valuation. This represents the weighted average of the expected remaining lifetime of all plan participants.

The sensitivity analyses above have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period and may not be representative of the actual change. It is based on a change in the key assumption while holding all other assumptions constant. When calculating the sensitivity to the assumption, the method (Projected Unit Credit Method) used to calculate the liability recognized in the balance sheet has been applied. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared with the previous period.

100% of the plan assets held by gratuity trust comprises of employees group gratuity scheme with Life Insurance Corporation of India. The estimates of future salary increase, 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 Parent Company expects to contribute ₹ 200.00 lakhs to gratuity trust for contribution to LIC of India in financial year 2021-22.

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 and disclosed under other current liabilities.

c) **Death in service benefit:**

The Parent 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 ₹ 30.61 lakhs (P.Y. ₹ 29.27 lakhs) is recognized in Statement of Profit and Loss.

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ON ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2021 | CIN: L18101MH1992PLC065136

(₹ in lakhs except as otherwise stated)

d) The Parent Company contributes towards Employees Provident Fund, Employees State Insurance, National Pension Scheme and Labour Welfare Fund. The aggregate amount contributed and charged to Statement of Profit and Loss is ₹ 367.50 lakhs (P.Y. ₹ 535.13 lakhs).

The Hon'ble Supreme Court of India ("SC") by its order dated February 28, 2019, in the case of Surya Roshani Limited & others V/s EPFO, set out the principles based on which allowances paid to the employees should be identified for inclusion in basic wages for the purposes of computation of Provident Fund contribution. Based on the same, the Parent Company has changed its Salary Structure from April 1, 2019, but impact of the previous years is not ascertainable, since the retrospective date of applicability of the same is not yet clarified.

2.33 RELATED PARTY DISCLOSURE:

Disclosures as per Ind AS 24 – '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).

Wholly Owned Subsidiary:
K-Lounge Lifestyle Limited (Refer note 2.49)

Joint Ventures:
White Knitwear Private Limited

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

Enlighten Lifestyle Limited

Enlighten Lifestyle 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
Prakash A. Mody	Independent Director
Nimish G. Pandya	Independent Director
Yogesh A. Thar	Independent Director
Drushti R. Desai	Independent Director

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ON ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2021 | CIN: L18101MH1992PLC065136

(₹ in lakhs except as otherwise stated)

Relatives / Other concerns of Key Management Personnel (In cases where transactions are there):

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)

Yash V. Jain (Son of Vikas P. Jain)

Jai D. Jain (Son of Dinesh P. Jain)

Nami D. Jain (Daughter of Dinesh P. Jain)

Krushika D. Jain (Daughter of Dinesh P. Jain)

Kewalchand P. Jain (HUF)

Hemant P. Jain (HUF)

Dinesh P. Jain (HUF)

Vikas P. Jain (HUF)

P.K. Jain Family Holding Trust

Pandya & Co. (Controlled by Mr. Nimish G. Pandya)

Bansi S. Mehta & Co. [Partnership Firm- Mr. Yogesh A. Thar (Partner)]

Employee Funds:

Kewal Kiran Clothing Limited – Employee Group Gratuity Scheme.

b) The following transactions were carried out with the related parties in the ordinary course of business:

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
Rent Expenses	-	-	9.18	29.89	-
	(-)	(-)	(9.18)	(29.89)	(-)
Managerial Remuneration	-	-	-	190.80	-
	(-)	(-)	(-)	(318.00)	(-)
Salary	-	-	54.51	-	-
	(-)	(-)	(63.67)	(-)	(-)
Sitting Fees Paid	-	-	-	26.10	-
	(-)	(-)	(-)	(25.60)	(-)
Dividend Paid	1.29	-	1893.90	850.25	-
	1.63	-	2,398.94	1,076.99	-
CSR (Donation)	175.00	-	-	-	-
	(189.00)	(-)	(-)	(-)	(-)
Contribution to Gratuity Fund	-	-	-	-	274.40
	(-)	(-)	(-)	(-)	(56.86)
Legal & Professional Services received	-	-	3.95	-	-
	(-)	(-)	(3.25)	(-)	(-)

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ON ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2021 | CIN: L18101MH1992PLC065136

(₹ in lakhs except as otherwise stated)

Outstanding Balances	As at March 31, 2021	As at March 31, 2020
Trade and Salary Payable		
Relatives/ Other Concerns of Key Management Personnel	21.80	15.13
Key Management Personnel	150.41	87.58
Trade Receivable & Advances		
Employee Funds	157.77	(234.44)
Deposit Receivable		
Relatives/ Other Concerns of Key Management Personnel	4.59	4.59
Key Management Personnel	3.24	3.24
Investments		
Joint Venture	345.50	345.50

c) **Disclosure in respect of material transactions with related parties during the year:**

Nature of Transaction	Nature of relationship	Name of the related party	Amount
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 (Salary)	Key Management Personnel	Kewalchand P. Jain	47.70
			(79.50)
		Hemant P. Jain	47.70
			(79.50)
		Dinesh P. Jain	47.70
			(79.50)
		Vikas P. Jain	47.70
			(79.50)
Salary	Relatives/ Other Concerns of Key Management Personnel	Pankaj K. Jain	20.56
			(28.00)
		Hitendra H. Jain	18.31
			(24.00)
Dividend Paid	Enterprises Where KMP & their relatives have significant influence	Kewal Kiran Finance Private Limited	1.29 (1.63)
	Relatives/ Other Concerns of Key Management Personnel	Shantaben P. Jain (Trustee/Beneficiary of P. K. Jain Family Holding Trust)	1845.90 (2,338.14)
	Key Management Personnel	Kewalchand P. Jain	207.18
			(262.43)
		Hemant P. Jain	207.57
			(262.93)
		Dinesh P. Jain	218.95
			(277.34)
		Vikas P. Jain	216.55
			(274.29)
Contribution to Gratuity Fund	Employee Funds	Employee Fund	274.40
			(56.86)
Corporate Social Responsibility (Donation)	Enterprises where KMP & their relatives have significant influence	Smt. Jatnobai Karamchandji Ratanparia Chouhan Charitable Trust	167.00
			(189.00)
		Lord Gautam Charitable Foundation	8.00
			(-)
Legal & Professional Services received	Relatives/ Other Concerns of Key Management Personnel	Pandya & Co.	-
			(3.25)
		Bansi S. Mehta & Co.	3.95
			(-)

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ON ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2021 | CIN: L18101MH1992PLC065136

(₹ in lakhs except as otherwise stated)

Compensation to KMP of the parent company

Nature of Benefits#	For the year ended March 31, 2021	For the year ended March 31, 2020
Short-term employee benefits (including Sitting Fees)	216.90	343.60
Post-employment gratuity and medical	-	-
Other long-term benefits	-	-
Share-based payment transactions	-	-
Termination Benefits	-	-
Total	**216.90**	**343.60**

The aforesaid amounts exclude gratuity provision as it is determined on actuarial basis for the Company as a whole.

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

1. Bhavin Sheth Chief Financial Officer
2. Abhijit Warange Company Secretary

Disclosure of transactions during the year and year-end balance with above KMP / relative of KMP.

Nature of Transaction	Name of the KMP/Relative	Amount
Managerial Remuneration (Salary)	Bhavin Sheth	45.84 (64.25)
	Abhijit Warange	34.23 (43.30)
Outstanding balance as on March 31, 2021		
Salary Payable	Bhavin Sheth	3.37 (6.09)
	Abhijit Warange	2.07 (4.20)

Note:

i) Figures in brackets represents corresponding amount of previous year.

ii) Above transactions exclude reimbursement of expenes

iii) In case of KMP under the Companies Act, 2013, managerial remuneration excludes gratuity provision as it is determined on actuarial basis for the Company as a whole.

2.34 LEASES - IND AS 116

a) As Lessee:

Effective April 1, 2019, the Parent Company adopted Ind AS 116 and applied the standard to all lease contracts existing on April 1, 2019 using the modified retrospective method. Consequently, the Parent Company recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the right of use asset at an amount equal to lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognized in the balance sheet immediately before the date of initial application.

The incremental borrowing rate applied to lease liabilities as at April 1, 2020- 9.5% p.a (P.Y. 9.5% p.a).

Following is the information pertaining to leases-

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
(a) Depreciation Charge for Right to Use Asset	45.26	32.72
(b) Interest Expense on Lease Liability	35.14	30.73
(c) Expense relating to short term leases accounted in profit & loss	82.82	117.72
d) Total Cash Outflow for Leases for the period	63.07	46.00
(e) Additions to Right to use Assets	-	590.05
(f) Carrying Amount of Right to use Assets at year end	512.07	557.33
(g) Lease Liability at year end	342.01	369.94

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(₹ in lakhs except as otherwise stated)

Table showing contractual maturities of lease liabilities on undiscounted basis:

Due	As at March 31, 2021	As at March 31, 2020
Due not later than one year	63.07	63.07
Due later than one year but not later than five years	198.78	258.50
More than 5 years	378.00	405.00
Total	**639.86**	**726.57**

b) As Lessor:

The Parent Company has given certain part of its property on operating lease. These lease arrangements are for a period of 9 years and cancellable solely at discretion of the lessees. Rental income from leasing of property of ₹ 89.81 lakhs (P.Y. ₹ 95.16 lakhs) is recognized in the Statement of Profit and Loss. The initial direct cost (if any) is charged off to expenses in the year in which it is incurred.

The Parent Company has not given any property under non -cancellable operating lease.

2.35 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	As at March 31, 2021		As at March 31, 2020	
		Amt. in Foreign Currency	Amount	Amt. in Foreign Currency	Amount
Trade Receivables	USD	6,26,027.01	455.47	7,84,519.86	591.21
Trade Payables	USD	3,565.81	2.61	3,565.81	2.69
Advance from Customer	USD	2,099.49	1.54	18,786.24	14.16
Foreign currency in hand	Multiple	3,179.95	1.40	5,179.95	2.94

Note: The above figures do not include open purchase orders/sales orders.

2.36 PROVISIONS (PARENT COMPANY):

Disclosure as per Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets are given below:

Particulars	Provision for Contingencies				Other Provisions (Selling & Distributions Expenses including dealer incentives and discounts	
	Provision for Claims/ Schemes etc.		Other Contingencies*			
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
Opening Balance	333.67	545.09	187.11	181.86	1,144.60	1,642.59
Addition	793.98	1,330.77	-	5.25	2,181.63	2,592.25
Utilization	1,008.96	1,542.19	15.02	-	1,385.83	3,090.24
Reversals	-	-	-	-	-	-
Closing Balance	**118.69**	**333.67**	**172.09**	**187.11**	**1,940.40**	**1,144.60**

* It comprises of rates & taxes.

The above Provision has been grouped under the head 'Current Provisions' in Note 2.21.

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.

2.37 CONTINGENT LIABILITIES:

a) Disputed demands in respect of income tax not acknowledged as debt by the Parent Company of ₹ 47.51 lakhs (P.Y. ₹ 34.25 lakhs).

In respect of Assessment year 2005-2006, there was tax demand of ₹ 68.94 lakhs (P.Y. ₹ 68.94 lakhs) which had been adjusted by the tax authorities against refund due to the Parent Company in respect of other years. During F.Y. 2015-16, the Parent Company had received favourable Order passed by the ITAT, Mumbai against which the Income Tax Department has filed the appeal before the Bombay High Court and is under admission stage.

Future cash outflows in respect of above are dependent on outcome of matter under dispute.

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(₹ in lakhs except as otherwise stated)

b) The Parent Company has purchased capital assets under EPCG license against which the Parent Company has a balance export obligation of ₹ Nil (P.Y. ₹ 1,387.93 lakhs). Contingent liability, to the extent of duty saved in respect of EPCG is ₹ Nil (P.Y. ₹ 231.32 lakhs).

As at the year-end, amount of outstanding bonds executed by the Company in favour of customs authority aggregates to ₹ 700.24 lakhs (P.Y. ₹ 805.68 lakhs). Out of these, bonds aggregating to ₹ 700.24 lakhs (P.Y. ₹ 176.04 lakhs) are under the process of discharge from custom authorities.

In F.Y. 2020-21, the Parent Company has paid ₹ 378 lakhs towards pending export obligations.

c) Bank guarantees issued by the Parent Company of ₹ 35.62 lakhs (P.Y. ₹ 35.46 lakhs)

d) The Parent Company's contingent liability and capital/other commitment in relation to joint venture ₹ Nil

e) The Group has process in place to ascertain the impact of pending litigation.

Note: No outflow of resources is expected in respect of Para (b) and (c).

2.38 ESTIMATED AMOUNT OF CONTRACTS REMAINING TO BE EXECUTED ON-

a) **Capital Commitment**- Purchase of Machineries - ₹ 35.78 Lakhs (P.Y. ₹ Nil)

b) **Other commitments**- Capital Contribution Commitment for investment in Sistema Asia Fund ₹ 71.00 lakhs (P.Y. ₹ 91.00 lakhs).

2.39 INCOME TAXES (IND AS 12):

Reconciliation of Effective Tax Rate:

Particulars	As at March 31, 2021	As at March 31, 2020
Applicable tax rate (%)	25.17%	25.17%
Profit before tax	2,257.92	9,557.57
Current tax expenses on Profit before tax as per applicable tax rate	568.27	2,405.45
Tax effect of the amounts which are not deductible/(taxable) in calculating taxable income		
Effect of Income exempt from tax	(120.30)	(236.74)
Effect of Tax paid at a lower rate	(16.68)	(11.91)
Effect of Previous year adjustments	(77.34)	-
Effect of expenses that are not deductible in determining taxable profits	15.35	19.37
Tax effect on unrealised gain/loss	(92.00)	26.00
Other Items	0.43	52.35
Total income tax expense/(credit)	**277.73**	**2,254.52**

The effective tax rate is 12.30% (P.Y 23.59%).

2.40 FAIR VALUE MEASUREMENT:

The management assessed that cash and bank balances, trade receivables, trade payables, cash credits and other financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The Group has established the following fair value hierarchy that categorises the values into 3 levels. The inputs to valuation techniques used to measure fair value of financial instruments are:

- Level 1: This hierarchy uses quoted (unadjusted) prices in active markets for identical assets or liabilities. The fair value of all equity investments and units of mutual funds which are traded in the stock exchanges is valued using the closing price or dealer quotations as at the reporting date.

- Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on Group specific estimates. The mutual fund units are valued using the closing Net Asset Value. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

- Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

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The following table provides the fair value measurement hierarchy of the Company's assets and liabilities-

A. Quantitative disclosures fair value measurement hierarchy for financial assets as at March 31, 2021, March 31, 2020

Particulars	Fair value measurement using			Total (Amount)
	(Level 1) Amount	(Level 2) Amount	(Level 3) Amount	
As at March 31, 2021:-				
Financial Assets at amortised cost:				
Trade receivables	-	-	13,103.09	13,103.09
Investments (non-current)	-	-	332.95	332.95
Cash and bank balances	-	-	2,992.10	2,992.10
Other financial assets	-	-	605.44	605.44
Assets measured at fair value				
Fair value through Other Comprehensive Income				
Investment in Equity shares, quoted	395.53	-	-	395.53
Fair value through Profit and Loss				
Investment in units of Mutual Funds & PMS	-	26,115.57	-	26,115.57
As at March 31, 2020:-				
Financial Assets at amortised cost:				
Trade receivables	-	-	17,092.49	17,092.49
Investments (non-current)	-	-	294.96	294.96
Cash and bank balances	-	-	491.19	491.19
Other financial assets	-	-	347.51	347.51
Assets measured at fair value				
Fair value through Other Comprehensive Income				
Investment in Equity shares, quoted	206.81	-	-	206.81
Fair value through Profit and Loss				
Investment in units of Mutual Funds & PMS	-	26,495.83	-	26,495.83

B. Quantitative disclosures fair value measurement hierarchy for financial liabilities as at March 31, 2021, March 31, 2020

Particulars	Fair value measurement using			Total (Amount)
	(Level 1) Amount	(Level 2) Amount	(Level 3) Amount	
As at March 31, 2021:-				
Financial Liabilities at amortised cost:				
Cash Credits/Working Capital Borrowing	-	-	4,643.80	4,643.80
Trade payables	-	-	4,564.39	4,564.39
Other financial liabilities	-	-	897.51	897.51
As at March 31, 2020:-				
Financial Liabilities at amortised cost:				
Cash Credits/Working Capital Borrowing	-	-	8,801.18	8,801.18
Trade payables	-	-	4,980.12	4,980.12
Other financial liabilities	-	-	881.54	881.54

2.41 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES:

The Group's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations. The Group's principal financial assets include trade and other receivables, investments and cash & cash equivalents that derive directly from its operations.

The Group is exposed to market risk, credit risk and liquidity risk. The Group's senior management oversees the management of these risks. It is the Group's policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

a) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: (i) interest rate risk and (ii) currency risk. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables and borrowings. The sensitivity analyses in the following sections relate to the position as at March 31, 2021 and March 31, 2020.

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The analyses exclude the impact of movements in market variables on: the carrying values of gratuity and other post-retirement obligations; provisions.

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at March 31, 2021 and March 31, 2020.

(i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's short term debt obligations with floating interest rates. The Group has sufficient amount of liquid investments to mitigate the interest risk on its short term debt obligations.

Interest rate sensitivity-

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings taken at floating rates. With all other variables held constant, the Group's profit / (loss) before tax is affected through the impact on floating rate borrowings, as follows:

Basis Points	As at March 31, 2021		As at March 31, 2020	
	5% increase	5% decrease	5% increase	5% decrease
Effect on profit before tax (Amount)	(29.15)	29.15	(38.29)	38.29

(ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group transacts business in local currency and in foreign currency, primarily in USD. The Group's trade receivables in foreign currency as at March 31, 2021 is ₹ 455.47 lakhs (P.Y. ₹ 591.21 lakhs).

Foreign currency sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in rate of USD, with all other variables held constant. The impact on the Group's profit before tax is due to changes in the fair value of monetary assets and liabilities. The Group's exposure to foreign currency changes for all other currencies is not material.

Basis Points	As at March 31, 2021		As at March 31, 2020	
	2% increase	2% decrease	2% increase	2% decrease
Effect on profit before tax (Amount)	9.11	(9.11)	11.82	(11.82)

b) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables).

The Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the Group compares the risk of default occurring on asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forwarding-looking information such as:

i. Actual or expected significant adverse changes in business,

ii. Actual or expected significant changes in the operating results of the counterparty,

iii. Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations,

iv. Significant increase in credit risk on other financial instruments of the same counterparty,

v. Significant changes in the value of the collateral supporting the obligation or in the quality of the third-party guarantees or credit enhancements.

Financial assets are written off when there are no reasonable expectations of recovery, such as a debtor failing to engage in a repayment plan with the Group.

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Assets in the nature of Investment, security deposits, loans and advances are measured using 12 months expected credit losses (ECL). Balances with Banks is subject to low credit risk due to good credit rating assigned to these banks. Trade receivables are measured using lifetime expected credit losses.

Financial Assets for which loss allowances is measured using the Expected Credit Losses (ECL):

The Ageing analysis of Account receivables has been considered from the date the invoice falls due-

Ageing	As at March 31, 2021	As at March 31, 2020
0-180 days	9,662.91	13,572.38
181 days to 365 days	732.10	3,094.60
beyond 365 days	4,033.08	1,000.49
Total	**14,428.09**	**17,667.47**

The following table summarizes the changes in loss allowances measured using lifetime expected credit loss model and provision is made after considering credit notes/recoveries anticipated.

Provisions	As at March 31, 2021	As at March 31, 2020
Opening Provision	575.00	515.00
Add:- Additional provision made	750.00	60.00
Less:- Provision utilised against bad debts	-	-
Closing provisions	**1,325.00**	**575.00**

No Significant changes in estimation techniques or assumptions were made during the year

c) **Liquidity risk**

The Group's principal source of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The Group believes that the working capital is sufficient to meet its current requirements.

As on March 31, 2021, the Group had working capital of ₹ 32,613.42 lakhs (P.Y. ₹ 30,571.91 lakhs) including cash and cash equivalents of ₹ 16,749.50 lakhs (P.Y. ₹ 7,970.87 lakhs) and current investments of ₹ 10,895.64 lakhs (P.Y. ₹ 13,674.21 lakhs).

Maturity patterns of the Financial Liabilities of the Group at the reporting date based on contractual undiscounted payment-

As at March 31, 2021	Less than 1 year (Amount)	1 to 5 years (Amount)	More than 5 Years (Amount)	Total (Amount)
Borrowings	4,643.80	-	-	4,643.80
Trade payables	4,564.39	-	-	4,564.39
Other financial liabilities	586.08	98.92	212.51	897.51
Total	**9,794.27**	**98.92**	**212.51**	**10,105.70**

As at March 31, 2020	Less than 1 year (Amount)	1 to 5 years (Amount)	More than 5 Years (Amount)	Total (Amount)
Borrowings	8,801.18	-	-	8,801.18
Trade payables	4,980.12	-	-	4,980.12
Other financial liabilities	539.53	123.28	218.73	881.54
Total	**14,320.83**	**123.28**	**218.73**	**14,662.84**

2.42 CAPITAL MANAGEMENT

(a) **Risk Management**

For the purposes of the Group's capital management, capital includes issued capital, share premium and all other equity reserves attributable to the equity holders. The Group aims to manage its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to our shareholders.

The capital structure of the Group is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. We consider the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying

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assets. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

The Group's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The Group will take appropriate steps in order to maintain, or if necessary adjust, its capital structure

The Group monitors capital using Net debt-equity ratio, which is Net debt (i.e. total debt less cash & cash equivalents and current investments) divided by total equity.

Particulars	As at March 31, 2021	As at March 31, 2020
Net Debt	-	-
Total Equity	43,284.05	44,591.70
Net Debt to Equity Ratio (%)	0%	0%

(b) Distributions made and proposed:

Particulars	As at March 31, 2021	As at March 31, 2020
Cash dividends on equity shares declared and paid:		
Final dividend For the year ended March 31, 2020 ₹ 1.00 (March 31, 2019 – ₹ 2.00) per fully paid share	123.25	246.50
Dividend distribution tax on final dividend*	-	50.67
Interim Dividend For the year ended March 31, 2021 ₹ 29.00 (March 31, 2020 – ₹ 36.00) per fully paid share	3,574.26	4,437.01
Dividend distribution tax on interim dividend*	-	912.04
Proposed dividends on Equity shares:		
Final dividend for the year ended on March 31, 2021 ₹ Nil (March 31, 2020– ₹ 1.00) per fully paid share	-	123.25
This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting. The same is not recognised at the end of the reporting period.		

* Dividend Distribution Tax (DDT) in the hands of companies is abolished from April 01, 2020.

2.43: INTEREST IN OTHER ENTITIES:

A. List of the company (Jointly Venture Company) included in the consolidation is mentioned below: -

Joint Venture	Country of Incorporation	Activities	Proportion of Ownership interest As at March 31, 2021	Proportion of Ownership interest As at March 31, 2020
White Knitwear Private Limited	India	Refer Note 2.43(B)	33.33%	33.33%

B. Summarized Financial Information

Particulars	As at March 31, 2021	As at March 31, 2020
(A) Non-Current Assets	4.99	4.91
(B) Current Assets		
i) Cash and Cash Equivalent	4.46	1.71
ii) Others	220.17	232.07
Total Current Assets	**224.64**	**233.78**
Total Assets (A + B)	**229.63**	**238.69**
(C) Non-Current Liabilities		
i) Financial Liabilities	-	-
ii) Non-Financial Liabilities	250.05	278.84
Total Non-Current Liabilities	**250.05**	**278.84**
(D) Current Liabilities		
i) Financial Liabilities	0.62	0.31
ii) Non-Financial Liabilities	0.23	0.04
Total Current Liabilities	**0.85**	**0.35**
Total Liabilities (C + D)	**250.90**	**279.19**
Net Assets	**(21.27)**	**(40.51)**

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Summarized Performance

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Revenue	32.33	3.50
Profit and Loss before Tax	19.24	(20.15)
Tax Expense	-	-
Profit and Loss after Tax	19.24	(20.15)
Other Comprehensive Income	-	-
Total Comprehensive Income	**19.24**	**(20.15)**
Depreciation and Amortization	-	-
Interest Income	-	-
Interest Expense	-	22.61

For contingency and commitment of Joint Venture, refer Note No. 2.37(d)

Reconciliation of Net Assets considered for consolidated financial statement to net asset as per Joint Venture financial statements

Particulars	As at March 31, 2021	As at March 31, 2020
Net Assets as per Entity's Financial Statements	(21.27)	(40.51)
Add/(Less): Consolidation Adjustments		
(i) Fair Value of Investment	-	-
(i) Dividend distributed	-	-
(iii) Others	354.22	335.47
Net Assets as per Consolidated Financial Statements	**332.95**	**294.96**

Reconciliation of Profit and Loss/OCI considered for consolidated financial statement to net asset as per Joint Venture financial statements

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Profit/(Loss) as per Entity's Financial Statements	19.24	(20.15)
Add/(Less): Consolidation Adjustments		
(i) Dividend distributed	-	-
(i) Others	18.75	18.75
Profit/(Loss) as per Consolidated Financial Statements	37.99	(1.40)
OCI as per Entity's Financial Statements	-	-
Add/(Less): Consolidation Adjustments		
(i) Fair Valuation	-	-
(i) Others	-	-
OCI as per Consolidated Financial Statements	**-**	**-**

Movement of Investment in Joint Ventures using Equity Method

Particulars	As at March 31, 2021	As at March 31, 2020
Interest as at 1st April	294.96	296.36
Add: Share of Profit for the Period	37.99	(1.40)
Add: Share of OCI for the Period	-	-
Interest as at March 31	**332.95**	**294.96**

The Joint Venture 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 operationalize as majority of SEZ members have put-on-hold their operations in SEZ 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 had de-notified the SEZ and conceded the members to convert and use the erstwhile land in SEZ as Domestic Tariff Area (DTA) subject to fulfilment of conditions stated therein.

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Based on GIDC circular on de-notification, 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.

2.44 SEGMENT REPORTING:

The Company is engaged in the business of manufacturing and marketing of apparels & trading of lifestyle accessories/ products. The Company is also generating power from Wind Turbine Generator. The power generated from the same is predominantly used for captive consumption. However, the operation of Wind Turbine Segment is within the threshold limit stipulated under Ind AS 108 "Operating Segments" and hence it does not require disclosure as a separate reportable segment. As defined in Ind AS 108 'Operating Segments', the Chief Operating Decision Maker evaluates the Company's performance related to Apparels business and allocates resources based on an analysis of various performance indicators. Accordingly, Sale of Apparels is considered as only business segment.

2.45 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.

2.46 Previous year figures are regrouped or rearranged wherever considered necessary.

2.47 The financial year ended March 31, 2021 was unprecedented due to the spread of Coronavirus pandemic, impacting all the geographies of the business operations and more particularly in the early months of the financial year when the severity was extreme. Significant decline in the economic activity of the whole nation and the disruption created across the businesses have affected the operations of the Group as well.

Subsequently, the nation-wide lockdown was lifted by the Government of India, although partial regional lockdowns continued in affected areas, have resulted in gradual resumption of manufacturing and business operations. However, we displayed strong ability to ramp-up production and meeting logistical challenges.

The sequential recovery in most of the market operations has resulted in substantial recovery of business, however, came with volatility in prices of raw material.

Further, the group has been working on a safety first principle, making sure that all our employees / associates and business / channel partners are safe and taking all necessary precautions, as time-to-time advised by government authorities.

As per our current assessment, the Group expects to recover the carrying amount of all its assets including inventory, receivables and loans in the ordinary course of business based on information available on current economic conditions. The Group is continuously monitoring any material changes in future economic conditions for taking prompt corrective actions within its purview and would keep assessing the impact for taking appropriate cognizance in financial reporting in the forthcoming quarters.

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2.48 The new Code on Social Security, 2020 has been enacted, which could impact the contributions by the Group towards Provident Fund, Gratuity and bonus. The effective date from which the changes are applicable is yet to be notified and the rules are yet to be framed. The Group will complete its evaluation and will give appropriate impact in the financial statements in the period in which the Code becomes effective and the related rules are published.

2.49 The Parent Company has incorporated wholly owned subsidiary company K-Lounge Lifestyle Limited on 25 February 2021 as per certificate of incorporation received by the company. The Authorized Share Capital of the said subsidiary company is ₹ 10,00,00,000 and paid-up Share Capital the said subsidiary company is ₹ 5,00,00,000. The parent company has subscribed entire paid-up Share Capital of ₹ 5,00,00,000 on 19th April 2021 and the subsidiary company is yet to commence the business operation as on the date.

As per our Audit Report of even date
For and on behalf of
Khimji Kunverji & Co LLP
Chartered Accountants
Registration No.:105146W/W100621

Hasmukh Dedhia
Partner

Membership No. : 033494

Place: Mumbai
Date: May 26, 2021

For and on behalf of the Board of Directors
of **Kewal Kiran Clothing Ltd**

Kewalchand P. Jain
Chairman & Managing Director
Din No : 00029730

Hemant P. Jain
Whole time Director
(Jt. Managing Director wef 26th May 2021)
Din No : 00029822

Bhavin Sheth
Chief Financial Officer

Abhijit Warange
Company Secretary

Place: Mumbai
Date: May 26, 2021

Form AOC-1

(PURSUANT TO FIRST PROVISO TO SUB-SECTION (3) OF SECTION 129 READ WITH RULE 5 OF COMPANIES (ACCOUNTS) RULES, 2014)
STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENT OF SUBSIDIARIES/ASSOCIATE COMPANIES/JOINT VENTURES

PART "A": SUBSIDIARIES – NOT APPLICABLE

PART "B": ASSOCIATES AND JOINT VENTURES

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of Joint Venture	White Knitwears Private Limited(WKPL)
1. Latest audited Balance Sheet Date	31/03/2021
2. Shares of Joint Venture held by the company on the year end	
No.	3,30,000
Amount of Investment in Joint Venture	33,00,000
Extend of Holding%	33.33%
3. Description of how there is significant influence	Due to holding of 33.33% equity shares in WKPL
4. Reason why the Joint Venture is not consolidated	Not Applicable
5. Net worth attributable to shareholding as per latest audited Balance Sheet	(22,959,831)
6. Profit/(Loss) for the year	
i. Considered in Consolidation	37,99,219
ii. Not Considered in Consolidation	19,73,439)

1. **Names of associates or joint ventures which are yet to commence operations – Not Applicable**

2. **Names of associates or joint ventures which have been liquidated or sold during the year – Not Applicable**

As per our Audit Report of even date attached

For
Khimji Kunverji & Co LLP
Chartered Accountants
Registration No.:105146W/W100621

Hasmukh Dedhia
Partner

Membership No. : 033494

Place: Mumbai
Date: May 26, 2021

For and on behalf of the Board of Directors
of **Kewal Kiran Clothing Ltd**

Kewalchand P. Jain
Chairman & Managing Director
Din No : 00029730

Hemant P. Jain
Whole time Director
(Jt. Managing Director wef 26th May 2021)
Din No : 00029822

Bhavin Sheth
Chief Financial Officer

Abhijit Warange
Company Secretary

Place: Mumbai
Date: May 26, 2021

Notes

KEWAL KIRAN CLOTHING LIMITED

Registered office
460/7, Kewal Kiran Estate, I.B. Patel
Road, Goregaon (East),
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www.kewalkiran.com

/Concept, content and design at AICL (hello@aicl.in)