



Knitting Beyond Boundaries

Rupa & Company Limited

Annual Report 2014-15

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. P. R. Agarwala - Chairman
Mr. G. P. Agarwala - Vice-Chairman
Mr. K. B. Agarwal - Managing Director
Mr. Ramesh Agarwal - Whole-time Director
Mr. Mukesh Agarwal - Whole-time Director
Mr. Sushil Patwari - Independent Director
Mr. Dharam Chand Jain - Independent Director
Mr. Vinod Kumar Kothari - Independent Director
Mr. Raj Narain Bhardwaj (Resigned with effect from 23rd March, 2015) - Independent Director
Mr. Dipak Kumar Banerjee - Independent Director
Mr. Satya Brata Ganguly - Independent Director
Smt. Alka Devi Bangur (Additional Director-Independent with effect from 14th November, 2014)

CHIEF FINANCIAL OFFICER

Mr. Neeraj Sureka (Appointed with effect from 17th February, 2015)

COMPANY SECRETARY

Mr. Sudip Chatterjee

AUDITORS

M/s. S. R. Batliboi & Co. LLP
Chartered Accountants
22, Camac Street, 3rd Floor, Block – C
Kolkata – 700 016

BANKERS

IndusInd Bank Ltd.
State Bank of India Ltd.
CitiBank N.A.
Standard Chartered Bank
HDFC Bank Ltd.
Kotak Mahindra Bank Ltd.
Development Credit Bank Ltd.
The Hongkong and Shanghai Banking Corporation Ltd.

REGISTRAR & SHARE TRANSFER AGENT

Maheswari Datamatics Pvt. Ltd.
6, Mangoe Lane, 2nd Floor
Kolkata – 700 001
e-mail: mdpldc@yahoo.com

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REGISTERED OFFICE

Metro Tower, 8th Floor
1, Ho Chi Minh Sarani, Kolkata - 700 071
e-mail: cs@rupa.co.in
CIN: L17299WB1985PLC038517

Indian innerwear industry is highly competitive and commodity driven.

How does one establish one's identity in this sector where new brands are crowding the market almost on a regular basis?

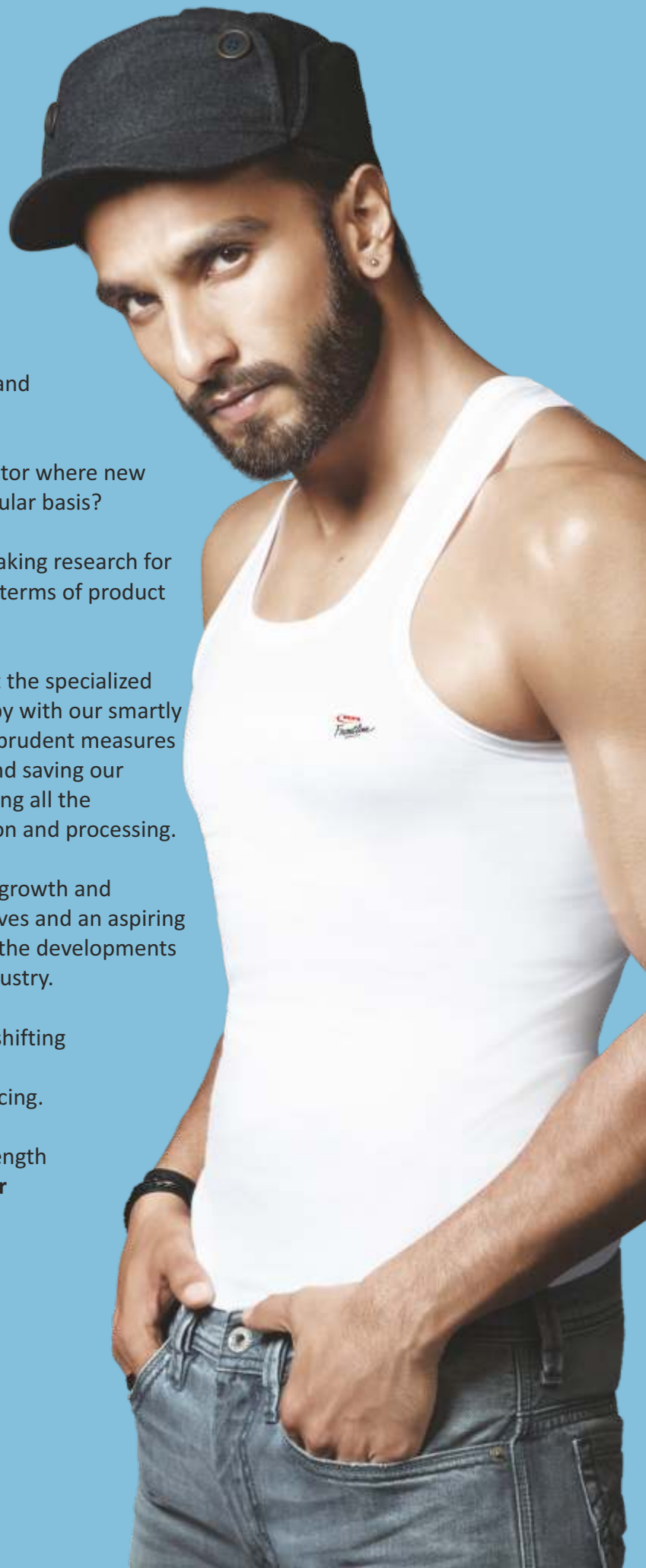
The simple question prompted us to do a painstaking research for greater finesse in design and innovation both in terms of product and processes.

We constantly innovate and experiment to meet the specialized demands of the customers and make them happy with our smartly designed products. On one hand, we are taking prudent measures like minimizing our debt to save interest costs and saving our energy costs; on the other we are strictly following all the environment friendly measures during production and processing.

As India stands at the threshold of a new age of growth and opportunity supported by 'Make in India' initiatives and an aspiring society, at Rupa we have taken steps to harness the developments for setting a benchmark in Indian innerwear industry.

With the increase in the wages of China and its shifting focus on technology based industries, India has emerged as the ideal destination for textile sourcing.

In 30 years we have moved from strength to strength and established Rupa as **India's No. 1 inner wear Company.**





Standing from left to right: Shri G. P. Agarwala (Vice Chairman), Shri P. R. Agarwala (Chairman), Shri K. B. Agarwala (managing Director)

Promoters of Rupa Group have been in the business for around three decades. The promoters' extensive experience in the hosiery industry has helped them develop a strong insight into the industry. Over the years, Rupa has established a strong brand recall in the economy and premium segments of the domestic innerwear market.

The group has created over 10 sub-brands such as Frontline, Jon, Air, Macroman, Macroman M series, Euro, Bumchums, Thermocot, etc, catering to various segments, under its umbrella brand Rupa. The group caters to all segments across product categories covering the economy, medium, premium, and super-premium categories. The group has over 8000 stock keeping units (SKUs) providing wide diversity in product offerings.

The group has a pan-India presence with one of the largest distribution networks in the industry. It has three central warehouses, 19 exclusive business outlets – (Rupa - 2, M Series - 17), 1000 dealers, and around 100,000 retailers. The group owns a bouquet of knitted innerwear brands. The portfolio of products is diversified into various brands to cater to different socio-economic segments. In addition

to domestic market, the group also plans to expand its network in the overseas markets as well. Presently, export accounts for only two per cent of the group's annual operating income. Its products are exported to West Asia, Hong Kong, Africa, the United Arab Emirates, and Bangladesh. The group plans to add new regions in its list.

Established market position, strong marketing and distribution network, and well-recognised brands have helped the group to achieve a compound annual growth rate of around 11 per cent in operating income. The Rupa group reported net sales of Rs.9.68 billion in 2014-15. CRISIL believes that the Rupa group's established position in the domestic innerwear industry will continue to help the group maintain its business risk profile, over the medium term.

BRAND COMMUNICATION

The group has been spending around 7 to 8 per cent of its revenue on advertisement and brand promotional activities, which over the period, has helped create valued brands.

Great brands become part of a country's culture and ethos. Rupa Frontline's communication has slowly moved on from product specific advertising to issue-based communication. A brand becomes more than a brand when it cultivates a voice of its own and speaks up for issues pertaining to a nation. This underlying philosophy in Rupa Frontline's brand communication can be seen in two of its latest commercials – 'Voting' and 'Skateboard'. The protagonist in the first one exercises his right to vote despite opposition from hooligans. The protagonist in the second one doesn't believe in turning a blind eye to blatant vandalism and goes out of his way to teach the ruffians a lesson.

Both resonated with the target audience by capturing their imagination. It also succeeded in driving home a bigger message besides promising a strong brand recall. Just like all iconic brands, Rupa Frontline aims to become more than just a market leader. It aims to become a thought leader.

BRAND IMPACT

Rupa Frontline is India's largest selling brand of vests, briefs and trunks. But it wasn't built in a day. Rupa Frontline began as a men's innerwear brand, and today, it is India's leading lifestyle brand with a legacy that spans across three decades. Over these years, it has kept pace with the world and has evolved into a fashion-forward brand. It enjoys an incontestable foothold in the innerwear industry and now, with an array of lifestyle brands that cater to people of all age groups, it's a force to be reckoned with.

Rupa Frontline enjoys a strong brand presence across the nation. The company has a solid brand following even in the small villages of India thanks to its all-encompassing marketing strategies which has

made the consumers shift from unbranded goods to branded products.

BRAND FUTURE

Rupa Frontline takes pride in being a self created and Indigenous brand catering to all segments of population over the years. Launched in 1985, Rupa Frontline nurtured many sub-brands in its portfolio. Apart from flagship brands like Rupa Frontline, the brand has been extended to various Sub-brands like Ribline, Hunk, xinG, Stretcho, Skywings, Expando to differentiate each product offering from the other. Not only does this branding exercise create a difference between the product and the gender it caters to but it also clearly demarcates brands catering to various socio-economic sections of the society with a promise to come up with newer segments in the future.

Today, Rupa's product portfolio comprises knitted innerwear, casual wear and thermal wear for men, women and kids. Over the years, it has introduced numerous sub-brands such as Jon, Air, Macroman, Euro, Bumchums, Thermocot, Femmora, Imoogi and Euro Jeans. These brands succeed in catering to the requirements of people of all age groups and varied socio-economic classes.

Despite its widespread national presence, Rupa strives to up its game consistently. It recently opened EBOs in Tier 2 and Tier 3 cities with a vision of making the brand more exclusive and coveted. With constant learning, innovation and refinement of its operations, it has transformed seamlessly from a production-driven facility to a customer driven enterprise. Moreover, it is fully prepared to face greater challenges on a global level.

BRAND'S WAY FORWARD IN PREMIUM INNER WEAR SEGMENT

Over the years, Rupa Group plans to focus more on the super-premium and premium segments. The increase in sale of super-premium and premium products, the group's operating margin has increased to 14.2 % (2014-15) from 8.2 % (2008-09).

As a group we are likely to sustain higher margins over the medium term because of stable increase in premium and super-premium products, expanding market for premium innerwear in India and relatively high pricing power.

The group is aggressively focusing on its super-premium brand M Series, and has also opened 17 exclusive business outlets for the M Series. The group has a higher operating margin because a higher percentage of premium segments contribute to around 18 per cent of the Rupa group's sales. The super-premium category has also witnessed growth and now contributes around 10 per cent of group sales in 2014-15 against 5 per cent in 2008-09. CRISIL believes that the Rupa group's business risk profile will continue to be supported by its increasing presence in the premium innerwear segment.

TACKLING THE INTENSE COMPETITION IN INNERWEAR INDUSTRY

Besides international brands, there are many small brands in the men's innerwear segment - while these brands do not cater to the same segments, they restrict the pricing power of established players. The domestic innerwear segment is highly price-sensitive, and, hence, pricing determines the final purchase decision.

A major portion of the market, estimated at about 60 per cent, is dominated by unorganized players, leading to intense market competition. Competition is expected to intensify with the advent of established foreign brands through the franchisee route and with domestic players spending heavily on brand-building and product-positioning.

Accreditation: ISO 9001 : 2008 Certification

Accolades:

Best Brand by 'ET Best Brand' in 2014.

Largest Innerwear & Casualwear manufacturing company in India by "Limca Book of Records" for 11th consecutive year during 2013 – 14.

Worldwide Achievers Business Leadership Award during 2013 – 14.

Brand Excellence in Innerwear at Time Research Business Leadership Awards, 2013.

Largest producer in the Knitting Sector Fabrics at Textile Conclave 2013 – Brand India.

Master Brand – 2011-2012.

Power Brand status for the year 2011.

Star Brand India award during the year 2010 – 2011.

Global awards for Brand Excellence by World Brand Congress during the year 2010.

Master Brand during 2010.



Conferred by
CMO Asia
in association with
CMO Council, U.S.A.



Frontline

PREMIUM INNERWEAR



YE H AARAM KA
MAMLA HAI!

bumchums[®]

Fun it up!

Comfortwear | Sleepwear | Sportswear | Kidswear | Babywear



MACROMAN 
SERIES

Classapart

C l a s s i c C o l l e c t i o n

Premium Innerwear | Sportswear | Leisurewear

E: contact@macroman.co.in
W: macroman.co.in



PREMIUM SOCKS



FANCY ANKLET-LADIES



SPORTS REGULAR-MEN



KIDS SCHOOL SOCKS



ACTIVE FEET. FOOTLINE FEET.

RUPA
TORRIDO
Premium Thermals
MEN | WOMEN | KIDS

SARDIYON MEIN ONLY TORRIDO!

Shape your world

femmora

LEGGINGS • CAMISOLES • T-SHIRTS • LOUNGE WEAR

MACROWOMAN



Young &
Contemporary

Lingerie | Sportswear | Leisurewear

E: contact@macrowoman.co.in
W: macrowoman.in

RUPA®
Frontline

EXPANDO
BRIEF



RUPA®
Frontline

XiNG
VEST



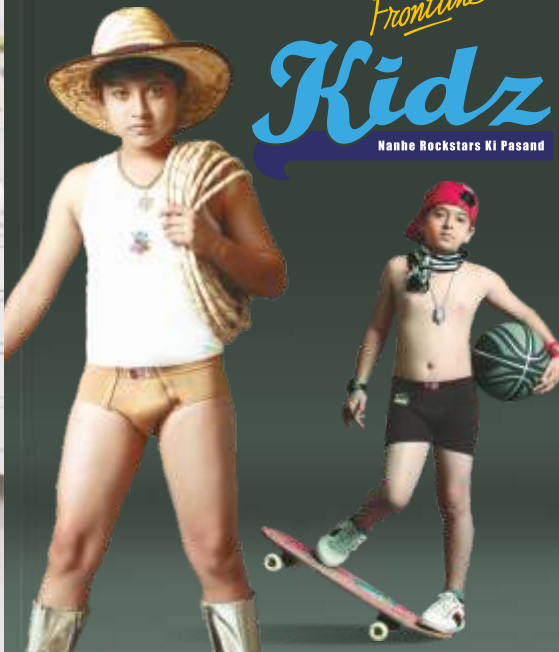
bumchums®
UNWIND

SLEEPWEAR • RELAXWEAR



RUPA®
Frontline

Kidz
Nahne Rockstars Ki Pasand



RUPA®

THERMOCOT

IT'S VERY VERY HOT

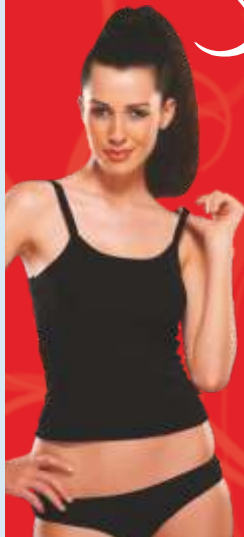


RUPA®

Softline
Classic Collection

BRAS | PANTIES | CAMISOLES

*Look Good....
Feel Natural!!!*



bumchums®
tots™
Budding Fashion



Born to be
fashionable

EURO



FASHION INNERS | COOL CASUALS



HUNK

ZAMANE KO DIKHANA HAI.

GYM VEST

IS THERE A
HUNK IN YOU ?



RUPA[®]
Frontline



RUPA®

Softline

LEGGINGS

HAR MOOD KE SANG
EK NAYA RANG



4D COTTON
STRETCH FABRIC



A STEP CLOSER TO HUMANITY

Rupa & Company operates with a strong belief that giving back to the society and contributing towards its sustainable development is every organizations responsibility.



Rupa being a responsible and responsive Corporate Citizen is always giving back to the society through its several associations in the field of education and healthcare.

Rupa is associated with Heritage Institute of Technology and Heritage School, Sri Sri Academy and Sankara Nethralaya (Kolkata). Besides, the group has floated 'Rupa Foundation' to further augment the social initiatives.

“Presently, thrust will be on promotion of education among the economically backward classes.”



Artist's impression of vocational training college

To fulfill this dream, the group is in the process to set up a Vocational Training Institute in Kolkata.

In that endeavour, the company has contributed towards ISKCON Food Relief Foundation operated project **“Annamitra”** for facilitating the mid-day meal for 600 under privileged children in Kolkata.

The Company has also built toilets in Gujarat under INDIVIDUAL HOUSEHOLD LATRINE (IHHL) towards **Swatch Bharat** under **Ministry of Urban Development**.

The Company through its association with Friends of Tribals Society helps in running 100 OTS for informal education of tribal children.

Rupa is sincerely committed to produce environmentally friendly clothes that minimize carbon footprint and help to make the planet a greener place. Rupa ensures that the raw materials and production processes do not destroy the environment with harmful chemicals and conserve water, energy and natural resources.

As a part of it's nation building activity, the Group has forayed into education by setting up the Sobhasaria Engineering College in Sikar, Rajasthan. The College offers degrees in Engineering & Management and is affiliated to the Rajasthan Technical University & AICTE.

Large & Huge infrastructure – Campus with 38 acres of land in peaceful ambience situated in outskirts of Sikar city, Rajasthan.



- 1 Sobhasaria Engineering College for stronger Society
- 2 Inside Class room of the Engineering College
- 3 Supporting mid-day meal project "ANNAMRITA" by Iskon Food Relief Foundation
- 4 Supporting one teacher school for the tribal children
- 5 Helping poor patients for eye treatment through Shankar Netralaya





Donation to Prime Minister's National Relief Fund: Standing from Left to Right - Shri Mukesh Agarwal, Whole-time Director, Shri K. B. Agarwal, Managing Director, Shri Narendra Modi, Hon'ble Prime Minister of India, Shri P. R. Agarwala, Chairman and Shri Suresh Agarwal, President.

DIRECTORS' REPORT

Dear Shareholders,

Your Directors have pleasure in presenting their 30th Annual Report on the Business and Operations of the Company, along with the Audited Accounts of the Company, for the Financial Year ended March 31, 2015.

Financial Highlights

The financial performance of your Company appears as follows:

(Amount in ₹)

Particulars	2014 - 2015	2013 - 2014
Turnover	9,690,669,114	8,941,023,527
Profit before Finance Charges, Tax, Depreciation/Amortization (PBITDA)	1,388,738,714	1,314,263,870
Less : Finance Charges	233,809,678	245,181,361
Profit before Depreciation/Amortization (PBTDA)	1,154,929,036	1,069,082,509
Less : Depreciation	150,600,092	111,750,233
Net Profit before Taxation (PBT)	1,004,328,944	957,332,276
Provision for Taxation	347,258,567	336,771,030
Profit/(Loss) after Taxation (PAT)	657,070,377	620,561,246
Provision for Proposed Dividend	218,692,540	198,811,400
Dividend Tax	19,480,749	33,787,997
Transfer to General Reserve	100,000,000	100,000,000

On the basis of Consolidated Financial Statement, the performance of the Group appears as follows:

(Amount in ₹)

Particulars	2014 - 2015	2013 - 2014
Turnover		
Profit before Finance Charges, Tax, Depreciation/Amortization (PBITDA)	1,427,806,380	1,376,546,218
Less : Finance Charges	235,383,968	246,961,631
Profit before Depreciation/Amortization (PBTDA)	1,192,422,414	1,129,584,587
Less : Depreciation	151,318,025	112,459,399
Net Profit before Taxation (PBT)	1,041,104,388	1,017,125,188
Provision for Taxation	359,438,049	356,418,140
Profit/(Loss) after Taxation (PAT)	6,861,666,339	660,707,048
Provision for Proposed Dividend	218,692,540	198,811,400
Dividend Tax	44,520,655	33,787,997
Transfer to General Reserve	100,000,000	100,000,000

State of Company's Affairs and Future Outlook

The Indian innerwear market is estimated to grow at 13 per cent to reach ₹ 59,540 crores by 2023. Innerwear appears to be a potential growth category. Further, the recent changes brought about by the Government of India, viz. allowing 51 per cent Foreign Direct Investment (FDI), in Multi-Brand Outlets (MBOs), and 100 per cent FDI in Exclusive Brand Outlets (EBOs), have provided a lucrative business opportunity for your Company to forge or enter into business alliances to bring foreign brands in the Indian market.

Your Company is engaged in the manufacturing, branding and marketing of men's and women's innerwear and casual wear for all kids and all sections of societies like economy, mid- premium, premium and super- premium. Your Company is the leader in innerwear industry having a large distribution network across India where the products of the Company are sold through more than 1,18,000 retail outlets.

Your Company has manufacturing facilities situated at Bengaluru, Tirupur, Domjur and Ghaziabad. Across the country the Company has sales offices situated at Patna, Varanasi, Mumbai, Jaipur, Indore, Delhi, Ghaziabad, Kanpur, Bengaluru, Tirupur, Hyderabad and Kolkata.

DIRECTORS' REPORT (contd.)

Your Company has achieved a growth of 8.09 % in Sales & Income from Operations during the year under review. The Revenue from Operations including other income during the year under review is ₹ 9,740,154,724/- as against ₹ 9,011,279,753/- in the previous year. Your Company has also achieved a growth of 3.72% in Gross Profit before Interest, Depreciation and Tax during the period under review. The Gross Profit before Interest, Depreciation and Tax during the year under review is ₹ 1,388,738,714/- as compared to ₹ 1,314,263,870/- in the previous year. The Profit after Tax for the year under review is ₹ 657,070,377/- as against ₹ 620,561,246/- in the previous year.

Your Company believes in the overall development of the innerwear and casual wear industry across India through its innovative designs, superior product quality, ability to create a sustainable business model, initiatives to nurture the in-house talent and zeal towards the healthy creation of stakeholders' value. To overcome the various economical challenges, the Company from time to time revisits its marketing strategy. Your Company has always been responsive towards the changing fashion needs by introducing new line of products across all segments.

Subsidiaries

Your Company has the following two Wholly Owned Subsidiaries –

1. M/s. Euro Fashion Inners International Private Ltd., which is engaged in selling hosiery products under the brand name "EURO" which are premium products, designed for the fashion conscious consumers.

During the year under review there has been a decline of 60% in Sales & Income from Operations of M/s. Euro Fashion Inners International Private Ltd. The Revenue from Operations including other income during the year under review is ₹ 191,186,475/- as against ₹ 478,011,492/- in the previous year.

2. M/s. Imoogi Fashions Private Limited, which is engaged in manufacturing, processing and selling hosiery and outer casual wear products, especially for children between the ages of 0-12 years under the brand name "Imoogi".

M/s. Imoogi Fashions Private Limited has achieved a growth of 34.74% in Sales & Income from Operations during the year under review. The Revenue from Operations including other income during the year under review is ₹ 50122085/- as against ₹ 37198262/- in the previous year.

In terms of Clause 49(V)(D) of Equity Listing Agreement, these subsidiaries are not material subsidiaries.

Change(s) in the nature of business, if any

During the year under review, there were no changes in the nature of the business of the Company.

Dividend

During the Financial Year 2013-14, your Company had declared dividend of 250% for the equity shares of the Company. Your Directors are pleased to recommend a dividend of 275%, subject to the approval of shareholders for the Financial Year 2014-15 for the equity shares of the Company.

Transfer to Reserves

The Board, in its meeting held on 21st May, 2015, proposed to transfer ₹ 10 crores to General Reserve.

Changes in Share Capital

During the year under review, there were no changes in the share capital of your Company.

Directors and Key Managerial Personnel

Details of Directors or Key Managerial Personnel (KMP) appointed or resigned during the year are as below:

Sl. No.	Directors / Key Managerial Personnel	Date of Appointment/ Resignation
1.	Mr. R. N. Bhardwaj- Director	Resigned on 23/03/2015
2.	Smt. Alka Devi Bangur- Director	Appointed on 14/11/2014
3.	Mr. N. K. Mohan- CEO & KMP	Appointed on 27/08/2014 & Resigned on 02/01/2015
4.	Mr. Sudip Chatterjee- Company Secretary & KMP	Appointed on 12/06/2014
5.	Mr. Neeraj Sureka- Chief Financial Officer & KMP	Appointed on 17/02/2015

DIRECTORS' REPORT (contd.)

Mr. P. R. Agarwala, Chairman retires by rotation in the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

The details of appointment and re-appointment of Directors are provided in the Corporate Governance Report.

Statement on declaration given by Independent directors under sub-section (7) of Section 149 of the Companies Act, 2013

All the Independent Directors have given declaration of their independence in terms of Section 149(7) of the Companies Act, 2013 and Clause 49 of the Equity Listing Agreement.

Number of meetings of Board of Directors

For the Financial Year 2014-15, the Company held five (5) meetings of the Board of Directors, details of which form part of the Corporate Governance Report.

Meeting of Independent Directors

During the year under review the Independent Directors met on March 17, 2015 to discuss the following:

1. Review the performance of Non-Independent Directors & the Board as a whole;
2. Review the performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-Executive Directors; and
3. To assess the quality, quantity and timeliness of flow of information between the Company Management & the Board that is necessary for the Board to effectively & reasonably perform their duties.

Statement indicating the manner in which formal annual evaluation has been made by the Board of its own performance and that of its Committees and individual Directors

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, Nomination and Remuneration Committee has laid down the criteria for performance evaluation, basis which the Board has carried out an annual evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Nomination and Remuneration Committees. A detailed discussion was done considering the inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance, ethics and compliances.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as leadership quality, capability, availability, clarity of understanding and degree of contribution. The performance evaluation of the Independent Directors was carried out by the entire Board (excluding the director being evaluated). The Directors expressed their satisfaction with the evaluation process.

Independent Directors conducted their meeting without the participation of other Non-Independent Directors and members of management and reviewed the performance of Board, Chairman and Non-Independent Directors. Further, Nomination and Remuneration Committee evaluated the performance of the Directors of the Company.

Managerial Remuneration

- l) Disclosure of the particulars as required under Section 197(12) of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, for the Financial Year 2014-15 in respect of employees of the Company, is provided herein below:

(a)

Sl. No.	Directors/Chief Financial Officer (CFO)/ Company Secretary (CS)	Designation	Ratio of remuneration of each Director/KMP to the median* remuneration of the employees of the Company for the Financial Year 2014-15
1.	Director	Chairman	(1,03,38,464:1,56,000)=66.27
2.	Director	Vice- Chairman	(84,14,309:1,56,000)=54.00
3.	Director	Managing Director	(87,51,095:1,56,000)= 56.09
4.	Director	Whole-time Director	(42,00,000:1,56,000)= 26.92
5.	Director	Independent Director	(26,85,000:1,56,000)=17.21
6.	CFO	KMP	(50,00,000:1,56,000)=32.05
7.	CS	KMP	(13,60,000:1,56,000)=8.71

DIRECTORS' REPORT (contd.)

*'median' means the numerical value separating the higher half of a population from the lower half and the median of a finite list of numbers may be found by arranging all the observations from lowest value to highest value and picking the middle one.

(b)

Sl. No.	Name	Designation	Remuneration paid in F. Y. 13-14 (₹)	Remuneration paid in F. Y. 14-15 (₹)	% increase in remuneration
1.	Mr. P. R. Agarwala	Chairman	51,25,000	1,03,38,464	101.73
2.	Mr. G. P. Agarwal	Vice-Chairman	33,00,000	84,14,309	155.00
3.	Mr. K. B. Agarwal	Managing Director	33,00,000	87,51,095	165.18
4.	Mr. Ramesh Agarwal	Whole-time Director	18,00,000	42,00,000	133.00
5.	Mr. Mukesh Agarwal	Whole-time Director	18,00,000	42,00,000	133.00
6.	Mr. Raj Narain Bhardwaj#	Independent Director	40,000	3,30,000	725.00
7.	Mr. Dharam Chand Jain	Independent Director	60,000	2,90,000	383.33
8.	Mr. Sushil Patwari	Independent Director	1,20,000	4,65,000	287.50
9.	Mr. Vinod Kumar Kothari	Independent Director	1,20,000	4,90,000	308.33
10.	Mr. Dipak Kumar Banerjee	Independent Director	40,000	4,60,000	1050.00

Resigned with effect from March 23, 2015.

* CFO has been appointed on 17/02/2015 & CS has been appointed on 12/06/2014. Therefore, no such comparative figure is provided as there has been no increase in their remuneration.

**Smt. Alka Devi Bangur, Independent Director was appointed on 14/11/2014 and Mr. S.B. Ganguly was appointed on 13/08/2014. Therefore, no such comparative figure is provided as there has been no increase in their remuneration.

(c) There has been no increase in the median remuneration of employees during the Financial Year 2014-15.

(d) There are 577 permanent employees on the rolls of company.

(e) Relationship between average increase in remuneration and company performance:

The Profit before Tax for the Financial Year ended March 31, 2015 increased by 4.91% whereas the increase in median remuneration was 2%. The average increase in the median remuneration was in line with the performance of the Company.

(f) Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company:

Performance of the Company:

Rupa –Standalone			
Particulars	March-15	March-14	% Increase/ (Decrease)
Revenue form Operations	9,69,06,69,115	8,94,10,23,527	8.38
Profit before Depreciation, Interest and Tax	1,38,87,38,712	1,31,42,63,870	5.67
Profit before Tax	1,00,43,28,944	95,73,32,276	4.91
Profit after Tax	65,70,70,377	62,05,61,246	5.88

Remuneration of the Key Managerial Personnel:

Name	Designation	Remuneration paid in F. Y. 13-14 (₹)	Remuneration paid in F. Y. 14-15 (₹)	% Increase in Remuneration
K. B. Agarwal	Managing Director	33,00,000	87,51,095	165.18

* CFO has been appointed on 17/02/2015 & CS has been appointed on 12/06/2014. Therefore, no such comparative figure is provided as there has been no increase in their remuneration.

DIRECTORS' REPORT (contd.)

- (g) Variations in the Market Capitalization of the Company, Price Earning (P/E) Ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the Company.

Financial Year	P/E Ratio	Market Capitalization (in ₹)
31.03.2014	24.4	1743.18 crores
31.03.2015	16.90	1698.64 crores

The percentage decrease in the market quotations of the shares of the Company as at March 31, 2015 is 3.18.

- (h) Average percentile increase made in the salaries of employees other than the managerial personnel in the last financial year i.e 2014-15 was 10%, whereas the increase in the managerial remuneration for the same financial year was 137%. The managerial remuneration is linked to market trend and industry segment composition, thus, increase in managerial remuneration is higher.
- (i) The key parameters for the variable component of remuneration availed by the Directors are considered by the Board of Directors based on the recommendations of the Nomination and Remuneration Committee as per the Remuneration Policy of the Company.
- (j) There is no such employee in the Company who receives remuneration in excess of the highest paid Director during the year.
- (k) It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other employees.
- (l) None of the Managing Director (MD), Whole-time Director (WTD) of the Company, receives commission from its subsidiaries.
- II) For the Financial Year 2014-15:
1. None of the employees were in receipt of remuneration which in the aggregate was more than sixty lakh rupees;
 2. Mr. Krishna Mohan Nyayapati, the Chief Executive Officer (CEO) of the Company was in receipt of remuneration for part of the year, at a rate which, in the aggregate, was more than five lakh rupees per month. He resigned from his post w.e.f. January 2, 2015.
 3. Mr. Krishna Mohan Nyayapati, the Chief Executive Officer (CEO) of the Company was in receipt of remuneration for part of the year, at a rate which, in the aggregate was in excess of that drawn by the Managing Director or Whole-time Director of the Company and he was not holding by himself or along with his spouse and dependent children, more than two (2) per cent of the equity shares of the Company.

All pecuniary relationship or transactions of the Non-Executive Directors vis-à-vis the Company has been disclosed in the Corporate Governance Report.

Statutory Auditors

M/s. S. R. Batliboi & Co. LLP has been appointed as the Statutory Auditor of your Company for a period of four (4) years with effect from the 29th Annual General Meeting of the Company till the conclusion of the 33rd Annual General Meeting of the Company for the Financial Year 2017-18. Now, the Board recommends the members to ratify the said appointment of M/s. S. R. Batliboi & Co. LLP as the Statutory Auditors of the Company for the Financial Year 2015-16 at the ensuing Annual General Meeting.

Response to Auditor's Remarks

Observations of the Auditors when read together with the relevant notes to the accounts and accounting policies are self-explanatory.

Secretarial Audit Report

Pursuant to the provisions of Section 179 and 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors of the Company, at its meeting held on February 6, 2015, had appointed CS Nidhi Bagri of M/s. Nidhi Bagri & Company, Practicing Company Secretaries to conduct the Secretarial Audit of the Company for the Financial Year 2014-15. CS Nidhi Bagri, Secretarial Auditor had given the Secretarial Audit Report in Form No. MR. 3 and the same has been annexed to the Board's Report and marked as 'Annexure - A'.

DIRECTORS' REPORT (contd.)

Observations of the Secretarial Auditor are self-explanatory.

Disclosure on Employee Stock Option/Purchase Scheme

Presently, your Company does not have any Employee Stock Option/Purchase Scheme.

Audit Committee

As on March 31, 2015, Audit Committee comprises of five members, of which majority comprises of Independent Directors. The Composition during the year is given in the table below:

Name of Member	Position	Category
Mr. Vinod Kumar Kothari	Chairman	Non-Executive & Independent
Mr. Sushil Patwari*	Member	Non-Executive & Independent
Mr. Raj Narain Bhardwaj**	Member	Non-Executive & Independent
Mr. Dipak Kumar Banerjee	Member	Non-Executive & Independent
Mr. Satya Brata Ganguly	Member	Non-Executive & Independent
Mr. Mukesh Agarwal	Member	Executive & Non Independent
Mr. Ramesh Agarwal	Member	Executive & Non Independent

* Mr. Sushil Patwari resigned from the Audit Committee of the Company w.e.f. March 17, 2015.

** Mr. Raj Narain Bhardwaj resigned from the Audit Committee of the Company w.e.f. January 09, 2015.

Further, there were no such instances wherein the Board had not accepted recommendation of the Audit Committee.

For details pertaining to constitution of Audit Committee and its Terms of Reference please visit 'Investor → Corporate Governance → Board Committees' section on the website of the Company, i.e., www.rupa.co.in.

Vigil Mechanism

In terms of Section 177 of the Companies Act, 2013 read with rules made there under and Clause 49 of the Listing Agreement, the Company has framed a 'Whistle Blower Policy' with an objective to deal with issues pertaining to integrity, encouraging the employees and directors of the Company to raise any concern about Company's operations and working environment, including possible breaches of Company's policies and standards, without fear of adverse managerial action being taken against such employees.

It provides a channel to the employees and directors to report to the management concerns about unethical behaviour, actual or suspected fraud or violation of any code of conduct or policy in force. Instances of such suspected or confirmed incident of fraud/misconduct may be reported on the designated email id., i.e. Isslal@rupa.co.in.

Audit Committee looks into the complaints raised and their Redressal.

The mechanism also provides for adequate safeguards against victimization of employees and in exceptional cases direct access to the Chairman of the Audit Committee to report instances of fraud/ misconduct.

The Policy has been uploaded in the 'Investor → Corporate Governance' section on the website of the Company at www.rupa.co.in.

Nomination and Remuneration Committee

Details pertaining to constitution of the Nomination and Remuneration Committee of the Board of Directors of the Company and its Terms of Reference have been stated in the Corporate Governance Report.

Remuneration Policy

While framing the Remuneration Policy of the Company and to harmonize the aspirations of human resources consistent with the goals of the Company and in terms of the provisions of the Companies Act, 2013 and the Listing Agreement, as amended from time to time, the Remuneration Policy has been formulated for Directors, Senior Management Personnel and other employees of the Company.

The Company takes into consideration the remuneration practices prevailing in the industry and performance of the concerned personnel. The remuneration package is as per the provisions of the Companies Act, 2013. No sitting fees are paid to the Executive Directors attending the Board or Committee meetings. The necessary approvals were obtained from shareholders wherever required.

DIRECTORS' REPORT (contd.)

Scope of the Remuneration policy:

1. The Policy applies to all the "Executives" of the Company.
2. In addition, this Policy also extends to the remuneration of Non-Executive Directors, including principles of selection of the Independent Directors of the Company.
3. The Board of Directors has adopted the remuneration policy at the recommendation of the Nomination and Remuneration Committee. This Policy shall be valid for all employment agreements entered into after the approval of the Policy and for changes made to existing employment agreements thereafter.
4. In order to comply with local regulations, some entities and units within the Group may have remuneration policies and guidelines which shall apply in addition to the Group's Remuneration Policy.

The Board of Directors of the Company may deviate from this Policy, if there are explicit reasons to do so in an individual case. Deviations on elements of this Remuneration Policy in extraordinary circumstances, when deemed necessary in the interests of the Company, will be disclosed in the Annual Report or in case of an appointment, in good time prior to the appointment of the individual.

Purpose of the Remuneration Policy:

This Policy reflects the Company's objectives for good corporate governance as well as sustained and long-term value creation. This Policy will also help the Company to attain Board diversity and create a basis for succession planning. In addition, it is intended to ensure that—

1. the Company is able to attract, develop and retain high-performing and motivated Executives in a competitive market;
2. the Executives are offered a competitive and market aligned remuneration package, with fixed salaries being a significant remuneration component, as permissible under the Applicable Law;
3. remuneration of the Executives are aligned with the Company's business strategies, values, key priorities and goals and their performance.

Familiarization Programme for Independent Directors

The Company is required to conduct the Familiarization Programme for Independent Directors (IDs) in terms of Clause 49(II)(B)(7) of the Listing Agreement, to familiarize them about the Company and their roles, rights, responsibilities in the Company.

At the time of appointing a Director, a formal letter of appointment is given to him, which, inter alia, explains the role, function, duties and responsibilities expected of him as a Director of the Company.

The familiarization programme is stated in the Corporate Governance Report. The details of such familiarization programmes for Directors may be referred to, at the website of the Company at:

http://www.rupa.co.in/upload/media/policies/Familiarization_Programme_for_Independent_Directors.pdf

Stakeholders Relationship Committee

Details pertaining to constitution of the Stakeholders Relationship Committee of the Board of Directors of the Company and its Terms of Reference have been stated in the Corporate Governance Report.

Risk Management Policy

The Company has a Risk Management Policy under which risks of various departments have been identified and mitigated.

The specific objectives of the Risk Management Policy are to ensure that all the current and future material risk exposures of the Company will be identified, assessed, quantified, appropriately mitigated and managed, to establish a framework for the Company's risk management process.

Your Company's risk management framework emphasises on proper analysing and understanding of the underlying risks before undertaking any transactions. This enables a proper assessment of all risks and ensures that the transactions and processes conform to

DIRECTORS' REPORT (contd.)

your Company's risk appetite and regulatory requirements.

The Risk Management Policy is discussed at the meeting of the Board of Directors. The Management accepts the suggestions put forward by the Directors of the Company with regard to mitigation of risks that may arise in future.

Extract of the Annual Return

The extract of Annual Return as on the financial year ended March 31, 2015 in Form No. MGT-9 is annexed to the Board's Report and marked as 'Annexure - B'.

Material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the Financial Year of the Company to which the Financial Statement relate and the date of the report

There were no such material changes and commitments.

Details of significant and material orders passed by the regulators / courts / tribunals impacting the going concern status and the Company's operations in future

No such significant and material order have been passed by any regulator/ court/ tribunals against the Company.

Internal Control System and its adequacy

Your Company has an adequate system of internal control procedures which is commensurate with the size and nature of business. It is ensured that all the assets are safeguarded, protected against loss and all transactions are authorized, recorded and reported correctly. The internal control systems of the Company are monitored and evaluated and reviewed by the Audit Committee.

Your 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. In this regard, your Board confirms the following:

1. Systems have been laid to ensure that all transactions are executed in accordance with Management's general and specific authorization.
2. Systems and procedures exist to ensure that all transactions are recorded as necessary to permit preparation of Financial Statement in conformity with generally accepted accounting principles or any other criteria applicable to such statement, and to maintain accountability for aspects.
3. Access to assets is permitted only in accordance with Management's general and specific authorization. No assets of the Company are allowed to be used for personal purposes, except in accordance with terms of employment or except as specifically permitted.
4. The existing assets of the Company are verified/ checked at reasonable intervals and appropriate action is taken with respect to differences, if any.

The MD and CFO Certification provided in the MD and CFO Certification section of the Annual Report also certifies the adequacy of our internal control system and procedures.

Particulars of loans/ advances or investments outstanding during the financial year

No such occurrence had taken place during the year under review.

Deposits

Your Company has not accepted any deposit within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014 during the year ended March 31, 2015.

Particulars of loans/ guarantees or investments under Section 186

Your Company did not give any loans or guarantee or made any investments under Section 186 of the Companies Act, 2013.

Particulars of contracts or arrangements with related parties

All contracts / arrangements / transactions entered by the Company during the Financial Year with related parties were in the ordinary course of business and on an arms length basis and were reviewed by the Audit Committee of the Board. During the year, the Company

DIRECTORS' REPORT (contd.)

has not entered into any contract / arrangement / transaction with related parties which could be considered material in accordance with the Company's Policy on Materiality of Related Party Transactions. Accordingly, no transactions are being reported in Form No. AOC – 2 in terms of Section 134 of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014.

The policy on dealing with Related Party Transactions can be viewed at http://www.rupa.co.in/upload/media/policies/RPT_Policy.pdf

Corporate Governance

The report on Corporate Governance, in terms of Clause 49 of the Listing Agreement, is annexed and forms part of this Annual Report.

The Company has obtained a certificate from the auditors regarding compliance of conditions of corporate governance as stipulated in this clause and the same forms part of this Annual Report.

Declarations by Managing Director that the Board Members and Senior Management Personnel (SMP) have complied with the Code of Conduct forms part of this Annual Report.

Management Discussion and Analysis Report

The Management Discussion & Analysis Report forms part of this Annual Report.

Disclosures under Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013:

The Company is committed to provide a safe and conducive work environment to its employees and has formulated 'Policy for Prevention of Sexual Harassment' to prohibit, prevent or deter any acts of sexual harassment at workplace and to provide the procedure for the Redressal of complaints pertaining to sexual harassment, thereby providing a safe and healthy work environment.

There were no such incidence during the period under review.

Details of Voluntary Delisting

The Company got its shares delisted from The Calcutta Stock Exchange (CSE) and The Jaipur Stock Exchange Limited (JSEL) with effect from September 4, 2014 and July 6, 2014, respectively.

Conservation of energy, technology absorption, foreign exchange earnings and outgo

As required under Section 134 (3)(m) of the Companies Act, 2013 and the Rules made therein, the concerned details relating to energy conservation and technology absorption are given in Annexure, which forms part of this Board's Report and marked as 'Annexure - C'.

Foreign exchange earnings and outgo:

The Foreign Exchange earned in terms of actual inflows during the year was ₹ 230,859,010 and the Foreign Exchange outgo during the year in terms of actual outflows was ₹ 36,696,752.

Corporate Social Responsibility (CSR)

Terms of Reference:

The detailed Terms of Reference of the Corporate Social Responsibility Committee has been uploaded in the 'Investor/Corporate Governance/Board Committees' section of the corporate website of the Company, i.e., www.rupa.co.in.

Composition of the Committee:

Name of Member	Position	Category
Mr. P. R. Agarwala	Chairman	Executive & Non- Independent
Mr. K. B. Agarwal	Member	Executive & Non- Independent
Mr. Vinod Kumar Kothari	Member	Non-Executive & Independent

The composition of the Committee complies with the provision of Section 135 of the Companies Act, 2013.

DIRECTORS' REPORT (contd.)

Meeting Attendance:

During the financial year ended March 31, 2015, one (1) meeting of the Corporate Social Responsibility Committee was held on November 14, 2014.

The attendance at the Committee Meeting is as under:

Name of Member	Meetings held during the year and Attendance
	November 14, 2014
Mr. P. R. Agarwal	Present
Mr. K. B. Agarwal	Present
Mr. Vinod Kumar Kothari	Present

Disclosures as per Rule 9 of Companies (Corporate Social Responsibility Policy) Rules, 2014 have been annexed and forms part of this Board's Report and marked as 'Annexure - D'.

Directors' Responsibility Statement

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013:

- that in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures, if any;
- that such accounting policies as mentioned in Notes to the annual accounts have been selected and applied consistently and judgment and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2015 and of the profit of the Company for the year ended on that date;
- that proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities has been taken;
- that the annual accounts has been prepared on a going concern basis;
- that proper systems to ensure compliance with the provisions of all applicable laws are in place and that such systems were adequate and operating effectively; and
- that internal financial control to be followed by the Company are in place and that such internal financial controls are adequate and are operating effectively.

Acknowledgement

Your Directors would like to record their appreciation of the hard work and commitment of the Company's employees and warmly acknowledge all, for their help, cooperation and hard work with which the Company has been able to achieve the results.

Registered Office:
1, Ho Chi Minh Sarani,
Metro Tower, 8th Floor,
Kolkata - 700 071
Dated: May 21, 2015

By Order of the Board
For **RUPA & COMPANY LTD**

Sd/-
Prahlad Rai Agarwala
Chairman
DIN: 00847452

ANNEXURE TO THE DIRECTORS' REPORT

ANNEXURE - A

MR-3

SECRETARIAL AUDIT REPORT

FOR THE YEAR FROM APRIL 1, 2014 TO MARCH 31, 2015

[Pursuant to section 204(1) of the Companies Act, 2013 and rule no.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
Rupa & Company Limited
1, Ho Chi Minh Sarani,
Metro Tower, 8th Floor
Kolkata-700071

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the period covered by our audit, that is to say, from April 01, 2014 to March 31, 2015 (hereinafter referred to as "Audit Period"), complied with the statutory provisions listed hereunder and also that the Company has proper board-processes and compliance-mechanisms in place to the extent, in the manner and subject to the reporting made hereinafter:

We further report that compliance with applicable laws is the responsibility of the Company and our report constitutes an independent opinion. Our report is neither an assurance for future viability of the Company nor a confirmation of efficient management by the Company.

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 31st March, 2015 and as shown to us during our audit, according to the provisions of the following laws:

1. The Companies Act, 2013 (the "Act") and the rules made thereunder;
2. The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the rules made thereunder;
3. The Depositories Act, 1996 and the regulations and bye-laws framed thereunder;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act"):-
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
6. Laws specifically applicable to the industry to which the Company belongs, as identified by the management, that is to say:
 - a. Environment Protection Act, 1986
 - b. The Air (Prevention & Control of Pollution) Act, 1981
 - c. The Legal Metrology Act, 2009
 - d. Intellectual Property Acts
 - e. Consumer Protection Act, 1986

ANNEXURE TO THE DIRECTORS' REPORT (contd.)

The Company has further confirmed that during the Audit Period they have not contravened any of the provisions of the above specific laws and had obtained all the requisites registrations, permits and licenses.

We have also examined compliance with the applicable clauses of the Listing Agreements entered into by the Company with the stock exchanges.

During the Audit Period, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, etc. mentioned above subject to the following observations:

1. We understand that the Company is in the process of finalizing and adopting policy on related party transactions.
2. We have seen the statutory registers as maintained by the Company and are of the view that the same are under process of updating/maintaining in the new formats as required under the Act.
3. The major related party transactions are with both the wholly owned subsidiaries of the Company and for such transactions, the Company has taken shareholders' approval at the annual general meeting held on 11th September, 2014. The Board has revised the remuneration to be paid to the relatives of directors pursuant to Section 188 of the Act, 2013. Further, there is a new appointment pursuant to section 188. However, we have noted that the Audit Committee of the Company has also not given any specific approval for such transactions (instead, the Audit Committee has given the blanket approval in form of disclosure as required under AS 18) as required under section 178 of the Act, 2013.
4. We recommend that the non-audit services as being provided by the statutory auditors of the Company should be separately approved by the Audit Committee and the Board.

We further report that:

1. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the Audit Period were carried out in compliance with the provisions of the Act.
2. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent 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.
3. There are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

Procedure for monitoring and ensuring compliance with General Laws

We have been informed that a proper procedure has been laid down to monitor and ensure compliance with general laws. On perusal of the documents provided by the Company, we observed that the Company has a system of ensuring compliance with applicable laws. The Company Secretary of the Company also provides an internal compliance certificate which is placed in the Board Meetings.

We further report that during the Audit Period, the Company has not incurred any specific event/ action listed below that can have a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc., except as follows:

1. APPROVAL OF RESOLUTIONS PASSED UNDER SECTION 180 OF ACT

In supersession of all earlier resolutions passed so far by the Company, the members of the Company have, by way of passing a special resolution at their Annual General Meeting held on September 11, 2014, granted the power to borrow to the Board under section 180(1)(c) of the Act up to a limit of ₹ 500 crores, however, not exceeding the paid up and free reserves of the Company and the power to sell, lease or dispose of the whole or substantially the whole of the undertakings of the Company under section 180(1)(a) of the Act up to a limit of ₹ 500 crores.

Our Secretarial Audit Report for the financial year ended 31st March, 2015 of even date is to be read along with the annexure to this letter.

Thanking you,
For Nidhi Bagri & Company
(Company Secretary in practice)

Nidhi Bagri

Proprietor

ACS No. 24765

C.P.No. 9590

Date: May 19, 2015

Place: Kolkata

ANNEXURE TO THE DIRECTORS' REPORT (contd.)

ANNEXURE TO THE SECRETARIAL AUDIT REPORT

May 19, 2015

To,
The Members,
Rupa & Company Limited
1, Ho Chi Minh Sarani,
Metro Tower, 8th Floor
Kolkata-700071

Our Secretarial Audit Report for the financial year ended 31st March, 2015 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 the 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 correct facts are reflected in secretarial records. We believe that the processes and practices, 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. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulation and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. 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.

Thanking you,
For Nidhi Bagri & Company
(Company Secretary in practice)

Nidhi Bagri
Proprietor
ACS No. 24765
C.P.No. 9590

ANNEXURE TO THE DIRECTORS' REPORT (contd.)

ANNEXURE - B

MGT-9

EXTRACT OF ANNUAL RETURN

as on the Financial Year ended March 31, 2015

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

I) REGISTRATION AND OTHER DETAILS

1. **CIN:** L17299WB1985PLC038517
2. **Registration Date:** 06/02/1985
3. **Name of the Company:** M/s. Rupa & Company Ltd
4. **Category:** Company limited by shares
Sub-Category of the Company: Indian Non-Government Company
5. **Address of the Registered Office:**
Metro Tower, 8th Floor,
1, Ho Chi Minh Sarani,
Kolkata – 700 071
Contact Details:
Tel: +91 33 3057 3100
Fax: +91 33 2288 1363
E-mail: cs@rupa.co.in
6. **Whether listed company:** Yes
7. **Name of Registrar and Transfer Agent:** M/s. Maheshwari Datamatics Pvt. Ltd.
Address:
6, Mangoe Lane, 2nd Floor,
Kolkata – 700 001
Contact details:
Tel: +91 33 2243 5809
Fax: +91 33 2248 4787
E-mail: mdpldc@yahoo.com

II) PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the Business activities contributing 10 % or more of the total turnover of the Company are:

Sl.No	Name and Description main products / services	NIC Code of the product/ service	% to total of turnover of the Company
1	Manufacture of knitted apparel including hosiery	14309	96.21

ANNEXURE TO THE DIRECTORS' REPORT (contd.)

III) PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES AND JOINT VENTURES

Sl. No.	Name and address of the Company	CIN	Holding/ Subsidiary/ Associate Company/ Joint Venture	% of shares held	Applicable Section of Companies Act, 2013
1	NAME: Euro Fashion Inners International Private Limited ADDRESS: 102, VIP Plaza, 7 Veera Desai Industrial Estate Near Afcons Godown Off Link Road Andheri-W, Mumbai, Maharashtra - 400 053	U17120MH2005PTC152837	Subsidiary Company	99.99	2 (87)
2	NAME: Imoogi Fashions Private Limited ADDRESS: Metro Tower, 1, Ho Chi Minh Sarani, 8 th Floor, Kolkata, West Bengal - 700 071	U17120WB2010PTC140976	Subsidiary Company	99.99	2 (87)

IV) SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)

1. Category-wise Share Holding

Category of Shareholders	No of Shares held at the beginning of the year [As on 01-April-2014]				No of Shares held at the end of the year [As on 31-March-2015]				% change during the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	36265510	0	36265510	45.6029	36265510	0	36265510	45.6029	0.0000
b) Central Govt									
c) State Govt(s)									
d) Bodies Corp.	23320880	0	23320880	29.3254	23320880	0	23320880	29.3254	0.0000
e) Banks/FI									
f) Any other									
Sub-total (A)(1)	59586390	0	59586390	74.9283	59586390	0	59586390	74.9283	0.0000
(2) Foreign									
a) NRIs - Individuals									
b) Other - Individuals									
c) Bodies Corp.									
d) Banks/FI									
e) Any other									
Sub-total (A)(2)	0	0	0	0.0000	0	0	0	0.0000	0.0000
Total shareholding of Promoter (A)=(A)(1)+(A)(2)	59586390	0	59586390	74.9283	59586390	0	59586390	74.9283	0.0000

ANNEXURE TO THE DIRECTORS' REPORT (contd.)

Category of Shareholders	No of Shares held at the beginning of the year [As on 01-April-2014]				No of Shares held at the end of the year [As on 31-March-2015]				% change during the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	304000	0	304000	0.3823	0	0	0	0.0000	-100.0000
b) Banks/FI									
c) Central Govt									
d) State Govt(s)									
e) Venture Capital Funds									
f) Insurance Companies									
g) FIs									
h) Foreign Venture Capital Funds									
i) Others (specify)									
Sub-total(B)(1):-	304000	0	304000	0.3823	0	0	0	0.0000	-100.0000
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	18389273	25000	18414273	23.1555	18708286	25000	18733286	23.5566	1.7324
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	652138	372518	1024656	1.2885	673802	345468	1019270	1.2817	-0.5256
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	0	184170	184170	0.2316	0	184170	184170	0.2316	0.0000
c) Others (Specify)									
i) Non Resident Indians	1042	0	1042	0.0013	801	0	801	0.0010	-23.1286
ii) Qualified Foreign Investor									
iii) Custodian of Enemy Property									
iv) Foreign Nationals									
v) Clearing Members	10029	0	10029	0.0126	643	0	643	0.0008	-93.5886
vi) Trusts									
vii) Foreign Bodies-D R									
Sub-total(B)(2):-	19052482	581688	19634170	24.6895	19383532	554638	19938170	25.0717	-1.5483
Total Public Shareholding (B)=(B)(1)+ (B)(2)	19356482	581688	19938170	25.0718	19383532	554638	19938170	25.0717	0.0000
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)	78942872	581688	79524560	100.0000	78969922	554638	79524560	100.0000	0.0000

ANNEXURE TO THE DIRECTORS' REPORT (contd.)

2. Shareholding of Promoters

Sl. No.	Shareholder's Name/ PAN	Shareholding at the beginning of the Year			Shareholding at the end of the Year			% change in share holding during the Year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
1	RAJNISH ENTERPRISES LTD. / AABCR2642B	15821190	19.8947	0.0000	15821190	19.8947	0.0000	0.0000
2	Prahlad Rai Agarwala / ACMPA9021B	9021090	11.3438	0.0000	9021090	11.3438	0.0000	0.0000
3	Ghanshyam Prasad Agarwal / ADAPA6335M	7240910	9.1053	0.0000	7240910	9.1053	0.0000	0.0000
4	Kunj Bihari Agarwal / AFTP8749J	7201080	9.0552	0.0000	7201080	9.0552	0.0000	0.0000
5	PURVANCHAL LEASING LIMITED/ AACCP9719J	5807670	7.3030	0.0000	5807670	7.3030	0.0000	0.0000
6	Vikash Agarwal / ACJPA1804B	1755440	2.2074	0.0000	1755440	2.2074	0.0000	0.0000
7	Ravi Agarwal / ACWPA6155A	1742630	2.1913	0.0000	1742630	2.1913	0.0000	0.0000
8	SIDHANT CREDIT CAPITAL LTD. / AADCS6539G	1692020	2.1277	0.0000	1692020	2.1277	0.0000	0.0000
9	Rajnish Agarwal / ACSPA8482C	1243370	1.5635	0.0000	1243370	1.5635	0.0000	0.0000
10	Manish Agarwal / ACVPA7357F	1232550	1.5499	0.0000	1232550	1.5499	0.0000	0.0000
11	SURESH AGARWAL / ADAPA9705H	1066570	1.3412	0.0000	1066570	1.3412	0.0000	0.0000
12	Ramesh Agarwal / ADAPA4884F	1059230	1.3320	0.0000	1059230	1.3320	0.0000	0.0000
13	SHANTI DEVI AGARWAL / AFLPA8802J	776320	0.9762	0.0000	776320	0.9762	0.0000	0.0000
14	Mukesh Agarwal / ACWPA7562R	729550	0.9174	0.0000	729550	0.9174	0.0000	0.0000
15	K B & SONS - HUF / AACHK1664E	665330	0.8366	0.0000	665330	0.8366	0.0000	0.0000
16	Pushpa Devi Agarwal / ADAPA6336J	593920	0.7468	0.0000	593920	0.7468	0.0000	0.0000
17	LALITA DEVI AGARWAL / ACSPA0121A	346310	0.4355	0.0000	346310	0.4355	0.0000	0.0000
18	Seema Agarwal / ACDPA8842P	293640	0.3692	0.0000	293640	0.3692	0.0000	0.0000
19	MUKESH KUMAR AGARWAL - HUF / AAHHM1070K	282510	0.3552	0.0000	282510	0.3552	0.0000	0.0000

ANNEXURE TO THE DIRECTORS' REPORT (contd.)

Sl. No.	Shareholder's Name/ PAN	Shareholding at the beginning of the Year			Shareholding at the end of the Year			% change in share holding during the Year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
20	SUDHA AGARWAL / ACLPA7338N	274720	0.3455	0.0000	274720	0.3455	0.0000	0.0000
21	SEEMA AGARWAL / ACZPA0987D	220160	0.2768	0.0000	220160	0.2768	0.0000	0.0000
22	GHANSHYAM PRASAD MANISH KUMAR - HUF / AABHG4530N	185090	0.2327	0.0000	185090	0.2327	0.0000	0.0000
23	PRAHLAD RAI SURESH KUMAR - HUF / AAHFP6184H	151970	0.1911	0.0000	151970	0.1911	0.0000	0.0000
24	BAIJNATH AGARWAL / ACTPA4174A	97410	0.1225	0.0000	97410	0.1225	0.0000	0.0000
25	SARITA PATWARI / AFYPP8898J	52600	0.0661	0.0000	52600	0.0661	0.0000	0.0000
26	SURESH KUMAR AGARWAL - HUF / AAJHS4957H	13630	0.0171	0.0000	13630	0.0171	0.0000	0.0000
27	RAVI AGARWAL - HUF / AAFHR8653D	11690	0.0147	0.0000	11690	0.0147	0.0000	0.0000
28	SHALINI AGARWAL / ALAPS8142E	7790	0.0098	0.0000	7790	0.0098	0.0000	0.0000
	TOTAL	59586390	74.9283	0.0000	59586390	74.9283	0.0000	0.0000

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

SI No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	RAJNISH ENTERPRISES LTD./AABCR2642B				
	At the beginning of the year	15821190	19.8947	15821190	19.8947
	At the end of the year			15821190	19.8947
2	GHANSHYAM PRASAD MANISH KUMAR - HUF/AABHG4530N				
	At the beginning of the year	185090	0.2327	185090	0.2327
	At the end of the year			185090	0.2327
3	PURVANCHAL LEASING LIMITED/AACCP9719J				
	At the beginning of the year	5807670	7.3030	5807670	7.3030
	At the end of the year			5807670	7.3030
4	K B & SONS - HUF/AACHK1664E				
	At the beginning of the year	665330	0.8366	665330	0.8366
	At the end of the year			665330	0.8366

ANNEXURE TO THE DIRECTORS' REPORT (contd.)

SI No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
5	SIDHANT CREDIT CAPITAL LTD./ AADC56539G				
	At the beginning of the year	1692020	2.1277	1692020	2.1277
	At the end of the year			1692020	2.1277
6	RAVI AGARWAL - HUF/AAFHR8653D				
	At the beginning of the year	11690	0.0147	11690	0.0147
	At the end of the year			11690	0.0147
7	PRAHLAD RAI SURESH KUMAR - HUF/AAHFP6184H				
	At the beginning of the year	151970	0.1911	151970	0.1911
	At the end of the year			151970	0.1911
8	MUKESH KUMAR AGARWAL - HUF/AAHHM1070K				
	At the beginning of the year	282510	0.3552	282510	0.3552
	At the end of the year			282510	0.3552
9	SURESH KUMAR AGARWAL - HUF/AAJHS4957H				
	At the beginning of the year	13630	0.0171	13630	0.0171
	At the end of the year			13630	0.0171
10	Seema Agarwal/ACDPA8842P				
	At the beginning of the year	293640	0.3692	293640	0.3692
	At the end of the year			293640	0.3692
11	Vikash Agarwal/ACJPA1804B				
	At the beginning of the year	1755440	2.2074	1755440	2.2074
	At the end of the year			1755440	2.2074
12	SUDHA AGARWAL/ACLP7338N				
	At the beginning of the year	274720	0.3455	274720	0.3455
	At the end of the year			274720	0.3455
13	Prahlad Rai Agarwal/ACMPA9021B				
	At the beginning of the year	9021090	11.3438	9021090	11.3438
	At the end of the year			9021090	11.3438
14	LALITA DEVI AGARWAL/ACSPA0121A				
	At the beginning of the year	346310	0.4355	346310	0.4355
	At the end of the year			346310	0.4355
15	Rajnish Agarwal/ACSPA8482C				
	At the beginning of the year	1243370	1.5635	1243370	1.5635
	At the end of the year			1243370	1.5635

ANNEXURE TO THE DIRECTORS' REPORT (contd.)

SI No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
16	BAIJNATH AGARWAL/ACTPA4174A				
	At the beginning of the year	97410	0.1225	97410	0.1225
	At the end of the year			97410	0.1225
17	Manish Agarwal/ACVPA7357F				
	At the beginning of the year	1232550	1.5499	1232550	1.5499
	At the end of the year			1232550	1.5499
18	Ravi Agarwal/ACWPA6155A				
	At the beginning of the year	1742630	2.1913	1742630	2.1913
	At the end of the year			1742630	2.1913
19	Mukesh Agarwal/ACWPA7562R				
	At the beginning of the year	729550	0.9174	729550	0.9174
	At the end of the year			729550	0.9174
20	SEEMA AGARWAL/ACZPA0987D				
	At the beginning of the year	220160	0.2768	220160	0.2768
	At the end of the year			220160	0.2768
21	Ramesh Agarwal/ADAPA4884F				
	At the beginning of the year	1059230	1.3320	1059230	1.3320
	At the end of the year			1059230	1.3320
22	Ghanshyam Prasad Agarwal/ADAPA6335M				
	At the beginning of the year	7240910	9.1053	7240910	9.1053
	At the end of the year			7240910	9.1053
23	Pushpa Devi Agarwal/ADAPA6336J				
	At the beginning of the year	593920	0.7468	593920	0.7468
	At the end of the year			593920	0.7468
24	SURESH AGARWAL/ADAPA9705H				
	At the beginning of the year	1066570	1.3412	1066570	1.3412
	At the end of the year			1066570	1.3412
25	SHANTI DEVI AGARWAL/AFLPA8802J				
	At the beginning of the year	776320	0.9762	776320	0.9762
	At the end of the year			776320	0.9762
26	Kunj Bihari Agarwal/AFTPA8749J				
	At the beginning of the year	7201080	9.0552	7201080	9.0552
	At the end of the year			7201080	9.0552
27	SARITA PATWARI/AFYPP8898J				
	At the beginning of the year	52600	0.0661	52600	0.0661
	At the end of the year			52600	0.0661
28	SHALINI AGARWAL/ALAPS8142E				
	At the beginning of the year	7790	0.0098	7790	0.0098
	At the end of the year			7790	0.0098

ANNEXURE TO THE DIRECTORS' REPORT (contd.)

4. Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

SI No.	For each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	ANAND KUMAR DROLLIA/000004				
	At the beginning of the year	184170	0.2316	184170	0.2316
	the end of the year			184170	0.2316
2	MICROSEC CAPITAL LIMITED/AAACL6332R				
	At the beginning of the year	33657	0.0423	33657	0.0423
	As on 04/04/2014 - Transfer			49170	0.0618
	As on 11/04/2014 - Transfer			19282	0.0242
	As on 18/04/2014 - Transfer			13041	0.0164
	As on 25/04/2014 - Transfer			10414	0.0131
	As on 02/05/2014 - Transfer			10754	0.0135
	As on 09/05/2014 - Transfer			56155	0.0706
	As on 16/05/2014 - Transfer			58595	0.0737
	As on 23/05/2014 - Transfer			65349	0.0822
	As on 30/05/2014 - Transfer			60226	0.0757
	As on 06/06/2014 - Transfer			61266	0.0770
	As on 13/06/2014 - Transfer			45741	0.0575
	As on 20/06/2014 - Transfer			3386	0.0043
	As on 04/07/2014 - Transfer			8083	0.0102
	As on 11/07/2014 - Transfer			1000	0.0013
	As on 25/07/2014 - Transfer			2606	0.0033
	As on 01/08/2014 - Transfer			3487	0.0044
	As on 08/08/2014 - Transfer			104	0.0001
	As on 14/08/2014 - Transfer			1742	0.0022
	As on 29/08/2014 - Transfer			7339	0.0092
	As on 05/09/2014 - Transfer			67623	0.0850
	As on 12/09/2014 - Transfer			80337	0.1010
	As on 19/09/2014 - Transfer			26919	0.0338
	As on 30/09/2014 - Transfer			41491	0.0522
	As on 03/10/2014 - Transfer			76414	0.0961
	As on 10/10/2014 - Transfer			100433	0.1263
	As on 17/10/2014 - Transfer			106082	0.1334
	As on 24/10/2014 - Transfer			118864	0.1495
	As on 31/10/2014 - Transfer			122338	0.1538
	As on 07/11/2014 - Transfer			125891	0.1583
	As on 14/11/2014 - Transfer			28248	0.0355
	As on 21/11/2014 - Transfer			100	0.0001
	As on 28/11/2014 - Transfer			1776	0.0022
	As on 05/12/2014 - Transfer			5265	0.0066
	As on 12/12/2014 - Transfer			13555	0.0170
	As on 19/12/2014 - Transfer			33352	0.0419
	As on 31/12/2014 - Transfer			2725	0.0034
	As on 02/01/2015 - Transfer			3135	0.0039
	As on 09/01/2015 - Transfer			4406	0.0055
	As on 23/01/2015 - Transfer			3450	0.0043
	As on 13/02/2015 - Transfer			21981	0.0276

ANNEXURE TO THE DIRECTORS' REPORT (contd.)

Sl No.	For each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	As on 20/02/2015 - Transfer			27511	0.0346
	As on 20/03/2015 - Transfer			227	0.0003
	As on 27/03/2015 - Transfer			253	0.0003
	At the end of the year			18	0.0000
3	Microsec Resources Private Limited/ AABCG2396M				
	At the beginning of the year	221013	0.2779	221013	0.2779
	As on 11/04/2014 - Transfer			218513	0.2748
	As on 04/07/2014 - Transfer			210430	0.2646
	As on 25/07/2014 - Transfer			192297	0.2418
	As on 22/08/2014 - Transfer			172666	0.2171
	As on 05/09/2014 - Transfer			153035	0.1924
	As on 14/11/2014 - Transfer			145375	0.1828
	As on 21/11/2014 - Transfer			138952	0.1747
	As on 16/01/2015 - Transfer			129013	0.1622
	As on 23/01/2015 - Transfer			127567	0.1604
	As on 27/02/2015			0	
	At the end of the year			0	
4	Karuna Impex Enterprises Limited/ AABCK3172F				
	At the beginning of the year	8650000	10.8771	8650000	10.8771
	At the end of the year			8650000	10.8771
5	Lambodar Ferro Alloys Ltd./AABCL1801A				
	At the beginning of the year	2600000	3.2694	2600000	3.2694
	At the end of the year			2600000	3.2694
6	Fairmax Consultancy Services LLP/ AACFF4426B				
	At the beginning of the year	0		0	
	As on 11/04/2014 - Transfer			20418	0.0257
	As on 25/04/2014 - Transfer			30888	0.0388
	As on 02/05/2014 - Transfer			33677	0.0423
	As on 20/06/2014 - Transfer			79418	0.0999
	As on 21/11/2014 - Transfer			86375	0.1086
	As on 27/02/2015 - Transfer			213942	0.2690
	At the end of the year			213942	0.2690
7	Standard Textiles Private Limited/AECS1557R				
	At the beginning of the year	1846000	2.3213	1846000	2.3213
	At the end of the year			1846000	2.3213
8	Standard Credit Capital Private Limited/AECS1558A				
	At the beginning of the year	1830000	2.3012	1830000	2.3012

ANNEXURE TO THE DIRECTORS' REPORT (contd.)

SI No.	For each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	At the end of the year			1830000	2.3012
9	IDFC EQUITY OPPORTUNITY - SERIES 1/AAETS9556K				
	At the beginning of the year	304000	0.3823	304000	0.3823
	As on 29/08/2014 - Transfer			297972	0.3747
	As on 05/09/2014 - Transfer			218974	0.2754
	As on 12/09/2014 - Transfer			162232	0.2040
	As on 19/09/2014 - Transfer			117049	0.1472
	As on 30/09/2014 - Transfer			218974	0.2754
	As on 03/10/2014 - Transfer			18881	0.0237
	As on 10/10/2014			0	
	At the end of the year			0	
10	Nageshwar Advisory Services LLP/AAIFN1156A				
	At the beginning of the year	115391	0.1451	115391	0.1451
	As on 30/05/2014 - Transfer			125805	0.1582
	As on 21/11/2014 - Transfer			142173	0.1788
	As on 31/12/2014 - Transfer			175309	0.2204
	As on 16/01/2015 - Transfer			179715	0.2260
	As on 27/02/2015 - Transfer			183165	0.2303
	At the end of the year			183165	0.2303
11	Shri Krishna Creative Ideas LLP/ABSFS2097L				
	At the beginning of the year	3000000	3.7724	3000000	3.7724
	At the end of the year			3000000	3.7724
12	Sadachar Advisory Services LLP/ACGFS5624Q				
	At the beginning of the year	0		0	
	As on 18/04/2014 - Transfer			8718	0.0110
	As on 13/06/2014 - Transfer			24243	0.0305
	As on 30/06/2014 - Transfer			29551	0.0372
	As on 04/07/2014 - Transfer			30461	0.0383
	As on 18/07/2014 - Transfer			34184	0.0430
	As on 25/07/2014 - Transfer			35461	0.0446
	As on 01/08/2014 - Transfer			43437	0.0546
	As on 08/08/2014 - Transfer			46949	0.0590
	As on 22/08/2014 - Transfer			48691	0.0612
	As on 19/09/2014 - Transfer			129418	0.1627
	As on 30/09/2014 - Transfer			48691	0.0612
	As on 03/10/2014 - Transfer			156937	0.1973
	As on 14/11/2014 - Transfer			262807	0.3305
	As on 09/01/2015 - Transfer			262884	0.3306
	As on 16/01/2015 - Transfer			264299	0.3323
	As on 06/02/2015 - Transfer			265126	0.3334

ANNEXURE TO THE DIRECTORS' REPORT (contd.)

SI No.	For each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares	No. of shares	% of total shares of
	As on 27/02/2015 - Transfer			292461	0.3678
	At the end of the year			292461	0.3678
13	D A SRINIVAS/ACMPD3876D				
	At the beginning of the year	40000	0.0503	40000	0.0503
	At the end of the year			40000	0.0503
14	GAURAV DEEPAK/ADNPG0166B				
	At the beginning of the year	40249	0.0506	40249	0.0506
	As on 02/05/2014 - Transfer			30249	0.0380
	As on 09/05/2014			0	
	At the end of the year			0	

5. Shareholding of Directors and Key Managerial Personnel:

v) Shareholding of Directors and Key Managerial Personnel						
SI. No.	Name	Shareholding at the beginning [01/04/2014]/end of the year [31/03/2015]		Cumulative Shareholding during the year [01/04/2014 to 31/03/2015]		PAN
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company	
1	PRAHLAD RAI AGARWALA					ACMPA9021B
	01-04-2014	9021090	11.3438			
	31-03-2015	9021090	11.3438	9021090	11.3438	
2	DHARAM CHAND JAIN					ACTPJ7536K
	01-04-2014	40000	0.0503			
	31-03-2015	40000	0.0503	40000	0.0503	
3	MUKESH AGARWAL					ACWPA7562R
	01-04-2014	729550	0.9174			
	31-03-2015	729550	0.9174	729550	0.9174	
4	RAMESH AGARWAL					ADAPA4884F
	01-04-2014	1059230	1.3320			
	31-03-2015	1059230	1.3320	1059230	1.3320	
5	GHANSHYAM PRASAD AGARWALA					ADAPA6335M
	01-04-2014	7240910	9.1053			
	31-03-2015	7240910	9.1053	7240910	9.1053	
6	KUNJ BIHARI AGARWAL					AFTPA8749J
	01-04-2014	7201080	9.0552			
	31-03-2015	7201080	9.0552	7201080	9.0552	

ANNEXURE TO THE DIRECTORS' REPORT (contd.)

V) INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payments

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	1925431789	-	-	1925431789
ii) Interest due but not paid	4613991	-	-	4613991
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	1930045780	-	-	1930045780
Change in Indebtedness during the financial year				
• Addition	193473040	-	-	193473040
• Reduction				
Net Change	193473040	-	-	193473040
Indebtedness at the end of the financial year				
i) Principal Amount	2121414501	-	-	2121414501
ii) Interest due but not paid	2104319	-	-	2104319
iii) Interest accrued but not due	-	-	-	-
Total (i+ ii+ iii)	2123518820	-	-	2123518820

VI) REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(in ₹)

Sl. No.	Particulars of Remunerati on	Name of MD/WTD/ Manager					Total amount
		WTD Mr. Prahlad Rai Agarwala	WTD Mr. Ghanshyam Prasad Agarwala	MD Mr. Kunj Bihari Agarwal	WTD Mr. Ramesh Agarwal	WTD Mr. Mukesh Agarwal	
1.	Gross salary (in ₹)	103,38,464	84,14,309	87,51,095	63,00,000	63,00,000	4,01,03,868
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (in ₹)	96,00,000	78,00,000	78,00,000	63,00,000	63,00,000	3,78,00,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (in ₹)	7,38,464	6,14,309	9,51,095	-	-	23,03,868
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-	-	-
2.	Stock Option	-	-	-	-	-	-
3.	Sweat Equity	-	-	-	-	-	-
4.	Commission - as % of profit -others, specify	-	-	-	-	-	-
5.	Others, please specify	-	-	-	-	-	-
	Total (A) (in ₹)	103,38,464	84,14,309	87,51,095	63,00,000	63,00,000	4,01,03,868
	<i>Ceiling as per the Act</i>						

ANNEXURE TO THE DIRECTORS' REPORT (contd.)

2. Remuneration to other Directors:

Sl. No.	Particulars of Remuneration	Name of Directors							Total amount (in ₹)
		Dharam Chand Jain	Sushil Patwari	Vinod Kumar Kothari	R N Bhardwaj	Dipak Kumar Banerjee	Satya Brata Ganguly	Alka Devi Bangur	
	3. Independent Directors Fee for attending Board/ Committee Meetings (Sitting Fees) (in ₹)	2,90,000	4,65,000	4,90,000	3,30,000	4,60,000	3,80,000	2,70,000	26,85,000
	Total(1) (in ₹)	2,90,000	4,65,000	4,90,000	3,30,000	4,60,000	3,80,000	2,70,000	26,85,000
	4. Other Non-Executive Directors Fee for attending Board/ Committee Meetings Commission Others, please specify	-	-	-	-	-	-	-	-
	Total(2)	-	-	-	-	-	-	-	-
	Total(B)=(1+2) (in ₹)	2,90,000	4,65,000	4,90,000	3,30,000	4,60,000	3,80,000	2,70,000	26,85,000
	Total Managerial Remuneration (in ₹)								
	Overall Ceiling as per the Act								

3. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
		Chief Executive Officer (CEO)*	Company Secretary (CS)	Chief Financial Officer (CFO)	Total (in ₹)
1.	Gross salary (in ₹)	2,30,00,000	13,60,000	50,00,000	2,93,60,000
	Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961 (in ₹)	-	-	-	-
	Value of perquisites u/s 17(2) Income-tax Act, 1961 (in ₹)	-	-	-	-
	Profits in lieu of salary under Section 17(3) Income Tax Act, 1961 (in ₹)	-	-	-	-
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission - as % of profit - Others, specify.	-	-	-	-
5.	Others, please specify	-	-	-	-
	Total (in ₹)	2,30,00,000	13,60,000	50,00,000	2,93,60,000

* Resigned on 02/01/2015.

ANNEXURE TO THE DIRECTORS' REPORT (contd.)

VII) PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority [RD / NCLT/COURT]	Appeal made, if any
Penalty	N.A.	N.A.	N.A.	N.A.	N.A.
Punishment	N.A.	N.A.	N.A.	N.A.	N.A.
Compounding	N.A.	N.A.	N.A.	N.A.	N.A.
C. Other officers in default					
Penalty	N.A.	N.A.	N.A.	N.A.	N.A.
Punishment	N.A.	N.A.	N.A.	N.A.	N.A.
Compounding	N.A.	N.A.	N.A.	N.A.	N.A.

ANNEXURE TO THE DIRECTORS' REPORT (contd.)

ANNEXURE - C

CONSERVATION OF ENERGY AND TECHNOLOGY

[Pursuant to Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014]

A) Conservation of Energy:

- (i) The steps taken or impact on conservation of energy:
 - (a) We have installed a Heat Recycling System whereby the heat from the discharged affluent is trapped and used for heating of normal water from 30 to 65 degrees without using any extra energy.
 - (b) Condensed water from the steam is recycled to heat water, thereby, saving energy.
- (ii) The steps taken by the Company for utilizing alternate sources of energy: Instead of furnace oil, diesel or wood you Company uses paddy husk as fuel for the boiler. This reduces the carbon footprint considerably and is considered to be green fuel.
- (iii) The capital investment on energy conservation equipments: ₹ 45,00,000

B) Technology Absorption:

- (i) The efforts made towards technology absorption: Your Company has always been aware of the latest technological developments and adapted them to make products more cost effective and to attain high levels of quality.
- (ii) The benefits derived through use of the machines:
 - (a) By using new technology, your Company is being able to get more accuracy in cutting fabrics, resulting in huge savings of fabrics, thus, leading to reduced consumption. At the same time it also helps the Company to reduce the number of days of Work in Progress. Also, there is an improvement in the quality.
- (iii) In case of imported technology [imported during the last three (3) years reckoned from the beginning of the financial year]:
 - (a) The details of technology imported:

Your Company has imported machines with the latest and updated technology. Five (5) Cutting machines have been imported- two (2) from Morgan Tecnica SPA, Italy and three (3) from Bierrebi Italia SRL, Italy.
 - (b) The year of import: 2012-13 and 2013-14.
 - (c) Whether technology has been fully absorbed: Yes
- (iv) The expenditure incurred on Research and Development: Nil.

ANNEXURE TO THE DIRECTORS' REPORT (contd.)

ANNEXURE - D

CORPORATE SOCIAL RESPONSIBILITY (CSR) REPORTING

[Pursuant to clause (o) of sub-Section (3) of Section 134 of the Act and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014]

I. A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.

Rupa & Company Ltd (the "Company") operates with a strong belief that giving back to the society and contributing towards its sustainable development is every organizations responsibility. The Company and its people are committed to society, ecology and environment. Company also realizes that caring for the society, country and the planet is not philanthropy or generosity— *it is the very way of doing sustainable business.*

CSR Committee's Vision is "improving lives in pursuit of collective development and environmental sustainability." This vision should encompass all CSR activities of the Company. The objective is not only to guide the Company and its people to indulge in social activities but also to integrate the business processes with social processes. The Company believes that CSR Policy is the Company's faith in socially inclusive and sustainable business as the way of doing business.

The company has contributed towards ISKCON Food Relief Foundation operated project "Annamitra" for facilitating the mid-day meal for 600 under privileged children. In Order to serve the Society, the Group has also forayed into education by setting up the Sobhasaria Engineering College in Sikar, Rajasthan.

The CSR Policy of the Company is also available on the website of the Company at <http://www.rupa.co.in/company/CSR/1/0/93/>

II. Average net profit of the Company for last three (3) financial years: ₹ 825,813,269

III. Prescribed CSR Expenditure (two per cent of the amount as in item II above): ₹ 16,516,265

IV. Details of CSR spent during the financial year:

- i) Total amount to be spent for the financial year: ₹ 16,516,265
- ii) Amount unspent: ₹ 4,055,265
- iii) Manner in which the amount spent during the financial year is detailed below:

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sl. No.	CSR Project or activity identified	Sector in which the project is covered	Projects or programs, Local area or other, Specify the state and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise (in ₹)	Amount spent on the projects or programs Sub heads 1. Direct expenditure on projects or programs 2. Overheads (in ₹)	Cumulative expenditure up to the reporting period (in ₹)	Amount spent: Direct or through implementing agency
1.	Activity as prescribed under Schedule VII (i) of the Companies Act, 2013	Sanitation- construction of toilets	State of Gujarat	916265	23,21,000	23,21,000	Spent through M R Naik Construction - ₹ 9,02,000 and G K Construction- ₹ 14.19.000
2.	Activity as prescribed under Schedule VII (i) of the Companies Act, 2013	Eradicating poverty	State of Maharashtra	10,00,000	5,40,000	5,40,000	₹ 5,40,000 Spent through ISKCON Food Relief Foundation
3.	Activity as prescribed under Schedule VII (ii) of the Companies Act, 2013	Promoting education of tribal people	State of West Bengal	15,00,000	5,00,000	5,00,000	₹ 5,00,000 spent through Help Us Help Them

ANNEXURE TO THE DIRECTORS' REPORT (contd.)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sl. No.	CSR Project or activity identified	Sector in which the project is covered	Projects or programs, Local area or other, Specify the state and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise (in ₹)	Amount spent on the projects or programs Sub heads 1. Direct expenditure on projects or programs 2. Overheads (in ₹)	Cumulative expenditure up to the reporting period (in ₹)	Amount spent: Direct or through implementing agency
4.	Activity as prescribed under Schedule VII (viii) of the Companies Act, 2013	Prime Minister's National Relief Fund	-	41,00,000	41,00,000	41,00,000	₹ 41,00,000 contributed to Prime Minister's National relief Fund
5.	Activity as prescribed under Schedule VII (i) of the Companies Act, 2013	Promoting health care by providing clean drinking water	State of West Bengal	70,00,000	50,00,000	50,00,000	₹ 50,00,000 spent through Rupa Foundation

Details of implementing Agency:

1. *M R Naik Construction and G K Construction: is a partnership firm engaged in construction business located at Navsari district in Gujarat. These constructors were assigned with the project of constructing toilets at various villages in the State of Gujarat.*
2. *ISKCON Food Relief Foundation: is a non-profit, non-religious, non-sectarian public charitable trust formed and registered under the Bombay Public Trusts Act, 1950. It believes in providing children with the right nutrition to support their education. Presently it caters over 12,00,000 meals everyday from our 20 kitchen centers across 8 states*
3. *Help Us Help Them: is a non-profit organization working directly with underprivileged children catering to their needs of education and overall development.*
4. *Rupa Foundation: is a trust located in Kolkata and engaged in areas like education and health care.*

V. The reasons for not spending two (2) per cent of the average net profit of the last three (3) financial years or any part thereof:

During the financial year 2014-15, the Company has spent ₹ 12,461,000 towards CSR which is less than 2% of the average net profit of last three (3) financial years. In response to the same your Company would like to submit that your Company has been extending support to the society by way of various CSR activities long before this activity became mandatory under the Companies Act, 2013 ('Act'). However, this is the first year in which the Company is to bring its CSR activities within the ambit of Section 135 of the Act. The process of clubbing and identifying activities for the purpose of complying with Section 135 of the Act has delayed the CSR spend towards the year end and hence, the Company could not reach the mandatory threshold spending of 2% towards the year end. But the management is optimistic that for the years to come your Company will comply with the benchmark limit of 2% thereby making a positive impact on the society.

VI. Responsibility Statement:

The Responsibility Statement of the CSR Committee of the Board is reproduced below:

'CSR Committee confirms that the implementation and monitoring of CSR Policy is in line with the CSR Objectives and Policy of the Company.'

Sd/-

Kunj Bihari Agarwal
(Managing Director)

Sd/-

Prahlad Rai Agarwala
(Chairman CSR Committee)

May 21, 2015

MANAGEMENT DISCUSSION & ANALYSIS

Economic Overview

World

In 2014-15, global growth remained in low gear. The drivers of economic activity are changing and downside risks persist. China and a growing number of emerging market economies are coming off cyclical peaks. Their growth rates are projected to remain much above those of the advanced economies but below the elevated levels seen in recent years, for both cyclical and structural reasons.

The United States had seen several quarters of solid private demand. Although public sector demand has been pushing in the opposite direction, this counterforce had diminished in 2014, setting the stage for higher growth. Japan's economy is enjoying a vigorous rebound but was tapered in 2014 due to tightening of fiscal policy. The Euro area is crawling out of recession, but activity stayed tepid. In these three advanced economies, much slack remains and inflation pressure is expected to stay subdued.

These changing growth dynamics raise new policy challenges and policy spill-over may pose greater concern. Two recent developments will likely shape the path of the global economy in the near term. First, markets are increasingly convinced that U.S. monetary policy is reaching a turning point. Talk by the Federal Reserve about tapering its quantitative easing measures led to an unexpectedly large increase in long-term yields in the United States and many other economies, much of which has not been reversed despite a subsequent decision by the Federal Reserve to maintain the amount of asset purchases and policy actions in other countries. Second, there is strengthening conviction that China will grow more slowly over the medium term than in the recent past.

India

With 'Make in India' initiative adopted by the Government of India, the Indian economy in 2014-15 has emerged as one of the largest economies with a promising economic outlook on the back of controlled inflation, rise in domestic demand, increase in investments, decline in oil prices and reforms among others.

Exports in 2014-15 recorded a growth of just 0.9 per cent as compared to 7.3 per cent in 2013-14. Imports, on the other hand, increased from -8.4 percent in 2013-14 to -0.5 per cent in 2014-15, primarily due to the sharp decline in international oil prices in the current year that compressed the oil import bill.

Average retail inflation, measured by Consumer Price Index (CPI), moderated to 6.3 per cent in 2014-15 (April-December) from 9.5 per cent in 2013-14.

During the year, the macroeconomic situation in India has improved significantly. Also, acceleration in services and manufacturing growth in the face of subdued global demand conditions point to the strengthening of domestic demand.

In the light of the government's commitment to reforms, the outlook for domestic macroeconomic parameters is generally optimistic and a growth of around 8.5 per cent is in the realm of possibility in 2015-16.

Indian Innerwear Market

The Indian Textile and Apparel (T&A) industry has emerged from the economic slowdown and is regaining momentum. T&A, being an important industry, contributes 5.4 percent of India's GDP. It was worth US\$ 95 billion (₹5, 21, 000 crores) in 2013 and is estimated to grow at a promising Compound Annual Growth Rate (CAGR) of 9 per cent in the coming 10 years. This includes both the domestic market and exports. The value of the domestic T&A market is US\$ 59 billion (₹37,51,000 crores) which exceeds the value of the exports market, reflecting higher domestic demand and consumption. Shifting demographics, shrinking households, a greater number of educated consumers, the growing number of working women, changing fashion trends, rising disposable incomes, awareness levels, new retail formats, technological innovations and changing consumer behavior are the trends fuelling the growth of the domestic market. The apparel sector comprises 70 per cent of the total domestic market, which in turn becomes the result of an increase in the per capita consumption by Indian consumers.

Innerwear as a Promising Segment

Among the core apparel categories, innerwear appears to be a potential growth category across all segments. With rising incomes, higher discretionary spending, greater number of working women and growing fashion consciousness, the innerwear segment is expected to continue to progress. The Indian innerwear is estimated to grow at 13 per cent to reach ₹59,540 crores by 2023. The innerwear market has traditionally been largely unorganized, although in the past few years, the organized innerwear segment has shown promising growth in both men's and women's categories.

MANAGEMENT DISCUSSION & ANALYSIS (contd.)

Until the pre-1970 era, innerwear was viewed as an essential 'commodity' with no focus from any retailer. The market was highly fragmented and was dominated by local and unorganized brands. Since the 1970s, governmental restrictions dissuaded foreign tie-ups, but many Indian brands got launched successfully. Unorganized Multiple Brand Outlets (MBOs) dominated the innerwear market until the 1990s, after which there was an influx of Indian and foreign brands. Organized brands came up and there was a gradual increase in the demand for them. Between 2000 and 2008 premium international brands started foraying into the Indian market. Indian brands showcased new designs and styles to woo the new age Indian women. The focus was mainly on the width of the product range. Men's and women's innerwear began to be sold through a variety of retail formats such as Exclusive Brand Outlets (EBOs), Departmental Stores and Large Format Stores (LFS).

Although MBOs selling innerwear alone are still considered to be the most significant retail format for this category, women are becoming comfortable with walking into EBOs for purchasing innerwear. Organized EBOs and Departmental Stores cater primarily to urban consumers in major cities while, in the smaller cities, neighborhood stores are preferred for the purchase of innerwear. LFS, with their shop-in-shop concept, have carved a niche by showcasing the entire product range. They help in differentiating the brand from key competitors.

Since 2008, there has been greater focus within EBOs on assisting customers with selecting the right styles and sizes through employing trained staff. Online retailing is also gaining momentum, with premium brands pioneering. There is now greater emphasis on customer service and experience; however, product depth is still an issue.

This growth and change is primarily due to increased exposure, media presence, influx of both domestic and international western wear brands, and the increase in the number of working women. The growth of the innerwear category is primarily centered in urban India with 38 per cent of the market spread across the top cities comprising metros, mini metros, tier-I and -II cities.

On the basis of consumers' attitude towards innerwear products and their buying behavior, they can be segregated into the following four core groups:

- The first group comprises of men and women employed in high-paying jobs, earning high disposable incomes, having high aspirations, seeking only branded innerwear;
- The second group also consists of consumers with well-paying jobs, but these consumers assess value along various parameters of which price is just one; others are convenience of purchase, easy availability, style, quality, etc. Again, these consumers do not have any issue with paying a premium for innerwear products of a particular brand as long as the quality is assured;
- The third group includes consumers from mostly tier-I, -II and -III cities having high aspirations and eager to have a metro-like lifestyle. They are open to experimenting through purchase of aspiring brands;
- The last group of consumers consists of men and women who have low disposable incomes but have big dreams and aspirations. They have cautious buying patterns and value price over brands. For them comfort, price and quality are most crucial while purchasing innerwear.

The women's innerwear market, which is driven by value-added innerwear products, contributes around 60 per cent to the market. This market is worth ₹10,880 crores, and is growing at a promising CAGR of 15 per cent. The growing number of working women and the increased share of western wear in their wardrobe have propelled this growth. Further, with the increase in exposure, there is an increased demand for better fits and quality alongside the demand for a wider range of colors, styles and accessories.

Western wear usually encompasses specialized innerwear, which the branded players can provide for the most part. Brand consciousness is no more restricted to external apparel. Among women's innerwear brands, strong single brands emerge for bottoms and heritage innerwear brands are preferred for bras.

Women are increasingly getting conscious about the brands and styles of their intimate wear. In fact, this changing preference is no longer restricted to just the metros, but has spread to mini metros, tier-I, -II and -III cities. This openness to indulge in branded lingerie has led to a growth in the number of international and domestic innerwear brands present in India.

Women tend to exhibit a strong comfort factor in buying lingerie from regular unorganized local stores, predominantly due to price, but departmental stores are also very popular as they provide range and product displays and also have trial rooms. Exclusive brand stores are explored when looking for depth in styles and variety in colors. Even though there is an increase in the purchase frequency and average spends on innerwear, this category is predominantly a 'planned purchase' or an 'occasion-based purchase' category, especially among women, who tend to purchase and even splurge around such occasions as weddings, anniversaries, holidays etc. However,

MANAGEMENT DISCUSSION & ANALYSIS (contd.)

promotions and offers tend to induce impulse purchases. Again, experimentation in terms of styles is most often done when buying for special occasions; for daily wear, known styles and brands are preferred.

On the basis of product pricing, the innerwear market is further divided into super-premium, premium, medium, and economy segments. Due to the increased awareness, the increase in number of brands, and rising discretionary spending, all segments have registered growth. Foreign brands have brought in variety through international styles and fabrics. Indian women are also willing to spend higher-than-before amounts on innerwear. This has provided an exponential boost to premium and super-premium innerwear brands. Mid-segment brands have started extending their product portfolios. In women's innerwear, the mid-premium segment makes up 52 per cent of the market and is expected to grow the fastest, at a CAGR of 22 per cent over the next 5 years.

Within the women's innerwear segment, there is potential growth in maternity wear segment. Currently only select brands, mostly international ones, offer multiple styles of maternity products. Most other brands offer only one or two styles in this category.

The men's innerwear market is pegged at ₹6,870 crores and is growing at 9 per cent. Even in this segment various domestic and international brands can be found. Various apparel brands and retailers have extended their product portfolios to men's innerwear segment to leverage its growth. Apparel players predominantly focusing on active wear, casual wear and even formal wear have launched dedicated sub-brands in men's innerwear. Even so, consumers largely prefer, due to their stronger association with, dedicated innerwear players. The various sub-categories of men's innerwear available widely and in most brands include vests, briefs or boxers, basic t-shirts, shorts, pyjamas, sleep wear and active wear. Consumers mostly purchase branded vests and briefs or boxers, which are the largest category with offerings from most leading innerwear brands.

Similar to the segments in the women's innerwear market, men's innerwear can also be divided into super-premium, premium, medium, and economy segments. Unlike women's segment, however, within men's innerwear, the economy segment is the highest contributor at 55 per cent. The mid-price segment contributes 36 per cent and the premium and super-premium segments together constitute 14 per cent. It is expected that the premium and mid-price segments will grow fastest, and exponentially, in the next few years. This is largely due to consumers becoming more informed. They seek high fashion quotient along with comfort, hygiene, brand image and smart prices.

Youth residing in metros and mini metros engage mostly with premium brands. It emerges that keenness to show off the brands, coupled with a desire to look good, is a significantly strong attribute in the choice of innerwear products and sub-categories. A high fashion quotient within the product range helps increase the brand's image and engage consumers. This is usually achieved by incorporating a variety of colors, prints and designs. Most premium value brands add new products to their range of offerings at regular time intervals. This way, consumers find something new in their chosen brand each time they shop. Regular product innovation helps these brands engage their target customers and not switch brands.

Whereas consumers residing in tier -I, -II and -III cities are not necessarily fond of premium brands alone, they straddle all segments including the mass segment. Premium brands are still an aspiration for these consumers. For them, price, comfort and easy availability forms the basis of purchase. Neither the brand nor its image has, as yet, played a vital role in the purchase decision.

Most innerwear brands, across both men's and women's segments, are gradually expanding their product portfolios. Across consumer segments, it also emerges that products are associated with varying activities packed in the day, viz. lounging at home; outdoor lifestyle activities, etc. Active wear and sleep wear are perceived to be the natural avenues for growth. A merchandise mix of innerwear with such other product categories as active wear and sleep wear is currently not being offered to Indian consumers.

Products within active wear, such as sports bras, running shorts and tops, track pants, jackets, gym bottoms, socks, etc. are not widely available, although consumers' demand is increasing. A limited range is available at intimate wear stores as the focus there is on innerwear alone. Despite women increasingly indulging in active lifestyle activities, most products tend to get segmented under comfort wear. Women are aware that different types of fitness activities require different attire. For casual fitness activities such as walking and jogging, they are not very specific about the attire. But for serious activities like gym and yoga, they prefer to put on specific sportswear. This is explained by the limited offerings in the women's active wear category. Even traditional sportswear brands have very limited offerings for women and the untapped opportunity can be cashed in on by brands and retailers.

Foreign brands dominate this category and along with private labels, are available in major cities through departmental stores, for the most part. These stores offer greater variety, but the most diverse range is still seen at sportswear stores. Traditionally, a few strong Indian brands and manufacturers provided the variety within this category, until the previous decade. Foreign sportswear brands created visibility through a strong distribution network, even into tier -II and -III cities via EBOs, organized MBOs, Departmental Stores and unorganized stores. Indian brands continue to be available mainly through the unorganized route. Smaller local and regional players have greater presence through unorganized stores, in regions closer to the manufacturing units.

MANAGEMENT DISCUSSION & ANALYSIS (contd.)

Further, within the sleepwear category for women, the core sub-products are chemise, pyjamas sets, short length and long robes, tube dresses, nightgowns and nightshirts. Married women and single women staying with their families tend to wear more conservative nightwear such as top-pyjama night suits, full-length night gowns etc. Sleepwear constitutes a fairly significant part of all lingerie outlets, with lower product width and depth compared to intimate wear. In comparison, for men its shorts, t-shirts and pyjamas that form the core product range. In this category, consumers are not very brand-driven but are design-, style- and comfort-driven.

Indian and foreign brands, as well as private labels, are available in metros and mini metros through Department Stores and EBOs. Local, smaller players display a retail presence similar to that for active wear, with product availability concentrated regionally. Departmental Stores enjoy a good standing with customers; however, it is the local unorganized stores which are most popular for this category. Within the men's innerwear segment, there are limited players which cater to all segments.

Within the kid's inner wear space, innerwear is primarily unorganized and features strong regional players. Only some brands have more than a few styles to offer for boys and girls. Although some brands offer teen's innerwear (especially teen's bras) there is again only limited product range. Local MBOs and the private labels of Departmental Stores are the main points-of-purchase for kid's innerwear. Briefs and vests in packs of 3-4 with cartoon characters tend to be highly popular among kids.

On the supply side, most national, foreign and regional brands have a similar distribution model. Most of them have multiple distributors in each city who handle individual, retailers and regions. Thus, there is no stress about handling extremely large volumes or restricted distributor growth and distributors can offer better services as well. Brands do conduct regular distributor meets where they showcase their complete product range and where selections can be made and orders booked. Brands also provide good distributor incentives like foreign trip packages, electronic items, etc. Distributors remain motivated by these to walk an extra mile and in return increase sales and profitability. Some brands have their own warehouse and no distributors. They cater directly to MBOs and LFS. This model is usually suitable for the premium product range with small volumes. Here, the margins are higher as there are no intermediaries.

Brands in this space also tend to have higher marketing budgets. Apart from trade promotions and meetings, they usually have dedicated marketing plans and teams. Most brands use multiple formats for marketing and promotions. From celebrity endorsements to using print media and other mass media, all formats are employed in order to capture the young Indian consumers' attention. Brands need to engage and build an association with consumers through a complete, 360-degree marketing strategy.

Innerwear has moved out of the 'basic necessity' bracket and is now associated with a 'feel good' factor. Indian consumers have come out of the shyness cocoon and are willing to experiment with new varieties, styles, colors and brands. This growth in demand has carved out a potential market for innerwear in India. As women's innerwear is expected to grow faster, brands should widen their share thereof. They also have to vary their product offerings and heighten the fashion quotient. Existing brands have the opportunity of expanding beyond just innerwear. Active wear, comfort wear and sleep wear are some natural extensions and promising categories.

Changing trends in Apparel Market

Indian consumers have become more fashion conscious and want to change or upgrade their wardrobe more frequently. For instance, casual apparel is referred more nowadays. Consumers now demand apparel with better designs and a trendier look at an affordable price and reasonably good quality. Therefore, the demand for knit apparel is growing faster than that for woven apparel owing to the casual look and comfort provided by knit apparel.

There has been an increase in the purchasing power and purchase frequency among Indian apparel consumers. They now prefer occasion-based dressing, want to look trendy and visually appealing and are willing to accept fashionable silhouettes and styles in attractive colors. They do not hesitate in buying clothes which catch their attention, thus, displaying an impulsive buying behavior. There is, as a result, an increased demand for latest fashion.

Trousers, denims, woven shirts, innerwear, active wear, t-shirts, suits, winter wear, ethnic wear and daily wear are the core categories in the men's apparel segment. The shirts category is pegged at ₹28,330 crores and is the largest, with trousers and denims following. Categories like denim, active wear, innerwear and t-shirts have high growth forecast within the menswear segment with CAGRs of 14 per cent, 13 per cent, 9 per cent and 12 per cent, respectively, over the next ten years.

Indian men today are comprised mainly by youth who prefer occasion-specific clothing. They want to dress in active wear while playing sports or going to the gym; in formal wear, which comprises of shirts, trousers, and suits, at the office; ethnic wear during marriages, festivals and social functions; in casuals in the evening; and in sleepwear at night. They want to look good yet different in terms of what they wear and therefore, want to try different styles, silhouettes, and colors. There is a trend towards casual wear leading to an increased preference for denim bottoms and t-shirts among Indian men. Comfort and trendy look are the two most important factors behind this rise in preference.

MANAGEMENT DISCUSSION & ANALYSIS (contd.)

Indian men have also shown an inclination towards purchasing innerwear, leading to a steady growth in this segment. Men are now displaying the waistband of their innerwear above their low-waist trousers as this is considered a fashion statement. Men no longer mind paying a high price for innerwear. Various styles and a variety of brands are now available in this promising segment.

Ethnic wear, tops, shirts, trousers, skirts, innerwear, winter wear, sleep wear, denim and t-shirts are the core categories within the women's apparel segment. Apparel categories like denim, innerwear, tops or shirts and t-shirts have come to be preferred over the ethnic wear category, each promising growth at a CAGR of 15 per cent.

Capabilities

- Rupa has a daily capacity to produce over 700,000 pieces of finished goods;
- Rupa products are made from the finest yarns;
- Rupa uses imported technology for dyeing and bleaching to maintain competitive quality standards;
- Rupa invests in considerable research to produce environment friendly clothes and minimize carbon footprints.

Milestones

- Launched Thermocot, the first branded winter wear in India;
- Won the T-excellence Award for Best Winter for Best Knitwear Brand, 2003-04;
- Pioneered the printing of the brand name in front of the vest. This made the logo a design element to be flaunted;
- One of the earliest brands to introduce celebrity endorsement creating huge impact and recall value;
- Acclaimed by the Limca Book of Records as the largest hosiery and innerwear manufacturing and marketing company in India, for ten consecutive years.
- First Indian innerwear manufacturer to become a license of SUPIMA, the premier organization of American Pima Cotton growers. Rupa-Frontline AIR is the first vest in India to be made of 100% American Pima Cotton, one of the most exclusive and luxurious natural yarns in the World.
- First Indian company to launch bacteria-resistant briefs under its exclusive Euro brands.

Brand baskets

Your Company is well positioned to cater to the market needs through its basket of brands ranging from economy to super premium. Rupa, Frontline, Jon, Air, Macroman, Macroman M'Series, Euro, Bumchums, Thermocot, Femmora and Imoogi are the major brands of the Company. The total Stock Keeping Units (SKU) stands to 6000 across different brand verticals.

The presence of your Company in both, apparel and innerwear segment, helps it to harmonize its growth, comprising of contribution from both, Urban and Rural market.

Customers' response towards brands, like, Femmora, Imoogi and Euro is encouraging and the Company is rapidly capturing market share. The Company with its unparallel reach and distribution network has already been a market leader in the innerwear segment and with a slew of product launches in the premium and super premium segment, the Company has further moved up in the value chain.

Your Company also exports its products to Africa and other Asian Countries.

Strengths

- Your company has a focused approach on growth and margin improvement, which aids in creating increased value for its stakeholders;
- Usage of cost efficient manufacturing model has lead to higher returns;
- Your Company's premium products and value addition helps in growing consistently and improving EBIDTA and PAT margin;
- In-house brands with more than 100 registered trademarks across segment, with no royalty payments, have strengthened the gross margin of your Company;
- Your Company is the first innerwear manufacturer to become a licensee of SUPIMA (premier American Prima Cotton growers) in India;
- Your Company focuses on design and product development through:

MANAGEMENT DISCUSSION & ANALYSIS (contd.)

- Continuous investments in product designing and innovation;
 - Control over procurement and handling of raw materials; and
 - Its own logistics and supply chain set up for strong control of inventory.
- Your Company has state of the art dyeing, bleaching and knitting facilities across West Bengal, Tamil Nadu and Delhi;
 - Your Company has outsourced stitching and 50% of its knitting requirements, which in turn has lead to cost efficiency in manufacturing process.

Opportunities

- For the apparel industry in general and our market in particular, more organized retail market and better consumer retail experience will lead to opportunity creation;
- Increasing fashion consciousness and consumers becoming more aspirational, discerning and brand savvy will boost up demands and thus, an opportunity for the Company to grow;
- The factors determining consumption such as, education, occupation, urbanization, rise in nuclear families will lead to creation of opportunities;
- Increasing urban women population and women corporate workforce creates an impact on the demand, thus, generating new prospects;
- Higher disposable income lead and increasing requirements of consumers have opened up new avenues for the Company;
- Increasing demand for kids products have enhanced the Company's opportunities in that range;
- With the increased opportunities and expansion in the online business platform due to preference of consumers to buy products online over other modes of purchasing things and seeing the advantages of online retail the company is trying to cope up with the increased opportunities in online retail business by expanding its online retail market.

Threats

Realizing that the Indian market is likely to emerge as one of the largest markets in the world in the next few decades, many major international apparel brands have commenced operations in India, thus, giving cut-throat competition to the Textile Industry.

Risk and Concern

Cotton yarn and fabric accounts for 70% of the total raw material cost. The inability of your Company to mitigate the impact of the increase in raw material prices will have an adverse impact on the Company's profitability. Also, too many price hikes will take a toll on the volume growth of your Company.

The textile industry is a highly labour intensive industry and lack of availability of skilled labour will hinder its expansion plans.

The improving Indian demographics have given credence to the Indian consumption story. Any blip in economic growth for an elongated period will impact the discretionary spends thereby negatively impacting the earning potential of your Company.

Changing customers' preference rapidly from one brand to another makes it difficult for the Company to establish a permanent connect and in gaining brand loyalty, consequently, leading to loss of business to its competitors.

The segment where your Company belongs to is a capital intensive segment and any fluctuation in the interest rates affects the profitability of the Company. Proper leveraging of financial resources aids your Company in mitigating such risks.

Internal Control System and its Adequacy

Your 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. In this regard, your Board confirms the following:

1. Systems have been laid to ensure that all transactions are executed in accordance with management's general and specific authorization.
2. Systems and procedures exist to ensure that all transactions are recorded as necessary to permit preparation of financial statements in conformity with generally accepted accounting principles or any other criteria applicable to such statements and to maintain accountability in all aspects.

MANAGEMENT DISCUSSION & ANALYSIS (contd.)

3. Access to assets is permitted only in accordance with management's general and specific authorization. No assets of the Company are allowed to be used for personal purposes, except in accordance with terms of employment or except as specifically permitted.
4. The existing assets of the Company are verified/ checked at reasonable intervals and appropriate action is taken with respect to differences, if any.

Overview of Financial Performance

The same has already been discussed in the Directors' Report.

Human Resources

The Human Resources (HR) function is instrumental in creating and developing human capital in alignment with the Company's requirement. Your Company has set up a scalable recruitment and human resource management process. One of the key focus areas in the Company's objective is to groom and to train employees. Your Company firmly believes that employee motivation, development and engagement are key aspects of good human resource management. Further, the focus is on enriching the quality of life of its employees, developing their potential and maximizing their productivity. The human resources strategy enables the Company to attract, integrate and retain the best talent required for driving its business growth. Hence, the focus is on enriching the quality of life of its employees, developing their potential and maximizing their productivity.

Environment, Health and Safety (EHS)

The Company is conscious of the importance of environmentally clean and safe operations and preservation of natural resources. The Company's policy ensures the same.

Segment-wise Performance

The Company has two segments - Domestic and Overseas. The revenue generated from each segment have been narrated in the Notes to the Accounts.

Future Outlook

In the men's wear and women's innerwear segment, your Company has made its presence felt. The growing demand and spending capacity of consumers has lead them to spend on these products without thinking of the pocket pinch. It is no longer treated as merely an undergarment but is worn as a fashionable part of clothing that can be flaunted. Innerwear has moved out of the 'basic necessity' bracket and is now associated with a 'feel good' factor. Indian consumers have come out of the shyness cocoon and are willing to experiment with new varieties, styles, colors and brands. This growth in demand has carved out a potential market for innerwear in India. As women's innerwear is expected to grow faster, brands should widen their range. They also have to vary their product offerings and heighten the fashion quotient. Existing brands have the opportunity of expanding beyond just innerwear. Active wear, comfort wear and sleep wear are some natural extensions and promising categories. A smart pricing strategy must be employed in order to attract consumers and boost brand preference. Further, for brands and retailers, there are opportunities to identify and increase their focus across key consumption sectors. Thus, in order to be successful, brands must take the initiative to create a differentiating factor; only then can they establish a loyal customer base in this promising and developing segment.

Rupa is the biggest knitwear brand in India, covering the entire range of knitted garments from innerwear to casual wear. Constantly meeting the changing demands of the customers and coming up with innovative designs with the help of modern technology has always been the hallmark of Rupa.

Cautionary Statement

Statements in the Management Discussion and Analysis describing the Company's objectives, projections, estimates and expectations are 'forward-looking statements' within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations includes economic conditions affecting demand/ supply and price conditions in the markets in which the Company operates, changes in Government regulations, tax laws, statutes and other incidental factors.

REPORT ON CORPORATE GOVERNANCE

COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Corporate Governance is a system by which corporate entities are directed and controlled encompassing the entire mechanics of the functioning of a Company. Good Corporate Governance practices are sine qua non for sustainable business that aims at generating long term value to all its shareholders and other stakeholders.

Your Company believes that strong governance standards, focusing on fairness, transparency, accountability and responsibility are vital not only for the healthy and vibrant corporate sector growth, but also for inclusive growth of the economy. Your Company has always focused on good Corporate Governance, which is a key driver of sustainable corporate growth and long term value creation for its stakeholders. Your Company has proactive measures to periodically review and revise the Corporate Governance practices by subjecting business processes to audits and checks that measures up to the required standards. Your Company believes that Corporate Governance is not just limited to creating checks and balances; it is more about creating organization excellence leading to increasing employee and customer satisfaction and shareholder value. Your Company always endeavors to leverage its human and capital resources to translate opportunities into reality, create awareness of corporate vision and spark dynamism and entrepreneurship at all levels.

BOARD OF DIRECTORS

Composition of the Board:

The Board provides leadership, strategic guidance and independent view to the Company's management while discharging its responsibilities. The Board consists of distinguished persons having requisite knowledge and expertise in business & industry, corporate finance, taxation, legal matters, risk management and marketing. The composition of the Board of Directors, with reference to number of Executive and Non-Executive Directors, meets with the requirements of Clause 49 (II) (A) of the Listing Agreement.

The Company's Board comprises of eleven directors as on March 31, 2015. The Chairman is an Executive Director and more than half of the Board comprises of Independent Directors. The Composition of the Board of Directors as on March 31, 2015 and the number of other Directorships and Board Committee Memberships/ Chairmanships including changes since the last report are as follows:

Name of Director	Category	Number of Other Directorships and Committee Positions held		
		Other Directorships#	Committee Memberships+	Committee Chairmanships+
Mr. Prahlad Rai Agarwala (Chairman)	Executive & Non-Independent	7	-	-
Mr. Ghanshyam Prasad Agarwala (Vice-Chairman)	Executive & Non-Independent	2	-	-
Mr. Kunj Bihari Agarwal (Managing Director)	Executive & Non-Independent	7	-	-
Mr. Mukesh Agarwal	Executive & Non-Independent	19	-	-
Mr. Ramesh Agarwal	Executive & Non-Independent	19	3	-
Mr. Dipak Kumar Banerjee	Non-Executive & Independent	9	8	4
Mr. Dharam Chand Jain	Non-Executive & Independent	5	-	-
Mr. Sushil Patwari	Non-Executive & Independent	15	2	-
Mr. Vinod Kumar Kothari	Non-Executive & Independent	9	2	-
Mr. Satya Brata Ganguly	Non-Executive & Independent	9	8	3
Smt. Alka Devi Bangur	Additional Non-Executive & Independent Director	5	2	-

REPORT ON CORPORATE GOVERNANCE (contd.)

Other Directorships includes Directorships held both in Public as well as Private Companies.

+ Only covers membership/ chairmanship of Audit Committee and Stakeholders' Relationship Committee.

* Mr. R. N. Bhardwaj, Independent Director, resigned from the Board with effect from March 23, 2015.

None of the Directors were member in more than ten Committees or acted as Chairman in more than five committees or Director in more than twenty Companies or Director in more than ten public companies across all Companies in which they were a Director as on March 31, 2015.

None of the Independent Directors were acting as an Independent Director in more than seven listed companies and none of the Independent Directors who has served as a Whole-time Director in any listed company was an Independent Director in more than three listed companies.

The Chairman, Vice Chairman, Managing Director and Whole-time Directors are related with each other and their relation inter-se has been depicted in the table below:

Sl. No.	Name	Designation	Relationship
1	Mr. Prahlad Rai Agarwala	Whole-time Director-Chairman	Father of Mr. Ramesh Agarwal and brother of Mr. Ghanshyam Prasad Agarwala and Mr. Kunj Bihari Agarwal
2	Mr. Ghanshyam Prasad Agarwala	Whole-time Director-Vice Chairman	Father of Mr. Mukesh Agarwal and brother of Mr. Prahlad Rai Agarwala and Mr. Kunj Bihari Agarwal
3	Mr. Kunj Bihari Agarwal	Managing Director	Brother of Mr. Prahlad Rai Agarwala and Mr. Ghanshyam Prasad Agarwala
4	Mr. Ramesh Agarwal	Whole-time Director	Son of Mr. Prahlad Rai Agarwala
5	Mr. Mukesh Agarwal	Whole-time Director	Son of Mr. Ghanshyam Prasad Agarwala

Apart from this relation, there is no inter-se relation among the Directors.

Board Procedure:

The Board meets at least once a quarter to review the quarterly business and the financial performance of the Company. Additional meetings are held, when necessary. The meetings of the Board are generally convened at the Company's Registered Office at Kolkata. In case of urgency or when the Board Meeting is not practicable to be held, the matters are resolved via circular resolution, which is then noted by the Board in its next meeting. However, no circular resolution was passed during the year under review. Provision for video-conferencing facilities is also there to facilitate Directors to participate in the meetings. However, during the year under review, no Board Meeting via video conferencing was held.

The Board Meetings are generally scheduled well in advance and the notice of each Board Meeting is given in writing to each Director. The Board papers, comprising the agenda backed by comprehensive background information, are circulated to the Directors in advance and in exceptional cases, the same is tabled at the Board Meeting. The Board is also free to recommend the inclusion of any matter for discussion in consultation with the Chairman.

The information as specified in Annexure X to the existing Clause 49 of the Listing Agreement entered into with the Stock Exchanges is regularly made available to the Board, wherever applicable.

To enable the Board to discharge its responsibilities effectively, the members of the Board are briefed at every Board Meeting on the overall performance of the Company.

The Board's function is not limited to matters requiring approval of Board statutorily. The Board is involved in all the important decisions relating to the Company. Policy matters, strategic business plans, new avenues of investment and expansion, compliance with statutory/regulatory requirements, major accounting provisions and write-offs are considered by the Board. Non-Executive Directors are expected to provide an effective monitoring role and to provide help and advice as a sounding board for the Executive Directors. The Independent Directors play an important role in deliberations at the Board and Committee Meetings and bring to the Company their expertise in the fields of business, commerce, finance, management and law.

REPORT ON CORPORATE GOVERNANCE (contd.)

The Minutes of the Board Meetings are circulated to all Directors and confirmed at the subsequent meeting.

The Minutes of Audit Committee and other Committees of the Board are regularly placed before the Board. The Minutes of the Board Meetings of the subsidiary companies are placed in the subsequent Board Meetings of the Company.

Attendance of each Director at the Board Meetings and the previous Annual General Meeting:

During the financial year ended March 31, 2015, five (5) Board Meetings were held on May 30, 2014, August 13, 2014, November 14, 2014, February 6, 2015 and March 17, 2015, respectively. The Board Meeting held on August 13, 2014 was adjourned and the adjourned Board Meeting was held on August 18, 2014. The attendance of each Director at the Board Meetings and also at the previous Annual General Meeting (AGM) held on September 11, 2014 is given below:

Name of Director	Category	Attendance Particulars	
		Board Meetings	AGM (11/09/2014)
Mr. Prahlad Rai Agarwala (Chairman)	Executive & Non-Independent	5/5	YES
Mr. Ghanshyam Prasad Agarwala (Vice-Chairman)	Executive & Non-Independent	4/5	NO
Mr. Kunj Bihari Agarwal (Managing Director)	Executive & Non-Independent	5/5	YES
Mr. Mukesh Agarwal	Executive & Non-Independent	4/5	NO
Mr. Ramesh Agarwal	Executive & Non-Independent	5/5	NO
Mr. Raj Narain Bhardwaj	Non-Executive & Independent	4/5	NO
Mr. Dharam Chand Jain	Non-Executive & Independent	3/5	NO
Mr. Sushil Patwari	Non-Executive & Independent	2/5	NO
Mr. Vinod Kumar Kothari	Non-Executive & Independent	4/5	YES
Mr. Dipak Kumar Banerjee	Non-Executive & Independent	5/5	YES
Mr. Satya Brata Ganguly	Non-Executive & Independent	4/5	YES
Smt. Alka Devi Bangur*	Non-Executive & Independent	2/5	-

*Appointed w.e.f. November 14, 2014

Directors seeking Appointment/ Re-appointment at the ensuing Annual General Meeting (AGM):

Mr. Prahlad Rai Agarwala, Director, being liable to retire by rotation at the ensuing AGM and being eligible, has offered himself for re-appointment.

The tenure of appointment of Mr. P. R. Agarwala (Chairman), Mr. Ramesh Agarwal (Whole-time Director) and Mr. Mukesh Agarwal (Whole-time Director) has expired on March 31, 2015. The Board recommends to re-appoint them for a further period of five (5) years with effect from April 1, 2015.

Smt. Alka Devi Bangur, Independent Woman Director in terms of Clause 49 of the Listing Agreement, was appointed as an Additional Director by the Board and whose tenure of appointment will expire in the forthcoming AGM of the Company. Her candidature as an Independent Director of the Company is proposed by a member.

The brief profiles of the Directors who are being appointed and re-appointed are given below:

REPORT ON CORPORATE GOVERNANCE (contd.)

Name of the Director	Mr. Prahlad Rai Agarwala (as an Executive Director)	Ms. Alka Devi Bangur (as a Non-Executive Independent Director)	Mr. Ramesh Agarwal (as a Whole-time Director)	Mr. Mukesh Agarwal (as a Whole-time Director)
Date of Birth	May 11, 1938	November 28, 1954	June 7, 1968	January 1, 1971
Date of Appointment as Director	February 6, 1985	November 14, 2014	July 29, 2009	July 29, 2009
Qualification	Bachelor's degree in Law from University of Calcutta.	M.A (English), M.A (Hindi), MBA.	Bachelor's degree in Commerce from University of Calcutta.	Bachelor's degree in Commerce.
Brief resume & Expertise in specific functional areas	Mr. Prahlad Rai Agarwala is our Executive Chairman. He is also the Honorary Consul of Republic of Columbia. He provides strategic direction to the Company and is the driving force behind the establishment and growth of the Company. He has more than 40 years of experience in the textile industry. He has been a member of our Board of Directors since February 6, 1985. Mr. Agarwala was awarded the lifetime achievement award in the 7 th Reid & Taylor awards for retail excellence organized by the Asia Retail Congress, 2011.	Smt. Alka Devi Bangur is the Managing Director of Peria Karamalai Tea & Produce Co. Ltd. Smt. Bangur is also a Director of Apurva Export Pvt. Ltd. and The Marwar Textiles (Agency) Pvt. Ltd. She has been a Non-Executive Director at Maharaja Shree Umaid Mills Ltd since November 30, 1996. She has over 16 years of experience. She is the member of FICCI Ladies Organization (FLO) (Ladies Wing of FICCI). She is also the committee member of Bharat Chamber of Commerce.	Mr. Ramesh Agarwal is a Whole-time Director of our Company. He has more than 20 years of experience in the textile industry. He plays a key role in the production planning & distribution of Company's products. In his current term, he joined our Board on July 29, 2009.	Mr. Mukesh Agarwal is a Whole-time Director of our Company. He has more than 15 years of experience in the textile industry and has played a key role in the setting up of systems and process for distribution & production planning. In his current term, he joined our Board on July 29, 2009.
Directorships in other Companies	1. Rupa Spinners Ltd; 2. Salasar Project and Estates Pvt Ltd; 3. Salasar Developers & Garments Pvt Ltd; 4. Ravi Global Pvt. Ltd.; 5. Sobhasaria Enterprises Private Limited; 6. PGK Builders Private Limited; 7. Vibhuti Infracon Private Limited.	1. Apurva Export Pvt Ltd; 2. Mugneeram Ramcoowar Bangur Charitable & Religious Company; 3. The Peria Karamalai Tea And Produce Company Limited; 4. The Marwar Textiles (Agency) Private Limited; 5. Maharaja Shree Umaid Mills Limited;	1. Sidhant Flats And Apartments Private Limited; 2. Salasar Project And Estates Pvt Ltd; 3. Purvanchal Leasing Ltd; 4. Sitaram Hosiery Private Limited; 5. Aparesh Infotech Private Limited; 6. Neo Metaliks Limited; 7. Rupa Global Pvt. Ltd.	1. Rupa Global Pvt. Ltd.; 2. Rupa Dyeing And Printing Private Limited; 3. Bajrangbali Projects Limited; 4. Salasar Infrastructure Limited; 5. Krishna Management Private Limited; 6. Sikar Management Private Limited; 7. Salasar Consultants Private Limited;

REPORT ON CORPORATE GOVERNANCE (contd.)

Name of the Director	Mr. Prahlad Rai Agarwala (as an Executive Director)	Ms. Alka Devi Bangur (as a Non-executive Independent Director)	Mr. Ramesh Agarwal (as a Whole-time Director)	Mr. Mukesh Agarwal (as a Whole-time Director)
			8. Euro Fashion Inners International Private Limited; 9. Bajrangbali Hosiery Private Limited; 10. Sidhant Niwas Pvt Ltd; 11. Aparesh Niwas Pvt Ltd; 12. MCC Chamber of Commerce and Industry; 13. PRS Tie Up Private Limited; 14. Sidhant Credit Capital Ltd; 15. Imoogi Fashions Private Limited; 16. Lambodar Infrastructure Private Limited; 17. Badrinath Homes Private Limited; 18. Abhani Securities Private Limited; 19. Goodview Developers Private Limited.	8. Mangal Synthetics Private Limited; 9. Citizen Hosiery Private Limited; 10. Subham Software Private Limited; 11. Ganpati Management Private Limited; 12. Sitaram Hosiery Private Limited; 13. Gajraj Knitwear Private Limited; 14. Champion Garment Private Limited; 15. Balaji Hosiery Private Limited; 16. Rupa Spinners Ltd; 17. Neo Metaliks Limited; 18. Lambodar Infrastructure Private Limited; 19. Kanahiya Realty Private Limited.
Membership in Committees across all other Companies	None	Member of the following Committees of M/s. Maharaja Shree Umaid Mills Ltd.: 1.Stakeholders Relationship Committee; and 2.Audit Committee	Member of Audit Committee in: 1.Neo Metaliks Ltd. 2.Purvanchal Leasing Limited Member of Stakeholders Relationship Committee in: 1.Purvanchal Leasing Limited	None

AUDIT COMMITTEE

Terms of Reference of the Audit Committee:

- 1.1. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- 1.2. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- 1.3. Examination of the financial statement and the auditors' report thereon;
- 1.4. Approval or any subsequent modification of transactions of the Company with related parties;

REPORT ON CORPORATE GOVERNANCE (contd.)

- 1.5. Scrutiny of inter-corporate loans and investments;
- 1.6. Valuation of undertakings or assets of the Company, wherever it is necessary;
- 1.7. Reviewing, with the management, performance of statutory and internal auditors;
- 1.8. Discussion with internal auditors of any significant findings and follow up there on;
- 1.9. To review the functioning of the Whistle Blower mechanism;
- 1.10. Approval of appointment of CFO, etc.

The detailed terms of reference of the Audit Committee has been uploaded in the 'Investor → Corporate Governance → Board Committees' section on the website of the Company, i.e. www.rupa.co.in.

Composition of the Committee:

As on March 31, 2015, Audit Committee comprises of five members, of which majority comprises of Independent Directors. The Composition during the year is given in the table below:

Name of Member	Position	Category
Mr. Vinod Kumar Kothari	Chairman	Non-Executive & Independent
Mr. Sushil Patwari*	Member	Non-Executive & Independent
Mr. Raj Narain Bhardwaj**	Member	Non-Executive & Independent
Mr. Dipak Kumar Banerjee	Member	Non-Executive & Independent
Mr. Satya Brata Ganguly	Member	Non-Executive & Independent
Mr. Mukesh Agarwal	Member	Executive & Non-Independent
Mr. Ramesh Agarwal	Member	Executive & Non-Independent

* Mr. Sushil Patwari resigned from the Audit Committee of the Company w.e.f. March 17, 2015.

** Mr. Raj Narain Bhardwaj resigned from the Audit Committee of the Company w.e.f. January 09, 2015.

The Company Secretary acts as the Secretary of the Audit Committee.

Meeting Attendance:

During the financial year ended March 31, 2015, four (4) Audit Committee Meetings were held on May 30, 2014, August 18, 2014, November 14, 2014 and February 02, 2015, respectively.

The attendance of the Members at the Audit Committee Meetings is as under:

Name of Member	Meetings held during the year and Attendance			
	May 30, 2014	August 18, 2014	November 14, 2014	February 02, 2015
Mr. Vinod Kumar Kothari	Present	Present	Present	Present
Mr. Sushil Patwari	Absent	Present	Present	Present
Mr. Raj Narain Bhardwaj	Present	Present	Absent	Resigned
Mr. Dipak Kumar Banerjee*	-	-	-	-
Mr. Satya Brata Ganguly**	-	-	-	-
Mr. Mukesh Agarwal	Absent	Absent	Absent	Absent
Mr. Ramesh Agarwal	Present	Present	Present	Present

* Mr. Dipak Kumar Banerjee was appointed as a Member of the Audit Committee w. e. f. February 6, 2015.

** Mr. Satya Brata Ganguly was appointed as a Member of the Audit Committee w. e. f. March 17, 2015.

Mr. Vinod Kumar Kothari, Chairman of the Audit Committee, attended the last Annual General Meeting held on September 11, 2014 and replied to the queries related to Accounts to the satisfaction of the shareholders.

REPORT ON CORPORATE GOVERNANCE (contd.)

Internal Auditors:

The Company has appointed Das & Prasad, Chartered Accountants, a firm of Chartered Accountants as Internal Auditors to review the internal control systems of the Company and to report thereon. The report of the Internal Auditors is reviewed by the Audit Committee on a quarterly basis.

NOMINATION AND REMUNERATION COMMITTEE

Terms of Reference:

- 1.1. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down;
- 1.2. Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- 1.3. Formulation of criteria for evaluation of Independent Directors and the Board;
- 1.4. Devising a policy on Board diversity.

The detailed terms of reference of the Nomination and Remuneration Committee has been uploaded in the 'Investor → Corporate Governance → Board Committees' section on the website of the Company, i.e., www.rupa.co.in.

Composition of the Committee:

Name of Member	Position	Category
Mr. Dipak Kumar Banerjee	Chairman	Non-Executive & Independent
Mr. Vinod Kumar Kothari	Member	Non-Executive & Independent
Mr. Sushil Patwari	Member	Non-Executive & Independent

The composition of the Committee is as per the provisions of Section 178 of the Companies Act, 2013 and the amended Clause 49 of the Listing Agreement.

The Company Secretary acts as the Secretary of the Nomination and Remuneration Committee.

Meeting Attendance:

During the financial year ended March 31, 2015, three (3) Nomination and Remuneration Committee meetings were held on August 18, 2014, November 14, 2014 and February 2, 2015, respectively.

Name of Member	Meetings held during the year and Attendance		
	August 18, 2014	November 14, 2014	February 02, 2015
Mr. Vinod Kumar Kothari	Present	Present	Absent
Mr. Sushil Patwari	Absent	Present	Present
Mr. Dipak Kumar Banerjee	Present	Present	Present

Remuneration to Non-Executive Directors:

The Non-Executive Directors are paid remuneration by way of sitting fees @ ₹ 90,000/- for each meeting of the Board, ₹ 50,000/- for each meeting of the Audit Committee and ₹ 25,000/- for meeting of any other Committee thereof attended by them.

Remuneration to Whole-time Directors:

The appointment of Whole-time Directors are governed by resolutions passed by the Board of Directors and shareholders of the Company, which covers the terms of such appointment, payment of remuneration to Whole time Directors, which are governed by the respective Agreements executed between them and the Company. Remuneration paid to Whole-time Directors are recommended by the Nomination & Remuneration Committee, approved by the Board, subject to approval of the shareholders at General Meetings and is within the limits prescribed by the Companies Act, 2013. The remuneration package of Whole-time Directors comprises of salary, perquisites and allowances, commission and contributions to Provident and other Funds as approved by the shareholders at General Meetings. Annual increments are decided by the Nomination & Remuneration Committee and recommended to the Board for approval.

REPORT ON CORPORATE GOVERNANCE (contd.)

thereof. Presently, the Company does not have any stock option plan.

Criteria of making payment to the Non-Executive Directors of the Company have been uploaded in the 'Investors' section on the website of the Company i.e. www.rupa.co.in.

The Company, from time to time, takes several initiatives for its Independent Directors to familiarize them with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc.

Details of Remuneration of Directors for the financial year ended March 31, 2015 are given below:

Non-Executive Directors

Name of Directors	Sitting Fees (₹)	Number of shares held
Mr. Raj Narain Bhardwaj*	3,30,000	NIL
Mr. Dharam Chand Jain	2,90,000	40,000
Mr. Sushil Patwari	4,65,000	NIL
Mr. Vinod Kumar Kothari	4,90,000	NIL
Mr. Dipak Kumar Banerjee	4,60,000	NIL
Smt. Alka Devi Bangur	2,70,000	NIL
Mr. S. B. Ganguly	3,80,000	NIL
Total	26,85,000	40,000

*Resigned with effect from March 23, 2015.

The Company had no pecuniary transaction with any of its Non-Executive Director apart from payment of sitting fees.

Whole-Time Directors

Name of Directors	Salary & Allowances (₹)	Commission (₹)	Performance based Incentive (₹)	Perquisites (₹)	Total (₹)
Mr. Prahlad Rai Agarwala (Chairman)	84,00,000	12,00,000	-	7,38,464	1,03,38,464
Mr. Ghanshyam Prasad Agarwala (Vice-Chairman)	78,00,000	-	-	6,14,309	84,14,309
Mr. Kunj Bihari Agarwal (Managing Director)	78,00,000	-	-	9,51,095	87,51,095
Mr. Ramesh Agarwal	42,00,000	-	21,00,000 (50% of pay)	-	63,00,000
Mr. Mukesh Agarwal	42,00,000	-	21,00,000 (50% of pay)	-	63,00,000
Total	3,24,00,000	12,00,000	42,00,000	23,03,868	4,01,03,868

Disclosure:

- All elements of remuneration package such as salary, benefits, bonuses, stock options, pension, etc., of all the Directors: As per the table above.
- Details of fixed component and performance linked incentives along with the performance criteria: Performance linked incentive is 50% of the pay. The performance criteria are the increase of top line of respective brands managed by the Executive Directors of the Company.
- Service contracts, notice period, severance fees: As per the policy of the Company.

REPORT ON CORPORATE GOVERNANCE (contd.)

d) Stock option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable:

Nil.

STAKEHOLDERS' RELATIONSHIP COMMITTEE

Terms of Reference:

The detailed terms of reference of the Stakeholders' Relationship Committee has been uploaded in the 'Investor → Corporate Governance → Board Committees' section on the website of the Company, i.e., www.rupa.co.in.

Composition of the Committee:

Name of Member	Category
Mr. Sushil Patwari	Non-Executive & Independent
Mr. Mukesh Agarwal	Executive & Non-Independent
Mr. Ramesh Agarwal	Executive & Non-Independent

The Chairman of the Committee is decided at the Meeting itself.

The composition of the Committee is in consonance with the provision of Section 178 of the Companies Act, 2013 and amended Clause 49 of the Listing Agreement.

The Company Secretary acts as the Secretary of the Stakeholders' Relationship Committee.

Meeting Attendance:

During the financial year ended March 31, 2015, two (2) meetings of the Stakeholders' Relationship Committee were held on August 13, 2014 and March 17, 2015.

The attendance of the members at the Committee Meeting is as under:

Name of Member	Meetings held during the year and Attendance	
	August 13, 2014	March 17, 2015
Mr. Sushil Patwari	Absent	Present
Mr. Ramesh Agarwal	Present	Present
Mr. Mukesh Agarwal	Present	Present

Details of Shareholders' Complaints received, not solved and pending share transfers:

The total number of complaints received pertaining to dividend were two (2) and they were replied to the satisfaction of the shareholders during the year ended March 31, 2015. There were no complaints outstanding as on March 31, 2015. The number of share transfers and requests for dematerialization pending as on March 31, 2015 were Nil.

Shareholders'/ Investors' complaints and other correspondence are normally attended to within twenty one working days except where constrained by disputes or legal impediments.

Compliance Officer:

The Board has designated Mr. Sudip Chatterjee, Company Secretary, as the Compliance Officer of the Company.

SUBSIDIARY COMPANIES

The Company has two (2) Wholly owned subsidiary companies, viz.:

- M/s. Euro Fashion Inners International Private Limited; and

REPORT ON CORPORATE GOVERNANCE (contd.)

- ii. M/s. Imoogi Fashions Private Limited.

The above subsidiary companies are non-listed and non-material.

The Minutes of the Board Meetings of the subsidiary companies are placed in the Board Meetings of the Company. Statement of important and significant transactions of the subsidiary companies is placed regularly in the Board Meetings of the Company. The Audit Committee of the Company regularly reviews financial statement and in particular the investments made by the unlisted subsidiaries of the Company. The Company has duly formulated a policy for determining 'material' subsidiaries. The main objective of the policy is to ensure governance of material subsidiary companies. The web link for the same as placed on the website of the Company is www.rupa.co.in/investor.

CEO and CFO Certification:

In terms of Clause 49 of the Listing Agreement, the Managing Director and the CFO of the Company had given the annual certification on financial reporting to the Board. Also, the required information was disclosed to the Statutory Auditors and the Audit Committee.

GENERAL BODY MEETINGS

- i) Details of Location and time where the last three (3) Annual General Meetings of the Company were held is depicted in the table below:

Financial Year	Location	Date	Time
2011-12	Merchants Chamber of Commerce Somani Conference Hall 15B, Hemanta Basu Sarani, Kolkata – 700 001	September 29, 2012	11:00 a.m.
2012-13	Merchants Chamber of Commerce Somani Conference Hall 15B, Hemanta Basu Sarani, Kolkata – 700 001	September 28, 2013	11:00 a.m.
2013-14	Gyan Manch 11, Pretoria Street, Kolkata – 700 071	September 11, 2014	11:00 a.m.

- ii) Details of Special Resolutions Passed in the previous three (3) Annual General Meetings (AGM) are given below:

Year	Special Resolutions Passed
2011-12	NIL
2013-14	10
	Following special resolutions were passed:
	a) Authority and approval of the Company to the Board of Directors to borrow money pursuant to the provisions of Section 180(1)(c) of the Companies Act, 2013;
	b) Authority and approval of the Company to the Board of Directors under Section 180(1)(a) of the Companies Act, 2013;
	c) Approval of the Company to modify the terms of remuneration payable to Mr. P. R. Agarwala, Chairman of the Company, with effect from April 1, 2014;
	d) Approval of the Company to modify the terms of remuneration payable to Mr. G. P. Agarwala, Vice-Chairman of the Company, with effect from April 1, 2014;
	e) Approval of the Company to modify the terms of remuneration payable to Mr. K. B. Agarwal, Managing Director of the Company, with effect from April 1, 2014;
	f) Approval of the Company to modify the terms of remuneration payable to Mr. Ramesh Agarwal, Whole-time Director of the Company, with effect from April 1, 2014;
	g) Approval of the Company to modify the terms of remuneration payable to Mr. Mukesh Agarwal, Whole-time Director of the Company, with effect from April 1, 2014;

REPORT ON CORPORATE GOVERNANCE (contd.)

Year	Special Resolutions Passed
	<p>h) Approval of the Company to modify the terms of remuneration payable to Mr. Suresh Agarwal, Mr. Rajnish Agarwal, Mr. Ravi Agarwal, Mr. Manish Agarwal and Mr. Vikash Agarwal, with effect from April 1, 2014;</p> <p>i) Approval of the Company to appoint Mr. Siddhant Agarwal, relative of a Director, as Vice President (Project & Acquisition) with effect from June 1, 2014;</p> <p>j) Approval of the Company to the Board of Directors for existing and/or contracts /arrangements to be entered into in the future with Euro Fashion Inners International Private Limited and Imoogi Fashions Private Limited, its Wholly- owned subsidiaries.</p>

iii) Resolutions passed by Postal Ballot during the Financial Year 2013-14:

No resolution was passed through postal ballot during the financial year 2013-14.

No special resolution is proposed to be conducted through postal ballot.

Code of Conduct

The Company had adopted a comprehensive Code of Conduct as per the provisions of Clause 49(II)(E) of the amended Listing Agreement for all its Directors and Senior Management Personnel. All members of the Board and Senior Management Personnel have affirmed their compliances with the provisions of this Code of Conduct as on March 31, 2015 and a declaration to this effect signed by Managing Director forms part of this report.

Code of Conduct for Prevention of Insider Trading

In compliance with the Securities & Exchange Board of India (Prevention of Insider Trading) Regulations, 2015, the Company has framed Code of Fair Disclosure of Unpublished Price Sensitive Information and Code of Conduct for Prevention of Insider Trading by Company insiders. The code, inter alia, prohibits purchase and/or sale of securities of the Company by the Directors and Designated Employees while in possession of unpublished price sensitive information in relation to the Company. Code of Fair Disclosure of Unpublished Price Sensitive Information is available on the Company's website www.rupa.co.in.

DISCLOSURES

i) Disclosure on materially significant related party transactions, i.e. transactions of the Company of material nature, with its subsidiaries, its promoters, the directors or the management, or their relatives, etc. that may have potential conflict with the interests of the Company at large.

There are no materially significant related party transactions made by the Company with its subsidiaries, its promoters, directors or management, or their relatives, etc. that may have potential conflict with the interests of the Company at large. Transactions with related parties as per requirements of Accounting Standard (AS) 18 have been disclosed at every meeting of the Board. The particulars relating to the Related Party Transactions are also placed before every meeting of the Audit Committee of the Board.

The policy on Related Party Transactions has been uploaded on the website of the Company; the link to the same is http://www.rupa.co.in/upload/media/policies/RPT_Policy.pdf

ii) Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchanges or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.

The Company has complied with all the requirements of the Listing Agreements entered into with the Stock Exchanges as well as the regulations and guidelines of SEBI. Consequently, there were no strictures or penalties imposed by either SEBI or the Stock Exchanges or any statutory authority for non-compliance of any matter related to the capital markets during the last three years.

iii) Whistle Blower Policy and affirmation that no personnel have been denied access to the Audit Committee.

In terms of the Section 177 of the Companies Act, 2013 read with rules made there under and Clause 49 of the Listing Agreement, the Company has framed a 'Whistle Blower Policy'.

Audit Committee looks into the complaints raised and their Redressal. During the year, no personnel have been denied access to the

REPORT ON CORPORATE GOVERNANCE (contd.)

Audit Committee and there were no pending cases.

The Policy has been uploaded on the website of the Company at www.rupa.co.in.

iv) Mandatory and Non-mandatory requirements.

All the mandatory requirements of Clause 49 of the Listing Agreement are being complied with and non-mandatory requirements of Clause 49 of the Listing Agreement are being reviewed by the Board from time to time and adopted wherever necessary.

v) Reconciliation of Share Capital Audit:

As stipulated by SEBI, a qualified Practicing Company Secretary carries out Reconciliation of Share Capital Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. This audit is carried out every quarter and the report thereon is submitted to the Stock Exchanges. The audit confirms that the total listed and paid-up capital is in agreement with the aggregate of the total number of shares in dematerialized form (held with NSDL and CDSL) and total number of shares in physical form.

MEANS OF COMMUNICATION

- i) The Board of Directors of the Company approves and takes on record the quarterly, half yearly and yearly financial results in the format prescribed by Clause 41 of the Listing Agreement.
- ii) The approved financial results are forthwith sent to the Stock Exchanges and are published in one of the prominent business daily (Times of India or Economic Times) and a local language (Ei Samay, Arthik Lipi) newspaper. Presently, the same are not sent to the shareholders separately.
- iii) The Company's financial results and official news releases are displayed on the Company's website www.rupa.co.in.
- iv) No formal presentations were made to the institutional investors and analysts during the year under review.
- v) Management Discussion and Analysis forms part of the Annual Report, which is posted to the shareholders of the Company.

GENERAL SHAREHOLDER INFORMATION

Detailed information in this regard is provided herein below:

i) AGM details:

Date: September 15, 2015

Time: 11.00 a.m.

Venue: Kala Kunj, 48, Shakespeare Sarani, Kolkata – 700 017

ii) Financial Calendar:

Financial reporting for the quarter ending June 30, 2015	:	On or before August 14, 2015
Financial reporting for the half year ending September 30, 2015	:	On or before November 14, 2015
Financial reporting for the quarter ending December 31, 2015	:	On or before February 14, 2016
Financial reporting for the quarter and year ending March 31, 2016	:	On or before May 30, 2016

iii) Date of Book closure:

Wednesday, September 9, 2015 to Tuesday, September 15, 2015 (both days inclusive).

REPORT ON CORPORATE GOVERNANCE (contd.)

iv) Address for correspondence:

Registrar & Share Transfer Agents	Registered Office
M/s. Maheshwari Datamatics Pvt. Ltd.	M/s. Rupa & Company Ltd.
6, Mangoe Lane, 2 nd Floor,	Metro Tower, 8 th Floor,
Kolkata – 700 001	1, Ho Chi Minh Sarani,
Tel: +91 33 2243 5809	Kolkata – 700 071
Fax: +91 33 2248 4787	Tel: (033) 3057 3100
E-mail: mdpldc@yahoo.com	Fax: (033) 2288 1363
	E-mail: cs@rupa.co.in

v) Dividend:

The dividend as recommended by the Board of Directors, if approved at the ensuing Annual General Meeting, will be paid at par to those Members, whose names appear on the Company's Register of Members as holders of equity shares in physical form on Tuesday, September 8, 2015. In respect of shares held in dematerialized form, the dividend will be paid on the basis of beneficial ownership details to be furnished by National Securities Depository Limited and Central Depository Services (India) Limited for this purpose as on the closing hours of business on Tuesday, September 8, 2015. The Dividend payout date starts from Friday, September 18, 2015.

vi) Stock Exchanges on which shares are listed:

The shares of the Company are listed at the National Stock Exchange of India Limited (NSE) & the Bombay Stock Exchange Limited (BSE). The Company got its shares delisted from The Calcutta Stock Exchange (CSE) and The Jaipur Stock Exchange Limited (JSEL) with effect from September 4, 2014 and July 6, 2014, respectively. Annual Listing Fees as prescribed have been paid to all the designated stock exchanges for the financial year 2015-16.

vii) Stock Code:

BSE — 533552

NSE — RUPA

Demat ISIN No. for NSDL and CDSL – INE895B01021

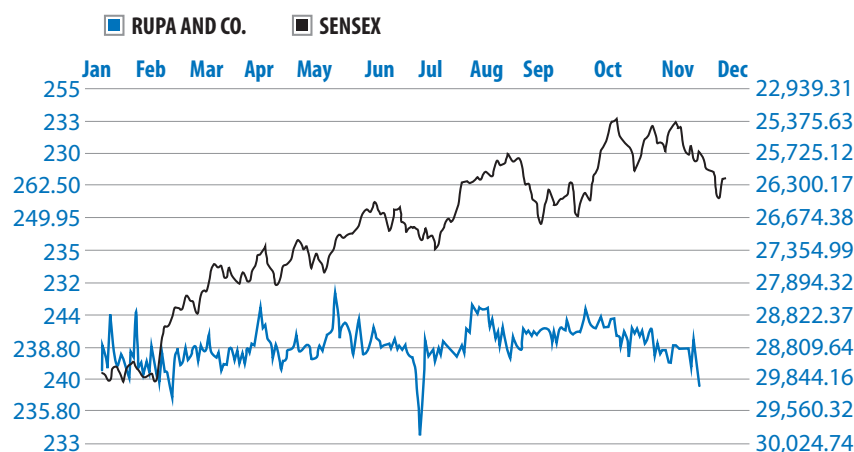
viii) Market Price Data:

There were no transactions in the equity shares of the Company listed at CSE and JSEL till delisting, hence, monthly high and low quotations and volume of shares traded only on BSE and NSE, during the year, are given below:

Month & Year	BSE (in ₹)			NSE (in ₹)		
	High	Low	Close	High	Low	Close
April 2014	255.00	212.25	216.80	253.75	206.05	217.05
May 2014	233.00	211.05	220.85	238.70	211.15	219.35
June 2014	230.00	211.15	225.50	230.00	217.55	224.00
July 2014	262.50	215.60	225.15	246.95	216.30	223.30
August 2014	249.95	216.50	232.10	248.80	192.70	232.50
September 2014	235.00	214.95	218.70	239.90	215.00	215.80
October 2014	232.00	199.95	225.10	229.00	192.80	225.05
November 2014	244.00	220.05	222.60	244.80	220.65	223.75
December 2014	238.80	221.00	229.20	238.00	220.05	229.95
January 2015	240.00	223.75	227.65	243.00	223.50	228.60
February 2015	235.80	218.00	220.50	232.00	213.50	220.50
March 2015	233.00	204.00	215.00	235.00	195.80	213.60

REPORT ON CORPORATE GOVERNANCE (contd.)

ix) Performance in comparison to broad-based indices such as BSE Sensex, CRISIL index etc.



x) Registrar and Share Transfer Agents:

M/s. Maheshwari Datamatics Pvt. Ltd.

Address: 6, Mangoe Lane, 2nd Floor, Kolkata – 700 001

Tel: +91 33 2243 5809/+91 33 2248 2248, Fax: +91 33 2248 4787, E-mail: mdpldc@yahoo.com

xi) Share Transfer System:

The transfer of shares in physical form is processed and completed by M/s. Maheshwari Datamatics Pvt. Ltd. every fortnight provided all the documents are in order. In case of shares in electronic form, the transfers are processed by NSDL/CDSL through respective Depository Participants. In compliance with the Listing Agreement with the Stock Exchanges, a Practicing Company Secretary audits the System of Transfer and a Certificate to that effect is issued.

xii) Distribution of Shareholding as on March 31, 2015:

Number of Shares	Shareholders		Shares	
	Number	% of Total	Number	% of Total
1 - 500	1638	84.0862	93559	0.1176
501 - 1000	84	4.3121	73335	0.0922
1001 - 2000	79	4.0554	145162	0.1825
2001 - 3000	14	0.7187	36858	0.0463
3001 - 4000	24	1.232	94735	0.1191
4001 - 5000	17	0.8727	83275	0.1047
5001 - 10000	35	1.7967	301702	0.3794
10001 and above	57	2.9261	78695934	98.958
Total	1948	100.00	79524560	100.00

Shareholding Pattern as on March 31, 2015:

CATEGORY	NO. OF SHARES HELD	% OF SHARE CAPITAL
PROMOTER'S HOLDING		
Promoters		
a. Indian Promoters	59586390	74.93
b. Foreign Promoters	Nil	Nil
Sub-total	59586390	74.93
NON-PROMOTER'S HOLDING		
1. Institutional Investors		
Mutual Funds and UTI	Nil	Nil
Banks, Financial Institutions, Insurance Companies	Nil	Nil
FII's	Nil	Nil
Sub-total	Nil	Nil

REPORT ON CORPORATE GOVERNANCE (contd.)

CATEGORY	NO. OF SHARES HELD	% OF SHARE CAPITAL
OTHERS		
a. Bodies Corporate	18733286	23.56
b. Indian Public	1203440	1.51
c. NRIs	801	0.00
d. Others	643	0.00
Sub-total	19938170	25.07
GRAND TOTAL	79524560	100

xiii) Dematerialization of shares and liquidity:

As on March 31, 2015, 99.26% of the equity shares of the Company have been dematerialized. The Company has entered into agreements with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL), whereby shareholders have the option to dematerialize their shares with either of the two depositories.

Status of Dematerialization as on March 31, 2015:

PARTICULARS	NO. OF SHARES	% TO TOTAL CAPITAL	NO. OF ACCOUNTS
National Securities Depository Ltd. (NSDL)	77501599	97.45	1125
Central Depository Services (India) Limited (CDSL)	1468323	1.85	600
Total Dematerialized	78969922	99.30	1725
Physical	554638	0.70	223
Grand Total	79524560	100	1948

xiv) 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 other Convertible instruments.

xv) Plant Locations:

Jalan Industrial Complex,	16, Shastri Nagar,
Bombay Road (National Highway 6)	3 rd Street, Angeripalayam Road,
P.O. - Begri, Vill - Biprannapara	Tirupur – 640 602
Howrah – 711 411 (W.B.)	

UNCLAIMED DIVIDENDS

Pursuant to Section 205C of the Companies Act, 1956, dividends that are unpaid/ unclaimed for a period of seven years from the date they became due for payment are required to be transferred by the Company to the Investor Education and Protection Fund (IEPF) administered by the Central Government. Given below are the dates of declaration of dividend and corresponding dates when unpaid/unclaimed dividends are due for transfer to IEPF:

Financial Year	Date of declaration of dividend	Due Date for transfer to IEPF
2007-2008	September 30, 2008	05/11/2015
2008-2009	September 22, 2009	28/10/2016
2009-2010	September 30, 2010	20/10/2017
2010-2011	September 28, 2011	04/10/2018
2011-2012	September 29, 2012	05/10/2019
2012-2013	September 28, 2013	04/10/2020
2013-2014	September 11, 2014	18/10/2021

REPORT ON CORPORATE GOVERNANCE (contd.)

NOMINATION

Individual shareholders holding shares singly or jointly in physical form can nominate a person in whose name the shares shall be transferable in case of death of the registered shareholder(s). Nomination facility in respect of shares held in electronic form is also available with the depository participants as per the bye-laws and business rules applicable to NSDL and CDSL. Nomination forms can be obtained from the Company's Registrar and Share Transfer Agent.

ELECTRONIC CLEARING SERVICE

The Securities and Exchange Board of India (SEBI) has made it mandatory for all companies to use the bank account details furnished by the depositories for crediting dividends through Electronic Clearing Services (ECS) to the investors wherever ECS and bank details are available. In the absence of ECS facility, the Company is required to print the bank account details on the dividend warrants. This ensures that the dividend warrants, even if lost or stolen, cannot be used for any purpose other than for depositing the money in the accounts specified on the dividend warrants and ensures safety for the investors.

However, members who wish to receive dividend in an account other than the one specified while opening the Depository Account, may notify their DPs about any change in the Bank Account details.

AUDITORS' CERTIFICATE

To

**The Members of
Rupa & Company Limited**

We have examined the compliance of conditions of corporate governance by Rupa & Company Limited, for the year ended on 31st March, 2015, as stipulated in clause 49 of the Listing Agreement of the said Company with stock exchanges(s).

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

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 S.R. BATLIBOI & CO. LLP

Chartered Accountants

ICAI Firm registration number: 301003E

per Kamal Agarwal

Partner

Membership No.: 58652

Place: Kolkata

Date: May 21, 2015

REPORT ON CORPORATE GOVERNANCE (contd.)

CERTIFICATION AS PER CLAUSE 49(IX) OF THE LISTING AGREEMENT

May 21, 2015

The Board of Directors
Rupa & Company Ltd.
Metro Tower, 8th Floor,
1, Ho Chi Minh Sarani,
Kolkata – 700 071

We, the undersigned, in our respective capacities as Managing Director and Chief Financial Officer of Rupa & Company Ltd, certify to the Board in terms of requirements of Clause 49(IX) of the Listing Agreement that we have reviewed the Financial Statement and the Cash Flow Statement of the Company for the Financial Year ended March 31, 2015.

1. To the best of our knowledge and belief, we certify that:
 - a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that are misleading;
 - b) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations;
 - c) There are no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
 2. For the purpose of Financial Reporting, we accept responsibility for establishing and maintaining internal controls and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- We have indicated to the Auditors and the Audit Committee:
- a) significant changes, if any, in the internal controls over financial reporting during the year;
 - b) significant changes, if any, in the accounting policies made during the year and that the same have been disclosed in the notes to the Financial Statement; and
 - c) instances of significant fraud, if any, of which we have become aware and the involvement therein, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For Rupa & Company Ltd

Sd/-

K. B. Agarwal

Managing Director

Sd/-

Neeraj Sureka

Chief Financial Officer

REPORT ON CORPORATE GOVERNANCE (contd.)

CODE OF CONDUCT

May 21, 2015

The Board of Directors
Rupa & Company Ltd.
Metro Tower, 8th Floor,
1, Ho Chi Minh Sarani,
Kolkata – 700 071

Dear Sirs,

I, Kunj Bihari Agarwal, Managing Director of Rupa & Company Ltd., hereby confirm that all Board Members and Senior Management Team have affirmed compliance with the “Code of Conduct for Directors and Senior Executives of the Company” for the year ended March 31, 2015.

Thanking You,

Yours sincerely,

For Rupa & Company Ltd.

K. B. Agarwal

Managing Director

DIN: 00224857

Independent Auditor's Report

To the Members of Rupa & Company Limited

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

Opinion

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

Report on Other Legal and Regulatory Requirements

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

Independent Auditor's Report

To the Members of Rupa & Company Limited (contd.)

- (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 and proper returns adequate for the purposes of our audit have been received from branches not visited by us ;
- (c) The reports on the accounts of the branch offices of the Company audited under section 143 (8) of the Act by branch auditor has been sent to us and have been properly dealt by us in preparing this report;
- (d) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account and with the returns received from branches not visited by us;
- (e) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- (f) On the basis of written representations received from the directors as on March 31, 2015, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015, from being appointed as a director in terms of section 164 (2) of the Act;
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 11 & 15 to the 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.

Other Matters

The accompanying financial statements include total assets of ₹1,816,894,089 as at March 31, 2015, and total revenues and profit before tax of ₹1,017,417,316 and ₹277,819,943 for the year ended on that date, in respect of two branches, which have been audited by branch auditors, which financial statements, other financial information and auditor's reports have been furnished to us. Our opinion, in so far as it relates to amounts and disclosures included in respect of these branches is based solely on the reports of such branch auditors. Our opinion is not modified in respect of this matter

For **S.R. Batliboi & Co. LLP**

Chartered Accountants

Firm Registration Number: 301003E

per Kamal Agarwal

Partner

Membership Number: 58652

Place: Kolkata

Date: May 21, 2015

Independent Auditor's Report

To the Members of Rupa & Company Limited (contd.)

Annexure To The Independent Auditors' Report (Referred To In Our Report Of Even Date To The Members Of Rupa & Company Limited As At And For The Year Ended 31st March, 2015)

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) All fixed assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. As informed, no material discrepancies were noticed on such verification.
- (ii) (a) The management has conducted physical verification of inventory at reasonable intervals except for the inventories lying with job-workers and transporters amounting to Rs. 509,572,484 and Rs 104,960,111 respectively which have not been verified during the year.
 - (b) The procedures of physical verification of inventory followed by the management need to be strengthened to include verification of inventories lying with job worker and transporter.
 - (c) The Company is maintaining proper records of inventory and no material discrepancies were noticed on such physical verification.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii) (a) and (b) of the Order are not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any major weakness or continuing failure to correct any major weakness in the internal control system of the Company in respect of these areas.
- (v) The Company has not accepted any deposits from the public.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013 in respect of its products and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.
- (vii) (a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth-tax, service tax, custom duty, value added tax, cess and other material statutory dues have generally been regularly deposited with the appropriate authorities though there has been a slight delay in a few cases. The provisions related to excise duty are not applicable to the Company.
 - (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, investor education and protection fund, employees' state insurance, income-tax, wealth-tax, service tax, sales-tax, customs duty, value added tax, cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable. The provisions related to excise duty are not applicable to the Company.
 - (c) According to the records of the Company, the dues outstanding in respect of sales tax, income tax, custom duty, wealth tax, service tax, excise duty, value added tax & cess on account of any dispute, are as follows :-

Independent Auditor's Report

To the Members of Rupa & Company Limited (contd.)

Nature of the statute	Nature of dues	Amount (₹)	Period to which the amount relates	Forum where dispute is pending
The West Bengal Value Added Tax Act, 2003	Demand relating to non-submission of Local forms and other documents/dispute	2,914,177	2004-05	West Bengal Taxation Tribunal
		25,888,983	2005-06 and 2009-10	West Bengal Commercial Taxes Appellate & Revisional Board
		15,126,193	2011-12	Additional Commissioner of Commercial Taxes (Appeals)
The Central Sales Tax Act, 1956	Demand relating to Non submission of C forms and other documents	10,414,938	2005-06 and 2009-10	West Bengal Commercial Taxes Appellate & Revisional Board
		1,770,309	2011-12	Additional Commissioner of Commercial Taxes (Appeals)
The Income Tax Act, 1961	Disallowance of certain expenses	1,567,760	Assessment Year 2010-11	ITAT, Kolkata

(d) According to the information and explanations given to us, the amount required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder has been transferred to such fund within time.

- (viii) The Company has no accumulated losses at the end of the financial year and it has not incurred cash losses in the current and immediately preceding financial year.
- (ix) Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to financial institutions and banks. Further, the Company did not have any outstanding debentures during the year.
- (x) According to the information and explanations given to us, the Company has not given any guarantees for loans taken by others from bank or financial institutions.
- (xi) Based on the information and explanations given to us by the management, term loans were applied for the purpose for which these were obtained.
- (xii) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the year.

For **S.R. Batliboi & Co. LLP**

Chartered Accountants

Firm Registration Number: 301003E

per Kamal Agarwal

Partner

Membership Number: 58652

Place: Kolkata

Date: May 21, 2015

Balance Sheet

as at 31st March, 2015

(Amounts in ₹)

	Notes	As at March 31, 2015	As at March 31, 2014
EQUITY & LIABILITIES			
Shareholders' Funds			
Share Capital	3	79,629,060	79,629,060
Reserves & Surplus	4	3,063,134,376	2,648,294,467
		3,142,763,436	2,727,923,527
Non-Current Liabilities			
Long Term Borrowings	5	75,301,252	104,444,444
Deferred Tax Liabilities	6	149,587,743	159,218,307
Other Long Term Liabilities	7	238,916,997	218,375,247
		463,805,992	482,037,998
Current Liabilities			
Short Term Borrowings	8	2,001,335,471	1,703,209,567
Trade Payables	9	1,073,691,227	918,230,009
Other Current Liabilities	10	398,714,552	298,880,553
Short Term Provisions	11	309,360,079	243,784,801
		3,783,101,329	3,164,104,930
		7,389,670,757	6,374,066,455
ASSETS			
Non-Current Assets			
Fixed Assets			
Tangible Assets	12	1,331,199,087	1,413,477,715
Intangible Assets	13	3,017,923	3,766,456
Capital Work- in- Progress		190,260,443	43,137,490
Non-Current Investments	14	41,215,000	41,215,000
Long Term Loans & Advances	15	147,012,535	145,786,965
Other Non Current Assets	16	1,933,305	3,423,758
		1,714,638,293	1,650,807,384
Current Assets			
Inventories	17	3,607,630,767	2,869,733,878
Trade Receivables	18	1,827,573,286	1,604,254,465
Cash & Bank Balances	19	53,967,193	54,913,486
Short Term Loans & Advances	20	103,961,151	109,564,632
Other Current Assets	21	81,900,067	84,792,610
		5,675,032,464	4,723,259,071
		7,389,670,757	6,374,066,455
Summary of Significant Accounting Policies	2.1		

The accompanying notes form an integral part of the financial statements

As per our report of even date

For and on behalf of the Board of Directors

For **S.R.Batliboi & Co. LLP**

Firm Registration No. 301003E

Chartered Accountants

per **Kamal Agarwal**

a Partner

Membership No. 58652

Place: Kolkata

Date: May 21, 2015

P.R.AGARWALA

Chairman

SUDIP CHATTERJEE

Company Secretary

G.P.AGARWALA

Vice-Chairman

NEERAJ SUREKA

Chief Financial Officer

K.B.AGARWAL

Managing Director

Statement of Profit & Loss

for the year ended 31st March, 2015

(Amounts in ₹)

	Notes	2014-15	2013-14
REVENUE			
Revenue From Operations	22	9,690,669,114	8,941,023,527
Other Income	23	49,485,610	70,256,226
Total Revenue		9,740,154,724	9,011,279,753
EXPENSES			
Cost of materials consumed	24	5,219,522,084	4,400,254,422
Purchases of traded goods	25	183,442,051	335,824,431
(Increase) in inventories of Finished Goods, Work -in-progress and traded goods	26	(736,774,282)	(76,117,135)
Employee Benefits Expense	27	259,039,505	148,605,628
Finance Cost	28	233,809,678	245,181,361
Depreciation & Amortisation expense	29	150,600,092	111,750,233
Other expenses	30	3,426,186,652	2,888,448,537
Total Expenses		8,735,825,780	8,053,947,477
Profit before tax		1,004,328,944	957,332,276
Tax Expense			
Current Tax		354,800,000	324,200,000
Deferred Tax		(7,541,433)	12,571,030
Profit for the year		657,070,377	620,561,246
Earnings per Equity Share - Basic and Diluted	36	8.26	7.80
(Nominal value per equity share ₹1)			
Summary of Significant Accounting Policies	2.1		

The accompanying notes form an integral part of the financial statements

As per our report of even date

For **S.R.Batliboi & Co. LLP**

Firm Registration No. 301003E

Chartered Accountants

For and on behalf of the Board of Directors

per **Kamal Agarwal**

a Partner

Membership No. 58652

Place: Kolkata

Date: May 21, 2015

P.R.AGARWALA

Chairman

G.P.AGARWALA

Vice-Chairman

K.B.AGARWAL

Managing Director

SUDIP CHATTERJEE

Company Secretary

NEERAJ SUREKA

Chief Financial Officer

Cash Flow Statement

for the year ended 31st March, 2015

(Amounts in ₹)

	2014-15		2013-14	
A. CASH FLOW ARISING FROM OPERATING ACTIVITIES				
Profit Before Tax		1,004,328,944		957,332,276
Adjustment to reconcile profit before tax to net cash flows				
(a) Depreciation and Amortisation	150,600,092		111,750,233	
(b) Finance Cost	233,809,678		245,181,361	
(c) Loss/(Profit) on disposal of fixed assets (Net)	(1,196,212)		165,023	
(d) Bad debts / advances written off	3,757,149		11,517,114	
(e) Unspent Liabilities written back	(30,009,397)		(38,098,618)	
(f) Interest Income	(10,675,262)	346,286,048	(7,045,255)	323,469,858
Operating Profit before Working Capital Changes		1,350,614,992		1,280,802,134
Changes in Working capital				
(a) Increase in Other Long Term Liabilities	20,541,750		39,872,538	
(b) Increase in Trade Payables	155,461,218		119,291,182	
(c) Increase in Other Current Liabilities	208,635,281		27,268,920	
(d) Decrease in Short-term Loans & Advances	5,603,484		7,513,062	
(e) Increase in Long-term Loans & Advances	(11,061,441)		(1,483,581)	
(f) Increase in Inventories	(737,896,889)		(152,265,794)	
(g) Increase in Trade Receivables	(227,075,970)		(170,170,030)	
(h) (Increase) / Decrease in Other Current Assets	2,892,543	(582,900,024)	(9,725,982)	(139,699,685)
Cash Generated from Operations		767,714,968		1,141,102,449
Less: (a) Direct Taxes Paid		(294,983,672)		(365,108,528)
Net Cash from Operating Activities		472,731,296		775,993,921
B. CASH FLOW ARISING FROM INVESTING ACTIVITIES				
(a) Sale of Fixed Assets		2,251,273		-
(b) Interest received		10,675,262		7,045,255
(c) Purchase of Fixed Assets		(215,232,408)		(156,456,910)
(d) Investment in Fixed Deposits		(1,314,420)		(11,855,992)
(e) Redemption of Fixed Deposits		3,199,677		377,290
Net Cash used in Investing Activities		(200,420,616)		(160,890,357)

Cash Flow Statement

for the year ended 31st March, 2015 (Contd.)

(Amounts in ₹)

	2014-15	2013-14
C. CASH FLOW ARISING FORM FINANCING ACTIVITIES		
(a) Dividend and Dividend Tax paid	(232,525,530)	(185,978,144)
(b) Finance Cost	(236,319,351)	(242,479,042)
(c) Proceed from Long Term Borrowings	15,634,586	70,000,000
(d) Repayment of Long Term Borrowings	(117,777,777)	(102,222,222)
(e) Proceed / (Repayment) of ShortTerm Borrowings (net)	298,125,904	(170,373,143)
Net Cash used in Financing Activities	(272,862,168)	(631,052,551)
Net decrease in Cash & Cash Equivalent (A+B+C)	(551,488)	(15,948,987)
Cash & Cash Equivalents at the beginning of the year #	40,360,341	56,309,328
Cash & Cash Equivalents at the end of the year #	39,808,853	40,360,341

as disclosed in Note 19 and Includes Rs 1,019,562 (31st March, 2014: Rs 945,694) lying in unclaimed dividend account, which is not available for use by the Company.

As per our report of even date

For and on behalf of the Board of Directors

For **S.R.Batliboi & Co. LLP**

Firm Registration No. 301003E

Chartered Accountants

per **Kamal Agarwal**

a Partner

Membership No. 58652

Place: Kolkata

Date: May 21, 2015

P.R.AGARWALA

Chairman

G.P.AGARWALA

Vice-Chairman

K.B.AGARWAL

Managing Director

SUDIP CHATTERJEE

Company Secretary

NEERAJ SUREKA

Chief Financial Officer

Notes to the Financial Statements

as at and for the year ended 31st March, 2015

1 CORPORATE INFORMATION

Rupa & Company Limited (the Company) is a public company domiciled in India. Its shares are listed on the National Stock Exchange of India Ltd. and Bombay Stock Exchange Ltd. The Company is primarily engaged in manufacture of hosiery products in knitted undergarments, casual wears and thermal wears. It also has a Power Generation Unit operated on Windmill process.

2 BASIS OF PREPARATION

The financial statements of the Company have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP) The Company has prepared these financial statements to comply in all material respects with the Accounting Standards notified under Section 133 of the Companies Act, 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014. The financial statements have been prepared on an accrual basis and under the historical cost convention.

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year, except for the change in accounting policy explained below.

2.1 Summary of Significant Accounting Policies

Change in Accounting Policy

Depreciation on Fixed Assets

Till the year ended 31 March 2014, Schedule XIV to the Companies Act, 1956 prescribed requirements concerning depreciation of fixed assets. From the current year, Schedule XIV has been replaced by Schedule II to the Companies Act, 2013. Effective from 1st April, 2014, the Company has provided depreciation on fixed assets based on useful lives as provided in Schedule II of the Companies Act, 2013 or as re-assessed by the Company. The management believes that depreciation rates currently used fairly reflect its estimate of the useful lives and residual value of fixed assets, though these rates in certain cases are different from the rates based on the useful lives prescribed under Schedule II.

Further, on application of Schedule II to the Companies Act, 2013, the Company has changed the manner of providing depreciation for its fixed assets. Now, the Company identifies and determines separate useful life for each major component of the fixed asset, if they have useful life that is materially different from that of the remaining asset.

Based on transitional provision given in Schedule II to the Companies, 2013, the carrying value of assets whose useful lives are already exhausted amounting to ₹ 40,57,179 (net of deferred tax of ₹ 20,89,131) has been adjusted with opening balance of General Reserve. Had there been no change in useful lives of fixed assets, the charge to the Statement of Profit and Loss would have been lower by ₹ 3,73,36,576.

2.2 Use of Estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

2.3 Tangible fixed assets

Fixed assets are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs, if capitalization criteria are met, and directly attributable cost of bringing the asset to its working condition for the intended use. Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately. This applies mainly to components for machinery. When significant parts of fixed assets are required to be replaced at intervals, the company recognizes such parts as individual assets with specific useful lives and depreciates them accordingly.

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

Notes to the Financial Statements

as at and for the year ended 31st March, 2015 (Contd.)

Gains or losses arising from derecognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

Depreciation on fixed assets is provided under Straight Line basis using the rates arrived at based on the useful lives estimated by the management. The company has used the following rates to provide depreciation on its fixed assets.

Class of Assets	Useful Lives estimated by the management (Years)
Factory Buildings	30
Non-factory Buildings	60
Plant and Equipments	10 to 15
Computer and Data Processing Equipments	3 to 6
Furnitures and Fixtures	10
Vehicles	8
Office Equipments	5

The management has estimated, supported by independent assessment by professionals, the useful lives of certain plant and equipment as 10 years. These lives are lower than those indicated in schedule II.

Leasehold land is amortized on a straight line basis over the period of lease, i.e., 86 years.

2.4 Intangible Assets

Intangible Assets are stated at acquisition cost, net of accumulated amortization and accumulated impairment losses, if any. Intangible assets are amortised on a straight line basis over their estimated useful economic lives.

Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognised as income or expense in the Statement of Profit & Loss. The useful lives over which intangible assets are amortised are as under:

Assets	Useful Life (in years)
Copyrights & Trade marks	10
Computer software	5

2.5 Borrowing Costs

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

2.6 Impairment

The carrying amount of assets (tangible and intangible) is reviewed at each balance sheet date, to determine if there is any indication of impairment based on the internal/external factors. An impairment loss is recognized wherever the carrying amount of assets exceeds its recoverable amount which is the greater of net selling price and value in use of the respective assets. In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and risk specific to the asset. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

2.7 Investments

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

Notes to the Financial Statements

as at and for the year ended 31st March, 2015 (Contd.)

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the long-term investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

2.8 Inventories

Raw materials and packing materials are valued at lower of cost and net realizable value. 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. Cost of raw materials is determined on specific identification basis and packing materials is determined on moving transaction average basis

Work-in-progress and finished goods are valued at lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost of Work-in-progress is determined on First in First out basis and cost of finished goods is determined on Retail sales price method.

Traded goods are valued at lower of cost and net realizable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost of traded goods is determined on First in First out basis.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

2.9 Foreign Currency Transactions

Initial Recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Conversion

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

Exchange differences arising on the settlement/conversion of monetary items are recognized as income or expenses in the period in which they arise.

Forward Exchange Contracts

The premium or discount arising at the inception of forward exchange contracts entered into to hedge an existing asset/liability, is amortised as expense or income over the life of the contract. Exchange differences on such a contract are recognised in the Statement of Profit & Loss in the reporting period in which the exchange rates change. Any profit or loss arising on cancellation or renewal of such a forward exchange contract are recognised as income or as expense for the period.

2.10 Revenue Recognition

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

Sale of goods: Sales are recognised when the substantial risks and rewards of ownership in the goods are transferred to the buyer and goods are unconditionally handed over to the transporters for delivery as per the terms of the contract. Sales are net of discounts, incentives, rebates and sales taxes. The Company collects sales taxes and value added taxes (VAT) on behalf of the government and, therefore, these are not economic benefits flowing to the Company. Hence, they are excluded from revenues.

Sale of Services: In contracts involving the rendering of services, revenue is measured using the completed service method.

Notes to the Financial Statements

as at and for the year ended 31st March, 2015 (Contd.)

Interest: Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other income" in the statement of profit and loss.

Dividend: Dividend income is recognized when the company's right to receive dividend is established by the reporting date.

Export Incentives: Export incentives are recognised when the right to receive such incentives as per the applicable terms is established in respect of the exports made and when there is no significant uncertainty regarding the ultimate realisation / utilisation of such incentives.

Insurance and other claims due to uncertainty in realisation are accounted for on acceptance basis.

2.11 Retirement and Other Employee Benefits

- (i) **Provident & Pension Fund:** Retirement benefits in the form of Provident and Pension Funds are defined contribution schemes and are charged to the statement of profit and loss of the period when the contributions to the respective funds are due. The Company has no obligation other than contributions to the respective funds. The Company recognises contribution payable to the provident fund scheme as an expenditure, when an employee renders the selected service.
- (ii) **Gratuity:** The company operates defined benefit plan for its employees, viz., gratuity. The costs of providing benefits under this plan is determined on the basis of actuarial valuation at each year-end. Actuarial valuation is carried out using the projected unit credit method. Actuarial gains and losses is recognized in full in the period in which they occur in the statement of profit and loss.
- (iii) The leave balances of the employees are only encashable during the year and cannot be accumulated and carried forwarded to next year

2.12 Taxes on Income

Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdictions where the company operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

At each reporting date, the company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax asset to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

The carrying amount of deferred tax assets are reviewed at each reporting date. The company writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

2.13 Provisions and Contingent Liabilities

Provisions: A provision is recognized when the company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Notes to the Financial Statements

as at and for the year ended 31st March, 2015 (Contd.)

Contingent Liabilities: A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The company does not recognize a contingent liability but discloses its existence in the financial statements.

2.14 Operating Lease

Leases where the lessor effectively retains substantially all the risks and benefits of the ownership of the leased assets are classified as operating leases. Operating lease payments are recognised as an expense in the statement of profit and loss on a straight line basis over the lease term.

2.15 Government Grants

Grants and subsidies from the government are recognized when there is reasonable assurance that the company will comply with the conditions attached to them, and the grant/subsidy will be received.

When the grant or subsidy relates to revenue, it is recognized as income on a systematic basis in the statement of profit and loss over the periods necessary to match them with the related costs, which they are intended to compensate.

Where the grant or subsidy relates to an asset, its value is deducted from the gross value of the asset concerned in arriving at the carrying amount of the related asset.

Government grants of the nature of promoter's contribution are credited to Capital reserve and treated as a part of Shareholder's funds.

2.16 Segment Reporting

Based on the synergies, risks and returns associated with business operations and in terms of Accounting Standard – 17, the Company is predominantly engaged in a single segment of Garments & Hosiery goods and related services during the year. The analysis of geographical segments is based on the areas in which customers of the Company are located.

2.17 Cash and Cash Equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

2.18 Earnings Per Share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

Notes to the Financial Statements

as at and for the year ended 31st March, 2015 (Contd.)

3. SHARE CAPITAL

(Amount in ₹)

	As at March 31, 2015	As at March 31, 2014
Authorised:		
200,000,000 (31st March, 2014: 200,000,000) Equity Shares of ₹ 1/- each	200,000,000	200,000,000
Issued:		
79,733,560 (31st March, 2014: 79,733,560) Equity Shares of ₹ 1/- each	79,733,560	79,733,560
Subscribed and paid up:		
79,524,560 (31st March, 2014: 79,524,560) Equity Shares of ₹ 1/- each, fully paid-up	79,524,560	79,524,560
209,000 (31st March, 2014: 209,000) Forfeited Shares of ₹ 1/- each ₹ 0.50/- per share paid up	104,500	104,500
	79,629,060	79,629,060

a) There is no change in the number of shares in the current year and last year.

b) Terms / Rights attached in Equity Shares

The Company has only one class of equity shares having a par value of ₹ 1/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian Rupee. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company. The distribution will be in proportion to the number of equity shares held by the shareholders.

During the year ended March 31, 2015, the Company has proposed final dividend of ₹ 2.75 per share (31st March, 2014: ₹ 2.50 per share)

c) Details of shareholders holding more than 5% shares in the Company

	As at March 31, 2015		As at March 31, 2014	
	No. of Shares	%	No. of Shares	%
Equity Shares of ₹ 1/- each, fully paid up				
Rajnish Enterprises Ltd.	15,821,190	19.89%	15,821,190	19.89%
Karuna Impex Enterprises Limited	8,650,000	10.88%	8,650,000	10.88%
Prahlad Rai Agarwala	8,041,080	10.11%	8,041,080	10.11%
Kunj Bihari Agarwal	7,278,000	9.15%	7,278,000	9.15%
Ghanshyam Prasad Agarwala	7,240,910	9.11%	7,240,910	9.11%
Purvanchal Leasing Ltd.	5,807,670	7.30%	5,807,670	7.30%

As per records of the Company, including its register of shareholders / members as on 31st March, 2015, the above shareholding represents legal ownership of shares.

Notes to the Financial Statements

as at and for the year ended 31st March, 2015 (Contd.)

4. RESERVES & SURPLUS

(Amount in ₹)

	As at March 31, 2015	As at March 31, 2014
Capital Subsidy		
Balance as per the last financial statement	60,75,040	60,75,040
General Reserve		
Balance as per the last financial statement	32,71,74,041	22,71,74,041
Add: Transferred from Surplus in Statement of Profit & Loss	10,00,00,000	10,00,00,000
Less: Adjustment for change in useful life of fixed assets (net of deferred taxes) (Refer note 2.1)	(40,57,179)	-
Balance as at the end of the year	42,31,16,862	32,71,74,041
Securities Premium Account		
Balance as per the last financial statement	68,80,30,890	68,80,30,890
Surplus in Statement of Profit & Loss		
Balance as per the last financial statement	1,62,70,14,496	1,33,90,52,647
Profit for the year	65,70,70,377	62,05,61,246
Less: Appropriations		
Proposed final equity dividend ₹ 2.75 per share (31st March, 2014: ₹ 2.50)	21,86,92,540	19,88,11,400
Tax on proposed equity dividend	1,94,80,749	3,37,87,997
Transfer to General Reserve	10,00,00,000	10,00,00,000
Total Appropriations	33,81,73,289	33,25,99,397
Net Surplus in the Statement of Profit & Loss	1,94,59,11,584	1,62,70,14,496
Total Reserves & Surplus	3,06,31,34,376	2,64,82,94,467

5. LONG TERM BORROWINGS

(Amount in ₹)

	As at March 31, 2015	As at March 31, 2014	As at March 31, 2015	As at March 31, 2014
Secured Term Loans				
Indian Rupee loans from a Bank	6,66,66,667	10,44,44,444	3,77,77,778	11,77,77,778
Unsecured Term Loans				
Indian Rupee loan from a Bank	86,34,585	-	70,00,000	-
	7,53,01,252	10,44,44,444	4,47,77,778	11,77,77,778
Less: Amount disclosed under the head "Other Current Liabilities" (Note 10)	-	-	(4,47,77,778)	(11,77,77,778)
	7,53,01,252	10,44,44,444	-	-

a) Secured Term Loan

Term loan from a bank is secured by first charge by way of hypothecation of movable fixed assets and mortgage of immovable fixed assets of Domjur Unit. Further term loan of ₹ 500,00,000 (31st March, 2014: ₹ 152,222,222) is secured by personal guarantee of 3 Directors of the Company.

Notes to the Financial Statements

as at and for the year ended 31st March, 2015 (Contd.)

Term Loan with a balance of ₹ 5,00,00,000 (31st March, 2014: ₹ 72,222,222) is repayable in 9 equal quarterly installments of ₹ 5,555,556 by 14th June, 2017 and carries interest @ 12.40% per annum. Term Loan with a balance of ₹ 54,444,445 (31st March, 2014: ₹ 70,000,000) is repayable in 14 equal quarterly installments of ₹ 3,888,889 starting from 24th June, 2014 and ending on 28th September, 2018 and carries interest @ 12.30% per annum.

b) Unsecured Term Loan

Term Loan of 15,634,585 (Sanctioned Amount ₹ 35,000,000) is repayable in 10 equal quarterly installments of ₹ 3,500,000 by 31st March, 2018 and carries interest @ 11.50% per annum. The loan is to be secured by first charge by way of hypothecation of movable fixed assets and mortgage of immovable fixed assets of Domjur unit. Pending creation of the charge, the loan is disclosed as unsecured.

6. DEFERRED TAX LIABILITIES

(Amount in ₹)

	As at March 31, 2015	As at March 31, 2014
Fixed Assets: Impact of difference between tax depreciation and depreciation / amortisation charged for the financial reporting	14,95,87,743	15,92,18,307
Deferred Tax Liabilities	14,95,87,743	15,92,18,307

7. OTHER LONG TERM LIABILITIES

(Amount in ₹)

	As at March 31, 2015	As at March 31, 2014
Security Deposits from Customers	23,89,16,997	21,83,75,247
	23,89,16,997	21,83,75,247

8. SHORT TERM BORROWINGS

(Amount in ₹)

	As at March 31, 2015	As at March 31, 2014
Secured		
From Banks		
Cash Credit	37,13,35,471	54,29,81,446
Working Capital Demand Loans		
Indian Rupee loans	1,63,00,00,000	1,04,00,28,494
Foreign Currency loans	-	12,01,99,627
	2,00,13,35,471	1,70,32,09,567

Cash Credit including Working Capital Demand Loan from banks are secured by hypothecation of inventories, book debts and other current assets and further secured by second charge of movable and immovable fixed assets of Domjur Unit.

Working Capital Demand Loans are repayable in 7 days to 360 days and carries interest @9.75% to 10.85% p.a.. (31st March, 2014: @4.16 % p.a. to 10.85% p.a.) Cash Credit are repayable on demand and carries interest @10.50% to 12.50% p.a. (31st March, 2014: @ 10.50% p.a. to 12.50% p.a.)

Notes to the Financial Statements

as at and for the year ended 31st March, 2015 (Contd.)

9. TRADE PAYABLES

(Amount in ₹)

	As at March 31, 2015	As at March 31, 2014
Trade payables		
Due to Micro and Small Enterprises (Refer Note 33)	-	5,17,53,343
Due to Others	1,07,36,91,227	86,64,76,666
	1,07,36,91,227	91,82,30,009

10. OTHER CURRENT LIABILITIES

(Amount in ₹)

	As at March 31, 2015	As at March 31, 2014
Capital Creditors	-	31,71,022
Current Maturities of Long Term Borrowings (Note 5)	4,47,77,778	11,77,77,778
Unpaid dividends (to be credited to Investor Education and Protection Fund as and when due)	10,19,562	9,45,694
Advances from customers	5,00,93,725	1,60,49,746
Interest Accrued but not due on borrowings	21,04,319	46,13,991
Statutory dues payable	8,78,69,478	6,05,25,747
Book overdraft in Current Account	40,88,585	12,04,524
Payable to employees	7,34,09,739	2,25,48,616
Dealers Incentive payable	13,04,21,672	7,11,55,424
Others	49,29,694	8,88,011
	39,87,14,552	29,88,80,553

11. SHORT TERM PROVISIONS

(Amount in ₹)

	As at March 31, 2015	As at March 31, 2014
Provision for Income tax (Net of Advance)	6,39,46,333	41,30,005
Provision for Litigation, Claims and Contingencies	70,55,399	70,55,399
Provision for Gratuity (Refer Note 34)	1,85,058	-
Proposed Equity Dividend	21,86,92,540	19,88,11,400
Tax on proposed Equity dividend	1,94,80,749	3,37,87,997
	30,93,60,079	24,37,84,801

The company has estimated the provision for pending litigation, claims and demands based on the assessment of probability for these demands being crystallising against the company in due course.

(Amount in ₹)

	As at March 31, 2015	As at March 31, 2014
At the beginning of the year [Refer Note 32 (e)]	70,55,399	70,55,399
Add: Arisen during the year	-	-
Less: Utilised/Unused amount reversed during the year.	-	-
	70,55,399	70,55,399

Notes to the Financial Statements

for the year ended 31st March, 2015

12 Tangible Assets

(Amount in ₹)

	Land		Buildings	Plant and Machinery	Furniture and Fixtures	Vehicles	Office Equipment	Total
	Freehold	Lease Hold						
Cost								
As at April 1, 2013	7,38,20,449	1,30,23,384	55,95,69,262	87,49,32,646	5,60,64,148	3,63,64,444	3,65,57,704	1,65,03,32,037
Additions	2,30,64,814	-	2,59,48,776	7,21,28,773	37,99,979	57,90,023	45,69,255	13,53,01,620
Disposals	-	-	-	1,68,380	-	-	40,075	2,08,455
As at March 31, 2014	9,68,85,263	1,30,23,384	58,55,18,038	94,68,93,039	5,98,64,127	4,21,54,467	4,10,86,884	1,78,54,25,202
Additions	2,17,28,612	-	1,26,45,725	1,53,20,997	69,37,199	1,08,77,424	68,52,347	7,43,62,304
Disposals	5,51,010	-	-	-	-	7,72,283	45,400	13,68,693
As at March 31, 2015	11,80,62,865	1,30,23,384	59,81,63,763	96,22,14,036	6,68,01,326	5,22,59,608	4,78,93,831	1,85,84,18,813
Depreciation								
As at April 1, 2013	-	-	4,79,24,342	16,29,79,285	2,49,36,419	89,82,005	1,99,67,487	26,47,89,538
Charge for the year	-	6,05,740	1,33,98,350	8,23,93,530	36,13,359	38,02,870	33,87,533	10,72,01,382
Disposals	-	-	-	35,774	-	-	7,659	43,433
As at March 31, 2014	-	6,05,740	6,13,22,692	24,53,37,041	2,85,49,778	1,27,84,875	2,33,47,361	37,19,47,487
Adjusted with opening balance of General Reserve (Refer Note 2.1)	-	-	-	28,90,317	4,85,265	-	27,70,728	61,46,310
Charge for the year	-	1,51,435	1,38,13,117	11,49,64,573	49,99,404	58,53,493	96,57,537	14,94,39,559
Disposals	-	-	-	-	-	2,99,924	13,706	3,13,630
As at March 31, 2015	-	7,57,175	7,51,35,809	36,31,91,931	3,40,34,447	1,83,38,444	3,57,61,920	52,72,19,726
Net Block								
At March 31, 2014	9,68,85,263	1,24,17,644	52,41,95,346	70,15,55,998	3,13,14,349	2,93,69,592	1,77,39,523	1,41,34,77,715
At March 31, 2015	11,80,62,865	1,22,66,209	52,30,27,954	59,90,22,105	3,27,66,879	3,39,21,164	1,21,31,911	1,33,11,99,087

13 Intangible Assets:

(Amount in ₹)

	Copyrights and Trademarks	Computer Software	Total
Cost			
At April 1, 2013	6,50,00,000	2,87,49,892	9,37,49,892
Additions	-	-	-
At March 31, 2014	6,50,00,000	2,87,49,892	9,37,49,892
Additions	-	4,12,000	4,12,000
At March 31, 2015	6,50,00,000	2,91,61,892	9,41,61,892
Amortisation			
At April 1, 2013	6,30,01,370	2,24,33,215	8,54,34,585
Charge for the year	19,98,630	25,50,221	45,48,851
At March 31, 2014	6,50,00,000	2,49,83,436	8,99,83,436
Charge for the year	-	11,60,533	11,60,533
At March 31, 2015	6,50,00,000	2,61,43,969	9,11,43,969
Net Block			
At March 31, 2014	-	37,66,456	37,66,456
At March 31, 2015	-	30,17,923	30,17,923

Notes to the Financial Statements

for the year ended 31st March, 2015 (Contd.)

14 Non-Current Investments (Fully Paid up) (At Cost)

(Amount in ₹)

	As at March 31, 2015	As at March 31, 2014
Trade Investments		
Unquoted Equity Shares		
Investment in Subsidiaries		
10,000 (31st March, 2014: 10,000) Equity Shares of ₹ 10 each in Imoogi Fashions Pvt. Ltd.	1,00,000	1,00,000
41,00,000 (31st March, 2014: 41,00,000) Equity Shares of ₹ 10 each in Euro Fashion Inners International Pvt. Ltd.	4,10,00,000	4,10,00,000
Investment in Others		
1,500 (31st March, 2014: 1,500) Equity Shares of ₹ 10 each in West Bengal Hosiery Park Infrastructure Limited	15,000	15,000
	4,11,15,000	4,11,15,000
Non-Trade Investments		
In Mutual Funds (quoted)		
10,000 (31st March, 2014: 10,000) Mutual Fund Units of ₹ 10 each in HDFC Large Cap fund	1,00,000	1,00,000
	1,00,000	1,00,000
	4,12,15,000	4,12,15,000
Aggregate amount of quoted investments	1,00,000	1,00,000
Market Value of quoted investments	9,03,440	7,34,130
Aggregate amount of unquoted investments	4,11,15,000	4,11,15,000

Note:

The Company has entered into an agreement with its wholly owned subsidiary Euro Fashion Inners International Pvt Ltd during the year, consequent to which effective 1st April, 2014, the business operations of Euro Fashion Inners International Pvt Ltd has been transferred to the Company

Notes to the Financial Statements

for the year ended 31st March, 2015 (Contd.)

15 Long Term Loans and Advances

(Amount in ₹)

	As at March 31, 2015	As at March 31, 2014
(Unsecured, considered good)		
Capital Advances*	12,26,13,101	13,24,48,972
Security Deposits	2,33,99,434	1,33,37,993
Advances paid under protest	10,00,000	-
	14,70,12,535	14,57,86,965

*Includes advance amounting to ₹ 40,092,000 (31st March, 2014: ₹ 40,092,000) given to West Bengal Housing Infrastructure Development Corporation (WB HIDCO) towards offer for allotment of land on a freehold basis. WB HIDCO later decided to allot land on a leasehold basis which the Company has challenged and the matter is sub-judice with the Hon'ble Calcutta High Court.

16 Other Non Current Assets

(Amount in ₹)

	As at March 31, 2015	As at March 31, 2014
Unsecured, considered good		
Non-Current bank balances (Note 19)	19,33,305	34,23,758
	19,33,305	34,23,758

17 Inventories

(Amount in ₹)

	As at March 31, 2015	As at March 31, 2014
(At lower of cost and net realisable value)		
Raw Materials & Packing Materials (Refer Note 24)	34,22,60,100	34,11,37,493
Work In Progress (Refer Note 26)	1,18,06,33,093	1,04,63,06,492
Finished Goods (Refer Note 26)	2,07,48,00,313	1,45,04,80,674
Traded Goods (Refer Note 26)	99,37,261	3,18,09,219
	3,60,76,30,767	2,86,97,33,878

Note

The above includes Stock in transit

Work in Progress	74,08,833	1,69,30,556
Finished Goods	9,92,98,290	75,26,118

Notes to the Financial Statements

for the year ended 31st March, 2015 (Contd.)

18 Trade Receivables

(Amount in ₹)

	As at March 31, 2015	As at March 31, 2014
Unsecured, considered good		
Outstanding for a period exceeding 6 months from the date they are due for payment	2,72,17,393	2,76,74,829
Other receivables	1,80,03,55,893	1,57,65,79,636
	1,82,75,73,286	1,60,42,54,465

19 Cash and Bank Balances

(Amount in ₹)

	As at March 31, 2015	As at March 31, 2014
Cash and Cash equivalents		
Cash on hand	13,69,167	47,37,647
Balances with Banks		
On current accounts	2,94,43,489	2,58,15,220
On Cash Credit Account	66,53,392	88,61,780
Unpaid dividend account	10,19,562	9,45,694
Deposits with original maturity of less than 3 months	13,23,243	-
	3,98,08,853	4,03,60,341
Other bank balances (*)		
Deposits with original maturity of more than 3 months but less than 12 months	1,41,58,340	-
Deposits with original maturity of more than 12 months	19,33,305	1,79,76,903
	1,60,91,645	1,79,76,903
Less: Amount disclosed under "Other Non-Current Assets" (Note 16)	(19,33,305)	(34,23,758)
	1,41,58,340	1,45,53,145
	5,39,67,193	5,49,13,486

(*) Held as lien by bank against bank guarantees

Notes to the Financial Statements

for the year ended 31st March, 2015 (Contd.)

20 Short Term Loans & Advances

(Amount in ₹)

	As at March 31, 2015	As at March 31, 2014
Unsecured, considered good		
Advances to a Subsidiary (Refer Note 39)	1,60,58,705	3,30,04,211
Advances recoverable in cash or kind	8,48,93,535	7,56,61,727
Other loans and advances:		
Prepaid Expenses	30,08,911	8,98,694
Total	10,39,61,151	10,95,64,632

21 Other Current Assets

(Amount in ₹)

	As at March 31, 2015	As at March 31, 2014
Unsecured, considered good		
Claims & Refund Receivable	8,19,00,067	7,77,92,610
Forward Contract Receivable	-	70,00,000
	8,19,00,067	8,47,92,610

22 Revenue

(Amount in ₹)

	2014-2015	2013-2014
Revenue from Operations		
Sale of products :		
Finished Goods	9,32,35,07,987	8,56,32,07,785
Semi-Finished Goods	14,02,38,436	19,53,41,666
Sale of Services	17,66,99,996	13,73,42,179
Other Operating Revenue :		
Sale of Power	93,15,219	89,70,900
Scrap sale	95,55,578	80,87,467
Sales Tax Subsidy	1,45,77,865	1,37,62,482
Export Incentive	1,67,74,033	1,43,11,048
Revenue from Operations	9,69,06,69,114	8,94,10,23,527

Notes:

Sales are net of discount and rebates amounting to ₹ 751,660,584 (31st March, 2014: ₹ 609,879,696)

Notes to the Financial Statements

for the year ended 31st March, 2015 (Contd.)

(Amount in ₹)

	2014-2015	2013-2014
Details of product sold :		
Finished Goods Sold		
Hosiery Goods	9,32,35,07,987	8,56,32,07,785
Semi Finished Goods Sold		
Processed Yarn	59,47,978	3,34,03,569
Processed Fabric	13,42,90,458	16,19,38,097
	14,02,38,436	19,53,41,666
Details of Services rendered :		
Dyeing, Bleaching & Knitting	17,66,99,996	13,73,42,179
	9,64,04,46,419	8,89,58,91,630

23 Other Income

(Amount in ₹)

	2014-2015	2013-2014
Interest Income		
on Bank Deposits	14,79,100	17,47,178
on Receivables	91,96,162	52,98,077
Unspent Liabilities written back	3,00,09,397	3,80,98,618
Insurance & Other Claims Received	-	1,73,16,281
Net Foreign Exchange gain	29,01,048	-
Profit on disposal of fixed assets (Net)	11,96,212	-
Miscellaneous Income	47,03,691	77,96,072
Total	4,94,85,610	7,02,56,226

24 Cost of Materials Consumed

(Amount in ₹)

	2014-2015	2013-2014
Opening inventory	34,11,37,493	26,49,88,834
Add : Purchases	5,22,06,44,691	4,47,64,03,081
Less : Inventory at the end of the year	34,22,60,100	34,11,37,493
Cost of raw materials consumed	5,21,95,22,084	4,40,02,54,422
Details of Raw Materials Consumed		
Yarn/Than	3,67,86,85,828	3,24,26,71,394
Packing material	28,71,07,184	23,15,03,389
Elastic, Accessories & Other Material	1,25,37,29,072	92,60,79,639
Total	5,21,95,22,084	4,40,02,54,422

Notes to the Financial Statements

for the year ended 31st March, 2015 (Contd.)

25 Purchases of Traded goods

(Amount in ₹)

	2014-2015	2013-2014
Hosiery Goods	17,65,96,253	31,62,84,307
Garments	68,45,798	1,95,40,124
Total	18,34,42,051	33,58,24,431

26 Increase in Inventories of Finished Goods, Work-in- progress and Stock-in-Trade

(Amount in ₹)

	2014-2015	2013-2014
Stock at the end of the year :		
Finished Goods	2,07,48,00,313	1,45,04,80,674
Traded Goods	99,37,261	3,18,09,219
Work-in progress	1,18,06,33,093	1,04,63,06,492
	3,26,53,70,667	2,52,85,96,385
Stock at the beginning of the year :		
Finished Goods	1,45,04,80,674	1,36,39,32,931
Traded Goods	3,18,09,219	1,93,71,783
Work-in progress	1,04,63,06,492	1,06,91,74,536
	2,52,85,96,385	2,45,24,79,250
	(73,67,74,282)	(7,61,17,135)
Details of inventory :		
Finished Goods		
Hosiery Goods	2,07,48,00,313	1,45,04,80,674
Traded Goods :		
Garments	99,37,261	3,18,09,219
Work in progress :		
Hosiery Goods	1,18,06,33,093	1,04,63,06,492

Notes to the Financial Statements

for the year ended 31st March, 2015 (Contd.)

27 Employee Benefits Expenses

(Amount in ₹)

	2014-2015	2013-2014
Salaries, Wages and Bonus (Refer note 39)	25,28,44,355	14,38,73,589
Contribution to Provident and Other Funds	22,79,156	18,07,228
Gratuity (Refer note 34)	18,57,505	17,92,318
Staff Welfare Expenses	20,58,489	11,32,493
Total	25,90,39,505	14,86,05,628

28 Finance Cost

(Amount in ₹)

	2014-2015	2013-2014
Interest expense	22,52,62,759	21,49,91,202
“(Net of Interest Rebate subsidy from Technology Upgradation Fund Scheme ₹ 90,91,968 (31st March, 2014 ₹ Nil))”		
Exchange difference to the extent considered as an adjustment to the borrowing cost	27,18,288	2,12,33,892
Bank Charges	58,28,631	89,56,267
Total	23,38,09,678	24,51,81,361

29 Depreciation & Amortisation Expense

(Amount in ₹)

	2014-2015	2013-2014
Depreciation of Tangible assets	14,94,39,559	10,72,01,382
Amortisation of Intangible assets	11,60,533	45,48,851
Total	15,06,00,092	11,17,50,233

Notes to the Financial Statements

for the year ended 31st March, 2015 (Contd.)

30 Other Expenses

(Amount in ₹)

	2014-2015	2013-2014
Consumption of stores and spares	73,25,798	57,03,599
Sub-contracting /Job Worker expenses	1,95,62,67,877	1,45,19,18,713
Power & Fuel	11,73,73,604	9,94,98,362
Freight outwards and Forwarding expenses	12,22,29,854	9,13,01,765
Rent	2,21,86,772	1,28,08,603
Rates and taxes	64,40,375	62,32,291
Insurance	58,35,019	42,63,535
Repairs and Maintenance :		
- Plant and Machinery	1,36,31,904	95,87,327
- Others	2,57,21,758	2,44,46,199
Advertising	66,80,70,602	69,26,90,547
Dealer's Incentive & Sales Promotion	14,57,88,910	10,84,58,669
Business Convention	90,50,628	2,86,06,806
Brokerage	12,50,68,566	11,98,46,545
Travelling and Conveyance	5,34,76,079	5,52,71,912
Communication costs	1,82,70,021	1,49,21,710
Legal and Professional fees	2,56,74,700	1,53,89,205
Directors' Sitting fees	29,05,742	4,00,000
Payment to auditor (refer note below)	23,10,730	19,97,227
Net foreign exchange loss	-	7,80,71,482
Bad Debts/ advance written off	37,57,149	1,15,17,114
Loss on sale of fixed assets (net)	-	1,65,023
Royalty on Sales	6,98,407	-
Contribution for CSR activities	1,44,61,000	-
Miscellaneous expenses	7,96,41,157	5,53,51,903
Total	3,42,61,86,652	2,88,84,48,537

Note:

Payment to Auditor:		
As auditor :		
- For Statutory Audit	8,00,000	8,00,000
- For Limited Reviews	9,00,000	6,25,000
- For Certification	1,00,000	1,00,000
- For Others	2,00,000	2,00,000
Out of pocket expenses	56,542	52,525
Service tax	2,54,188	2,19,702
Total	23,10,730	19,97,227

Notes to the Financial Statements

for the year ended 31st March, 2015 (Contd.)

31 Capital and other commitments

(Amount in ₹)

	March 31, 2015	March 31, 2014
Estimated amount of contracts remaining to be executed and not provided for (net of advances)	4,05,84,000	1,69,50,000

32 Contingent Liabilities

(Amount in ₹)

	March 31, 2015	March 31, 2014
a) Demands / claims by various government authorities and others not acknowledged as debts and contested by the government		
Income Tax matters	15,67,760	15,67,760
Sales Tax matters	5,71,14,600	4,02,18,098
	5,86,82,360	4,17,85,858
b) Bank Guarantees outstanding	2,47,34,424	2,26,97,424
c) Letter of Credits issued by the Banks	2,58,74,301	1,71,47,802
d) The Income Tax Department had conducted a search and seizure operation on the Company's various locations from 7th November, 2013 to 8th November, 2013 under section 132 of the Income Tax Act, 1961. No order / demand, consequent to search operation, has so far been received by the Company from the Income Tax Department and thus liability, if any, arising out of such search and seizure is not presently ascertainable.		
e) During the year 2013-14, the Company had challenged, before the Hon'ble High Court of Calcutta, the imposition of entry tax by the State Government of West Bengal on receipt of materials from outside the state on the ground that such imposition of entry tax is ultra vires / unconstitutional. The Company has received a favorable interim order dated June 5, 2013 and the matter is presently sub judice. Accordingly, the liability of ₹ 23,563,135 (31st March, 2014: ₹ 15,599,368) has not been provided for	2,35,63,135	1,55,99,368

* The management believes that it is possible but not probable that action will succeed and accordingly no provision there against is considered necessary

Notes to the Financial Statements

for the year ended 31st March, 2015 (Contd.)

33 Details of dues to micro and small enterprises as defined under the MSMED Act, 2006 included in Trade payables

(Amount in ₹)

	March 31, 2015	March 31, 2014
Principal amount remaining unpaid to any supplier at the end of accounting year*	-	5,07,79,193
Interest due on above	-	9,74,150
Total	-	5,17,53,343
Amount of interest paid by the Company to the suppliers in terms of section 16 of the MSMED Act, 2006	-	-
Amount paid to the suppliers beyond the respective due date	-	-
Amount of interest due and payable for the year of delay in payments (which have been paid but beyond the due date during the year) but without adding the interest specified under the Act	-	-
Amount of interest accrued and remaining unpaid at the end of accounting year	-	9,74,150
Amount of further interest remaining due and payable even in the succeeding years, 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 this Act	-	-

* As per information available with the company there are no suppliers covered under Micro, Small and Medium Enterprise Development Act, 2006. As a result, no interest provision/ payment have been made by the company to such creditors, if any.

34 Employee Benefit (Defined Benefit Plan)

The Company has a defined benefit gratuity plan. Every employee who has completed at least five years or more of service is entitled to Gratuity on terms as per the provisions of The Payment of Gratuity Act, 1972. The Company has got an approved gratuity fund which has taken an insurance policy with Life Insurance Corporation of India (LIC) to cover the gratuity liabilities.

The following tables summarize the components of net benefit expense recognized in the statement of profit and loss and the funded status and amounts recognized in the balance sheet for the plan.

Statement of profit and loss

Net employee benefit expense recognized in employee costs

(Amount in ₹)

	2014-15	2013-14
Current service cost	24,45,795	15,81,801
Interest cost on benefit obligation	12,75,973	10,13,421
Expected return on plan assets	(12,92,566)	(11,17,263)
Net actuarial (gain) / loss recognized in the year	(5,71,697)	3,14,359
Net benefit expense	18,57,505	17,92,318
Actual return on plan assets	12,73,490	10,20,224

Notes to the Financial Statements

for the year ended 31st March, 2015 (Contd.)

Balance sheet

Net Benefit liability / (asset)

(Amount in ₹)

	As at March 31, 2015	As at March 31, 2014
Present value of defined benefit obligation	1,56,88,456	1,26,66,499
Fair value of plan assets	1,55,03,398	1,32,20,297
Plan asset / (liability)	(1,85,058)	5,53,798

Changes in the present value of the defined benefit obligation are as follows :

(Amount in ₹)

	As at March 31, 2015	As at March 31, 2014
Opening defined benefit obligation	1,26,66,499	98,53,957
Current service cost	24,45,795	15,81,801
Interest cost	12,75,973	10,13,421
Benefits paid	(1,09,038)	-
Actuarial (gains) / losses on obligation	(5,90,773)	2,17,320
Closing defined benefit obligation	1,56,88,456	1,26,66,499

Changes in the fair value of plan assets are as follows :

(Amount in ₹)

	As at March 31, 2015	As at March 31, 2014
Opening fair value of plan assets	1,32,20,297	1,16,07,772
Expected return	12,92,566	11,17,263
Contributions by employer	11,18,649	5,92,301
Benefits paid	(1,09,038)	-
Actuarial gains / (losses)	(19,076)	(97,039)
Closing fair value of plan assets	1,55,03,398	1,32,20,297

The Company expects to contribute ₹ 1,000,000 (₹ 1,000,000) to Gratuity Fund in the next year.

The major categories of plan assets as a percentage of the fair value of total plan assets are as follows :

(Amount in ₹)

	As at March 31, 2015	As at March 31, 2014
Investments with insurer	100%	100%

Notes to the Financial Statements

for the year ended 31st March, 2015 (Contd.)

The principal assumptions are shown below :

(Amount in ₹)

	As at March 31, 2015	As at March 31, 2014
Discount rate	8.00%	8.25%
Expected rate of return on assets	9.00%	9.00%
Withdrawal Rates (Varying between per annum depending upon the duration and age of the employees)	1% - 8%	1% - 8%

Amounts for the current and previous four years are as follows :

(Amount in ₹)

	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011
Defined benefit obligation	1,56,88,456	1,26,66,499	98,53,957	79,09,665	53,05,927
Plan assets	1,55,03,398	1,32,20,297	1,16,07,772	90,53,068	50,17,516
Surplus / (deficit)	(1,85,058)	5,53,798	17,53,815	11,43,403	(8,65,182)
Experience (gain) / loss adjustments on plan liabilities	(5,90,773)	2,17,320	5,17,104	16,04,862	4,75,817
Experience gain / (loss) adjustments on plan assets	(19,076)	(97,039)	-	-	-

The estimates of future salary increases considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

The overall expected rate of return on assets is determined based on the market prices prevailing on the date, applicable to the year over which the obligation is to be settled.

Defined Contribution Plan :

The Company has recognised the following amount as an expense and included under, "Contribution to Provident & Other Funds".

(Amount in ₹)

	2014-15	2013-14
Contribution to Provident / Pension Funds	22,79,156	18,07,228

Notes to the Financial Statements

for the year ended 31st March, 2015 (Contd.)

35 Operating lease :

Certain office premises, godowns, etc. are held on operating lease. The leases range upto 3 years and are renewable for further year either mutually or at the option of the Company. There is no escalation clause in the lease agreement. There are no restrictions imposed by lease agreements. There are no subleases. The leases are cancellable.

(Amount in ₹)

	2014-15	2013-14
Lease payments made for the year	2,21,86,772	1,28,08,603

36 Earnings Per Share

(Amount in ₹)

	2014-15	2013-14
Profit as per Statement of Profit & Loss attributable to Equity Shareholders (a)	65,70,70,377	62,05,61,246
Weighted average number of Equity Shares (in number) (b)	7,95,24,560	7,95,24,560
Basic & Diluted Earnings Per Share (a/b)	8.26	7.80
(Nominal Value - ₹ 1 per share)		

37 Segment reporting

There is only one primary business segment i.e. "Garments & Hosiery goods and related services" and hence no separate segment information is disclosed in this financial.

Secondary information is reported geographically.

Geographical segments

The Company primarily operates in India and therefore analysis of geographical segment is demonstrated into Indian and overseas operation as under:

	(Amount in ₹)			(Amount in ₹)		
	For the year ended 31st March, 2015			For the year ended 31st March, 2014		
	India	Overseas	Total	India	Overseas	Total
Revenue from Operations (Gross)	9,46,46,86,715	22,59,82,399	9,69,06,69,114	8,75,23,60,279	18,86,63,248	8,94,10,23,527
<u>Carrying amount:</u>						
Segment assets	7,35,37,85,944	3,58,84,813	7,38,96,70,757	6,33,46,29,998	3,94,36,457	6,37,40,66,455
<u>Additions:</u>						
Tangible assets	7,43,62,304	-	7,43,62,304	13,53,01,620	-	13,53,01,620
Intangible assets	4,12,000	-	4,12,000	-	-	-

Notes to the Financial Statements

for the year ended 31st March, 2015 (Contd.)

38 Derivative instruments and unhedged foreign currency exposure

a) Derivative outstanding as at the reporting date

Particulars	Purpose
Forward Contract Option	Hedge of foreign currency loan
Notional amount USD Nil (31st March, 2014: USD 2,000,000) ₹ Nil (31st March, 2014: ₹ 120,199,627)	

b) Particulars of unhedged foreign currency exposure as on the balance sheet date, are as follows: (Amount in ₹)

	As at March 31, 2015	As at March 31, 2014
Trade receivable	3,58,84,813	3,94,36,457
EEFC Bank Account	1,60,33,697	1,61,92,046

39 Related Party Disclosure

Names of related parties and related party relationship

Related parties where control exists

Subsidiary Companies	Euro Fashion Inners International Pvt. Ltd.
	Imoogi Fashions Pvt. Ltd.

Related parties with whom transactions have taken place during the year

Key Management Personnel	Mr. P R Agarwala	Chairman
	Mr. G P Agarwala	Vice Chairman
	Mr. K B Agarwal	Managing Director
	Mr. Ramesh Agarwal	Executive Director
	Mr. Mukesh Agarwal	Executive Director
Relatives of Key Management Personnel	Mr. Suresh Agarwal	Son of Mr. P.R.Agarwala
	Mr. Manish Agarwal	Son of Mr. G.P.Agarwala
	Mr. Ravi Agarwal	Son of Mr. K.B.Agarwal
	Mr. Vikash Agarwal	Son of Mr. K.B.Agarwal
	Mr. Rajnish Agarwal	Son of Mr. G.P.Agarwala
	Mr. Sidhant Agarwal*	Grand-Son of Mr. P.R.Agarwala
	Mrs. Rekha Patodia**	Daughter of Mr. P.R.Agarwala
	Mrs. Shanti Devi Agarwal	Wife of Mr. P.R.Agarwala
	Mrs. Puspa Devi Agarwal	Wife of Mr. G.P.Agarwala
	Mrs. Lalita Devi Agarwal	Wife of Mr. K.B.Agarwal
	Mrs. Seema Agarwal	Wife of Mr. Ramesh Agarwal
	Mrs. Seema Agarwal	Wife of Mr. Mukesh Agarwal
	Mrs. Sarita Patwari	Daughter of Mr. G.P.Agarwala

* with effect from 01.06.2014

** with effect from 02.02.2015

Notes to the Financial Statements

for the year ended 31st March, 2015 (Contd.)

Subsidiary Companies	Euro Fashion Inners International Pvt. Ltd.
	Imoogi Fashions Pvt. Ltd.
Enterprises owned or significantly influenced by key management personnel or their relatives	Binod Hosiery
	Salasar Projects and Estates Pvt. Ltd.
	Sidhant Flats & Apartments Pvt Ltd.
	Salasar Infrastructure Ltd.
	Rupa Spinners Ltd.
	Salasar Developers & Garments Pvt Ltd.
	Bajrangbali Projects Ltd.
	Sidhant Textiles Pvt Ltd.
	Ganesh Enclave Ltd.
	Ravi Global Pvt Ltd.
	Kadambari Impex & Agency Pvt Ltd.
	Rajnish Enterprises Ltd.
	Purvanchal Leasing Ltd.
	Siddhant Credit Capital Ltd.
	K B & Sons - HUF
	Mukesh Kumar Agarwal - HUF
	Ghanshyam Prasad Manish Kumar - HUF
	Prahalad Rai Suresh Kumar - HUF
	Rupa Dyeing & Printing Pvt Ltd.

Notes to the Financial Statements

for the year ended 31st March, 2015 (Contd.)

Related party transactions

(Amount in ₹)

Particulars	Party	Nature of relationship	2014-15	2013-14
Rent	Mr. P.R.Agarwala	Key Management Personnel	2,82,000	2,22,000
	Mr. G.P.Agarwala		1,14,000	1,14,000
	Mr. K.B.Agarwal		48,000	48,000
	Mr. Mukesh Agarwal		1,08,000	1,08,000
	Mr. Manish Agarwal	Relatives of Key Management Personnel	18,000	18,000
	Mr. Rajnish Agarwal		18,000	18,000
	Mrs. Puspa Devi Agarwal		18,000	18,000
	Salasar Infrastructure Ltd.	Enterprises owned or significantly influenced by key management personnel or their relatives	1,08,000	1,08,000
	Rupa Spinners Ltd.		1,08,000	1,08,000
	Salasar Developers & Garments Pvt Ltd.		1,08,000	1,08,000
	Bajrangbali Projects Ltd.		1,08,000	1,08,000
	Sidhant Textiles Pvt Ltd.		1,14,000	1,14,000
	Ganesh Enclave Ltd.		1,08,000	1,08,000
	Ravi Global Pvt Ltd.		1,14,000	1,14,000
	Kadambari Impex & Agency Pvt Ltd.		1,14,000	1,14,000
	Others		96,000	1,56,000
Salary & Perquisites	Mr. P.R. Agarwala	Key Management Personnel	1,03,38,464	51,25,000
	Mr. G.P.Agarwala		84,14,309	33,00,000
	Mr. K.B.Agarwal		87,51,095	32,50,000
	Mr. Ramesh Agarwal		63,00,000	18,00,000
	Mr. Mukesh Agarwal		63,00,000	18,00,000
	Mr. Manish Agarwal	Relatives of Key Management Personnel	42,00,000	18,00,000
	Mr. Ravi Agarwal		42,00,000	18,00,000
	Mr. Vikash Agarwal		42,00,000	18,00,000
	Mr. Rajnish Agarwal		42,00,000	18,00,000
	Mr. Suresh Agarwal		24,00,000	4,80,000
	Mr. Siddhant Agarwal		20,00,000	-
	Mrs. Rekha Patodia		2,56,666	-

Notes to the Financial Statements

for the year ended 31st March, 2015 (Contd.)

Particulars	Party	Nature of relationship	2014-15	2013-14
Sales	Imoogi Fashions Pvt. Ltd.	Subsidiary Company	1,19,38,196	53,34,241
	Euro Fashion Inners International Pvt. Ltd.		-	9,05,06,301
Royalty	Euro Fashion Inners International Pvt. Ltd.	Subsidiary Company	6,98,407	-
Purchases	Imoogi Fashions Pvt. Ltd.	Subsidiary Company	16,48,22,537	-
	Euro Fashion Inners International Pvt. Ltd.		22,04,04,818	31,62,84,307
Sub-contracting Expenses	Rupa Dyeing & Printing Pvt Ltd	Enterprises owned or significantly influenced by key management personnel or their relatives	14,86,825	-
Dividend Paid	Mr. P.R. Agarwala	Key Management Personnel	2,01,02,700	1,60,82,160
	Mr. G.P.Agarwala		1,81,02,275	1,44,81,820
	Mr. K.B.Agarwal		1,81,95,000	1,45,56,000
	Others		44,71,950	35,77,560
	Mr. Vikash Agarwal	Relatives of Key Management Personnel	43,88,600	35,10,880
	Mr. Ravi Agarwal		43,56,575	34,85,260
	Mr. Rajnish Agarwal		31,08,425	24,86,740
	Mr. Manish Agarwal		30,81,375	24,65,100
	Mr. Suresh Agarwal		26,66,425	21,33,140
	Others		59,50,900	47,60,720
	Rajnish Enterprises Ltd.	Enterprises owned or significantly influenced by key management personnel or their relatives	3,95,52,975	3,16,42,380
	Purvanchal Leasing Ltd.		1,45,19,175	1,16,15,340
	Others		72,50,000	58,00,000

Notes to the Financial Statements

for the year ended 31st March, 2015 (Contd.)

Particulars	Party	Nature of relationship	As at March 31, 2015	As at March 31, 2014
Other Liabilities	Mr. P.R.Agarwala	Key Management Personnel	69,74,033	15,36,138
	Mr. G.P.Agarwala		62,45,587	17,51,727
	Mr. K.B.Agarwal		74,37,706	35,44,070
	Mr. Ramesh Agarwal		50,23,710	18,08,384
	Mr. Mukesh Agarwal		63,54,246	23,58,694
	Mr. Manish Agarwal	Relatives of Key Management Personnel	73,89,105	49,60,225
	Mr. Rajnish Agarwal		54,81,207	33,74,024
	Mr. Ravi Agarwal		2,78,235	35,03,942
	Mr. Vikash Agarwal		35,23,036	22,38,321
	Mr. Suresh Agarwal		7,79,524	7,08,793
	Mr. Siddhant Agarwal		15,05,723	-
	Mrs Rekha Patodia		1,41,438	-
	Binod Hosier	Enterprises owned or significantly influenced by key management personnel or their relatives	-	13,18,359
Trade Payables	Euro Fashion Inners International Pvt. Ltd.	Subsidiary Company	15,56,20,733	4,42,91,083
	Rupa Dyeing & Printing Pvt Ltd	Enterprises owned or significantly influenced by key management personnel or their relatives	14,86,825	-
Advance recoverable in cash or in Kind	Imoogi Fashions Pvt. Ltd.	Subsidiary Company	1,60,58,705	3,30,04,211
Loans & Advances	Salasar Developers & Garments Pvt Ltd.	Enterprises owned or significantly influenced by key management personnel or their relatives	-	30,400
Long Term Loans & Advances - Security Deposits	Salasar Projects and Estates Pvt. Ltd.	Enterprises owned or significantly influenced by key management personnel or their relatives	26,00,000	26,00,000
	Sidhant Flats & Apartments Pvt Ltd.		26,40,001	26,40,000
	Others		15,00,000	15,00,000
Guarantees taken*	Mr. P.R.Agarwala	Key Management Personnel	5,00,00,000	15,22,22,222
	Mr. G.P.Agarwala		5,00,00,000	15,22,22,222
	Mr. K.B.Agarwal		5,00,00,000	15,22,22,222

Note:

The remuneration to the Key Management Personnel and relatives of the Key Management Personnel does not include provision made for Gratuity as they are determined on an actuarial basis for the Company as a whole.

*Guarantees given in aggregate by all the Directors.

Notes to the Financial Statements

for the year ended 31st March, 2015 (Contd.)

40 Imported and indigenous raw material and stores & spares consumed

(Amount in ₹)

	2014-15		2013-14	
	Consumption %	Value	Consumption %	Value
<u>Raw Materials</u>				
Indigenous	100%	5,21,95,22,084	100%	4,40,02,54,422
	100%	5,21,95,22,084	100%	4,40,02,54,422
<u>Stores and spares</u>				
Indigenous	100%	73,25,798	100%	57,03,599
	100%	73,25,798	100%	57,03,599

It is not possible to identify consumption of spare parts separately and hence consumption of stores and spares is shown above

41 CIF Value of Imports

(Amount in ₹)

	2014-15	2013-14
Stores & Spares	-	34,09,552
Capital Goods	2,97,51,359	13,55,10,926

42 Expenditure in foreign currency (on accrual basis)

(Amount in ₹)

	2014-15	2013-14
Finance Charges	1,61,416	1,76,61,193
Professional Fee	81,050	-
Advertisement	47,02,927	14,95,908

43 Earnings in foreign currency (on accrual basis)

(Amount in ₹)

	2014-15	2013-14
Exports (FOB value)	22,59,82,399	18,86,63,248

44 Previous year figures including those given in brackets have been regrouped/re-arranged wherever necessary.

As per our report of even date

For **S R Batliboi & Co. LLP**

Firm Registration No. 301003E

Chartered Accountants

per **Kamal Agarwal**

a Partner

Membership No. 58652

Place : Kolkata

Date : May 21, 2015

For and on behalf of the Board of Directors

P R AGARWALA

Chairman

G P AGARWALA

Vice-Chairman

K B AGARWAL

Managing Director

SUDIP CHATTERJEE

Company Secretary

NEERAJ SUREKA

Chief Financial Officer

Independent Auditor's Report

To the Members of Rupa & Company Limited

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Rupa & Company Limited (hereinafter referred to as "the Holding Company") and its Subsidiaries Companies (the Holding Company and Subsidiaries together referred to as "the Group") comprising of the Consolidated Balance Sheet as at March 31, 2015, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and Rules made thereunder.

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

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

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters Paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-

Independent Auditor's Report

To the Members of Rupa & Company Limited (contd.)

section (11) of section 143 of the Act, based on the comments in the auditor's report of the Holding Company and subsidiaries companies we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by section 143 (3) of the Act, we report, to the extent applicable 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 purpose of our audit of the aforesaid consolidated financial statements;
 - (b) In our opinion proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of other auditors;
 - (c) The Consolidated Balance Sheet, Consolidated Statement of Profit and Loss, 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 consolidated financial statements ;
 - (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - (e) On the basis of written representations received from the directors of the Holding Company as on March 31, 2015, and taken on record by the Board of Directors of the Holding Company and the reports of the auditors who are appointed under Section 139 of the Act, of the subsidiaries companies, none of the directors of the Group's Companies is disqualified as on March 31, 2015, from being appointed as a director in terms of section 164 (2) of the Act;
 - (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Consolidated financial statements has disclosed the impact of pending litigations on the consolidated financial position of the Group – Refer Note 11 & 15 to the financial statements;
 - ii. The Group 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 Holding Company and its subsidiaries Companies.

Other Matters

We did not audit financial statements/financial information of certain branches and subsidiaries Companies whose financial statements/financial information reflect total assets of ₹1,906,869,356 as at March 31, 2015, total revenues of ₹1,065,231,161 and net cash inflows amounting to Rs. 12,467,985 for the year then ended, on that date, as considered in the consolidated financial statements. These financial statements/ financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the branches and Subsidiaries Companies and our report referred in terms of sub-section (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid branches and subsidiaries is based solely on the reports of other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements above, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors .

For **S.R. Batliboi & CO. LLP**

Chartered Accountants

Firm Registration Number: 301003E

per Kamal Agarwal

Partner

Membership Number: 58652

Place: Kolkata

Date: 21st May, 2015

Independent Auditor's Report

To the Members of Rupa & Company Limited (contd.)

Annexure referred to in paragraph 1 of the section on "Report on other legal and regulatory requirements" of our report of even date MEMBERS OF RUPA & COMPANY LIMITED

The Group comprises Rupa & Company Limited ('Holding Company') and its subsidiaries (Imoogi Fashions Private Limited and Euro Fashion Inners International (P) Limited) to whom the provisions of the Order apply (together referred to as "the Covered entities" in this report).

- (i) (a) The Holding Company and the Covered entities of the Group have maintained proper records showing full particulars, including quantitative details and situation of fixed assets except in case of one Covered entity which does not have any fixed assets and hence clause (a) and (b) are not applicable to it.
- (b) All fixed assets have not been physically verified by the management of the Holding Company during the year but there is a regular programme of verification which in our opinion is reasonable having regard to the size of the Holding Company and the nature of its assets.

Based on the report of the other auditor who audited the financial statements of other Covered entity of the group, fixed assets have been physically verified by the management of the covered entity of the Group during the year and no material discrepancies were identified on such verification.

- (ii) (a) The management of the Holding Company and Covered entity of the Group have conducted physical verification of inventory at reasonable intervals except for the inventories lying with job-workers and transporters amounting to ₹509,572,484 and ₹104,960,111 respectively in respect of the Holding Company which have not been verified during the year. The opening stock of inventories of one Covered entity was wholly sold to the Holding Company and no transactions have taken place during the year. Therefore the Covered entity has no stock at the end of the year.
- (b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Holding Company and the Covered entity of the Group and the nature of their business except in case of Holding Company the procedures of physical verification of inventory need to be strengthened to include verification of inventories lying with job worker and transporter.
- (c) The Holding Company and the Covered entity of the Group are maintaining proper records of inventory and no material discrepancies were noticed on such physical verification.
- (iii) According to the information and explanations given to us and as reported by other auditors who audited the financial statements of the Covered entities of the Group, the Holding Company and the Covered entities of the Group have not granted any loans, secured or unsecured to companies, firms or other parties Covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii) (a) and (b) of the Order are not applicable to the Group and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us and as reported by the other auditors who audited the financial statements of the Covered entities of the Group, there is an adequate internal control system commensurate with the size of the Holding Company and the Covered entities of the Group and the nature of its businesses, for the purchase of inventory and fixed assets and for the sale of goods and services, to the extent applicable to the nature of the business of the Covered entities of the Group. During the course of our audit and as reported by the other auditors who audited the financial statements of the Covered entities of the Group, no major weakness was observed or continuing failure to correct any major weakness in the internal control system of the Holding Company and the Covered entities of the Group in respect of these areas.
- (v) The Holding Company and the Covered entities of the Group have not accepted any deposits from the public.
- (vi) We have broadly reviewed the books of account maintained by the Holding Company, pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013 in respect of its products and are of the opinion that prima facie, the specified accounts and records have been made and maintained. The detailed examination of the same has not been made by us.

As reported by the other auditors who audited the financial statements of the Covered entities of the Group, the Central Government has not specified the maintenance of cost records under clause 148(1) of the Companies Act, 2013, for the products/services of the Covered entities of the Group.

- (vii) (a) Undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income-tax, sales-tax, wealth-tax, service tax, customs duty, value added tax, cess and other material statutory dues have generally been

Independent Auditor's Report

To the Members of Rupa & Company Limited (contd.)

regularly deposited with the appropriate authorities though there has been a slight delay in a few cases by the Holding Company. The Covered entities of the Group are regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty, value added tax, cess and other material statutory dues as applicable to the respective Covered entities.

- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, investor education and protection fund, employees' state insurance, income-tax, wealth-tax, service tax, sales-tax, customs duty, excise duty, value added tax, cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable for the Holding Company and the Covered entities of the Group. The provisions related to excise duty are not applicable to the Holding Company.
- (c) According to the records of the Holding Company and the Covered entities of the Group and as reported by other auditors who audited the financial statements of Covered entities of the Group, the dues outstanding in respect of sales tax, income tax, custom duty, wealth tax, service tax, excise duty, value added tax & cess on account of any dispute, are as follows:

Nature of the statute	Nature of dues	Amount (₹)	Period to which the amount relates	Forum where dispute is pending
The West Bengal Value Added Tax Act, 2003	Demand relating to non-submission of Local forms and other documents/dispute	2,914,177	2004-05	West Bengal Taxation Tribunal
		25,888,983	2005-06 & 2009-10	West Bengal Commercial Taxes Appellate & Revisional Board
		15,126,193	2011-12	Additional Commissioner of Commercial Taxes (Appeal)
The Central Sales Tax Act, 1956	Demand relating to Non submission of C forms and other documents	10,414,938	2005-06 & 2009-10	West Bengal Commercial Taxes Appellate & Revisional Board
		1,770,309	2011-12	Additional Commissioner of Commercial Taxes (Appeals)
ESI Act, 1948	Employees State Insurance	39,967	2007-08	Employees Insurance Court, West Bengal, Kolkata
The Income Tax Act, 1961	Disallowance of certain expenses	1,567,760	Assessment Year 2010-11	ITAT, Kolkata
The Income Tax Act, 1961	Disallowance of certain expenses	940,090	Assessment Year 2009-10, 2011-12 & 2012-13	Commissioner of Income Tax (Appeals), Kolkata

- (d) According to the information and explanations given to us, the amount required to be transferred by the Holding Company to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder has been transferred to such fund within time.

In case of Covered entities of the Group, no amounts were required to be transferred to the Investor Education and Protection Fund as reported by the other auditors who audited the financial statements of the Covered entities of the Group.

- (viii) The Holding Company and Covered entities of the Group have no accumulated losses at the end of the financial year and have not incurred cash losses in the current and immediately preceding financial year.

Independent Auditor's Report

To the Members of Rupa & Company Limited (contd.)

- (ix) Based on our audit procedures and as per the information and explanations given by the management and as reported by the other auditor who audited the financial statements of other covered entities of the Group, we are of the opinion that the Holding Company and Covered entities of the Group have not defaulted in their repayment of dues to a financial institution, bank or debenture holders. Further, the Holding Company did not have any outstanding debentures during the year.
- (x) According to the information and explanations given to us and based on the reports of the other auditors who audited the financial statements of other covered entities of the group, the Holding Company and Covered entities of the Group have not given any guarantee for loans taken by others from bank or financial institutions.
- (xi) Based on the information and explanations given to us by the management term loans were applied for the purpose for which these were obtained by the Holding Company. Based on the reports of the other auditors who audited the financial statements of other covered entities of the group, the Covered entities of the Group did not have any term loans outstanding during the year.
- (xii) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the consolidated financial statements and as per the information and explanations given by the management and reports of the other auditors who audited the financial statements of other Covered entities of the group, which we have relied upon, we report that no fraud on or by the Holding Company and the Covered entities of the Group have been noticed or reported during the year.

For **S.R. Batliboi & Co. LLP**

Chartered Accountants

Firm Registration Number: 301003E

per Kamal Agarwal

Partner

Membership Number: 58652

Place: Kolkata

Date: May 21, 2015

Consolidated Balance Sheet

as at 31st March, 2015

(Amount in ₹)

	Notes	As at March 31, 2015	As at March 31, 2014
EQUITY & LIABILITIES			
Shareholders' Funds			
Share Capital	3	7,96,29,060	7,96,29,060
Reserves & Surplus	4	3,19,85,73,100	2,78,41,77,135
		3,27,82,02,160	2,86,38,06,195
Non-Current Liabilities			
Long Term Borrowings	5	7,53,01,252	10,44,44,444
Deferred Tax Liabilities	6	15,32,87,599	16,25,86,311
Other Long Term Liabilities	7	23,89,17,747	22,23,89,900
		46,75,06,598	48,94,20,655
Current Liabilities			
Short Term Borrowings	8	2,00,13,35,471	1,75,99,91,768
Trade Payables	9	93,26,73,115	93,62,89,559
Other Current Liabilities	10	40,18,77,225	30,58,52,498
Short Term Provisions	11	34,08,92,746	25,05,64,895
		3,67,67,78,557	3,25,26,98,720
		7,42,24,87,315	6,60,59,25,570
ASSETS			
Non-Current Assets			
Fixed Assets			
Tangible Assets	12	1,36,20,61,564	1,44,50,08,171
Intangible Assets	13	31,17,832	39,16,319
Capital Work- in- Progress		19,02,60,443	4,31,37,490
Non-Current Investments	14	1,18,000	1,18,000
Long Term Loans & Advances	15	15,66,27,535	15,38,86,965
Other Non Current Assets	16	19,33,305	34,23,758
		1,71,41,18,679	1,64,94,90,703
Current Assets			
Inventories	17	3,63,11,05,456	3,09,68,85,233
Trade Receivables	18	1,83,35,13,867	1,63,27,68,500
Cash & Bank Balances	19	7,07,79,435	5,92,59,568
Short Term Loans & Advances	20	9,10,69,811	8,27,28,956
Other Current Assets	21	8,19,00,067	8,47,92,610
		5,70,83,68,636	4,95,64,34,867
		7,42,24,87,315	6,60,59,25,570
Summary of Significant Accounting Policies	2.2		

The accompanying notes form an integral part of the consolidated financial statements

As per our report of even date

For and on behalf of the Board of Directors

For **S.R.Batliboi & Co. LLP**
Firm Registration No. 301003E
Chartered Accountants

per **Kamal Agarwal**
a Partner
Membership No. 58652
Place: Kolkata
Date: May 21, 2015

P.R.AGARWALA
Chairman

SUDIP CHATTERJEE
Company Secretary

G.P.AGARWALA
Vice-Chairman

NEERAJ SUREKA
Chief Financial Officer

K.B.AGARWAL
Managing Director

Statement of Consolidated Profit & Loss

for the year ended 31st March, 2015

(Amount in ₹)

	Notes	2014-15	2013-14
REVENUE			
Revenue From Operations	22	9,72,59,91,061	9,04,36,92,881
Other Income	23	5,03,98,511	7,23,67,936
Total Revenue		9,77,63,89,572	9,11,60,60,817
EXPENSES			
Cost of materials consumed	24	5,17,04,43,764	4,61,44,59,473
Purchases of traded goods	25	4,84,18,999	1,96,81,739
(Increase) in inventories of Finished Goods, Work -in-progress and traded goods	26	(56,50,14,807)	(9,49,40,925)
Employee Benefits Expense	27	25,99,63,385	16,46,25,299
Finance Cost	28	23,53,83,967	24,69,61,631
Depreciation & Amortisation expense	29	15,13,18,025	11,24,59,399
Other expenses	30	3,43,47,71,851	3,03,56,89,013
Total Expenses		8,73,52,85,184	8,09,89,35,629
Profit before tax		1,04,11,04,388	1,01,71,25,188
Tax Expense			
Current Tax [including ₹ 110,000 (31st March, 2014: ₹44,981)]		36,66,47,630	34,35,25,075
Deferred Tax		(72,09,581)	1,28,93,065
Profit for the year		68,16,66,339	66,07,07,048
Earnings per Equity Share - Basic and Diluted	36	8.57	8.31
(Nominal value per equity share ₹1)			
Summary of Significant Accounting Policies	2.2		

The accompanying notes form an integral part of the consolidated financial statements

As per our report of even date

For and on behalf of the Board of Directors

For **S.R.Batliboi & Co. LLP**

Firm Registration No. 301003E

Chartered Accountants

per **Kamal Agarwal**

a Partner

Membership No. 58652

Place: Kolkata

Date: May 21, 2015

P.R.AGARWALA

Chairman

G.P.AGARWALA

Vice-Chairman

K.B.AGARWAL

Managing Director

SUDIP CHATTERJEE

Company Secretary

NEERAJ SUREKA

Chief Financial Officer

Consolidated Cash Flow Statement

for the year ended 31st March, 2015

(Amount in ₹)

	2014-15		2013-14	
A. CASH FLOW ARISING FROM OPERATING ACTIVITIES				
Profit Before Tax		1,04,11,04,388		1,01,71,25,188
Adjustment to reconcile profit before tax to net cash flows				
(a) Depreciation and Amortisation	15,13,18,025		11,24,59,399	
(b) Finance Cost	23,53,83,967		24,69,61,631	
(c) Loss/(Profit) on disposal of fixed assets (Net)	(11,96,212)		1,72,813	
(d) Bad debts / advances written off	39,24,717		1,15,17,114	
(e) Unspent Liabilities written back	(3,08,19,316)		(3,80,98,618)	
(f) Interest Income	(1,07,12,703)	34,78,98,478	(72,53,162)	32,57,59,177
Operating Profit before Working Capital Changes		1,38,90,02,866		1,34,28,84,365
Changes in Working capital				
(a) Increase in Other Long Term Liabilities	1,65,27,847		4,07,88,942	
(b) Increase/(Decrease) in Trade Payables	(36,16,444)		6,43,52,105	
(c) Increase in Other Current Liabilities	20,56,35,929		3,77,08,432	
(d) (Increase)/Decrease in Short-term Loans & Advances	(83,40,855)		1,91,42,786	
(e) Increase in Long-term Loans & Advances	(1,10,61,441)		(14,83,581)	
(f) Increase in Inventories	(53,42,20,223)		(15,84,01,437)	
(g) Increase in Trade Receivables	(20,46,70,084)		(18,04,73,895)	
(h) (Increase) / Decrease in Other Current Assets	28,92,543	(53,68,52,728)	(97,25,982)	(18,80,92,630)
Cash Generated from Operations		85,21,50,138		1,15,47,91,735
Less: (a) Direct Taxes Paid		(30,71,18,635)		(38,27,47,592)
Net Cash from Operating Activities		54,50,31,503		77,20,44,143
B. CASH FLOW ARISING FROM INVESTING ACTIVITIES				
(a) Sale of Fixed Assets		22,51,274		10,500
(b) Interest received		1,07,12,703		72,53,162
(c) Purchase of Fixed Assets		(21,67,47,408)		(15,64,59,960)
(d) Investment in Fixed Deposits		(13,14,420)		(1,18,55,992)
(e) Redemption of Fixed Deposits		31,99,677		3,77,290
Net Cash used in Investing Activities		(20,18,98,174)		(16,06,75,000)

Consolidated Cash Flow Statement

for the year ended 31st March, 2015 (Contd.)

(Amount in ₹)

	2014-15	2013-14
C. CASH FLOW ARISING FORM FINANCING ACTIVITIES		
(a) Dividend and Dividend Tax paid	(23,25,25,530)	(18,59,78,144)
(b) Finance Cost	(23,78,93,639)	(24,42,59,313)
(c) Proceed from Long Term Borrowings	1,56,34,586	7,00,00,000
(d) Repayment of Long Term Borrowings	(11,77,77,777)	(10,22,22,222)
(e) Proceed / (Repayment) of ShortTerm Borrowings (net)	24,13,43,703	(16,30,27,407)
Net Cash used in Financing Activities	(33,12,18,657)	(62,54,87,086)
Net Increase/ (Decrease) in Cash & Cash Equivalent (A+B+C)	1,19,14,672	(1,41,17,943)
Cash & Cash Equivalents at the beginning of the year #	4,47,06,423	5,88,24,366
Cash & Cash Equivalents at the end of the year #	5,66,21,095	4,47,06,423

as disclosed in Note 19 and Includes ₹ 1,019,562 (31st March, 2014: ₹ 945,694) lying in unclaimed dividend account, which is not available for use by the Company.

As per our report of even date

For and on behalf of the Board of Directors

For **S.R.Batliboi & Co. LLP**

Firm Registration No. 301003E

Chartered Accountants

per **Kamal Agarwal**

a Partner

Membership No. 58652

Place: Kolkata

Date: May 21, 2015

P.R.AGARWALA

Chairman

G.P.AGARWALA

Vice-Chairman

K.B.AGARWAL

Managing Director

SUDIP CHATTERJEE

Company Secretary

NEERAJ SUREKA

Chief Financial Officer

Notes to the Consolidated Financial Statements

as at and for the year ended 31st March, 2015

1 PRINCIPLES OF CONSOLIDATION

The Consolidated Financial Statements which relate to Rupa & Company Limited (the "Company") and its subsidiaries (together referred to as the "Group") have been prepared on the following basis:

- a) The financial statements of the Company and its subsidiaries are consolidated on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenditure, after fully eliminating intra group balances, intra group transactions and any unrealized profit / loss included therein, in accordance with Accounting Standards (AS-21), "Consolidated Financial Statements".
- b) The excess/shortfall of cost to the Company of its investments in the subsidiary companies, over the net assets at the time of acquisition in the subsidiaries as on the date of investment is recognized in the financial statements as goodwill/capital reserve as the case may be.
- c) The subsidiary companies considered in the financial statements are as follows:

Name	% of Voting power as on 31.03.2015	% of Voting power as on 31.03.2014	Country of Incorporation
Euro Fashion Inners International Pvt. Ltd.	100%	100%	India
Imoogi Fashions Pvt. Ltd.	100%	100%	India

- d) The consolidated financial statements have been prepared using uniform accounting policies, except stated otherwise, for like transactions and are presented, to the extent possible, in the same manner as the Company's standalone financial statements.
- e) The financial statements of the group entities used for the purpose of consolidation are drawn up to the same reporting date as that of the Company i.e. year ended March 31, 2015.

2.1 Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP) The Company has prepared these financial statements to comply in all material respects with the Accounting Standards notified under Section 133 of the Companies Act, 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014. The financial statements have been prepared on an accrual basis and under the historical cost convention.

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year, except for the change in accounting policy explained below.

2.2 Summary of Significant Accounting Policies Change in Accounting Policy

Depreciation on Fixed Assets

Till the year ended 31 March 2014, Schedule XIV to the Companies Act, 1956 prescribed requirements concerning depreciation of fixed assets. From the current year, Schedule XIV has been replaced by Schedule II to the Companies Act, 2013. Effective from 1st April, 2014, the Company has provided depreciation on fixed assets based on useful lives as provided in Schedule II of the Companies Act, 2013 or as re-assessed by the Company. The management believes that depreciation rates currently used fairly reflect its estimate of the useful lives and residual value of fixed assets, though these rates in certain cases are different from the rates based on the useful lives prescribed under Schedule II.

Further, on application of Schedule II to the Companies Act, 2013, the Company has changed the manner of providing depreciation for its fixed assets. Now, the Company identifies and determines separate useful life for each major component of the fixed asset, if they have useful life that is materially different from that of the remaining asset.

Based on transitional provision given in Schedule II to the Companies, 2013, the carrying value of assets whose useful lives are

Notes to the Consolidated Financial Statements

as at and for the year ended 31st March, 2015 (Contd.)

already exhausted amounting to ₹ 40,57,179 (net of deferred tax of ₹ 20,89,131) has been adjusted with opening balance of General Reserve. Had there been no change in useful lives of fixed assets, the charge to the Statement of Profit and Loss would have been lower by ₹ 3,73,82,932.

2.3 Use of Estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

2.4 Tangible fixed assets

Fixed assets are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs, if capitalization criteria are met, and directly attributable cost of bringing the asset to its working condition for the intended use. Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately. This applies mainly to components for machinery. When significant parts of fixed assets are required to be replaced at intervals, the company recognizes such parts as individual assets with specific useful lives and depreciates them accordingly.

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

Gains or losses arising from derecognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

Depreciation on fixed assets is provided under Straight Line basis using the rates arrived at based on the useful lives estimated by the management. The company has used the following rates to provide depreciation on its fixed assets.

Class of Assets	Useful Lives estimated by the management (Years)
Factory Buildings	30
Non-factory Buildings	60
Plant and Equipments	10 to 15
Computer and Data Processing Equipments	3 to 6
Furnitures and Fixtures	10
Vehicles	8
Office Equipments	5

The management has estimated, supported by independent assessment by professionals, the useful lives of certain plant and equipment as 10 years. These lives are lower than those indicated in schedule II.

Leasehold land is amortized on a straight line basis over the period of lease, i.e., 86 years.

2.5 Intangible Assets

Intangible Assets are stated at acquisition cost, net of accumulated amortization and accumulated impairment losses, if any. Intangible assets are amortised on a straight line basis over their estimated useful economic lives.

Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognised as income or expense in the Statement of Profit & Loss.

Notes to the Consolidated Financial Statements

as at and for the year ended 31st March, 2015 (Contd.)

The useful lives over which intangible assets are amortised are as under:

Assets	Useful Life (in years)
Copyrights & Trade marks	10
Computer software	5

2.6 Borrowing Costs

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

2.7 Impairment

The carrying amount of assets (tangible and intangible) is reviewed at each balance sheet date, to determine if there is any indication of impairment based on the internal/external factors. An impairment loss is recognized wherever the carrying amount of assets exceeds its recoverable amount which is the greater of net selling price and value in use of the respective assets. In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and risk specific to the asset. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

2.8 Investments

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

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the long-term investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

2.9 Inventories

Raw materials and packing materials are valued at lower of cost and net realizable value. 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. Cost of raw materials is determined on specific identification basis and packing materials is determined on moving transaction average basis.

Work-in-progress and finished goods are valued at lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost of Work-in-progress is determined on First in First out basis and cost of finished goods is determined on Retail sales price method.

Traded goods are valued at lower of cost and net realizable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost of traded goods is determined on First in First out basis.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

Notes to the Consolidated Financial Statements

as at and for the year ended 31st March, 2015 (Contd.)

2.10 Foreign Currency Transactions

Initial Recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Conversion

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

Exchange differences arising on the settlement/ conversion of monetary items are recognized as income or expenses in the period in which they arise.

Forward Exchange Contracts

The premium or discount arising at the inception of forward exchange contracts entered into to hedge an existing asset/liability, is amortised as expense or income over the life of the contract. Exchange differences on such a contract are recognised in the Statement of Profit & Loss in the reporting period in which the exchange rates change. Any profit or loss arising on cancellation or renewal of such a forward exchange contract are recognised as income or as expense for the period.

2.11 Revenue Recognition

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

Sale of goods: Sales are recognised when the substantial risks and rewards of ownership in the goods are transferred to the buyer and goods are unconditionally handed over to the transporters for delivery as per the terms of the contract. Sales are net of discounts, incentives, rebates and sales taxes. The Group collects sales taxes and value added taxes (VAT) on behalf of the government and, therefore, these are not economic benefits flowing to the Group. Hence, they are excluded from revenues.

Sale of Services: In contracts involving the rendering of services, revenue is measured using the completed service method.

Interest: Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other income" in the statement of profit and loss.

Dividend: Dividend income is recognized when the Group's right to receive dividend is established by the reporting date.

Export Incentives: Export incentives are recognised when the right to receive such incentives as per the applicable terms is established in respect of the exports made and when there is no significant uncertainty regarding the ultimate realisation / utilisation of such incentives.

Insurance and other claims due to uncertainty in realisation are accounted for on acceptance basis.

2.12 Retirement and Other Employee Benefits

- (i) **Provident & Pension Fund:** Retirement benefits in the form of Provident and Pension Funds are defined contribution schemes and are charged to the statement of profit and loss of the period when the contributions to the respective funds are due. The Group has no obligation other than contributions to the respective funds. The Group recognises contribution payable to the provident fund scheme as an expenditure, when an employee renders the selected service.
- (ii) **Gratuity:** The Group operates defined benefit plan for its employees, viz., gratuity. The costs of providing benefits under this plan is determined on the basis of actuarial valuation at each year-end. Actuarial valuation is carried out using the projected unit credit method. Actuarial gains and losses is recognized in full in the period in which they occur in the statement of profit and loss.
- (iii) The leave balances of the employees are only encashable during the year and cannot be accumulated and carried forwarded to next year

Notes to the Consolidated Financial Statements

as at and for the year ended 31st March, 2015 (Contd.)

2.13 Taxes on Income

Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdictions where the Group operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the Group has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

At each reporting date, the Group re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax asset to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

The carrying amount of deferred tax assets are reviewed at each reporting date. The Group writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

2.14 Provisions and Contingent Liabilities

Provisions: A provision is recognized when the Group has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Contingent Liabilities: A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Group does not recognize a contingent liability but discloses its existence in the financial statements.

2.15 Operating Lease

Leases where the lessor effectively retains substantially all the risks and benefits of the ownership of the leased assets are classified as operating leases. Operating lease payments are recognised as an expense in the statement of profit and loss on a straight line basis over the lease term.

2.16 Government Grants

Grants and subsidies from the government are recognized when there is reasonable assurance that the Group will comply with the conditions attached to them, and the grant/subsidy will be received.

When the grant or subsidy relates to revenue, it is recognized as income on a systematic basis in the statement of profit and loss over the periods necessary to match them with the related costs, which they are intended to compensate.

Where the grant or subsidy relates to an asset, its value is deducted from the gross value of the asset concerned in arriving at the carrying amount of the related asset.

Government grants of the nature of promoter's contribution are credited to Capital reserve and treated as a part of Shareholder's funds.

Notes to the Consolidated Financial Statements

as at and for the year ended 31st March, 2015 (Contd.)

2.17 Segment Reporting

Based on the synergies, risks and returns associated with business operations and in terms of Accounting Standard – 17, the Group is predominantly engaged in a single segment of Garments & Hosiery goods and related services during the year. The analysis of geographical segments is based on the areas in which customers of the Group are located.

2.18 Cash and Cash Equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

2.19 Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

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as at and for the year ended 31st March, 2015 (Contd.)

3 Share Capital

(Amount in ₹)

	As at March 31, 2015	As at March 31, 2014
Authorised:		
200,000,000 (31st March, 2014: 200,000,000) Equity Shares of ₹ 1/- each	20,00,00,000	20,00,00,000
Issued:		
79,733,560 (31st March, 2014: 79,733,560) Equity Shares of ₹1/- each	7,97,33,560	7,97,33,560
Subscribed and paid up:		
79,524,560 (31st March, 2014: 79,524,560) Equity Shares of ₹1/- each, fully paid-up	7,95,24,560	7,95,24,560
209,000 (31st March, 2014: 209,000) Forfeited Shares of ₹ 1/- each ₹ 0.50/- per share paid up	1,04,500	1,04,500
	7,96,29,060	7,96,29,060

a) There is no change in the number of shares in the current year and last year.

b) Terms / Rights attached in Equity Shares

The Company has only one class of equity shares having a par value of ₹ 1/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian Rupee. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company. The distribution will be in proportion to the number of equity shares held by the shareholders.

During the year ended March 31, 2015 the Company has proposed a final dividend of ₹ 2.75 per share (31st March, 2014: ₹ 2.50 per share).

c) Details of shareholders holding more than 5% shares in the Company

(Amount in ₹)

	As at March 31, 2015		As at March 31, 2014	
	No of Shares	%	No of Shares	%
Equity Shares of ₹ 1/- each, fully paid up				
Rajnish Enterprises Ltd.	1,58,21,190	19.89%	1,58,21,190	19.89%
Karuna Impex Enterprises Limited	86,50,000	10.88%	86,50,000	10.88%
Prahlad Rai Agarwala	80,41,080	10.11%	80,41,080	10.11%
Kunj Bihari Agarwal	72,78,000	9.15%	72,78,000	9.15%
Ghanshyam Prasad Agarwala	72,40,910	9.11%	72,40,910	9.11%
Purvanchal Leasing Ltd.	58,07,670	7.30%	58,07,670	7.30%

As per records of the Company, including its register of shareholders / members as on 31st March, 2015, the above shareholding represents legal ownership of shares.

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as at and for the year ended 31st March, 2015 (Contd.)

4 Reserves & Surplus

(Amount in ₹)

	As at March 31, 2015	As at March 31, 2014
Capital Subsidy		
Balance as per the last financial statement	60,75,040	60,75,040
General Reserve		
Balance as per the last financial statement	32,71,74,041	22,71,74,04
Add: Transferred from Surplus in Statement of Profit & Loss	10,00,00,000	10,00,00,000
Less: Adjustment for change in useful life of fixed assets (net of deferred taxes)	(40,57,179)	-
(Refer note 2.2)		
Balance as at the end of the year	42,31,16,862	32,71,74,041
Securities Premium Account		
Balance as per the last financial statement	68,80,30,890	68,80,30,890
Surplus in Statement of Profit & Loss		
Balance as per the last financial statement	1,76,28,97,164	1,43,47,89,513
Profit for the year	68,16,66,339	66,07,07,048
Less: Appropriations		
Proposed final equity dividend ₹ 2.75 per share (31st March, 2014: ₹ 2.50)	21,86,92,540	19,88,11,400
Tax on proposed equity dividend	4,45,20,655	3,37,87,997
Transfer to General Reserve	10,00,00,000	10,00,00,000
Total Appropriations	36,32,13,195	33,25,99,397
Net Surplus in the Statement of Profit & Loss	2,08,13,50,308	1,76,28,97,164
Total Reserves & Surplus	3,19,85,73,100	2,78,41,77,135

5 Long Term Borrowings

(Amount in ₹)

	Non Current Portion		Current Maturities	
	As at March 31, 2015	As at March 31, 2014	As at March 31, 2015	As at March 31, 2014
Secured Term Loans				
Indian Rupee loans from a Bank	6,66,66,667	10,44,44,444	3,77,77,778	11,77,77,778
Unsecured Term Loans				
Indian Rupee loan from a Bank	86,34,585	-	70,00,000	
	7,53,01,252	10,44,44,444	4,47,77,778	11,77,77,778
Less: Amount disclosed under the head "Other Current Liabilities" (Note 10)	-	-	(4,47,77,778)	(11,77,77,778)
	7,53,01,252	10,44,44,444	-	-

a) Secured Term Loan

Term loan from a bank is secured by first charge by way of hypothecation of movable fixed assets and mortgage of immovable fixed assets of Domjur Unit. Further term loan of ₹500,00,000 (31st March, 2014: ₹ 152,222,222) is secured by personal guarantee of 3 Directors of the Company.

Term Loan with a balance of ₹ 5,00,00,000 (31st March, 2014: ₹ 72,222,222) is repayable in 9 equal quarterly installments of ₹ 5,555,556 by 14th June, 2017 and carries interest @ 12.40% per annum. Term Loan with a balance of ₹ 54,444,445 (31st March, 2014: ₹ 70,000,000) is repayable in 14 equal quarterly installments of ₹ 3,888,889 starting from 24th June, 2014 and ending on 28th September, 2018 and carries interest @ 12.30% per annum.

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as at and for the year ended 31st March, 2015 (Contd.)

b) Unsecured Term Loan

Term Loan of 15,634,585 (Sanctioned Amount ₹ 35,000,000) is repayable in 10 equal quarterly installments of ₹ 3,500,000 by 31st March, 2018 and carries interest @ 11.50% per annum. The loan is to be secured by first charge by way of hypothecation of movable fixed assets and mortgage of immovable fixed assets of Domjur unit. Pending creation of the charge, the loan is disclosed as unsecured.

6 Deferred Tax Liabilities

(Amount in ₹)

	As at March 31, 2015	As at March 31, 2014
Fixed Assets: Impact of difference between tax depreciation and depreciation / amortisation charged for the financial reporting	15,32,87,599	16,25,86,311
Deferred Tax Liabilities	15,32,87,599	16,25,86,311

7 Other Long Term Liabilities

(Amount in ₹)

	As at March 31, 2015	As at March 31, 2014
Security Deposits from Customers	23,89,17,747	22,23,89,900
	23,89,17,747	22,23,89,900

8 Short Term Borrowings

(Amount in ₹)

	As at March 31, 2015	As at March 31, 2014
Secured		
From Banks		
Cash Credit	37,13,35,471	59,97,63,647
Working Capital Demand Loans		
Indian Rupee loans	1,63,00,00,000	1,04,00,28,494
Foreign Currency loans	-	12,01,99,627
	2,00,13,35,471	1,75,99,91,768

Cash Credit including Working Capital Demand Loan from banks are secured by hypothecation of inventories, book debts and other current assets and further secured by second charge of movable and immovable fixed assets of Domjur Unit.

Working Capital Demand Loans are repayable in 7 days to 360 days and carries interest @9.75% to 10.85% p.a.. (31st March, 2014: @4.16 % p.a. to 10.85% p.a.)

Cash Credit are repayable on demand and carries interest @10.50% to 12.50% p.a. (31st March, 2014: @ 10.50% p.a. to 12.50% p.a.)

9 Trade Payables

(Amount in ₹)

	As at March 31, 2015	As at March 31, 2014
Trade payables		
Due to Micro and Small Enterprises (Refer Note 33)	-	5,17,53,343
Due to Others	93,26,73,115	88,45,36,216
	93,26,73,115	93,62,89,559

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as at and for the year ended 31st March, 2015 (Contd.)

10 Other Current Liabilities

(Amount in ₹)

	As at March 31, 2015	As at March 31, 2014
Capital Creditors	-	31,71,022
Current Maturities of Long Term Borrowings (Note 5)	4,47,77,778	11,77,77,778
Unpaid dividends (to be credited to Investor Education and Protection Fund as and when due)	10,19,562	9,45,694
Advances from customers	5,03,95,868	2,08,05,749
Interest Accrued but not due on borrowings	21,04,319	46,13,991
Statutory dues payable	8,81,67,052	6,10,28,476
Book overdraft in Current Account	40,88,585	29,17,737
Payable to employees	7,34,09,739	2,25,48,616
Dealers Incentive payable	13,04,21,672	7,11,55,424
Others	74,92,650	8,88,011
	40,18,77,225	30,58,52,498

11 Short Term Provisions

(Amount in ₹)

	As at March 31, 2015	As at March 31, 2014
Provision for Income tax (Net of Advance)	7,04,39,094	1,09,10,099
Provision for Litigation, Claims and Contingencies	70,55,399	70,55,399
Provision for Gratuity (Refer Note 34)	1,85,058	-
Proposed Equity Dividend	21,86,92,540	19,88,11,400
Tax on proposed Equity dividend	4,45,20,655	3,37,87,997
	34,08,92,746	25,05,64,895

The company has estimated the provision for pending litigation, claims and demands based on the assessment of probability for these demands being crystallising against the company in due course.

The table below gives information about movement in litigations, claims and contingencies provisions.

(Amount in ₹)

	As at March 31, 2015	As at March 31, 2014
At the beginning of the year [Refer Note 32 (e)]	70,55,399	70,55,399
Add: Arisen during the year	-	-
Less: Utilised/Unused amount reversed during the year.	-	-
	70,55,399	70,55,399

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as at and for the year ended 31st March, 2015 (Contd.)

12 Tangible Assets

(Amount in ₹)

	Land		Buildings	Plant and Machinery	Furniture and Fixtures	Vehicles	Office Equipment	Total
	Freehold	Lease Hold						
Cost								
As at April 1, 2013	78,508,969	13,023,384	586,694,570	877,164,819	56,157,359	37,111,163	36,904,956	1,685,565,220
Additions	23,064,814	-	25,948,776	72,128,773	3,803,029	5,790,023	4,569,255	135,304,670
Disposals	-	-	-	168,380	-	37,678	40,075	246,133
As at March 31, 2014	101,573,783	13,023,384	612,643,346	949,125,212	59,960,388	42,863,508	41,434,136	1,820,623,757
Additions	21,728,612	-	12,645,725	15,320,997	6,937,199	10,877,424	6,852,347	74,362,304
Disposals	551,010	-	-	-	-	772,283	45,400	1,368,693
As at March 31, 2015	122,751,385	13,023,384	625,289,071	964,446,209	66,897,587	52,968,649	48,241,083	1,893,617,368
Depreciation								
As at April 1, 2013	-	-	49,684,924	163,446,170	24,954,692	9,451,294	20,280,779	267,817,859
Charge for the year	-	605,740	13,840,493	82,496,594	3,619,437	3,876,791	3,421,493	107,860,548
Disposals	-	-	-	35,774	-	19,388	7,659	62,821
As at March 31, 2014	-	605,740	63,525,417	245,906,990	28,574,129	13,308,697	23,694,613	375,615,586
Adjusted with opening balance of General Reserve (Refer Note 2.2)	-	-	-	2,890,317	485,265	-	2,770,728	6,146,310
Charge for the year	-	151,435	14,241,421	115,137,357	5,010,919	5,908,869	9,657,537	150,107,538
Disposals	-	-	-	-	-	299,924	13,706	313,630
As at March 31, 2015	-	757,175	77,766,838	363,934,664	34,070,313	18,917,642	36,109,172	531,555,804
Net Block								
At March 31, 2014	101,573,783	12,417,644	549,117,929	703,218,222	31,386,259	29,554,811	17,739,523	1,445,008,171
At March 31, 2015	122,751,385	12,266,209	547,522,233	600,511,545	32,827,274	34,051,007	12,131,911	1,362,061,564

13 Intangible Assets

(Amount in ₹)

	Copyrights and Trademarks	Computer Software	Total
Cost			
At April 1, 2013	65,500,000	28,749,892	94,249,892
Additions	-	-	-
At March 31, 2014	65,500,000	28,749,892	94,249,892
Additions	-	412,000	412,000
At March 31, 2015	65,500,000	29,161,892	94,661,892
Amortisation			
At April 1, 2013	63,301,507	22,433,215	85,734,722
Charge for the year	2,048,630	2,550,221	4,598,851
At March 31, 2014	65,350,137	24,983,436	90,333,573
Charge for the year	49,954	1,160,533	1,210,487
At March 31, 2015	65,400,091	26,143,969	91,544,060
Net Block			
At March 31, 2014	149,863	3,766,456	3,916,319
At March 31, 2015	99,909	3,017,923	3,117,832

Notes to the Consolidated Financial Statements

as at and for the year ended 31st March, 2015 (Contd.)

14 Non-Current Investments (Fully Paid up) (At Cost)

(Amount in ₹)

	As at March 31, 2015	As at March 31, 2014
Trade Investments		
Unquoted Equity Shares		
Investment in Others		
1,800 (31st March, 2014: 1,800) Equity Shares of ₹ 10 each in West Bengal Hosiery Park Infrastructure Limited	18,000	18,000
	18,000	18,000
Non-Trade Investments		
In Mutual Funds (quoted)		
10,000 (31st March, 2014: 10,000) Mutual Fund Units of ₹ 10 each in HDFC Large Cap Fund	1,00,000	1,00,000
	1,00,000	1,00,000
	1,18,000	1,18,000
Aggregate amount of quoted investments	1,00,000	1,00,000
Market Value of quoted investments	9,03,440	7,34,130
Aggregate amount of unquoted investments	18,000	18,000

15 Long Term Loans and Advances

(Amount in ₹)

	As at March 31, 2015	As at March 31, 2014
(Unsecured, considered good)		
Capital Advances*	13,22,28,101	14,05,48,972
Security Deposits	2,33,99,434	1,33,37,993
Advances paid under protest	10,00,000	-
	15,66,27,535	15,38,86,965

* Includes advance amounting to ₹ 40,092,000 (31st March, 2014: ₹ 40,092,000) given to West Bengal Housing Infrastructure Development Corporation (WB HIDCO) towards offer for allotment of land on a freehold basis. WB HIDCO later decided to allot land on a leasehold basis which the Company has challenged and the matter is sub-judice with the Hon'ble Calcutta High Court.

16 Other Non Current Assets

(Amount in ₹)

	As at March 31, 2015	As at March 31, 2014
Unsecured, considered good		
Non-Current bank balances (Note 19)	19,33,305	34,23,758
	19,33,305	34,23,758

Notes to the Consolidated Financial Statements

as at and for the year ended 31st March, 2015 (Contd.)

17 Inventories

(Amount in ₹)

	As at March 31, 2015	As at March 31, 2014
(At lower of cost and net realisable value)		
Raw Materials & Packing Materials	35,08,94,869	38,16,89,453
Work In Progress (Refer Note 26)	1,18,20,71,563	1,09,03,21,856
Finished Goods (Refer Note 26)	2,08,82,01,763	1,59,30,64,705
Traded Goods (Refer Note 26)	99,37,261	3,18,09,219
	3,63,11,05,456	3,09,68,85,233

Note

The above includes Stock in transit

Work in Progress	74,08,833	1,69,30,556
Finished Goods	9,92,98,290	75,26,118

18 Trade Receivables

(Amount in ₹)

	As at March 31, 2015	As at March 31, 2014
Unsecured, considered good		
Outstanding for a period exceeding 6 months from the date they are due for payment	2,73,13,522	2,79,15,891
Other receivables	1,80,62,00,345	1,60,48,52,609
	1,83,35,13,867	1,63,27,68,500

19 Cash and Bank Balances

(Amount in ₹)

	As at March 31, 2015	As at March 31, 2014
Cash and Cash equivalents		
Cash on hand	14,27,899	47,97,684
Balances with Banks		
On current accounts	4,61,96,999	3,01,01,265
On Cash Credit Account	66,53,392	88,61,780
Unpaid dividend account	10,19,562	9,45,694
Deposits with original maturity of less than 3 months	13,23,243	-
	5,66,21,095	4,47,06,423
Other bank balances (*)		
Deposits with original maturity of more than 3 months but less than 12 months	1,41,58,340	-
Deposits with original maturity of more than 12 months	19,33,305	1,79,76,903
	1,60,91,645	1,79,76,903
Less: Amount disclosed under "Other Non-Current Assets" (Note 16)	(19,33,305)	(34,23,758)
	1,41,58,340	1,45,53,145
	7,07,79,435	5,92,59,568

Notes to the Consolidated Financial Statements

as at and for the year ended 31st March, 2015 (Contd.)

20 Short Term Loans & Advances

(Amount in ₹)

	As at March 31, 2015	As at March 31, 2014
Unsecured, considered good		
Advances recoverable in cash or kind	8,80,60,900	8,18,30,262
Other loans and advances:		
Prepaid Expenses	30,08,911	8,98,694
Total	9,10,69,811	8,27,28,956

21 Other Current Assets

(Amount in ₹)

	As at March 31, 2015	As at March 31, 2014
Unsecured, considered good		
Claims & Refund Receivable	81,900,067	77,792,610
Forward Contract Receivable	-	7,000,000
	81,900,067	84,792,610

Notes to the Consolidated Financial Statements

as at and for the year ended 31st March, 2015 (Contd.)

22 Revenue

(Amount in ₹)

	2014-15	2013-14
Revenue from Operations		
Sale of products :		
Finished goods	9,364,032,405	8,696,276,144
Semi finished goods	135,035,965	164,942,661
Sale of Services	176,699,996	137,342,179
Other Operating Revenue:		
Sale of Power	9,315,219	8,970,900
Scrap sale	9,555,578	8,087,467
Sales Tax Subsidy	14,577,865	13,762,482
Export Incentive	16,774,033	14,311,048
Revenue from Operations	9,725,991,061	9,043,692,881

Notes: Sales are net of discount and rebates amounting to ₹ 751,660,584 (31st March, 2014: ₹ 609,879,696)

Details of product sold :		
Finished Goods Sold		
Hosiery Goods	9,364,032,405	8,696,276,144
Semi Finished Goods Sold		
Processed Yarn	134,643,881	28,069,328
Processed Fabric	392,084	136,873,333
	135,035,965	164,942,661
Details of Services rendered :		
Dyeing, Bleaching & Knitting	176,699,996	137,342,179
	9,675,768,366	8,998,560,984

23 Other Income

(Amount in ₹)

	2014-15	2013-14
Interest Income		
on Bank Deposits	1,479,100	1,747,178
on Receivables	9,233,603	5,505,984
Unspent Liabilities written back	30,819,316	38,098,618
Insurance & Other Claims Received	-	17,316,281
Net Foreign Exchange gain	2,901,048	-
Profit on disposal of fixed assets (Net)	1,196,212	-
Miscellaneous Income	4,769,232	9,699,875
Total	50,398,511	72,367,936

Notes to the Consolidated Financial Statements

as at and for the year ended 31st March, 2015 (Contd.)

24 Cost of Materials Consumed

(Amount in ₹)

	2014-15	2013-14
Opening inventory	381,689,453	318,228,941
Add : Purchases	5,139,649,180	4,677,919,985
Less : Inventory at the end of the year	350,894,869	381,689,453
Cost of raw materials consumed	5,170,443,764	4,614,459,473

Details of Raw Materials Consumed		
Yarn/Than	3,627,440,240	3,456,876,445
Packing material	289,274,452	231,503,389
Elastic , Accessories & Other Material	1,253,729,072	926,079,639
Total	5,170,443,764	4,614,459,473

25 Purchases of Traded goods

(Amount in ₹)

	2014-15	2013-14
Hosiery Goods	41,573,201	141,615
Garments	6,845,798	19,540,124
Total	48,418,999	19,681,739

26 Increase in Inventories of Finished Goods, Work-in- progress and Stock-in-Trade

(Amount in ₹)

	2014-15	2013-14
Stock at the end of the year:		
Finished Goods	2,088,201,763	1,593,064,705
Traded Goods	9,937,261	31,809,219
Work-in progress	1,182,071,563	1,090,321,856
	3,280,210,587	2,715,195,780
Stock at the beginning of the year:		
Finished Goods	1,593,064,705	1,506,400,068
Traded Goods	31,809,219	19,371,783
Work-in progress	1,090,321,856	1,094,483,004
	2,715,195,780	2,620,254,855
	(565,014,807)	(94,940,925)

Notes to the Consolidated Financial Statements

as at and for the year ended 31st March, 2015 (Contd.)

26 Increase in Inventories of Finished Goods, Work-in- progress and Stock-in-Trade (contd.)

(Amount in ₹)

	2014-15	2013-14
Details of inventory:		
Finished Goods		
Hosiery Goods	2,088,201,763	1,593,064,705
Traded Goods :		
Garments	9,937,261	31,809,219
Work in progress :		
Hosiery Goods	1,182,071,563	1,090,321,856

27 Employee Benefits Expenses

(Amount in ₹)

	2014-15	2013-14
Salaries, Wages and Bonus (Refer note 39)	253,768,235	159,387,225
Contribution to Provident and Other Funds	2,279,156	1,870,035
Gratuity (Refer note 34)	1,857,505	1,792,318
Staff Welfare Expenses	2,058,489	1,575,721
Total	259,963,385	164,625,299

28 Finance Cost

(Amount in ₹)

	2014-15	2013-14
Interest expense (Net of Interest Rebate subsidy from Technology Upgradation Fund Scheme ₹ 90,91,968 (31st March, 2014 ₹ Nil)	226,803,693	216,595,374
Exchange difference to the extent considered as an adjustment to the borrowing cost	2,718,288	21,233,892
Bank Charges	5,861,986	9,132,365
Total	235,383,967	246,961,631

29 Depreciation & Amortisation Expense

(Amount in ₹)

	2014-15	2013-14
Depreciation of Tangible assets	150,107,538	107,860,548
Amortisation of Intangible assets	1,210,487	4,598,851
Total	151,318,025	112,459,399

Notes to the Consolidated Financial Statements

as at and for the year ended 31st March, 2015 (Contd.)

30 Other Expenses

(Amount in ₹)

	2014-15	2013-14
Consumption of stores and spares	7,325,798	5,703,599
Sub-contracting /Job Worker expenses	1,961,912,662	1,524,837,988
Power & Fuel	117,373,604	99,835,857
Freight outwards and Forwarding expenses	122,243,581	96,125,672
Rent	22,186,772	12,928,603
Rates and taxes	6,516,980	6,317,649
Insurance	5,835,019	4,477,957
Repairs and Maintenance :		
- Plant and Machinery	13,631,904	9,587,327
- Others	25,721,758	24,986,226
Advertising	669,872,701	734,406,101
Dealer's Incentive & Sales Promotion	145,788,910	123,705,683
Business Convention	9,050,628	28,606,806
Brokerage	125,316,419	121,179,745
Travelling and Conveyance	53,953,376	61,759,499
Communication costs	18,270,021	14,945,431
Legal and Professional fees	25,834,036	16,031,867
Directors' Sitting fees	2,905,742	400,000
Payment to auditor	2,424,776	2,113,520
Net foreign exchange loss	-	78,071,482
Bad Debts/ advance written off	3,924,717	11,517,114
Loss on sale of fixed assets (net)	-	172,813
Contribution for CSR activity	14,461,000	-
Miscellaneous expenses	80,221,447	57,978,074
Total	3,434,771,851	3,035,689,013

31 Capital and other commitments

(Amount in ₹)

	As at March 31, 2015	As at March 31, 2014
Estimated amount of contracts remaining to be executed and not provided for (net of advances)	40,584,000	16,950,000

32 Contingent Liabilities

(Amount in ₹)

	As at March 31, 2015	As at March 31, 2014
a) Demands / claims by various government authorities and others not acknowledged as debts and contested by the government		
Income Tax matters	2,345,980	2,345,980
Sales Tax matters	57,114,600	40,218,098
ESIC matters	39,967	39,967
*	59,500,547	42,604,045

Notes to the Consolidated Financial Statements

as at and for the year ended 31st March, 2015 (Contd.)

32 Contingent Liabilities (contd.)

(Amount in ₹)

	As at March 31, 2015	As at March 31, 2014
b) Bank Guarantees outstanding	24,734,424	22,697,424
c) Letter of Credits issued by the Banks	25,874,301	17,147,802
d) The Income Tax Department had conducted a search and seizure operation on the Company's various locations from 7th November, 2013 to 8th November, 2013 under section 132 of the Income Tax Act, 1961. No order / demand, consequent to search operation, has so far been received by the Company from the Income Tax Department and thus liability, if any, arising out of such search and seizure is not presently ascertainable.		
e) During the year 2013-14, the Company had challenged, before the Hon'ble High Court of Calcutta, the imposition of entry tax by the State Government of West Bengal on receipt of materials from outside the state on the ground that such imposition of entry tax is ultra vires / unconstitutional. The Company has received a favorable interim order dated June 5, 2013 and the matter is presently sub judice. Accordingly, the liability of ₹ 23,563,135 (31st March, 2014: ₹ 15,599,368) has not been provided for	23,563,135	15,599,368
* The management believes that it is possible but not probable that action will succeed and accordingly no provision there against is considered necessary		

33 Details of dues to micro and small enterprises as defined under the MSMED Act, 2006 included in Trade payables

(Amount in ₹)

	As at March 31, 2015	As at March 31, 2014
Principal amount remaining unpaid to any supplier at the end of accounting year	-	50,779,193
Interest due on above	-	974,150
Total	-	51,753,343
Amount of interest paid by the Group to the suppliers in terms of section 16 of the MSMED Act, 2006	-	-
Amount paid to the suppliers beyond the respective due date	-	-
Amount of interest due and payable for the year of delay in payments (which have been paid but beyond the due date during the year) but without adding the interest specified under the Act	-	-
Amount of interest accrued and remaining unpaid at the end of accounting year	-	974,150
Amount of further interest remaining due and payable even in the succeeding years, 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 this Act	-	-

* As per information available with the company there are no suppliers covered under Micro, Small and Medium Enterprise Development Act, 2006. As a result, no interest provision/ payment have been made by the company to such creditors, if any.

34 Employee Benefit (Defined Benefit Plan)

The Group has a defined benefit gratuity plan. Every employee who has completed at least five years or more of service is entitled to Gratuity on terms as per the provisions of The Payment of Gratuity Act, 1972. The Group has got an approved gratuity fund which has taken an insurance policy with Life Insurance Corporation of India (LIC) to cover the gratuity liabilities.

Notes to the Consolidated Financial Statements

as at and for the year ended 31st March, 2015 (Contd.)

34 Employee Benefit (Defined Benefit Plan) (contd.)

The following tables summarize the components of net benefit expense recognized in the statement of profit and loss and the funded status and amounts recognized in the balance sheet for the plan.

Statement of profit and loss

Net employee benefit expense recognized in employee costs

(Amount in ₹)

	2014-15	2013-14
Current service cost	2,445,795	1,581,801
Interest cost on benefit obligation	1,275,973	1,013,421
Expected return on plan assets	(1,292,566)	(1,117,263)
Net actuarial (gain) / loss recognized in the year	(571,697)	314,359
Net benefit expense	1,857,505	1,792,318
Actual return on plan assets	1,273,490	1,020,224

Balance sheet

Net Benefit liability / (asset)

(Amount in ₹)

	2014-15	2013-14
Present value of defined benefit obligation	15,688,456	12,666,499
Fair value of plan assets	15,503,398	13,220,297
Plan asset / (liability)	(185,058)	553,798

Changes in the present value of the defined benefit obligation are as follows :

(Amount in ₹)

	2014-15	2013-14
Opening defined benefit obligation	12,666,499	9,853,957
Current service cost	2,445,795	1,581,801
Interest cost	1,275,973	1,013,421
Benefits paid	(109,038)	-
Actuarial (gains) / losses on obligation	(590,773)	217,320
Closing defined benefit obligation	15,688,456	12,666,499

Changes in the fair value of plan assets are as follows :

(Amount in ₹)

	2014-15	2013-14
Opening fair value of plan assets	13,220,297	11,607,772
Expected return	1,292,566	1,117,263
Contributions by employer	1,118,649	592,301
Benefits paid	(109,038)	-
Actuarial gains / (losses)	(19,076)	(97,039)
Closing fair value of plan assets	15,503,398	13,220,297

The Group expects to contribute ₹ 10,00,000 (₹10,00,000) to Gratuity Fund in the next year.

The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

	2014-15	2013-14
Investments with insurer	100%	100%

Notes to the Consolidated Financial Statements

as at and for the year ended 31st March, 2015 (Contd.)

34 Employee Benefit (Defined Benefit Plan) (contd.)

The principal assumptions are shown below :

	2014-15	2013-14
Discount rate	8.00%	8.25%
Expected rate of return on assets	9.00%	9.00%
Withdrawal Rates (Varying between per annum depending upon the duration and age of the employees)	1% - 8%	1% - 8%

Amounts for the current and previous four years are as follows:

(Amount in ₹)

	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011
Defined benefit obligation	15,688,456	12,666,499	9,853,957	7,909,665	5,305,927
Plan assets	15,503,398	13,220,297	11,607,772	9,053,068	5,017,516
Surplus / (deficit)	(185,058)	553,798	1,753,815	1,143,403	(865,182)
Experience (gain) / loss adjustments on plan liabilities	(590,773)	217,320	517,104	1,604,862	475,817
Experience gain / (loss) adjustments on plan assets	(19,076)	(97,039)	-	-	-

The estimates of future salary increases considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

The overall expected rate of return on assets is determined based on the market prices prevailing on the date, applicable to the year over which the obligation is to be settled.

(Amount in ₹)

	2014-15	2013-14
Defined Contribution Plan :		
The Group has recognised the following amount as an expense and included under, "Contribution to Provident & Other Funds".		
Contribution to Provident / Pension Funds	2,279,156	1,870,035

35 Operating lease

Certain office premises, godowns, etc. are held on operating lease. The leases range upto 3 years and are renewable for further year either mutually or at the option of the Company. There is no escalation clause in the lease agreement. There are no restrictions imposed by lease agreements. There are no subleases. The leases are cancellable.

(Amount in ₹)

	As at March 31, 2015	As at March 31, 2014
Lease payments made for the year	2,21,86,772	1,29,28,603

36 Earnings Per Share

(Amount in ₹)

	As at March 31, 2015	As at March 31, 2014
Profit as per Statement of Profit & Loss attributable to Equity Shareholders (a)	68,16,66,339	66,07,07,048
Weighted average number of Equity Shares (in number) (b)	7,95,24,560	7,95,24,560
Basic & Diluted Earnings Per Share (a/b)	8.57	8.31
(Nominal Value - ₹ 1 per share)		

Notes to the Consolidated Financial Statements

as at and for the year ended 31st March, 2015 (Contd.)

37 Segment reporting

There is only one primary business segment i.e. "Garments & Hosiery goods and related services" and hence no separate segment information is disclosed in this financial.

Secondary information is reported geographically.

Geographical segments

The Group primarily operates in India and therefore analysis of geographical segment is demonstrated into Indian and overseas operation as under:

(Amount in ₹)

	For the year ended 31st March, 2015			For the year ended 31st March, 2014		
	India	Overseas	Total	India	Overseas	Total
Revenue from Operations	9,50,00,08,662	22,59,82,399	9,72,59,91,061	8,85,50,29,633	18,86,63,248	9,04,36,92,881
Carrying amount:						
Segment assets	7,38,66,02,502	3,58,84,813	7,42,24,87,315	6,56,64,89,113	3,94,36,457	6,60,59,25,570
Additions:						
Tangible assets	7,43,62,304	-	7,43,62,304	13,53,04,670	-	13,53,04,670
Intangible assets	4,12,000	-	4,12,000	-	-	-

38 Derivative instruments and unhedged foreign currency exposure

a) Derivative outstanding as at the reporting date

(Amount in ₹)

Particulars	Purpose
Forward Contract Option	Hedge of foreign currency loan
Notional amount USD Nil (31st March, 2014: USD 2,000,000) ₹ Nil (31st March, 2014: ₹ 120,199,627)	

b) Particulars of unhedged foreign currency exposure as on the balance sheet date, are as follows:

	As at March 31, 2015	As at March 31, 2014
Trade receivable	3,58,84,813	3,94,36,457
EEFC Bank Account	1,60,33,697	1,61,92,046

39 Related Party Disclosure

Names of related parties and related party relationship

Related parties with whom transactions have taken place during the year

Key Management Personnel	Mr. P.R.Agarwala	Chairman
	Mr. G.P.Agarwala	Vice Chairman
	Mr. K.B.Agarwal	Managing Director
	Mr. Ramesh Agarwal	Executive Director
	Mr. Mukesh Agarwal	Executive Director
Relatives of Key Management Personnel	Mr. Suresh Agarwal	Son of Mr. P.R.Agarwala
	Mr. Manish Agarwal	Son of Mr. G.P.Agarwala

Notes to the Consolidated Financial Statements

as at and for the year ended 31st March, 2015 (Contd.)

39 Related Party Disclosure

	Mr. Ravi Agarwal	Son of Mr. K.B.Agarwal
	Mr. Vikash Agarwal	Son of Mr. K.B.Agarwal
	Mr. Rajnish Agarwal	Son of Mr. G.P.Agarwala
	Mr. Sidhant Agarwal*	Grand-Son of Mr. P.R.Agarwala
	Mrs. Rekha Patodia**	Daughter of Mr. P.R.Agarwala
	Mrs. Shanti Devi Agarwal	Wife of Mr. P.R.Agarwala
	Mrs. Puspa Devi Agarwal	Wife of Mr. G.P.Agarwala
	Mrs. Lalita Devi Agarwal	Wife of Mr. K.B.Agarwal
	Mrs. Seema Agarwal	Wife of Mr. Ramesh Agarwal
	Mrs. Seema Agarwal	Wife of Mr. Mukesh Agarwal
	Mrs. Sarita Patwari	Daughter of Mr. G.P.Agarwala

* with effect from 01.06.2014

**with effect from 02.02.2015

Enterprises owned or significantly influenced by key management personnel or their relatives	Binod Hosiery
	Salasar Projects and Estates Pvt. Ltd.
	Sidhant Flats & Apartments Pvt Ltd.
	Salasar Infrastructure Ltd.
	Rupa Spinners Ltd.
	Salasar Developers & Garments Pvt Ltd.
	Bajrangbali Projects Ltd.
	Sidhant Textiles Pvt Ltd.
	Ganesh Enclave Ltd.
	Ravi Global Pvt Ltd.
	Kadambari Impex & Agency Pvt Ltd.
	Rajnish Enterprises Ltd.
	Purvanchal Leasing Ltd.
	Siddhant Credit Capital Ltd.
	K B & Sons - HUF
	Mukesh Kumar Agarwal - HUF
	Ghanshyam Prasad Manish Kumar - HUF
	Prahalad Rai Suresh Kumar - HUF
	Rupa Dyeing & Printing Pvt Ltd

Related party transactions

(Amount in ₹)

Particulars	Party	Nature of relationship	2014-15	2013-14
Rent	Mr. P.R.Agarwala	Key Management Personnel	2,82,000	2,22,000
	Mr. G.P.Agarwala		1,14,000	1,14,000
	Mr. K.B.Agarwal		48,000	48,000
	Mr. Mukesh Agarwal		1,08,000	1,08,000
	Mr. Manish Agarwal	Relatives of Key Management Personnel	18,000	18,000
	Mr. Rajnish Agarwal		18,000	18,000
	Mrs. Puspa Devi Agarwal		18,000	18,000
	Salasar Infrastructure Ltd.	Enterprises owned or significantly influenced by key management personnel or their relatives	1,08,000	1,08,000
	Rupa Spinners Ltd.		1,08,000	1,08,000
	Salasar Developers & Garments Pvt Ltd.		1,08,000	1,08,000

Notes to the Consolidated Financial Statements

as at and for the year ended 31st March, 2015 (Contd.)

39 Related Party Disclosure (contd.)

Related party transactions (contd.)

(Amount in ₹)

Particulars	Party	Nature of relationship	2014-15	2013-14
	Bajrangbali Projects Ltd.		1,08,000	1,08,000
	Sidhant Textiles Pvt Ltd.		1,14,000	1,14,000
	Ganesh Enclave Ltd.		1,08,000	1,08,000
	Ravi Global Pvt Ltd.		1,14,000	1,14,000
	Kadambari Impex & Agency Pvt Ltd.		1,14,000	1,14,000
	Others		96,000	1,56,000
Salary & Perquisites	Mr. P.R. Agarwala	Key Management Personnel	1,03,38,464	51,25,000
	Mr. G.P. Agarwala		84,14,309	33,00,000
	Mr. K.B. Agarwal		87,51,095	32,50,000
	Mr. Ramesh Agarwal		63,00,000	18,00,000
	Mr. Mukesh Agarwal		63,00,000	18,00,000
	Mr. Manish Agarwal	Relatives of Key Management Personnel	42,00,000	18,00,000
	Mr. Ravi Agarwal		42,00,000	18,00,000
	Mr. Vikash Agarwal		42,00,000	18,00,000
	Mr. Rajnish Agarwal		42,00,000	18,00,000
	Mr. Suresh Agarwal		24,00,000	4,80,000
	Mr. Siddhant Agarwal		20,00,000	-
	Mrs Rekha Patodia		2,56,666	-
Sub-contracting Expenses	Rupa Dyeing & Printing Pvt Ltd	Enterprises owned or significantly influenced by key management personnel or their relatives	14,86,825	-
Dividend Paid	Mr. P.R. Agarwala	Key Management Personnel	2,01,02,700	1,60,82,160
	Mr. G.P. Agarwala		1,81,02,275	1,44,81,820
	Mr. K.B. Agarwal		1,81,95,000	1,45,56,000
	Others		44,71,950	35,77,560
	Mr. Vikash Agarwal	Relatives of Key Management Personnel	43,88,600	35,10,880
	Mr. Ravi Agarwal		43,56,575	34,85,260
	Mr. Rajnish Agarwal		31,08,425	24,86,740
	Mr. Manish Agarwal		30,81,375	24,65,100
	Mr. Suresh Agarwal		26,66,425	21,33,140
	Others		59,50,900	47,60,720
	Rajnish Enterprises Ltd.	Enterprises owned or significantly influenced by key management personnel or their relatives	3,95,52,975	3,16,42,380
	Purvanchal Leasing Ltd.		1,45,19,175	1,16,15,340
	Others		72,50,000	58,00,000

Balance at end of the year

Particulars	Party	Nature of relationship	2014-15	2013-14
Other Liabilities	Mr. P.R. Agarwala	Key Management Personnel	69,74,033	15,36,138
	Mr. G.P. Agarwala		62,45,587	17,51,727
	Mr. K.B. Agarwal		74,37,706	35,44,070
	Mr. Ramesh Agarwal		50,23,710	18,08,384
	Mr. Mukesh Agarwal		63,54,246	23,58,694
	Mr. Manish Agarwal	Relatives of Key Management Personnel	73,89,105	49,60,225

Notes to the Consolidated Financial Statements

as at and for the year ended 31st March, 2015 (Contd.)

39 Related Party Disclosure (contd.)

Balance at end of the year

(Amount in ₹)

Particulars	Party	Nature of relationship	2014-15	2013-14
	Mr. Rajnish Agarwal		54,81,207	33,74,024
	Mr. Ravi Agarwal		32,78,235	35,03,942
	Mr. Vikash Agarwal		35,23,036	22,38,321
	Mr. Suresh Agarwal		7,79,524	7,08,793
	Mr. Siddhant Agarwal		15,05,723	-
	Mrs Rekha Patodia		1,41,438	-
	Binod Hosiery	Enterprises owned or significantly influenced by key management personnel or their relatives	-	13,18,359
Trade Payables	Rupa Dyeing & Printing Pvt Ltd	Enterprises owned or significantly influenced by key management personnel or their relatives	14,86,825	-
Loans & Advances	Salasar Developers & Garments Pvt Ltd.	Enterprises owned or significantly influenced by key management personnel or their relatives	-	30,400
Long Term Loans & Advances - Security Deposits	Salasar Projects and Estates Pvt. Ltd	Enterprises owned or significantly influenced by key management personnel or their relatives	26,00,000	26,00,000
	Sidhant Flats & Apartments Pvt Ltd.		26,40,001	26,40,000
	Others		15,00,000	15,00,000
Guarantees taken*	Mr. P.R.Agarwala	Key Management Personnel	5,00,00,000	15,22,22,222
	Mr. G.P.Agarwala		5,00,00,000	15,22,22,222
	Mr. K.B.Agarwal		5,00,00,000	15,22,22,222

Note:

The remuneration to the Key Management Personnel and relatives of the Key Management Personnel does not include provision made for Gratuity as they are determined on an actuarial basis for the Company as a whole.

* Guarantees given in aggregate by all the Directors

40 Share of net assets and share in profit

Name of the entity	As at 31.03.2015		For 2014-15	
	Net Assets, i.e., total assets minus total liabilities		Share in Profit	
	As % of Consolidated net assets	Amount	As % of Consolidated Profit or loss	Amount
Parent				
Rupa & Company Limited	95.87%	3,14,27,60,681	96.72%	65,92,83,487
Subsidiaries				
Indian				
Imoogi Fashions Private Limited	0.35%	1,13,21,800	1.00%	68,35,277
Euro Fashion Inners International (P) Limited	3.79%	12,41,19,679	2.28%	1,55,47,575
Total	100.00%	3,27,82,02,160	100.00%	68,16,66,339

Notes to the Consolidated Financial Statements

as at and for the year ended 31st March, 2015 (Contd.)

40 Share of net assets and share in profit (contd.)

Name of the entity	As at 31.03.2014		For 2013-14	
	Net Assets, i.e., total assets minus total		Share in Profit	
	As % of Consolidated net assets	Amount	As % of Consolidated Profit or loss	Amount
Parent				
Rupa & Company Limited	95.26%	2,72,79,19,772	93.92%	62,05,57,491
Subsidiaries				
Indian				
Imoogi Fashions Private Limited	0.10%	29,72,820	0.26%	17,30,292
Euro Fashion Inners International (P) Limited	4.64%	13,29,13,603	5.81%	3,84,19,265
Total	100.00%	2,86,38,06,195	100.00%	66,07,07,048

41 Previous year figures including those given in brackets have been regrouped/re-arranged wherever necessary.

As per our report of even date

For **S.R.Batliboi & Co. LLP**

Firm Registration No. 301003E

Chartered Accountants

per **Kamal Agarwal**

a Partner

Membership No. 58652

Place: Kolkata

Date: May 21, 2015

For and on behalf of the Board of Directors

P.R.AGARWALA

Chairman

G.P.AGARWALA

Vice-Chairman

K.B.AGARWAL

Managing Director

SUDIP CHATTERJEE

Company Secretary

NEERAJ SUREKA

Chief Financial Officer

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 Statements of Subsidiaries

Part "A"- Subsidiaries

(Amount in ₹)

Sl. No.	1	2
Name of the Subsidiary Company	Euro Fashion Inners International Private Ltd	Imoogi Fashions Private Limited
Financial Year ending on	March 31, 2015	March 31, 2015
Reporting Currency	Indian Rupee	Indian Rupee
Exchange Rate on the last day of the financial year	—	—
Share Capital	41,000,000	100,000
Reserves and Surplus	1,119,678	11,321,800
Total Assets	199,466,993	46,129,007
Total Liabilities	199,466,993	46,129,007
Investments (including Investments made in Subsidiaries)	3,000	-
Turnover	191,068,100	49,327,548
Profit/ (Loss) before Tax	24,737,834	12,036,610
Provision for Tax	8,491,852	3,687,630
Profit/ (Loss) after Tax	16,245,982	8,348,980
Proposed dividend	123,000,000	-
% of shareholding	100	100

- Note: 1) There are no subsidiaries which are yet to commence operation.
2) There are no subsidiaries which have been liquidated or sold during the year.
3) Your Company does not have any Associate/ Joint Venture Company.

For and on behalf of the Board of Directors

P. R. AGARWALA

Chairman

G. P. AGARWALA

Vice- Chairman

K. B. AGARWAL

Managing Director

SUDIP CHATTERJEE

Company Secretary

NEERAJ SUREKA

Chief Financial Officer

Note

This image shows a single sheet of white paper with horizontal blue or grey ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.



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