RUPA & COMPANY LIMITED

Date: 07.09.2018

To

The Listing Department National Stock Exchange of India Ltd. Exchange Plaza, Plot No. C/1, G Block, Bandra-Kurla Complex, Bandra (E) Mumbai - 400 051 **NSE Symbol: RUPA**	The Department of Corporate Services BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001 **Scrip Code: 533552**

Ref: Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Sub: Annual Report of the Company, for the Financial Year 2017-18

Respected Ma'am/Sir,

We enclose herewith, the Annual Report of the Company, for the Financial Year 2017-18, duly approved and adopted by the Members of the Company, at their 33rd Annual General Meeting, held on Friday, August 31, 2018.

Kindly take the above on record.

Thanking you.

Yours faithfully,
For **RUPA & COMPANY LIMITED**

RUPA & CO. LTD. KOL-71 1 HO-CHI-MINH SARANI

Kundan Kumar Jha
Company Secretary & Compliance Officer
ACS 17612

***Encl.**: As above*

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An ISO 9001:2008 Certified Company
CIN No.: L17299WB1985PLC038517

RUPA & COMPANY LIMITED



ANNUAL REPORT
2017 - 18

Between the fashionable statements

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This Annual Report is available online at www.rupa.co.in





On the special occasion of completing 50 glorious years, Hon'ble Governor of West Bengal, Shri Kesri Nath Tripathi and Smt. J. Charukesi, Post Master General, Kolkata Region, has released "**Special Cover Envelope & My Stamp**" with respect to Rupa on April 27, 2018.

Corporate Information

Board of Directors

Mr. Prahlad Rai Agarwala, *Chairman*
Mr. Ghanshyam Prasad Agarwala, *Vice-Chairman*
Mr. Kunj Bihari Agarwal, *Managing Director*
Mr. Ramesh Agarwal, *Whole-time Director-cum-Chief Financial Officer*
Mr. Mukesh Agarwal, *Whole-time Director*
Mr. Niraj Kabra, *Executive Director (Additional) (w.e.f. February 12, 2018)*
Mr. Arihant Kumar Baid, Whole-time Director *(upto January 15, 2018)*
Mr. Satya Brata Ganguly, *Independent Director*
Mr. Dipak Kumar Banerjee, *Independent Director*
Mr. Dharam Chand Jain, *Independent Director*
Mr. Sushil Patwari, *Independent Director*
Mrs. Alka Devi Bangur, *Independent Director*
Mr. Vinod Kumar Kothari, *Independent Director*

Company Secretary & Compliance Officer

Mr. Kundan Kumar Jha

Registrar and Share Transfer Agent

Maheshwari Datamatics Pvt. Ltd.
23, R. N. Mukherjee Road, 5th Floor
Kolkata - 700 001
E-mail ID: mdpldc@yahoo.com
Website: www.mdpl.in

Statutory Auditors

M/s. Singhi & Co.
Chartered Accountants

Secretarial Auditor

M/s. Nidhi Bagri & Company
Practising Company Secretary

Board Committees

Audit Committee

Mr. Vinod Kumar Kothari, *Chairman*
Mr. Ramesh Agarwal, *Member*
Mr. Mukesh Agarwal, *Member*
Mr. Satya Brata Ganguly, *Member*
Mr. Dipak Kumar Banerjee, *Member*
Mr. Sushil Patwari, *Member*

Nomination & Remuneration Committee

Mr. Dipak Kumar Banerjee, *Chairman*
Mr. Sushil Patwari, *Member*
Mr. Vinod Kumar Kothari, *Member*

Corporate Social Responsibility Committee

Mr. Prahlad Rai Agarwala, *Chairman*
Mr. Kunj Bihari Agarwal, *Member*
Mr. Vinod Kumar Kothari, *Member*

Stakeholders' Relationship Committee

Mr. Sushil Patwari, *Chairman*
Mr. Ramesh Agarwal, *Member*
Mr. Mukesh Agarwal, *Member*

Operations' Committee

Mr. Kunj Bihari Agarwal, *Member*
Mr. Ramesh Agarwal, *Member*
Mr. Mukesh Agarwal, *Member*

Bankers

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

Registered Office

Metro Tower, 8th Floor, 1, Ho Chi Minh Sarani, Kolkata - 700 071
Phone: +91-33-4057 3100, Fax: +91-33-2288 1362
Website: www.rupa.co.in, E-mail ID: connect@rupa.co.in
CIN: L17299WB1985PLC038517



www.rupa.co.in

RUPA
FRONTLINE
PREMIUM INNERWEAR

IS THERE A HUNK IN YOU?

HUNK

ZAMANE KO DIKHANA HAI.



A journey of a thousand miles begins with a single step. Our journey began in 1968, when the domestic innerwear market was totally unorganised. We worked hard and created a brand with the best fits, and at the most affordable rates.

Despite a challenging economy with rising prices, slow growth and high interest rates – we created something of value for our fashion-conscious generation. Along the way, we have built a robust talent pool and entered unexplored markets. We have also met changing customer aspirations and emerged as a significant player in the domestic knitwear industry. In the midst of all this, our commitment to sustainability has remained unchanged. Today, the consumption pattern in developing economies is driven primarily by rising population, growing disposable income, expanding middle-class. With this, we are witnessing an era of new growth.

Our ability to keep innovating down the years and creating an array of global-desi brands thereby earning the trust and respect of our stakeholders, has made us the nation's largest and a successful home-grown knitwear brand.

In this vastly changed economic and domestic business landscape we are committed to create stakeholders value, and suitably poised to play a pivotal role and create a more fashionable innerwear and fashionwear market.

Our quest for creating fashion has a long way to go

50 YEARS of creating a fashionable powerhouse

Insight: Rupa & Company Limited, a Kolkata based hosiery Company, founded by the first generation entrepreneurs - Mr. Prahlad Rai Agarwala, Mr. Ghanshyam Prasad Agarwala and Mr. Kunj Bihari Agarwal, has moved from strength to strength and established itself as one of the largest knitwear Company. Today, as India's largest knitwear brand the Company is engaged in various product categories, like – Innerwear, Casualwear, Kidswear, Winterwear and Footwear. These products have been serving the growing needs and demands of the Indian knitwear & fashionwear industry for decades. The Company's iconic boutique of brand includes Jon, Frontline, Euro, Bumchums, Torrido, Thermocot, Softline, Macroman, Macroman M-Series, Macrowoman W-Series and Footline.

Trivia!

Rupa is the first Company in India from SUPIMA to manufacture quality innerwear products made of qualitative American Pima Cotton.

Rupa's WOS has acquired exclusive licence of the brands "FCUK" and "FRUIT OF THE LOOM" to manufacture, market, distribute and sell various knitwear products in India.



Vision

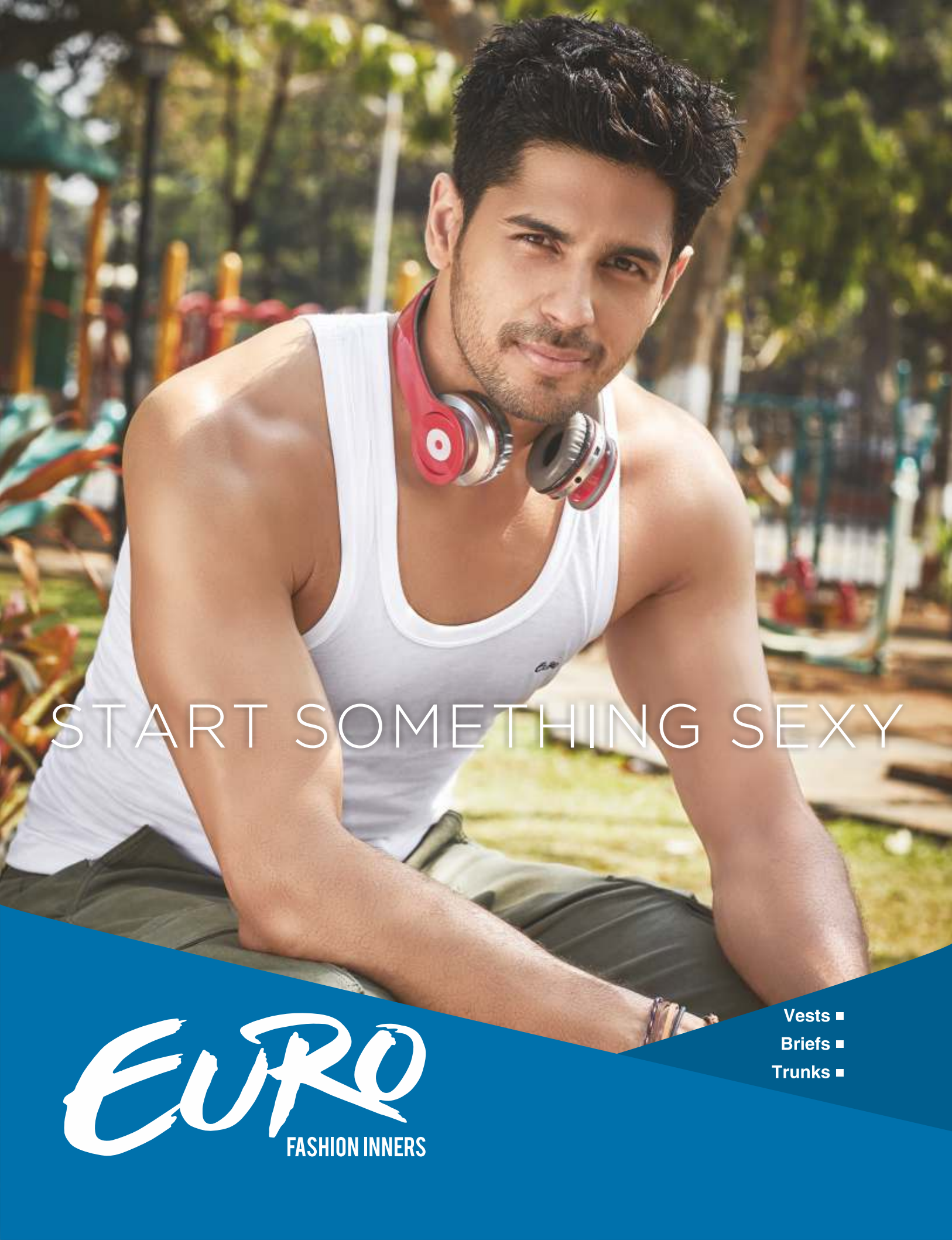
- To consolidate our position as the national frontrunner and to be a global leader in the innerwear and casual wear categories.
- To constantly pursue the spirit of innovation and improvement for creating best-quality products.

Ethos

Rupa overhauls its portfolio periodically to the fast-changing requirements, evolving the market in line with changing times.

Mission

- To exceed the customer's expectations by consistently offering the best products across different categories.
- To promote the latest R & D and to follow eco-friendly production processes.
- To create and deliver value for all stakeholders.



EURO
FASHION INNERS

Vests ■
Briefs ■
Trunks ■



Founder's Statement

Dear Stakeholders,

An interesting cliché states – change is the only constant. At 50, Rupa has bestowed a saga of interesting transformation in response to changing realities. Today, the brand "Rupa" is a powerful blend of a range of traits: rich multi-sectoral insight; drive for innovation; a fashionable product mix that reflects evolving customer aspirations; a pool of budding & talented employees; a dedicated network of distributors & dealers; and a widening market penetration. These attributes have created a fast-paced, resilient and reinvigorated brand over the last five decades.

The zeal to create

When we began in 1968, the domestic hosiery was highly unorganised and dominated by the small players, who were only manufacturing men's innerwear. We sensed the opportunity in the same besides foreseeing demand for quality & branded innerwear products. This led us towards the formation of our own brand "Rupa". Since then there was no looking back. We had been successful in entering the market dominated by the unorganized sector and bringing the discipline of the organized sector thereby enhancing the consumer experience and widening the market share of the Company.

The prospects

At Rupa, we are attractively positioned to address the opportunities for a number of reasons: we believe that the secret of the Company's success has been the ability of the Company to keep innovating to create and deliver superior products and more importantly the power of its brands to connect with consumers in providing an unparalleled fashion experience. They continue to emphasise the 'value-for-money' proposition and address the everyday needs of people everywhere. It is our conviction that the chemistry between these factors will lead to sustainable revenues and surpluses across the coming years.

'Make in India' initiative - contributing to sustainable growth and development: India is one of the fastest growing economies in the world, a significant exporter of services with a large and growing consumption demand. Recent policy initiatives and programmes have given a further impetus to growth, directing the world's attention to India. Falling inflation and rising GDP numbers are only reinforcing this optimism. Initiatives such as the 'Make in India' initiative are also sending the right signals of intent that India means business!

Goods and Service Tax (GST): 'One nation, One market, One tax' is a big game-changer paving the economic inclusion of a largely unorganised textile sector. By getting the entire value chain under a single tax bracket is a land mark and game changer for the entire organised innerwear industry. It would also help in reducing the manufacturing, warehousing and logistic cost. In fact, due to input credit mechanism under the GST, the pricing difference between the organised and the unorganised manufactures will narrow down.

Building a robust organization

Today, we command a dominant market share in the organized retail segment of knitwear and hosiery industry. Going ahead, we are quite optimistic of sustaining our growth for some interesting reasons.

New categories: We were traditionally a hosiery Company but our gradual shift from single product dependence to multi-layer offerings including specialised women's wear, kid's wear, casualwear and fashion wear across super-premium, premium, medium, and economy segments has created a niche for the Company in the market.

Brand leverage: Today our flagship brands - Frontline, Macroman, Softline and Euro command a leading pie in the market and contributes significantly to our topline. These brands are endorsed by leading celebrities like Ranveer Singh, Ranbir Kapoor, Bipasha Basu and Siddharth Malhotra, respectively.

Inorganic route: The licensing agreement between Rupa's WOS with "FCUK" and "Fruit of the Loom" to manufacture, distribute, advertise and sell their innerwear & outwear products in India is going to be a game changer for our Company and is expected to add a value to our Company's revenue in the long-run and endorse the image of the Rupa group in the super-premium segment

Deeper manufacturing and sales penetration: We continued to invest in manufacturing facilities either proximate to markets of consumption or in fiscal-friendly locations. Today our manufacturing facilities are situated at Domjur, Tirupur, Bengaluru and Ghaziabad, and sales offices are at major locations including Kolkata, Patna, Mumbai, Delhi, Ghaziabad, Bengaluru and Tirupur.

Outsourcing flexibility: Our business modality is of asset light module that is why we outsource some production facilities. Highly labour intensive work which includes stitching and knitting are outsourced to third-party manufacturers have enabled us to accelerate our market access.

E-commerce play: E-commerce ecosystem is boosting our presence directly with many customers without the interplay of dealer/ retailer route. The acceptability of our products at leading E-commerce websites is also strengthening our digital footprints.

Rupa, today and tomorrow

Today, the brand "Rupa" has accomplished a milestone of 50 years through the interplay of its passion and maturity. Highest ethical standards in corporate governance, innovative product offerings, extended reach and customer convenience are always our hallmark of a fashionable journey to success. We aspire to become a leading higher-end apparel component player globally through JV/ strategic alliances with established brands to broad-base our revenue basket and expanding reach of branded men and women innerwear & outerwear market globally.

The future for our Company looks bright even as it passes through competitive times. We are poised to grow much faster in the coming decades based on our product excellence, human resources, brand equity and market growth. As we gear up for another important phase of growth, we have no doubt that the company will continue to enjoy the same dedication and faith from all of its stakeholders and associates that will inspire it to reach greater heights and create multi-decades of fashionable experience.

Prahlad Rai Agarwala - *Chairman*

Ghanshyam Prasad Agarwala - *Vice-Chairman*

Kunj Bihari Agarwal - *Managing Director*



RUPA
FRONTLINE

FL7

FRONTLINE 7 SERIES

YOUR SKIN WILL FALL IN LOVE WITH IT. AND SO WILL YOU.

- Stretchable spandex cotton ☑
- Prevents bacterial infection ☑
- Wicks moisture ☑
- Breathes well ☑
- Perfect fit ☑

INTRODUCING
SEAMLESS
BRIEFS & TRUNKS

In 50 YEARS

We had been creating fashion & steering to new orbits of growth

At Rupa, 50 years had not been a small journey. We have always strengthened our endeavours towards transforming ourselves as a best-in-class consumer centric knitwear company. We have always managed to ensure that our consistent and untiring efforts result in positive outcome for our brands and various stakeholders.

In doing so, we have developed comprehensive product roadmap supported with well-defined market reach strategy. This encompasses in assessing market potential, mapping it for various products, identifying lucrative product categories, analysing the Company's internal capabilities & readiness and developing distinct value propositions for products. This comprehensive analysis will also enable our Company to launch differentiated product that meets consumer requirement with unique value proposition across product, packaging and communication.

We will continue to benefit from our established market position and maintain a strong business profile. We will be driven by the healthy growth prospects for the branded apparel industry, our well-established brands, and geographically well-diversified revenue profile.

Furthermore, our finances are well supported by strong cash accruals and healthy liquidity.

These proactive strategies have helped us successfully anticipate the ever-evolving fashion trends and emerge as a future-ready organisation.

Revenue from Operations
(₹ in Lakhs)

2017-18	1,12,611.35#
2016-17	1,08,429.58#
2015-16	1,01,302.96
2014-15	96,906.69
2013-14	89,410.24

PAT
(₹ in Lakhs)

2017-18	9,461.43#
2016-17	7,715.09#
2015-16	7,795.37*
2014-15	6,570.70
2013-14	6,205.61

EBIDTA
(₹ in Lakhs)

2017-18	16,945.62#
2016-17	14,450.33#
2015-16	13,509.65
2014-15	13,887.39
2013-14	13,142.64

Earnings Per Share
(₹)

2017-18	11.90#
2016-17	9.70#
2015-16	9.80*
2014-15	8.26
2013-14	7.80

Net Worth
(₹ in Lakhs)

2017-18	51,093.04#
2016-17	44,276.94#
2015-16	36,530.12
2014-15	31,366.88
2013-14	27,218.48

Market Capitalization
(₹ in Lakhs)

2017-18	2,96,109.70
2016-17	2,59,806.74
2015-16	2,17,459.91
2014-15	1,69,864.46
2013-14	1,74,317.83

#As per Ind AS
**Including Exceptional Items*

RUPA

Softline LEGGINGS



COLOURS FOR EVERY MOOD



Available in 100+ Colours

4D COTTON STRETCHmill FABRIC

Available in Churidar, Ankle/Printed & Capri

www.rupa.co.in

In 50 YEARS we have been creating fashion by investing in technologies

At Rupa, we have been creating fashion for the knitwear industry through extensive research to remain ahead of the curve. Our rich pool of fashion engineers and brand managers are constantly keeping themselves well-informed of evolving global trends, and adapting them to suit the needs of our customers and markets. It's an evidence of our product development team that today we are always stayed ahead in terms of market share and product acceptance of the varied knitwear products launched by us. We also invest in technologies that allow us to extend our leadership by offering the most unique cuts, washes and fabric treatments. We have bestridden a large part of the value-chain in the knitwear industry allowing customers to experience our brands across a variety of products.

> We have transformed from a Company that was once known for quality innerwear to one that is fashion-forward in every way



Fabric Dyeing & Processing Unit of the Company



Knitting Unit



Dyeing Machine

Current Ratio (Times)
2017-18 **1.92**
2016-17 **2.09**

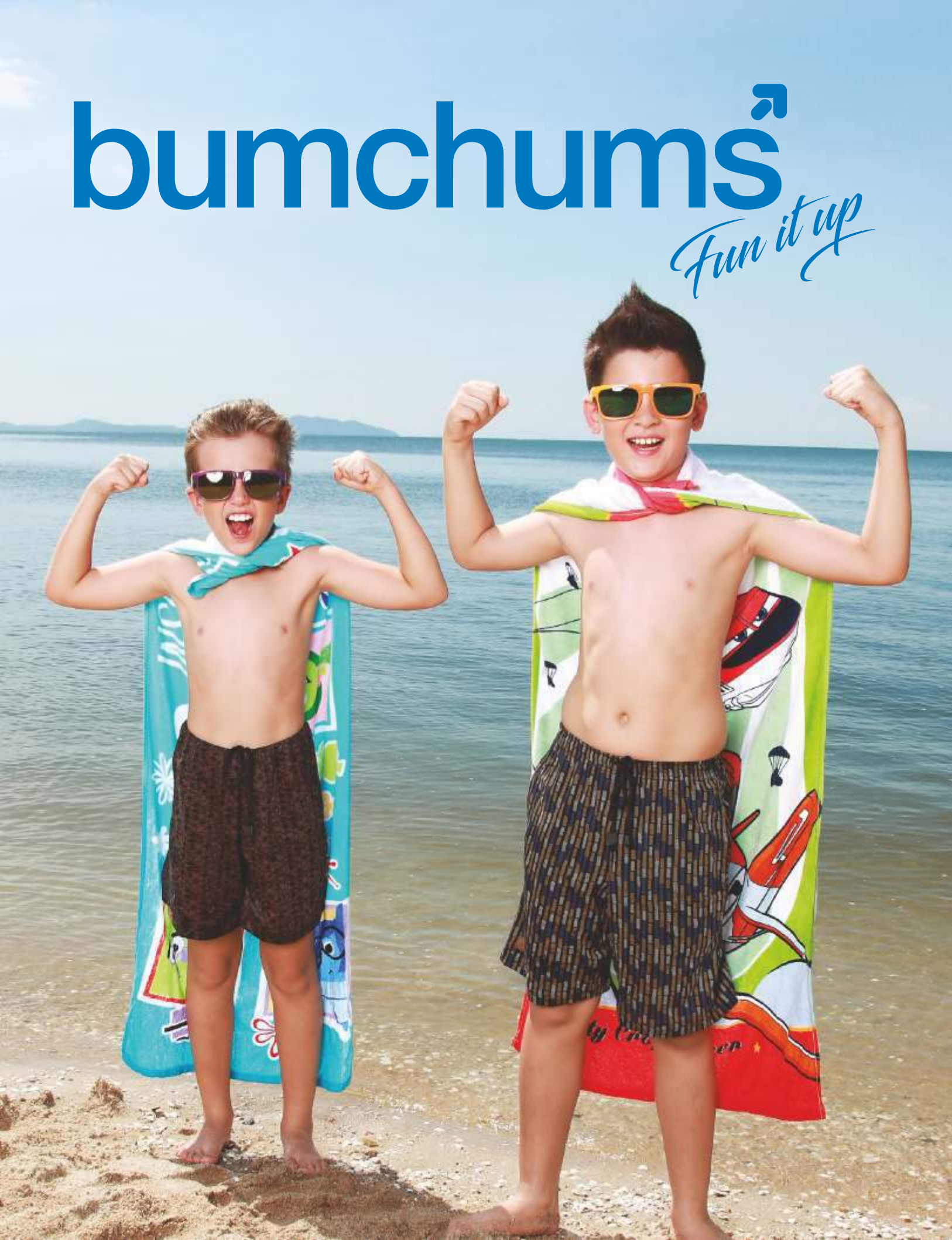
Debt Equity Ratio (Times)
2017-18 **0.21**
2016-17 **0.17**

Interest Coverage Ratio (Times)
2017-18 **20.42**
2016-17 **12.27**

Return of Capital Employed
2017-18 **15.32%**
2016-17 **14.90%**

Net Profit Margin
2017-18 **8.39%**
2016-17 **7.12%**

P/E Ratio (Times)
2017-18 **31.30**
2016-17 **33.68**


bumchums
Fun it up

50 YEARS

journey of the masterbrand RUPA

1968 Promoters started the brand RUPA

1992 Commencement of footline

1992 Begining of Softline

1997 Acquired the brand bumchums

2003 Acquired the brand EURO FASHION INNERS

2009 Launch of premium brand MACROWOMAN series

2012 Commencement of femmora

2016 WOS acquired exclusive licence of fcuk underwear, FRUIT OF THE LOOM

1985 Evolution of FRONTLINE PREMIUM INNERWEAR

1992 Evolution of MACROMAN

1993 Launch of Jon

1999 Start of THERMOCOT

2005 Launch of premium brand MACROMAN m SERIES

2010 Start of premium vest brand AIR

2013 Launch of premium thermal wear TORRIDO

In 50 YEARS

We had been creating a strong brand which resonates with costomers

In the lifecycle of a successful brand, 50 years brings in rich market insight. In all these years we have consistently defined the trends and set benchmarks in the Indian fashion domain. We have gained the experience and expertise to understand customer aspirations and tastes and align our product offerings to suit their needs.

At Rupa, we have always believed that fashion is not primarily a preserve of the youth, although they do make up a significant portion of our customer base. For us, every age group is our target audience because we believe that all of us have a right to look our best and feel our best we work towards ensuring that our brand power has salience, relevance, connect, uniqueness and dynamism. In addition, aspirational change is also felt in the Tier II and Tier III cities. The consumer there is also fast graduating towards branded products. Amidst this changing landscape, we are highly committed in building our brand.

Our brand campaigns encompassed various other ATL (Print, TV, and Radio), BTL (Sign-boards, bill-boards, bus shelters, hoardings, among others) and customer engagement activities, such as 'Scratch n Win Offer' for consumers to experience our products. On the occasion of our Golden Jubilee celebration, our Company announced "Rupa 50 Years – 2 Pe 1 Free".

Such integrated marketing campaigns are strategically aimed towards building a strong brand and expanding the consumer base in the targeted markets.

Our strategy has always been to remain as the premier player in India's knitwear industry, through a wide-spread customer base that has a strong zeal to our brands. This success is driven by an aggressive expansion product reach and effective servicing of our channel partners. Today our product reach has expanded to every nook and corner of the country through a web of 4 central warehouses; 8,000 stock keeping units (SKUs); 10 exclusive business outlets (EBOs); 20 branch offices; 1,25,000 retailers and 1000 dealers.

Trivia!

Rupa Frontline, India's largest selling innerwear brand has recently revamped its new brand identity which aims to capture the sensibility of the Millennial. The new logo repositions Brand frontline as a young and fashion-forward brand that aspires to make the lives of its consumers very comfortable.


RUPA
FRONTLINE
Yeh aaram ka mamla hai!
FRONTLINE
Apna FRONTLINE
Dikhne Do

RUPA

footLine



#DoTheSox



The Company Co-Sponsored Sunrisers Hyderabad at the IPL 2018 edition

To penetrate deeper into the consumer driven market and gain a larger wallet share of the customer, we have also started selling through leading national chain stores such as D-Mart, Metro Cash & Carry, Walmart, Reliance Market, Reliance Trends, V-Mart, V2 Retail, City Kart Bazaar, Style Retail, Bazaar Kolkata, etc.

Rupaonlinestore.com, an ecommerce portal developed by our Company, is playing a important role in the accessibility of our products to all, at all times. Our products are also sold through leading E-commerce fashion portals such as Amazon, Flipkart, Paytm, Shop Clues, amongst others.

We believe the combination of our proven pedigree coupled with the association of leading Bollywood stars, and a complete array of differentiated product, will help us create a strong brand recall.

In 50 YEARS

We have created fashion and brought international brands to domestic shores

fcuk®
underwear

Rupa's WOS, Oban Fashions started its journey in 2016 with the launch of FCUK innerwear. While FCUK is a globally known premium apparel brand; the design, manufacturing, distribution and marketing by Oban with a view to make luxury accessible to the Indian consumers. FCUK innerwear was launched with a vision to occupy the white space in the category and consumer mindspace where the aspirational Indian consumer can show off his style quotient and discerning taste.

FRUIT OF THE LOOM®

Oban continued its journey in 2017, by acquiring the license to manufacture, market, sell and distribute, Fruit of the Loom (FOTL) in India. FOTL being one of the most well known and largest international brands in the innerwear category, the aim is to make premium innerwear based on comfort accessible to the consumer and become the byword for the category.

RUPA

THERMOCOT

IT'S VERY VERY HOT



India's Most Popular Thermal Wear
for Men, Women & Kids

सर्दियों में ONLY TORRIDO!



• Stretchable & Body-hugging • Attractive Colours • Soft and non-itchy

RUPA

TORRIDO

Premium Thermals

MEN | WOMEN | KIDS

RUPA®

Softline

go GORGEOUS



www.rupa.co.in

bumchums

Fun it up



COMFORT WEAR I RELAX WEAR I ACTIVE WEAR I KIDS WEAR I INFANT WEAR

In 50 YEARS
We had been manufacturing happiness, ensuring quality

Over the years, we have invested in sophisticated manufacturing facilities, comprising of cutting-edge equipment sourced from some of the most respected global technology suppliers. We work towards ensuring the highest product quality on one hand, and higher operating efficiency on the other. We aim at enhancing the value proposition of our product offering. With capex infusion and product expansion at various intervals, we are steadily moving towards improving our revenues and margins.

Our yearning apetite for quality has been conferred with multiple awards at various industry platforms for our contribution to the organised retail innerwear industry.

1



Awards Galore

2



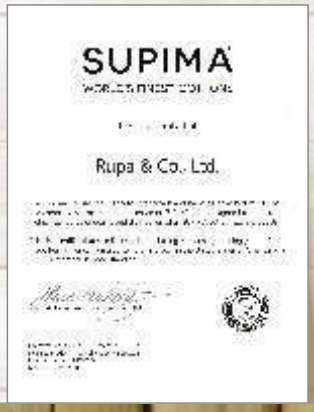
3



4



1. Promising Brands 2018 conferred by The Economic Times
2. Indywood Excellence Award in Garment category (Knitting) by Govt. of Telengana and its associate to boost the concept of Make in India
3. Kolkata Best Employer Brand 2017 by Employer Branding Institute - India
4. Largest Manufacturer of hosiery products (inner & outer wear) in India by Limca Book of Records for the last 14th year as on 2017
5. First Licensee of SUPIMA in India (in innerwear category) received in 2017
6. Best Corporate Brand Award conferred by The Economic Times, in 2016

















7. Best Brand by The Economic Times in 2014
8. Largest producer in the Knitting Sector Fabrics at Textile Conclave 2013
9. Worldwide Achievers Business Leadership Award for brand excellence in innerwear at Time Research Business Leadership Awards during 2013 – 14
10. Global awards for Brand Excellence by World Brand Congress during 2010
11. Power Brand status for the year 2011-2012
12. Star Brand India award during the year 2010 – 2011

In 50 YEARS We have been strengthening the "human bond"

From the beginning, our founders have imbued in the Organisation an urge to demonstrate good corporate citizenship by way of fair business practices and visible concern for the planet and its people.

CSR

At Rupa, social responsibility represents an integral part of the business that extends beyond statutory obligations. Our efforts are primarily mediated towards improving the quality of life of the people and outreaching the society through meticulously planned community development programmes.

Rupa Foundation is a Registered Trust established by Mr. Prahlad Rai Agarwala, Mr. Ghanshyam Prasad Agarwala and Mr. Kunj Bihari Agarwal, who believe that "A good company delivers excellent products and services, and a great company does all that and strives to make the world a better place."

Rupa Foundation is engaged in various educational, health care, community outreach and other charitable activities and also supports the underprivileged through numerous welfare programs and social initiatives.

The Founder's have also established Sobhasaria Engineering College in Sikar, Rajasthan in order to provide quality education as a part of nation building exercise.

₹ 2.25 Crores expenditure during the year on various CSR Activities





Making available safe drinking water in Kolkata



Ambulance Donation

The Company spent ₹96 Lakhs on making available safe drinking water (Pyau)



Mega Eye Screening Camp at Jasidih



Blanket donation at Sundarbuns

The Company spent ₹65 Lakhs on renovation & development of Manikarnika Ghat, Varanasi, U.P., being carried on as approved by National Mission of Clean Ganga (NMCG)



Manikarnika Ghat, Varanasi, Uttar Pradesh

Report of the Board of Directors

for the Financial Year ended March 31, 2018

Dear Shareholders,

The Directors have pleasure in presenting their 33rd 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, 2018.

Financial Highlights

The financial performance of the Company is summarized hereunder:

Standalone Financial Review

(Amount in ₹)

Particulars	2017-18	2016-17
Revenue from Operations	11,26,11,35,816	10,84,29,58,389
Profit before Finance Charges, Tax, Depreciation/ Amortization (PBITDA)	1,69,45,62,252	1,44,50,33,093
Less: Finance Charges	7,59,18,277	10,54,69,502
Profit before Tax, Depreciation/Amortization (PBTDA)	1,61,86,43,975	1,33,95,63,591
Less: Depreciation/Amortization	14,41,17,783	15,04,87,036
Profit before Tax (PBT)	1,47,45,26,192	1,18,90,76,555
Less: Tax Expense	52,83,82,660	41,75,67,218
Net Profit after Tax (PAT)	94,61,43,532	77,15,09,337
Other Comprehensive Income	(13,20,170)	(13,820)
Total Comprehensive Income for the year	94,48,23,362	77,14,95,517

Consolidated Financial Review

(Amount in ₹)

Particulars	2017-18	2016-17
Revenue from Operations	11,56,76,16,851	10,92,83,36,495
Profit before Finance Charges, Tax, Depreciation/ Amortization (PBITDA)	1,57,91,64,601	1,41,46,86,196
Less: Finance Charges	8,10,48,999	10,59,29,607
Profit before Depreciation/Amortization (PBTDA)	1,49,81,15,602	1,30,87,56,589
Less: Depreciation/Amortization	15,78,64,875	16,20,77,990
Profit before Tax (PBT)	1,34,02,50,727	1,14,66,78,599
Less: Tax Expense	47,79,51,842	42,38,41,660
Net Profit after Tax (PAT)	86,22,98,885	72,28,36,939
Other Comprehensive Income	(12,51,536)	81,364
Total Comprehensive Income for the year	86,10,47,349	72,29,18,303

50 glorious years of fashioning India

This year has been a remarkable year as the Rupa group completed 50 glorious years of fashioning India in the hosiery textile industry. What started off as a small unit way back in 1968, has now evolved into a multi-dimensional business conglomerate – a milestone in true sense, which has been, in business for the past 50 years.

On the special occasion of completing 50 glorious years, Hon'ble Governor of West Bengal, Shri Kesri Nath Tripathi and Smt. J. Charukesi, Post Master General, Kolkata Region, has released "**Special Cover Envelope & My Stamp**" with respect to Rupa on April 27, 2018.

State of Company's Affairs and Future Outlook

The Company recorded a satisfactory business performance, in spite of the disruptions caused during the year under review, by the after effects of the major economics decision of the Government of India on implementation of Goods and Services Tax (GST) from July 1, 2017.

Report of the Board of Directors

for the Financial Year ended March 31, 2018

The Company has adopted Ind AS w.e.f April 1, 2017. Accordingly, results for the year ended March 31, 2018, have been prepared in accordance with Ind AS prescribed under Section 133 of the Companies Act, 2013 ('Act') and other accounting principles generally accepted in India. Previous periods figures have been restated as per Ind AS to make them comparable.

The Company achieved a Turnover of ₹ 1126.11 crores in Financial Year 2017-18, as against ₹1,084.30 crores in 2016-17, i.e., registering a growth of 3.86% over the last year. During the year, the Profit before Finance Charges, Depreciation/ Amortization and Tax stood at ₹ 169.46 crores, as against ₹ 144.50 crores during the previous year, an increase of 17.27% in comparison to previous year. The Net Profit for the year 2017-18 stood at ₹ 94.61 crores, as compared to ₹ 77.15 crores, during the previous year, registering a growth of 22.64% over the previous year.

The Company is engaged in the Manufacturing, Branding, Marketing and selling of Men's, Women's and Kid's Innerwear, Thermal wear and Casual wear for all sections of the society, like, Economy, Mid-Premium, Premium and Super-Premium. It has over 18 sub-brands and 8000 SKUs (Stock Keeping Unit), having a strong brand recall. In order to nurture its brands, the Company has been consistently involved in robust advertisement and brand promotion activities, thereby spending extensively on brand communication. In innerwear industry, the Company is a leader having a distribution network across India. The Company has a PAN-India presence with a large distribution network consisting of 4 central warehouses, 10 EBOs (Exclusive Brand Outlets), more than 1000 dealers and 1,25,000 retailers. It is also looking at enhancing availability through presence in e-commerce, MBOs (Multi-Brand Outlets) and LFRs (Large Format Retail Stores). The Company is also looking forward to open Rupa EBOs through the franchisee route across India and expand its retail footprint.

The Company has manufacturing facilities situated at Howrah Domjur, Tirupur, Bengaluru and Ghaziabad. The Company has sales offices situated at Kolkata, Patna, Mumbai, Delhi, Ghaziabad, Bengaluru and Tirupur. The Company follows efficient business strategy by outsourcing low end and labour intensive work and utilizes its resources on key areas involving value addition, product differentiation, branding and distribution.

The Company caters to all segment including men, women and kid segment with its wide bouquet of brands. The various sub-brands of the Company includes, Frontline, Jon, Air, Macroman, Euro, Bumchums, Torrido, Thermocot, Kidline, Footline, Softline, etc., catering to various segments, under its umbrella brand 'Rupa'. The brands are endorsed by leading celebrities including Ranveer Singh, Sidharth Malhotra and Bipasha Basu. The Company has also premium brand, Macroman M-Series, which is being endorsed by youth icon, Ranbir Kapoor, and the premium brand under Female segment, Macrowoman W-Series containing products like, lingerie, active wear and leisurewear.

Rupa group is strengthening its position in the super-premium segment by acquiring the exclusive license for the manufacture, market and sale of innerwear and other products of foreign brands in India. The Company's Wholly-owned Subsidiary, Oban Fashions Private Limited, has acquired an exclusive license for the brand 'FCUK' and the brand 'Fruit of the Loom' ('FOTL'), for the manufacture, market and sale of innerwear and other products in India. Oban has launched FCUK and FOTL products at different locations in India. Going forward, these brands are expected to further strengthen and cement its position in the super-premium segment.

The Indian innerwear industry is highly unorganized with unorganized players having 50% market share. The implementation of GST has been a major positive for organized players. Innerwear appears to be a potential growth category. The men's innerwear market contributes 40% and is characterized by the presence of numerous Indian and international brands. The economy segment contributes around 56% in the men's wear market, the mid-price segment 30% and the remaining 14% comes from premium and super-premium segments. Further, the premium and super-premium segments are expected to grow at a faster pace. The women's innerwear market, which is driven by value-added innerwear products, contributes around 60% to the market and is growing at a faster rate of 15%. The market is largely dominated by mid-priced and economy segment contributing 80% of the market, while remaining comes from the premium and super premium segments. The Company believes that the industry is 50% unorganized and expects shift to happen from unorganized to organize in a longer run. Increasing urbanization, preference towards branded products, introduction of GST, organized and online retailing, etc., are various factors which would drive growth for organized players.

Report of the Board of Directors

for the Financial Year ended March 31, 2018

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

The Company is focusing on enhancing its product offering in the children and women's segment with the introduction of new products and brands. The Company is also looking to foray into the women's lingerie segment and is looking for a tie-up for the same. Both the children and women's segment have a lower presence of organized players and hence, provide a huge opportunity for the Company. The Indian innerwear market is shifting from a price sensitive market to a fashion quotient market. Accordingly, the group is gradually increasing its presence in the premium segment with direct and indirect strategic tie-ups with foreign brands.

Subsidiaries

The Company has the following 3 (three) Wholly-owned Subsidiaries as on March 31, 2018:

(i) Euro Fashion Inners International Private Limited, which was earlier engaged in selling hosiery premium products under the brand name "EURO", designed for the fashion conscious consumers, has transferred its business operations to its Holding Company through a Business Collaboration Agreement effective from April 1, 2014.

During the year under review, the Revenue from Operations, including Other Income, was ₹ 26.54 lacs, as against ₹ 7.50 lacs during the previous year. Net profit during the year was ₹ 20.48 lacs, as compared to Net loss of ₹ 5.62 lacs, during the previous year.

(ii) Imoogi Fashions Private Limited, which is engaged in manufacturing, processing and selling hosiery and outer casual wear products, of premium category for female and kid's segments under the brand name "Femmora" and "Imoogi", respectively.

During the Financial Year under review, the Revenue from Operations, including Other Income, was ₹ 400.70 lacs, as against ₹ 320 lacs during the previous year. Net Profit during the year was ₹ 34.99 lacs, as compared to ₹ 27 lacs, during the previous year.

(iii) Oban Fashions Private Limited, has been incorporated with the object, *inter alia*, to operate Indian business of international brands managed under licensing/ franchise/ joint venture/ ownership arrangements, etc.

Oban Fashions Private Limited, during the Financial Year 2016-17, has acquired the brand "FCUK" from the French Connection Limited, and the brand "Fruit of the Loom" from Fruit of the Loom, Inc, a New York Corporation, being a Wholly-owned Subsidiary of Berkshire Hathaway Company, to develop, manufacture, market and sale of the innerwear and related products under the respective brand names, in India.

During the Financial Year under review, the Revenue from Operations, including Other Income was ₹ 2955.31 lacs, as against ₹ 751.59 lacs, during the previous year. Net loss during the year was ₹ 893.91 lacs, as compared to ₹ 508.10 lacs, during the previous year.

In terms of Regulation 24 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations), the above subsidiaries are not material subsidiaries.

The statement in Form AOC-1 containing the salient features of the aforesaid subsidiaries has been separately annexed hereto, in terms of the first proviso to the Section 129(3) of the Act, including any subsequent amendment thereto read with Rule 5 of the Companies (Accounts) Rules, 2014. Further, the contribution of these subsidiaries to the overall performance of the Company is provided under the Notes to the Consolidated Financial Statements. The Audited Financial Statements, together with the Consolidated Financial Statements of the Company and other related information, and the Audited Accounts of the Company's subsidiaries are available on the website of the Company at http://rupa.co.in/

Report of the Board of Directors

for the Financial Year ended March 31, 2018

The Annual Accounts of the subsidiaries and the related detailed information shall be made available to the Members of the Company, seeking such information at any point of time. The Members may request for such information by writing to the Company Secretary at the registered office of the Company. The copies of the Annual Accounts of the subsidiaries remain open for inspection by the Members at the Company's registered office.

Except as stated hereinabove, the Company did not have any other subsidiary, joint venture or associate company, during the year under review.

Change(s) in the Nature of Business

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

Dividend

For the Financial Year 2017-18, the Board of Directors of the Company has recommended a Final Dividend, for consideration of the Shareholders of the Company at the ensuing Annual General Meeting (AGM), @ 300%, i.e., ₹ 3 per share, for 7,95,24,560 equity shares of ₹ 1/- (Rupee One only) each, amounting to ₹ 23,85,73,680/- (Rupees Twenty-three crores Eighty-five lacs Seventy-three thousand Six hundred and Eighty only). The dividend payout is in accordance with the Company's Dividend Distribution Policy.

The Dividend Distribution Policy of the Company, adopted by the Board of Directors of the Company, pursuant to Regulation 43A of the SEBI Listing Regulations, as amended, is annexed hereto, marked as **'Annexure – I'**.

Transfer to Reserves

The Board is not proposing to transfer any amount to the General Reserves of the Company.

Changes in Share Capital

During the year under review, there were no changes in the Share Capital of the Company.

Credit Rating

Crisil Limited, the Credit Rating Agency, has assigned the credit ratings CRISIL A+/Stable and CRISIL A1+ for the long term and short term debt instruments/facilities of the Company, respectively.

Directors and Key Managerial Personnel

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

Name	Date of Appointment/ Re-appointment/ Resignation
Mr. Arihant Kumar Baid	Resigned from the post of Whole-time Director with effect from close of working hours on January 15, 2018
Mr. Niraj Kabra	Appointed as the Additional Director, designated as Executive Director, with effect from February 12, 2018

Mr. Ghanshyam Prasad Agarwala, Vice-Chairman (Whole-time Director) and Mr. Ramesh Agarwal, Whole-time Director, are liable to retire by rotation at the ensuing Annual General Meeting (AGM) and being eligible, have offered themselves for re-appointment. Details of Directors to be re-appointed are provided in the Explanatory Statement to the Notice of the ensuing AGM.

Further details of Directors are provided in the Corporate Governance Report, which forms part of this Annual Report.

None of the Directors of the Company is disqualified under the provisions of Section 164 of the Act.

Apart from the aforesaid, no changes in the Directors and KMPs have taken place during the period under review.

Report of the Board of Directors

for the Financial Year ended March 31, 2018

Statement on Declaration given by Independent Directors under Section 149(7) of the Act

All Independent Directors of the Company have given their declarations to the Company that they meet the criteria of independence as laid down under Section 149(6) of the Act and Regulation 16 of the SEBI Listing Regulations.

Number of Meetings of Board of Directors

During the Financial Year 2017-18, 4 (four) meetings of the Board of Directors were held, details of which are given in the Corporate Governance Report, which forms part of this Annual Report.

Separate Meeting of Independent Directors

During the year under review, the Independent Directors, without the presence of Non-Independent Directors and members of the Management, met on March 14, 2018 and, *inter alia*:

(i) reviewed the performance of Non-Independent Directors and the Board as a whole;

(ii) reviewed the performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-executive Directors; and

(iii) assessed the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively & reasonably perform their duties.

Annual Evaluation of Performance

Pursuant to the provisions of the Act and the SEBI Listing Regulations, the Nomination and Remuneration Committee has laid down the criteria for performance evaluation on the basis of which the Board has carried out evaluation of its own performance, the performance of Board Committees and of the Directors individually.

The Independent Directors of the Company, without the participation of Non-Independent Directors and members of management, in their separate meeting held on March 14, 2018, have reviewed the performance of Non-Independent Directors and the Board as a whole and also the performance of the Chairperson of the Company. The review of performance of Non-Independent Directors was done, on various parameters, such as, skill, competence, experience, degree of engagement, ideas & planning, attendance, leadership, etc. The Board performance was reviewed on various parameters, such as, adequacy of the composition of the Board, Board culture, appropriateness of qualification & expertise of Board members, process of identification and appointment of Independent Directors, inter-personal skills, ability to act proactively, managing conflicts, managing crisis situations, diversity in the knowledge and related industry expertise, roles and responsibilities of Board members, appropriate utilization of talents and skills of Board members, etc. The evaluation of the Chairperson of the Company was conducted on various parameters, such as, leadership quality, capability, availability, clarity of understanding, governance & compliance and degree of contribution, etc.

The Nomination and Remuneration Committee of the Board, based on the report of the Independent Directors, evaluated the performance of the Non-Independent Directors. The said Committee members also evaluated the performance of the Independent Directors of the Company, based on the reports of the Executive Directors, considering their requisite skills, competence, experience and knowledge of the regulatory requirements relating to governance, such as, roles and responsibilities under the Code for Independent Directors, the Act, the SEBI Listing Regulations, etc.

The Board of Directors of the Company, based on the report of the Independent Directors and the Nomination and Remuneration Committee, evaluated the performance of Board and of individual Directors. The Board also carried out the evaluation of performance of its Committees on various parameters, such as, adequacy of meetings in enhancing the effectiveness of the Committee, existence of a defined set of objectives/ terms of reference, etc.

The result of review and evaluation of performance of Board, it's Committees and of individual Directors was found to be satisfactory.

Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

The particulars related to the conservation of energy, technology absorption and foreign exchange earnings and outgo, as required under Section 134(3)(m) of the Act, read with Rule 8(3) of the Companies (Accounts) Rules, 2014, are annexed hereto, marked as '**Annexure – II**'.

Report of the Board of Directors

for the Financial Year ended March 31, 2018

Particulars of Employees

The particulars of employees, as required under Section 197(12) of the Act, read with Rule 5(1) and 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are annexed hereto, marked as '**Annexure – III**'.

Disclosure on Employee Stock Option/Purchase Scheme

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

Committees of the Board

As on March 31, 2018, the Company has 5 (Five) Committees:

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders' Relationship Committee
- Corporate Social Responsibility (CSR) Committee
- Operations Committee

Audit Committee

As on March 31, 2018, the Audit Committee comprised of 6 (six) Members, of which majority were Independent Directors. The details with respect to the composition of the Audit Committee, the number of meetings held during the year under review, attendance therein and its terms of reference has been detailed out in the Corporate Governance Report, which forms part of this Annual Report.

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

Nomination and Remuneration Committee

Details pertaining to constitution of the Nomination and Remuneration Committee of the Board of Directors of the Company, number of meetings held during the year under review, attendance therein and its terms of reference have been stated in the Corporate Governance Report, which forms part of this Annual Report.

Policy on Director's Appointment and Remuneration

The Board, on the recommendation of Nomination and Remuneration Committee, as prescribed under Section 178(3) of the Act, has framed a Policy on Appointment and Remuneration of Directors, Key Managerial Personnel and other employees of the Company and the same in brief is annexed hereto, marked as '**Annexure – IV**'.

Stakeholders' Relationship Committee

Details pertaining to the constitution of the Stakeholders' Relationship Committee of the Board of Directors of the Company, number of meetings held during the year under review, attendance therein and its terms of reference have been stated in the Corporate Governance Report, which forms part of this Annual Report.

Corporate Social Responsibility (CSR) Committee

The Company recognizes the value of being socially responsible corporate and therefore, it is committed towards the society and its people in a dedicated way.

Annual Report on CSR Activities, as prescribed under Section 135 of the Act, read with Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, is annexed hereto, marked as '**Annexure –V**'.

Terms of Reference: The detailed terms of reference of the CSR Committee is available on the website of the Company at the link, http://rupa.co.in/site/wp-content/uploads/2015/10/Corporate-Social-Responsibility-Committee.pdf

Report of the Board of Directors
for the Financial Year ended March 31, 2018

Composition of the Committee

Name of Member	Position	Category
Mr. Prahlad Rai Agarwala	Chairman	Promoter, Executive
Mr. Kunj Bihari Agarwal	Member	Promoter, Executive
Mr. Vinod Kumar Kothari	Member	Independent, Non-Executive

The composition of the Committee complies with the provision of Section 135 of the Act, read with Rules made thereunder.

Meeting and Attendance

During the Financial Year ended March 31, 2018, 2 (two) meetings of the CSR Committee were held. The details of the said meeting and attendance therein, are as hereunder:

Name of Member	Meetings held during the year and Attendance	
	May 26, 2017	February 12, 2018
Mr. Prahlad Rai Agarwala	Present	Present
Mr. Kunj Bihari Agarwal	Present	Present
Mr. Vinod Kumar Kothari	Present	Present

Operations Committee

For administrative convenience and ease of doing business, the Board of Directors of the Company have constituted the Operations Committee, during the year 2017-18. The Operations Committee have met 2 (two) times during the year 2017-18. The composition of the Operations Committee and details of the meetings and attendance therein are as hereunder:

Name of Member	Category	Meeting held during the year and Attendance	
		January 2, 2018	February 20, 2018
Mr. Kunj Bihari Agarwal	Executive, Promoter	Present	Present
Mr. Ramesh Agarwal	Executive, Promoter	Present	Present
Mr. Mukesh Agarwal	Executive, Promoter	Present	Present

The terms of reference of the Operations Committee are available on the website of the Company at the link, http://rupa.co.in/site/wp-content/uploads/2015/10/Operations-Committee.pdf. The Operations Committee also performs such other functions, as may be assigned to them, by the Board of Directors, from time to time.

Vigil Mechanism

In terms of the Section 177 of the Act, read with the Rules made thereunder and Regulation 22 of the SEBI Listing Regulations, the Company has framed a 'Whistle Blower Policy' with an objective to provide an avenue to address concerns, in line with the policy of the Company to the highest possible standards of ethical, moral and legal business conduct and its commitment to open communication, as well as timely redressal of concerns and disclosures to build and strengthen a culture of transparency and trust in the Company. The mechanism also provides for adequate safeguards against victimization of director(s) or employee(s) or any other person for availing the mechanism, and in exceptional cases, direct access to the Chairman of the Audit Committee to report instances of fraud/ misconduct. Audit Committee looks into the complaints raised, if any, and their redressal. The Whistle Blower Policy of the Company is available on the website of the Company, at the link, http://rupa.co.in/site/wp-content/uploads/2015/10/WhistleBlowerPolicy1.pdf

Report of the Board of Directors

for the Financial Year ended March 31, 2018

Extract of the Annual Return

The extract of the Annual Return, as at the Financial Year ended March 31, 2018, in Form MGT-9, is annexed hereto, marked as **'Annexure – VI'**.

Risk Management Policy

The Company has a Risk Management Policy which lays down the framework for identification and mitigation of various risks. The specific objectives of the Risk Management Policy are to ensure that all the current and future material risk exposures of the Company are identified, assessed, quantified, appropriately mitigated and managed, to establish a framework for the Company's risk management process.

The Risk Management Framework emphasises proper analysing and understanding the underlying risks before undertaking any transaction. This enables a proper assessment of all risks and ensures that the transactions and processes conform to the Company's risk appetite and regulatory requirements.

The Risk Management Policy is discussed at the meeting of the Audit Committee of the Board of Directors. The management accepts the suggestions with regard to mitigation of risks that may arise in future. Further, in the opinion of the Board, there are no existing factors which threaten the existence of the Company.

Internal Financial Control Systems with reference to Financial Statements and its adequacy

The Company has adequate Internal Financial Control systems and procedures which are commensurate with it's size and nature of business. It is ensured that all the assets are safeguarded and protected against loss and all transactions are authorized, recorded and reported correctly. The Internal Financial Control systems of the Company are monitored and evaluated and reviewed by the Audit Committee.

The Directors have 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, the 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 for aspects and the timely preparation of reliable financial information;

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; and

5) Proper systems are in place for prevention and detection of frauds and errors and for ensuring adherence to the Company's policies.

Further, the certificate from Managing Director (MD) and Chief Financial Officer (CFO), in terms of Regulation 17(8) of the SEBI Listing Regulations, provided in this Annual Report, also certifies the adequacy of our Internal Control systems and procedures.

Statutory Auditors and Auditors' Report

M/s. Singhi & Co. (Firm Registration Number 302049E), Chartered Accountants, had been appointed as the Statutory Auditor of the Company to hold office for a period of 5 (five) years from the conclusion of the 32nd AGM of the Company (for the Financial Year 2016-17), held on August 31, 2017, until the conclusion of the 37th AGM of the Company for the Financial Year 2021-22.

Report of the Board of Directors
for the Financial Year ended March 31, 2018

The Notes on accounts referred to in the Auditors' Report are self-explanatory and therefore, do not call for any further explanations/ comments.

Internal Auditor

M/s. Das & Prasad, Chartered Accountants (Firm's Registration Number 303054E), was appointed as the Internal Auditors of the Company to conduct the Internal Audit for the Financial Year 2017-18. Further, the Audit Committee considers and reviews the Internal Audit Report submitted by the Internal Auditor on a quarterly basis.

Details in respect of Fraud

During the Financial Year 2017-18, the Auditors have not reported any fraud, as prescribed under Section 143(12) of the Act.

Secretarial Audit Report

Pursuant to the provisions of Section 204 of the Act, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors of the Company has appointed M/s. Nidhi Bagri & Company, Practicing Company Secretaries, to conduct the Secretarial Audit of the Company, for the Financial Year 2017-18. The Secretarial Audit Report in Form MR-3, for the Financial Year 2017-18, is annexed hereto, marked as **'Annexure – VII'**. The Secretarial Audit Report does not contain any qualification, reservation, adverse remark or disclaimer.

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

No material changes and commitments affecting the financial position of the Company have occurred between the end of the Financial Year 2017-18 and the date of this Report.

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 has been passed by any Regulator/ Court/ Tribunals against the Company, which will impact the going concern status and the Company's operations in future.

Deposits

The Company has not accepted any deposit within the meaning of Section 73 of the Act and the Companies (Acceptance of Deposits) Rules, 2014, during the Financial Year ended March 31, 2018.

Particulars of Loans, Guarantees or Investments

The loan given, guarantee given and investment made by the Company during the Financial Year ended March 31, 2018 are within the limits prescribed under Section 186 of the Act. Further, the details of the said loan given, guarantee given and investment made are provided in the Notes to the Financial Statements of the Company.

The related party disclosures with respect to loans/ advances at the end of the Financial Year under review and maximum outstanding amount thereof during the year, as required under Part A of Schedule V to the SEBI Listing Regulations, have been provided in the Notes to the Financial Statements of the Company.

Particulars of Contracts or Arrangements with Related Parties

There were no materially significant related party transactions entered into by the Company which may have potential conflict with the interest of the Company. All contracts/ arrangements/ transactions entered by the Company during the Financial Year 2017-18, with its related parties, were in the ordinary course of business and on an arm's length basis and were reviewed and approved by the Audit Committee of the Board. Further, during the said Financial Year, the Company has not entered into any contract/ arrangement/ transaction with related parties which could be considered material in accordance with the Company's policy of Materiality of Related Party Transactions except those provided in Form AOC-2, annexed hereto, marked as **'Annexure – VIII'**. Further, suitable disclosure as required by the Accounting

Annexure to the Board's Report

Standards has been made in the Notes to the Financial Statements.

The Policy on dealing with Related Party Transactions is available on the website of the Company at the link, http://rupa.co.in/site/wp-content/uploads/2015/10/policy-on-related-party-transactions.pdf

Compliance with Secretarial Standards

The Directors state that the Company is in compliance with the applicable Secretarial Standards.

Management Discussion and Analysis Report

The Management Discussion and Analysis Report, in terms of Regulation 34, read with Schedule V of the SEBI Listing Regulations, forms part of this Annual Report.

Corporate Governance Report

The Corporate Governance Report, in terms of Regulation 34(3), read with Schedule V, of the SEBI Listing Regulations, forms part of this Annual Report. The Company has obtained a certificate from the Statutory Auditors of the Company, M/s. Singhi & Co. (Firm Registration Number 302049E), regarding compliance of conditions of Corporate Governance and the same forms part of this Annual Report.

Business Responsibility Report

The Business Responsibility Report, in terms of Regulation 34 of the SEBI Listing Regulations, 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.

However, during the year under review no such incidence has been reported.

Directors' Responsibility Statement

To the best of our knowledge and belief and according to the information and explanations obtained by us, we hereby make the following statements in terms of Section 134(3)(c) and 134(5) of the Act:

(i) 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;

(ii) 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, 2018 and of the profit of the Company for that period;

(iii) 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;

(iv) that the Annual Accounts has been prepared on a going concern basis;

(v) 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

(vi) 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.

Annexure to the Board's Report

Annexures forming part of this Report of the Directors

Annexure	Particulars
I	Dividend Distribution Policy
II	Particulars of Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo
III	Particulars of Employees
IV	Policy on Director's Appointment and Remuneration
V	Annual report on CSR Activities
VI	Extract of the Annual Return in Form MGT - 9
VII	Secretarial Audit Report
VIII	Particulars of contracts or Arrangements with Related Parties in Form AOC - 2

Acknowledgement

As the Rupa completes its 50 glorious years, we would take this opportunity to thank our customers, vendors, bankers, stakeholders and the Government for their continued support. We place on record our appreciation of the contribution made by our employees at all levels. Our consistent growth is possible because of their hard work, solidarity, co-operation and support.

By order of the Board

For **Rupa & Company Limited**

Sd/-

Prahlad Rai Agarwala

Chairman

DIN: 00847452

Place: Kolkata

Date: May 23, 2018

Annexure to the Board's Report

Annexure – I

Dividend Distribution Policy

[Pursuant to Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

1. Background

The Securities Exchange Board of India ("SEBI") vide its Notification dated July 8, 2016 has amended the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations") by inserting Regulation 43A in order to make it mandatory to have a Dividend Distribution Policy in place by the top five hundred listed companies based on their market capitalization calculated as on the 31st day of March of every year.

Therefore, the Board of Directors of Rupa & Company Limited ("the Company") has adopted this Dividend Distribution Policy of the Company as per the requirement, abovementioned.

2. Effective Date

This Policy shall become effective from the date of its adoption by the Board i.e. February 10, 2017.

3. Definitions and Interpretations

(a) 'Act' shall mean the Companies Act, 2013, as amended from time to time and shall include Rules, Regulations and Secretarial Standards made thereunder or pursuant thereto;

(b) 'Board' shall mean Board of Directors of the Company;

(c) 'Company' shall mean Rupa & Company Limited;

(d) 'Dividend' includes interim dividend;

(e) 'Policy' shall mean Dividend Distribution Policy of the Company as per Regulation 43A of the Listing Regulations;

(f) 'Listing Regulations' shall mean SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

All words and expressions used but not defined in this Policy, but defined in the Act or the Listing Regulations shall have the same meaning as respectively assigned to them in such Act or Listing Regulations, as the case may be.

Words importing the singular number shall include the plural number and words importing the masculine gender shall, where the context admits, include the feminine and neuter gender.

4. Purpose, Objectives and Scope

Considering the provisions of the Regulation 43A of the Listing Regulations, the Board recognizes the need to lay down a broad framework for considering decisions by the Board of the Company, with regard to distribution of dividend to its shareholders and/ or retaining or plough back of its profits. The Policy also sets out the circumstances and different factors for consideration by the Board at the time of taking such decisions of distribution or retention of profits, in the interest of providing transparency to the shareholders.

The Policy is not an alternative to the decision of the Board for recommending dividend, which is made every year after taking into consideration all the relevant circumstances enumerated hereunder or other factors as may be decided as relevant by the Board.

Declaration of dividend on the basis of parameters in addition to the elements of this Policy or resulting in amendment of any element or the Policy will be regarded as deviation. Any such deviation on elements of this Policy in extraordinary circumstances, when deemed necessary in the interests of the Company, along with the rationale will be disclosed in the Annual Report by the Board of Directors.

The Policy reflects the intent of the Company to reward its shareholders by sharing a portion of its profits after retaining sufficient funds for growth of the Company. The Company shall pursue this Policy, to pay, subject to the circumstances and

Annexure to the Board's Report

factors enlisted hereon, progressive dividend, which shall be consistent with the performance of the Company over the years.

The Policy shall not apply to: • Determination and declaring dividend on preference shares, if any, as the same will be as per the terms of issue approved by the shareholders; • Distribution i.e. by issue of fully or partly paid bonus shares or other securities, subject to applicable law; • Distribution of cash as an alternative to payment of dividend by way of buyback of equity shares.

5. Considerations relevant for Decision of Dividend Pay-Out

The Board shall consider the following, while taking decisions of a dividend payout during a particular year:

Statutory requirements: The Company shall observe the relevant statutory requirements including those with respect to mandatory transfer of a certain portion of profits to any specific reserve such as Debenture Redemption Reserve, Deposit Repayment Reserve etc., if any, as provided in the Act or any other statutes which may be applicable to the Company at the time of taking decision with regard to dividend declaration or retention of profit.

Agreements with lending institutions/ debenture trustees: The decision of dividend pay-out shall also be affected by the restrictions and covenants contained in the agreements with the lenders of the Company, if any, from time to time.

Shareholders agreement including Joint Venture (JV) agreement entered into by the Company: The decision of dividend pay-out shall meet the conditions of any Shareholders agreement including JV agreement, if any, to be entered into by the Company.

Long term strategic objectives of the Company as regards financial leverage: The Board shall analyse the requirement of necessary funds considering the long term or short term projects proposed to be undertaken by the Company and the viability of the options in terms of cost of raising necessary funds from outsiders such as bankers, lending institutions or by issuance of debt securities or ploughing back its own funds.

Prudential requirements: The Company shall analyse the prospective projects and strategic decisions in order to decide: •to build a healthy reserve of retained earnings; • to augment long term strength; • to build a pool of internally generated funds to provide long-term resources as well as resource-raising potential for the Company; and • the needs for capital conservation and appreciation.

Proposals for major capital expenditures, etc.: In addition to plough back of earnings on account of depreciation, the Board may also take into consideration the need for replacement of capital assets, expansion and modernization or augmentation of capital stock, including any major capital expenditure proposals.

General considerations: Subject to the considerations as provided in the Policy, the Board shall determine the dividend payout in a particular year after taking into consideration the operating and financial performance of the Company, the advice of executive management including the Chief Financial Officer (CFO), and other relevant factors.

6. Other Financial Parameters

In addition to the aforesaid parameters such as realized profits and proposed major capital expenditures, the decision of dividend payout or retention of profits shall also be based the following:

Operating cash flow of the Company: If the Company cannot generate adequate operating cash flow, it may need to rely on outside funding to meet its financial obligations and sometimes to run the day-to-day operations. The Board will consider the same before its decision whether to declare dividend or retain its profits.

Net sales of the Company: To increase its sales in the long run, the Company will need to increase its marketing and selling expenses, advertising, etc. The amount outlay in such activities will influence the decision of declaration of dividend.

Return on invested capital: The efficiency with which the Company uses its capital will impact the decision of dividend declaration.

Magnitude of earnings of the Company: Since dividend is directly linked with the availability of earning over the long haul, the magnitude of earnings will significantly impact the dividend declaration decisions of the Company.

Annexure to the Board's Report

Cost of borrowings: The Board will analyze the requirement of necessary funds considering the long term or short term projects proposed to be undertaken by the Company and the viability of the options in terms of cost of raising necessary funds from outsiders such as bankers, lending institutions or by issuance of debt securities or plough back its own funds.

Obligations to creditors: The Company should be able to repay its debt obligations without much difficulty over a reasonable period of time. Considering the volume of such obligations and time period of repayment, the decision of dividend declaration shall be taken.

Inadequacy of profits: If during any Financial Year, the Board determines that the profits of the Company are inadequate, the Board may decide not to declare dividends for that Financial Year.

Post dividend EPS: The post dividend EPS can have strong impact on the funds of the Company, thus, impacting the overall operations on day-to-day basis and therefore, affects the profits and can impact the decision for dividend declaration during a particular year.

7. Factors that may affect Dividend Payout

External Factors: Taxation and other regulatory concern

- Dividend distribution tax or any tax deduction at source as required by applicable tax regulations in India, as may be applicable at the time of declaration of dividend.

- Any restrictions on payment of dividends by virtue of any regulation as may be applicable to the Company at the time of declaration of dividend.

Product/ market expansion plan: The Company's growth oriented decision to conserve cash in the Company for future expansion plan impacts shareholders expectation for the long run which shall have to consider by the Board before taking dividend decision.

Macro economic conditions: Considering the state of economy in the Country, the policy decisions that may be formulated by the Government and other similar conditions prevailing in the international market which may have a bearing on or affect the business of the Company, the management may consider retaining a larger part of the profits to have sufficient reserves to absorb unforeseen circumstances.

Internal Factors

Past performance/ reputation of the Company: The trend of the performance/ reputation of the Company that has been during the past years determine the expectation of the shareholders.

Working capital management in the Company: The current working capital management system within the Company also impacts the decision of dividend declaration.

Age of the Company and its product/market: The age of the Company and its product or the market in which the Company operates will be one of the most significant determining factors to the profitability of the Company and dividend declaration or retention.

Amount of cash holdings in the Company: In the investor's point of view, in the absence of any major expansion plan or capital investments or other strategic investment plans in the hands of the Company, the investors may not appreciate excessive cash holdings in the Company. The Board shall have to consider the same before taking decision of dividend declaration.

8. Circumstances under which Dividend Payout may or may not be expected

The Board shall consider the factors provided above under Para's 5 to 7, before determination of any dividend payout after analyzing the prospective opportunities and threats, viability of the options of dividend payout or retention etc. The decision of dividend payout shall, majorly be based on the aforesaid factors considering the balanced interest of the shareholders and the Company.

Annexure to the Board's Report

9. Manner of utilisation of retained earnings

The Board may retain its earnings in order to make better use of the available funds and increase the value of the shareholders in the long run. The decision of utilization of the retained earnings of the Company shall be based on the following factors:

• Market expansion plan; • Product expansion plan; • Increase in production capacity; • Modernisation plan; • Diversification of business; • Long term strategic plans; • Replacement of capital assets; • Where the cost of debt is expensive; • Other such criteria as the Board may deem fit.

10. Parameters with regard to various classes of shares

The paid-up capital of the Company is consisting of only equity shares of nominal value of ₹ 1/- each and does not have different classes of shares. However, if different class of shares be issued subsequently, the same shall meet the parameters based on the respective rights attached to each class of shares as per their terms of issue.

11. Range of Dividend

Subject to the regulatory requirements, this Policy and the factors which are necessarily to be considered at the time of recommending/ declaring the dividend, the Board would endeavor to maintain a dividend pay-out (including applicable taxes) in the range of 20% to 45% of the Standalone Profit after Tax of the Company. The Company would endeavor to keep and maintain the said range of dividend pay-out except for reasons to be recorded.

12. Amendment

The Chairman or Managing Director of the Company shall be jointly/severally authorised to review and amend the Policy, to give effect to any changes/ amendments notified by any regulator under the applicable law from time to time. Such amended Policy shall be periodically placed before the Board for noting and necessary ratification.

Annexure to the Board's Report

Annexure – II

Particulars of Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

[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) Steps taken or impact on conservation of energy:

(a) Condensed water from the steam is recycled to heat water, thereby, saving energy.

(b) Installation of 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.

(ii) Steps taken by the Company for utilising alternate sources of energy: Instead of furnace oil, diesel or wood, the Company uses paddy husk as fuel for the boiler. This reduces the carbon footprint considerably and is considered to be green fuel.

(iii) Capital investment on energy conservation equipments: Nil

(B) Technology Absorption

(i) Efforts made towards technology absorption: The 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) Benefits derived through use of machines: By using new technology, the 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 years reckoned from the beginning of the Financial Year):

(a) Details of technology imported: The Company has imported machines with the latest and updated technology. 5 (five) Cutting machines have been imported- 2 (two) from Morgan Tecnica SPA, Italy and 3 (three) from Bierrebi Italia SRL, Italy.

(b) Year of import: 2012-13 and 2013-14

(c) Whether the technology has been fully absorbed: Yes.

(iv) Expenditure incurred on Research and Development: Nil.

(C) Foreign Exchange Earnings and Outgo

Foreign Exchange earned in terms of actual inflows during the year	:	₹ 18,38,73,759/-
Foreign Exchange outgo during the year in terms of actual outflows	:	₹ 1,91,74,779/-

By order of the Board
For **Rupa & Company Limited**
Sd/-
Prahlad Rai Agarwala
Chairman
DIN: 00847452

Place : Kolkata
Date : May 23, 2018

Annexure to the Board's Report

Annexure – III

Details pertaining to the Remuneration, as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time, for the Financial Year 2017-18

(i) The ratio of the remuneration of each Director and Key Managerial Personnel (KMP) to the median remuneration of the employees of the Company for the Financial Year 2017-18, the percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the said Financial Year 2017-18 are as under:

Sl. No.	Name of Director/KMP and Designation	Remuneration of Director/ KMP for the Financial Year 2017-18 (₹)	Ratio of remuneration of each Director & KMP to median remuneration of employees	% increase/ decrease in remuneration in the Financial Year 2017-18
1	Mr. Prahlad Rai Agarwala, Chairman	1,90,00,000	133:1	1.60
2	Mr. Ghanshyam Prasad Agarwala, Vice-Chairman	84,00,000	59:1	3.70
3	Mr. Kunj Bihari Agarwal, Managing Director	84,00,000	59:1	3.70
4	Mr. Ramesh Agarwal, Whole-time Director-cum-Chief Financial Officer	79,50,000	56:1	26.20
5	Mr. Mukesh Agarwal, Whole-time Director	79,50,000	56:1	26.20
6	Mr. Satya Brata Ganguly, Independent Director	6,50,000	5:1	54.76
7	Mr. Dipak Kumar Banerjee, Independent Director	5,35,000	4:1	-26.21
8	Mr. Dharam Chand Jain, Independent Director	3,60,000	3:1	-20.00
9	Mr. Sushil Patwari, Independent Director	5,85,000	4:1	-10.00
10	Mrs. Alka Devi Bangur, Independent Director	4,50,000	3:1	0.00
11	Mr. Vinod Kumar Kothari, Independent Director	6,10,000	4:1	50.62
12	Mr. Niraj Kabra, Executive Director^	2,19,016	2:1	N.A.^
13	Mr. Arihant Kumar Baid, Whole-time Director@	17,18,337	12:1	2.09@
14	Mr. Kundan Kumar Jha, Company Secretary	20,72,924	15:1	28.41

Note: Independent Directors are being paid sitting fees only, during the year 2017-18.
^Mr. Niraj Kabra was appointed as an Additional Director, designated as Executive Director, w.e.f. February 12, 2018. The details has been given for the period from February 12, 2018 to March 31, 2018.
@Mr. Arihant Kumar Baid has resigned from the position as Whole-time Director of the Company, w.e.f. close of working hours on January 15, 2018. The details has been given for the period during which he was a director of the Company.

(ii) The median remuneration of employees of the Company during the Financial Year was ₹ 1.42 lacs. Further, the median remuneration is almost same as per last financial year.

(iii) Number of permanent employees on the rolls of Company as on March 31, 2018 was 710.

(iv) Average percentile increase made in the total salaries of employees other than the managerial personnel in the Financial Year 2017-18 was 14%, whereas the increase in the total managerial remuneration for the same Financial Year was 9%. The managerial remuneration is linked to market trend and industry segment composition.

(v) We hereby affirm that the remuneration paid is as per the Remuneration Policy of the Company.

(vi) The Managing Director and the Whole-time Directors of the Company do not receive any remuneration or commission from its Wholly-owned Subsidiaries.

Annexure to the Board's Report

Statement of particulars of employees as required under Section 197(12) of the Companies Act, 2013, read with Rule 5(2) and 5(3) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014, as amended, from time to time

Name	Designation	Remuneration (₹)	Qualification and Experience (years)	Age (years)	Date of Commencement of Employment	Last Employment
Mr. Prahlad Rai Agarwala	Chairman (Whole-time Director)	1,90,00,000	Bachelor's degree in Law, B. Com, having an experience of more than 50 years	80	February 6, 1985	None
Mr. Ghanshyam Prasad Agarwal[5]	Vice-Chairman (Whole-time Director)	84,00,000	B. Com, having an experience of more than 45 years	72	July 13, 1987	None
Mr. Kunj Bihari Agarwal	Managing Director	84,00,000	B. Com, having an experience of more than 43 years	68	July 17, 1987	None
Mr. Ramesh Agarwal	Whole-time Director-cum-Chief Financial Officer	79,50,000	B. Com, having an experience of more than 23 years in the textile industries	49	April 1, 2004	None
Mr. Mukesh Agarwal	Whole-time Director	79,50,000	B. Com, having an experience of more than 18 years in the textile industries	47	April 1, 2004	None
Mr. Manish Agarwal[6]	President	54,00,000	Bachelor's degree in Mechanical Engineering, having an experience of more than 14 years	43	September 11, 2004	None
Mr. Ravi Agarwal[7]	President	54,00,000	MBA in Marketing from Geneva, Switzerland, having an experience of more than 14 years	44	September 11, 2004	None
Mr. Vikash Agarwal[7]	President	54,00,000	Diploma in Marketing Management from University of California, USA, having an experience of more than 14 years	41	September 11, 2004	None
Mr. Rajnish Agarwal	President	54,00,000	Masters in Business Administration in Marketing from University of Cardiff, having an experience of more than 14 years	40	September 11, 2004	None
Mr. Partho Pratim Kanungo[8]	General Manager, Sales & Marketing	47,59,134	Diploma in Electric Engineering, having an experience of 24 years	48	February 5, 2014	Assistant General Manager (Sales), Page Industries Limited

Annexure to the Board's Report

Notes:

1) *Remuneration includes salary, commission, bonus, allowances and monetary value of perquisites but excludes gratuity provision.*

2) *All appointments are contractual.*

3) *The inter-se relation between the Directors of the Company has been disclosed in the Corporate Governance Report, which forms part of this Annual Report.*

4) *There were no such employee, who was employed for a part of the Financial Year and was in receipt of remuneration for any part of the year, at a rate, which, in the aggregate, was not less than eight lacs and fifty thousand rupees per month.*

5) *Mr. Ghanshyam Prasad Agarwala, employed throughout the Financial Year, was in receipt of remuneration for the year, at a rate, which in the aggregate, was in excess of that drawn by a Whole-time Director of the Company and he holds 2.31% of the equity shares of the Company, along with his spouse Mrs. Pushpa Devi Agarwal. Mr. Ghanshyam Prasad Agarwala is the brother of Mr. Prahlad Rai Agarwala, Chairman (Whole-time Director), and Mr. Kunj Bihari Agarwal, Managing Director, and the father of Mr. Mukesh Agarwal, Whole-time Director of the Company.*

6) *Mr. Manish Agarwal and Mr. Rajnish Agarwal are sons of Mr. Ghanshyam Prasad Agarwala, Vice-chairman, and brothers of Mr. Mukesh Agarwal, Whole-time Director.*

7) *Mr. Ravi Agarwal and Mr. Vikash Agarwal, employed throughout the Financial Year, were in receipt of remuneration for the year, at a rate, which was in excess of that drawn by a Whole-time Director of the Company and they hold 2.19% and 2.21% of the equity shares of the Company, respectively. Mr. Ravi Agarwal and Mr. Vikash Agarwal are sons of Mr. Kunj Bihari Agarwal, Managing Director of the Company.*

8) *Mr. Partho Pratim Kanungo is not related to any Director of the Company.*

9) *The above details include details of top ten employees of the Company, in terms of remuneration drawn during the Financial Year 2017-18.*

By order of the Board
For **Rupa & Company Limited**
Sd/-
Prahlad Rai Agarwala
Chairman
DIN: 00847452

Place: Kolkata
Date: May 23, 2018

Annexure to the Board's Report

Annexure – IV

Policy on Appointment and Remuneration

This Policy reflects the Company's objectives for good corporate governance as well as sustained and long-term value creation for stakeholders. 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–

(a) The Company is able to attract, develop and retain high-performing and motivated executives in a competitive international market;

(b) 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; and

(c) Remuneration of the executives is aligned with the Company's business strategies, values, key priorities and goals.

Board Diversity Criteria

In the process of attaining optimal Board Diversity, the following criteria need to be assessed:

(i) Optimum Composition

(a) The Board shall have an optimum combination of Executive and Non-executive Directors and not less than 50 (fifty) per cent of the Board of Directors comprising Non-executive Directors.

(b) Atleast half of the Board should comprise of Independent Directors (where the Chairman of the Board is executive) or atleast one-third of the Board consisting of Independent Directors (where the Chairman of the Board is Non-executive).

(c) In any case, the Company should strive to ensure that the number of Independent Directors do not fall below 3 (three) so as to enable the Board to function smoothly and effectively.

(d) The Company shall have at least 1(one) Woman Director on the Board to ensure that there is no gender inequality on the Board.

(ii) Functional Diversity

(a) Appointment of Directors to the Board of the Company should be based on the specific needs and business of the Company. Appointments should be done based on the qualification, knowledge, experience and skill of the proposed appointee which are relevant to the business of the Company.

(b) Knowledge of and experience in domain areas such as finance, legal, risk, management, etc. should be duly considered while making appointments to the Board level.

(c) While appointing Independent Directors, care should be taken as to the independence of the proposed appointee.

(d) Directorships in other companies may also be taken into account while determining the candidature of a person.

(e) Whole-time Directors of the Company may be considered to head functional area/ business division of the Company based on his/ her expertise of the function/ division.

(iii) Stakeholder Diversity

The Company may also have Directors on its Board representing the interest of any financial institution or any other person in accordance with the provisions of its Articles of Association and/or any agreement between the Company and the nominating agency.

Annexure to the Board's Report

Principles for selection of Independent Directors

The nomination of the Independent Directors of the Company shall be in accordance with the principles as stated hereunder and other relevant provisions of applicable law:

(a) is a person of integrity and possesses relevant expertise and experience;

(b) is or was not a promoter of the Company or its holding, subsidiary or associate company and not related to promoters or Directors in the Company, its holding, subsidiary or associate company;

(c) has or had no pecuniary relationship with the Company, its holding, subsidiary or associate company, or their promoters, or Directors, during the two immediately preceding Financial Years or during the current Financial Year;

(d) none of whose relatives has or had pecuniary relationship or transaction with the Company, its holding, subsidiary or associate company, or their promoters, or Directors, amounting to 2% or more of its gross turnover or total income or fifty lakh rupees or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding Financial Years or during the current Financial Year;

(e) neither himself nor any of his relatives—

  (i) holds or has held the position of a key managerial personnel or is or has been employee of the Company or its holding, subsidiary or associate company in any of the three Financial Years immediately preceding the Financial Year in which he is proposed to be appointed;

  (ii) is or has been an employee or proprietor or a partner, in any of the three Financial Years immediately preceding the Financial Year in which he is proposed to be appointed, of (a) a firm of auditors or company secretaries in practice or cost auditors of the Company or its holding, subsidiary or associate company; or (b) any legal or a consulting firm that has or had any transaction with the Company, its holding, subsidiary or associate company amounting to 10% or more of the gross turnover of such firm;

  (iii) holds together with his relatives 2% or more of the total voting power of the Company; or

  (iv) is a chief executive or director, by whatever name called, of any non-profit organisation that receives 25% or more of its receipts from the Company, any of its promoters, Directors or its holding, subsidiary or associate company or that holds 2% or more of the total voting power of the Company;

(f) shall possess appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance, technical operations or other disciplines related to the Company's business.

Overall criteria for selection of Executives

The assessment for Senior Management will be done on the basis of below parameters by the concerned interview panel of the Company –

(a) **Competencies:** • Necessary skills (Leadership skill, Communication skills, Managerial skills, etc.) • Experiences & education to successfully complete the tasks. • Positive background reference check; and

(b) **Capabilities:** • Suitable or fit for the task or role. • Potential for growth and the ability and willingness to take on more responsibility. • Intelligent & fast learner, Good leader, Organizer & administrator, Good analytical skills, Creative & innovative.

General policies for remuneration

The various remuneration components would be combined to ensure an appropriate and balanced remuneration package. The remuneration components are –

- Fixed, base remuneration (fixed supplements)
- Short-term incentives, i.e., performance-based pay (variable)

Annexure to the Board's Report

The fixed remuneration would be determined on the basis of the role and position of the individual, including professional experience, responsibility, job complexity and local market conditions. The short-term incentives motivates and rewards high performers who significantly contribute to sustainable results, perform according to set expectations for the individual in question, and generates stakeholder value within the group.

Any fee/ remuneration payable to the Non-executive Directors of the Company shall abide by the following norms –

(a) Such Director(s) may receive remuneration by way of fee for attending meetings of the Board or Committee thereof or for any other purpose whatsoever as may be decided by the Board, as permissible under the applicable law;

(b) An Independent Director shall not be entitled to any stock option and may receive remuneration only by way of fees and reimbursement of expenses for participation in meetings of the Board or Committee thereof and profit related commission, as may be permissible under the applicable law.

The detailed policy is available in the website of the Company at the link, http://rupa.co.in/site/wp-content/uploads/2015/10/Remuneration_Policy.pdf

Annexure to the Board's Report

Annexure – V

Annual Report on CSR Activities

[Pursuant to Clause (o) of Sub-Section (3) of Section 134 of the Companies Act, 2013 (the Act) and Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014]

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

   Rupa & Company Limited (the "Company") operates with a strong belief that giving back to the society and contributing towards its sustainable development is every organization's responsibility. The Company and its people are committed to society, ecology and environment. The 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 encompasses all CSR activities of the Company. The CSR Committee's Mission is primarily to pursue initiatives directed towards enhancing welfare measures of the society based on long term social and environmental consequences of the CSR activities. Within the above mission, the CSR Committee chooses priority projects from time to time. 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 the CSR Policy of the Company is the Company's faith in socially inclusive and sustainable business as the way of doing business.

   Likewise Financial Year 2016-17, during the Financial Year 2017-18 also, the Company has significantly contributed for making available safe drinking water at public places. Further, it has also contributed towards restoration of buildings and sites of historical importance, promoting education, eradicating poverty, health care, animal welfare and livelihood enhancement projects, etc. In order to serve the society, the Company has also forayed into the field of education by setting up the Sobhasaria Engineering College in Sikar, Rajasthan. The Company also provides vocational training to the needy through its trust, Rupa Foundation.

   The CSR Policy of the Company is also available on the website of the Company at the link, http://rupa.co.in/site/wp-content/uploads/2015/10/corporate-social-responsibility-policy.pdf

2. **The Composition of the CSR Committee:**

Mr. Prahlad Rai Agarwala	-	Chairman
Mr. Kunj Bihari Agarwal	-	Member
Mr. Vinod Kumar Kothari	-	Member

3. **Average net profit of the Company for the last 3 (three) Financial Years:** ₹ 1,11,76,74,719/-

4. **Prescribed CSR Expenditure (two per cent of the amount as in item 3 above):** ₹ 2,23,53,494/-

5. **Details of CSR spent during the Financial Year:**

   i) Total amount to be spent for the Financial Year: ₹ 2,23,53,494/-

   ii) Amount unspent: Nil

   iii) Manner in which the amount spent during the Financial Year is detailed below:

Annexure to the Board's Report

Sl. No.	CSR projects/ activities identified (relevant clause prescribed under the Act)	Sector in which the project is covered	Projects or programs (a) Local area or other (b) the State and district where projects or programs were undertaken	Amount Outlay (budget) project/ program wise) for the reporting period (₹)	Amount spent on the project or program. All direct expenses (₹)	Cumulative expenditure up to the reporting period (₹)	Mode of implementation – Direct as well as through implementing agencies
1	Clause (i) of Schedule VII of the Act	Making available safe drinking water	Local & other area. West Bengal - Kolkata, Howrah, North 24 Parganas, South 24 Parganas	97,00,000	96,05,303	4,69,15,074	Rupa & Company Limited/ Rupa Foundation through Ashish Kumar Jain and others
2	Clause (i) of Schedule VII of the Act	Promoting health care including preventive health care	Local & other area. West Bengal - Kolkata	10,00,000	10,22,640	10,22,640	All India Marwadi Mahila Samiti, Bengal Hosiery Tailors Association, Nagarik Swasthya Sangha, Chief Minister Relief Fund, Marwari Relief Society, Tata Memorial Hospital, Manav Seva Pratishtan, Shrimad Rajchandra Aatma Tatva Research Centre
3	Clause (i) of Schedule VII of the Act	Eradicating hunger, poverty and malnutrition	Local area. West Bengal - Kolkata	5,50,000	5,40,000	16,20,000	Annamrita Foundation
4	Clause (ii) of Schedule VII of the Act	Promoting education including special education and employment enhancing vocational skills and Livelihood enhancement projects	Local and other area. West Bengal - Kolkata, West Midnapore	30,00,000	31,91,612	31,91,612	Paschim Bangiya Marwari Sammelan Shiksha Kosh, J.N. Loreto English Medium School, Udayan Care, Friends of Kolkata, Arya Seva Girls Education Society, Vivekananda Vidyavikash Parishad
5	Clause (iii) of Schedule VII of the Act	Setting up old age homes, day care centres and such other facilities for senior citizens	Other area. West Bengal – Hooghly	5,50,000	5,50,000	5,50,000	Shree Manav Seva Trust

Annexure to the Board's Report

Sl. No.	CSR projects/ activities identified (relevant clause prescribed under the Act)	Sector in which the project is covered	Projects or programs (a) Local area or other (b) the State and district where projects or programs were undertaken	Amount Outlay (budget) project/ program wise) for the reporting period (₹)	Amount spent on the project or program. All direct expenses (₹)	Cumulative expenditure up to the reporting period (₹)	Mode of implementation – Direct as well as through implementing agencies
6	Clause (iv) of Schedule VII of the Act	Animal Welfare	Local area. West Bengal - Kolkata	11,00,000	11,00,000	11,00,000	Calcutta Pinjrapole Society
7	Clause (v) of Schedule VII of the Act	Protection of national heritage, art and culture including restoration of buildings and sites of historical importance	Other area. Restoration/ development of Manikarnika Ghat in Varanasi, U.P.	65,00,000	65,26,400	87,26,400	Rupa & Company Ltd through Rupa Foundation and Eastern Infrastructure Fund
		Total		**2,24,00,000**	**2,25,35,955**	**6,31,25,726**	

Details of Implementing Agencies:

1) *Rupa & Company Limited, via, Rupa Foundation (a trust located in Kolkata, engaged in areas like education and healthcare), Ashish Kumar Jain and others.*

2) *(a) All India Marwari Mahila Samiti is engaged in helping the downtrodden, spreading education, especially to girl students, extending relief operations during natural calamaties and helping weaker sections of the society, particularly women;*

   (b) Bengal Hosiery Tailors Association, towards blood donation camp;

   (c) Nagarik Swasthya Sangha, is a trust situated in Kolkata, which provides medical and other relief to the needy persons;

   (d) Chief Minister Relief Fund, is a fund set up by Chief Minister of West Bengal to provide medical and other facilities for providing relief measures to the distressed;

   (e) Marwari Relief Society, situated in Kolkata, is engaged in healthcare services, including OPD treatment;

   (f) Tata Memorial Hospital, is a specialist cancer treatment and research centre of Tata Memorial Centre;

   (g) Manav Seva Pratishtan, is engaged in education of tribal's and other weaker sections of the society;

   (h) Shrimad Rajchandra Aatma Tatva Research Centre, at Parli (Maharashtra), India, is a registered Charitable Trust, operates numerous Social Service projects in the fields of Education, Health and Women Empowerment among others, across various cities.

3) *Annamrita Foundation (formerly, ISKCON Food Relief Foundation) works with the Central Government, to provide hygienically cooked, balanced, nutritious, wholesome Mid-day Meal food for children in municipal and government aided schools, in India, to improve access to good food and promote education.*

4) *(a) Paschim Bangiya Marwari Sammelan Shiksha Kosh, is a fund constituted and registered as a public charitable trust for educational purpose;*

Annexure to the Board's Report

(b) *J.N. Loreto English Medium School, for providing education facilities to the needy;*

(c) *Udayan Care, registered in 1994 as a Public Charitable Trust, works to empower vulnerable children, women and youth, in 19 cities across 11 states of India;*

(d) *Friends of Kolkata, is an autonomous non-profit organization committed for the concerns and problems of Kolkata;*

(e) *Arya Seva Girls Education Society, is engaged in providing education to poor girls;*

(f) *Vivekananda Vidyavikash Parishad, is deeply engaged and committed to the cause of spreading and making education available to the last girl and boy standing and reaching out to the poorest of the poor across the length and breadth of the nation;*

5) *Shree Manav Seva Trust, is a Non-Profit Organization in the field of welfare activities for the Orphan Children and less Privileged Women & Senior Citizen. It has a Mission to shape and impact the lives of orphaned, abandoned, destitute, Helpless Children and Women;*

6) *Calcutta Pinjrapole Society, established in the year 1885, Kolkata, looks after providing shelter to and protection of Cows.*

7) *Rupa & Company Limited through Rupa Foundation, a trust located in Kolkata and engaged in areas like education, healthcare and other social activities, and Eastern Infrastructure Fund, a social project wing of Planner India Private Limited, situated in Varanasi, U.P.*

6. The reasons for not spending 2 (two) per cent of the average net profit of the last three (3) Financial Years or any part thereof: Not applicable.

7. Responsibility Statement:

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

Sd/-
Prahlad Rai Agarwala
Chairman, CSR Committee of the Board of
Rupa & Company Limited
DIN: 00847452

Sd/-
Kunj Bihari Agarwal
Managing Director
Rupa & Company Limited
DIN: 00224857

Place: Kolkata
Date: May 23, 2018

Annexure to the Board's Report

Annexure – VI

MGT–9
Extract of Annual Return
as on the Financial Year ended March 31, 2018

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

I. Registration and Other Details:

1	CIN	L17299WB1985PLC038517
2	Registration Date	February 6, 1985
3	Name of the Company	Rupa & Company Limited
4	Category Sub-category of the Company	Public Company Limited by Shares Indian Non-Government Company
5	Address of the Registered Office & Contact Details	Metro Tower, 8th Floor, 1, Ho Chi Minh Sarani, Kolkata - 700 071 Tel: +91-33-4057 3100; Fax: +91-33-2288 1362 E-mail ID: connect@rupa.co.in; cs@rupa.co.in
6	Whether Listed Company	Yes
7	Name, Address and Contact Details of the Registrar & Transfer Agent	Maheshwari Datamatics Private Limited 23, R.N. Mukherjee Road, 5th Floor, Kolkata - 700 001 Tel: +91-33-2248 2248, +91-33-2243 5029 Fax: +91-33-2248 4787; E-mail ID: 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):

Sl. No.	Name and Description of Main Products/ Services	NIC Code of the Product/Service	% to Total Turnover of the Company
1	Textile, leather and other apparel products – Manufacture of knitted apparel including hosiery	14309	97.75

III. Particulars of Holding, Subsidiary, 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 the Companies Act, 2013
1	Euro Fashion Inners International Private Limited Address: 102, VIP Plaza, 7, Veera Desai Industrial Estate, Near Afcons Godown, Off Link Road, Andheri-W, Mumbai - 400 053	U17120MH2005PTC152837	Subsidiary	100	2(87)
2	Imoogi Fashions Private Limited Address: Metro Tower, 1, Ho Chi Minh Sarani, 8th Floor, Kolkata - 700 071	U17120WB2010PTC140976	Subsidiary	100	2(87)
3	Oban Fashions Private Limited Address: 102, VIP Plaza, B-7, Veera Industrial Estate, Off Andheri Link Road, Andheri (West), Mumbai - 400 053	U18204MH2015PTC271385	Subsidiary	100	2(87)

Annexure to the Board's Report

IV. Shareholding Pattern (Equity Share Capital Break-up as percentage of Total Equity)

i) Category-wise Shareholding:

Category of Shareholders	No. of Shares held at the beginning of the Year April 1, 2017				No. of Shares held at the end of the Year March 31, 2018				% change during the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	34959166	-	34959166	43.96	34959166	-	34959166	43.96	0.00
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt(s).	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	23320880	-	23320880	29.33	23322880	-	23322880	29.33	0.00
e) Banks/ FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub-total (A)(1)	**58280046**	**-**	**58280046**	**73.29**	**58282046**	**-**	**58282046**	**73.29**	**0.00**
(2) Foreign									
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other - Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks/ FI	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
Sub-total (A)(2)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total shareholding of Promoter (A)= (A)(1)+(A)(2)	**58280046**	**-**	**58280046**	**73.29**	**58282046**	**-**	**58282046**	**73.29**	**0.00**
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks/ FI	2287	-	2287	0.00	4783	-	4783	0.00	0.00
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt(s).	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	551800	-	551800	0.69	-	-	-	-	-0.69
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (Specify)									
Foreign Portfolio Investors	3768	-	3768	0.00	443665	-	443665	0.56	+0.56
Sub-total(B)(1)	**557855**	**-**	**557855**	**0.69**	**448448**	**-**	**448448**	**0.56**	**-0.13**
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	18384770	25000	18409770	23.15	18281624	8000	18289624	23.00	-0.15
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	1546993	288379	1835372	2.31	1895322	241709	2137031	2.69	+0.38

Annexure to the Board's Report

Category of Shareholders	No. of Shares held at the beginning of the Year April 1, 2017				No. of Shares held at the end of the Year March 31, 2018				% change during the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	-	184170	184170	0.23	-	184170	184170	0.23	0.00
c) Others (Specify)									
NBFCs	500	-	500	0.00	600	-	600	0.00	0.00
Non Resident Indians	60155	-	60155	0.08	86306	-	86306	0.11	+0.03
Clearing Members	196692	-	196692	0.25	65825	-	65825	0.08	-0.17
Investor Education and Protection Fund Authority	-	-	-	-	30510	-	30510	0.04	+0.04
Sub-total (B)(2)	**20189110**	**497549**	**20686659**	**26.02**	**20360187**	**433879**	**20794066**	**26.15**	**+0.13**
Total Public Shareholding (B)=(B)(1)+ (B)(2)	**20746965**	**497549**	**21244514**	**26.71**	**20808635**	**433879**	**21242514**	**26.71**	**0.00**
C. Shares held by Custodian for GDRs & ADRs	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Grand Total (A+B+C)	**79027011**	**497549**	**79524560**	**100.00**	**79090681**	**433879**	**79524560**	**100.00**	**0.00**

ii) Shareholding of Promoters:

Sl. No.	Shareholder's Name	Shareholding at the beginning of the Year – April 1, 2017			Shareholding at the end of the Year – March 31, 2018			% 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	Prahlad Rai Agarwala*	16763656	21.08	0.00	16763656	21.08	0.00	0.00
2	Rajnish Enterprises Ltd#	15821190	19.89	0.00	15823190	19.90	0.00	0.01
3	Purvanchal Leasing Limited	5807670	7.30	0.00	5807670	7.30	0.00	0.00
4	Prahlad Rai Agarwala	2951090	3.71	0.00	2983560	3.75	0.00	+0.04
5	Vikash Agarwal	1755440	2.21	0.00	1755440	2.21	0.00	0.00
6	Ravi Agarwal	1742630	2.19	0.00	1742630	2.19	0.00	0.00
7	Sidhant Credit Capital Ltd.	1692020	2.13	0.00	1692020	2.13	0.00	0.00
8	Ghanshyam Prasad Agarwala	1240910	1.56	0.00	1273380	1.60	0.00	+0.04
9	Rajnish Agarwal	1243370	1.56	0.00	1243370	1.56	0.00	0.00
10	Manish Agarwal	1232550	1.55	0.00	1232550	1.55	0.00	0.00
11	Kunj Bihari Agarwal	1201080	1.51	0.00	1233550	1.55	0.00	+0.04
12	Suresh Agarwal	1066570	1.34	0.00	1066570	1.34	0.00	0.00
13	Ramesh Agarwal	1059230	1.33	0.00	1059230	1.33	0.00	0.00
14	Shanti Devi Agarwal	776320	0.98	0.00	776320	0.98	0.00	0.00
15	Mukesh Agarwal	729550	0.92	0.00	729550	0.92	0.00	0.00
16	K B & Sons- HUF	665330	0.84	0.00	665330	0.84	0.00	0.00
17	Pushpa Devi Agarwal	593920	0.75	0.00	593920	0.75	0.00	0.00
18	Lalita Devi Agarwal	346310	0.44	0.00	346310	0.44	0.00	0.00
19	Seema Agarwal	293640	0.37	0.00	293640	0.37	0.00	0.00
20	Mukesh Kumar Agarwal - HUF	282510	0.36	0.00	282510	0.36	0.00	0.00
21	Sudha Agarwal	274720	0.35	0.00	274720	0.35	0.00	0.00
22	Seema Agarwal	220160	0.28	0.00	220160	0.28	0.00	0.00
23	Ghanshyam Prasad Manish Kumar - HUF	185090	0.23	0.00	185090	0.23	0.00	0.00

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Sl. No.	Shareholder's Name	Shareholding at the beginning of the Year – April 1, 2017			Shareholding at the end of the Year – March 31, 2018			% 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	
24	Prahlad Rai Suresh Kumar - HUF	151970	0.19	0.00	151970	0.19	0.00	0.00
25	Baijnath Agarwal**	97410	0.12	0.00	0.00	0.00	0.00	-0.12
26	Sarita Patwari	52600	0.07	0.00	52600	0.07	0.00	0.00
27	Suresh Kumar Agarwal - HUF	13630	0.02	0.00	13630	0.02	0.00	0.00
28	Ravi Agarwal - HUF	11690	0.01	0.00	11690	0.01	0.00	0.00
29	Shalini Agarwal	7790	0.01	0.00	7790	0.01	0.00	0.00
	TOTAL	**58280046**	**73.29**	**0.00**	**58282046**	**73.29**	**0.00**	**0.00**

*Holding shares jointly with Ghanshyam Prasad Agarwala and Kunj Bihari Agarwal, on behalf of M/s. Binod Hosiery, a partnership firm

#Transmission of shares, due to amalgamation of Deluxe Vanijya Pvt. Ltd., holding 2,000 shares of Rupa & Company Limited, with Rajnish Enterprises Ltd., *vide* an order of the Hon'ble High Court at Calcutta.

**Transmission of shares, equally, to Mr. Prahlad Rai Agarwala, Mr. Ghanshyam Prasad Agarwala and Mr. Kunj Bihari Agarwal, by operation of law, under probate of will granted by Hon'ble High Court at Calcutta.

iii) Change in Promoters' Shareholding:

Sl. No.	Particulars	Shareholding at the beginning of the Year and changes during the Year		Cumulative Shareholding during the Year and as at the end of the Year	
		No. of Shares	% of Total Shares of the Company	No. of Shares	% of Total Shares of the Company
1	Baijnath Agarwal*				
	01/04/2017	97410	0.12		
	17/05/2017 – Transmission	-97410	-0.12	0	0.00
	31/03/2018	-	-	0	0.00
2	Prahlad Rai Agarwala*				
	01/04/2017	2951090	3.71		
	17/05/2017 – Transmission	32470	0.04	2983560	3.75
	31/03/2018	-	-	2983560	3.75
3	Ghanshyam Prasad Agarwala*				
	01/04/2017	1240910	1.56		
	17/05/2017 – Transmission	32470	0.04	1273380	1.60
	31/03/2018	-	-	1273380	1.60
4	Kunj Bihari Agarwal*				
	01/04/2017	1201080	1.51		
	17/05/2017 – Transmission	32470	0.04	1233550	1.55
	31/03/2018	-	-	1233550	1.55
5	Rajnish Enterprises Ltd#				
	01/04/2017	15821190	19.89		
	29/01/2018 – Transmission	2000	0.00	15823190	19.90
	31/03/2018	-	-	15823190	19.90

*Transmission of shares, equally, to Mr. Prahlad Rai Agarwala, Mr. Ghanshyam Prasad Agarwala and Mr. Kunj Bihari Agarwal, by operation of law, under probate of will granted by Hon'ble High Court at Calcutta.

#Transmission of shares, due to amalgamation of Deluxe Vanijya Pvt. Ltd., holding 2,000 shares of Rupa & Company Limited, with Rajnish Enterprises Ltd., *vide* an order of the Hon'ble High Court at Calcutta.

Annexure to the Board's Report

iv) Shareholding Pattern of top ten Shareholders (Other than Directors, Promoters and Holdersof GDRs and ADRs):

Sl. No.	Name	Shareholding at the beginning of the Year and changes during the Year		Cumulative Shareholding during the Year and as at the end of the Year	
		No. of Shares	% of Total Shares of the Company	No. of Shares	% of Total Shares of the Company
1.	Ziyan Developers LLP* (Formerly, Ziyan Developers Private Limited)				
	01/04/2017	-	-		
	10/07/2017 - Buy	8650000	10.88	8650000	10.88
	31/03/2018	-	-	8650000	10.88
2.	Girika Advisory Services LLP				
	01/04/2017	3000000	3.77		
	Change during the year	-	-	-	-
	31/03/2018	-	-	3000000	3.77
3.	Lambodar Ferro Alloys Ltd.				
	01/04/2017	2600000	3.27		
	Change during the year	-	-	-	-
	31/03/2018	-	-	2600000	3.27
4.	Satvichar Consultancy Services LLP				
	01/04/2017	1846000	2.32		
	Change during the year	-	-	-	-
	31/03/2018	-	-	1846000	2.32
5.	Suvichar Advisors LLP				
	01/04/2017	1830000	2.30		
	Change during the year	-	-	-	-
	31/03/2018	-	-	1830000	2.30
6.	Nomura Singapore Limited				
	01/04/2017	550000	0.69	-	-
	16/06/2017 - Sell	-62000	0.08	488000	0.61
	21/07/2017 - Sell	-16310	0.02	471690	0.59
	28/07/2017 - Sell	-30550	0.04	441140	0.55
	31/03/2018	-	-	441140	0.55
7.	Anand Kumar Drollia				
	01/04/2017	184170	0.23	-	-
	Change during the year	-	-	-	-
	31/03/2018	-	-	184170	0.23
8.	Edelweiss Custodial Services Limited*				
	01/04/2017	18962	0.02		
	07/04/2017 - Buy	223	0.00	19185	0.02
	14/04/2017 - Sell	-2241	0.00	16944	0.02
	21/04/2017 - Buy	1319	0.00	18263	0.02
	28/04/2017 - Sell	-3230	0.00	15033	0.02
	05/05/2017 - Buy	168	0.00	15201	0.02
	12/05/2017 - Sell	-723	0.00	14478	0.02
	19/05/2017 - Buy	3267	0.00	17745	0.02
	26/05/2017 - Sell	-1238	0.00	16507	0.02
	02/06/2017 - Sell	-3089	0.00	13418	0.02
	09/06/2017 - Sell	-358	0.00	13060	0.02

Annexure to the Board's Report

Sl. No.	Name	Shareholding at the beginning of the Year and changes during the Year		Cumulative Shareholding during the Year and as at the end of the Year	
		No. of Shares	% of Total Shares of the Company	No. of Shares	% of Total Shares of the Company
	16/06/2017 - Sell	-3463	0.00	9597	0.01
	23/06/2017 - Sell	-1095	0.00	8502	0.01
	30/06/2017 - Buy	4658	0.01	13160	0.02
	07/07/2017 - Buy	1648	0.00	14808	0.02
	14/07/2017 - Buy	4954	0.01	19762	0.02
	21/07/2017 - Sell	-3543	0.00	16219	0.02
	28/07/2017 - Sell	-1437	0.00	14782	0.02
	04/08/2017 - Buy	775	0.00	15557	0.02
	11/08/2017 - Buy	3373	0.00	18930	0.02
	18/08/2017 - Buy	213	0.00	19143	0.02
	25/08/2017 - Buy	5912	0.01	25055	0.03
	01/09/2017 - Sell	-1094	0.00	23961	0.03
	08/09/2017 - Sell	-2497	0.00	21464	0.03
	15/09/2017 - Buy	59	0.00	21523	0.03
	22/09/2017 - Buy	120	0.00	21643	0.03
	30/09/2017 - Buy	32020	0.04	53663	0.07
	06/10/2017 - Buy	3219	0.00	56882	0.07
	13/10/2017 - Sell	-3900	0.00	52982	0.07
	20/10/2017 - Sell	-202	0.00	52780	0.07
	27/10/2017 - Buy	1674	0.00	54454	0.07
	03/11/2017 - Sell	-239	0.00	54215	0.07
	10/11/2017 - Buy	680	0.00	54895	0.07
	17/11/2017 - Buy	2180	0.00	57075	0.07
	24/11/2017 - Buy	477	0.00	57552	0.07
	01/12/2017 - Sell	-400	0.00	57152	0.07
	08/12/2017 - Sell	-11832	0.01	45320	0.06
	15/12/2017 - Sell	-2329	0.00	42991	0.05
	22/12/2017 - Buy	4572	0.01	47563	0.06
	29/12/2017 - Buy	2347	0.00	49910	0.06
	05/01/2018 - Sell	-974	0.00	48936	0.06
	12/01/2018 - Sell	-2491	0.00	46445	0.06
	19/01/2018 - Buy	805	0.00	47250	0.06
	26/01/2018 - Sell	-1069	0.00	46181	0.06
	02/02/2018 - Buy	2803	0.00	48984	0.06
	09/02/2018 - Buy	5775	0.01	54759	0.07
	16/02/2018 - Sell	-555	0.00	54204	0.07
	23/02/2018 - Sell	-7223	0.01	46981	0.06
	02/03/2018 - Buy	40	0.00	47021	0.06
	09/03/2018 - Buy	639	0.00	47660	0.06
	16/03/2018 - Buy	3242	0.00	50902	0.06
	23/03/2018 - Sell	-731	0.00	50171	0.06
	30/03/2018 - Sell	-487	0.00	49684	0.06
	31/03/2018	-	-	49684	0.06

Annexure to the Board's Report

Sl. No.	Name	Shareholding at the beginning of the Year and changes during the Year		Cumulative Shareholding during the Year and as at the end of the Year	
		No. of Shares	% of Total Shares of the Company	No. of Shares	% of Total Shares of the Company
9.	Parvesh Gandotra*				
	01/04/2017	10000	0.01		
	14/04/2017 - Buy	30000	0.04	40000	0.05
	02/06/2017 - Buy	8000	0.01	48000	0.06
	31/03/2018	-	-	48000	0.06
10.	D A Srinivas				
	01/04/2017	40000	0.05		
	Change during the year	-	-	-	-
	31/03/2018	-	-	40000	0.05
11.	Umesh Kumar Kamani^				
	01/04/2017	0	0.00		
	23/06/2017 - Buy	10000	0.01	10000	0.01
	30/06/2017 - Buy	2001	0.00	12001	0.02
	07/07/2017 - Buy	10000	0.01	22001	0.03
	14/07/2017 - Buy	3000	0.00	25001	0.03
	20/10/2017 – Sell	-15000	0.02	10001	0.01
	15/12/2017 - Buy	20000	0.03	30001	0.04
	22/12/2017 -Buy	5000	0.01	35001	0.04
	19/01/2018 -Buy	15000	0.02	50001	0.06
	16/02/2018 -Buy	10000	0.01	60001	0.08
	23/02/2018 - Sell	-20000	0.03	40001	0.05
	02/03/2018 - Sell	-5000	0.01	35001	0.04
	16/03/2018 -Buy	5000	0.01	40001	0.05
	30/03/2018 - Sell	-10000	0.01	30001	0.04
	31/03/2018	-	-	30001	0.04
12.	IL and FS Securities Services Limited^				
	01/04/2017	3248	0.00		
	07/04/2017 - Buy	1975	0.00	5223	0.01
	14/04/2017 -Buy	950	0.00	6173	0.01
	21/04/2017 -Buy	625	0.00	6798	0.01
	28/04/2017 - Sell	-3329	0.00	3469	0.00
	05/05/2017 -Buy	647	0.00	4116	0.01
	12/05/2017 -Buy	4020	0.01	8136	0.01
	19/05/2017 - Sell	-100	0.00	8036	0.01
	26/05/2017 -Buy	843	0.00	8879	0.01
	02/06/2017 – Sell	-600	0.00	8279	0.01
	09/06/2017 - Buy	6422	0.01	14701	0.02
	16/06/2017 -Buy	3025	0.00	17726	0.02
	23/06/2017 -Buy	5629	0.01	23355	0.03
	30/06/2017 -Buy	680	0.00	24035	0.03
	07/07/2017 -Buy	6762	0.01	30797	0.04
	14/07/2017 -Buy	26700	0.03	57497	0.07
	21/07/2017 - Sell	-1629	0.00	55868	0.07
	28/07/2017 - Sell	-26200	0.03	29668	0.04

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Sl. No.	Name	Shareholding at the beginning of the Year and changes during the Year		Cumulative Shareholding during the Year and as at the end of the Year	
		No. of Shares	% of Total Shares of the Company	No. of Shares	% of Total Shares of the Company
	04/08/2017 -Buy	325	0.00	29993	0.04
	11/08/2017 - Sell	-6755	0.01	23238	0.03
	18/08/2017 -Sell	-3185	0.00	20053	0.03
	25/08/2017 -Sell	-1100	0.00	18953	0.02
	01/09/2017 -Sell	-405	0.00	18548	0.02
	08/09/2017 - Buy	14089	0.02	32637	0.04
	15/09/2017 -Sell	-1734	0.00	30903	0.04
	22/09/2017 - Buy	4559	0.01	35462	0.04
	30/09/2017 -Sell	-120	0.00	35342	0.04
	06/10/2017 - Buy	1095	0.00	36437	0.05
	13/10/2017 -Sell	-14165	0.02	22272	0.03
	20/10/2017 -Sell	-7101	0.01	15171	0.02
	27/10/2017 - Buy	4852	0.01	20023	0.03
	03/11/2017 -Sell	-75	0.00	19948	0.03
	10/11/2017 -Sell	-5250	0.01	14698	0.02
	17/11/2017 - Buy	870	0.00	15568	0.02
	24/11/2017 - Buy	2399	0.00	17967	0.02
	01/12/2017 -Sell	-5977	0.01	11990	0.02
	08/12/2017 -Sell	-1436	0.00	10554	0.01
	15/12/2017 -Sell	-209	0.00	10345	0.01
	22/12/2017 -Sell	-431	0.00	9914	0.01
	29/12/2017 -Sell	-3450	0.00	6464	0.01
	05/01/2018 - Buy	170	0.00	6634	0.01
	12/01/2018 -Sell	-679	0.00	5955	0.01
	19/01/2018 - Buy	2709	0.00	8664	0.01
	26/01/2018 - Buy	74	0.00	8738	0.01
	02/02/2018 - Buy	851	0.00	9589	0.01
	09/02/2018 - Buy	951	0.00	10540	0.01
	16/02/2018 - Buy	901	0.00	11441	0.01
	23/02/2018 - Sell	-790	0.00	10651	0.01
	02/03/2018 -Sell	-716	0.00	9935	0.01
	09/03/2018 - Buy	130	0.00	10065	0.01
	16/03/2018 - Buy	540	0.00	10605	0.01
	23/03/2018 -Sell	-1485	0.00	9120	0.01
	30/03/2018 - Buy	3706	0.00	12826	0.02
	31/03/2018 - Sell	-200	0.00	12626	0.02
13.	Sharekhan Limited#				
	01/04/2017	41588	0.05		
	07/04/2017 - Sell	-5042	0.01	36546	0.05
	14/04/2017 -Sell	-32189	0.04	4357	0.01
	21/04/2017 -Buy	14536	0.02	18893	0.02
	28/04/2017 -Sell	-430	0.00	18463	0.02
	05/05/2017 -Sell	-3814	0.00	14649	0.02
	12/05/2017 - Buy	947	0.00	15596	0.02

Annexure to the Board's Report

Sl. No.	Name	Shareholding at the beginning of the Year and changes during the Year		Cumulative Shareholding during the Year and as at the end of the Year	
		No. of Shares	% of Total Shares of the Company	No. of Shares	% of Total Shares of the Company
	19/05/2017 - Sell	-459	0.00	15137	0.02
	26/05/2017 - Sell	-1285	0.00	13852	0.02
	02/06/2017 -Sell	-3003	0.00	10849	0.01
	09/06/2017 - Buy	1350	0.00	12199	0.02
	16/06/2017 - Sell	-4551	0.01	7648	0.01
	23/06/2017 - Buy	843	0.00	8491	0.01
	30/06/2017 -Sell	-161	0.00	8330	0.01
	07/07/2017 - Buy	15282	0.02	23612	0.03
	14/07/2017 - Buy	6436	0.01	30048	0.04
	21/07/2017 -Sell	-243	0.00	29805	0.04
	28/07/2017 -Sell	-3631	0.00	26174	0.03
	04/08/2017 -Sell	-2499	0.00	23675	0.03
	11/08/2017 - Buy	3696	0.00	27371	0.03
	18/08/2017 - Buy	15817	0.02	43188	0.05
	25/08/2017 -Sell	-28758	0.04	14430	0.02
	01/09/2017 -Sell	-1876	0.00	12554	0.02
	08/09/2017 - Buy	697	0.00	13251	0.02
	15/09/2017 - Buy	6441	0.01	19692	0.02
	22/09/2017 -Sell	-2281	0.00	17411	0.02
	30/09/2017 - Buy	2589	0.00	20000	0.03
	06/10/2017 -Sell	-2268	0.00	17732	0.02
	13/10/2017 -Sell	-3187	0.00	14545	0.02
	20/10/2017 - Buy	3319	0.00	17864	0.02
	27/10/2017 -Sell	-1299	0.00	16565	0.02
	03/11/2017 - Buy	1845	0.00	18410	0.02
	10/11/2017 - Buy	2170	0.00	20580	0.03
	17/11/2017 -Sell	-1620	0.00	18960	0.02
	24/11/2017 -Sell	-3854	0.00	15106	0.02
	01/12/2017 - Buy	9386	0.01	24492	0.03
	08/12/2017 -Sell	-3162	0.00	21330	0.03
	15/12/2017 - Buy	5804	0.01	27134	0.03
	22/12/2017 -Sell	-6038	0.01	21096	0.03
	29/12/2017 - Buy	553	0.00	21649	0.03
	05/01/2018 -Sell	-724	0.00	20925	0.03
	12/01/2018 -Sell	-3870	0.00	17055	0.02
	19/01/2018 -Sell	-3919	0.00	13136	0.02
	26/01/2018 -Sell	-523	0.00	12613	0.02
	02/02/2018 - Buy	330	0.00	12943	0.02
	09/02/2018 -Sell	-724	0.00	12219	0.02
	16/02/2018 -Sell	-1855	0.00	10364	0.01
	23/02/2018 - Buy	779	0.00	11143	0.01
	02/03/2018 -Sell	-238	0.00	10905	0.01
	09/03/2018 -Sell	-390	0.00	10515	0.01
	16/03/2018 -Sell	-606	0.00	9909	0.01

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		No. of Shares	% of Total Shares of the Company	No. of Shares	% of Total Shares of the Company
	23/03/2018 -Sell	-1929	0.00	7980	0.01
	30/03/2018 -Sell	-123	0.00	7857	0.01
	31/03/2018	-	-	7857	0.01
14.	Morgan Stanley (France) S.A.^				
	01/04/2017	0	0.00		
	19/05/2017 - Buy	201	0.00	201	0.00
	26/05/2017 -Buy	1051	0.00	1252	0.00
	09/06/2017 -Buy	248990	0.31	250242	0.31
	16/06/2017 -Buy	7095	0.01	257337	0.32
	23/06/2017 -Buy	6257	0.01	263594	0.33
	30/06/2017 - Sell	-849	0.00	262745	0.33
	07/07/2017 - Sell	-36891	0.05	225854	0.28
	14/07/2017 -Buy	165	0.00	226019	0.28
	21/07/2017 - Sell	-51006	0.06	175013	0.22
	28/07/2017 -Sell	-10236	0.01	164777	0.21
	04/08/2017 -Sell	-37222	0.05	127555	0.16
	11/08/2017 -Sell	-7949	0.01	119606	0.15
	18/08/2017 -Sell	-639	0.00	118967	0.15
	25/08/2017 -Sell	-5126	0.01	113841	0.14
	01/09/2017 -Sell	-3307	0.00	110534	0.14
	08/09/2017 -Sell	-43831	0.06	66703	0.08
	15/09/2017 -Sell	-64000	0.08	2703	0.00
	22/09/2017 -Sell	-474	0.00	2229	0.00
	27/10/2017 -Sell	-235	0.00	1994	0.00
	24/11/2017 - Buy	218	0.00	2212	0.00
	08/12/2017 - Buy	230	0.00	2442	0.00
	15/12/2017 - Buy	1132	0.00	3574	0.00
	22/12/2017 - Buy	999	0.00	4573	0.01
	09/02/2018 -Sell	-975	0.00	3598	0.00
	16/02/2018 -Sell	-592	0.00	3006	0.00
	23/02/2018 -Sell	-1274	0.00	1732	0.00
	16/03/2018 -Sell	-231	0.00	1501	0.00
	23/03/2018 -Sell	-346	0.00	1155	0.00
	31/03/2018	-	-	1155	0.00
15.	Microsec Capital Limited^				
	01/04/2017	2605	0.00		
	07/04/2017 - Sell	-400	0.00	2205	0.00
	14/04/2017 - Sell	-580	0.00	1625	0.00
	21/04/2017 -Sell	-1150	0.00	475	0.00
	28/04/2017 - Buy	1596	0.00	2071	0.00
	05/05/2017 -Sell	-1376	0.00	695	0.00
	12/05/2017 - Buy	1261	0.00	1956	0.00
	19/05/2017 - Buy	16	0.00	1972	0.00
	26/05/2017 -Sell	-332	0.00	1640	0.00

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		No. of Shares	% of Total Shares of the Company	No. of Shares	% of Total Shares of the Company
	02/06/2017 -Sell	-276	0.00	1364	0.00
	09/06/2017 - Buy	403146	0.51	404510	0.51
	16/06/2017 -Sell	-400065	0.50	4445	0.01
	23/06/2017 -Sell	-244	0.00	4201	0.01
	30/06/2017 -Sell	-2041	0.00	2160	0.00
	07/07/2017 - Buy	5	0.00	2165	0.00
	14/07/2017 - Buy	750	0.00	2915	0.00
	21/07/2017 -Buy	864	0.00	3779	0.00
	28/07/2017 - Sell	-1175	0.00	2604	0.00
	04/08/2017 -Buy	286	0.00	2890	0.00
	11/08/2017 -Buy	100	0.00	2990	0.00
	18/08/2017 - Sell	-245	0.00	2745	0.00
	25/08/2017 - Sell	-1258	0.00	1487	0.00
	01/09/2017 - Buy	38	0.00	1525	0.00
	08/09/2017 -Sell	-35	0.00	1490	0.00
	15/09/2017 - Sell	-335	0.00	1155	0.00
	22/09/2017 - Sell	-50	0.00	1105	0.00
	30/09/2017 -Buy	360	0.00	1465	0.00
	06/10/2017 -Buy	930	0.00	2395	0.00
	13/10/2017 - Sell	-1555	0.00	840	0.00
	20/10/2017 - Sell	-88	0.00	752	0.00
	27/10/2017 -Buy	263	0.00	1015	0.00
	03/11/2017 - Sell	-473	0.00	542	0.00
	10/11/2017 -Buy	495	0.00	1037	0.00
	17/11/2017 -Buy	205	0.00	1242	0.00
	24/11/2017 - Sell	-540	0.00	702	0.00
	01/12/2017 -Buy	130	0.00	832	0.00
	08/12/2017 - Sell	-5	0.00	827	0.00
	15/12/2017 - Sell	-170	0.00	657	0.00
	22/12/2017 - Sell	-107	0.00	550	0.00
	29/12/2017 -Buy	35	0.00	585	0.00
	05/01/2018 -Buy	1200	0.00	1785	0.00
	12/01/2018 - Sell	-530	0.00	1255	0.00
	19/01/2018 -Buy	480	0.00	1735	0.00
	26/01/2018 – Sell	-444	0.00	1291	0.00
	02/02/2018 - Sell	-300	0.00	991	0.00
	09/02/2018 -Buy	22	0.00	1013	0.00
	16/02/2018 - Sell	-164	0.00	849	0.00
	23/02/2018 -Buy	19	0.00	868	0.00
	09/03/2018 - Sell	-245	0.00	623	0.00
	16/03/2018 - Sell	-5	0.00	618	0.00
	23/03/2018 - Sell	-374	0.00	244	0.00
	30/03/2018 -Buy	5	0.00	249	0.00
	31-03-2018	-	-	249	0.00

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Sl. No.	Name	Shareholding at the beginning of the Year and changes during the Year		Cumulative Shareholding during the Year and as at the end of the Year	
		No. of Shares	% of Total Shares of the Company	No. of Shares	% of Total Shares of the Company
16.	MLD Commercial Private Limited#				
	01/04/2017	8650000	10.88		
	10/07/2017 - Sell	-8650000	10.88	0	0.00
	31/03/2018	-	-	0	0.00
17.	Priya Singh Aggarwal^				
	01/04/2017	0	0.00		
	28/04/2017 - Buy	149947	0.19	149947	0.19
	05/05/2017 - Buy	53	0.00	150000	0.19
	30/06/2017 - Sell	-72866	0.09	77134	0.10
	07/07/2017 - Sell	-77134	0.10	0	0.00
	31/03/2018	-	-	0	0.00
18.	Hongkong Bank^				
	01/04/2017	0	0.00		
	16/06/2017 - Buy	62000	0.08	62000	0.08
	23/06/2017 - Sell	-62000	0.08	0	0.00
	21/07/2017 - Buy	750	0.00	750	0.00
	28/07/2017 - Sell	-750	0.00	0	0.00
	31/03/2018	-	-	0	0.00

Note: Buy includes Transfer-in and Sell includes Transfer-out.

**Not in the list of Top 10 shareholders as on April 1, 2017. The same has been reflected above since the shareholder was one of the Top 10 shareholders as on March 31, 2018.*

#Ceased to be in the list of Top 10 shareholders as on March 31, 2018. The same is reflected above since the shareholder was one of the Top 10 shareholders as on April 1, 2017.

^Not in the list of Top 10 shareholders as on April 1, 2017 and March 31, 2018. The same has been reflected above since the shareholder was one of the Top 10 shareholders during the year.

v. Shareholding of Directors and Key Managerial Personnel:

Sl. No.	Name	Shareholding at the beginning of the Year and changes during the Year		Cumulative Shareholding during the Year and as at the end of the Year	
		No. of Shares	% of Total Shares of the Company	No. of Shares	% of Total Shares of the Company
1	Prahlad Rai Agarwala				
	01/04/2017	2951090	3.71		
	17/05/2017- Transmission*	+32470	+0.04	2983560	3.75
	31/03/2018	-	-	2983560	3.75
2	Ghanshyam Prasad Agarwala				
	01/04/2017	1240910	1.56		
	17/05/2017- Transmission*	+32470	+0.04	1273380	1.60
	31/03/2018	-	-	1273380	1.60
3	Kunj Bihari Agarwal				
	01/04/2017	1201080	1.51		
	17/05/2017- Transmission*	+32470	+0.04	1233550	1.55
	31/03/2018	-	-	1233550	1.55

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Sl. No.	Name	Shareholding at the beginning of the Year and changes during the Year		Cumulative Shareholding during the Year and as at the end of the Year	
		No. of Shares	% of Total Shares of the Company	No. of Shares	% of Total Shares of the Company
4	Ramesh Agarwal				
	01/04/2017	1059230	1.33		
	Changes during the year	-	-	-	-
	31/03/2018	-	-	1059230	1.33
5	Mukesh Agarwal				
	01/04/2017	729550	0.92		
	Changes during the year	-	-	-	-
	31/03/2018	-	-	729550	0.92
6	Dharam Chand Jain				
	01/04/2017	40000	0.05		
	Changes during the year	-	-	-	-
	31/03/2018	-	-	40000	0.05

**Transmission of shares, equally, from late Baijnath Agarwal to his sons, namely, Mr. Prahlad Rai Agarwala, Mr. Ghanshyam Prasad Agarwala and Mr. Kunj Bihari Agarwal, by operation of law, under probate of will granted by Hon'ble High Court at Calcutta.*

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

(Amount in ₹)

	Secured Loans excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the Financial Year				
i) Principal Amount	83,88,55,567	-	-	83,88,55,567
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	1,25,277	-	-	1,25,277
Total (i+ii+iii)	**83,89,80,844**	**-**	**-**	**83,89,80,844**
Change in Indebtedness during the Financial Year				
* Addition	26,81,69,753	-	-	26,81,69,753
* Reduction	-	-	-	-
Net Change	**26,81,69,753**	**-**	**-**	**26,81,69,753**
Indebtedness at the end of the Financial Year				
i) Principal Amount	1,10,66,05,285	-	-	1,10,66,05,285
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	5,45,312	-	-	5,45,312
Total (i+ii+iii)	**1,10,71,50,597**	**-**	**-**	**1,10,71,50,597**

Annexure to the Board's Report

VI. Remuneration of Directors and Key Managerial Personnel:

A. Remuneration to Managing Director (MD), Whole-time Directors (WTD) and/or Manager

(Amount in ₹)

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager, their Designation and Remuneration							Total amount
		Mr. Prahlad Rai Agarwala	Mr. Ghanshyam Prasad Agarwala	Mr. Kunj Bihari Agarwal	Mr. Ramesh Agarwal	Mr. Mukesh Agarwal	Mr. Arihant Kumar Baid*	Mr. Niraj Kabra#	
		Chairman (Whole-time Director)	Vice-Chairman (Whole-time Director)	Managing Director	Whole-time Director	Whole-time Director	Whole-time Director	Executive Director (Additional)	
1	Gross salary								
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	90,00,000	84,00,000	84,00,000	54,00,000	54,00,000	17,18,337	2,19,016	**3,85,37,353**
	(b) Value of perquisites under Section 17(2) of the Income Tax Act, 1961	-	-	-	-	-	-	-	**-**
	(c) Profits in lieu of salary under Section 17(3) of the Income Tax Act, 1961	-	-	-	-	-	-	-	**-**
2	Stock Option	-	-	-	-	-	-	-	**-**
3	Sweat Equity	-	-	-	**-**	**-**	-		**-**
4	Commission - as % of profit -others, specify	1,00,00,000	-	-	-	-	-	-	**1,00,00,000**
5	Others- Performance Bonus	-	-	-	25,50,000	25,50,000	-	-	**51,00,000**
	Total (A)	**1,90,00,000**	**84,00,000**	**84,00,000**	**79,50,000**	**79,50,000**	**17,18,337**	**2,19,016**	**5,36,37,353**
	Overall Ceiling as per the Act	*(Being 10% of the Net Profits of the Company, as calculated under Section 198 of the Act)*							**₹15.31 crores**

Resigned from the position of Whole-time Director of the Company, w.e.f. close of business hours on January 15, 2018.

#*Appointed as an Additional Director, designated as Executive Director, w.e.f. February 12, 2018.*

Annexure to the Board's Report

(Amount in ₹)

B. Remuneration to Other Directors

Sl. No.	Particulars of Remuneration	Name of Directors and their Remuneration						Total Amount
1	Independent Directors	**Mr. Satya Brata Ganguly**	**Mr. Dipak Kumar Banerjee**	**Mr. Dharam Chand Jain**	**Mr. Sushil Patwari**	**Mrs. Alka Devi Bangur**	**Mr. Vinod Kumar Kothari**	
	Fee for attending Board/ Committee Meetings	6,50,000	5,35,000	3,60,000	5,85,000	4,50,000	6,10,000	**31,90,000**
	Commission	-	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-	-
	Total (1)	**6,50,000**	**5,35,000**	**3,60,000**	**5,85,000**	**4,50,000**	**6,10,000**	**31,90,000**
2	Other Non-Executive Directors	Not applicable						
	Fee for attending Board/Committee Meetings	-	-	-	-	-	-	-
	Commission	-	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-	-
	Total (2)	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	Total (B)=(1+2)	**6,50,000**	**5,35,000**	**3,60,000**	**5,85,000**	**4,50,000**	**6,10,000**	**31,90,000**
	Total Managerial Remuneration							**5,68,27,353**
	Overall Ceiling as per the Act	*(Being 11% of the Net Profits of the Company, as calculated under Section 198 of the Act)*						**₹ 16.84 crores**

Note: *The Board of Directors of the Company at its Meeting held on February 12, 2018 has approved the payment of profit related commission to each Non-executive Directors (Independent) of the Company, annually, for a period not exceeding 5 (five) consecutive Financial Years, commencing from April 1, 2017, up to 1% of the net profits of the Company in any Financial Year, subject to a maximum ceiling of ₹ 26,00,000/- (Rupees Twenty Six Lacs only), in aggregate, per annum, subject to approval of the Shareholders of the Company in its General Meeting. The said Commission would be divided amongst the Non-executive Directors (Independent) in such manner, as decided by the Board of Directors of the Company.*

Annexure to the Board's Report

(Amount in ₹)

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

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CFO*	CS – Mr. Kundan Kumar Jha	Total Amount
1	Gross salary				
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	N.A.	-	20,72,924	**20,72,924**
	(b) Value of perquisites under Section 17(2) of the Income Tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under Section 17(3) of the Income Tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	-as % of profit	-	-	-	-
	others, specify	-	-	-	-
5	Others, please specify	-	-	-	-
	Total	**N.A.**	**-**	**20,72,924**	**20,72,924**

*****Mr. Ramesh Agarwal, Whole-time Director, was appointed as the Chief Financial Officer of the Company, w.e.f. February 10, 2017 and consequently, was re-designated as Whole-time Director-cum-Chief Financial Officer. There was/is no change in his remuneration, pursuant to the said re-designation. Details of remuneration paid to him, has been disclosed in Table VI(A) above.*

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 (give details)
A. Company					
Penalty			None		
Punishment					
Compounding					
B. Directors					
Penalty			None		
Punishment					
Compounding					
C. Other Officers in Default					
Penalty			None		
Punishment					
Compounding					

By order of the Board
For **Rupa & Company Limited**

Sd/-
Prahlad Rai Agarwala
Chairman
DIN: 00847452

Place: Kolkata
Date: May 23, 2018

Annexure to the Board's Report

Annexure – VII

MR-3

SECRETARIAL AUDIT REPORT

FOR THE YEAR FROM APRIL 1, 2017 TO MARCH 31, 2018

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

To,
The Members,
Rupa & Company Limited
1, Ho Chi Minh Sarani,
Metro Tower, 8th Floor
Kolkata - 700 071

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 1, 2017 to March 31, 2018 (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 have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2018 and as shown to us during our audit, according to the provisions of:

1. The Companies Act, 2013 (the Act) and the rules made thereunder;
2. Secretarial Standard - 1 & Secretarial Standard – 2 issued by ICSI.
3. The Securities Contracts (Regulation) Act, 1956 (SCRA) and the Rules made thereunder;
4. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
5. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Overseas Direct Investment and External Commercial Borrowings, if any;
6. The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI Act) *viz* :-
   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, 2015;
   c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
   d. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 – Not applicable during the Audit Period;
   e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 – Not applicable during the Audit Period;
   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 – Not applicable during the Audit Period;

Annexure to the Board's Report

h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 – Not applicable during the Audit Period; and

i. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

7. 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 Water (Prevention & Control of Pollution) Act, 1974;

   d. The Legal Metrology Act, 2009;

   e. Intellectual Property Acts; and

   f. Consumer Protection Act, 1986

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 except in some units where few licenses are under process of renewal.

During the Audit Period, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, etc. mentioned above.

We further report that:

1. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-executive Directors, Woman Director 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.
4. We have not found any material event during the year under review which has major bearing on the Company's affairs in pursuance of any of the Laws, Rules, Regulations or Guidelines covered by this audit.

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.

Our Secretarial Audit Report for the financial year ended March 31, 2018 of even date is to be read along with the annexure to this letter.

Thanking you,

For **Nidhi Bagri & Company**
(Practising Company Secretaries)

Sd/-
(Nidhi Bagri)
Proprietor
ACS No. 24765
C.P. No. 9590

Date: May 15, 2018
Place: Kolkata

Annexure to the Board's Report

ANNEXURE TO SECRETARIAL AUDIT REPORT

May 15, 2018

To,
The Members,
Rupa & Company Limited
1, Ho Chi Minh Sarani,
Metro Tower, 8th Floor
Kolkata - 700 071

Our Secretarial Audit Report for the financial year ended March 31, 2018 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. Wherever required, we have obtained the management representation about the compliance of Laws, Rules and Regulations 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**
(Practising Company Secretaries)

Sd/-
(Nidhi Bagri)
Proprietor
ACS No. 24765
CP. No. 9590

Annexure to the Board's Report

Annexure – VIII

FORM AOC - 2

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

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

1. **Details of contracts or arrangements or transactions not at arm's length basis:** None

2. **Details of material contracts or arrangement or transactions at arm's length basis, are as hereunder:**

a	**Name(s) of the related party and nature of relationship**	:	Mr. Manish Agarwal, President in the Company and Relative of Director	Mr. Ravi Agarwal, President in the Company and Relative of Director	Mr. Vikash Agarwal, President in the Company and Relative of Director	Mr. Rajnish Agarwal, President in the Company and Relative of Director
b	**Nature of contracts/ arrangements/ transactions**	:	Appointed as President in the Company, being office or place of profit within the meaning of Section 188(1)(f)of the Companies Act, 2013 read with Rule 15(3) of the Companies (Meetings of Board and its Powers) Rules, 2014, and drawing monthly remuneration in excess of the limit prescribed therein.			
c	**Duration of the contracts/ arrangements/ transactions**	:	Ongoing			
d	**Salient terms of the contracts or arrangements or transactions including the value**	:	Appointed as President(s) in the Company, being office or place of profit within the meaning of Section 188(1)(f) of the Companies Act, 2013 read with Rule 15(3) of the Companies (Meetings of Board and its Powers) Rules, 2014. Value of transactions: Financial Year 2017-18 – ₹ 54,00,000/-, each (per annum).			
e	**Date(s) of approval by the Board**	:	The terms of remuneration has been approved by the Board of Directors at their Meeting held on May 26, 2017 as well as by the Members at the Annual General Meeting held on August 31, 2017.			
f	**Amount paid as advances**	:	Nil			

By Order of the Board
For **Rupa & Company Limited**
Sd/-
Prahlad Rai Agarwala
Chairman
DIN: 00847452

Place: Kolkata
Date: May 23, 2018

Management Discussion and Analysis

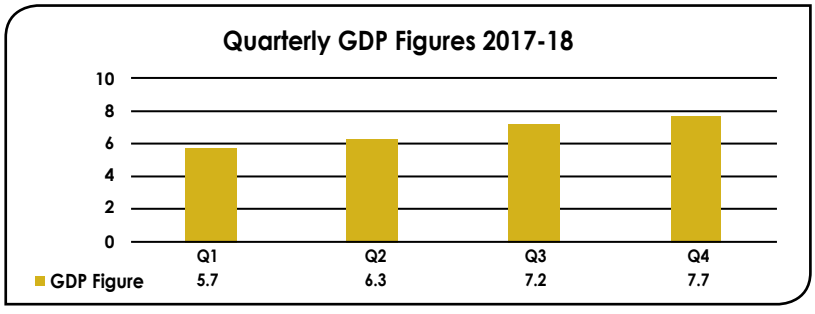
Industry Structure and Development

The Economic Survey 2017-18, tabled in the Parliament on January 29, 2018, forecasts a growth rate of 7 to 7.5 percent for FY19, as compared to the expected growth rate of 6.75 percent in FY18[1]. The International Monetary Fund (IMF) too, remains bullish on India's growth potential and has retained its GDP forecast for the country at 6.7 percent in 2017 and 7.4 percent in 2018. World Economic Outlook Update too, has estimated that the Indian economy would grow by 7.8 percent in 2019, which makes India the world's fastest-growing economy in 2018 and 2019[2].

Various reforms taken by the Government of India have led to increase in India's ranking in the World Bank's Ease of Doing Business Index from 130 in 2017 to 100 in 2018[3] making our Country amongst the top ten improvers in the Year 2018. Focus on private investments and exports, two truly sustainable engines of economic growth, will be crucial in improving the climate for rapid economic growth.

India's ranking in the taxation and insolvency parameters improved by 53 and 33 spots, respectively, on the back of administrative reforms undertaken by the Government of India in the areas of taxation and passage of Insolvency and Bankruptcy Code (IBC). India's internal trade in goods and services (excluding non-GST goods and services) at 60 percent is even higher than that estimated in last year's economic survey.

In the coming financial year, what can we expect? As global economic activity continues to strengthen, global growth is forecast to grow by 3.9% during 2018 as per the International Monetary Fund's (IMF) January 2018 World Economic Outlook. The IMF expects India to grow at 7.8% during 2019 in contrast to 6.7% and 7.4% during 2017 and 2018, respectively.



Textile Industry

India's textiles sector is one of the oldest industries in Indian economy dating back several centuries. Even today, the textiles sector is one of the largest contributors to India's exports with approximately 13 percent of total exports. This industry employs about 45 million people directly and 20 million people indirectly.

The Indian textile industry, currently estimated at around US$ 120 billion, is expected to reach US$ 230 billion by 2020[4]. It contributes to approximately 2 percent to India's Gross Domestic Product (GDP), 10 percent of manufacturing production and 14 percent to overall Index of Industrial Production (IIP).

The future for the Indian textile industry looks promising, buoyed by both strong domestic consumption as well as export demand. The domestic market for apparel and lifestyle products, currently estimated at US$ 85 billion, is expected to reach US$ 160 billion by 2025.

1. *From the Economic Survey of India 2017-18*
2. *WEO Update, January 2018*
3. *The World Bank Economy Rankings 2017 and 2018*
4. *Source- Website of India Brand Equity Foundation*

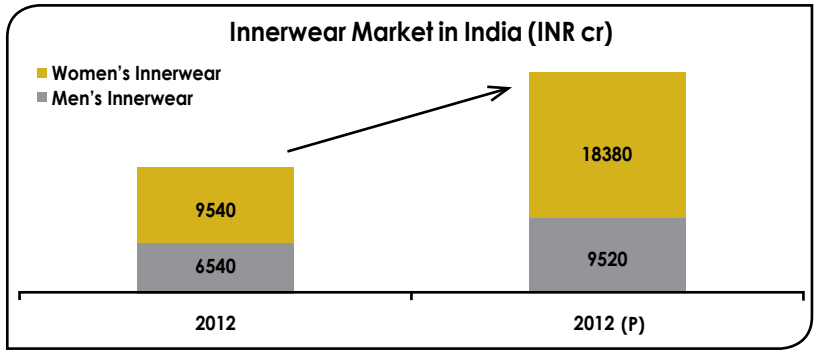
Management Discussion and Analysis

Innerwear Category

Innerwear is one of the high growth categories in the apparel market and promises both growth and innovation. The increase in income levels, along with higher discretionary spending, growing fashion orientation of consumers, and product innovations by the innerwear market have turned innerwear from a traditionally utilitarian item to an essential fashion requirement.

The Indian innerwear market was worth INR 19,950 crore in 2014 and is estimated to grow at 13 percent to reach INR 68,270 crore by 2024[5]. The innerwear market has traditionally been largely unorganised, although in the past few years, the organised innerwear segment has shown promising growth in both men's and women's categories. The women's innerwear market, which is driven by value-added innerwear products, contributes around 60% to the market.

The growth of the innerwear category is primarily centered in urban India. The trend towards western outfits, combined with the demand for occasion and outfit-based innerwear, is acting as a boost for the market. Preference towards innerwear with maximum comfort and higher functionality is rising fast. The market for innerwear product variations like seamless intimates, plus size inner wear, body shape enhancers, etc. in the metros and mini metros, is on the flourish.



Source: Technopak Advisors

The Men's Innerwear Market

The domestic men's innerwear market in India is going through an exciting phase. While leading domestic innerwear players are trying to eat into the large unorganized sector, major foreign brands are gearing up to eat a larger slice of the premium and ultra-premium pie. It assumes significance in the wake of the fact that the overall size of the innerwear market in India can be anywhere between INR 16000 crore and INR 30000 crore[6].

There is a large unorganized sector, which is equally large, if not larger than the organized sector, according to industry estimates. Interestingly, the premium and ultra-premium innerwear market in India has been witnessing increasing influx of foreign brands. In some estimates, out of nearly INR 30,000 crore of overall hosiery industry, premium segment is valued at about INR 6,000 crore-7,000 crore.

The Women's Innerwear Market

The innerwear category has broadened from being a basic requirement to designer wear with emphasis on styling and comfort. The women's innerwear segment has grown in the recent years and was estimated to be worth INR 16,259 crores in 2016 and accounts for 5 percent of the total apparel market. The category will grow at a CAGR of 14 percent to reach INR 31,306 crores in 2021 and INR 60,277 crores in 2026[7].

5. *Source- www.technopak.com/Files/Innerwear-Market-in-India.pdf*
6. *Source: www.tradebriefs.com/index.php/component/content/article?id=529625*
7. *Source: https://www.indianretailer.com/article/sector-watch/fashion/The-Evolution-Growth-of-Lingerie-Market-in-India.a5851/*

Management Discussion and Analysis

The women's innerwear or the lingerie growth story in India is at its most promising phase right now with increasing demand for stylish, sensuous and premium innerwear. The Indian lingerie is no more a hush- hush segment but a more evolved one which has attracted a large number of women openly demanding for the most attractive and innovative piece with uber-confidence. This has given the brands an opportunity to play with designs, cuts, colors, styles, etc.

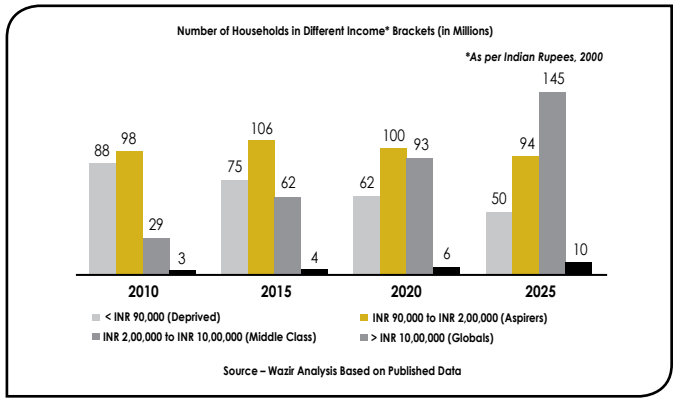
Looking to the Future

With India's economy expected to grow at 7-9% CAGR, over the next decade, the per capita income will also increase. Increasing wallet sizes will result in consumers with more money to spend and greater enthusiasm for fashion. The per capita expenditure on apparel is expected to reach INR 8,000 by 2025, rising from INR 3,100 in 2015. Therefore, the total Indian apparel consumption expenditure is expected to grow to INR 11.7 Lakh Crores (USD 180 Billion) by 2025[8].

The Indian consumer which comprises of the largest Gen Y population of the world with a median age of 27 years is also evolving in its shopping habits and buying behavior. The new Indian consumer prefers branded apparel over unbranded due to his/ her inclination towards better lifestyle and willingness to try out new on-trend fashion. In India, people are shifting from rural to urban areas in search of jobs and better education at a continually increasing rate. In 2015, 33% of India's population was living in urban areas, rising from 31% in 2010. By 2025, 37.5% of India's population is expected to be living in urban areas. Along with urbanization, cities are also expanding by immersing the villages near them, as 32% of urban population growth between 2001 and 2011 was because of re-classification of towns and expansion of urban areas[9]. Due to urbanization, the size of working population is increasing and the type of occupation they indulge in is changing. The working population has increased income with an attitudinal change to look better. These changes in Indian economy are explicit and so is the impact of these changes on the apparel industry.

Indian apparel industry which is the second largest contributor in the retail industry after food and grocery is seeing some major shifts. Entry of international brands, changes in preferences from non-branded to branded, the fast growing economy, large young consuming population in the country has made India a highly lucrative market. India has the world's largest youth population, which is becoming fashion conscious owing to mass media and social media penetration.

This has opened unprecedented retail market opportunities. With a GDP growth rate of 7 percent, India has an edge over developed markets of the US, Europe and Japan which are expected to grow at a rate of 2-3 percent. Favorable trade policies and increased penetration of organized retail among other factors contribute in making Indian fashion industry attractive for investors.



8. *Source: www.https://tssindia.com/blog/five-consumption-trends-shaping-the-indian-apparel-industry/*
9. *Source: www.tssindia.com/blog/five-consumption-trends-shaping-the-indian-apparel-industry/*

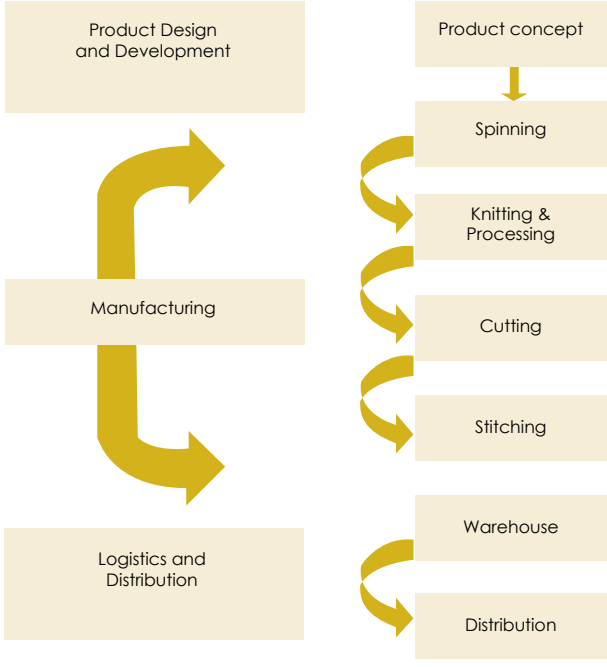
Management Discussion and Analysis

Rupa: follows efficient business strategy

The Company continues to keep itself in the asset light modality, by outsourcing low end and labour intensive work in the manufacturing process. The Company procures yarn, does dying in-house, carries out knitting process partly in-house, design and cutting in-house and outsources stitching, which is labour intensive, through job work. It focusses on utilizing its resources on key areas, involving value addition, product differentiation, branding and distribution, continuing to follow the outsourcing model. It controls inventory through SAP, which helps it to manage working capital in an efficient manner.

Intensifying its product offerings in the women and kid's segment, with the introduction of innovative products, designs and brands, has been topping the Company's business's agendas. Presence of organized players in the women and kid's segments being scarce, there lies a huge opportunity for the Company to venture therein. The Indian innerwear market is moving fast towards a fashion quotient market, rather being a price sensitive market. Further, Rupa is stressing hard to deepen its penetration in the premium segment, with direct and indirect strategic tie-ups with various foreign brands.

Efficient Business Model



- Continuous Investment in product designing and innovation
- Control on entire procurement and handling of raw materials
- State of the Art Knitting, Dyeing and Bleaching facilities
- After due quality inspection and lab testing product is passed to in- house cutting section
- Specification and technical know-how support provided to all vendors to have consistency in quality and quantity
- Warehouse facilities located at Kolkata, Tirupur, Bengaluru and Ghaziabad
- Direct and Wholesale Distribution Channels

Impact of GST in Textile Industry

The Indian textile industry provides employment to a large number of skilled and unskilled workers in the country. GST would affect the cotton value chain of the textile industry. The textile industry as a whole would benefit from the introduction of GST due to following changes :

- Break in input credit chain: Input tax credit is not allowed if the registered taxpayers procure the inputs from composition scheme taxpayers or the unorganized sector. GST would enable a smoother input credit system, which would shift the balance towards the organized sector.
- Reduction in manufacturing costs: GST is also likely to subsume the various fringe taxes like Octroi, entry tax, luxury tax, etc. which would help reduce costs for manufacturers in the textile industry.

Management Discussion and Analysis

- Input credit allowed on capital goods: The import cost of procuring the latest technology for manufacturing textile goods was expensive as the excise duty paid is not allowed as input tax credit. Whereas under GST, there will be input tax credit available for the tax paid on capital goods.

The innerwear industry is estimated to grow 13 percent annually thanks to rising urbanisation, a shift in market share from unorganised to organised players, increasing consumer preference for branded products, organised retailing and premiumisation. The GST could be a game changer for this highly unorganised sector. GST will give more room to the organised players to stay competitive for the long run. The focus is on branding, penetration in new geographies and larger focus on the super-premium segment. This should positively impact margins, which would in turn result in faster earnings growth over the next 2-3 years.

Opportunities

- Abundant availability of raw material: India is the largest producer of cotton and second largest producer of polyester in the world after China. Large scale availability of important textile fibers has helped the development of downstream manufacturing value chain- yarns, fabrics and garments.
- Manpower availability, quality and cost: India's current population is 1.27 billion and around 66% of the total population falls under the working age bracket at present with around 12 million youth joining the workforce every year. Under the Make in India campaign, the Government has also put a lot of focus on increasing the skill level of the workforce to not only ensure the quantity but also the quality of the workforce.
- Large existing manufacturing set-up: India also has well established production facilities in the textile value chain from fiber to finished products (apparel, home textiles and technical textiles). India has the best and the largest state-of-the-art spinning capacities in the world. There are around 40 Integrated Textile Parks dedicated to the manufacturing of textile items and Special Economic Zones (SEZs).
- The Indian innerwear market continues to be underpenetrated and thereby holds immense business opportunities.
- Women's Innerwear & casual wear category continues to grow holding potential for further growth.
- Infants and children casual wear also holds immense potential to bring in an organized business model at low costs as the apparel industry over all is continuing to grow.
- Tie ups with online portals to ensure reach and penetration.

Threats

- Emerging multi-national brands and their entry to the Indian market.
- Infrastructural bottlenecks and efficiency.
- Imports from other countries.
- Changing consumer behavior.
- Rise of e-commerce and increasing online purchase making it easier

Risks and Concerns

- Volatility in the raw material prices – Cotton yarn and fabric accounts for approximately, 70% of the total raw material cost. Currently, the Company is able to pass on any rise in the prices of raw material to the consumer. Any inability to pass on the impact of rise in raw material prices may negatively impact the estimated margin of the Company, resulting in lower earnings.

Management Discussion and Analysis

- Acquisitions and/or business diversifications – The Company, having a positive cash flow, may decide to utilize the cash flows for business diversifications and/or acquisitions, with known and unknown risks, which may not turn successful and cause financial distress.
- Entry of Foreign Players – With markets being global and digital, it is becoming easier for Foreign Brands to penetrate into Indian domestic markets, *via* direct and indirect strategic tie-ups, largely, in the premium and super-premium segments, thus, creating stiff competition for the existing players in the organised sector.
- Changing customer's behaviour and spending capacity - Rapid change in the customers' preferences, from one brand to another, makes it very difficult for a Company to establish a permanent connect and in gaining brand loyalty, consequently, leading to loss of business to its competitors. Furthermore, where, the improving Indian demographics have given credence to the Indian consumption story, any downward deviation in economic growth, will impact the consumers' discretionary spends, thereby, negatively impacting the earning potential of the Company.

Internal Control System and their Adequacy

The Company has adequate system of Internal Controls System commensurate with its nature of business and size of operations to safeguard and protect from loss, unauthorized use or disposition of Company's resources. There are proper procedures for authorization, recording and reporting of transactions to the management. Systems and procedures exist to ensure that all transactions are recorded as necessary to permit preparation of Financial Statements in conformity with applicable accounting standards and principles or any other criteria applicable to such statements, and to maintain accountability for aspects. The Company's internal audit process covers all significant operational areas and reviews the in-system checks regularly. The Internal Audit Report, submitted by the Internal Auditors, is placed before the Audit Committee of the Company's Board of Directors, on quarterly basis, for reviewing. Suggestions for improvements are considered and the Audit Committee asserts stringent corrective actions and follows up on the implementations thereof. The Audit Committee regularly meets the Statutory and Internal Auditors of the Company, to ascertain their views on the adequacy of Internal Control System and keeps the Board of Directors informed of its observations, from time to time.

Financial Performance

(Amount in ₹)

Particulars	2017-18	2016-17	Change	%
Revenue from Operations	11,26,11,35,816	10,84,29,58,389	41,81,77,427	3.86
Other Income	3,41,50,290	3,40,39,829	1,10,461	0.32
Profit before Finance Charges, Tax, Depreciation/ Amortization (PBITDA)	1,69,45,62,251	1,44,50,33,094	24,95,29,157	17.27
Less: Finance Charges	7,59,18,277	10,54,69,502	(2,95,51,225)	(28.02)
Profit before Tax, Depreciation/ Amortization (PBTDA)	1,61,86,43,974	1,33,95,63,592	27,90,80,382	20.83
Less: Depreciation/ Amortization	14,41,17,783	15,04,87,036	(63,69,253)	(4.23)
Profit before Taxation (PBT)	1,47,45,26,192	1,18,90,76,556	28,54,49,636	24.01
Less: Tax Expense	52,83,82,660	41,75,67,218	11,08,15,442	26.54
Profit after Taxation (PAT)	94,61,43,532	77,15,09,338	17,46,34,194	22.64

In the preparation of Financial Statements, the treatment as prescribed in the applicable IND Accounting Standards are followed.

Human Resources and Industrial Relations

The Human Resources (HR) function of an organization is vital to creation and development of good quality and dedicated human capital, essential to the Company's business and operations. Rupa always focusses in grooming and training its workforce via imparting specialized and technical training, at regular intervals, which helps improve their knowledge, skill and competency, to execute their assignments, effectively and efficiently. Employee incentivisation, professional growth,

Management Discussion and Analysis

participation and recognition are always part of the Company's HR management, with focus on upgrading their quality of life and job satisfaction. This HR policy empowers the Company to attract, integrate and retain the best talent, requisite to its line of business and necessary for powering its growth. As on March 31, 2018, the number of permanent employees, on the rolls of Company, was 710. To its credit, Rupa has been awarded as the 'KOLKATA BEST EMPLOYER BRAND', from among the top organizations in West Bengal, India, by the World HRD Congress. Further, the industrial relations have remained cordial, during the period under review.

Cautionary Statement

Statements in this Management Discussion and Analysis Report, describing the objectives, projections, estimates and expectations are 'forward-looking statements', within the meaning of applicable laws and regulations and are subject to volatile market conditions. 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.

Corporate Governance Report

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 a *sine qua non* for sustainable business that aims at generating long term value to all its shareholders and other stakeholders.

The 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. The 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. The Company has 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. The Company believes that Corporate Governance is not just limited to creating checks and balances; it is more about creating organizational excellence leading to increasing employee and customer satisfaction and shareholder value. The 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.

Listing Regulations

The Company has complied with the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), as amended, as applicable to the Company.

Board of Directors

The Board of Directors ('Board') of the Company 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 governance, corporate finance, taxation, legal matters, strategic & risk management, marketing, etc.

Composition of the Board

The Board of the Company has an optimum combination of Executive Directors and Non-Executive Directors, including Independent Directors and Woman Director, meeting with the requirement of Regulation 17(1) of the SEBI Listing Regulations and Section 149 of the Companies Act, 2013 ('Act') read with the allied Rules. On March 31, 2018, the Board consisted of 12 (twelve) Directors, 6 (six) of whom were Independent Non-executive Directors, constituting 50% of the Board's strength and other 6 (six) were Executive Directors, 5 (five) of them being Promoters of the Company and 1 (one) Executive Director (Additional), Non-Promoter. The Chairman is an Executive Director.

The Composition of the Board of Directors as on March 31, 2018, the number of other Directorships and Board Committee Memberships/ Chairmanships held by each Directors and their attendance at the Board Meetings and the last Annual General Meeting (AGM) of the Company are as follows:

Sl. No.	Name of the Director	Category of Directors	Number of Directorship in other Companies#	Number of Membership/ Chairmanship in other Company's Committee(s)*	Number of Board Meetings attended during the year	Attendance at the last AGM held on August 31, 2017
1	Mr. Prahlad Rai Agarwala	Chairman, Executive, Promoter	9	Nil	4	Yes
2	Mr. Ghanshyam Prasad Agarwala	Vice-chairman, Executive, Promoter	2	Nil	3	No
3	Mr. Kunj Bihari Agarwal	Managing Director, Promoter	6	Nil	4	Yes
4	Mr. Ramesh Agarwal	Executive, Promoter	18	3	3	No

Corporate Governance Report

Sl. No.	Name of the Director	Category of Directors	Number of Directorship in other Companies#	Number of Membership/ Chairmanship in other Company's Committee(s)*	Number of Board Meetings attended during the year	Attendance at the last AGM held on August 31, 2017
5	Mr. Mukesh Agarwal	Executive, Promoter	19	Nil	4	No
6	Mr. Satya Brata Ganguly	Independent Non-Executive	5	7 (including 3 as a Chairman)	4	No
7	Mr. Dipak Kumar Banerjee	Independent Non-Executive	9	9 (including 3 as a Chairman)	3	No
8	Mr. Dharam Chand Jain	Independent Non-Executive	5	Nil	3	No
9	Mr. Sushil Patwari	Independent Non-Executive	15	2	3	Yes
10	Mrs. Alka Devi Bangur	Independent Non-Executive	5	2 (including 1 as a Chairman)	4	Yes
11	Mr. Vinod Kumar Kothari	Independent Non-Executive	5	1	3	Yes
12	Mr. Niraj Kabra^	Additional Director Executive, Non-promoter	Nil	Nil	N.A.	N.A.
13	Mr. Arihant Kumar Baid@	Executive, Non-promoter	N.A.	N.A.	3	Yes

Note :

#Other Directorships includes Directorships in Public Limited Companies, Private Limited Companies as well as Section 8 Companies (i.e., Companies formed with charitable objects, etc.)

*******Only covers Membership/ Chairmanship of Audit Committee and Stakeholders' Relationship Committee of other Public Limited Companies.*

^Appointed as an Executive Director (Additional), Non-promoter in the Board Meeting held on February 12, 2018.

@Resigned from the post of directorship, w.e.f. close of working hours on January 15, 2018.

The number of Directorships, Committee Membership(s)/ Chairmanship(s) of all Directors is within the limits as prescribed under the Act and the SEBI Listing Regulations.

Board Procedure

The Board meets at least once in a quarter to review the quarterly business and the financial performance of the Company, apart from other Board business. However, the Board's function is not limited, to the matters, requiring approval of the Board statutorily. The Board is involved in all the important decisions relating to the Company and policy matters, strategic business plans, new avenues of investment and expansion, compliance with statutory/ regulatory requirements, major accounting provisions, etc. The Independent Directors provide an effective monitoring role and play an important role in the deliberations at the Board and Committee Meetings and bring to the Company their expertise in the fields of business, corporate governance, strategic & risk management, finance, management and law.

Corporate Governance Report

The Company, from time to time, familiarizes its Independent Director 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. The detail of familiarization programme is disclosed on the website of the Company. The same is available on the website of the Company at the link, http://rupa.co.in/site/wp-content/uploads/2015/10/Familiarization_Programme_for_Independent_Directors1.pdf

The Meetings of the Board are generally convened at the Company's Registered Office in Kolkata. In case of urgency or when the Board Meeting is not practicable to be held, the matters are resolved via circular resolution, as permitted by law, which is noted and confirmed in the subsequent Board Meeting. However, no circular resolution was passed during the year.

The Board Meetings are generally scheduled well in advance and the notice of the same 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 as prescribed by law, to enable the Directors to take an informed decision and in exceptional cases, the same is tabled at the Board Meeting. The Board is also free to take up any matter, not included in the Agenda, for consideration with the permission of the Chairman and with the consent of majority of the Directors present in the Meeting.

To enable the Board to discharge its responsibilities effectively, the members of the Board are briefed at the Board Meeting on the overall performance of the Company. The information, as specified in Regulation 17(7) of the SEBI Listing Regulations and Secretarial Standard–1, as amended, is made available to the Board, wherever applicable.

The Minutes of the Board Meetings are circulated to all the Directors and confirmed at the subsequent Meeting. The Minutes of the Meetings of the Committees of the Board are placed before the Board Meeting of the Company for its review. Also, the Minutes of the Board Meetings of the Subsidiary Companies are placed at the Board Meetings of the Company for its review.

The Board of Directors of the Company met 4 (four) times during the Financial Year 2017-18. Atleast 1 (one) Board Meeting was held in every quarter and the time gap between any 2 (two) Board Meetings did not exceed 120 days as prescribed under the SEBI Listing Regulations and the Act. The Details of Board Meetings held are as follows:

Sl. No.	Date of the Board Meetings	Board strength (Number of Directors)	Number of Directors Present	Number of Independent Directors Present
1	May 26, 2017	12	10	5
2	August 10, 2017	12	12	6
3	November 10, 2017	12	9	4
4	February 12, 2018	11*	10	5

*Mr. Arihant Kumar Baid resigned from the post of directorship, w.e.f. close of business hours on January 15, 2018. Further, Mr. Niraj Kabra appointed as an Executive Director (Additional) in the Board Meeting held on February 12, 2018.

Directors seeking Re-appointment at the ensuing AGM

Mr. Ghanshyam Prasad Agarwala, Director (DIN: 00224805) and Mr. Ramesh Agarwal, Director (DIN: 00230702), being liable to retire by rotation at the ensuing AGM and being eligible, have offered themselves for re-appointment.

The brief profiles of the aforesaid Directors have been given in the Explanatory Statement annexed to the Notice of the ensuing AGM.

Corporate Governance Report

Inter-se Relationship amongst Directors

The relationship between the Directors inter-se has been depicted in the table below:

Sl. No.	Name	Designation	Relationship
1	Mr. Prahlad Rai Agarwala	Chairman (Whole-time Director)	Father of Mr. Ramesh Agarwal and brother of Mr. Ghanshyam Prasad Agarwala and Mr. Kunj Bihari Agarwal
2	Mr. Ghanshyam Prasad Agarwala	Vice-Chairman (Whole-time Director)	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 the relations mentioned hereinabove, there is no inter-se relation among the Directors of the Company.

Audit Committee

Terms of Reference

1. Recommendation for appointment, remuneration and terms of appointment of Auditors of the Company;
2. Review and monitor the Auditor's independence and performance and effectiveness of audit process;
3. Examination of the Financial Statement and the Auditors' Report thereon;
4. Approval or any subsequent modification of transactions of the Company with related parties;
5. Scrutiny of inter-corporate loans and investments;
6. Valuation of undertakings or assets of the Company, wherever it is necessary;
7. Reviewing, with the management, performance of Statutory and Internal Auditors;
8. Discussion with Internal Auditors of any significant findings and follow up there on;
9. To review the functioning of the Whistle Blower Mechanism;
10. Approval of appointment of Chief Financial Officer, and others.

The detailed terms of reference of the Audit Committee as per Section 177(4) of the Act and Regulation 18 of the SEBI Listing Regulations, is available on the website of the Company at the link, http://rupa.co.in/site/wp-content/uploads/2015/10/Audit-Committee.pdf

Composition

As on March 31, 2018, Audit Committee comprised of 6 (six) members, of which majority were Independent Directors. All the members of the Audit Committee are financially literate and bring in expertise in the fields of accounting or related finance management. The composition of the Audit Committee is in accordance with the provisions of the Regulation 18 of the SEBI Listing Regulations and Section 177 of the Act. The composition of the Audit Committee is as hereunder:

Corporate Governance Report

Name of Member	Position	Category
Mr. Vinod Kumar Kothari	Chairman	Independent Non-Executive
Mr. Dipak Kumar Banerjee	Member	Independent Non-Executive
Mr. Satya Brata Ganguly	Member	Independent Non-Executive
Mr. Sushil Patwari	Member	Independent Non-Executive
Mr. Ramesh Agarwal	Member	Promoter, Executive
Mr. Mukesh Agarwal	Member	Promoter, Executive

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

Audit Committee Meeting and Attendance

During the Financial Year ended March 31, 2018, 4 (four) Audit Committee Meetings were held and the time gap between any 2 (two) such Meetings was not more than 120 days, as prescribed under the SEBI Listing Regulations. The details of the Meetings and attendance thereof are as hereunder:

Name of Member	Meetings held during the year and Attendance			
	May 26, 2017	August 10, 2017	November 10, 2017	February 12, 2018
Mr. Vinod Kumar Kothari	Present	Present	Absent	Present
Mr. Dipak Kumar Banerjee	Absent	Present	Present	Present
Mr. Satya Brata Ganguly	Present	Present	Present	Present
Mr. Sushil Patwari	Present	Present	Absent	Present
Mr. Ramesh Agarwal	Present	Present	Absent	Present
Mr. Mukesh Agarwal	Present	Present	Present	Present

Mr. Vinod Kumar Kothari, Chairman of the Audit Committee, attended the last AGM of the Company held on August 31, 2017 and replied to the queries related to Accounts to the satisfaction of the Shareholders.

Nomination and Remuneration Committee

Terms of Reference

1. Identifying persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down;
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 for the Directors, Key Managerial Personnel and other employees;
3. Formulation of criteria for evaluation of Independent Directors and the Board;
4. Devising a policy on Board diversity, and others.

The detailed terms of reference of the Nomination and Remuneration Committee as per Section 178 of the Act and Regulation 19 of the SEBI Listing Regulations, is available on the website of the Company at the Link, http://rupa.co.in/site/wp-content/uploads/2015/10/Member_of_Nomination_and_Remuneration_Committee1.pdf

Composition

As on March 31, 2018, Nomination and Remuneration Committee comprised of 3 (three) members, all being Independent Non-Executive Directors. The composition of the Committee is as per the provisions of Regulation 19 of the SEBI Listing Regulations and Section 178 of the Act. The composition of the Nomination and Remuneration Committee is as hereunder:

Corporate Governance Report

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

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

Nomination and Remuneration Committee Meeting and Attendance

During the Financial Year ended March 31, 2018, 2 (two) Nomination and Remuneration Committee Meetings were held. The Committee also passed resolution by circulation on November 9, 2017. The details of the Meetings and attendance thereof are as hereunder:

Name of Member	Meetings held during the year and Attendance	
	May 26, 2017	February12, 2018
Mr. Dipak Kumar Banerjee	Absent	Present
Mr. Vinod Kumar Kothari	Present	Present
Mr. Sushil Patwari	Present	Present

Performance Evaluation Criteria for Independent Directors

Pursuant to the provisions of the SEBI Listing Regulations and as per the requirement of Schedule IV of the Act, the criteria and the brief details of the performance evaluation carried out of Independent Directors has been given in the Board's Report.

Remuneration to Directors

Non-Executive Directors

The Board of Directors of the Company at its Meeting held on February 12, 2018, has approved the payment of profit related commission to each Non-executive Directors (Independent) of the Company, annually, for a period not exceeding 5 (five) consecutive Financial Years, commencing from April 1, 2017, up to 1% of the net profits of the Company in any Financial Year, subject to a maximum ceiling of ₹ 26,00,000/- (Rupees Twenty Six Lacs only), in aggregate, per annum, subject to approval of the Shareholders of the Company at the ensuing Annual General Meeting. The said Commission would be divided amongst the Non-executive Directors (Independent) in such manner, as decided by the Board of Directors of the Company.

The Non-executive Directors are being paid sitting fees. The sitting fees were paid to each Non-executive Director @ ₹ 90,000/- (Rupees Ninety Thousand only) for each Meeting of the Board, ₹ 50,000/- (Rupees Fifty Thousand only) for each Meeting of the Audit Committee and ₹ 25,000/- (Rupees Twenty Five Thousand only) for each Meeting of the Nomination and Remuneration Committee, the Stakeholders' Relationship Committee and the Corporate Social Responsibility Committee of the Board, attended by them. Further, each Independent Director was paid sitting fees @ ₹ 90,000/- (Rupees Ninety Thousand only) for their separate Meeting, attended by them.

The criteria of making payment to the Non-executive Directors of the Company have been uploaded on the website of the Company at the link, http://rupa.co.in/site/wp-content/uploads/2015/10/Remuneration_Policy.pdf

Corporate Governance Report

The sitting fees paid during the Financial Year 2017-18, is given in the table below:

Name of Directors	Sitting Fees (₹)	Number of shares held	Period of appointment
Mr. Satya Brata Ganguly	6,50,000	Nil	Appointed in the AGM held on September 11, 2014, for a consecutive period of 5 (five) years.
Mr. Dipak Kumar Banerjee	5,35,000	Nil	
Mr. Dharam Chand Jain	3,60,000	40,000	
Mr. Sushil Patwari	5,85,000	Nil	
Mr. Vinod Kumar Kothari	6,10,000	Nil	
Mrs. Alka Devi Bangur	4,50,000	Nil	Appointed w.e.f. November 14, 2014, for a consecutive period of 5 (five) years.
Total	**31,90,000**	**40,000**	

There were no other pecuniary relationships or transactions of the Non-executive Directors vis-à-vis the Company.

Executive Directors

The appointment of Executive Directors is governed by resolutions passed by the Board of Directors and Shareholders of the Company, which covers the terms of such appointment and payment of remuneration to them. Remuneration paid to the Executive Directors are recommended by the Nomination and Remuneration Committee and approved by the Board and the Shareholders of the Company at General Meetings and is within the limits prescribed under the Act. The remuneration package of Executive Directors comprises of salary, commission, perquisites & allowances, performance bonus, etc. Annual increments are recommended by the Nomination and Remuneration Committee to the Board for their approval. Presently, the Company does not have any stock option plan.

Further, the remuneration paid to the Executive Directors during the Financial Year 2017-18 is stated below:

Name of Directors	Salary & Allowances (₹)	Commission (₹)	Perform–ance based Incentive (₹)	Perqu–isites (₹)	Total (₹)	Service Contract/ Notice Period/ Severance Fees*
Mr. Prahlad Rai Agarwala, Chairman (Whole-time Director)	90,00,000	1,00,00,000	-	-	1,90,00,000	Re-appointed w.e.f. April 1, 2015 for 5 (five) years
Mr. Ghanshyam Prasad Agarwala, Vice-Chairman (Whole-time Director)	84,00,000	-	-	-	84,00,000	Re-appointed w.e.f. April 1, 2016 for 5 (five) years
Mr. Kunj Bihari Agarwal, Managing Director	84,00,000	-	-	-	84,00,000	Re-appointed w.e.f. April 1, 2016 for 5 (five) years
Mr. Ramesh Agarwal, Whole-time Director	54,00,000	-	25,50,000	-	79,50,000	Re-appointed w.e.f. April 1, 2015 for 5 (five) years
Mr. Mukesh Agarwal, Whole-time Director	54,00,000	-	25,50,000	-	79,50,000	Re-appointed w.e.f. April 1, 2015 for 5 (five) years
Mr. Arihant Kumar Baid, Whole-time Director**	17,18,337				17,18,337	Resigned w.e.f. January 15, 2018
Mr. Niraj Kabra, Executive Director (Additional)$	2,19,016				2,19,016	Appointed for a period of 5 years w.e.f. February 12, 2018
Total	**3,85,37,353**	**1,00,00,000**	**51,00,000**	**-**	**5,36,37,353**	

**As per the terms of appointment and policy of the Company.*

Corporate Governance Report

*** Mr. Arihant Kumar Baid resigned from the position of directorship from the Company, w.e.f. close of working hours on January 15, 2018.*

$ Mr. Niraj Kabra appointed as an Executive Director (Additional) in the Board Meeting held on February 12, 2018 for a period of 5 years, subject to approval of the Members at the ensuing AGM.

Stakeholders' Relationship Committee

Terms of Reference

To ensure proper and timely attendance and redressal of grievances of security holders of the Company in relation to:

1. Non-receipt of Annual Reports and declared dividend;
2. Formulation of procedures in line with the statutory guidelines to ensure speedy disposal of various requests received from shareholders from time to time;
3. Monitoring implementation and compliance with the Company's Code of Conduct for Prohibition of Insider Trading in pursuance of SEBI (Prohibition of Insider Trading) Regulations, 1992;
4. To review and/ or approve applications for transfer, transmission, transposition and mutation of share certificates including issue of duplicate certificates and new certificates on split/ sub-division/ consolidation/ renewal, and to deal with all related matters.

The detailed terms of reference of the Stakeholders' Relationship Committee, as per Section 178 of the Act and Regulation 20 of the SEBI Listing Regulations are available on the website of the Company at the link, http://rupa.co.in/site/wp-content/uploads/2015/10/Member_of_Stake_Holders_Relationship_Committee11.pdf

Composition, Meeting and Attendance

The composition of the Stakeholders' Relationship Committee is in compliance with the provision of Regulation 20 of the SEBI Listing Regulations and Section 178 of the Act. During the Financial Year ended March 31, 2018, 1 (One) Stakeholders' Relationship Committee Meetings were held. The composition of the Committee and details of the Meeting and attendance thereof are as hereunder:

Name of Member	Position	Category	Meeting held during the year and Attendance
			January 29, 2018
Mr. Sushil Patwari	Chairman	Indepedent, Non-executive	Present
Mr. Ramesh Agarwal	Member	Executive, Promoter	Present
Mr. Mukesh Agarwal	Member	Executive, Promoter	Present

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

Compliance Officer

Mr. Kundan Kumar Jha, Company Secretary, act as the Compliance Officer of the Company.

Details of Shareholders' Complaints Received, Resolved and Pending

The Shareholders' complaints received and resolved during the Financial Year 2017-18 and those pending as on March 31, 2018, are as hereunder:

Number of complaints Received	Number of complaints Resolved	Number of complaints Pending
1 (one)	1 (one)	1 (one)

All the communications/ complaint(s) received from the Shareholders were resolved by the Company to the satisfaction of the Shareholders. Shareholders'/ Investors' complaints and other correspondence are normally attended promptly within the maximum period as specified under the law except matters constrained by disputes or legal impediments.

Corporate Governance Report

Subsidiary Companies

The Wholly-owned Subsidiaries of the Company are unlisted and non-material.

The Minutes of the Board Meetings of the Subsidiaries are placed in the Board Meetings of the Company. Statement of important and significant transactions of the Subsidiaries is placed regularly in the Board Meetings of the Company. The Audit Committee of the Company reviews Financial Statement including the investments, if any, made by the Subsidiaries.

CEO and CFO Certification

In terms of the provisions of the SEBI Listing Regulations, the Managing Director and the Chief Financial Officer (CFO) of the Company have given the annual certification on financial reporting to the Board and that the same forms part of this Annual Report.

General Body Meetings

Details of the location and time where the last 3 (three) AGMs of the Company were held and the Special Resolutions passed therein:

Financial Year	Location	Date & Time	Special Resolutions Passed
2014-15	Kala Kunj, 48, Shakespeare Sarani, Kolkata - 700 017	September 15, 2015 at 11:00 a.m.	Nil
2015-16	Satyajit Ray Auditorium, Indian Council for Cultural Relations (ICCR), 9A, Ho Chi Minh Sarani, Kolkata - 700 071	August 31, 2016 at 11:00 a.m.	Nil
2016-17	Satyajit Ray Auditorium, Indian Council for Cultural Relations (ICCR), 9A, Ho Chi Minh Sarani, Kolkata - 700 071	August 31, 2017 at 11:00 a.m.	a) Approval of revision in the remuneration of Mr. Prahlad Rai Agarwala (DIN: 00847452), Chairman (Whole-time Director) of the Company, w.e.f. April 1, 2018; b) Approval of revision in the remuneration of Mr. Ghanshyam Prasad Agarwala (DIN: 00224805), Vice-Chairman (Whole-time Director) of the Company, w.e.f. April 1, 2018; and c) Approval of revision in the remuneration of Mr. Kunj Bihari Agarwal (DIN: 00224857), Managing Director of the Company, w.e.f. April 1, 2018.

Postal Ballot

During the Financial year 2017-18, the Company has not conducted any Postal Ballot. Further, there is no immediate proposal for passing any resolution through Postal Ballot process.

Code of Conduct

The Company has adopted a comprehensive Code of Conduct as required under the SEBI Listing Regulations and the said code is available on the website of the Company at the link, http://rupa.co.in/site/wp-content/uploads/2015/10/Code_of_Conduct_Rupa_30_05_2016.pdf

All members of the Board and Senior Management Personnel have affirmed their compliance with the provisions of the Code of Conduct as on March 31, 2018, as required under Regulation 26(3) of the SEBI Listing Regulations and a declaration to this effect signed by the Managing Director forms part of this Annual Report.

Corporate Governance Report

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 under the SEBI Listing Regulations. The approved Financial Results are forthwith sent to the Stock Exchanges, where the Company's shares are listed and are published, within the prescribed time period, in one of the prominent English business daily, the Economic Times and a local language newspaper, Ei Samay. Presently, half-yearly report is not sent to each household of shareholders.

ii) The Company's Financial Results and official news releases are displayed on the Company's website, www.rupa.co.in.

iii) The NSE Electronic Application Processing System (NEAPS) and Listing Centre are web based applications designed for compliance related filings by National Stock Exchange of India Ltd. (NSE) and BSE Limited (BSE), respectively, for listed companies. All periodical compliance filings are filed electronically on NSE's NEAPS and BSE's Listing Centre.

iv) SEBI Complaints Redressal System (SCORES): The investor complaints, if any, are processed in a centralized web based complaints redressal system mandated by the SEBI through SCORES.

v) During the Financial Year 2017-18, senior executives of the Company participated in the Investor Conference, i.e., "Spark Capital Looking East Conference" which was conducted on June 9, 2017.

vi) The Company has designated following E-Mail IDs exclusively for redressal of the investor grievances and the necessary disclosure to this effect has also been made on the Company's website, www.rupa.co.in:

E-Mail IDs: cs@rupa.co.in & mgr.cs@rupa.co.in

vii) The Company sends reminders for the unpaid dividend to the Shareholders every year.

viii) Management Discussion and Analysis forms part of this Annual Report, which is sent to the Shareholders of the Company.

General Shareholder's Information

Detailed information in this regard is provided herein below:

i) Annual General Meeting

Date: August 31, 2018
Time: 11:00 A.M.
Venue: Satyajit Ray Auditorium, Indian Council for Cultural Relations (ICCR),
9A, Ho Chi Minh Sarani, Kolkata - 700 071

ii) Financial Year Calendar for 2018-19

The Company follows 1st April to 31st March as its Financial Year. The tentative calendar for consideration of the Financial Results during the Financial Year 2018-19, is as follows:

Financial Results for the quarter ending June 30, 2018	2nd week of August, 2018
Financial Results for the half year ending September 30, 2018	2nd week of November, 2018
Financial Results for the quarter ending December 31, 2018	2nd week of February, 2019
Financial Results for the quarter and year ending March 31, 2019	3rd week of May, 2019

iii) Book Closure Date

From August 25, 2018 to August 31, 2018 (both days inclusive).

iv) Dividend

The dividend, as recommended by the Board of Directors, if approved at the ensuing AGM, will be paid at par to those Members, whose name shall appear on the Register of Members as on close of business hours on Friday, the August 24, 2018. The dividend payout shall be made on or after September 5, 2018.

Corporate Governance Report

Unclaimed Dividends

The dividend amount transferred to the Unpaid Dividend Account and remaining unpaid/ unclaimed for a period of 7 (seven) years from the date of such transfer is required to be transferred by the Company to the Investor Education and Protection Fund (IEPF) administered by the Central Government. The dates of declaration of dividend and corresponding dates when unpaid/ unclaimed dividends are due for transfer to IEPF are as hereunder:

Financial Year	Date of declaration of dividend	Due Date for transfer to IEPF
2010-11	September 28, 2011	November 04, 2018
2011-12	September 29, 2012	November 05, 2019
2012-13	September 28, 2013	November 04, 2020
2013-14	September 11, 2014	October 18, 2021
2014-15	September 15, 2015	October 22, 2022
2015-16 (Interim)	March 11, 2016	April 17, 2023
2016-17	August 31, 2017	October 7, 2024

The details of the same can be accessed through the link, http://rupa.co.in/investors/investor-services/unpaid-dividend/

Note: During the year ended March 31, 2018, the Company has transferred unclaimed and unpaid dividend for the Financial Year 2009-10, amounting to ₹ 1,14,335/- (Rupees One Lakh Fourteen Thousand Three Hundred and Thirty Five only), to the IEPF.

During the year ended March 31, 2018, 30,510 Equity Shares of ₹1/- each, held by 60 shareholders, in aggregate, whose dividends have remained unpaid or unclaimed for a period of seven consecutive years or more, as on the due date, i.e., October 31, 2017, have been transferred to the IEPF Demat Account within the due date, i.e. on November 28, 2017.

v) Stock Exchanges on which shares are listed

The shares of the Company are listed at the below mentioned Exchanges:

Sl. No.	Name of the Stock Exchange	Address
1.	National Stock Exchange of India Limited (NSE)	Exchange Plaza, Plot No. C/1, G Block, Bandra-Kurla Complex, Bandra (E), Mumbai - 400 051
2.	BSE Limited (BSE)	Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001

Annual Listing Fees, as prescribed, has been paid by the Company to BSE and NSE, for the Financial Year 2018-19.

vi) Stock Code

NSE – RUPA

BSE – 533552

Demat ISIN for National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) – INE895B01021.

Corporate Governance Report

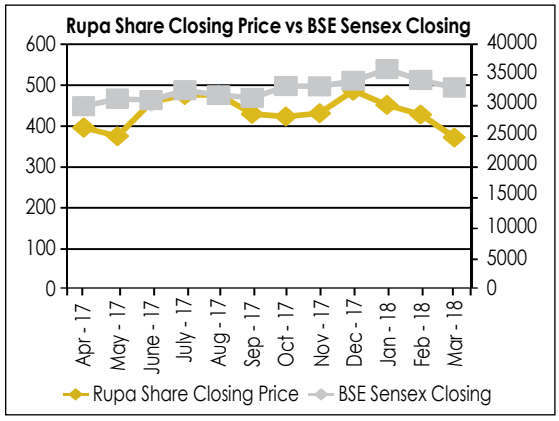
vii) Market Price Data (Face Value of ₹ 1/- each)

The monthly high and low quotations and volume of shares traded on BSE and NSE during the year are given below:

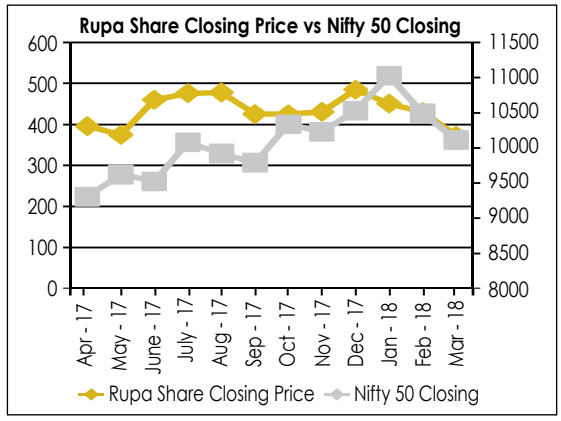
Month & Year	BSE			NSE		
	Month's high price (₹)	Month's low price (₹)	Volume (Numbers)	Month's high price (₹)	Month's low price (₹)	Volume (Numbers)
April, 2017	424.00	323.00	10,53,488	424.00	322.25	39,78,860
May, 2017	408.00	351.00	3,02,138	408.00	350.50	10,08,834
June, 2017	590.00	370.00	30,60,233	589.95	370.50	1,48,08,890
July, 2017	533.80	461.05	7,43,756	534.40	462.00	40,15,837
August, 2017	502.75	389.90	5,74,210	503.00	385.00	31,18,705
September, 2017	487.65	387.60	2,94,195	486.85	386.00	18,36,463
October, 2017	457.95	415.05	2,56,743	458.00	413.50	18,02,536
November, 2017	471.15	417.00	2,61,510	472.00	419.00	18,36,619
December, 2017	512.70	427.00	9,32,346	513.00	432.00	71,03,622
January, 2018	494.25	440.05	2,80,023	495.00	440.00	15,72,333
February, 2018	470.85	391.00	97,961	471.60	390.00	6,27,095
March, 2018	438.25	350.35	80,738	437.65	352.25	5,05,260

viii) Share Price Performance in comparison to broad-based indices, namely, BSE Sensex and NSE Nifty respectively

Financial Year	BSE		NSE	
	% change in RUPA share price	% change in BSE SENSEX	% change in RUPA share price	% change in CNX Nifty
2017-18	+14.07	+11.30	+13.97	+10.25



The graph is made on the basis of monthly closing price of RUPA share and monthly BSE SENSEX closing



The graph is made on the basis of monthly closing price of RUPA share and monthly NSE Nifty 50 closing

ix) The shares of the Company are not suspended from trading.

x) Registrar and Share Transfer Agents (RTA)

Name: Maheshwari Datamatics Pvt. Ltd.
Address: 23, R.N. Mukherjee Road, 5th Floor, Kolkata - 700 001
Tel: +91-33-2243 5029/2248 2248, **Website:** www.mdpl.in
Fax: +91-33-2248 4787, **E-mail ID:** mdpldc@yahoo.com

Corporate Governance Report

xi) Address for Correspondence

RTA	Company's Registered Office
Maheshwari Datamatics Pvt. Ltd. 23, R.N. Mukherjee Road, 5th Floor, Kolkata – 700 001 Tel: +91-33-2243 5029/ 2248 2248; Fax: +91-33-2248 4787 E-mail ID: mdpldc@yahoo.com	**Rupa & Company Limited** Metro Tower, 8th Floor, 1, Ho Chi Minh Sarani, Kolkata – 700 071 Tel: +91-33-4057 3100; Fax: +91-33-2288 1362 E-mail ID: cs@rupa.co.in

xii) Share Transfer System

The work relating to Share Registry both in physical and electronic form are handled by the RTA of the Company. The transfer of shares in physical form is processed and completed by the RTA within 15 days of receipt of all completed documents. In case of shares in electronic form, the transfers are processed by NSDL/ CDSL through respective Depository Participants. In compliance with the SEBI Listing Regulations, a Practicing Company Secretary audits the System of Transfer and a Certificate to that effect is issued half yearly as required under Regulation 40(9) of the said Regulations. The Company provides investor and depository services through its RTA.

xiii) Distribution of Shareholding as on March 31, 2018

Shareholding Range	Number of Holders	% of Shareholding	Number of Shares	% of Shareholding
Upto 500	10,066	93.26	8,50,538	1.07
501 to 1,000	335	3.11	2,68,079	0.34
1,001 to 2,000	180	1.67	2,89,926	0.37
2,001 to 3,000	50	0.46	1,36,150	0.17
3,001 to 4,000	36	0.33	1,34,681	0.17
4,001 to 5,000	22	0.20	1,04,644	0.13
5,001 to 10,000	46	0.43	3,68,265	0.46
Above 10,000	58	0.54	7,73,72,277	97.29
Grand Total	**10,793**	**100.00**	**7,95,24,560**	**100.00**

xiv) Shareholding Pattern as on March 31, 2018

Category	Number of Shares held	% of Share capital
A. Promoter & Promoter Group Shareholding		
Promoter & Promoter Group (Indian)	5,82,82,046	73.29
Sub-total (A)	**5,82,82,046**	**73.29**
B. Public Shareholding		
Public - Institutions		
Banks, Financial Institutions	4,783	0.00
Foreign Portfolio Investors	4,43,665	0.56
Foreign Institutional Investors	-	-
Sub-total (B)	**4,48,448**	**0.56**
Public – Non-Institutions		
Bodies Corporate	1,82,89,624	23.00
Indian Public	23,21,201	2.92
Non Resident Individuals	86,306	0.11
IEPF Authority	30,510	0.04
Others	66,425	0.08
Sub-total (C)	**2,07,94,066**	**26.15**
Total (A+B+C)	**7,95,24,560**	**100.00**

Corporate Governance Report

xv) Dematerialization of Shares

As on March 31, 2018, 99.45% of the equity shares of the Company were held in dematerialized form, with 100% of the shareholding of Promoter(s) and Promoter Group being in dematerialized form. The Company is into an agreement with NSDL and CDSL, whereby shareholders have the option to dematerialize their shares with either of the two depositories.

Status of Dematerialization as on March 31, 2018

Particulars	Number of Shares	% to Total Paid-up Capital
NSDL	7,77,04,246	97.71
CDSL	13,86,435	1.74
Total Dematerialized	**7,90,90,681**	**99.45**
Physical	4,33,879	0.55
Total	**7,95,24,560**	**100.00**

xvi) Liquidity

The Company's Equity Shares are liquid and actively traded on the Indian Stock Exchanges, i.e., NSE and BSE are the only stock exchanges where the shares of the Company are listed.

xvii) Outstanding Global Depository Receipts (GDRs)/ American Depository Receipts(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.

xviii) Commodity Price Risk or Foreign Exchange Risk and Hedging Activities

The Company does not have derivative and commodity instruments. Risk to Company from foreign currency exposure on import/ export transactions is very minimal. Further, such risks are managed through Internal Finance Controls. The details of foreign currency transactions are disclosed in Note 3.9 and Note 47 in the Notes to the Standalone Financial Statements.

xix) Plant Locations

Jalan Industrial Complex, Bombay Road (National Highway 6) P.O. - Begri, Vill - Biprannapara Howrah, West Bengal – 711 411 Paridhan Garment Park, 19, Canal South Road, Kolkata – 700 015	S.F. No.387/4, Angeripalayam Road, Angeripalayam Post, Dist. - Tirupur, Tamil Nadu – 640 602 Premises No. 2/104, Thekkalur Avinashi Road, Avinashi, Tirupur, Tamilnadu – 641 654
E-4 and E-6, Sector D-1 (P-3), Tronica City, Ghaziabad, U.P. – 201 102	284/11, Garvebhavipalya, Hosur Road, Near Chamundeshwari and Saibaba Temple, Bengaluru, Karnataka – 560 068 Sy. No. 36/5, AGR Industrial Area, Somasandrapalya, HSR Layout, Sector- 2, Bengaluru, Karnataka – 560 102

Disclosures

i) Disclosure on materially significant related party transactions, that may have potential conflict with the interests of the Company at large

All related party transactions entered by the Company during the financial year with related party were in the ordinary course of business and at an arm's length basis. 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

Corporate Governance Report

have potential conflict with the interests of the Company at large. Further, disclosure of transactions with related parties is set out in Note 41 of the Standalone Financial Statements, forming part of this Annual Report.

The policy on Related Party Transactions and policy for determining 'material' subsidiaries has been uploaded on the website of the Company. The same are available at the links, http://rupa.co.in/site/wp-content/uploads/2015/10/policy-on-related-party-transactions.pdf and http://rupa.co.in/site/wp-content/uploads/2015/10/Policy_for_determining.pdf, respectively.

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 3 (three) years

The Company has complied with all 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 on the Company 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 3 (three) years.

iii) Establishment of Vigil Mechanism, Whistle Blower Policy and affirmation that no personnel have been denied access to the Audit Committee

In terms of Regulation 22 of the SEBI Listing Regulations and Section 177 of the Act, read with the Rules made thereunder, the Company has established a vigil mechanism and framed a 'Whistle Blower Policy'.

Audit Committee looks into the complaints raised, if any, and their redressal. No personnel have been denied access to the Audit Committee and there were no cases reported during the Financial Year ended March 31, 2018.

The Policy has been uploaded on the website of the Company and the same is available at the link, http://rupa.co.in/site/wp-content/uploads/2015/10/WhistleBlowerPolicy1.pdf

Non-Compliance with the requirements of Corporate Governance Report

There has been no non-compliance with any of the requirement of Corporate Governance Report, as prescribed under Regulation 34, read with Para C of Schedule V of the SEBI Listing Regulations.

Adoption of the discretionary requirements under the SEBI Listing Regulations

All the mandatory requirements of the SEBI Listing Regulations are being complied with and the discretionary or non-mandatory requirements, as specified under Regulations 27(1), read with Part E of Schedule II to the SEBI Listing Regulations, are reviewed by the Board from time to time and adopted wherever necessary. The Company has adopted following non-mandatory requirements:

- The Auditor's Report on the Company's Financial Statements is unmodified.
- The Company has appointed separate person for the post of Chairman and Managing Director.
- The Report of the Internal Auditors is placed before the Audit Committee on a quarterly basis and the same is reviewed by the Audit Committee.

Compliance with Corporate Governance Requirements

The Company has complied with the Corporate Governance requirements as specified in the SEBI Listing Regulations.

Demat Suspense Account/ Unclaimed Suspense Account

There were no shares underlying in the demat suspense account or unclaimed suspense account.

Independent Auditor's Certificate on Corporate Governance

To
The Members of
Rupa & Company Limited

1. We have examined the compliance of conditions of Corporate Governance by Rupa & Company Limited ("the Company"), for the year ended on March 31, 2018, as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and para C and D of Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations").

Management's Responsibility

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

Auditor's Responsibility

3. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
4. We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
5. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the "ICAI"), the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

7. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and para C and D of Schedule V to the Listing Regulations during the year ended March 31, 2018.
8. We 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 **Singhi & Co.**
Chartered Accountants
ICAI Firm Registration Number: 302049E

Sd/-
Aditya Singhi
Partner
Membership No.: 305161

Place: Kolkata
Date: May 23, 2018

DECLARATION AFFIRMING COMPLIANCE WITH THE CODE OF CONDUCT

[Regulation 34, read with Schedule V(D), of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

This is to confirm that the Company has adopted a "Code of Conduct and Business Ethics" for its Board Members, Senior Management Personnel and all other employees and that the same is available on the website of the Company, www.rupa.co.in.

I, hereby declare that all the Board Members, Key Managerial Personnel and Senior Management Personnel have affirmed compliance with the aforesaid Code for the Financial Year ended March, 31, 2018.

Sd/-
Kunj Bihari Agarwal
Managing Director
Rupa & Company Limited
DIN: 00224857

Place: Kolkata
Date: May 23, 2018

Certification by Managing Director and Chief Financial Officer in terms of Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

We, the undersigned, in our respective capacities as the Managing Director and the Whole-time Director-cum-Chief Financial Officer of Rupa & Company Limited ("the Company"), in terms of Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, hereby certify that:

A. We have reviewed the Financial Statements, including the Cash Flow Statement, of the Company for the Financial Year ended March 31, 2018 and to the best of our knowledge and belief, we state that:

   (1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

   (2) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

B. To the best of our knowledge and belief, 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.

C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

D. We have indicated, wherever applicable, to the Auditors and the Audit Committee:

   (1) significant changes in internal control over financial reporting during the year;

   (2) significant changes in accounting policies during the year and that the same have been disclosed in the Notes to the Financial Statements; and

   (3) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Sd/-
Kunj Bihari Agarwal
Managing Director
Rupa & Company Limited
DIN: 00224857

Sd/-
Ramesh Agarwal
Whole-time Director-cum-Chief Financial Officer
Rupa & Company Limited
DIN: 00230702

Place: Kolkata
Date: May 23, 2018

Business Responsibility Report

Business Responsibility Report

For the Financial Year ended March 31, 2018

[Pursuant to Regulation 34(2)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

Section A: General Information about the Company

1	Corporate Identity Number (CIN) of the Company	L17299WB1985PLC038517
2	Name of the Company	Rupa & Company Limited
3	Registered address	Metro Tower, 8th Floor, 1, Ho Chi Minh Sarani, Kolkata - 700 071
4	Website	www.rupa.co.in
5	E-mail ID	cs@rupa.co.in
6	Financial Year reported	2017-18
7	Sector(s) that the Company is engaged in (industrial activity code-wise)	Manufacture of knitted apparel including hosiery 14309
8	Key products/ services that the Company manufactures/ provides	Manufacturing and sale of Hosiery Goods
9	Total number of locations where business activity is undertaken by the Company a) Number of International Locations b) Number of National Locations	Nil Manufacturing facilities are located at 4 locations. The details are given in the Corporate Governance Report, forming part of this Annual Report.
10	Markets served by the Company	The Company's products have national presence and some of the products are exported as well.

Section B: Financial Details of the Company

1	Paid-up Capital (INR)	₹ 7,95,24,560/-
2	Total Turnover (INR)	₹ 11,26,11,35,816/-
3	Total Profit after Taxes (INR)	₹ 94,61,43,532/-
4	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after taxes	₹ 2,25,35,955/-, i.e. 2.38%
5	List of activities in which expenditure in 4 above has been incurred	The Company has carried out various CSR Activities, as prescribed under the Companies Act, 2013. The details of such activities are given in the Annual Report on CSR Activities, annexed to the Board's Report, forming part of this Annual Report

Section C: Other Details

1	Does the Company have any Subsidiary Company/ Companies?	Yes, the Company has 3 (three) Wholly-owned Subsidiaries.
2	Do the Subsidiary Company/ Companies participate in the BR Initiatives of the parent Company?	No, the Subsidiary Companies do not participate in the BR initiatives of the Company. However, the Company encourages its subsidiary companies to participate in the BR initiatives of the Company.
3	Do any other entity/ entities (e.g. suppliers, distributors etc.) that the Company does business with; participate in the BR initiatives of the Company?	Other entity/entities (e.g., suppliers, distributors, etc.) that the Company does business with, do not participate in the BR initiatives of the Company.

Business Responsibility Report

Section D: BR (Business Responsibility) Information

The Board of Directors of the Company has entrusted the Corporate Social Responsibility (CSR) Committee of the Board, with the responsibility of BR implementation, reporting and other related matters. The terms of reference of the CSR Committee has been modified to include the activities relating to BR implementation and other related matters and the same is available on the website of the Company, at the link, http://rupa.co.in/site/wp-content/uploads/2015/10/Corporate-Social-Responsibility-Committee.pdf

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

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

1	DIN	00224857
2	Name	Mr. Kunj Bihari Agarwal
3	Designation	Managing Director

   b) **Details of the BR head**

1	DIN (if applicable)	N.A.
2	Name	Mr. L.S.S. Lal
3	Designation	Vice President (Corporate Planning and Strategic Management)
4	Telephone Number	+91-33-4057 3100
5	E-mail ID	lsslal@rupa.co.in

2. **Principle-wise (as per NVGs) BR Policy/policies**: 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 practices highest standards of corporate and individual behaviour in the conduct of business and the discharge of their duties. The Company always focuses on the areas of ethical risk, integrity and honesty, provides guidance to help individuals to recognize and deal with ethical issues and help foster a culture of honesty, integrity and accountability.

   The BR Policy of the Company is based on the National Voluntary Guidelines on Social, Environment and Economic Responsibilities of Business (NVGs) issued by the Ministry of Corporate Affairs, Government of India.

   This Policy is supported by the Code of Conduct and Business Ethics of the Company which describes the standards that everyone, at Rupa & Company Limited, follows.

   The National Voluntary Guidelines provide the following nine principles.

Principle 1: Ethics, Transparency and Accountability [P1]
Principle 2: Products Lifecycle Sustainability [P2]
Principle 3: Employees' Well-being [P3]
Principle 4: Stakeholder Engagement [P4]
Principle 5: Human Rights [P5]
Principle 6: Environment [P6]
Principle 7: Policy Advocacy [P7]
Principle 8: Inclusive Growth [P8]
Principle 9: Customer Value [P9]

Business Responsibility Report

a) **Details of Compliance (Reply in Y/N)**

Sl. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy/ policies for	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Does the policy conform to any national/ international standards? If yes, specify?	Y	Y	Y	Y	Y	Y	Y	Y	Y
		The Company strives to promote human rights as mentioned in the Constitution of India in the provisions of Fundamental Rights and Directive Principles of State Policy and also the guidelines of the International Bill of Human Rights.								
4	Has the policy being approved by the Board? Is yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
		The BR Policy has been signed by the Chairman of the Company.								
5	Does the Company have a specified Committee of the Board/ Director/ Official to oversee the implementation of the policy?	The Corporate Social Responsibility (CSR) Committee of the Board of Directors of the Company is authorised to oversee the implementation of the Business Responsibility Policy, reporting and other related matters.								
6.	Indicate the link for the policy to be viewed online?	The BR Policy can be viewed at: http://rupa.co.in/site/wp-content/uploads/2015/10/Business_Responsibility_Policy1.pdf For further reference on various policies, the same can be viewed in link, as mentioned in the following notes:								
		6a		6b	6c	6d			6e	
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
8	Does the Company have in-house structure to implement the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10	Has the Company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	Y	Y	Y	Y	Y	Y	Y	Y	Y
		Audit/ evaluation has been carried out with the internal resources.								

Notes to the Clause 2(a)(6):

6(a) - Code of Conduct and Business Ethics: http://rupa.co.in/investors/corporate-governance/code-of-conduct/
Whistle Blower Policy: http://rupa.co.in/site/wp-content/uploads/2015/10/WhistleBlowerPolicy1.pdf
6(b) - Whistle Blower Policy: http://rupa.co.in/site/wp-content/uploads/2015/10/WhistleBlowerPolicy1.pdf
6(c) - CSR Policy: http://rupa.co.in/site/wp-content/uploads/2015/10/corporate-social-responsibility-policy.pdf
Whistle Blower Policy: http://rupa.co.in/site/wp-content/uploads/2015/10/WhistleBlowerPolicy1.pdf
Dividend Distribution Policy: http://rupa.co.in/site/wp-content/uploads/2015/10/Dividend-Distribution-Policy.pdf
6(d) - Whistle Blower Policy: http://rupa.co.in/site/wp-content/uploads/2015/10/WhistleBlowerPolicy1.pdf
6(e) - CSR Policy: http://rupa.co.in/site/wp-content/uploads/2015/10/corporate-social-responsibility-policy.pdf

b) **If answer to the question at serial number 1 against any principle, is 'No', please explain why:** Not applicable.

3. **Governance related to BR**

a) **Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, annually, more than 1 year:** The CSR Committee of Board of Directors assesses the BR Performance of the Company, annually.

Business Responsibility Report

b) **Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published? –** The Business Responsibility Report, forms part of the Annual Report for the Financial Year 2017-18. The same is also available on the Company's website, www.rupa.co.in.

Section E: Principle-wise Performance

Principle 1

1) **Does the policy relating to ethics, bribery and corruption cover only the Company? Yes/ No. Does it extend to the Group/ Joint Ventures/ Suppliers/ Contractors/ NGOs/ Others? –** The Policy relating to ethics, bribery and corruption covers only the Company and its employees. The Company strives to maintain the highest standards of ethics in all spheres of its business activities. The Board of Directors and Senior Management of the Company aim at inculcating ethical behavior at all levels across the Company, making it an essential part of the work culture so that every employee of the Company conducts one self and lead, on behalf of the Company, with professionalism, honesty and integrity, and confirm to high moral and ethical ground. Apart from BR Policy, the Company has following policies dealing with ethics, transparency and accountability:

   Code of Conduct and Business Ethics: This Code is applicable to Company's directors, senior management and employees. All those concerned are required to strictly adhere to this Code of Conduct and Business Ethics. Any violation of any Code of Conduct is/ shall be viewed strictly and shall lead to disciplinary action, up to and including discharge. The Company ensures maximum appropriate disclosure to its various stakeholders without impacting its strategic intent.

   Whistle Blower Policy: Company's Whistle Blower mechanism provides an avenue to address concerns, in line with the Company's policy of highest possible standards of ethical, moral and legal business conduct and its commitment to open communication, as well as timely redressal of concerns and disclosures to build and strengthen a culture of transparency and trust in the Company.

   This Policy does not extend to the Group/ Joint Ventures/ Suppliers/ Contractors/ NGOs/ Others. However, the Company encourages them to participate in the BR initiatives of the Company.

2) **How many stakeholder complaints have been received in the Financial Year under review and what percentage was satisfactorily resolved by the management? –** During the Financial Year, 1 (one) Shareholder's complaint was received and resolved by the Company. No complaints were pending as on March 31, 2018. All communications/ queries received, were resolved, by the Company, to the satisfaction of the Shareholders. Customers' complaints and other correspondence are attended promptly by the Company.

Principle 2

1) **List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/ or opportunities –** The Company is engaged in manufacturing and sale of the Hosiery and related products and services. The Company ensures that the goods it produces are safe and sustainable. The manufacturing units of the Company meets appropriate environmental norms. The Company ensures that its business goals are pursued without compromising on social or environmental concerns.

2) **For each such product, provide the following details in respect of resource use (energy, water, raw material, etc.) –** The Company ensures that it keeps balance of the social, environmental and economic impact of the business, it conducts. The Company also ensures that its business goals are pursued without compromising any of the three elements, throughout the life cycle of the goods, from design to disposal/ delivery, i.e., from acquisition of raw materials through manufacturing and processing, smart packaging, distribution and transportation, use and reuse, recycling and disposal. The details of steps taken by the Company for conservation of energy has been detailed out in Annexure – II to the Board's Report, forming part of this Annual Report.

3) **Does the Company have procedures in place for sustainable sourcing (including transportation)? –** The Company strives to use all the resources *viz.* raw materials, natural resources and other resources, like, electricity, air, power, etc., sustainably, with maximum optimisation at all stages, including recycling the same to the extent possible. The

Business Responsibility Report

Company also regularly advises its employees, workers, engineers, value chain members including suppliers and distributors, customers and recyclers, on optimum utilisation of resources. The Company shall strives to use solar energy, depending on its feasibility, as part of captive consumption at its manufacturing units.

4) **Has the Company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?** – The Company strives to procure goods from local & small producers. The Company also outsources some of its jobs to local contractors and job-workers.

5) **Does the Company have a mechanism to recycle products and waste? If yes, what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). –** The Company ensures that the waste products generated during the process of manufacturing are re-cycled or the by-products generated, if any, are put to best possible use to safeguard the environment from over utilization of resources and minimize the hazards. The Company strives to reduce its own environmental footprints, influence the stakeholders in order to encourage them to reduce their footprints and engage with the employees to help reduce their personal footprints.

The waste cutting fabrics are being sold to third party for recycling thereof to make it reusable in some manner. About 5-10% of the wastes have been recycled.

Principle 3

1) **Total number of permanent employees –** 710, as on March 31, 2018

2) **Total number of employees hired on temporary/contractual/casual basis –** 1384, as on March 31, 2018

3) **Number of permanent women employees** – 68, as on March 31, 2018

4) **Number of permanent employees with disabilities** – The Company does not follow differential recruitment policy based on employees' demographic details and physical abilities. Hence, this number is not tracked.

5) **Do you have an employee association that is recognized by management** – No, there is no trade union in the factories of the Company. Employees have formed Works Committee in manufacturing units to address the grievances.

6) **Percentage of permanent employees who are members of this recognized employee association** – Not applicable.

7) **Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last Financial Year and pending, as on the end of the Financial Year–**

No.	Category	No of complaints filed during the Financial Year	No of complaints pending as on end of the Financial Year
1.	Child labour/ forced labour/ involuntary labour	Nil	Nil
2.	Sexual harassment	Nil	Nil
3.	Discriminatory employment	Nil	Nil

8) **What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year? –** Human Resources function is instrumental in creating and developing human capital in alignment with the Company's requirement. One of the key focus areas in the Company's objective is to groom and to train employees. It imparts specialized and technical training to its employees at regular intervals, which enrich their knowledge, skill and competency to perform their job effectively and efficiently. Workplace safety training is also being provided to the workmen to enhance their knowledge and skills, they need to protect equipment, facilities and unintentional physical injuries. Training has been provided to more than 25% of the workforce during the year.

Principle 4

1) **Has the Company mapped its internal and external stakeholders? Yes/No –** Yes, the Company has mapped its

Business Responsibility Report

internal and external stakeholders. We recognise employees, business associates (network of suppliers, stockists and dealers), customers, shareholders/ investors, communities surrounding our operations and regulatory authorities as our key stakeholders.

2) **Out of the above, has the Company identified the disadvantaged, vulnerable & marginalized stakeholders? –** The Company believes that all its stakeholders are not equally influential and therefore it encourages to proactively engage with and responds to safeguard the interest of those that are disadvantaged, vulnerable and marginalized and who are at an underdeveloped area. The Corporate Social Responsibility (CSR) initiatives undertaken by the Company has been driven towards the benefit of the disadvantaged, vulnerable and marginalized stakeholders.

3) **Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalized stakeholders?** – The initiatives taken by the Company have been detailed out in the Annual Report on CSR activities, which has been annexed to the Board's Report, marked as Annexure – V, forming part of this Annual Report.

Principle 5

1) **Does the policy of the Company on human rights cover only the Company or extend to the Group/ Joint Ventures/ Suppliers/ Contractors/ NGOs/ Others? –** In Rupa, the issues related to human rights are covered under the Code of Conduct and Business ethics and Whistle blower Policy, apart from the BR Policy, which covers only the Company and its employees. The Company understands and continuously strives to promote human rights as mentioned in the Constitution of India in the provisions of Fundamental Rights and Directive Principles of State Policy and also the guidelines of the International Bill of Human Rights.

2) **How many stakeholder complaints have been received in the past Financial Year and what percent was satisfactorily resolved by the management? –** No complaint was received pertaining to human rights violation during the past Financial Year. Details of complaints received from shareholders have been dealt in clause 2 of Principle 1.

Principle 6

1) **Does the policy related to Principle 6 cover only the Company or extends to the Group/ Joint Ventures/ Suppliers/ Contractors/ NGOs/ Others? –** The Policy related to Principle 6 cover only the Company. However, the Company encourages that the Group/Joint Ventures/ Suppliers/ Contractors/ NGOs/ Others should follow the underlying standard stated under this principle.

2) **Does the Company has strategies/ initiatives to address global environmental issues such as climate change, global warming, etc.? Y/N. If yes, please give hyperlink for webpage, etc. –** The Company ensures undertaking of pollution control measures not only at all stages of production but also within the workplace, i.e., within the administrative offices, units, depots and such other places where the Company operates.

3) **Does the Company identify and assess potential environmental risks? Y/N –** The Company assesses the potential environmental risks periodically by gauging the environmental impacts of the existing practices and procedures adopted by the Company and the extent to which practices can be modified so as to mitigate the environmental damage and to reduce adverse impact on environment by adopting cleaner production methods, promoting use of energy efficient and environment friendly technologies and use of renewable energy.

4) **Does the Company has any project related to Clean Development Mechanism? –** No, the Company does not have any project related to Clean Development Mechanism.

5) **Has the Company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc.? –** The Company continuously endeavour to use the latest energy efficient technologies to ensure optimal utilisation of the resources without having to compromise with the quality of its products. The Company has in place an Environment Management Systems (EMS) which deals with preventing, mitigating and controlling environmental damages and disasters and also devises plans to deal with contingencies.

6) **Are the emissions/ waste generated by the Company within the permissible limits given by CPCB/ SPCB for the Financial Year being reported? –** During the Financial Year, the emissions, solid waste and effluent generated were within the limits as prescribed by CPCB or SPCB.

Business Responsibility Report

7) **Number of show cause/ legal notices received from CPCB/ SPCB which are pending (i.e. not resolved to satisfaction) as on the end of Financial Year –** No show cause/ legal notices have been received from CPCB/ SPCB during the Financial Year.

Principle 7

1) **Is your Company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with –** The Company strives to engage with the Government and be a part of various chambers and associations to make recommendations/ representations before regulators and associations for advancement and improvement of the industry to which it pertains. The executives of the Company participate and play an active role in committees, associations, etc., constituted for industry reforms and advancement. The Company or its executive(s) is the member, or associated with the (a) Bharat Chamber of Commerce; (b) Merchant Chamber of Commerce; (c) Indian Chamber of Commerce; (d) Federation of Hosiery Manufacturers Association of India; (e) West Bengal Hosiery Association; and (f) South India Hosiery Association.

2) **Have you advocated/ lobbied through above associations for the advancement or improvement of public good? Y/N; –** The Company shall perform the function of policy advocacy in a transparent and responsible manner while engaging with all the authorities and shall take into account the Company's interest as well as the larger national interest.

   The Company believes that policy advocacy must preserve and expand public good and thus, it does not advocates any policy change to benefit itself alone or a select few.

Principle 8

1) **Does the Company has specified programmes/ initiatives/ projects in pursuit of the policy related to Principle 8? –** Yes, the Company supports the principles of inclusive growth and equitable development through not just its Corporate Social Responsibility initiatives but through its core business as well.

2) **Are the programmes/projects undertaken through in-house team/ own foundation/ external NGO/ government structures/ any other organization? –** The Company undertakes programmes/ projects directly through in-house team as well as through other trusts, NGOs, etc.

3) **Have you done any impact assessment of your initiative? –** Yes, the Company internally performs an impact assessment of its initiatives at the end of each year to understand the efficacy of the program in terms of delivery of desired benefits to the community and to gain insights for improving the design and delivery of future initiatives.

4) **Company's direct/ indirect contribution to community development projects and the details of the projects undertaken –** The Company's contribution to the community development projects undertaken during the year through its CSR activities is ` 2,25,35,955/-. The details are given in Annexure – V to the Board's Report, forming part of this Annual Report. Apart from this, the Company also contributes, directly or indirectly, towards development projects for the community benefit.

5) **Have you taken steps to ensure that this community development initiative is successfully adopted by the community? –** The Company continuously engages with communities surrounding their operations through focused approach. This is done to gauge the needs, priorities and expectations of the local community. Initiatives are, thus, designed and delivered in a transparent manner in line with inputs from the community itself. We also try to create sustainable infrastructure/ programmes so that it should be continued on sustainable basis. The Company also takes reports from the implementing agencies to ensure the utilization of the fund.

Business Responsibility Report

Principle 9

1) **What percentage of customer complaints/ consumer cases are pending as on the end of Financial Year? –** The Company addresses the customer/ consumer complaints, if any, promptly on priority basis. There was no customer/ consumer complaint pending as at the end of the Financial Year.

2) **Does the Company display product information on the product label, over and above what is mandated as per local laws? –** The Company understands the importance of fair disclosure of the description of its products and thereby, ensures to disclose, truthfully and factually, such relevant information including risks about the product, as may be required statutorily, through labelling so that the consumers can exercise their freedom to consume in a responsible manner.

3) **Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of Financial Year –** No case has been filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on the end of Financial Year.

4) **Did your Company carry out any consumer survey/ consumer satisfaction trends? –** The Company engages with its consumers on an ongoing basis and conducts methodical research on their satisfaction with respect to its products and advertisements. These surveys are conducted through third party market research firms. We undertake regular brand tracking exercises to assess brand preference scores and impact of our advertisements.

Independent Auditor's Report

To the Members of
Rupa & Company Limited

Report on the Standalone IND AS Financial Statements

1. We have audited the accompanying standalone Ind AS financial statements of **RUPA & COMPANY LIMITED** ('the Company'), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone IND AS Financial Statements

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standard) Rules 2015, as amended, and other accounting principles generally accepted in India.

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

Auditor's Responsibility

3. Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit.

   In conducting 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 of the standalone Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative announcements issued by Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone Ind AS financial statements are free from material misstatement.

4. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone Ind AS financial statements. The procedures selected depend upon the auditor's judgment, including the assessment of the risks of material misstatement of the Standalone Ind As Financial Statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone Ind AS financial statements.

5. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

Opinion

6. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the 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, 2018, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Independent Auditor's Report

Other Matter

7. The corresponding financial information of the Company as at and for the year ended March 31, 2017 and the transition date opening balance sheet as at April 01, 2016 included in these Ind AS Financial Statements, are based on the previously issued financial statements for the years ended March 31, 2017 and March 31, 2016, prepared in accordance with the Companies (Accounting Standards) Rules, 2006 (as amended). Financial statements for the year ended March 31, 2016 was audited by predecessor auditor whereas financial statements for the year ended March 31, 2017 were audited by us, on which an unmodified opinion was expressed vide audit report dated May 30, 2016 and May 26, 2017 respectively. These financial statements have been adjusted for differences in accounting principles to comply with Ind AS and such adjustments on transition to Ind AS which has been approved by the Company's Board of Directors have been audited by us.

   Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

8. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in 'Annexure A' a statement on the matters specified in paragraphs 3 and 4 of the Order.

9. As required by Section 143(3) of the Act, based on our audit, 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 purposes of our audit;

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

   c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account;

   d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act;

   e) On the basis of the written representations received from the directors as on March 31, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164(2) of the Act;

   f) With respect to the adequacy of the internal financial controls over financial reporting of the Companyand the operating effectiveness of such controls refer to our separate Report in 'Annexure B'. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting; and

   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, as amended, 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 standalone financial statements as stated in Note 10 & 35 to the financial statement;

      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.

      iv. The disclosures in the financial statements regarding holdings as well as dealings in specified bank notes during the period from November 8, 2016 to December 30, 2016 have not been made since they do not pertain to the financial year ended March 31, 2018.

For **Singhi & Co.,**
Chartered Accountants
Firm's Registration No. 302049E

Sd/-
(Aditya Singhi)
Partner
Membership No. 305161

Place: Kolkata
Date: May 23, 2018

Annexure A to the Independent Auditor's Report

(Referred to in paragraph 8 with the heading 'Report on Other Legal and Regulatory Requirements' section of our report of even date in respect to Statutory Audit of Rupa & Company Limited for the year ended March 31, 2018)

We report that:

i. In respect of its fixed assets:

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

   b) As explained to us, fixed assets have been physically verified during the year by the management and no material discrepancies have been noticed on such physical verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets; and

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

ii. In respect of inventories, physical verification has been conducted at reasonable intervals during the year by the management and in our opinion the frequency of verification is reasonable. According to the information and explanation given to us, no material discrepancies were noticed on physical verification of inventories as compared to the book records. Inventories lying with outside parties have been confirmed by them at the year end.

iii. The Company has granted loan to one body corporate covered in the register maintained under section 189 of the Companies Act, 2013.

   a) In our opinion, the rate of interest and other terms and conditions on which the loan has been granted were not, prima-facie, prejudicial to the interest of the company.

   b) In case of the loan granted to the body corporate covered in the register maintained under section 189 of the Companies Act, 2013, the loan and interest is repayable on demand.

   c) There are no overdue amount in respect of loan granted to body corporate covered in the register maintained under section 189 of the Companies Act, 2013.

iv. In our opinion and according to the information and explanations given to us, and according to the information and explanations provided to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.

v. According to information and explanations given to us, the Company has not accepted any deposits from public during the year.

vi. To the best of our knowledge and according to information and explanations given to us, the Government has not specified maintenance of the cost records under section 148(1) of the Companies Act, 2013 in regard to the activities of the Company.

vii. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company is regular in depositing undisputed statutory dues including provident fund, employee's state insurance, income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues were in arrears as at March 31, 2018 for a period of more than six months from the date they became payable.

   (b) According to the information and explanation given to us, the dues of sales tax, income tax, duty of customs, duty of excise, service tax and value added tax which have not been deposited on account of any dispute and the forum where the dispute is pending as on March 31, 2018 are as under :-

Annexure A to the Independent Auditor's Report

Name of the statute	Nature of dues	Amount (₹)	Period to which the amount relates	Forum where dispute is pending
The Central Sales Tax Act, 1956	Demand Relating to non-submission of C Forms & other disputes/disallowances	44,50,608	Financial Year 2005-06	West Bengal Commercial Taxes Appeallate Tribunal & Revisional Board
		66,99,672	Financial Year 2014-15	Senior Joint Commissioner Taxes (Appeal)
The West Bengal Value Added Tax, 2003	Demand Relating to export & other disallowances / disputes	35,79,753	Financial Year 2014-15	Senior Joint Commissioner Taxes (Appeal)

viii. Based on our audit procedures and according to the information and explanations given to us, we are of the opinion that the Company has not defaulted in repayment of dues to banks or financial institutions. There were no debentures outstanding at any time during the year.

ix. The Company had not raised any money during the year by way of term loans. The Company also did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year.

x. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

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

xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

xiv. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **Singhi & Co.,**
Chartered Accountants
Firm's Registration No. 302049E

Sd/-

(Aditya Singhi)
Partner
Membership No. 305161

Place: Kolkata
Date: May 23, 2018

Annexure B to the Independent Auditor's Report

Report on the Internal Financial Controls under Clause (i) of Sub-Section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of RUPA&COMPANY LIMITED ("the Company") as of March 31, 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that

Annexure B to the Independent Auditor's Report

the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

OPINION

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Singhi & Co.,**
Chartered Accountants
Firm's Registration No. 302049E

Sd/-
(Aditya Singhi)
Partner
Membership No. 305161

Place: Kolkata
Date: May 23, 2018

Standalone Balance Sheet

as at March 31, 2018

(Amount in ₹)

	Note No.	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Assets				
Non-Current Assets				
(a) Property, Plant and Equipment	4	1,51,40,33,672	1,53,26,62,192	1,51,99,76,817
(b) Capital Work-in-progress		8,48,26,378	-	6,46,75,130
(c) Intangibles Assets	5	2,66,51,661	3,24,29,485	92,59,094
(d) Intangible Assets under Development	5(a)	-	-	2,31,55,565
(e) Investments in Subsidiaries	6	14,02,00,000	8,12,00,000	4,12,00,000
(f) Financial Assets				
(i) Investments	7	10,74,500	9,93,640	8,34,600
(ii) Loans	8	1,15,70,260	1,15,55,763	1,39,11,334
(iii) Other Financial Assets	9	16,96,692	16,96,692	15,01,328
(g) Other Non Current Assets	10	8,72,30,544	13,57,63,922	16,55,66,789
		1,86,72,83,707	**1,79,63,01,694**	**1,84,00,80,657**
Current assets				
(a) Inventories	11	3,12,52,38,625	2,88,48,44,024	2,99,90,72,180
(b) Financial Assets				
(i) Trade Receivable	12	3,28,62,11,367	2,07,02,29,820	1,74,77,58,172
(ii) Cash and Cash Equivalents	13	4,60,93,755	8,69,74,480	4,42,45,143
(iii) Other Bank Balances (other than above)	14	1,78,66,734	1,68,51,329	1,56,16,702
(iv) Loans	8	42,22,50,064	13,43,13,060	68,61,014
(v) Other Financial Assets	9	1,44,52,307	78,48,158	-
(c) Other Current Assets	10	16,06,66,837	11,72,05,843	14,16,23,563
		7,07,27,79,689	**5,31,82,66,714**	**4,95,51,76,774**
TOTAL ASSETS		**8,94,00,63,396**	**7,11,45,68,408**	**6,79,52,57,431**
Equity & Liabilities				
Equity				
(a) Equity Share Capital	15	7,96,29,060	7,96,29,060	7,96,29,060
(b) Other Equity	16	5,02,96,75,488	4,34,80,65,321	3,57,65,69,804
		5,10,93,04,548	**4,42,76,94,381**	**3,65,61,98,864**
Non-Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	17	-	77,64,175	4,27,88,486
(b) Provisions	18	-	-	-
(c) Deferred Tax Liabilities (Net)	19	13,23,82,419	13,46,98,429	14,37,38,522
(d) Other Non-Current Liabilities	20	1,00,60,981	37,23,134	45,03,540
		14,24,43,400	**14,61,85,738**	**19,10,30,548**
Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	21	1,09,88,41,110	79,59,66,749	1,38,79,70,943
(ii) Trade Payables	22			
-Total outstanding dues of creditors to micro enterprises and small enterprises		-	-	-
-Total outstanding dues of creditor to other than micro enterprises and small enterprises		1,56,72,51,221	95,04,48,648	85,53,72,175
(iii) Other Financial Liabilities	23	79,29,77,607	61,29,94,043	56,65,46,763
(b) Provisions	18	2,35,47,319	1,82,27,108	97,20,505
(c) Current Tax Liabilities (Net)	24	16,38,13,169	8,39,96,712	3,94,15,117
(d) Other Current Liabilities	20	4,18,85,022	7,90,55,029	8,90,02,516
		3,68,83,15,448	**2,54,06,88,289**	**2,94,80,28,019**
TOTAL EQUITY & LIABILITIES		**8,94,00,63,396**	**7,11,45,68,408**	**6,79,52,57,431**
Basis of Accounting	2			
Significant Accounting Policies	3			
Significant Judgements and Key Estimates	3.20			

The notes are the integral part of the standalone financial statements

as per our report of even date

For **Singhi & Co.**
Chartered Accountants
Firm's Registration No. 302049E

Sd/-
Aditya Singhi
Partner
Membership No. 305161

Place: Kolkata
Date: May 23, 2018

For and on behalf of the Board of Directors

Sd/-
Prahlad Rai Agarwala
Chairman
DIN: 00847452

Sd/-
Ghanshyam Prasad Agarwala
Vice-Chairman
DIN: 00224805

Sd/-
Kunj Bihari Agarwal
Managing Director
DIN: 00224857

Sd/-
Ramesh Agarwal
Whole-time Director-cum-Chief Financial Officer
DIN: 00230702

Sd/-
Kundan Kumar Jha
Company Secretary
Membership No. ACS17612

Standalone Statement of Profit and Loss

for the year ended March 31, 2018

(Amount in ₹)

		Note No.	For the year ended March 31, 2018	For the year ended March 31, 2017
I	Revenue from Operations	25	11,26,11,35,816	10,84,29,58,389
II	Other Income	26	3,41,50,290	3,40,39,829
III	**Total Income (I+II)**		**11,29,52,86,106**	**10,87,69,98,218**
IV	**Expenses**			
	Cost of Materials Consumed	27	5,07,50,04,822	4,79,57,49,219
	Changes in inventories of Finished Goods and Work-in-Progress	28	(8,20,83,867)	14,58,49,861
	Employee Benefits Expense	29	39,01,91,366	35,04,15,732
	Finance Costs	30	7,59,18,277	10,54,69,502
	Depreciation and Amortisation Expense	31	14,41,17,783	15,04,87,036
	Other Expenses	32	4,21,76,11,533	4,13,99,50,313
	Total Expenses (IV)		**9,82,07,59,914**	**9,68,79,21,663**
V	**Profit before Exceptional Items & Tax (III-IV)**		**1,47,45,26,192**	**1,18,90,76,555**
VI	**Exceptional Items**		**-**	**-**
VII	**Profit/(Loss) Before Tax (V-VI)**		**1,47,45,26,192**	**1,18,90,76,555**
VIII	Tax Expense	33		
	a) Current Tax		52,99,89,559	42,66,00,000
	b) Deferred Tax		(16,06,899)	(90,32,782)
IX	**Profit for the year (VII- VIII)**		**94,61,43,532**	**77,15,09,337**
X	**Other Comprehensive Income**			
	A. (i) Items that will not be reclassified to profit or loss			
	-Remeasurements of defined benefit plans		(20,29,282)	(21,134)
	(ii) Income tax relating to items that will not be reclassified to profit or loss		7,09,112	7,314
	B. (i) Items that will be reclassified to profit or loss		-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
XI	**Other Comprehensive Income for the year [(A(i-ii) +B(i-ii)]**		**(13,20,170)**	**(13,820)**
XII	**Total Comprehensive Income for the year (IX+XI)**		**94,48,23,362**	**77,14,95,517**
XIII	**Earnings per Equity Share**			
	Basic Earnings per Share (₹)	40	11.90	9.70
	Diluted Earnings per Share (₹)		11.90	9.70

Basis of Accounting	2
Significant Accounting Policies	3
Significant Judgements and Key Estimates	3.20

The notes are the integral part of the standalone financial statements

As per our report of even date

For **Singhi & Co.**
Chartered Accountants
Firm's Registration No. 302049E

Sd/-
Aditya Singhi
Partner
Membership No. 305161

Place: Kolkata
Date: May 23, 2018

For and on behalf of the Board of Directors

Sd/-
Prahlad Rai Agarwala
Chairman
DIN: 00847452

Sd/-
Ghanshyam Prasad Agarwala
Vice-Chairman
DIN: 00224805

Sd/-
Kunj Bihari Agarwal
Managing Director
DIN: 00224857

Sd/-
Ramesh Agarwal
Whole-time Director-cum-Chief Financial Officer
DIN: 00230702

Sd/-
Kundan Kumar Jha
Company Secretary
Membership No. ACS17612

Standalone Cash Flow Statement

for the year ended March 31, 2018

(Amount in ₹)

		2017-2018		2016-2017	
A.	**CASH FLOW FROM OPERATING ACTIVITIES**				
	Profit before Tax		**1,47,45,26,192**		**1,18,90,76,555**
	Adjustment to reconcile profit before tax to Net Cash Flows				
	(a) Depreciation and Amortisation	14,41,17,783		15,04,87,036	
	(b) Finance Cost	7,59,18,277		10,54,69,502	
	(c) (Profit)/Loss on disposal of Fixed Assets (Net)	3,19,326		45,966	
	(d) Bad Debts/Advances & Claims written off	48,02,998		6,57,55,023	
	(e) Unspent Liabilities written back	-		(36,91,811)	
	(f) Intangible Assets under Development written off	-		2,31,55,565	
	(g) Provision for Doubtful Trade Receivables	(4,01,096)		1,05,488	
	(h) Deferred Revenue on Government Grant	(48,33,928)		(7,81,906)	
	(i) Increase in fair value of Investments	(80,860)		(1,56,040)	
	(j) Interest Income	(2,61,57,039)	**19,36,85,461**	(2,01,90,924)	**32,01,97,899**
	Operating Profit before Working Capital Changes		**1,66,82,11,653**		**1,50,92,74,454**
	Changes in Working Capital				
	(a) (Increase)/decrease in Inventories	(24,03,94,600)		11,42,28,156	
	(b) (Increase)/decrease in Trade Receivables	(1,22,03,83,449)		(34,63,83,189)	
	(c) (Increase)/decrease in Other Financial Assets	(6,43,990)		3,52,942	
	(d) (Increase)/decrease in Non-Financial Assets	(4,34,60,994)		(1,75,31,245)	
	(e) Increase/(decrease) in Trade Payables	61,68,02,573		9,87,68,283	
	(f) Increase/(decrease) in other Financial Liabilities	20,78,34,289		6,96,18,976	
	(g) Increase/(decrease) in Provisions	32,90,929		84,85,469	
	(h) Increase/(decrease) in Non-Financial Liabilities	(3,81,37,457)	**(71,50,92,699)**	(99,45,988)	**(8,24,06,596)**
	Cash Generated from Operations		**95,31,18,954**		**1,42,68,67,858**
	Less: (a) Direct Taxes paid		(45,01,73,102)		(38,20,18,405)
	Net Cash from Operating Activities		**50,29,45,852**		**1,04,48,49,453**
B.	**CASH FLOW FROM INVESTING ACTIVITIES**				
	(a) Interest received		1,96,46,115		1,23,42,766
	(b) Purchase of Fixed Assets		(15,80,80,707)		(9,98,65,579)
	(c) Disposal of Fixed Assets		6,83,500		10,74,788
	(d) Capital Subsidy received		1,21,39,225		-
	(e) Investment in a Subsidiary Company		(5,90,00,000)		(4,00,00,000)
	(f) (Redemption) of Fixed Deposits (net)		(9,52,588)		(10,74,748)
	(g) Purchase of Equity Instrument		-		(3,000)
	(h) Loans granted		(28,74,00,736)		(12,54,49,417)
	Net Cash used in Investing Activities		**(47,29,65,191)**		**(25,29,75,190)**

Standalone Cash Flow Statement

for the year ended March 31, 2018

(Amount in ₹)

	2017-2018		2016-2017	
C. CASH FLOW FROM FINANCING ACTIVITIES				
(a) Dividend and Tax paid thereon		(26,32,13,195)		-
(b) Interest paid		(7,54,98,241)		(10,56,39,442)
(c) Repayment of Non-Current Borrowings		(3,50,24,311)		(5,15,01,290)
(d) Proceeds / (Repayment) of Current Borrowings (net)		30,28,74,361		(59,20,04,194)
Net Cash used in Financing Activities		**(7,08,61,386)**		**(74,91,44,926)**
Net increase/(decrease) in Cash & Cash Equivalent (A+B+C)		**(4,08,80,725)**		**4,27,29,337**
Cash & Cash Equivalents at the beginning of the period		8,69,74,480		4,42,45,143
Cash & Cash Equivalents at the end of the period		**4,60,93,755**		**8,69,74,480**

Note:

(1) The above statement of cash flows has been prepared under the "Indirect Method" as set out in IND AS - 7 Statement of Cash Flows.

(2) Closing Cash and Cash Equivalents represent balances of cash and cash equivalents as indicated in Note 13 to the financial statements.

(3) Statement of Reconciliation of Financing activities :

(Amount in ₹)

	Term Loan from Banks	Short Term Borrowings
Balance as at April 01, 2017 (including interest accrued thereon)	4,27,88,486	79,60,92,026
Cash Flow (Net)	(3,50,24,311)	30,28,74,361
Non Cash Changes		
Fair Value Changes	-	-
Others *	86,800	-
Interest Expense	31,54,170	4,13,71,300
Interest Paid	(32,40,970)	(4,09,51,265)
Balance as at March 31, 2018 (including interest accrued thereon)	**77,64,175**	**1,09,93,86,422**

* represents amortization of debt issuance cost related to term loan

(4) Direct taxes paid are treated as arising from operating activities and are not bifurcated between investing and financing activities.

(5) Previous years figures have been regrouped/ reclassified wherever necessary.

As per our report of even date

For **Singhi & Co.**
Chartered Accountants
Firm's Registration No. 302049E

Sd/-
Aditya Singhi
Partner
Membership No. 305161

Place: Kolkata
Date: May 23, 2018

For and on behalf of the Board of Directors

Sd/-
Prahlad Rai Agarwala
Chairman
DIN: 00847452

Sd/-
Ghanshyam Prasad Agarwala
Vice-Chairman
DIN: 00224805

Sd/-
Kunj Bihari Agarwal
Managing Director
DIN: 00224857

Sd/-
Ramesh Agarwal
Whole-time Director-cum-Chief Financial Officer
DIN: 00230702

Sd/-
Kundan Kumar Jha
Company Secretary
Membership No. ACS17612

Standalone Statement of Change in Equity

for the year ended March 31, 2018

(Amount in ₹)

a) Equity Share Capital	
Balance as at April 01, 2016	**7,96,29,060**
Add/(Less): Changes in Equity Share Capital during the year	-
Balance as at March 31, 2017	**7,96,29,060**
Add/(Less): Changes in Equity Share Capital during the year	-
Balance as at March 31, 2018	**7,96,29,060**

	Reserves & Surplus			Total
	Securities Premium Account	General Reserve	Retained Earnings	
b) Other Equity				
Balance as at April 01, 2016	**68,80,30,890**	**42,31,16,859**	**2,46,54,22,055**	**3,57,65,69,804**
Profit for the Year	-	-	77,15,09,337	77,15,09,337
Remeasurement Gain on defined benefit plans (Net of Taxes)	-	-	(13,820)	(13,820)
Total Comprehensive Income	**-**	**-**	**77,14,95,517**	**77,14,95,517**
Final Dividend Paid	-	-	-	-
Dividend Distribution Tax on Final Dividend	-	-	-	-
Balance as at March 31, 2017	**68,80,30,890**	**42,31,16,859**	**3,23,69,17,572**	**4,34,80,65,321**
Profit for the Year	-	-	94,61,43,532	94,61,43,532
Remeasurement Gain on defined benefit plans (Net of Taxes)	-	-	(13,20,170)	(13,20,170)
Total Comprehensive Income	**-**	**-**	**94,48,23,363**	**94,48,23,363**
Final Dividends Paid	-	-	(21,86,92,540)	(21,86,92,540)
Dividend Distribution Tax on Final Dividend	-	-	(4,45,20,655)	(4,45,20,655)
Balance as at March 31, 2018	**68,80,30,890**	**42,31,16,859**	**3,91,85,27,739**	**5,02,96,75,488**

The notes are the integral part of the standalone financial statements

As per our Report annexed

As per our report of even date

For **Singhi & Co.**
Chartered Accountants
Firm's Registration No. 302049E

Sd/-
Aditya Singhi
Partner
Membership No. 305161

Place: Kolkata
Date: May 23, 2018

For and on behalf of the Board of Directors

Sd/-
Prahlad Rai Agarwala
Chairman
DIN: 00847452

Sd/-
Ghanshyam Prasad Agarwala
Vice-Chairman
DIN: 00224805

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Kunj Bihari Agarwal
Managing Director
DIN: 00224857

Sd/-
Ramesh Agarwal
Whole-time Director-cum-Chief Financial Officer
DIN: 00230702

Sd/-
Kundan Kumar Jha
Company Secretary
Membership No. ACS17612

Notes to the Standalone Financial Statement

for the year ended March 31, 2018

1. CORPORATE AND GENERAL INFORMATION

Rupa & Company Limited (the Company) was incorporated in India in the year 1985 and having its registered office in Metro Towers, 8th Floor , 1, Ho Chi Minh Sarani, Kolkata - 700 071 .

The Company is a Public Limited Company domiciled in India & is incorporated under provision of Companies Act applicable in India. Its shares are listed on the National Stock Exchange of India Ltd. and BSE 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. The Financial statements are approved for issue by the Company's Board of Directors on May 23, 2018

2. BASIS OF ACCOUNTING

2.1 Statement of Compliance

These financial statements have been prepared in accordance with the Indian Accounting Standards ("Ind AS") as prescribed by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ("the Act"), read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended), other relevant provisions of the Act and other accounting principles generally accepted in India.

The financial statements for all periods up to and including the year ended March 31, 2017, were prepared in accordance with Generally Accepted Accounting Principles (GAAP) in India, which includes the accounting standards prescribed under section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014 and other provisions of the Act (collectively referred to as "Indian GAAP"). These financial statements for the year ended March 31, 2018 are the first Ind AS Financial Statements with comparatives, prepared under Ind AS. The Company has consistently applied the accounting policies used in the preparation of its opening Ind AS Balance Sheet as at April 01, 2016 throughout all periods presented, as if these policies had always been in effect and are covered by Ind AS 101 "First Time Adoption of Indian Accounting Standards".

An explanation of how the transition to Ind AS has affected the previously reported financial position and financial performance of the Company is provided in Note No. 49. Certain of the Company's Ind AS accounting policies used in the opening Balance Sheet differed from its Indian GAAP policies applied as at March 31, 2016 and accordingly the adjustments were made to restate the opening balances as per Ind AS. The resulting adjustment arising from events and transactions before the date of transition to Ind AS were recognized directly through retained earnings as at April 01, 2016 as required by Ind AS 101. The financial statements of the Company for the year ended March 31, 2018 have been approved by the Board of Directors in their meeting held on May 23, 2018

2.2 Basis of Measurement

The financial statements have been prepared on historical cost basis, except for following:

- Financial assets and liabilities (including derivative instruments) that is measured at Fair value/ Amortised cost;
- Non-current assets held for sale – measured at the lower of the carrying amounts and fair value less cost to sell;
- Defined benefit plans – plan assets measured at fair value.

2.3 Functional and Presentation Currency

The Financial Statements have been presented in Indian Rupees (INR), which is also the Company's functional currency.

2.4 Use of Estimates and Judgements

The preparation of financial statements 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

Notes to the Standalone Financial Statement
for the year ended March 31, 2018

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.

2.5 Current Vs Non-Current Classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is classified as current when it is:

- Expected to be realized or intended to sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All the other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current. Deferred Tax Assets and Liabilities are classified as non-current assets and liabilities respectively.

3. SIGNIFICANT ACCOUNTING POLICIES

A summary of the significant accounting policies applied in the preparation of the financial statements are as given below. These accounting policies have been applied consistently to all the periods presented in the financial statements.

3.1 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 weighted average basis including packing materials, accessories and dyes and chemicals.

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 (measured in kgs) is determined on weighted average basis and cost of work-in-progress (measured in pieces) and cost of finished goods is determined on Retail Sales Price Method.

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.

3.2 Cash and Cash Equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short term deposits with an original maturity of three months or less, which are subject to an insignificant risk of change in value.

Notes to the Standalone Financial Statement

for the year ended March 31, 2018

3.3 Income Tax

Income Tax comprises current and deferred tax. It is recognized in the Statement of Profit and Loss except to the extent that it relates to an item recognized directly in equity or in other comprehensive income.

Current Tax

Current tax liabilities (or assets) for the current and prior periods are measured at the amount expected to be paid to (recovered from) the taxation authorities using the tax rates (and tax laws) that have been enacted or substantively enacted, at the end of the reporting period.

Deferred Tax

- Deferred Tax assets and liabilities shall be measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.
- Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes (i.e., tax base). Deferred tax is also recognized for carry forward of unused tax losses and unused tax credits.
- Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.
- The carrying amount of deferred tax assets is reviewed at the end of each reporting period. The Company reduces the carrying amount of a deferred tax asset to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or that entire deferred tax asset to be utilized. Any such reduction is reversed to the extent that it becomes probable that sufficient taxable profit will be available.
- Deferred tax relating to items recognized outside the Statement of Profit and Loss is recognized either in other comprehensive income or in equity. Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.
- Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

3.4 Property, Plant and Equipment

3.4.1. Recognition and Measurement:

- Property, plant and equipment held for use in the production or/and supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost, less any accumulated depreciation and accumulated impairment losses (if any).
- Cost of an item of property, plant and equipment acquired comprises its purchase price including import duties and non-refundable purchase taxes, after deducting any trade discounts and rebates, borrowing cost, if capitalization criteria is met, any directly attributable costs of bringing the assets to its working condition and location for its intended use and present value of any estimated cost of dismantling and removing the item and restoring the site on which it is located.
- In case of self-constructed assets, cost includes the costs of all materials used in construction, direct labour, allocation of directly attributable overheads, directly attributable borrowing costs incurred in bringing the item to working condition for its intended use, and estimated cost of dismantling and removing the item and restoring

Notes to the Financial Statement

as at and for the year ended March 31, 2018

the site on which it is located. The costs of testing whether the asset is functioning properly, after deducting the net proceeds from selling items produced while bringing the asset to that location and condition are also added to the cost of self-constructed assets.

- If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.
- Profit or loss arising on the disposal of property, plant and equipment are recognized in the Statement of Profit and Loss.

3.4.2. Subsequent Expenditure

- Subsequent costs are included in the asset's carrying amount, only when it is probable that future economic benefits associated with the cost incurred will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced.
- Major Inspection/ Repairs/ Overhauling expenses are recognized in the carrying amount of the item of property, plant and equipment as a replacement if the recognition criteria are satisfied. Any Unamortized part of the previously recognized expenses of similar nature is derecognized.

3.4.3. Depreciation and Amortization

- Depreciation on Property Plant & Equipment is provided under Straight Line basis using the rates arrived at based on the useful lives estimated by the management. The identified components are depreciated over their useful lives; the remaining asset is depreciated over the life of the principal asset. The company has used the following rates to provide depreciation on its Property Plant & Equipment.

Class of Property Plant & Equipment	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

- 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.
- The management has estimated, supported by independent assessment by professionals, the useful lives of certain plant and machinery as 10 years. These lives are lower than those indicated in schedule II of Companies Act, 2013.
- Depreciation on additions (disposals) during the year is provided on a pro-rata basis i.e., from (up to) the date on which asset is ready for use (disposed of).
- Depreciation on assets built on leasehold land, which is transferrable to the lessor on expiry of lease period, is amortized over the period of lease.

Notes to the Financial Statement

as at and for the year ended March 31, 2018

- Depreciation method, useful lives and residual values are reviewed at each financial year end and adjusted if appropriate.
- Lease hold land is amortized on a straight line basis over the period of lease i.e ,90 years.

3.4.4. Disposal of Assets

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between net disposal proceeds and the carrying amount of the asset and is recognized in the statement of profit and loss.

3.4.5. Reclassification to Investment Property

When the use of a property changes from owner-occupied to investment property, the property is reclassified as investment property at its carrying amount on the date of reclassification.

3.4.6. Capital Work-in-Progress

Capital work-in-progress is stated at cost which includes expenses incurred during construction period, interest on amount borrowed for acquisition of qualifying assets and other expenses incurred in connection with project implementation in so far as such expenses relate to the period prior to the commencement of commercial production. Advances given towards acquisition or construction of PPE outstanding at each reporting date are disclosed as Capital Advances under "Other Non-Current Assets".

3.5 Leases

3.5.1. Determining whether an arrangement contains a lease

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfillment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

For arrangements entered prior to the date of transition, the company has determined whether the arrangement contains a lease on the basis of facts and circumstances existing on the date of transition.

3.5.2. Company as lessor

- Finance Lease

  Leases which effectively transfer to the lessee substantially all the risks and benefits incidental to ownership of the leased item are classified and accounted for as finance lease. Lease rental receipts are apportioned between the finance income and capital repayment based on the implicit rate of return. Contingent rents are recognized as revenue in the period in which they are earned.

- Operating Lease

  Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating leases is recognized on a straight-line basis over the term of the relevant lease except where scheduled increase in rent compensates the Company with expected inflationary costs.

3.5.3. Company as Lessee

- Finance Lease

  Finance Leases, which effectively transfer to the lessee substantially all the risks and benefits incidental to

Notes to the Financial Statement

as at and for the year ended March 31, 2018

ownership of the leased item, are capitalized at the lower of the fair value and present value of the minimum lease payments at the inception of the lease term and disclosed as leased assets. Lease Payments under such leases are apportioned between the finance charges and reduction of the lease liability based on the implicit rate of return. Finance charges are charged directly to the statement of profit and loss. Lease management fees, legal charges and other initial direct costs are capitalized.

If there is no reasonable certainty that the Company will obtain the ownership by the end of lease term, capitalized leased assets are depreciated over the shorter of the estimated useful life of the asset or the lease term.

- Operating Lease

  Assets acquired on leases where a significant portion of risk and reward is retained by the lessor are classified as operating leases. Lease rental are charged to statement of profit and loss on a straight-line basis over the lease term, except where scheduled increase in rent compensates the Company with expected inflationary costs.

3.6 Revenue Recognition

- Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the Government.
- The Company recognizes revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the company's activities as described below. The company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specific of each arrangement.

3.6.1. Sale of Goods

Revenue from the sale of goods is recognized when significant risks and rewards of ownership are transferred to customers and the company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold. Revenue from the sale of goods is measured at the fair value of the consideration received or receivables, net of returns and allowances, trade discounts and volume rebates.

3.6.2. Sale of Services

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

3.6.3. Sale of Power

Revenue from sale of Energy (Power) is recognised on the basis of Electrical Units generated net of transmission loss as applicable when no significant uncertainty as to measurability & collectability exists.

3.6.4. InterestIncome

For all financial instruments measured at amortized cost, interest income is recorded using the Effective Interest Rate (EIR). EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset.

3.6.5. Dividend Income

Dividend Income from investments is recognized when the Company's right to receive payment has been established.

Notes to the Financial Statement

as at and for the year ended March 31, 2018

3.6.6. Other Operating Revenue

Export incentive and subsidies are recognized when there is reasonable assurance that the Company will comply with the conditions and the incentive will be received. Insurance & other claims, where quantum of accruals cannot be ascertained with reasonable certainty are recognized as income only when revenue is virtually certain which generally coincides with receipt/ acceptance.

3.7 Employee Benefits

3.7.1. Short Term Benefits

Short term employee benefit obligations are measured on an undiscounted basis and are expensed as the related services are provided. Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period.

3.7.2. Post Employment Benefits

The Company operates the following post employment schemes:

- **Defined Benefit Plans**

The liability or asset recognized in the Balance Sheet in respect of defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods. The defined benefit obligation is calculated annually by Actuaries using the projected unit credit method.

The liability recognized for defined benefit plans is the present value of the defined benefit obligation at the reporting date less the fair value of plan assets, together with adjustments for unrecognized actuarial gains or losses and past service costs. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. The benefits are discounted using the government securities (G-Sec) at the end of the reporting period that have terms approximating to the terms of related obligation.

Remeasurements of the net defined benefit obligation, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling, are recognized in other comprehensive income. Remeasurement recognized in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to the statement of profit and loss.

- **Defined Contribution Plan**

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 expenditure, when an employee renders the selected service.

3.8 Government Grants

Government grants are recognized at their fair values when there is reasonable assurance that the grants will be received and the Company will comply with all the attached conditions. When the grant relates to an expense item, it is recognized as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. Grants related to purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to statement of profit or loss on a straight line basis over the expected useful life of the related asset and presented within other operating revenue or netted off against the related expenses.

Notes to the Financial Statement

as at and for the year ended March 31, 2018

3.9 Foreign Currency Transactions

- Foreign currency transactions are translated into the functional currency using the spot rates of exchanges at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rate of exchanges at the reporting date.
- Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities are generally recognized in profit or loss in the year in which they arise except for exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those qualifying assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings, the balance is presented in the Statement of Profit and Loss within finance costs.
- Non monetary items are not retranslated at period end and are measured at historical cost (translated using the exchange rate at the transaction date).

3.10 Borrowing Cost

- 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. The Company considers a period of twelve months or more as a substantial period of time.
- Transaction costs in respect of long term borrowing are amortized over the tenure of respective loans using Effective Interest Rate (EIR) method. All other borrowing costs are recognized in the statement of profit and loss in the period in which they are incurred.

3.11 Interest in Subsidiaries

Investments in subsidiaries are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries, the difference between net disposal proceeds and the carrying amounts are recognized in the statement of profit and loss.

3.12 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

3.12.1. Financial Assets

- **Recognition and Initial Measurement:**

  All financial assets are initially recognized when the company becomes a party to the contractual provisions of the instruments. A financial asset is initially measured at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Notes to the Financial Statement

as at and for the year ended March 31, 2018

- **Classification and Subsequent Measurement:**

For purposes of subsequent measurement, financial assets are classified in four categories:

- Measured at Amortized Cost;
- Measured at Fair Value Through Other Comprehensive Income (FVTOCI);
- Measured at Fair Value Through Profit or Loss (FVTPL); and
- Designated Equity Instruments measured at Fair Value through Other Comprehensive Income (FVTOCI).

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

- **Measured at Amortized Cost:** A debt instrument is measured at the amortized cost if both the following conditions are met:
  - The asset is held within a business model whose objective is achieved by both collecting contractual cash flows; and
  - The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

  After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method.
- **Measured at FVTOCI:** A debt instrument is measured at the FVTOCI if both the following conditions are met:
  - The objective of the business model is achieved by both collecting contractual cash flows and selling the financial assets; and
  - The asset's contractual cash flows represent SPPI.

    Debt instruments meeting these criteria are measured initially at fair value plus transaction costs. They are subsequently measured at fair value with any gains or losses arising on remeasurement recognized in other comprehensive income, except for impairment gains or losses and foreign exchange gains or losses. Interest calculated using the effective interest method is recognized in the statement of profit and loss in investment income.
- **Measured at FVTPL:** FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as FVTPL. In addition, the company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.
- **Equity Instruments measured at FVTOCI:** All equity investments in scope of Ind AS – 109 are measured at fair value. Equity instruments which are, held for trading are classified as at FVTPL. For all other equity instruments, the company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable. In case the company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment.

- **Derecognition**

The Company derecognizes a financial asset on trade date only when the contractual rights to the cash

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flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

- **Impairment of Financial Assets**

  The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS – 109 requires expected credit losses to be measured through a loss allowance. The company recognizes lifetime expected losses for all contract assets and/ or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

3.12.2. Financial Liabilities

- **Recognition and Initial Measurement:**

  Financial liabilities are classified, at initial recognition, as at fair value through profit or loss, loans and borrowings, payables or as derivatives, as appropriate. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

- **Subsequent Measurement:**

  Financial liabilities are measured subsequently at amortized cost or FVTPL. A financial liability is classified as FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest rate method. Interest expense and foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on derecognition is also recognized in profit or loss.

- **Derecognition**

  A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

- **Offsetting financial instruments**

  Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the counterparty.

3.13 Impairment of Non-Financial Assets

- The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. An asset is treated as impaired when the carrying cost of the asset exceeds its recoverable value being higher of value in use and net selling price. Value in use is computed at net present value of cash flow expected over the balance useful lives of the assets. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or group of assets (Cash Generating Units – CGU).
- An impairment loss is recognized as an expense in the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognized in earlier accounting period is reversed if there has been an improvement in recoverable amount.

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3.14 Provisions, Contingent Liabilities and Contingent Assets

3.14.1. Provisions

Provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event and 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 determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized as finance cost.

- Onerous Contracts:

  Present obligations arising under onerous contracts are recognized and measured as provisions. An onerous contract is considered to exist when a contract under which the unavoidable costs of meeting the obligations exceed the economic benefits expected to be received from it.

3.14.2. Contingent Liabilities

Contingent liability is a possible obligation arising from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events but is not recognized because it is not possible that an outflow of resources embodying economic benefit will be required to settle the obligations or reliable estimate of the amount of the obligations cannot be made. The Company discloses the existence of contingent liabilities in Other Notes to Financial Statements.

3.14.3. Contingent Assets

Contingent assets usually arise from unplanned or other unexpected events that give rise to the possibility of an inflow of economic benefits. Contingent Assets are not recognized though are disclosed, where an inflow of economic benefits is probable.

3.15 Intangible Assets

Recognition and Measurement

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.

Subsequent Expenditure

Subsequent costs are included in the asset's carrying amount, only when it is probable that future economic benefits associated with the cost incurred will flow to the Company and the cost of the item can be measured reliably. All other expenditure is recognized in the Statement of Profit & Loss.

Amortization

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

Assets	Useful Life (In Years)
Copyrights & Trade marks	10
Computer software	5

Disposal

Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference

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between the net disposal proceeds and the carrying amount of the asset and recognised as income or expense in the Statement of Profit & Loss.

Intangible Assets under Development

Intangible Assets under development is stated at cost which includes expenses incurred in connection with development of Intangible Assets in so far as such expenses relate to the period prior to the getting the assets ready for use.

3.16 Non-current assets (or disposal groups) held for sale and discontinued operations

- Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of the carrying amount and the fair value less cost to sell.
- An impairment loss is recognized for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognized for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognized. A gain or loss not previously recognized by the date of the sale of the non-current asset (or disposal group) is recognized at the date of de-recognition.
- Non-current assets (including those that are part of a disposal group) are not depreciated or amortized while they are classified as held for sale. Non-current assets (or disposal group) classified as held for sale are presented separately in the balance sheet. Any profit or loss arising from the sale or remeasurement of discontinued operations is presented as part of a single line item in Statement of Profit and Loss.

3.17 Operating Segment

The identification of operating segment is consistent with performance assessment and resource allocation by the Chief Operating Decision Maker (CODM). An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses including revenues and expenses that relate to transactions with any of the other components of the Company and for which discrete financial information is available. Based on assessment of CODM in terms of Indian Accounting Standard – 108, the Company is predominantly engaged in a single segment of Garments & Hosiery goods and related services. The analysis of geographical segments is based on the areas in which customers of the Company are located.

3.18 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.

3.19 Measurement of Fair Values

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or

Notes to the Financial Statement

as at and for the year ended March 31, 2018

- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Inputs other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 — Inputs which are unobservable inputs for the asset or liability.

External valuers are involved for valuation of significant assets & liabilities. Involvement of external valuers is decided by the management of the company considering the requirements of Ind As and selection criteria include market knowledge, reputation, independence and whether professional standards are maintained.

3.20 Significant accounting judgements and key sources of estimation:

Information about Significant judgements and Key sources of estimation made in applying accounting policies that have the most significant effects on the amounts recognized in the financial statements is included in the following notes:

- **Recognition of Deferred Tax Assets:** The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the Company's future taxable income against which the deferred tax assets can be utilized. In addition, significant judgement is required in assessing the impact of any legal or economic limits.
- **Useful lives of depreciable/ amortisable assets (tangible and intangible):** Management reviews its estimate of the useful lives of depreciable/ amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to actual normal wear and tear that may change the utility of plant and equipment.
- **Classification of Leases:** The Company enters into leasing arrangements for various assets. The classification of the leasing arrangement as a finance lease or operating lease is based on an assessment of several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to purchase and estimated certainty of exercise of such option, proportion of lease term to the asset's economic life, proportion of present value of minimum lease payments to fair value of leased asset and extent of specialized nature of the leased asset.
- **Defined Benefit Obligation (DBO):** Employee benefit obligations are measured on the basis of actuarial assumptions which include mortality and withdrawal rates as well as assumptions concerning future developments in discount rates, medical cost trends, anticipation of future salary increases and the inflation rate. The Company considers that the assumptions used to measure its obligations are appropriate. However,

Notes to the Financial Statement

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any changes in these assumptions may have a material impact on the resulting calculations.

- **Provisions and Contingencies:** The assessments undertaken in recognising provisions and contingencies have been made in accordance with Indian Accounting Standards (Ind AS) 37, 'Provisions, Contingent Liabilities and Contingent Assets'. The evaluation of the likelihood of the contingent events is applied best judgement by management regarding the probability of exposure to potential loss.
- **Impairment of Financial Assets:** The Company reviews its carrying value of investments carried at amortized cost annually, or more frequently when there is indication of impairment. If recoverable amount is less than its carrying amount, the impairment loss is accounted for.
- **Allowances for Doubtful Debts:** The Company makes allowances for doubtful debts through appropriate estimations of irrecoverable amount. The identification of doubtful debts requires use of judgment and estimates. Where the expectation is different from the original estimate, such difference will impact the carrying value of the trade and other receivables and doubtful debts expenses in the period in which such estimate has been changed.
- **Fair value measurement of financial Instruments:** When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The input to these models are taken from observable markets where possible, but where this not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility.

3.21 New Standards/ Amendments to Existing Standard issued but not yet effective upto the date of issuance of the Company's Financial Statement are disclosed below.

Ind AS 115-Revenue from Contracts with Customers:

The Ministry of Corporate Affairs (MCA) on March 28, 2018 has notified new Indian Accounting Standard as mentioned above. The new standard will come to into force from accounting period commencing on or after April 01, 2018. It replaces existing recognition guidance, including Ind AS 18 Revenue and Ind AS 11 Construction contract. The Company has evaluated and there is no material impact of this amendment on the Financial Statement of the Company except disclosure. The Company will adopt theInd AS 115 on the required effective date.

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(Amount in ₹)

		Land		Buildings	Plant and Machinery	Furniture and Fixtures	Vehicles	Office Equipment	Total
		Freehold	Leasehold						
4.	**Property, Plant and Equipment**								
	Cost								
	As at April 01, 2016 *	**11,32,39,269**	**2,71,66,893**	**73,18,37,412**	**56,02,56,670**	**3,07,66,556**	**4,18,29,300**	**1,48,80,717**	**1,51,99,76,817**
	Additions	4,85,18,023	-	7,16,51,471	2,29,64,705	27,30,421	94,06,972	52,05,158	16,04,76,750
	Disposals/ Withdrawals	-	-	-	2,73,795	-	9,91,823	-	12,65,618
	As at March 31, 2017	**16,17,57,292**	**2,71,66,893**	**80,34,88,883**	**58,29,47,580**	**3,34,96,977**	**5,02,44,449**	**2,00,85,875**	**1,67,91,87,949**
	Additions	9,29,64,584	-	-	1,90,18,861	9,52,763	1,39,318	54,41,179	11,85,16,705
	Disposals/ Withdrawals	-	-	-	-	-	11,98,594	-	11,98,594
	As at March 31, 2018	**25,47,21,876**	**2,71,66,893**	**80,34,88,883**	**60,19,66,441**	**3,44,49,740**	**4,91,85,173**	**2,55,27,054**	**1,79,65,06,060**
	Depreciation								
	As at April 01, 2016	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	Charge for the year	-	3,21,638	1,88,20,533	10,87,18,949	59,00,204	70,78,087	58,31,210	14,66,70,621
	On Disposals/ Withdrawals / adjustments	-	-	-	4,412	-	1,40,452	-	1,44,864
	As at March 31, 2017	**-**	**3,21,638**	**1,88,20,533**	**10,87,14,537**	**59,00,204**	**69,37,635**	**58,31,210**	**14,65,25,757**
	Charge for the year	-	3,21,638	1,98,21,598	9,67,81,444	60,09,156	75,81,343	56,27,219	13,61,42,398
	On Disposals/ Withdrawals / adjustments	-	-	-	-	-	1,95,768	-	1,95,768
	As at March 31, 2018	**-**	**6,43,276**	**3,86,42,131**	**20,54,95,981**	**1,19,09,361**	**1,43,23,210**	**1,14,58,429**	**28,24,72,388**
	Net Block								
	As at April 01, 2016*	**11,32,39,269**	**2,71,66,893**	**73,18,37,412**	**56,02,56,670**	**3,07,66,556**	**4,18,29,300**	**1,48,80,717**	**1,51,99,76,817**
	As at March 31, 2017	**16,17,57,292**	**2,68,45,255**	**78,46,68,350**	**47,42,33,043**	**2,75,96,773**	**4,33,06,814**	**1,42,54,665**	**1,53,26,62,192**
	As at March 31, 2018	**25,47,21,876**	**2,65,23,617**	**76,48,46,752**	**39,64,70,460**	**2,25,40,379**	**3,48,61,963**	**1,40,68,625**	**1,51,40,33,672**

* Represents deemed cost on the date of transition to Ind AS.

Note:

Term Loan from a bank amounting ₹ 77,64,175/- is secured by first charge by way of hypothecation of movable fixed assets and mortgage of immovable fixed assets of Domjur Unit, West Bengal and Cash Credit including Working Capital Demand Loan amounting ₹ 1,09,88,41,109/- are secured by second charge of movable and immovable fixed assets of Domjur Unit, West Bengal.

(Amount in ₹)

		Computer Software
5.	**Intangible Assets:**	
	Cost	
	As at April 01, 2016*	**92,59,094**
	Additions	2,69,86,806
	As at March 31, 2017	**3,62,45,900**
	Additions	21,97,562
	As at March 31, 2018	**3,84,43,461**

Notes to the Financial Statement

as at and for the year ended March 31, 2018

(Amount in ₹)

		Computer Software
	Amortisation	
	As at April 01, 2016*	**–**
	Charge for the year	38,16,415
	As at March 31, 2017	**38,16,415**
	Charge for the year	79,75,385
	As at March 31, 2018	**1,17,91,800**
	Net Block	
	As at April 01, 2016*	92,59,094
	As at March 31, 2017	3,24,29,485
	As at March 31, 2018	**2,66,51,661**
5. (a)	**Intangible Asset Under Development**	
	At April 01, 2016*	2,31,55,565
	As at March 31, 2017	–
	As at March 31, 2018	**–**

*Represents deemed cost on the date of transition to Ind AS

		Number of Shares		
		March 31, 2018	March 31, 2017	April 01, 2016
6.	**Investments in Subsidiaries**			
	In Equity Instruments (at cost unless otherwise stated)			
	(Unquoted)			
	Imoogi Fashions Pvt. Ltd. (Equity Shares of ₹ 10/- each)	10,000	10,000	10,000
	Euro Fashion Inners International Pvt. Ltd. (Equity Shares of ₹ 10/- each)	41,00,000	41,00,000	41,00,000
	Oban Fashions Pvt. Ltd. (Equity Shares of ₹ 10/- each)	99,10,000	40,10,000	10,000
		Amount		
		March 31, 2018	**March 31, 2017**	**April 01, 2016**
	Imoogi Fashions Pvt. Ltd.	1,00,000	1,00,000	1,00,000
	Euro Fashion Inners International Pvt. Ltd.	4,10,00,000	4,10,00,000	4,10,00,000
	Oban Fashions Pvt. Ltd.	9,91,00,000	4,01,00,000	1,00,000
		14,02,00,000	**8,12,00,000**	**4,12,00,000**

Notes to the Financial Statement

as at and for the year ended March 31, 2018

(Amount in ₹)

		Number of shares/units		
		March 31, 2018	March 31, 2017	April 01, 2016
7.	**Investments**			
	Investments measured at Fair Value through Profit and Loss			
	In Mutual Funds (Quoted)			
	HDFC Large Cap Fund (Units of ₹ 10/- each)	10,000	10,000	10,000
	In Equity Instruments (at cost unless otherwise stated)			
	(Unquoted)			
	West Bengal Hosiery Park Infrastructure Limited (Equity Shares of ₹ 10/- each)	1,800	1,800	1,500

	Amount		
	March 31, 2018	March 31, 2017	April 01, 2016
Investments measured at Fair Value through Profit and Loss			
In Mutual Funds (Quoted)			
HDFC Large Cap Fund	10,56,500	9,75,640	8,19,600
Total (A)	**10,56,500**	**9,75,640**	**8,19,600**
In Equity Instruments (at cost unless otherwise stated)			
(Unquoted)			
West Bengal Hosiery Park Infrastructure Limited	18,000	18,000	15,000
Total (B)	**18,000**	**18,000**	**15,000**
Total Investments (A+B)	**10,74,500**	**9,93,640**	**8,34,600**
Aggregate Carrying value of Quoted Investments	10,56,500	9,75,640	8,19,600
Aggregate Market value of Quoted Investments	10,56,500	9,75,640	8,19,600
Aggregate Carrying value of Unquoted Investments	18,000	18,000	15,000

		Non-Current			Current		
		March 31, 2018	March 31, 2017	April 01, 2016	March 31, 2018	March 31, 2017	April 01, 2016
8.	**Loans**						
	(Unsecured, considered good unless otherwise stated)						
	Security deposits*	1,15,70,260	1,15,55,763	1,39,11,334	93,99,911	88,63,643	68,61,014
	Loan to a Subsidiary	-	-	-	39,28,50,153	12,54,49,417	-
	Loan to Bodies Corporate	-	-	-	2,00,00,000	-	-
		1,15,70,260	**1,15,55,763**	**1,39,11,334**	**42,22,50,064**	**13,43,13,060**	**68,61,014**

*Dues from private companies in which any director is a director is ₹ 64,40,001/- (March 31, 2017: ₹ 64,40,001/- & March 31, 2016: ₹ 64,40,001/-).

Note:

There are no outstanding debts from director or other officer of the company.

Notes to the Financial Statement

as at and for the year ended March 31, 2018

(Amount in ₹)

		Non-Current			Current		
		March 31, 2018	March 31, 2017	April 01, 2016	March 31, 2018	March 31, 2017	April 01, 2016
9.	**Other Financial Asset**						
	Interest Accrued on Loan to a Subsidiary	-	-	-	1,40,88,342	78,48,158	-
	Interest Accrued on Loan to Bodies Corporate	-	-	2,70,740	-	-	-
	Bank deposits With maturity of more than 12 months	16,96,692	16,96,692	15,01,328	-	-	-
	Others*	-	-	-	93,225	-	-
		16,96,692	**16,96,692**	**15,01,328**	**1,44,52,307**	**78,48,158**	**-**

*Represents amount receivable from a Subsidiary towards Corporate Guarantee Commission.

		Non-Current			Current		
		March 31, 2018	March 31, 2017	April 01, 2016	March 31, 2018	March 31, 2017	April 01, 2016
10.	**Other Assets (Unsecured Considered)**						
	Capital advances *	8,72,30,544	13,57,63,922	16,55,66,789	-	-	-
	Advances Other than Capital Advances	-	-	-	-	-	-
	Prepaid Expenses	-	-	-	78,00,039	1,03,41,418	50,31,763
	Advance against supply of goods & services ^	-	-	-	5,97,90,843	6,49,82,047	6,64,49,467
	Advance to Employees	-	-	-	57,56,656	63,66,993	63,72,352
	Balances with Government Authorities	-	-	-	6,62,72,782	-	-
	Claims & Refund Receivable	-	-	-	1,83,89,230	2,89,05,465	6,07,31,147
	Sales Tax paid under dispute	-	-	-	21,17,391	-	-
	Other advances	-	-	-	5,39,896	66,09,920	30,38,834
		8,72,30,544	**13,57,63,922**	**16,55,66,789**	**16,06,66,837**	**11,72,05,843**	**14,16,23,563**

* Includes advance amounting to ₹ 4,00,92,000/- (March 31, 2017: ₹ 4,00,92,000/- & March 31, 2016: ₹ 4,00,92,000/-) 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.

^ Includes advance to Subsidiaries ₹ 76,59,192/- (March 31, 2017: ₹ 1,15,57,119 & March 31, 2016: ₹ 1,59,15,620/-).

Notes to the Financial Statement

as at and for the year ended March 31, 2018

(Amount in ₹)

		March 31, 2018	March 31, 2017	April 01, 2016
11.	**Inventories**			
	(Valued at lower of cost and net realisable value)			
	Raw Material including packing materials	47,65,70,382	31,82,59,648	28,66,37,943
	Finished Goods	1,53,68,08,982	1,81,26,64,634	1,74,56,78,340
	Work-in-Progress	1,11,18,59,261	75,39,19,742	96,67,55,897
		3,12,52,38,625	**2,88,48,44,024**	**2,99,90,72,180**

Mode of Valuation - Ref Note no. 3.1 of Accounting policy.

Note : The above includes Stock in transit

Work-in-Progress	73,03,813	52,48,280	1,23,21,289
Finished Goods	-	1,38,03,977	7,64,74,304

Note : Inventories are hypothecated/ pledged against borrowings (Refer Note no. 21)

			Current	
		March 31, 2018	**March 31, 2017**	**April 01, 2016**
12.	**Trade Receivable**			
	Secured	26,29,39,860	20,53,66,630	18,16,39,686
	Unsecured	3,02,56,41,817	1,86,76,34,596	1,56,87,84,404
	Less: Allowance for doubtful receivables	23,70,310	27,71,406	26,65,918
		3,28,62,11,367	**2,07,02,29,820**	**1,74,77,58,172**

a) No Trade Receivables due by directors and its officers of the Company.

b) Allowances for credit losses of trade receivables, has been computed based on the ageing of the receivables. In computing expected credit losses the Company has taken into account historical credit loss experience and forward looking information.

c) Trade Receivables are hypothecated/ pledged against borrowings (Refer Note no. 21).

		March 31, 2018	March 31, 2017	April 01, 2016
13.	**Cash and Cash Equivalents**			
	Cash in hand	22,50,946	16,46,534	14,33,501
	Balances with banks			
	Current accounts	1,97,77,208	6,49,73,802	2,16,45,128
	Cash Credit account	2,40,65,601	2,03,54,144	2,11,66,514
		4,60,93,755	**8,69,74,480**	**4,42,45,143**

		March 31, 2018	March 31, 2017	April 01, 2016
14.	**Other Bank Balances (other than note - 13)**			
	Unpaid dividend accounts	13,63,525	13,00,708	9,45,465
	Bank deposits maturity for more than 3 months but less than 12 months*	1,65,03,209	1,55,50,621	1,46,71,237
		1,78,66,734	**1,68,51,329**	**1,56,16,702**

* Held as lien by bank against bank guarantees.

Notes to the Financial Statement

as at and for the year ended March 31, 2018

(Amount in ₹)

	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016	
	No. of Shares	Amount	No. of Shares	Amount	No. of Shares	Amount
15. Equity Share Capital						
Authorised Share Capital						
Equity Shares of ₹ 1/- each	20,00,00,000	20,00,00,000	20,00,00,000	20,00,00,000	20,00,00,000	20,00,00,000
	20,00,00,000	**20,00,00,000**	**20,00,00,000**	**20,00,00,000**	**20,00,00,000**	**20,00,00,000**
Issued Share Capital						
Equity Shares of ₹ 1/- each	7,97,33,560	7,97,33,560	7,97,33,560	7,97,33,560	7,97,33,560	7,97,33,560
	7,97,33,560	**7,97,33,560**	**7,97,33,560**	**7,97,33,560**	**7,97,33,560**	**7,97,33,560**
Subscribed & Paid-up Share Capital						
Equity Shares of ₹ 1/- each	7,95,24,560	7,95,24,560	7,95,24,560	7,95,24,560	7,95,24,560	7,95,24,560
Equity shares forfeited of ₹ 1/- each, Paid up ₹ 0.50 per Share	2,09,000	1,04,500	2,09,000	1,04,500	2,09,000	1,04,500
	7,97,33,560	**7,96,29,060**	**7,97,33,560**	**7,96,29,060**	**7,97,33,560**	**7,96,29,060**

a) Reconciliation of the number of shares at the beginning and at the end of the year

There has been no change/ movements in number of shares outstanding at the beginning and at the end of the year.

b) Terms/ Rights attached to Equity Shares :

The Parent 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, 2018, the Company has proposed final dividend of ₹ 3/- per share (March 31, 2017: ₹ 2.75 per Share) subject to approval of members in the ensuing Annual General Meeting.

c) Shareholding Pattern with respect of Holding or Ultimate Holding Company

The Company does not have any Holding Company or Ultimate Holding Company.

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

	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016	
	No. of Shares	% Holding	No. of Shares	% Holding	No. of Shares	% Holding
Equity Shares of ₹ 1/- each, fully paid up						
Prahlad Rai Agarwala*	1,67,63,656	21.08%	1,67,63,656	21.08%	1,80,70,000	22.72%
Rajnish Enterprises Ltd.	1,58,23,190	19.90%	1,58,21,190	19.89%	1,58,21,190	19.89%
Karuna Impex Enterprises Limited	-	-	-	-	86,50,000	10.88%
MLD Commercial Private Limited	-	-	86,50,000	10.88%	-	-
Ziyan Developers LLP	86,50,000	10.88%	-	-	-	-
Purvanchal Leasing Ltd.	58,07,670	7.30%	58,07,670	7.30%	58,07,670	7.30%

* holding shares jointly with Ghanshyam Prasad Agarwala and Kunj Bihari Agarwal, on behalf of a partnership firm.

Notes to the Financial Statement

as at and for the year ended March 31, 2018

As per records of the Company, including its register of shareholders/ members as on March 31, 2018, the above shareholding represents legal ownership of shares.

e) The company has neither issued bonus shares nor has bought back any shares during last 5 years.

f) No ordinary shares have been reserved for issue under options and contracts/ commitments for the sale of shares/ disinvestment as at the Balance Sheet date.

g) No securities convertible into Equity/ Preference shares have been issued by the Company during the year.

h) No calls are unpaid by any Director or Officer of the Company during the year.

(Amount in ₹)

	Note	March 31, 2018	March 31, 2017	April 01, 2016
16. Other Equity				
Securities Premium Reserve	16.1	68,80,30,890	68,80,30,890	68,80,30,890
General Reserve	16.2	42,31,16,859	42,31,16,859	42,31,16,859
Retained Earnings	16.3	3,91,85,27,739	3,23,69,17,572	2,46,54,22,055
		5,02,96,75,488	**4,34,80,65,321**	**3,57,65,69,804**

Changes in Other Equity

	March 31, 2018	March 31, 2017
16.1 Securities Premium Reserve		
Opening balance	68,80,30,890	68,80,30,890
Changes during the year	-	-
	68,80,30,890	**68,80,30,890**

	March 31, 2018	March 31, 2017
16.2 General Reserve		
Opening balance	42,31,16,859	42,31,16,859
Changes during the year	-	-
	42,31,16,859	**42,31,16,859**

	March 31, 2018	March 31, 2017
16.3 Retained Earnings		
Opening balance	3,23,69,17,572	2,46,54,22,055
Add: Profit for the year	94,61,43,532	77,15,09,337
Less: Remeasurement of Defined Benefit Plans (Net of Tax)	(13,20,170)	(13,820)
Equity Dividend	(21,86,92,540)	-
Tax on Equity Dividend	(4,45,20,655)	-
	3,91,85,27,739	**3,23,69,17,572**

Nature and purpose of other reserves

Securities Premium Reserve

Securities Premium Reserve represents premium received on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act.

Notes to the Financial Statement

as at and for the year ended March 31, 2018

General reserve

Under the erstwhile Companies Act 1956, a general reserve was created through an annual transfer of net profit at a specified percentage in accordance with applicable regulations. Consequent to the introduction of the Companies Act, 2013 the requirement to mandatory transfer a specified percentage of net profit to general reserve has been withdrawn.

(Amount in ₹)

		Non-Current	
	March 31, 2018	March 31, 2017	April 01, 2016
17. Non Current Borrowings			
Secured Term Loan			
Rupee loan from a Bank	77,64,175	4,27,88,486	9,42,89,775
Less: Current portion of Long Term Borrowings (Disclosed under other Financial Liabilities, Refer Note No- 23)	77,64,175	3,50,24,311	5,15,01,289
	-	**77,64,175**	**4,27,88,486**

Note:

1. There is no default as on the balance sheet date in the repayment of borrowings and interest thereon.
2. **Terms & conditions**
   a) 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, West Bengal.
   b) Term Loan with a balance of ₹ 77,77,778/- (March 31, 2017: ₹ 2,33,33,333/- & March 31, 2016: ₹ 3,88,88,889/-) is repayable in 2 equal quarterly installments of ₹ 38,88,889/- by September 28, 2018 and carries interest @ 12.30% p.a. (March 31, 2017: 12.30% p.a. & March 31,2016: 12% p.a.).
   c) Term Loan with a balance of ₹ 55,55,555/- as on March 31, 2017 and ₹ 2,77,77,778/- as on March 31, 2016 has been repaid during the year. It carried interest @ 11.95% p.a. (March 31, 2017: 11.95% p.a. & March 31, 2016: 12% p.a.).
   d) Term Loan with a balance of ₹ 1,39,99,930/- as on March 31, 2017 and ₹ 2,79,99,929/- as on March 31, 2016 has been repaid during the year. It carried interest @ 11.05% p.a. (March 31, 2017: 11.05% p.a. & March 31, 2016: 11.10% p.a.).

(Amount in ₹)

	Non-Current			Current		
	March 31, 2018	March 31, 2017	April 01, 2016	March 31, 2018	March 31, 2017	April 01, 2016
18. Provisions						
Provision for Gratuity	-	-	-	1,64,91,920	1,11,71,709	26,65,106
Provision for Litigation, Claims & Contingencies (Refer Note No.18.1)	-	-	-	70,55,399	70,55,399	70,55,399
	-	**-**	**-**	**2,35,47,319**	**1,82,27,108**	**97,20,505**

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.

Notes to the Financial Statement

as at and for the year ended March 31, 2018

(Amount in ₹)

18.1	**Movement of Provision**	
	Balance as at April 01, 2016	**70,55,399**
	Provision utilized during the year	-
	Balance as at March 31, 2017	**70,55,399**
	Provision utilized during the year	-
	Balance as at March 31, 2018	**70,55,399**

		Non-Current		
		March 31, 2018	**March 31, 2017**	**April 01, 2016**
19.	**Deferred Tax Liabilities (Net)**			
	Deferred Tax Liabilities			
	Arising on account of :			
	Difference between Tax Depreciation and Depreciation / Amortisation charged for the financial reporting	14,14,34,346	14,19,30,883	14,45,30,739
	Others	4,729	34,725	1,30,416
		14,14,39,075	**14,19,65,608**	**14,46,61,155**
	Less: Deferred Tax Assets			
	Arising on account of			
	Provision for Doubtful debt & advances	8,28,281	9,59,142	9,22,633
	Provision for gratuity	57,62,937	38,66,305	-
	Provision for Litigation, Claims & Contingencies (Refer Note no.18.1)	24,65,439	24,41,732	-
		90,56,656	**72,67,179**	**9,22,633**
	Deferred Tax Liabilities (Net)	**13,23,82,419**	**13,46,98,429**	**14,37,38,522**

		As at April 01, 2016	Recognized in Statement of Profit and Loss	Recognized in Other Comprehensive Income	As at March 31, 2017
19.1	**Movement in deferred tax assets and liabilities during the year ended March 31, 2017**				
	Deferred Income Tax Liabilities				
	Difference between Tax Depreciation and Depreciation /Amortisation charged for the financial reporting	14,45,30,739	(25,99,856)	-	14,19,30,883
	Others	1,30,416	(95,691)	-	34,725
	A	**14,46,61,155**	**(26,95,547)**	**-**	**14,19,65,608**
	Deferred Income Tax Assets				
	Provision for Doubtful Debt & Advances	9,22,633	36,509	-	9,59,142
	Provision for gratuity	-	38,58,991	7,314	38,66,305
	Provision for Litigation, Claims & Contingencies	-	24,41,732	-	24,41,732
	B	**9,22,633**	**63,37,232**	**7,314**	**72,67,179**
	Deferred Tax Liabilities (Net) (A-B)	**14,37,38,522**	**90,32,779**	**7,314**	**13,46,98,429**

Notes to the Financial Statement

as at and for the year ended March 31, 2018

(Amount in ₹)

		As at April 01, 2017	Recognized in Statement of Profit and Loss	Recognized in Other Comprehensive Income	As at March 31, 2018
19.1	**Movement in deferred tax assets and liabilities during the year ended and March 31, 2018**				
	Deferred Income Tax Liabilities				
	Difference between tax depreciation and depreciation / amortisation charged for the financial reporting	14,19,30,883	(4,96,537)	-	14,14,34,346
	Others	34,725	(29,996)	-	4,729
	A	**14,19,65,608**	**(5,26,533)**	**-**	**14,14,39,075**
	Deferred Income Tax Assets				
	Provision for Doubtful debt & advances	9,59,142	(1,30,861)	-	8,28,281
	Provision for gratuity	38,66,305	11,87,519	7,09,112	57,62,937
	Provision for Litigation, claims & contingencies	24,41,732	23,707	-	24,65,439
	B	**72,67,179**	**10,80,365**	**7,09,112**	**90,56,656**
	Deferred Tax Liabilities (Net) (A-B)	**13,46,98,429**	**16,06,898**	**7,09,112**	**13,23,82,419**

		Non-Current			Current		
		March 31, 2018	March 31, 2017	April 01, 2016	March 31, 2018	March 31, 2017	April 01, 2016
20.	**Other Liabilities**						
	Advances from customers	-	-	-	32,47,092	1,11,26,204	74,61,110
	Deferred Revenue (Refer Note No.48)	1,00,60,981	37,23,134	45,03,540	17,47,857	7,80,407	7,81,906
	Statutory dues payable	-	-	-	3,68,90,073	6,71,48,418	8,07,59,500
		1,00,60,981	**37,23,134**	**45,03,540**	**4,18,85,022**	**7,90,55,029**	**8,90,02,516**

		Current		
		March 31, 2018	March 31, 2017	April 01, 2016
21.	**Current Borrowing**			
	Loan Repayable on demand			
	From banks:			
	Cash Credit	44,88,41,110	29,59,66,749	48,79,70,943
	Commercial Paper	-	50,00,00,000	-
	Working Capital Demand Loans	59,00,00,000	-	90,00,00,000
	Packing Credit	6,00,00,000	-	-
	Deferred Tax Liabilities (Net)	**1,09,88,41,110**	**79,59,66,749**	**1,38,79,70,943**

Terms & conditions

a) Cash Credit including Working Capital Demand Loan are secured by hypothecation of inventories, book debts and other current assets of the Company and further secured by second charge of movable and immovable fixed assets of Domjur Unit, West Bengal.

b) Working Capital Demand Loans carries interest @4.90% to 8.50% p.a. (March 31, 2017: @5.90% to 9.60% p.a.)

c) Cash Credit are repayable on demand and carries interest @8.50% to 11.50% p.a. (March 31, 2017: @9.00% to 11.50% p.a.)

d) No loans have been guaranteed by the directors and others.

e) There is no default as on the balance sheet date in the repayment of borrowings and interest thereon.

Notes to the Financial Statement

as at and for the year ended March 31, 2018

(Amount in ₹)

	Current		
	March 31, 2018	March 31, 2017	April 01, 2016
22. Trade Payables			
Due to micro, small and medium-enterprises (Refer Note 36)	-	-	-
Due to Creditors other than micro, small and medium enterprises	1,56,72,51,221	95,04,48,648	85,53,72,175
	1,56,72,51,221	**95,04,48,648**	**85,53,72,175**

	Non-Current			Current		
	March 31, 2018	March 31, 2017	April 01, 2016	March 31, 2018	March 31, 2017	April 01, 2016
23. Other Financial Liabilities						
Current Maturities of Long Term Borrowings	-	-	-	77,64,175	3,50,24,311	5,15,01,289
Interest Accrued but not due on borrowings	-	-	-	5,45,312	1,25,277	2,95,217
Unpaid dividends (to be credited to Investor Education and Protection Fund as and when due)	-	-	-	13,63,525	13,00,708	9,45,465
Security Deposits from Customers	-	-	-	34,42,09,268	28,39,50,099	26,90,48,720
Capital Creditors	-	-	-	38,12,477	48,85,918	1,17,65,939
Dealers Incentive payable	-	-	-	36,23,98,818	20,50,84,309	15,21,63,825
Payable to employees	-	-	-	3,95,07,316	5,12,06,428	5,57,03,621
Others	-	-	-	3,33,76,716	3,14,16,993	2,51,22,687
	-	**-**	**-**	**79,29,77,607**	**61,29,94,043**	**56,65,46,763**

	Current		
	March 31, 2018	March 31, 2017	April 01, 2016
24. Current Tax Liabilities (Net)			
Provisions for Taxation (Net of Payments)	16,38,13,169	8,39,96,712	3,94,15,117
	16,38,13,169	**8,39,96,712**	**3,94,15,117**

	March 31, 2018	March 31, 2017
25. Revenue from Operations		
Sale of products:		
Finished Goods*	10,96,19,63,715	10,53,96,62,390
Semi-Finished Goods	4,57,44,188	3,34,70,667
	11,00,77,07,903	**10,57,31,33,057**
Sale of services		
Service Income	21,21,71,436	21,44,38,139
	21,21,71,436	**21,44,38,139**

Notes to the Financial Statement

as at and for the year ended March 31, 2018

(Amount in ₹)

	March 31, 2018	March 31, 2017
Other Operating Revenues		
Sale of Power	87,75,155	86,64,294
Scrap sale	1,06,77,498	1,54,40,920
Sales Tax Subsidy	22,96,559	1,40,77,798
Export Incentive	1,46,73,337	1,64,22,275
Deferred Revenue on Government Grant	48,33,928	7,81,906
	4,12,56,477	**5,53,87,193**
	11,26,11,35,816	**10,84,29,58,389**

* Net of discounts ₹ 75,32,35,417/- (March 31, 2017: ₹ 74,42 ,85,345/-).

		March 31, 2018	March 31, 2017
26.	**Other income**		
	Interest income :		
	On Bank deposits	38,28,196	59,49,549
	On Receivable	63,74,307	55,21,018
	On Loan to a Subsidiary Company	1,56,53,714	87,20,357
	On Loan to Bodies Corporate	3,00,822	-
		2,61,57,039	**2,01,90,924**
	Net gain on Investments (Mutual Funds) carried at fair value	80,860	1,56,040
		80,860	**1,56,040**
	Other Non-Operating Income		
	Unspent Liabilities written back	-	36,91,811
	Net Foreign Exchange gain	50,09,987	-
	Excess provision on Trade Receivables written back	4,01,096	-
	Insurance Claim Received	6,27,995	66,93,069
	Miscellaneous Income*	18,73,313	33,07,985
		79,12,391	**1,36,92,865**
		3,41,50,290	**3,40,39,829**

*Includes Corporate Guarantee Commission from a Subsidiary ₹ 82,500/-(March 31, 2017: Nil).

		March 31, 2018	March 31, 2017
27.	**Cost of Material Consumed**		
	Opening inventory	31,82,59,648	28,66,37,943
	Add : Purchases*	5,23,33,15,556	4,82,73,70,924
	Less : Inventory at the end of the year	47,65,70,382	31,82,59,648
		5,07,50,04,822	**4,79,57,49,219**

*Includes purchase of goods amounting to ₹ 16,21,94,287/- (March 31, 2017: Nil) supplied at concessional rate to dealers.

	March 31, 2018	March 31, 2017
Details of Material Consumed		
Yarn / Than	3,49,61,39,676	3,34,96,26,846
Packing Material, Accessories and Other Material	1,57,88,65,145	1,44,61,22,373

Notes to the Financial Statement

as at and for the year ended March 31, 2018

(Amount in ₹)

		March 31, 2018	March 31, 2017
28.	**Changes in Inventories of Finished Goods and Work-in-progress**		
	Opening Stock		
	Finished Goods	1,81,26,64,634	1,74,56,78,340
	Work-in-progress	75,39,19,742	96,67,55,897
		2,56,65,84,376	**2,71,24,34,237**
	Closing Stock		
	Finished Goods	1,53,68,08,982	1,81,26,64,634
	Work-in-progress	1,11,18,59,261	75,39,19,742
		2,64,86,68,243	**2,56,65,84,376**
		(8,20,83,867)	**14,58,49,861**

		March 31, 2018	March 31, 2017
29.	**Employee benefit Expense**		
	Salaries, Wages and Bonus	37,64,60,119	33,23,77,138
	Contribution to Provident and Other Funds	74,34,082	53,60,792
	Gratuity*	43,76,803	1,05,82,424
	Staff Welfare Expenses	19,20,362	20,95,378
		39,01,91,366	**35,04,15,732**

*For descriptive notes on disclosure of defined benefit obligation Refer Note No. 39.

		March 31, 2018	March 31, 2017
30.	**Finance Costs**		
	Interest Expenses	7,15,21,046	9,96,28,569
	(Net of Interest rate subsidy from Technology Upgradation Fund Scheme ₹ 27,24,281 (March 31, 2017: ₹ 1,09,38,621/-)		
	Bank Charges	43,97,231	58,40,933
		7,59,18,277	**10,54,69,502**

		March 31, 2018	March 31, 2017
31.	**Depreciation & Amortisation Expense**		
	Depreciation of Tangible assets	13,61,42,398	14,66,70,621
	Amortisation of Intangible assets	79,75,385	38,16,415
		14,41,17,783	**15,04,87,036**

Notes to the Financial Statement

as at and for the year ended March 31, 2018

(Amount in ₹)

		March 31, 2018	March 31, 2017
32.	**Other Expenses**		
	Consumption of Stores and Spares	58,74,607	66,59,464
	Sub-contracting/Job Worker Expenses	2,23,88,09,438	2,23,87,79,233
	Power & Fuel	14,23,79,457	12,36,73,977
	Freight outwards and Forwarding Expenses	17,32,76,499	13,76,84,128
	Rent	2,89,02,279	2,77,45,715
	Rates and Taxes	54,10,032	65,50,840
	Insurance	1,30,77,965	98,87,470
	Repairs and Maintenance:		
	- Plant and Machinery	2,24,28,020	1,74,52,355
	- Building	67,12,714	66,02,230
	- Others	2,48,89,947	2,09,22,317
	Advertising	76,72,68,499	79,77,78,164
	Dealer Incentive & Sales Promotion	36,78,69,493	25,38,17,244
	Business Convention	5,82,79,959	3,81,16,838
	Brokerage	13,32,09,463	13,89,87,525
	Travelling and Conveyance	7,53,62,326	6,69,19,292
	Communication Costs	1,24,83,383	1,30,18,665
	Legal and Professional Fees	2,03,74,768	3,40,19,555
	Directors' Sitting Fees	32,91,250	35,61,050
	Payment to Auditor (Refer Note below)	22,88,295	28,52,185
	Bad Debts/ Advance written off	48,02,998	6,57,55,023
	Provision for Doubtful Trade Receivables	-	1,05,488
	Intangible Assets under Development Written off	-	2,31,55,565
	Net Foreign Exchange Loss	-	5,82,564
	Loss on sale of Fixed Assets (Net)	3,19,326	45,966
	Royalty on Sales	8,29,210	7,49,543
	Contribution for CSR Activities	2,25,35,955	2,10,13,258
	Miscellaneous Expenses	8,69,35,650	8,35,14,659
		4,21,76,11,533	**4,13,99,50,313**
	Note:		
	Payment to Auditor		
	For Audit Fees	13,00,000	13,00,000
	For Limited Review Fees	9,00,000	9,50,000
	For Others	50,000	1,05,000
	Out of Pocket Expenses	33,300	1,34,337
	Taxes	4,995	3,62,848

		March 31, 2018	March 31, 2017
33.	**Tax Expense**		
	Current Tax for the year	53,50,00,000	42,66,00,000
	Deferred Tax for the year	(16,06,899)	(90,32,782)
	Tax Expense for Current Year	**53,33,93,101**	**41,75,67,218**
	Income Tax for earlier years	(50,10,441)	-
	Tax Expense in Statement of Profit & Loss	**52,83,82,660**	**41,75,67,218**

Notes to the Financial Statement

as at and for the year ended March 31, 2018

(Amount in ₹)

Reconciliation of estimated Income Tax expense at Indian statutory Income tax rate to income tax expense reported in statement of comprehensive Income

	March 31, 2018	March 31, 2017
Income before Income Taxes	1,47,45,26,192	1,18,90,76,553
Indian Statutory Income Tax Rate*	34.608%	34.608%
Estimated Income Tax Expenses	51,03,04,025	41,15,15,613

Tax effect of adjustments to reconcile expected Income Tax expense to reported Income Tax Expense

	March 31, 2018	March 31, 2017
Income exempt	-	-
Expenses disallowed for tax purpose	77,99,243	72,72,268
Deductions allowable under Income Tax Act	(45,24,072)	(39,22,061)
Provision for Interest for delayed payment under Income Tax Act	1,49,22,200	22,07,700
Others *	48,91,705	4,93,697
	2,30,89,076	**60,51,605**
Income Tax expense in the Statement of Profit and Loss	**53,33,93,101**	**41,75,67,218**

* Includes impact of reinstatement of opening Deferred Tax Asset/Liability at enacted tax rate of 34.944% against previously recognised tax rate of 34.608%.

	March 31, 2018	March 31, 2017	April 01, 2016
34. Capital and Other Commitments			
Estimated amount of contracts remaining to be executed and not provided for (Net of Advances)	8,17,50,000	59,05,416	2,26,95,376

	March 31, 2018	March 31, 2017	April 01, 2016
35. Contingent Liabilities & Contingent Assets			
Demands/claims by various government authorities and others not acknowledged as debts and contested by the government	-	-	-
Income Tax Matters	-	29,89,200	14,80,370
Sales Tax Matters (Net of amount deposited under dispute ₹ 21,17,391/-)	1,47,30,033	1,60,22,825	55,66,298
Bank Guarantees outstanding	2,20,30,000	2,20,30,000	2,40,67,000
Guarantees given to Bank on behalf of Subsidiary Company	4,90,42,916	-	-
Letter of Credit outstanding	5,63,41,250	-	-
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 favourable interim order dated June 5, 2013 and the matter is presently sub judice. Accordingly, the liabiity of ₹ 4,08,74,519/- (March 31, 2017: ₹ 4,08,74,519/- & March 31, 2016: ₹ 3,24,14,820/-) has not been provided for	4,08,74,519	4,08,74,519	3,24,14,820

Notes to the Financial Statement

as at and for the year ended March 31, 2018

Note:

The amount shown above represents the best possible estimate arrived at on the basis of available information. The uncertainties are dependent on outcome of different legal processes. The timing of future cash flows will be determinable only on receipt of judgements/decisions pending with various forums/authorities. The Company does not expect any reimbursements against above.

(Amount in ₹)

		March 31, 2018	March 31, 2017	April 01, 2016
36.	**Details of dues to micro and small enterprises as defined under the MSMED Act, 2006 included in Trade payables***			
	Principal amount remaining unpaid to any supplier at the end of accounting year	-	-	-
	Interest due on above	-	-	-
	Total	**-**	**-**	**-**
	Amount of interest paid by the Company to the suppliers in terms of section 16 of the MSMED Act, 2006 alongwith 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	-	-	-
	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.

37. Dividend

The Board of Directors at its meeting held on May 23, 2018 have recommended a payment of final dividend of ₹ 3/- per Equity Share of face value of ₹ 1/- each for the financial year ended March 31, 2018. The same amounts to ₹ 28,76,07,588/- (including Dividend Distribution Tax of ₹ 4,90,33,908/-).

The same is subject to approval at the ensuing Annual General Meeting of the Company and hence is not recognized as a liability.

38.

The Board of Directors at its meeting held on February 12, 2018 have recommended payment of commission of ₹ 26,00,000/- to Independent Directors.

The same is subject to approval at the ensuing Annual General Meeting of the Company and hence is not recognized as a liability.

39. 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.

Notes to the Financial Statement

as at and for the year ended March 31, 2018

(Amount in ₹)

		March 31, 2018	March 31, 2017	April 01, 2016
39(a)	**Change in Projected Benefit Obligations**			
	Obligations at beginning of the year	3,06,42,384	1,94,78,667	1,56,88,456
	Current Service cost	35,60,930	47,80,131	30,44,158
	Past Service cost	-	55,89,085	-
	Interest Cost	23,24,850	15,58,293	12,55,076
	Benefits settled	(12,88,628)	(9,45,943)	(3,55,268)
	Actuarial (gain)/loss (through OCI)	19,31,929	1,82,151	(1,53,755)
	Obligations at end of the year	**3,71,71,465**	**3,06,42,384**	**1,94,78,667**

		March 31, 2018	March 31, 2017	April 01, 2016
39(b)	**Change in Plan Assets**			
	Plan assets at beginning of the year, at fair value	1,94,70,675	1,68,13,561	1,55,03,398
	Interest income	15,08,977	13,45,085	12,40,272
	Actuarial gain/(loss) (through OCI)	(97,353)	1,61,017	1,74,901
	Contributions	10,85,874	20,96,955	2,50,258
	Benefits settled	(12,88,628)	(9,45,943)	(3,55,268)
	Plan Assets at end of the year	**2,06,79,545**	**1,94,70,675**	**1,68,13,561**

		March 31, 2018	March 31, 2017	April 01, 2016
39(c)	**Net Defined Benefit Liability/(Asset)**			
	Present value of defined benefit obligation at the end of the year	3,71,71,465	3,06,42,384	1,94,78,667
	Fair value of plan assets at the end of the year	2,06,79,545	1,94,70,675	1,68,13,561
	Net Liability/(Asset) recognised in the Balance Sheet	**1,64,91,920**	**1,11,71,709**	**26,65,106**

		March 31, 2018	March 31, 2017
39(d)	**Expenses recognised in Statement of Profit and Loss**		
	Service cost	35,60,930	1,03,69,216
	Interest cost (net)	8,15,873	2,13,208
	Total Expense recognised in Statement of Profit and Loss	**43,76,803**	**1,05,82,424**

		March 31, 2018	March 31, 2017
39(e)	**Re-measurement gains/(losses) in OCI**		
	Actuarial (gain)/loss due to financial assumption changes	53,88,686	(42,90,049)
	Actuarial (gain)/loss due to experience adjustments	(73,20,615)	41,07,898
	Return on Plan Assets (greater)/less than discount rate	(97,353)	1,61,017
	Total amount routed through OCI	**(20,29,282)**	**(21,134)**

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

		March 31, 2018	March 31, 2017
39(f)	**Actuarial (gain)/loss due to experience adjustments**		
	Investments with insurer	100%	100%

Notes to the Financial Statement

as at and for the year ended March 31, 2018

(Amount in ₹)

39(g) The principal assumptions used in determining gratuity benefit obligations for the company's plans are shown below:

	March 31, 2018	March 31, 2017	April 01, 2016
Discount Rate	7.75%	7.50%	8.00%
Salary Escalation Rate	4.00%	6.00%	5.00%
Mortality Rate	IALM (2006-08) table	IALM (2006-08) table	IALM (2006-08) table
Withdrawal Rate	1% to 8%	1% to 8%	1% to 8%

39(h) A quantitative sensitivity analysis for significant assumption as at March 31, 2018 is as shown below:

	Sensitivity	March 31, 2018		March 31, 2017	
		Increase	Decrease	Increase	Decrease
Effects on Defined Benefit Obligation due to change in					
Discount Rate	1%	3,46,34,823	4,00,84,163	2,73,88,394	3,44,46,885
Further salary increase	1%	3,95,78,509	3,50,63,019	3,38,53,415	2,78,41,443

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

39(i) The average duration of the defined benefit plan obligation at the end of the reporting period is 6.54 years (March 31, 2017: 8.47 years). The distribution of the timing of benefits payment i.e., the maturity analysis of the benefit payments is as follows:

Expected benefits payment for the year ending on	
March 31, 2019	78,39,499
March 31, 2020	14,79,296
March 31, 2021	14,86,699
March 31, 2022	4,29,226
March 31, 2023	42,37,867
March 31, 2024 to March 31, 2028	3,54,94,474

		March 31, 2018	March 31, 2017
39(j)	**Defined Contribution Plan**		
	Contribution to Provident/pension funds (Refer Note no. 29)	74,34,082	53,60,792

		March 31, 2018	March 31, 2017
40.	**Earning per share**		
	Profit as per Statement of Profit & Loss attributable to Equity Shareholders (a)	94,61,43,532	77,15,09,337
	Weighted average number of Equity Shares (in number) (b)	7,95,24,560	7,95,24,560
	Basic & Diluted Earnings Per Share (a/b) (Nominal Value ₹ 1/- per share)	11.90	9.70

Notes to the Financial Statement

as at and for the year ended March 31, 2018

41 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.	
	Oban Fashions Pvt Ltd	
Related parties with whom transactions have taken place during the year		
Key Management Personnel	Mr. Prahlad Rai Agarwala	Chairman
	Mr. Ghanshyam Prasad Agarwala	Vice-Chairman
	Mr. Kunj Bihari Agarwal	Managing Director
	Mr. Ramesh Agarwal	Whole-time Director-cum-Chief Financial Officer
	Mr. Mukesh Agarwal	Whole-time Director
	Mr. Niraj Kabra	Executive Director (Additional) (w.e.f. February 12, 2018)
	Mr. Arihant Kumar Baid	Whole-time Director (w.e.f November 05, 2015 to January 15, 2018)
	Mr. Neeraj Sureka	Chief Financial Officer (Upto November 17, 2016)
	Mr. Kundan Kumar Jha	Company Secretary (w.e.f. May 30, 2016)
	Mr. Satya Brata Ganguly	Independent Director
	Mr. Dipak Kumar Banerjee	Independent Director
	Mr. Dharam Chand Jain	Independent Director
	Mr. Vinod Kumar Kothari	Independent Director
	Mr. Sushil Patwari	Independent Director
	Mrs. Alka Devi Bangur	Independent Director
Relatives of Key Management Personnel	Mr. Suresh Agarwal	Son of Mr. Prahlad Rai Agarwala
	Mr. Manish Agarwal	Son of Mr. Ghanshyam Prasad Agarwala
	Mr. Ravi Agarwal	Son of Mr. Kunj Bihari Agarwal
	Mr. Vikash Agarwal	Son of Mr. Kunj Bihari Agarwal
	Mr. Rajnish Agarwal	Son of Mr. Ghanshyam Prasad Agarwala
	Mr. Siddhant Agarwal	Grand-Son of Mr. Prahlad Rai Agarwala
	Mrs. Rekha Patodia	Daughter of Mr. Prahlad Rai Agarwala
	Mrs. Shanti Devi Agarwal	Wife of Mr. Prahlad Rai Agarwala
	Mrs. Pushpa Devi Agarwal	Wife of Mr. Ghanshyam Prasad Agarwala
	Mrs. Lalita Devi Agarwal	Wife of Mr. Kunj Bihari Agarwal
	Mrs. Seema Agarwal	Wife of Mr. Ramesh Agarwal
	Mrs. Seema Agarwal	Wife of Mr. Mukesh Agarwal
	Mrs. Sarita Patwari	Daughter of Mr. Ghanshyam Prasad Agarwala

Notes to the Financial Statement

as at and for the year ended March 31, 2018

Enterprises owned or significantly influenced by Key Management Personnel or their relatives	Salasar Projects and Estates Pvt. Ltd.
	Sidhant Flats & Apartments Pvt Ltd.
	Salasar Infrastructure Ltd.
	Sobhasaria Properties Pvt Ltd
	Rupa Spinners Ltd.
	Salasar Developers & Garments Pvt Ltd.
	Bajrangbali Projects Ltd.
	Bajrangbali Hosiery Pvt. Ltd
	Sidhant Textiles Pvt Ltd.
	Ganesh Enclave Ltd.
	Ravi Global Pvt Ltd.
	Kadambari Impex & Agency Pvt Ltd.
	Prahlad Rai Suresh Kumar - HUF
	Suresh Kumar Agarwal - HUF
	Mukesh Kumar Agarwal - HUF
	Ghanshyam Prasad Manish Kumar - HUF
	K B & Sons - HUF
	Ravi Agarwal - HUF
	Binod Hosiery
	Rajnish Enterprises Ltd.
	Purvanchal Leasing Ltd.
	Sidhant Credit Capital Ltd.
	Rupa Dyeing & Printing Pvt Ltd
	Rupa Foundation
	Tushar Knitting LLP
Private companies in which directors or relatives are director or members	Tushar Knitting Pvt. Ltd.
	Salasar Processors Pvt. Ltd.
	Bajarangbali Textiles Pvt. Ltd.
	Metro Towers Office Owners Association

Related party transactions (Amount in ₹)

Particulars	Party	Nature of relationship	2017-18	2016-2017
Rent	Mr. Prahlad Rai Agarwala	Key Management Personnel	2,82,000	2,82,000
	Mr. Ghanshyam Prasad Agarwala		1,14,000	1,14,000
	Mr. Kunj Bihari Agarwal		48,000	48,000
	Mr. Mukesh Agarwal		1,08,000	1,08,000
	Mrs. Pushpa Devi Agarwal	Relatives of Key Management Personnel	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

Notes to the Financial Statement

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(Amount in ₹)

Particulars	Party	Nature of relationship	2017-18	2016-2017
	Rupa Spinners Ltd.	Enterprises owned or significantly influenced by Key Management Personnel or their relatives	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
	Bajrangbali Hosiery Pvt Ltd		72,500	-
	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
	Sobhasaria Properties Pvt Ltd		11,04,000	1,44,000
	Others		96,000	96,000
Salary & Perquisites	Mr. Prahlad Rai Agarwala #	Key Management Personnel	1,90,00,000	1,87,00,000
	Mr. Ghanshyam Prasad Agarwala		84,00,000	81,00,000
	Mr. Kunj Bihari Agarwal		84,00,000	81,00,000
	Mr. Ramesh Agarwal		79,50,000	63,00,000
	Mr. Mukesh Agarwal		79,50,000	63,00,000
	Mr. Arihant Kumar Baid		17,18,337	16,83,226
	Mr. Neeraj Sureka		-	31,92,911
	Mr. Niraj Kabra		2,19,016	-
	Mr .Kundan Kumar Jha		20,72,924	16,14,251
	Mr. Manish Agarwal	Relatives of Key Management Personnel	54,00,000	51,00,000
	Mr. Ravi Agarwal		54,00,000	51,00,000
	Mr. Vikash Agarwal		54,00,000	51,00,000
	Mr. Rajnish Agarwal		54,00,000	51,00,000
	Mr. Suresh Agarwal		30,00,000	30,00,000
	Mr. Siddhant Agarwal		30,00,000	24,00,000
	Mrs. Rekha Patodia		15,69,979	15,69,979
Sitting Fees*	Mr. Satya Brata Ganguly	Independent Director	6,50,000	4,20,000
	Mr. Dipak Kumar Banerjee		5,35,000	7,25,000
	Mr. Dharam Chand Jain		3,60,000	4,50,000
	Mr. Vinod Kumar Kothari		6,10,000	4,05,000
	Mr. Sushil Patwari		5,85,000	6,50,000
	Mrs. Alka Devi Bangur		4,50,000	4,50,000
Sales	Imoogi Fashions Pvt. Ltd.	Subsidiary Company	2,05,27,561	1,10,92,589
Interest Income	Oban Fashions Pvt Ltd		1,40,88,342	87,20,357
Royalty	Euro Fashion Inners International Pvt. Ltd.		8,29,210	7,49,543
Purchases	Imoogi Fashions Pvt. Ltd.		10,78,34,502	14,05,94,850
Sub-contracting Expenses	Rupa Dyeing & Printing Pvt Ltd	Enterprises owned or significantly influenced by Key Management Personnel or their relatives	7,04,97,772	10,81,92,399
	Tushar Knitting Pvt. Ltd.		29,46,603	33,08,764
	Salasar Processors Pvt. Ltd.		6,15,42,024	4,57,26,291
	Bajarangbali Textiles Pvt. Ltd.		38,39,872	29,51,005
CSR Expenditure	Rupa Foundation		69,46,400	22,00,000
Miscellaneous Expenses	Metro Towers Office Owners Association	Private companies in which directors or relatives are director or members.	51,94,110	54,54,068

Notes to the Financial Statement

as at and for the year ended March 31, 2018

(Amount in ₹)

Particulars	Party	Nature of relationship	2017-18	2016-2017
Non-Current Investments made during the year	Oban Fashions Pvt Ltd	Subsidiary Company	5,90,00,000	4,00,00,000
Non-Current Investments purchased during the year	Euro Fashion Inners International Pvt. Ltd.	Subsidiary Company	-	3,000
Purchase of land during the year	Euro Fashion Inners International Pvt. Ltd.	Subsidiary Company	-	1,14,00,000
Dividend Paid	Mr. Prahlad Rai Agarwala	Key Management Personnel	82,04,790	-
	Mr. Ghanshyam Prasad Agarwala		35,01,795	-
	Mr. Kunj Bihari Agarwal		33,92,263	-
	Mr. Mukesh Agarwal		20,06,263	
	Mr. Ramesh Agarwal		29,12,883	
	Others		35,33,475	-
	Mr. Vikash Agarwal	Relatives of Key Management Personnel	48,27,460	-
	Mr. Ravi Agarwal		47,92,233	-
	Mr. Rajnish Agarwal		34,19,268	-
	Mr. Manish Agarwal		33,89,513	-
	Mr. Suresh Agarwal		29,33,068	-
	Others		71,24,645	-
	Rajnish Enterprises Ltd.	Enterprises owned or significantly influenced by key management personnel or their relatives	4,35,33,273	-
	Purvanchal Leasing Ltd.		1,59,71,093	-
	Binod Hosiery		4,61,00,054	-
	Sidhant Credit Capital Ltd.		51,59,523	-

#includes Commission of ₹ 1,00,00,000/- (March 31, 2017: ₹ 1,00,00,000/-)

As the liability for Gratuity and Leave Encashment is provided on an actuarial basis for the Company as a whole, the amount pertaining to Key Management Personnel and relatives of Key Management Personnel are not included above.

Balance at end of the year

Particulars	Party	Nature of relationship	2017-2018	2016-2017	2015-2016
Trade Payables and Other Liabilities (Payable to Employees)	Mr. Prahlad Rai Agarwala	Key Management Personnel	85,68,745	1,37,35,602	4,10,390
	Mr. Ghanshyam Prasad Agarwala		13,50,616	22,09,860	21,54,329
	Mr. Kunj Bihari Agarwal		3,39,794	12,83,514	37,15,355
	Mr. Ramesh Agarwal		1,05,403	1,42,585	37,05,674
	Mr. Mukesh Agarwal		33,32,321	24,47,140	50,78,952
	Mr. Arihant Kumar Baid		-	1,54,731	1,05,004
	Mr. Niraj Kabra		1,45,549	-	-
	Mr. Neeraj Sureka		-	-	3,16,024
	Mr. Kundan Kumar Jha		1,48,777	1,11,540	-

Notes to the Financial Statement

as at and for the year ended March 31, 2018

(Amount in ₹)

Particulars	Party	Nature of relationship	2017-2018	2016-2017	2015-2016
Trade Payables and Other Liabilities (Payable to Employees)	Mr. Manish Agarwal	Relatives of Key Management Personnel	3,00,459	18,08,028	74,11,527
	Mr. Rajnish Agarwal		78,261	4,84,263	34,14,270
	Mr. Ravi Agarwal		1,51,863	16,83,813	14,23,907
	Mr. Vikash Agarwal		1,76,794	6,31,569	10,40,195
	Mr. Suresh Agarwal		1,52,508	4,89,720	92,188
	Mr. Siddhant Agarwal		4,65,015	6,41,567	7,98,822
	Mrs. Rekha Patodia		41,495	2,20,534	2,37,220
Other Liabilities	Mrs. Pushpa Devi Agarwal		18,000	18,000	18,000
Trade Payables	Euro Fashion Inners International Pvt Ltd	Subsidiary Company	-	-	9,04,723
	Rupa Dyeing & Printing Pvt Ltd	Enterprises owned or significantly influenced by Key Management Personnel or their relatives	87,66,839	1,49,99,594	1,85,10,676
	Salasar Infrastructure Ltd		-	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
	Sobhasaria Properties Pvt Ltd		1,47,600	1,44,000	1,20,000
	Others		12,000	96,000	96,000
	Salasar Processors Pvt Ltd	Private companies in which directors or relatives are director or members	37,74,322	39,39,327	70,54,036
	Bajarangbali Textiles Pvt Ltd		22,75,991	33,08,870	26,57,865
	Tushar Knitting Pvt Ltd		33,98,544	68,07,834	-
	Tushar Knitting LLP		5,69,190	-	-
	Metro Towers Office Owners Association		2,09,898	1,88,166	4,02,342
Advance against supply of goods & services	Tushar Knitting Pvt Ltd	Private companies in which directors or relatives are director or members	5,30,533	-	2,22,281
	Imoogi Fashions Pvt Ltd	Subsidiary Company	75,41,052	1,11,47,889	1,42,12,020
	Euro Fashion Inners International Pvt Ltd		1,18,140	4,09,230	-
	Oban Fashions Pvt Ltd		-	-	17,89,927
Financial Assets - Loan granted & Other Financial Asset	Oban Fashions Pvt Ltd	Subsidiary Company	40,70,31,720	13,32,97,575	-

Notes to the Financial Statement

as at and for the year ended March 31, 2018

(Amount in ₹)

Particulars	Party	Nature of relationship	2017-2018	2016-2017	2015-2016
Financial Assets - Security Deposit	Salasar Projects and Estates Pvt Ltd	Enterprises owned or significantly influenced by Key Management Personnel or their relatives	26,00,000	26,00,000	26,00,000
	Sidhant Flats & Apartments Pvt Ltd		26,40,001	26,40,001	26,40,001
	Bajrangbali Projects Ltd		3,00,000	3,00,000	3,00,000
	Ganesh Enclave Ltd		3,00,000	3,00,000	3,00,000
	Rupa Spinners Ltd		3,00,000	3,00,000	3,00,000
	Salasar Infrastructure Ltd		3,00,000	3,00,000	3,00,000
	Salasar Developers & Garments Pvt Ltd		3,00,000	3,00,000	3,00,000
Guarantees Given	Oban Fashions Pvt Ltd	Subsidiary Company	4,90,42,916	-	-
Guarantees taken*	Mr. Prahlad Rai Agarwala	Key Management Personnel	-	55,55,555	2,77,00,000
	Mr. Ghanshyam Prasad Agarwala		-	55,55,555	2,77,00,000
	Mr. Kunj Bihari Agarwal		-	55,55,555	2,77,00,000

* Guarantees given in aggregate by all the Directors

Note:

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

42. 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 ₹)

	For the year ended March 31, 2018			For the year ended March 31, 2017		
	India	Overseas	Total	India	Overseas	Total
Revenue from Operations	11,07,72,62,057	18,38,73,759	11,26,11,35,816	10,62,27,56,999	22,02,01,390	10,84,29,58,389
Carrying amount						
Segment Assets	8,87,91,80,463	6,08,82,933	8,94,00,63,396	7,05,88,77,119	5,56,91,289	7,11,45,68,408
Segment Liabilities	3,82,75,11,756	32,47,092	3,83,07,58,848	2,67,57,47,823	1,11,26,204	2,68,68,74,027
Additions:						
Tangible Assets	11,85,16,705	-	11,85,16,705	16,04,76,750	-	16,04,76,750
Intangible Assets	21,97,562	-	21,97,562	2,69,86,806	-	2,69,86,806

Notes to the Financial Statement

as at and for the year ended March 31, 2018

(Amount in ₹)

	As at April 01, 2016		
	India	Overseas	Total
Carrying amount			
Segment Assets	6,75,32,14,988	4,20,42,443	6,79,52,57,431
Segment Liabilities	3,13,15,97,457	74,61,110	3,13,90,58,567

43. Information pursuant to Regulation 34(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Loan & Advances (in nature of loan) to Subsidiary Company are as under :

	Balance as on March 31, 2018	Balance as on March 31, 2017	Maximum Balance outstanding during FY 2017-2018	Maximum Balance outstanding during FY 2016-2017
Oban Fashions Private Limited	40,69,38,495	13,32,97,575	40,69,38,495	1,32,97,575

44. Disclosures of Corporate Social Responsibility expenditure in line with the requirement of Guidance Note on "Accounting for Expenditure on Corporate Social Responsibility Activities".

	March 31, 2018	March 31, 2017
Amount of CSR Expenditure to be incurred during the year	2,23,53,494	2,06,58,803
CSR Expenditure incurred during the year	2,25,35,955	2,10,13,258
Related party transaction as per Ind AS 24 in relation to CSR Expenditure	69,46,400	22,00,000

45. Leases - Operating lease commitments - Company as lessee

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. The leases are cancellable.

	March 31, 2018	March 31, 2017
Lease Payments made during the year	2,89,02,279	2,77,45,715

46. Capital Management

The Company's objective to manage its capital is to ensure continuity of business while at the same time provide reasonable returns to its various stakeholders but keep associated costs under control. In order to achieve this, requirement of capital is reviewed periodically with reference to operating and business plans that take into account capital expenditure and strategic investments. Apart from internal accrual, sourcing of capital is done through judicious combination of equity and borrowing, both short term and long term. Net debt (total borrowings less cash & cash equivalents) to equity ratio is used to monitor capital.

	March 31, 2018	March 31, 2017	April 01, 2016
Debt Equity Ratio	0.21:1	0.17:1	0.39:1

47. Disclosure on Financial Instrument

This section gives an overview of the significance of financial instruments for the Company and provides additional information on balance sheet items that contain financial instruments

The details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised in respect of each class of financial asset, financial liability and equity instrument are disclosed in Note no. 3.12 to the financial statements.

Notes to the Financial Statement

as at and for the year ended March 31, 2018

(Amount in ₹)

(a) Financial Asset and Liabilities (Non Current and Current)

The following tables presents the carrying value and fair value of each category of financial assets and liabilities as at March 31, 2018, March 31, 2017 and April 1, 2016.

	Balance as on March 31, 2018			Balance as on March 31, 2017		
	Fair value through statement of Profit & Loss	Amortised Cost	Carrying Value	Fair value through statement of Profit & Loss	Amortised Cost	Carrying Value
Financial Assets						
(i) Investments	-	-	-	-	-	-
(ii) Investments others	10,56,500	18,000	10,74,500	9,75,640	18,000	9,93,640
(iii) Trade Receivable	-	3,28,62,11,367	3,28,62,11,367	-	2,07,02,29,820	2,07,02,29,820
(iv) Cash and Cash Equivalents	-	4,60,93,755	4,60,93,755	-	8,69,74,480	8,69,74,480
(v) Other Bank Balances	-	1,78,66,734	1,78,66,734	-	1,68,51,329	1,68,51,329
(vi) Loans	-	43,38,20,324	43,38,20,324	-	14,58,68,823	14,58,68,823
(vii) Interest Accrued on Loan/Deposits	-	1,43,59,082	1,43,59,082	-	78,48,158	78,48,158
(viii) Deposits With maturity of more than 12 months	-	16,96,692	16,96,692	-	16,96,692	16,96,692
(Ix)Other Financial Assets		93,225	93,225	-	-	-
	10,56,500	**3,80,01,59,179**	**3,80,12,15,679**	**9,75,640**	**2,32,94,87,302**	**2,33,04,62,942**
Financial Liabilities						
(i) Borrowings	-	1,09,88,41,110	1,09,88,41,110	-	80,37,30,924	80,37,30,924
(ii) Trade Payables	-	1,56,72,51,221	1,56,72,51,221	-	95,04,48,648	95,04,48,648
(iii) Interest Accrued but not due on borrowings	-	5,45,312	5,45,312	-	1,25,277	1,25,277
(iv) Security Deposits from Customers	-	34,42,09,268	34,42,09,268	-	28,39,50,099	28,39,50,099
(v) Capital Creditors	-	38,12,477	38,12,477	-	48,85,918	48,85,918
(vi) Payable to Employees	-	3,95,07,316	3,95,07,316	-	5,12,06,428	5,12,06,428
(vii) Others Financial Liabilities	-	40,49,03,234	40,49,03,234	-	27,28,26,321	27,28,26,321
	-	**3,45,90,69,938**	**3,45,90,69,938**	**-**	**2,36,71,73,615**	**2,36,71,73,615**

	Balance as on April 01, 2016		
	Fair value through statement of Profit & Loss	Amortised Cost	Carrying Value
Financial Assets			
(i) Investments	-	-	-
(ii) Investments others	8,19,600	15,000	8,34,600
(iii) Trade Receivable	-	1,74,77,58,172	1,74,77,58,172
(iv) Cash and Cash Equivalents	-	4,42,45,143	4,42,45,143

Notes to the Financial Statement

as at and for the year ended March 31, 2018

(Amount in ₹)

	Balance as on April 01, 2016		
	Fair value through statement of Profit & Loss	Amortised Cost	Carrying Value
(v) Other bank balances	-	1,56,16,702	1,56,16,702
(vi) Loans	-	2,07,72,348	2,07,72,348
(vii) Interest Accrued on Loan / Deposits	-	-	-
(viii) Deposits With maturity of more than 12 months	-	15,01,328	15,01,328
	8,19,600	**1,82,99,08,693**	**1,83,07,28,293**
Financial Liabilities			
(i) Borrowings	-	1,43,07,59,429	1,43,07,59,429
(ii) Trade payables	-	85,53,72,175	85,53,72,175
(iii) Interest Accrued but not due on borrowings	-	2,95,217	2,95,217
(iv) Security Deposits from customers	-	26,90,48,720	26,90,48,720
(v) Capital Creditors	-	1,17,65,939	1,17,65,939
(vi) Payable to employees	-	5,57,03,621	5,57,03,621
(vii) Others Financial Liabilities	-	22,97,33,265	22,97,33,265
	-	**2,85,26,78,366**	**2,85,26,78,366**

(b) Fair Value hierarchy

	March 31, 2018	March 31, 2017	April 01, 2016
Investment in Mutual Funds (Quoted Price in Active Markets) Level -1	10,56,500	9,75,640	8,19,600

There are no transfer between levels during the year.

The carrying value of trade receivables, trade payables, cash and cash equivalents, loans, borrowings and other current financial assets and liabilities approximate their fair values largely due to the short-term maturities.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The fair values of the investments in mutual funds are derived from quoted market prices in active markets.

(c) Financial Risk Management

The Company has a Risk Management Policy which covers risk associated with the financial assets and liabilities. The Risk Management Policy is approved by the Directors. The different types of risk impacting the fair value of financial instruments are as below:

(a) Credit Risk

The credit risk is the risk of financial loss arising from counter party failing to discharge an obligation. The credit risk is controlled by analysing credit limits and credit worthiness of customers on continuous basis to whom the credit has been granted,obtaining necessary approvals for credit and taking security deposits from trade channels.

(i) Trade Receivables

Customer Credit risk is managed by the Company subject to the Company's established policy, procedures and control relating to customer credit risk management. Outstanding customer receivables are regularly monitored and major customers are generally secured by obtaining security deposits/bank guarantee or other forms of credit insurance. The maximum exposure to credit risk at the reporting date is the carrying value of trade receivable disclosed in note no. 12.

Notes to the Financial Statement

as at and for the year ended March 31, 2018

(b) Liquidity Risk

The Company determines its liquidity requirement in the short term and long term. The Company manage its liquidity risk in a manner so as to meet its financial obligations without any significant delay or stress. Such risk is managed through ensuring operational cash flow while at the same time maintaining adequate cash and cash equivalent position. The management has arranged for diversified funding sources and adopted a policy of managing assets with liquidity monitoring future cash flow and liquidity on a regular basis. Besides, it generally has certain undrawn credit facilities which can be assessed as and when required; such credit facilities are reviewed at regular basis.

(i) Maturity Analysis for Financial Liabilities

The following are the remaining contractual maturities of financial liabilities as at March 31, 2018.

(Amount in ₹)

	On Demand	Upto 1 Yr	1Yr - 3Yr	More than 3 Yr
Non-Derivative				
Trade payables	-	1,56,72,51,221	-	-
Borrowings	44,88,41,110	65,77,64,176	-	-
Other Financial Liabilities				
Interest Accrued but not due on borrowings	-	5,45,312	-	-
Unpaid dividends (to be credited to Investor Education and Protection Fund as and when due)	13,63,525	-	-	-
Security Deposits from customers	34,42,09,268	-	-	-
Capital Creditors	-	38,12,477	-	-
Dealers Incentive payable	-	36,23,98,818	-	-
Payable to employees	-	3,95,07,316	-	-
Others	-	3,33,76,716	-	-
Total	**79,44,13,903**	**2,66,46,56,036**	**-**	**-**

The following are the remaining contractual maturities of financial liabilities as at March 31, 2017

	On Demand	Upto 1 Yr	1Yr - 3Yr	More than 3 Yr
Non-Derivative				
Trade payables	-	95,04,48,648	-	-
Borrowings	29,59,66,749	53,50,24,311	77,64,175	-
Other Financial Liabilities				
Interest Accrued but not due on borrowings	-	1,25,277	-	-
Unpaid dividends (to be credited to Investor Education and Protection Fund as and when due)	13,00,708	-	-	-
Security Deposits from customers	28,39,50,099	-	-	-
Capital Creditors	-	48,85,918	-	-
Dealers Incentive payable	-	20,50,84,309	-	-
Payable to employees	-	5,12,06,428	-	-
Others	-	3,14,16,993	-	-
Total	**58,12,17,556**	**1,77,81,91,884**	**77,64,175**	**-**

Notes to the Financial Statement

as at and for the year ended March 31, 2018

(Amount in ₹)

The following are the remaining contractual maturities of financial liabilities as at April 01, 2016

	On Demand	Upto 1 Yr	1Yr - 3Yr	More than 3 Yr
Non-Derivative				
Trade payables	-	85,53,72,175	-	-
Borrowings	48,79,70,943	95,15,01,289	4,27,88,486	-
Other Financial Liabilities				
Interest Accrued but not due on borrowings	-	2,95,217	-	-
Unpaid dividends (to be credited to Investor Education and Protection Fund as and when due)	9,45,465	-	-	-
Security Deposits from customers	26,90,48,720	-	-	-
Capital Creditors	-	1,17,65,939	-	-
Dealers Incentive payable	-	15,21,63,825	-	-
Payable to employees	-	5,57,03,621	-	-
Others	-	2,51,22,687	-	-
Total	**75,79,65,128**	**2,05,19,24,752**	**4,27,88,486**	**-**

(c) Market Risk

Market Risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: interest rate risk and foreign currency risk. Financial instruments affected by market risk include borrowings, trade receivable and trade payable.

(i) Interest Rate Risk: Interest Rate Risk is the risk that the fair value or future cash flows of the Company's financial instruments will fluctuate because of changes in market interest rates.

The Company is exposed to risk due to interest rate fluctuation on long term borrowings. Such borrowings are based on fixed as well as floating interest rate. Interest rate risk is determined by current market interest rates, projected debt servicing capability and view on future interest rate. Such interest rate risk is actively evaluated and is managed through portfolio diversification and exercise of prepayment/refinancing options where considered necessary.

The Company is also exposed to interest rate risk on surplus funds parked in fixed deposits . To manage such risks, such investments are done mainly for short durations, in line with the expected business requirements for such funds.

a) Exposure to interest rate risk

	March 31, 2018	March 31, 2017	April 01, 2016
Fixed Rate Instruments			
Financial Assets	43,10,50,054	14,26,96,730	1,61,72,565
Financial Liabilities	65,00,00,000	50,00,00,000	90,00,00,000
Variable Rate Instruments			
Financial Assets	-	-	-
Financial Liabilities	45,66,05,285	33,87,55,235	58,22,60,719

Notes to the Financial Statement

as at and for the year ended March 31, 2018

(Amount in ₹)

(b) Interest rate Sensitivity: A change in 50 basis points in the interest rate would have following impact on profit before tax and other equity.

	Sensitivity Analysis	March 31, 2018 Impact on		March 31, 2017 Impact on	
		Profit before Tax	Other Equity	Profit before Tax	Other Equity
Interest rate increase by	0.50%	(22,83,026)	(14,92,917)	(16,93,776)	(11,07,594)
Interest rate decrease by	0.50%	22,83,026	14,92,917	16,93,776	11,07,594

(c) Foreign Currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company does not have significant foreign currency exposure and hence, is not exposed to any significant foreign currency risk.

Unhedged Foreign Currency Exposure

The Company's exposure to foreign currency in USD at the end of the reporting period expressed in INR is as follows :

	March 31, 2018	March 31, 2017	April 01, 2016
Financial Assets			
Trade Receivables	5,97,32,245	3,15,53,029	3,89,52,182
EEFC Bank Account	11,50,689	2,41,38,260	30,90,261

48. Movement of Deferred Revenue (Refer Note no. 20)

	March 31, 2018	March 31, 2017
Opening Balance	**45,03,541**	**52,85,446**
Government Grant received during the year	1,21,39,225	-
Less:		
Deferred Revenue on Government Grant recognised in Profit and Loss Statement	48,33,928	7,81,906
Current portion of Deferred Revenue Grant carried forward as at year end	17,47,857	7,80,407
Non-Current portion of Deferred Revenue Grant carried forward as at year end	1,00,60,981	37,23,134

49. First time adoption- Transition to Ind AS

Basis for Preparation

For all period up to and including the year ended March 31, 2017, the Company has prepared its financial statements in accordance with Generally Accepted Accounting Principles in India (Indian GAAP). These financial statements for the year ended March 31, 2018 are the Company's first annual IND AS financial statements and have been prepared in accordance with Ind AS.

The accounting policies set out in Note 3 have been applied in preparing the financial statements for the year ended March 31, 2018, the comparative information presented in these financial statements for the year ended March 31, 2017 and in the preparation of an opening Ind AS Balance Sheet at April 01, 2016 (the date of transition). This note explains the principal adjustments made by the Company in restating its financial statements prepared in accordance with previous GAAP, and how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows.

Exceptions and Exemptions Applied

Ind AS 101 "First-time adoption of Indian Accounting Standards" (hereinafter referred to as Ind AS 101) allows first time

Notes to the Financial Statement

as at and for the year ended March 31, 2018

adopters certain mandatory exceptions and optional exemptions from the retrospective application of certain IND AS, effective for April 01, 2016 opening balance sheet. In preparing these Standalone Financial Statements, the Company has applied the below mentioned mandatory exceptions and optional exemptions.

A Mandatory exceptions to retrospective application

The Company has applied the following exceptions to the retrospective application of Ind AS as mandatorily required under Ind AS 101 "First Time Adoption of Indian Accounting Standards".

i Estimates

As per para 14 of Ind AS 101, an entity's estimates in accordance with Ind AS at the date of transition to Ind AS at the end of the comparative period presented in the entity's first Ind AS Financial Statements, as the case may be, should be consistent with estimates made for the same date in accordance with the previous GAAP unless there is objective evidence that those estimates were in error. However, the estimates should be adjusted to reflect any differences in accounting policies. As per para 16 of the standard, where application of Ind AS requires an entity to make certain estimates that were not required under previous GAAP, those estimates should be made to reflect conditions that existed at the date of transition or at the end of the comparative period. The Company's estimates under Ind AS are consistent with the above requirement. Key estimates considered in preparation of the financial statement that were not required under the previous GAAP are listed below:

- Fair Valuation of financial instruments carried at FVTPL and/ or FVOCI.

- Impairment of financial assets based on the expected credit loss model.

- Determination of the discounted value for financial instruments carried at amortized cost.

ii De-recognition of Financial Assets and Liabilities

As per para B2 of Ind AS 101, an entity should apply the derecognition requirements in Ind AS 109, "Financial Instruments", prospectively for transactions occurring on or after the date of transition to Ind AS. However, para B3 gives an option to the entity to apply the derecognition requirements from a date of its choice if the information required to apply Ind AS 109 to financial assets and financial liabilities derecognized as a result of past transactions was obtained at the initially accounting for those transactions. The company has elected to apply the de-recognition provisions of Ind AS 109 prospectively from the date of transition to Ind AS.

iii Classification and measurement of Financial Assets

The classification of financial assets to be measured at amortised cost or fair value through other comprehensive income is made on the basis of facts and circumstances that existed on the date of transition to Ind AS.

B Optional exemptions from retrospective application

Ind AS 101 "First time Adoption of Indian Accounting Standards" permits Companies adopting Ind AS for the first time to take certain exemptions from the full retrospective application of Ind AS during the transition. The Company has accordingly on transition to Ind AS availed the following key exemptions:

i Property Plant and Equipment, Intangible Assets

As permitted by para D5-D8B of Ind AS 101, the Company has elected to continue with the carrying values under previous GAAP for all the items of property, plant and equipment. The same election has been made in respect of intangible assets also.

ii Investments in Subsidiaries

As permitted by para D14 & D15 of Ind AS 101, the Company has elected to measure the investments in subsidiaries at Deemed Cost calculated at the previous GAAP carrying amount as on the date of transition, as the company has elected to measure such investments at Cost under Ind AS 27 "Separate Financial Statements".

Notes to the Financial Statement

as at and for the year ended March 31, 2018

C Transition to IND AS - Reconciliations

The following reconciliations provide the explanation and qualification of the differences arising from the transition from Previous GAAP to Ind AS in accordance with Ind AS 101 "First Time Adoption of Indian Accounting Standards".

(I) Reconciliation of material items of Balance sheet as at April 01, 2016 (Transition Date) and as at March 31, 2017

(II) Reconciliation of Statement of Profit & Loss for the year ended March 31, 2017

(III) Reconciliation of total equity as at April 1, 2016 and March 31, 2017

Transition to Ind AS - Reconciliations

1 Effect Of Ind AS adoption on the Balance Sheet as at March 31, 2017 and April 01, 2016

(Amount In ₹)

	Foot note	Balance sheet as at March 31, 2017			Opening balance sheet as at April 01, 2016		
		Previous GAAP	Effect of Transition to Ind AS	Ind AS	Previous GAAP	Effect of Transition to Ind AS	Ind AS
ASSETS							
Non-current assets							
Property, plant and equipment		1,53,26,62,192	-	1,53,26,62,192	1,51,99,76,817	-	1,51,99,76,817
Capital Work In Progress		-	-	-	6,46,75,130	-	6,46,75,130
Intangible Asset		3,24,29,485	-	3,24,29,485	92,59,094	-	92,59,094
Intangible Asset under development		-	-	-	2,31,55,565	-	2,31,55,565
Investments in Subsidiaries		8,12,00,000	-	8,12,00,000	4,12,00,000	-	4,12,00,000
Financial Assets							
(i) Investments	4	1,18,000	8,75,640	9,93,640	1,15,000	7,19,600	8,34,600
(ii) Loans		1,15,55,763	-	1,15,55,763	1,39,11,334	-	1,39,11,334
(iii) Other Financial Assets		16,96,692	-	16,96,692	15,01,328	-	15,01,328
Other Non Current Assets		13,57,63,922	-	13,57,63,922	16,55,66,789	-	16,55,66,789
		1,79,54,26,054	**8,75,640**	**1,79,63,01,694**	**1,83,93,61,057**	**7,19,600**	**1,84,00,80,657**
Current Assets							
Inventories		2,88,48,44,024	-	2,88,48,44,024	2,99,90,72,180	-	2,99,90,72,180
Financial Asset							
(i) Trade receivable	5	2,07,09,44,527	(7,14,707)	2,07,02,29,820	1,74,83,67,391	(6,09,218)	1,74,77,58,172
(ii) Cash and Cash Equivalents		8,69,74,480	-	8,69,74,480	4,42,45,143	-	4,42,45,143
(iii) Other bank balances (other than above)		1,68,51,329	-	1,68,51,329	1,56,16,702	-	1,56,16,702
(iv) Loans		13,43,13,060	-	13,43,13,060	68,61,014	-	68,61,014
(v) Other Financial Assets		78,48,158	-	78,48,158	-	-	-
Other Current Asset		11,72,05,843	-	11,72,05,843	14,16,23,563	-	14,16,23,563
		5,31,89,81,420	**(7,14,707)**	**5,31,82,66,714**	**4,95,57,85,993**	**(6,09,218)**	**4,95,51,76,774**
Total Assets		**7,11,44,07,474**	**1,60,933**	**7,11,45,68,408**	**6,79,51,47,049**	**1,10,382**	**6,79,52,57,431**

Notes to the Financial Statement

as at and for the year ended March 31, 2018

(Amount in ₹)

	Foot note	Balance sheet as at March 31, 2017			Opening balance sheet as at April 01, 2016		
		Previous GAAP	Effect of Transition to Ind AS	Ind AS	Previous GAAP	Effect of Transition to Ind AS	Ind AS
EQUITY & LIABILITIES							
Equity							
Equity Share Capital		7,96,29,060	-	7,96,29,060	7,96,29,060	-	7,96,29,060
Other equity		4,35,05,36,287	(24,70,966)	4,34,80,65,321	3,57,94,58,329	(28,88,525)	3,57,65,69,804
Total Equity		**4,43,01,65,347**	**(24,70,966)**	**4,42,76,94,381**	**3,65,90,87,389**	**(28,88,525)**	**3,65,61,98,864**
Non-Current Liabilities							
Financial Liabilities							
(i) Borrowings	4	77,77,707	(13,532)	77,64,175	4,28,88,824	(1,00,336)	4,27,88,486
(ii) Other Financial Liabilities		-	-	-	-	-	-
Provisions		-	-	-	-	-	-
Deferred Tax Liabilities (Net)	2	13,64,69,739	(17,71,310)	13,46,98,429	14,56,48,250	(19,09,728)	14,37,38,522
Other Non-Current Liabilities	1	-	37,23,134	37,23,134	-	45,03,540	45,03,540
		14,42,47,446	**19,38,292**	**14,61,85,738**	**18,85,37,074**	**24,93,476**	**19,10,30,548**
Current Liabilities							
Financial Liabilities							
(i) Borrowings		79,59,66,749	-	79,59,66,749	1,38,79,70,943	-	1,38,79,70,943
(ii) Trade payables		95,04,48,648	-	95,04,48,648	85,53,72,175	-	85,53,72,175
(iii) Other Financial Liabilities	4	61,30,80,845	(86,802)	61,29,94,043	56,68,23,237	(2,76,474)	56,65,46,763
Provisions		1,82,27,108	-	1,82,27,108	97,20,505	-	97,20,505
Current Tax Liabilities (Net)		8,39,96,712	-	8,39,96,712	3,94,15,117	-	3,94,15,117
Other Current Liabilities	1	7,82,74,618	7,80,409	7,90,55,029	8,82,20,610	7,81,905	8,90,02,516
		2,53,99,94,680	**6,93,607**	**2,54,06,88,289**	**2,94,75,22,587**	**5,05,431**	**2,94,80,28,019**
Total Liabilities		**2,68,42,42,125**	**26,31,899**	**2,68,68,74,027**	**3,13,60,59,661**	**29,98,907**	**3,13,90,58,567**
Total Equity and Liabilities		**7,11,44,07,474**	**1,60,933**	**7,11,45,68,408**	**6,79,51,47,049**	**1,10,382**	**6,79,52,57,431**

2 Effect of Ind AS adoption on the Statement of Profit & Loss for the year ended March 31, 2017

	Foot note	Year ended March 31, 2017		
		Previous GAAP	Effect of transition to Ind AS	IND AS
Income				
Revenue from Operations	1	10,84,21,76,483	7,81,906	10,84,29,58,389
Other Income	4	3,38,83,789	1,56,040	3,40,39,829
TOTAL		**10,87,60,60,272**	**9,37,946**	**10,87,69,98,218**

Notes to the Financial Statement

as at and for the year ended March 31, 2018

(Amount in ₹)

	Foot note	Year ended March 31, 2017		
		Previous GAAP	Effect of transition to Ind AS	IND AS
Expenses				
Cost of Raw Materials Consumed		4,79,57,49,219	-	4,79,57,49,219
(Increase)/Decrease in Inventories		14,58,49,861	-	14,58,49,861
Excise Duty on sale of goods		-	-	-
Employee Benefits Expense	3	35,04,36,866	21,134	35,04,15,732
Finance Costs	4	10,51,93,019	(2,76,483)	10,54,69,502
Depreciation and Amortisation Expense		15,04,87,036	-	15,04,87,036
Other Expenses	5	4,13,98,44,825	(1,05,488)	4,13,99,50,313
TOTAL		**9,68,75,60,826**	**(3,60,837)**	**9,68,79,21,663**
Profit before Tax		**1,18,84,99,446**	**5,77,109**	**1,18,90,76,555**
Tax Expense				
Current Tax		42,66,00,000	-	42,66,00,000
Deferred Tax	2	(91,78,513)	1,45,731	(90,32,782)
Income Tax Expense		41,74,21,487	1,45,731	41,75,67,218
Profit for the year		**77,10,77,959**	**4,31,378**	**77,15,09,337**
Other Comprehensive Income				
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:				
Re-measurement gains/ (losses) on Defined Benefit Plans		-	(21,134)	(21,134)
Income tax effect		-	7,314	7,314
Other Comprehensive Income for the year, Net of Tax		-	(13,820)	(13,820)
Total Comprehensive Income for the year, Net of Tax		**77,10,77,959**	**4,17,558**	**77,14,95,517**

3 Reconciliation of Total Equity

	Refer Note No.	As at March 31, 2017	As at April 01, 2016
Equity under Previous Indian GAAP		**4,43,01,65,347**	**3,65,90,87,389**
Measurement of Capital Reserve as Deferred Revenue Grant	1	(45,03,543)	(52,85,445)
Impact of amortization of transaction cost on borrowings	4	1,00,334	3,76,810
Impact of measurement of Investment at fair value	4	8,75,640	7,19,600
Impact of Expected Credit Loss model on trade receivables	5	(7,14,707)	(6,09,218)
Less: Tax Adjustments on above	2	17,71,310	19,09,728
Total Equity as per Ind AS		**4,42,76,94,381**	**3,65,61,98,864**

Footnotes to the reconciliation of equity as at April 01, 2016 and March 31, 2017 and profit and loss for the year ended March 31, 2017.

1 Deferred Revenue/Government Grant

Under Previous GAAP , grants received from government agencies against specific fixed assets (Property, Plant and Equipment) are adjusted to the cost of the assets. Under IND AS the same has been presented as deferred revenue being amortised in the statement of profit & loss on a systematic basis.

Notes to the Financial Statement

as at and for the year ended March 31, 2018

2 Deferred Tax

Previous GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind AS 12 approach has resulted in recognition of deferred tax on new temporary differences which was not required under Previous GAAP.

In addition, the various transitional adjustments lead to temporary differences. According to the accounting policies, the Company has to account for such differences. Deferred tax adjustments are recognised in correlation to the underlying transaction either in retained earnings or a separate component of equity.

3 Employee benefits

In accordance with Ind AS 19, "Employee Benefits" re-measurement gains and losses on post employment defined benefit plans are recognised in other comprehensive income as compared to the statement of profit and loss under the Previous GAAP

The figures of the previous year as at and for the year ended March 31, 2017 and as at April 01, 2016 have been regrouped/reclassified, wherever necessary.

4 Financial Instrument

In accordance with Ind AS 109 "Financial Instruments", investments in mutual funds are recognised at fair value through the statement of profit and loss at each reporting period

Borrowings which were recognized at historical cost under previous GAAP have been recognized at amortised cost under IND AS with the difference being adjusted to opening retained earnings. Under previous GAAP, transaction costs incurred in connection with borrowings were either capitalized or amortised equally over the tenure of the borrowings. Under Ind AS, transaction costs are deducted from the initial recognition amount of the financial liability and charged over the tenure of borrowing using the effective interest method.

5 Debtors

Allowances for credit losses of trade receivables, has been computed based on the ageing of the receivables. In computing expected credit losses the Company has taken into account historical credit loss experience and forward looking information.

50. Previous GAAP figures have been reclassified/regrouped to confirm the presentation requirements under Ind AS and the requirements laid down in Division -II of the Schedule III of the Companies Act, 2013.

As per our report of even date

For **Singhi & Co.**
Chartered Accountants
Firm's Registration No. 302049E

Sd/-
Aditya Singhi
Partner
Membership No. 305161

Place: Kolkata
Date: May 23, 2018

For and on behalf of the Board of Directors

Sd/-
Prahlad Rai Agarwala
Chairman
DIN: 00847452

Sd/-
Ghanshyam Prasad Agarwala
Vice-Chairman
DIN: 00224805

Sd/-
Kunj Bihari Agarwal
Managing Director
DIN: 00224857

Sd/-
Ramesh Agarwal
Whole-time Director-cum-Chief Financial Officer
DIN: 00230702

Sd/-
Kundan Kumar Jha
Company Secretary
Membership No. ACS17612

Consolidated Financials

Independent Auditor's Report

To The Members of
Rupa & Company Limited

Report on the Consolidated IND AS Financial Statements

1. We have audited the accompanying consolidated Ind AS Financial Statements of **RUPA & COMPANY LIMITED** (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), comprising the Consolidated Balance Sheet as at March 31, 2018, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Ind AS Financial Statements").

Management's Responsibility for the Consolidated IND AS Financial Statements

2. The Holding Company's Board of Directors is responsible for the preparation of these Consolidated Ind AS 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 including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act. 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; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS 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 Ind AS Financial Statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these Consolidated Ind AS 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 the Rules made thereunder.

4. We conducted our audit of the Consolidated Ind AS Financial Statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative announcements issued by Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Consolidated Ind AS financial statements are free from material misstatement.

5. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Consolidated Ind AS Financial Statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Consolidated Ind AS 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 Ind AS Financial Statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of theaccounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the Consolidated Ind AS Financial Statements.

6. We believe that the audit evidence obtained by us and the audit evidence obtained by other auditors in terms of their report referred to in the sub-paragraph of the other matters below, is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Ind AS Financial Statements.

Independent Auditor's Report

Opinion

7. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements of the subsidiaries referred to below in the other matters paragraph, the aforesaid Consolidated Ind AS 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 as at March 31, 2018, and their Consolidated profit (including Consolidated total comprehensive income), their Consolidated cash flows and the Consolidated statement of changes in equity for the year ended on that date.

Other Matters

8. We have not audited the financial statements of the 2 (two) Indian subsidiaries whose Financial Statements reflect total assets of ₹ 8,89,44,928/- at March 31, 2018, total revenue of ₹ 4,27,23,938/- and Net cash outflow amounting to ₹ 1,03,87,018/- for the year ended on that date, as considered in the Consolidated Ind AS statements. These Financial Statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the Consolidated Ind AS financial statement, in so far as it related to the amounts and disclosure included in respect of the subsidiaries and our report in terms of sub section 2 of section 143 of the Act, in so far as it relates the aforesaid subsidiaries, is based solely on the reports of the other auditors.

9. The corresponding Consolidated Financial information of the Group as at and for the year ended March 31, 2017 and the transition date opening Consolidated balance sheet as at April 1, 2016 included in these Consolidated Ind AS Financial Statements, are based on the previously issued Consolidated financial statements for the years ended March 31, 2017 and March 31, 2016, prepared in accordance with the Companies (Accounting Standards) Rules, 2006 (as amended). The Consolidated Financial statements for the year ended March 31, 2016 was audited by predecessor auditor whereas the Consolidated financial statements for the year ended March 31, 2017 were audited by us, on which an unmodified opinion was expressed vide audit report dated May 30, 2016 and May 26, 2017. These Consolidated Financial Statements have been adjusted for differences in accounting principles to comply with Ind AS and such adjustments on transition to Ind AS which has been approved by the Company's Board of Directors have been audited by us.

Our opinion is not modified in respect of this matter.

Report on other Legal and Regulatory Requirements

10. As required by Section 143(3) of the Act, based on our audit and on the consideration of the report of the other auditors on the separate financial statements of the subsidiaries referred to in the other matter paragraph above, 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 purposes of our audit of the aforesaid Consolidated Ind AS financial statements;

    b) In our opinion, proper books of account as required by law relating to the preparation of aforesaid Consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;

    c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of accounts maintained for the purpose of preparation of the Consolidated Ind AS financial statements;

    d) In our opinion, the aforesaid Consolidated Ind AS financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act;

    e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2018 taken on record by the Board of Directors of the Holding Company and the reports of statutory auditors of its subsidiaries, none of the directors of Group Companies are disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164(2) of the Act;

Independent Auditor's Report

f) With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls refer to our separate Report in 'Annexure A', which is based on the audit reports of the Holding Company and its subsidiaries. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Holding Company and its subsidiaries internal financial controls over financial reporting.

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, as amended, in our opinion and to the best of our information and according to the explanations given to us:

i. The Consolidated Ind AS financial statements has disclosed the impact of pending litigations on the Consolidated financial position of the Group as stated in note 9 & 34 tothe Consolidated financial statement;

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.

iv. The disclosures in the consolidated financial statements regarding holdings as well as dealings in specified bank notes during the period from November 8, 2016 to December 30, 2016 have not been made since they do not pertain to the financial year ended March 31, 2018.

For **Singhi & Co.,**
Chartered Accountants
Firm's Registration No. 302049E

Sd/-

(Aditya Singhi)
Partner
Membership No. 305161

Place : Kolkata
Date : May 23, 2018

Annexure A to the Independent Auditor's Report

The annexure referred to in paragraph 10 (f) under the heading "Report on Other Legal and Regulatory Requirements" of our Independent Auditor's Report of even date in respect to the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act') of Rupa and Company Limited for the year ended 31st March 2018, we report that:

In conjunction with our audit of the consolidated Ind AS Financial Statements of the Company as of and for the year ended March 31, 2018, we have audited the internal financial controls over financial reporting of the Holding Company. Based on comments made by the independent auditors of the subsidiary companies (covered entities) with respect to the internal financial controls over financial reporting as required in terms of sub-section (3)(i) of section 143 of the Act, we report as under:

Management's Responsibility for Internal Financial Controls

The Respective Board of Directors of the Holding Company and the covered entities are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Holding Company's and covered entities internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditor 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 Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Annexure A to the Independent Auditor's Report

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Holding Company, its subsidiaries have in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

Our aforesaid report under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to 2 (two) subsidiaries, is based on the corresponding reports of the auditors of such companies.

For **Singhi & Co.,**
Chartered Accountants
Firm's Registration No. 302049E

Sd/-

(Aditya Singhi)
Partner
Membership No. 305161

Place : Kolkata
Date : May 23, 2018

Consolidated Balance Sheet

as at March 31, 2018

(Amount in ₹)

	Note No.	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
ASSETS				
Non-Current Assets				
(a) Property, Plant and Equipment	5	1,56,18,46,335	1,56,94,21,582	1,55,02,34,518
(b) Capital Work-in-progress		8,48,26,378	-	6,46,75,130
(c) Intangibles Assets	6	10,80,42,118	12,33,88,503	93,60,877
(d) Intangible Assets under Development	6(a)	2,14,200	-	2,31,55,565
(e) Financial Assets				
(i) Investments	7	10,74,500	9,93,640	8,37,600
(ii) Loans	8	1,16,28,260	1,16,13,763	1,39,11,334
(iii) Other Financial Assets	9	16,96,692	16,96,692	15,01,328
(g) Other Non Current Assets	10	8,72,30,544	13,57,63,922	16,55,66,789
		1,85,65,59,027	**1,84,28,78,102**	**1,82,92,43,141**
Current Assets				
(a) Inventories	11	3,31,80,61,041	2,94,88,22,722	3,02,03,78,841
(b) Financial Assets				
(i) Trade Receivable	12	3,51,36,31,829	2,10,76,09,624	1,75,10,16,612
(ii) Cash and Cash Equivalents	13	6,51,87,071	11,44,84,991	7,16,99,546
(iii) Other Bank Balances (other than above)	14	1,78,66,734	1,68,51,329	1,56,16,702
(iv) Loans	8	3,03,49,911	88,63,643	68,61,014
(v) Other Financial Asets	9	3,31,807	-	-
(c) Other Current Assets	10	18,95,42,839	11,88,71,352	14,09,75,581
		7,13,49,71,232	**5,31,55,03,661**	**5,00,65,48,296**
TOTAL ASSETS		**8,99,15,30,259**	**7,15,83,81,763**	**6,83,57,91,437**
EQUITY AND LIABILITIES				
Equity				
(a) Equity Share Capital	15	7,96,29,060	7,96,29,060	7,96,29,060
(b) Other Equity	16	4,91,25,02,686	4,31,46,68,532	3,59,17,50,229
		4,99,21,31,746	**4,39,42,97,592**	**3,67,13,79,289**
Non-Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	17	-	77,64,175	4,27,88,486
(ii) Other Financial Liabilities	23	5,06,44,125	48,00,000	-
(b) Provisions	18	36,30,159	3,78,986	-
(c) Deferred Tax Liabilities (Net)	19	8,91,10,422	14,34,45,523	14,75,32,174
(d) Other Non-Current Liabilities	20	1,00,60,981	37,23,134	45,03,540
		15,34,45,687	**16,01,11,818**	**19,48,24,200**
Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	21	1,14,78,84,024	79,79,48,222	1,38,79,70,943
(ii) Trade Payables	22			
-Total outstanding dues of creditors to micro enterprises and small enterprises		36,12,017	-	-
-Total outstanding dues of creditor to other than micro enterprises and small enterprises		1,64,72,69,080	1,00,51,95,060	87,14,96,824
(iii) Other Financial Liabilities	23	79,73,02,845	61,58,29,473	56,83,51,423
(b) Provisions	18	3,99,53,397	1,83,07,413	97,20,505
(c) Current Tax Liabilities (Net)	24	16,37,44,363	8,36,29,254	4,17,93,260
(d) Other Current Liabilities	20	4,61,87,100	8,30,62,931	9,02,54,993
		3,84,59,52,826	**2,60,39,72,353**	**2,96,95,87,948**
TOTAL EQUITY & LIABILITIES		**8,99,15,30,259**	**7,15,83,81,763**	**6,83,57,91,437**

Basis of Accounting	2
Basis of Consolidation	3
Significant Accounting Policies	4
Significant Judgements and Key Estimates	4.20

The notes are the integral part of the consolidated financial statements.

as per our report of even date

For **Singhi & Co.**
Chartered Accountants
Firm's Registration No. 302049E

Sd/-
Aditya Singhi
Partner
Membership No. 305161

Place: Kolkata
Date: May 23, 2018

For and on behalf of the Board of Directors

Sd/-
Prahlad Rai Agarwala
Chairman
DIN: 00847452

Sd/-
Ghanshyam Prasad Agarwala
Vice-Chairman
DIN: 00224805

Sd/-
Kunj Bihari Agarwal
Managing Director
DIN: 00224857

Sd/-
Ramesh Agarwal
Whole-time Director-cum-Chief Financial Officer
DIN: 00230702

Sd/-
Kundan Kumar Jha
Company Secretary
Membership No. ACS17612

Consolidated Statement of Profit and Loss

for the year ended March 31, 2018

(Amount in ₹)

		Note No.	For the year ended March 31, 2018	For the year ended March 31, 2017
I	Revenue from Operations	25	11,56,76,16,851	10,92,83,36,495
II	Other Income	26	2,45,19,358	2,55,40,248
III	**Total Income (I+II)**		**11,59,21,36,209**	**10,95,38,76,743**
IV	**Expenses**			
	Cost of Materials Consumed	27	5,07,54,78,283	4,79,12,92,602
	Purchase of Traded Goods	28	31,90,48,599	8,37,44,350
	Changes in Inventories of Finished Goods, Work-in-progress	29	(20,81,16,559)	10,17,51,802
	Employee Benefits Expense	30	46,66,44,534	38,22,79,833
	Finance Costs	31	8,10,48,999	10,59,29,607
	Depreciation and Amortisation Expense	32	15,78,64,875	16,20,77,990
	Other Expenses	33	4,35,99,16,751	4,18,01,21,960
	Total Expenses (IV)		**10,25,18,85,482**	**9,80,71,98,144**
V	**Profit before Exceptional Items & Tax (III-IV)**		**1,34,02,50,727**	**1,14,66,78,599**
VI	**Exceptional Items**		**-**	**-**
VII	**Profit/(Loss) Before Tax (V-VI)**		**1,34,02,50,727**	**1,14,66,78,599**
VIII	Tax Expense	34		
	a) Current Tax		53,15,84,824	42,79,21,000
	b) Deferred Tax		(5,36,32,982)	(40,79,340)
IX	**Profit for the year (VII- VIII)**		**86,22,98,885**	**72,28,36,939**
X	**Other Comprehensive Income**			
	A. (i) Items that will not be reclassified to profit or loss			
	- Remeasurements of defined benefit plans		(19,36,755)	1,16,614
	(ii) Income tax relating to items that will not be reclassified to profit or loss		6,85,219	(35,250)
	B. (i) Items that will be reclassified to profit or loss		-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
XI	**Other Comprehensive Income for the year [(A(i-ii) +B(i-ii)]**		**(12,51,536)**	**81,364**
XII	**Total Comprehensive Income for the year (IX+XI)**		**86,10,47,349**	**72,29,18,303**
XIII	**Earnings per Equity Share**			
	Basic Earnings per Share (₹)	42	10.84	9.09
	Diluted Earnings per Share (₹)		10.84	9.09

Basis of Accounting	2
Basis of Consolidation	3
Significant accounting policies	4
Significant Judgements and key estimates	4.20

The notes are the integral part of the consolidated financial statements.

As per our report of even date

For **Singhi & Co.**
Chartered Accountants
Firm's Registration No. 302049E

Sd/-
Aditya Singhi
Partner
Membership No. 305161

Place: Kolkata
Date: May 23, 2018

For and on behalf of the Board of Directors

Sd/-
Prahlad Rai Agarwala
Chairman
DIN: 00847452

Sd/-
Ghanshyam Prasad Agarwala
Vice-Chairman
DIN: 00224805

Sd/-
Kunj Bihari Agarwal
Managing Director
DIN: 00224857

Sd/-
Ramesh Agarwal
Whole-time Director-cum-Chief Financial Officer
DIN: 00230702

Sd/-
Kundan Kumar Jha
Company Secretary
Membership No. ACS17612

Consolidated Cash Flow Statement

for the year ended March 31, 2018

(Amount in ₹)

		2017-2018		2016-2017	
A.	**CASH FLOW FROM OPERATING ACTIVITIES**				
	Profit Before Tax		**1,34,02,50,727**		**1,14,66,78,599**
	Adjustment to reconcile Profit Before Tax to Net Cash Flows				
	(a) Depreciation and Amortisation	15,78,64,875		16,20,77,990	
	(b) Finance Cost	8,10,48,999		10,59,29,607	
	(c) (Profit)/ Loss on disposal of Fixed Assets (Net)	3,19,326		45,966	
	(d) Bad Debts/ Advances & Claims written off	48,42,728		6,57,82,142	
	(e) Unspent Liabilities written back	(11,82,641)		(36,91,811)	
	(f) Intangible Assets under Development written off	-		2,31,55,565	
	(g) Provision for Doubtful Trade Receivables	(4,01,096)		1,05,488	
	(h) Deferred Revenue on Government Grant	(48,33,928)		(7,81,906)	
	(i) Increase in fair value of Investments	(80,860)		(1,56,040)	
	(j) Interest Income	(1,19,51,576)	**22,56,25,827**	(1,16,91,343)	**34,07,75,658**
	Operating Profit before Working Capital Changes		**1,56,58,76,554**		**1,48,74,54,257**
	Changes in Working capital				
	(a) (Increase)/decrease in Inventories	(36,92,38,319)		7,15,56,118	
	(b) (Increase)/decrease in Trade Receivables	(1,41,04,63,837)		(38,05,31,677)	
	(c) (Increase)/decrease in Other Financial Assets	(15,00,765)		2,94,942	
	(d) (Increase)/decrease in Non-Financial Assets	(7,06,71,488)		(2,94,59,735)	
	(e) Increase/(decrease) in Trade Payables	64,68,68,677		13,73,90,047	
	(f) Increase/(decrease) in other Financial Liabilities	25,56,79,033		7,49,24,745	
	(g) Increase/(decrease) in Provisions	2,29,43,502		90,39,944	
	(h) Increase/(decrease) in Non-Financial Liabilities	(3,78,43,281)	**(96,42,26,478)**	(71,90,563)	**(12,39,76,179)**
	Cash Generated from Operations		**60,16,50,076**		**1,36,34,78,078**
	Less: (a) Direct Taxes paid		(45,14,69,714)		(38,60,85,006)
	Net Cash from Operating Activities		**15,01,80,362**		**97,73,93,072**
B.	**CASH FLOW FROM INVESTING ACTIVITIES**				
	(a) Interest received		1,16,19,768		1,16,91,343
	(b) Purchase of Fixed Assets		(17,40,37,518)		(19,86,75,452)
	(c) Disposal of Fixed Assets		6,83,500		10,74,788
	(d) Capital Subsidy received		1,21,39,225		-
	(e) (Redemption) of Fixed Deposits (Net)		(9,52,588)		(10,74,748)
	(f) Loans granted		(2,00,00,000)		-
	Net Cash used in Investing Activities		**(17,05,47,613)**		**(18,69,84,069)**

Consolidated Cash Flow Statement

for the year ended March 31, 2018

(Amount in ₹)

	2017-2018		2016-2017	
C. CASH FLOW FORM FINANCING ACTIVITIES				
(a) Dividend and Tax paid thereon		(26,32,13,195)		-
(b) Interest Paid		(8,06,28,964)		(10,60,99,547)
(c) Repayment of Non-Current Borrowings		(3,50,24,312)		(5,15,01,290)
(d) Proceeds / (Repayment) of Current Borrowings (net)		34,99,35,802		(59,00,22,721)
Net Cash used in Financing Activities		**(2,89,30,669)**		**(74,76,23,558)**
Net increase/(decrease) in Cash & Cash Equivalent (A+B+C)		**(4,92,97,920)**		**4,27,85,445**
Cash & Cash Equivalents at the beginning of the period		11,44,84,991		7,16,99,546
Cash & Cash Equivalents at the end of the period		**6,51,87,071**		**11,44,84,991**

Note:

(1) The above statement of cash flows has been prepared under the "Indirect Method" as set out in IND AS - 7 "Statement of Cash Flows".

(2) Closing Cash and Cash Equivalents represent balances of Cash and Cash Equivalents as indicated in Note 13 to the financial statements

(3) Statement of Reconciliation of Financing activities :

	Term Loan from Banks	Short Term Borrowings
Balance as at April 01, 2017 (including interest accrued thereon)	4,27,88,486	79,80,73,499
Cash Flow (Net)	(3,50,24,312)	34,99,35,802
Non Cash Changes		
Fair Value Changes	-	-
Others *	86,800	-
Interest Expense	31,54,170	4,62,88,789
Interest Paid	(32,40,970)	(4,58,68,754)
Balance as at March 31, 2018 (including interest accrued thereon)	**77,64,174**	**1,14,84,29,336**

* represents amortization of debt issuance cost related to term loan.

(4) Direct taxes paid are treated as arising from operating activities and are not bifurcated between investing and financing activities.

(5) Previous years figures have been regrouped/reclassified wherever necessary.

As per our report of even date

For **Singhi & Co.**
Chartered Accountants
Firm's Registration No. 302049E

Sd/-
Aditya Singhi
Partner
Membership No. 305161

Place: Kolkata
Date: May 23, 2018

For and on behalf of the Board of Directors

Sd/-
Prahlad Rai Agarwala
Chairman
DIN: 00847452

Sd/-
Ghanshyam Prasad Agarwala
Vice-Chairman
DIN: 00224805

Sd/-
Kunj Bihari Agarwal
Managing Director
DIN: 00224857

Sd/-
Ramesh Agarwal
Whole-time Director-cum-Chief Financial Officer
DIN: 00230702

Sd/-
Kundan Kumar Jha
Company Secretary
Membership No. ACS17612

Consolidated Statement of Change in Equity

for the year ended March 31, 2018

(Amount in ₹)

a) Equity Share Capital	
Balance as at April 01, 2016	**7,96,29,060**
Add/(Less): Changes in Equity Share Capital during the year	-
Balance as at March 31, 2017	**7,96,29,060**
Add/(Less): Changes in Equity Share Capital during the year	-
Balance as at March 31, 2018	**7,96,29,060**

	Reserves & Surplus			Total
	Securities Premium Account	General Reserve	Retained Earnings	
b) Other Equity				
Balance as at April 01, 2016	**68,80,30,890**	**42,31,16,859**	**2,48,06,02,480**	**3,59,17,50,229**
Profit for the Year	-	-	72,28,36,939	72,28,36,939
Remeasurement Gain on Defined Benefit Plans (Net of Taxes)	-	-	81,364	81,364
Total Comprehensive Income	**-**	**-**	**72,29,18,303**	**72,29,18,303**
Final Dividend Paid	-	-	-	-
Dividend Distribution Tax on Final Dividend	-	-	-	-
Balance as at March 31, 2017	**68,80,30,890**	**42,31,16,859**	**3,20,35,20,783**	**4,31,46,68,532**
Profit for the Year	-	-	86,22,98,885	86,22,98,885
Remeasurement Gain on Defined Benefit Plans (Net of Taxes)	-	-	(12,51,536)	(12,51,536)
Total Comprehensive Income	**-**	**-**	**86,10,47,349**	**86,10,47,349**
Final Dividends Paid	-	-	(21,86,92,540)	(21,86,92,540)
Dividend Distribution Tax on Final Dividend	-	-	(4,45,20,655)	(4,45,20,655)
Balance as at March 31, 2018	**68,80,30,890**	**42,31,16,859**	**3,80,13,54,937**	**4,91,25,02,686**

The notes are the integral part of the consolidated financial statements

As per our Report annexed

As per our report of even date

For **Singhi & Co.**
Chartered Accountants
Firm's Registration No. 302049E

Sd/-
Aditya Singhi
Partner
Membership No. 305161

Place: Kolkata
Date: May 23, 2018

For and on behalf of the Board of Directors

Sd/-
Prahlad Rai Agarwala
Chairman
DIN: 00847452

Sd/-
Ghanshyam Prasad Agarwala
Vice-Chairman
DIN: 00224805

Sd/-
Kunj Bihari Agarwal
Managing Director
DIN: 00224857

Sd/-
Ramesh Agarwal
Whole-time Director-cum-Chief Financial Officer
DIN: 00230702

Sd/-
Kundan Kumar Jha
Company Secretary
Membership No. ACS17612

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2018

1. CORPORATE AND GENERAL INFORMATION

Rupa & Company Limited (the Parent Company) was incorporated in India in the year 1985 and has its registered office in Metro Towers, 8th Floor, 1, Ho Chi Minh Sarani, Kolkata - 700 071.

The Parent Company is a Public Limited Group domiciled in India & is incorporated under provision of Companies Act, 2013 applicable in India. Its shares are listed on the National Stock Exchange of India Ltd. and BSE Ltd. The Parent Company and its Subsidiaries (together referred to as "the Group")are primarily engaged in manufacture of hosiery products in knitted undergarments, casual wears and thermal wears. The Parent Company also has a Power Generation Unit operated on Windmill process. The Financial statements are approved for issue by the Parent Company's Board of Directors on May 23, 2018.

2. BASIS OF ACCOUNTING

2.1 Statement of Compliance

These financial statements have been prepared in accordance with the Indian Accounting Standards ("Ind AS") as prescribed by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ("the Act"), read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended), other relevant provisions of the Act and other accounting principles generally accepted in India.

The financial statements for all periods up to and including the year ended March 31, 2017, were prepared in accordance with Generally Accepted Accounting Principles (GAAP) in India, which includes the accounting standards prescribed under section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014 and other provisions of the Act (collectively referred to as "Indian GAAP"). These financial statements for the year ended March 31, 2018 are the first Ind AS Financial Statements with comparatives, prepared under Ind AS. The Group has consistently applied the accounting policies used in the preparation of its opening Ind AS Balance Sheet as at April 01, 2016 throughout all periods presented, as if these policies had always been in effect and are covered by Ind AS 101 "First Time Adoption of Indian Accounting Standards".

An explanation of how the transition to Ind AS has affected the previously reported financial position, financial performance and cash flows of the Group is provided in Note No. 50 Certain of the Group's Ind AS accounting policies used in the opening Balance Sheet differed from its Indian GAAP policies applied as at March 31, 2016 and accordingly the adjustments were made to restate the opening balances as per Ind AS. The resulting adjustment arising from events and transactions before the date of transition to Ind-AS were recognized directly through retained earnings as at April 01, 2016 as required by Ind AS 101. The financial statements of the Group for the year ended March 31, 2018 have been approved by the Board of Directors in their meeting held on May 23, 2018.

2.2 Basis of Measurement

The financial statements have been prepared on historical cost basis, except for following:

- Financial assets and liabilities (including derivative instruments) that is measured at Fair value/ Amortised cost;
- Non-current assets held for sale – measured at the lower of the carrying amounts and fair value less cost to sell;
- Defined benefit plans – plan assets measured at fair value.

2.3 Functional and Presentation Currency

The Financial Statements have been presented in Indian Rupees (INR), which is also the Group's functional currency.

2.4 Use of Estimates and Judgements

The preparation of financial statements 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

Notes to the Consolidated Financial Statements
as at and for the year ended March 31, 2018

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.

2.5 Current Vs non-current classification

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is classified as current when it is:

- Expected to be realized or intended to sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All the other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group classifies all other liabilities as non-current. Deferred Tax Assets and Liabilities are classified as non-current assets and liabilities respectively.

3. BASIS OF CONSOLIDATION

Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date when control ceases. Profit/(loss) and Other Comprehensive Income ('OCI') of subsidiaries acquired or disposed of during the period are recognised from the effective date of acquisition, or up to the effective date of disposal, as applicable. All the consolidated subsidiaries have a consistent reporting date of March 31 2018. The Group consolidates the financial statements of the parent company and its subsidiaries on line by line basis adding together the items of assets, liabilities, equity, income and expenses. Intra Group transactions, balances and unrealized gains on transactions between group companies are eliminated. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group. Non-controlling interests, presented as part of equity, represent the portion of a subsidiary's statement of profit and loss and net assets that is not held by the Group. Profit/(loss) and each component of OCI are attributed to the equity holders of the Parent Company and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. The Group attributes total comprehensive income or loss of the subsidiaries between the owners of the parent company and the non-controlling interests based on their respective ownership interests.

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2018

The Group treats transactions with non-controlling interests that do not result in a loss of control, as transactions with equity owners of the group. Such a change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognized within equity.

Business Combinations

The Group applies the acquisition method in accounting for business combinations. The consideration transferred by the Group to obtain control of a subsidiary is calculated as the sum of the fair values of assets transferred on acquisition-date, liabilities incurred and the equity interests issued by the Group, which includes the fair value of any asset or liability arising from a contingent consideration arrangement. Acquisition costs are expensed as incurred.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values on acquisition-date.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the excess is recognised as capital reserve.

Contingent consideration is classified either as equity or financial liability. Amount classified as financial liability are subsequently re-measured to fair value with changes in fair value recognised in statement of profit and loss.

Business combinations involving entities or businesses under common control have been accounted for using the pooling of interest method. The assets and liabilities of the combining entities are reflected at their carrying amounts. No adjustments have been made to reflect fair values, or to recognise any new assets or liabilities except changes made to harmonise the accounting policies.

On transition to Ind AS

Ind AS 103 'Business Combinations' has not been applied to acquisitions of subsidiaries, or of interests in associates that occurred before the transition date.

4. SIGNIFICANT ACCOUNTING POLICIES

A summary of the significant accounting policies applied in the preparation of the financial statements are as given below. These accounting policies have been applied consistently to all the periods presented in the financial statements.

4.1 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 weighterd average basis including packing materials, accessories and dyes and chemicals .

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 (measured in kgs) is determined on weighted average basis and cost of work-in-progress (measured in pieces) and cost of finished goods is determined on Retail Sales Price Method.

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.

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4.2 Cash and Cash Equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short term deposits with an original maturity of three months or less, which are subject to an insignificant risk of change in value.

4.3 Income Tax

Income Tax comprises current and deferred tax. It is recognized in The Statement of Profit and Loss except to the extent that it relates to an item recognized directly in equity or in other comprehensive income.

Current Tax

Current tax liabilities (or assets) for the current and prior periods are measured at the amount expected to be paid to (recovered from) the taxation authorities using the tax rates (and tax laws) that have been enacted or substantively enacted, at the end of the reporting period.

Deferred Tax

- Deferred Tax assets and liabilities shall be measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.
- Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes (i.e., tax base). Deferred tax is also recognized for carry forward of unused tax losses and unused tax credits.
- Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.
- The carrying amount of deferred tax assets is reviewed at the end of each reporting period. The Company reduces the carrying amount of a deferred tax asset to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or that entire deferred tax asset to be utilized. Any such reduction is reversed to the extent that it becomes probable that sufficient taxable profit will be available.
- Deferred tax relating to items recognized outside the Statement of Profit and Loss is recognized either in other comprehensive income or in equity. Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.
- Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

4.4 Property, Plant and Equipment

4.4.1. Recognition and Measurement:

- Property, plant and equipment held for use in the production or/and supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost, less any accumulated depreciation and accumulated impairment losses (if any).
- Cost of an item of property, plant and equipment acquired comprises its purchase price including import duties and non-refundable purchase taxes, after deducting any trade discounts and rebates, borrowing cost, if capitalization criteria is met, any directly attributable costs of bringing the assets to its working condition and location for its intended use and present value of any estimated cost of dismantling and removing the item and restoring the site on which it is located.

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- In case of self-constructed assets, cost includes the costs of all materials used in construction, direct labour, allocation of directly attributable overheads, directly attributable borrowing costs incurred in bringing the item to working condition for its intended use, and estimated cost of dismantling and removing the item and restoring the site on which it is located. The costs of testing whether the asset is functioning properly, after deducting the net proceeds from selling items produced while bringing the asset to that location and condition are also added to the cost of self-constructed assets.
- If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.
- Profit or loss arising on the disposal of property, plant and equipment are recognized in the Statement of Profit and Loss.

4.4.2. Subsequent Expenditure

- Subsequent costs are included in the asset's carrying amount, only when it is probable that future economic benefits associated with the cost incurred will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced.
- Major Inspection/ Repairs/ Overhauling expenses are recognized in the carrying amount of the item of property, plant and equipment as a replacement if the recognition criteria are satisfied. Any Unamortized part of the previously recognized expenses of similar nature is derecognized.

4.4.3. Depreciation and Amortization

- Depreciation on Property Plant & Equipment is provided under Straight Line basis using the rates arrived at based on the useful lives estimated by the management. The identified components are depreciated over their useful lives; the remaining asset is depreciated over the life of the principal asset. The group has used the following rates to provide depreciation on its Property Plant & Equipment.

Class of Property Plant & Equipment	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

- 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 group recognizes such parts as individual assets with specific useful lives and depreciates them accordingly.
- The management has estimated, supported by independent assessment by professionals, the useful lives of certain plant and machinery as 10 years. These lives are lower than those indicated in schedule II of Companies Act, 2013.
- Depreciation on additions (disposals) during the year is provided on a pro-rata basis i.e., from (up to) the date on which asset is ready for use (disposed of).

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- Depreciation on assets built on leasehold land, which is transferrable to the lessor on expiry of lease period, is amortized over the period of lease.
- Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.
- Lease hold land is amortized on a straight line basis over the period of lease i.e ,90 years.

4.4.4. Disposal of Assets

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between net disposal proceeds and the carrying amount of the asset and is recognized in the statement of profit and loss.

4.4.5. Reclassification to Investment Property

When the use of a property changes from owner-occupied to investment property, the property is reclassified as investment property at its carrying amount on the date of reclassification.

4.4.6. Capital Work-in-progress

Capital Work-in-progress is stated at cost which includes expenses incurred during construction period, interest on amount borrowed for acquisition of qualifying assets and other expenses incurred in connection with project implementation in so far as such expenses relate to the period prior to the commencement of commercial production. Advances given towards acquisition or construction of PPE outstanding at each reporting date are disclosed as Capital Advances under "Other Non-Current Assets".

4.5 Leases

4.5.1. Determining whether an arrangement contains a lease

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfillment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

For arrangements entered prior to the date of transition, the group has determined whether the arrangement contains a lease on the basis of facts and circumstances existing on the date of transition.

4.5.2. Group as lessor

- Finance Lease

  Leases which effectively transfer to the lessee substantially all the risks and benefits incidental to ownership of the leased item are classified and accounted for as finance lease. Lease rental receipts are apportioned between the finance income and capital repayment based on the implicit rate of return. Contingent rents are recognized as revenue in the period in which they are earned.

- Operating Lease

  Leases in which the Group does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating leases is recognized on a straight-line basis over the term of the relevant lease except where scheduled increase in rent compensates the Group with expected inflationary costs.

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4.5.3. Group as Lessee

- Finance Lease

  Finance Leases, which effectively transfer to the lessee substantially all the risks and benefits incidental to ownership of the leased item, are capitalized at the lower of the fair value and present value of the minimum lease payments at the inception of the lease term and disclosed as leased assets. Lease Payments under such leases are apportioned between the finance charges and reduction of the lease liability based on the implicit rate of return. Finance charges are charged directly to the statement of profit and loss. Lease management fees, legal charges and other initial direct costs are capitalized.

  If there is no reasonable certainty that the Group will obtain the ownership by the end of lease term, capitalized leased assets are depreciated over the shorter of the estimated useful life of the asset or the lease term.

- Operating Lease

  Assets acquired on leases where a significant portion of risk and reward is retained by the lessor are classified as operating leases. Lease rental are charged to statement of profit and loss on a straight-line basis over the lease term, except where scheduled increase in rent compensates the Group with expected inflationary costs.

4.6 Revenue Recognition

- Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the Government.
- The Group recognizes revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Group's activities as described below. The Group bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specific of each arrangement.

4.6.1. Sale of Goods

Revenue from the sale of goods is recognized when significant risks and rewards of ownership are transferred to customers and the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold. Revenue from the sale of goods is measured at the fair value of the consideration received or receivables, net of returns and allowances, trade discounts and volume rebates.

4.6.2. Sale of Services

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

4.6.3. Sale of Power

Revenue from sale of Energy (Power) is recognised on the basis of Electrical Units generated net of transmission loss as applicable when no significant uncertainty as to measurability & collectability exists.

4.6.4. Interest Income

For all financial instruments measured either at amortized cost interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset.

4.6.5. Dividend Income

Dividend Income from investments is recognized when the Group's right to receive payment has been established.

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4.6.6. Other Operating Revenue

Export incentive and subsidies are recognized when there is reasonable assurance that the Group will comply with the conditions and the incentive will be received. Insurance & other claims, where quantum of accruals cannot be ascertained with reasonable certainty are recognized as income only when revenue is virtually certain which generally coincides with receipt/acceptance.

4.7 Employee Benefits

4.7.1. Short Term Benefits

Short term employee benefit obligations are measured on an undiscounted basis and are expensed as the related services are provided. Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period.

4.7.2. Post Employment Benefits

The Group operates the following post employment schemes:

- **Defined Benefit Plans**

The liability or asset recognized in the Balance Sheet in respect of defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods. The defined benefit obligation is calculated annually by Actuaries using the projected unit credit method.

The liability recognized for defined benefit plans is the present value of the defined benefit obligation at the reporting date less the fair value of plan assets, together with adjustments for unrecognized actuarial gains or losses and past service costs. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. The benefits are discounted using the government securities (G-Sec) at the end of the reporting period that have terms approximating to the terms of related obligation.

Remeasurements of the net defined benefit obligation, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling, are recognized in other comprehensive income. Remeasurement recognized in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to the statement of profit and loss.

- **Defined Contribution Plan**

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 expenditure, when an employee renders the selected service.

4.8 Government Grants

Government grants are recognized at their fair values when there is reasonable assurance that the grants will be received and the Group will comply with all the attached conditions. When the grant relates to an expense item, it is recognized as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. Grants related to purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to statement of profit or loss on a straight line basis over the expected useful life of the related asset and presented within other operating revenue or netted off against the related expenses.

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4.9 Foreign Currency Transactions

- Foreign currency transactions are translated into the functional currency using the spot rates of exchanges at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rate of exchanges at the reporting date.
- Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities are generally recognized in profit or loss in the year in which they arise except for exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those qualifying assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings, the balance is presented in the Statement of Profit and Loss within finance costs
- Non-monetary items are not retranslated at period end and are measured at historical cost (translated using the exchange rate at the transaction date).

4.10 Borrowing Cost

- 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. The Group considers a period of twelve months or more as a substantial period of time.
- Transaction costs in respect of long term borrowing are amortized over the tenure of respective loans using Effective Interest Rate (EIR) method. All other borrowing costs are recognized in the statement of profit and loss in the period in which they are incurred.

4.11 Interest in Subsidiaries

Investments in subsidiaries are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries, the difference between net disposal proceeds and the carrying amounts are recognized in the statement of profit and loss.

4.12 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

4.12.1. Financial Assets

- **Recognition and Initial Measurement:**

  All financial assets are initially recognized when the Group becomes a party to the contractual provisions of the instruments. A financial asset is initially measured at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

- **Classification and Subsequent Measurement:**

For purposes of subsequent measurement, financial assets are classified in four categories:

- Measured at Amortized Cost;

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- Measured at Fair Value Through Other Comprehensive Income (FVTOCI);
- Measured at Fair Value Through Profit or Loss (FVTPL); and
- Designated Equity Instruments measured at Fair Value through Other Comprehensive Income (FVTOCI).

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Group changes its business model for managing financial assets.

- **Measured at Amortized Cost:** A debt instrument is measured at the amortized cost if both the following conditions are met:
  - The asset is held within a business model whose objective is achieved by both collecting contractual cash flows; and
  - The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

  After initial measurement, such financial assets are subsequently measured at amortized cost using the Effective Interest Rate (EIR) method.
- **Measured at FVTOCI:** A debt instrument is measured at the FVTOCI if both the following conditions are met:
  - The objective of the business model is achieved by both collecting contractual cash flows and selling the financial assets; and
  - The asset's contractual cash flows represent SPPI.

    Debt instruments meeting these criteria are measured initially at fair value plus transaction costs. They are subsequently measured at fair value with any gains or losses arising on remeasurement recognized in other comprehensive income, except for impairment gains or losses and foreign exchange gains or losses. Interest calculated using the effective interest method is recognized in the statement of profit and loss in investment income.
- **Measured at FVTPL:** FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as FVTPL. In addition, the Group may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.
- **Equity Instruments measured at FVTOCI:** All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are, held for trading are classified as at FVTPL. For all other equity instruments, the Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable. In case the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P & L, even on sale of investment.

- **Derecognition**

  The Group derecognizes a financial asset on trade date only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

- **Impairment of Financial Assets**

  The Group assesses at each date of balance sheet whether a financial asset or a group of financial assets

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is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Group recognizes lifetime expected losses for all contract assets and/ or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

4.12.2. Financial Liabilities

- **Recognition and Initial Measurement:**

  Financial liabilities are classified, at initial recognition, as at fair value through profit or loss, loans and borrowings, payables or as derivatives, as appropriate. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

- **Subsequent Measurement:**

  Financial liabilities are measured subsequently at amortized cost or FVTPL. A financial liability is classified as FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest rate method. Interest expense and foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on derecognition is also recognized in profit or loss.

- **Derecognition**

  A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

- **Offsetting financial instruments**

  Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the counterparty.

4.13 Impairment of Non-Financial Assets

- The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. An asset is treated as impaired when the carrying cost of the asset exceeds its recoverable value being higher of value in use and net selling price. Value in use is computed at net present value of cash flow expected over the balance useful lives of the assets. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or group of assets (Cash Generating Units – CGU).
- An impairment loss is recognized as an expense in the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognized in earlier accounting period is reversed if there has been an improvement in recoverable amount.

4.14 Provisions, Contingent Liabilities and Contingent Assets

4.14.1. Provisions

Provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event and 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 determined by discounting

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the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized as finance cost.

- **Onerous Contracts:**

  Present obligations arising under onerous contracts are recognized and measured as provisions. An onerous contract is considered to exist when a contract under which the unavoidable costs of meeting the obligations exceed the economic benefits expected to be received from it.

4.14.2. Contingent Liabilities

Contingent liability is a possible obligation arising from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events but is not recognized because it is not possible that an outflow of resources embodying economic benefit will be required to settle the obligations or reliable estimate of the amount of the obligations cannot be made. The Group discloses the existence of contingent liabilities in Other Notes to Financial Statements.

4.14.3. Contingent Assets

Contingent assets usually arise from unplanned or other unexpected events that give rise to the possibility of an inflow of economic benefits. Contingent Assets are not recognized though are disclosed, where an inflow of economic benefits is probable.

4.15 Intangible Assets

Recognition and Measurement

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.

Subsequent Expenditure

Subsequent costs are included in the asset's carrying amount, only when it is probable that future economic benefits associated with the cost incurred will flow to the Group and the cost of the item can be measured reliably. All other expenditure is recognized in the Statement of Profit & Loss.

Amortization

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

Assets	Useful Life (In Years)
Copyrights & Trade marks	10
Computer software	5

Disposal

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.

Intangible Assets under Development

Intangible Assets under development is stated at cost which includes expenses incurred in connection with development of Intangible Assets in so far as such expenses relate to the period prior to the getting the assets ready for use.

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4.16 Non-current assets (or disposal groups) held for sale and discontinued operations

- Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of the carrying amount and the fair value less cost to sell.
- An impairment loss is recognized for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognized for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognized. A gain or loss not previously recognized by the date of the sale of the non-current asset (or disposal group) is recognized at the date of de-recognition.
- Non-current assets (including those that are part of a disposal group) are not depreciated or amortized while they are classified as held for sale. Non-current assets (or disposal group) classified as held for sale are presented separately in the balance sheet. Any profit or loss arising from the sale or remeasurement of discontinued operations is presented as part of a single line item in Statement of Profit and Loss.

4.17 Operating Segment

The identification of operating segment is consistent with performance assessment and resource allocation by the chief operating decision maker (CODM). An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses including revenues and expenses that relate to transactions with any of the other components of the Group and for which discrete financial information is available. Based on assessment of CODM in terms of Indian Accounting Standard – 108, the Group is predominantly engaged in a single segment of Garments & Hosiery goods and related services. The analysis of geographical segments is based on the areas in which customers of the Group are located.

4.18 Earnings Per Share

Basic earning 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.

4.19 Measurement of Fair Values

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Inputs other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 — Inputs which are unobservable inputs for the asset or liability.

External valuers are involved for valuation of significant assets & liabilities. Involvement of external valuers is decided by the management of the Group considering the requirements of Ind As and selection criteria include market knowledge, reputation, independence and whether professional standards are maintained.

4.20 Significant accounting judgements and key sources of estimation:

Information about Significant judgements and Key sources of estimation made in applying accounting policies that have the most significant effects on the amounts recognized in the financial statements is included in the following notes:

- **Recognition of Deferred Tax Assets:** The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the Group's future taxable income against which the deferred tax assets can be utilized. In addition, significant judgement is required in assessing the impact of any legal or economic limits.
- **Useful lives of depreciable/ amortisable assets (tangible and intangible):** Management reviews its estimate of the useful lives of depreciable/ amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to actual normal wear and tear that may change the utility of plant and equipment.
- **Classification of Leases:** The Group enters into leasing arrangements for various assets. The classification of the leasing arrangement as a finance lease or operating lease is based on an assessment of several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to purchase and estimated certainty of exercise of such option, proportion of lease term to the asset's economic life, proportion of present value of minimum lease payments to fair value of leased asset and extent of specialized nature of the leased asset.
- **Defined Benefit Obligation (DBO):** Employee benefit obligations are measured on the basis of actuarial assumptions which include mortality and withdrawal rates as well as assumptions concerning future developments in discount rates, medical cost trends, anticipation of future salary increases and the inflation rate. The Group considers that the assumptions used to measure its obligations are appropriate. However, any changes in these assumptions may have a material impact on the resulting calculations.
- **Provisions and Contingencies:** The assessments undertaken in recognising provisions and contingencies have been made in accordance with Indian Accounting Standards (Ind AS) 37, 'Provisions, Contingent Liabilities and Contingent Assets'. The evaluation of the likelihood of the contingent events is applied best judgement by management regarding the probability of exposure to potential loss.

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- **Impairment of Financial Assets:** The Group reviews its carrying value of investments carried at amortized cost annually, or more frequently when there is indication of impairment. If recoverable amount is less than its carrying amount, the impairment loss is accounted for.
- **Allowances for Doubtful Debts:** The Group makes allowances for doubtful debts through appropriate estimations of irrecoverable amount. The identification of doubtful debts requires use of judgment and estimates. Where the expectation is different from the original estimate, such difference will impact the carrying value of the trade and other receivables and doubtful debts expenses in the period in which such estimate has been changed.
- **Fair value measurement of financial Instruments:** When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The input to these models are taken from observable markets where possible, but where this not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility.

4.21 New Standards/Amendments to Existing Standard issued but not yet effective upto the date of issuance of the Group's Financial Statement are disclosed below.

Ind AS 115-Revenue from Contracts with Customers:

The Ministry of Corporate Affairs (MCA) on March 28, 2018 has notified new Indian Accounting Standard as mentioned above. The new standard will come to into force from accounting period commencing on or after April 01, 2018. It replaces existing recognition guidance, including Ind AS 18 Revenue and Ind AS 11 Construction contract. The Group has evaluated and there is no material impact of this amendment on the Financial Statement of the Group except disclosure. The Group will adopt the Ind AS 115 on the required effective date.

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2018

(Amount in ₹)

	Land		Buildings	Plant and Machinery	Furniture and Fixtures	Vehicles	Office Equipment	Total
	Freehold	Leasehold						
5. Property, Plant and Equipment								
Cost								
As at April 01, 2016 *	**11,79,27,789**	**2,71,66,893**	**75,59,03,387**	**56,15,87,220**	**3,08,15,743**	**4,19,12,083**	**1,49,21,404**	**1,55,02,34,518**
Additions	4,85,18,023	-	7,16,51,471	2,29,64,705	86,93,717	94,06,972	71,90,049	16,84,24,937
Disposals/ Withdrawals	-	-	-	2,73,795	-	9,91,823	-	12,65,618
As at March 31, 2017	**16,64,45,812**	**2,71,66,893**	**82,75,54,858**	**58,42,78,130**	**3,95,09,460**	**5,03,27,232**	**2,21,11,453**	**1,71,73,93,837**
Additions	9,29,64,584	-	-	1,90,18,861	1,32,93,114	1,39,318	75,88,631	13,30,04,509
Disposals/ Withdrawals	-	-	-	-	-	11,98,594	-	11,98,594
As at March 31, 2018	**25,94,10,396**	**2,71,66,893**	**82,75,54,858**	**60,32,96,991**	**5,28,02,574**	**4,92,67,956**	**2,97,00,084**	**1,84,91,99,752**
Depreciation								
As at April 01, 2016	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Charge for the year	-	3,21,638	1,92,48,837	10,88,73,005	63,82,926	71,26,509	61,64,203	14,81,17,118
On Disposals/ Withdrawals / adjustments	-	-	-	4,412	-	1,40,452	-	1,44,864
As at March 31, 2017	**-**	**3,21,638**	**1,92,48,837**	**10,88,68,593**	**63,82,926**	**69,86,057**	**61,64,203**	**14,79,72,255**
Charge for the year	-	3,21,638	2,02,49,902	9,69,35,499	80,21,381	75,81,343	64,67,166	13,95,76,929
On Disposals/ Withdrawals / adjustments	-	-	-	-	-	1,95,768	-	1,95,768
As at March 31, 2018	**-**	**6,43,276**	**3,94,98,739**	**20,58,04,093**	**1,44,04,307**	**1,43,71,632**	**1,26,31,369**	**28,73,53,416**
Net Block								
As at April 01, 2016*	**11,79,27,789**	**2,71,66,893**	**75,59,03,387**	**56,15,87,220**	**3,08,15,743**	**4,19,12,083**	**1,49,21,404**	**1,55,02,34,518**
As at March 31, 2017	**16,64,45,812**	**2,68,45,255**	**80,83,06,021**	**47,54,09,537**	**3,31,26,533**	**4,33,41,175**	**1,59,47,250**	**1,56,94,21,582**
As at March 31, 2018	**25,94,10,396**	**2,65,23,617**	**78,80,56,118**	**39,74,92,898**	**3,83,98,267**	**3,48,96,324**	**1,70,68,715**	**1,56,18,46,335**

* Represents deemed cost on the date of transition to Ind AS.

Note:

Term Loan from a bank amounting ₹ 77,64,175/- is secured by first charge by way of hypothecation of movable fixed assets and mortgage of immovable fixed assets of Domjur Unit, West Bengal and Cash Credit including Working Capital Demand Loan amounting ₹ 1,09,88,41,109/- are secured by second charge of movable and immovable fixed assets of Domjur Unit, West Bengal.

	Computer Software	Copyrights and Trademarks	Business Rights	Total
6. Intangible Assets:				
Cost				
As at April 01, 2016*	**93,10,922**	**49,955**	**-**	**93,60,877**
Additions	2,79,88,497	-	10,00,00,000	12,79,88,497
As at March 31, 2017	**3,72,99,590**	**49,955**	**10,00,00,000**	**13,73,49,545**
Additions	29,41,561	-	-	29,41,561
As at March 31, 2018	**4,02,41,151**	**49,955**	**10,00,00,000**	**14,02,91,106**

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2018

(Amount in ₹)

	Computer Software	Copyrights and Trademarks	Business Rights	Total
Amortisation				
As at April 01, 2016*	**-**	**-**	**-**	**-**
Charge for the year	39,10,917	49,955	1,00,00,000	1,39,60,872
As at March 31, 2017	**39,11,088**	**49,955**	**1,00,00,000**	**1,39,61,043**
Charge for the year	82,87,946	-	1,00,00,000	1,82,87,946
As at March 31, 2018	**1,21,99,033**	**49,955**	**2,00,00,000**	**3,22,48,988**
Net Block				
As at April 01, 2016*	93,10,922	49,955	-	93,60,877
As at March 31, 2017	3,33,88,503	-	9,00,00,000	12,33,88,503
As at March 31, 2018	**2,80,42,118**	**-**	**8,00,00,000**	**10,80,42,118**
6. (a) Intangible Asset Under Development				
As at 1st April, 2016*				2,31,55,565
As at March 31, 2017				-
As at March 31, 2018				**2,14,200**

*Represents deemed cost on the date of transition to Ind AS

	Number of shares/Units		
	March 31, 2018	March 31, 2017	April 01, 2016
7. Investments			
In Mutual Funds (Quoted)			
HDFC Large Cap Fund (Units of ₹ 10/- each)	10,000	10,000	10,000
In Equity Instruments (at cost unless otherwise stated)			
(Unquoted)			
West Bengal Hosiery Park Infrastructure Limited (Equity Shares of ₹ 10/- each)	1,800	1,800	1,800

	Amount		
	March 31, 2018	March 31, 2017	April 01, 2016
Investments measured at Fair Value through Profit and Loss			
In Mutual Funds (Quoted)			
HDFC Large Cap Fund	10,56,500	9,75,640	8,19,600
Total (A)	**10,56,500**	**9,75,640**	**8,19,600**
In Equity Instruments (at cost unless otherwise stated)			
(Unquoted)			
West Bengal Hosiery Park Infrastructure Limited	18,000	18,000	18,000
Total (B)	**18,000**	**18,000**	**18,000**
Total Investments (A+B)	**10,74,500**	**9,93,640**	**8,37,600**
Aggregate Carrying value of Quoted Investments	10,56,500	9,75,640	8,19,600
Aggregate Market value of Quoted Investments	10,56,500	9,75,640	8,19,600
Aggregate Carrying value of Unquoted Investments	18,000	18,000	18,000

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2018

(Amount in ₹)

		Non- Current			Current		
		March 31, 2018	March 31, 2017	April 01, 2016	March 31, 2018	March 31, 2017	April 01, 2016
8.	**Loans**						
	(Unsecured, considered good unless otherwise stated)						
	Security Deposits*	1,16,28,260	1,16,13,763	1,39,11,334	1,03,49,911	88,63,643	68,61,014
	Loan to Bodies Corporate	-	-	-	2,00,00,000	-	-
		1,16,28,260	**1,16,13,763**	**1,39,11,334**	**3,03,49,911**	**88,63,643**	**68,61,014**

*Dues from private companies in which any Director is a Director is ₹ 64,40,001/- (March 31, 2017: ₹ 64,40,001/- & March 31, 2016: ₹ 64,40,001/-).

Note:

There are no outstanding debts from Director or other officer of the company.

		Non- Current			Current		
		March 31, 2018	March 31, 2017	April 01, 2016	March 31, 2018	March 31, 2017	April 01, 2016
9.	**Other Financial Asset**						
	Interest Accrued on Deposits	-	-	-	61,067	-	-
	Interest Accrued on Loan to Bodies Corporate	-	-	-	2,70,740	-	-
	Bank deposits With maturity of more than 12 months	16,96,692	16,96,692	15,01,328	-	-	-
		16,96,692	**16,96,692**	**15,01,328**	**3,31,807**	**-**	**-**

		Non- Current			Current		
		March 31, 2018	March 31, 2017	April 01, 2016	March 31, 2018	March 31, 2017	April 01, 2016
10.	**Other Assets (Unsecured Considered)**						
	Capital Advances *	8,72,30,544	13,57,63,922	16,55,66,789	-	-	96,15,000
	Advances Other than Capital Advances	-	-	-	-	-	-
	Prepaid Expenses	-	-	-	1,33,58,166	1,69,83,498	50,31,763
	Advance against supply of goods & services	-	-	-	5,73,45,274	5,65,61,587	5,33,57,562
	Advance to Employees	-	-	-	75,75,942	63,66,993	63,72,352
	Balances with Government Authorities	-	-	-	9,02,16,940	28,28,923	28,28,923
	Claims & Refund Receivable	-	-	-	1,83,89,230	2,89,05,465	6,07,31,147
	Sales Tax paid under protest	-	-	-	21,17,391	-	-
	Other advances	-	-	-	5,39,896	72,24,886	30,38,834
		8,72,30,544	**13,57,63,922**	**16,55,66,789**	**18,95,42,839**	**11,88,71,352**	**14,09,75,581**

*Includes advance amounting to ₹ 4,00,92,000/- (March 31, 2017: ₹ 4,00,92,000/-) 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.

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2018

(Amount in ₹)

	March 31, 2018	March 31, 2017	April 01, 2016
11. Inventories			
(Valued at lower of cost and Net Realisable value)			
Raw Material			
Raw Material including packing materials	48,68,56,532	32,57,34,772	29,55,39,089
Finished Goods	1,71,79,41,351	1,86,80,88,258	1,75,70,34,505
Work-in-progress	1,11,32,63,158	75,49,99,692	96,78,05,247
	3,31,80,61,041	**2,94,88,22,722**	**3,02,03,78,841**

Mode of Valuation - Ref Note no. 4.1 of Accounting policy.

Note : The above includes Stock in transit.

Work-in-progress	73,03,813	52,48,280	1,23,21,289
Finished Goods	-	1,38,03,977	7,64,74,304

Note : Inventories are hypothecated/ pledged against borrowings (Refer Note no. 21).

		Current	
	March 31, 2018	March 31, 2017	April 01, 2016
12. Trade Receivable			
Secured	32,40,88,029	21,48,89,640	18,58,02,849
Unsecured	3,19,19,14,110	1,89,54,91,390	1,56,78,79,681
Less: Allowance for doubtful receivables	23,70,310	27,71,406	26,65,918
	3,51,36,31,829	**2,10,76,09,624**	**1,75,10,16,612**

a) No Trade Receivables due by Directors and its officers of the Company.

b) Allowances for credit losses of trade receivables, has been computed based on the ageing of the receivables. In computing expected credit losses the Company has taken into account historical credit loss experience and forward looking information.

c) Trade Receivables are hypothecated/ pledged against borrowings (Refer Note no. 21).

	March 31, 2018	March 31, 2017	April 01, 2016
13. Cash and Cash Equivalents			
Cash in hand	23,41,304	17,42,007	14,88,574
Balances with banks			
Current Accounts	2,68,73,184	8,22,54,190	4,89,44,458
Cash Credit Account	2,40,65,601	2,03,54,144	2,11,66,514
Bank deposits maturity for Less than 3 months	1,19,06,982	1,01,34,650	-
Cheque in hand	-	-	1,00,000
	6,51,87,071	**11,44,84,991**	**7,16,99,546**

	March 31, 2018	March 31, 2017	April 01, 2016
14. Other Bank Balances (other than note - 13)			
Unpaid dividend accounts	13,63,525	13,00,708	9,45,465
Bank Deposits maturity for more than 3 months but less than 12 months*	1,65,03,209	1,55,50,621	1,46,71,237
	1,78,66,734	**1,68,51,329**	**1,56,16,702**

*Held as lien by bank against Bank guarantees.

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2018

(Amount in ₹)

	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016	
	No. of Shares	Amount	No. of Shares	Amount	No. of Shares	Amount
15. Equity Share Capital						
Authorised Share Capital						
Equity Shares of ₹ 1/- each	20,00,00,000	20,00,00,000	20,00,00,000	20,00,00,000	20,00,00,000	20,00,00,000
	20,00,00,000	**20,00,00,000**	**20,00,00,000**	**20,00,00,000**	**20,00,00,000**	**20,00,00,000**
Issued Share Capital						
Equity Shares of ₹ 1/- each	7,97,33,560	7,97,33,560	7,97,33,560	7,97,33,560	7,97,33,560	7,97,33,560
	7,97,33,560	**7,97,33,560**	**7,97,33,560**	**7,97,33,560**	**7,97,33,560**	**7,97,33,560**
Subscribed & Paid-up Share Capital						
Equity Shares of ₹ 1/- each	7,95,24,560	7,95,24,560	7,95,24,560	7,95,24,560	7,95,24,560	7,95,24,560
Equity Shares forfeited of ₹ 1/- each, Paid up ₹ 0.50 per Share	2,09,000	1,04,500	2,09,000	1,04,500	2,09,000	1,04,500
	7,97,33,560	**7,96,29,060**	**7,97,33,560**	**7,96,29,060**	**7,97,33,560**	**7,96,29,060**

a) Reconciliation of the number of shares at the beginning and at the end of the year

There has been no change/ movements in number of shares outstanding at the beginning and at the end of the year.

b) Terms/ Rights attached to Equity Shares

The Parent 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 Parent 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 parent company. The distribution will be in proportion to the number of equity shares held by the shareholders.

During the year ended March 31, 2018, the Parent company has proposed final dividend of ₹ 3/- per share (March 31, 2017: ₹ 2.75 per Share) subject to approval of members in the ensuing Annual General Meeting.

c) Shareholding Pattern with respect of Holding or Ultimate Holding Company

The Company does not have any Holding Company or Ultimate Holding Company.

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

	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016	
	No. of Shares	% Holding	No. of Shares	% Holding	No. of Shares	% Holding
Equity Shares of ₹ 1/- each, fully paid up						
Prahlad Rai Agarwala*	1,67,63,656	21.08%	1,67,63,656	21.08%	1,80,70,000	22.72%
Rajnish Enterprises Ltd.	1,58,23,190	19.90%	1,58,21,190	19.89%	1,58,21,190	19.89%
Karuna Impex Enterprises Limited	-	-	-	-	86,50,000	10.88%
MLD Commercial Private Limited	-	-	86,50,000	10.88%	-	-
Ziyan Developers LLP	86,50,000	10.88%	-	-	-	-
Purvanchal Leasing Ltd.	58,07,670	7.30%	58,07,670	7.30%	58,07,670	7.30%

*holding shares jointly with Ghanshyam Prasad Agarwala and Kunj Bihari Agarwal, on behalf of a partnership firm.

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2018

As per records of the Company, including its register of shareholders/members as on March 31, 2018, the above shareholding represents legal ownership of shares.

e) The company has neither issued bonus shares not has bought back any shares during last 5 years.

f) No ordinary shares have been reserved for issue under options and contracts/ commitments for the sale of shares/ disinvestment as at the Balance Sheet date.

g) No securities convertible into Equity/ Preference shares have been issued by the Company during the year.

h) No calls are unpaid by any Director or Officer of the Company during the year.

(Amount in ₹)

	Note	March 31, 2018	March 31, 2017	April 01, 2016
16. Other Equity				
Securities Premium Reserve	16.1	68,80,30,890	68,80,30,890	68,80,30,890
General Reserve	16.2	42,31,16,859	42,31,16,859	42,31,16,859
Retained Earnings	16.3	3,80,13,54,937	3,20,35,20,783	2,48,06,02,480
		4,91,25,02,686	**4,31,46,68,532**	**3,59,17,50,229**

Changes in Other Equity

	March 31, 2018	March 31, 2017
16.1 Securities Premium Reserve		
Opening balance	68,80,30,890	68,80,30,890
Changes during the year	-	-
	68,80,30,890	**68,80,30,890**

	March 31, 2018	March 31, 2017
16.2 General Reserve		
Opening balance	42,31,16,859	42,31,16,859
Changes during the year	-	-
	42,31,16,859	**42,31,16,859**

	March 31, 2018	March 31, 2017
16.3 Retained Earnings		
Opening balance	3,20,35,20,783	2,48,06,02,480
Add: Profit for the period	86,22,98,885	72,28,36,939
Less: Remeasurement of Defined benefit Plans (Net of Tax)	(12,51,536)	81,364
Equity Dividend	(21,86,92,540)	-
Tax on Equity Dividend	(4,45,20,655)	-
	3,80,13,54,937	**3,20,35,20,783**

Nature and purpose of other reserves

Securities Premium Reserve

Securities premium reserve represents premium received on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act.

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2018

General Reserve

Under the erstwhile Companies Act, 1956, a general reserve was created through an annual transfer of net profit at a specified percentage in accordance with applicable regulations. Consequent to the introduction of the Companies Act 2013, the requirement to mandatory transfer a specified percentage of net profit to General Reserve has been withdrawn.

(Amount in ₹)

		Non-Current		
		March 31, 2018	March 31, 2017	April 01, 2016
17.	**Non Current Borrowings**			
	Secured Term Loan			
	Rupee loan from a Bank	77,64,175	4,27,88,486	9,42,89,775
	Less: Current portion of long term borrowings (Disclosed under other Financial Liabilities, refer note no- 23)	77,64,175	3,50,24,311	5,15,01,289
		-	**77,64,175**	**4,27,88,486**

Note:

1. There is no default as on the balance sheet date in the repayment of borrowings and interest thereon.
2. **Terms & conditions**
   a) 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, West Bengal.
   b) Term Loan with a balance of ₹ 77,77,778/- (March 31, 2017: ₹ 2,33,33,333/- & March 31, 2016: ₹ 3,88,88,889/-) is repayable in 2 equal quarterly installments of ₹ 38,88,889/- by September 28, 2018 and carries interest @ 12.30% p.a. (March 31, 2017: 12.30% p.a. & March 31,2016: 12% p.a.).
   c) Term Loan with a balance of ₹ 55,55,555/- as on March 31, 2017 and ₹ 2,77,77,778/- as on March 31, 2016 has been repaid during the year. It carried interest @ 11.95% p.a. (March 31, 2017: 11.95% p.a. & March 31, 2016: 12% p.a.).
   d) Term Loan with a balance of ₹ 1,39,99,930/- as on March 31, 2017 and ₹ 2,79,99,929/- as on March 31, 2016 has been repaid during the year. It carried interest @ 11.05% p.a. (March 31, 2017: 11.05% p.a. & March 31, 2016: 11.10% p.a.)

		Non-Current			Current		
		March 31, 2018	March 31, 2017	April 01, 2016	March 31, 2018	March 31, 2017	April 01, 2016
18.	**Provisions**						
	Provision for Gratuity	11,16,315	3,78,986	-	1,66,12,532	1,12,52,014	26,65,106
	Provision for Leave Encashment	25,13,844	-	-	1,92,673	-	-
	Provision for Litigation, Claims & Contingencies	-	-	-	70,55,399	70,55,399	70,55,399
	Other	-	-	-	1,60,92,793	-	-
		36,30,159	**3,78,986**	**-**	**3,99,53,397**	**1,83,07,413**	**97,20,505**

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.

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2018

(Amount in ₹)

18.1	**Movement of Provision**	
	Balance as at April 01, 2016	**70,55,399**
	Provision utilized during the year	-
	Balance as at March 31, 2017	**70,55,399**
	Provision utilized during the year	-
	Balance as at March 31, 2018	**70,55,399**

		Non-Current		
		March 31, 2018	**March 31, 2017**	**April 01, 2016**
19.	**Deferred Tax Liabilities (Net)**			
	Deferred Tax Liabilities			
	Arising on account of:			
	Difference between Tax Depreciation and Depreciation/ Amortisation charged for the Financial Reporting	15,21,04,814	15,08,20,825	14,83,25,627
	Others	4,729	34,725	1,30,416
		15,21,09,543	**15,08,55,550**	**14,84,56,043**
	Less: Deferred Tax Assets			
	Arising on account of:			
	Provision for Doubtful Debt & Advances	8,28,281	9,59,142	9,22,633
	Provision for Employee Benefit Expenses	68,10,765	40,08,226	1,236
	Provision for Litigation, Claims & Contingencies	24,65,439	24,41,732	-
	Unabsorbed Depreciation & Business Losses	5,27,96,117	-	-
	Others	98,519	927	-
		6,29,99,121	**74,10,027**	**9,23,869**
	Deferred Tax Liabilities (Net)	**8,91,10,422**	**14,34,45,523**	**14,75,32,174**

		As at April 01, 2017	Recognized in Statement of Profit and Loss	Recognized in Other Comprehensive Income	As at March 31, 2018
19.1	**Movement in Deferred Tax Assets and Liabilities during the year ended March 31, 2017 and March 31, 2018**				
	Deferred Income Tax Liabilities				
	Depreciation	15,08,20,825	12,83,989	-	15,21,04,814
	Others	34,725	(29,996)	-	4,729
	A	**15,08,55,550**	**12,53,993**	**-**	**15,21,09,543**
	Deferred Income Tax Assets				
	Provision for Doubtful debt & advances	9,59,142	1,30,861	-	8,28,281
	Provision for Employee Benefit Expenses	40,08,226	(21,00,420)	(6,85,219)	68,10,765
	Provision for Litigation, Claims & Contingencies	24,41,732	(23,707)	-	24,65,439
	Unabsorbed Depreciation & Business Losses	-	(5,27,96,117)	-	5,27,96,117
	Others	927	(97,592)	-	98,519
	B	**74,10,027**	**(5,48,86,975)**	**-**	**6,29,99,121**
	Deferred Tax Liabilities (Net) (A-B)	**14,34,45,523**	**(5,36,32,982)**	**(6,85,219)**	**8,91,10,422**

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2018

(Amount in ₹)

	Non-Current			Current		
	March 31, 2018	March 31, 2017	April 01, 2016	March 31, 2018	March 31, 2017	April 01, 2016
20. Other Liabilities						
Advances from customers	-	-	-	32,47,092	1,11,26,204	78,15,898
Deferred Revenue (Refer Note no 48)	1,00,60,981	37,23,134	45,03,540	17,47,857	7,80,407	7,81,906
Statutory dues payable	-	-	-	4,09,53,557	7,03,64,384	8,09,84,410
Others	-	-	-	2,38,594	7,91,936	6,72,779
	1,00,60,981	**37,23,134**	**45,03,540**	**4,61,87,100**	**8,30,62,931**	**9,02,54,993**

	Current		
	March 31, 2018	March 31, 2017	April 01, 2016
21. Current Borrowing			
Loan Repayable on demand			
From banks:			
Cash Credit	49,78,84,024	29,79,48,222	48,79,70,943
Commercial Paper	-	50,00,00,000	-
Working Capital Demand Loans			
Indian Rupee Loan	59,00,00,000	-	90,00,00,000
Packing Credit	6,00,00,000	-	
The above amount includes	1,14,78,84,024	79,79,48,222	1,38,79,70,943
Secured Loan	**1,14,78,84,024**	**79,79,48,222**	**1,38,79,70,943**

Terms & conditions

a) i. Cash Credit including Working Capital Demand Loan of Parent are secured by hypothecation of inventories, book debts and other current assets of the Parent Company and further secured by second charge of movable and immovable fixed assets of Domjur Unit, West Bengal.

ii. Cash Credit facility of a subsidiary are secured by hypothecation of inventories, book debts and other current assets of the Subsidiary Company. Further, the same has been secured by the corporate guarantee to the extend of ₹ 5,50,00,000/- given by the Parent company.

b) Working Capital Demand Loans carries interest @4.90% to 8.50% p.a. (March 31, 2017: @5.90% to 9.60% p.a.)

c) Cash Credit are repayable on demand and carries interest @8.50% to 11.50% p.a. (March 31, 2017: @9.00% to 11.50% p.a.)

d) No loans have been guaranteed by the directors and others.

e) There is no default as on the balance sheet date in the repayment of borrowings and interest thereon.

	Current		
	March 31, 2018	March 31, 2017	April 01, 2016
22. Trade payables			
Due to micro, small and medium enterprises (refer note 37)	36,12,017	-	-
Due to Creditors other than micro, small and medium enterprises	1,64,72,69,080	1,00,51,95,060	87,14,96,824
	1,65,08,81,097	**1,00,51,95,060**	**87,14,96,824**

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2018

(Amount in ₹)

	Non-Current			Current		
	March 31, 2018	March 31, 2017	April 01, 2016	March 31, 2018	March 31, 2017	April 01, 2016
23. Other Financial Liabilities						
Current Maturities of Long Term Borrowings	-	-	-	77,64,175	3,50,24,311	5,15,01,289
Interest accrued but not due on borrowings	-	-	-	5,45,312	1,25,277	2,95,217
Unpaid dividends (to be credited to Investor Education and Protection Fund, as and when due)	-	-	-	13,63,525	13,00,708	9,45,465
Security Deposits from customers	5,06,44,125	48,00,000	-	34,59,56,268	28,55,53,800	27,04,42,400
Capital Creditors	-	-	-	39,31,462	55,15,711	1,18,70,727
Dealers Incentive payable	-	-	-	36,23,98,818	20,50,84,309	15,21,63,825
Payable to employees	-	-	-	4,16,38,235	5,15,28,538	5,58,81,859
Others	-	-	-	3,37,05,050	3,16,96,819	2,52,50,641
	5,06,44,125	**48,00,000**	**-**	**79,73,02,845**	**61,58,29,473**	**56,83,51,423**

	Current		
	March 31, 2018	March 31, 2017	April 01, 2016
24. Current Tax Liabilities (Net)			
Provisions for Taxation (Net of Payments)	16,37,44,363	8,36,29,254	4,17,93,260
	16,37,44,363	**8,36,29,254**	**4,17,93,260**

	March 31, 2018	March 31, 2017
25. Revenue from Operations		
Sale of products		
Finished Goods*	10,97,58,07,584	10,56,12,29,426
Semi-Finished Goods	4,65,14,792	2,21,89,116
Trade Finished Goods*	29,18,30,562	7,50,86,969
	11,31,41,52,938	**10,65,85,05,511**
Sale of Services		
Service Income	21,21,71,436	21,44,38,139
	21,21,71,436	**21,44,38,139**
Other Operating Revenues		
Sale of Power	87,75,155	86,64,294
Scrap sale	1,06,77,498	1,54,40,920
Sales Tax Subsidy	22,96,559	1,40,77,798
Export Incentive	1,47,09,337	1,64,27,927
Deferred Revenue on Government Grant	48,33,928	7,81,906
	4,12,92,477	**5,53,92,845**
	11,56,76,16,851	**10,92,83,36,495**

* Net of discounts ₹ 75,09,25,107/- (March 31, 2017: ₹ 74,42,85,345/-).

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2018

(Amount in ₹)

		March 31, 2018	March 31, 2017
26.	**Other income**		
	Interest income		
	On Bank deposits	52,75,659	61,68,000
	On receivable	63,75,095	55,23,343
	On Loan to Bodies Corporate	3,00,822	-
		1,19,51,576	**1,16,91,343**
	Net gain on investments (Mutual Funds) carried at fair value	80,860	1,56,040
		80,860	**1,56,040**
	Other Non-Operating Income		
	Unspent Liabilities written back	11,82,641	36,91,811
	Net Foreign Exchange gain	50,09,987	-
	Excess provision on Trade Receivables written back	4,01,096	-
	Insurance Claim received	6,27,995	66,93,069
	Miscellaneous Income	52,65,203	33,07,985
		1,24,86,922	**1,36,92,865**
		2,45,19,358	**2,55,40,248**

		March 31, 2018	March 31, 2017
27.	**Cost of Material Consumed**		
	Opening inventory	32,57,34,772	29,55,39,087
	Add: Purchases*	5,23,66,00,043	4,82,14,88,286
	Less: Inventory at the end of the year	48,68,56,532	32,57,34,771
		5,07,54,78,283	**4,79,12,92,602**

*includes purchase of goods amounting to ₹16,21,94,287/- (March 31, 2017: Nil) supplied at concessional rate to dealers.

	March 31, 2018	March 31, 2017
Details of Raw Material Consumed		
Yarn / Than	3,49,20,56,878	3,34,20,65,164
Packing Material, Accessories and Other Material	1,58,34,21,405	1,44,92,27,438

		March 31, 2018	March 31, 2017
28.	**Purchase of Traded Goods**		
	Hosiery Goods	31,90,48,599	8,37,44,350
		31,90,48,599	**8,37,44,350**

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2018

(Amount in ₹)

		March 31, 2018	March 31, 2017
29.	**Changes in Inventories of Finished Goods and Work-in-progress**		
	Opening Stock		
	Traded Goods	4,70,41,169	-
	Finished Goods	1,82,10,47,089	1,75,70,34,505
	Work-in-progress	75,49,99,692	96,78,05,247
		2,62,30,87,950	**2,72,48,39,752**
	Closing Stock		
	Traded Goods	16,98,32,849	4,70,41,169
	Finished Goods	1,54,81,08,502	1,82,10,47,089
	Work-in-progress	1,11,32,63,158	75,49,99,692
		2,83,12,04,509	**2,62,30,87,950**
		(20,81,16,559)	**10,17,51,802**

		March 31, 2018	March 31, 2017
30.	**Employee Benefit Expense**		
	Salaries, Wages and Bonus	44,93,69,831	36,28,96,558
	Contribution to Provident and other Funds	95,92,150	61,33,948
	Gratuity**	52,46,966	1,09,90,396
	Staff Welfare Expenses	24,35,587	22,58,931
		46,66,44,534	**38,22,79,833**

**For descriptive notes on disclosure of Defined Benefit obligation Refer Note no. 40.

		March 31, 2018	March 31, 2017
31.	**Finance Costs**		
	Interest Expenses	7,65,91,954	9,99,91,461
	[Net of Interest rate subsidy from Technology Upgradation Fund Scheme ₹ 27,24,281/- (March 31, 2017: ₹ 1,09,38,621/-)]		
	Bank charges	44,57,045	59,38,146
		8,10,48,999	**10,59,29,607**

		March 31, 2018	March 31, 2017
32.	**Depreciation & Amortisation Expense**		
	Depreciation of Tangible Assets	13,95,76,929	14,81,17,118
	Amortisation of Intangible Assets	1,82,87,946	1,39,60,872
		15,78,64,875	**16,20,77,990**

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2018

(Amount in ₹)

		March 31, 2018	March 31, 2017
33.	**Other Expenses**		
	Consumption of Stores and Spares	58,74,607	66,59,464
	Sub-contracting/Job Worker Expenses	2,24,47,27,603	2,24,14,01,027
	Power & Fuel	14,24,01,227	12,36,73,977
	Freight outwards and Forwarding Expenses	17,82,08,339	14,14,97,275
	Rent	3,84,86,937	2,81,59,021
	Rates and Taxes	57,06,455	76,90,059
	Insurance	1,33,26,422	99,76,631
	Repairs and Maintenance		
	- Plant and Machinery	2,24,28,020	1,74,52,355
	- Building	67,12,714	66,02,230
	- Others	2,62,01,563	2,09,22,317
	Advertising	85,46,85,676	80,38,32,012
	Dealer's Incentive & Sales Promotion	36,84,69,493	25,49,56,057
	Business Convention	5,85,37,819	3,90,85,896
	Brokerage	13,40,01,461	14,26,38,825
	Travelling and Conveyance	9,09,51,990	7,30,17,073
	Communication Costs	1,47,63,069	1,37,22,287
	Legal and Professional Fees	2,23,88,739	4,10,99,769
	Directors' Sitting Fees	32,91,250	35,61,050
	Payment to Auditor (Refer Note below)	26,86,095	29,72,900
	Bad Debts/Advance written off	48,42,728	6,57,82,142
	Provision for Doubtful Trade Receivables	-	1,05,488
	Intangible Assets under Development written off	-	2,31,55,565
	Net Foreign Exchange Loss	35,776	5,82,564
	Loss on sale of Fixed Assets (Net)	3,19,326	45,966
	Royalty on Sales	62,14,088	37,48,967
	Contribution for CSR activities	2,25,35,955	2,10,13,258
	Miscellaneous Expenses	9,21,19,399	8,67,67,785
		4,35,99,16,751	**4,18,01,21,960**
	Note:		
	Remuneration to Auditors		
	For Audit Fees	16,37,800	14,16,065
	For Limited Review Fees	9,00,000	9,50,000
	For Certification	50,000	1,05,000
	For Others	93,300	1,38,987
	Out of Pocket Expenses	4,995	3,62,848

		March 31, 2018	March 31, 2017
34.	**Tax Expense**		
	Current Tax for the year	53,65,95,265	42,79,21,000
	Deferred Tax for the year	(5,36,32,982)	(40,79,340)
	Tax Expense for current year	**48,29,62,283**	**42,38,41,660**
	Income Tax for earlier years	(50,10,441)	-
	Tax Expense in Statement of Profit & Loss	**47,79,51,842**	**42,38,41,660**

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2018

(Amount in ₹)

		March 31, 2018	March 31, 2017
34.1	**Reconciliation of estimated Income tax expense at Indian statutory Income tax rate to income tax expense reported in statement of comprehensive Income**		
	Income before Income Taxes	1,34,02,50,727	1,14,66,78,599
	Indian Statutory Income Tax Rate*	34.61%	34.61%
	Estimated Income Tax expenses	46,38,33,971	39,68,42,529
	Tax effect of adjustments to reconcile expected Income tax expense to reported Income tax expense		
	Expenses disallowed for Tax purpose	78,15,706	72,72,268
	Deductions allowable under Income Tax Act	(45,24,072)	(39,22,061)
	Provision for Interest for delayed payment under Income Tax Act	1,49,22,200	22,07,700
	Deferred Tax Asset not recognised in Profir and Loss Statement on unabsorbed losses	-	2,12,37,781
	Others*	9,14,478	2,03,441
		1,91,28,312	**2,69,99,129**
	Income Tax expense in the Statement of Profit and Loss	**48,29,62,283**	**42,38,41,660**

*includes impact of reinstatement of opening Deferred Tax Asset/Liability at enacted tax rate of 34.944% against previously recognised tax rate of 34.608% in case of Parent Company and lower rate of tax in case of subsidiaries.

		March 31, 2018	March 31, 2017	April 01, 2016
35.	**Capital and other commitments**			
	Estimated amount of contracts remaining to be executed and not provided for (net of advances)	8,54,80,900	6,59,05,416	2,26,95,376

		March 31, 2018	March 31, 2017	April 01, 2016
36.	**Contingent Liabilities**			
	Demands/claims by various government authorities and others not acknowledged as debts and contested by the government			
	Income Tax Matters	1,61,870	33,71,140	18,62,310
	Sales Tax Matters (net of amount deposited under dispute ₹ 21,17,390/-)	1,47,30,033	1,60,22,825	55,66,298
	Employees State Insurance	39,967	39,967	39,967
	Bank Guarantees outstanding	2,20,30,000	2,20,30,000	2,40,67,000
	Letter of Credit outstanding	5,63,41,250	-	-
	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 favourable interim order dated June 5, 2013 and the matter is presently sub-judice. Accordingly, the liabiity of ₹ 4,08,74,519/- (March 31, 2017: ₹ 4,08,74,519/- & March 31, 2016: ₹ 3,24,14,820/-) has not been provided for	4,08,74,519	4,08,74,519	3,24,14,820

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2018

Note:

The amount shown above represents the best possible estimate arrived at on the basis of available information. The uncertainties are dependent on outcome of different legal processes. The timing of future cash flows will be determinable only on receipt of judgements/decisions pending with various forums/authorities. The Group does not expect any reimbursements against above.

(Amount in ₹)

		March 31, 2018	March 31, 2017	April 01, 2016
37.	**Details of dues to micro and small enterprises as defined under the MSMED Act, 2006 included in Trade payables**			
	Principal amount remaining unpaid to any supplier at the end of accounting year	36,12,017	-	-
	Interest due on above	-	-	-
	Total	**36,12,017**	**-**	**-**
	Amount of interest paid by the Company to the suppliers in terms of section 16 of the MSMED Act, 2006 alongwith 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	-	-	-
	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	-	-	-

38. Dividend

The Board of Directors of the Parent company at its meeting held on May 23 ,2018 have recommended a payment of final dividend of ₹ 3/- per equity share of face value of ₹ 1/- each for the financial year ended March 31, 2018. The same amounts to ₹ 28,76,07,588/- (including dividend distribution tax of ₹ 4,90,33,908/-). The same is subject to approval at the ensuing Annual General Meeting of the Company and hence is not recognized as a liability.

39.

The Board of Directors of the Parent Company at its meeting held on February 12, 2018 have recommended payment of commission of ₹ 26,00,000/- to Independent Directors.

The same is subject to approval at the ensuing Annual General Meeting of the Parent Company and hence is not recognized as a liability.

40. 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 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 gratuity liability for subsidiary Companies is unfunded

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.

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2018

(Amount in ₹)

		Non-Funded			Funded		
		March 31, 2018	March 31, 2017	April 01, 2016	March 31, 2018	March 31, 2017	April 01, 2016
40(a)	**Change in projected benefit obligations**						
	Obligations at beginning of the year	4,59,291	1,60,390	-	3,06,42,384	1,94,78,667	1,56,88,456
	Current Service cost	8,34,568	3,95,943	1,60,390	35,60,930	47,80,131	30,44,158
	Past Service cost	-	28,677	-	-	55,89,085	-
	Interest Cost	35,595	12,029	-	23,24,850	15,58,293	12,55,076
	Benefits settled	-	-	-	(12,88,628)	(9,45,943)	(3,55,268)
	Actuarial (gain)/loss (through OCI)	(92,527)	(1,37,748)	-	19,31,929	1,82,151	(1,53,755)
	Obligations at the end of the year	**12,36,927**	**4,59,291**	**1,60,390**	**3,71,71,465**	**3,06,42,384**	**1,94,78,667**

		Non-Funded			Funded		
		March 31, 2018	March 31, 2017	April 01, 2016	March 31, 2018	March 31, 2017	April 01, 2016
40(b)	**Change in plan assets**						
	Plan assets at beginning of the year, at fair value	-	-	-	1,94,70,675	1,68,13,561	1,55,03,398
	Interest income	-	-	-	15,08,977	13,45,085	12,40,272
	Actuarial gain/(loss) (through OCI)	-	-	-	(97,353)	1,61,017	1,74,901
	Contributions	-	-	-	10,85,874	20,96,955	2,50,258
	Benefits settled	-	-	-	(12,88,628)	(9,45,943)	(3,55,268)
	Plan assets at the end of the year	**-**	**-**	**-**	**2,06,79,545**	**1,94,70,675**	**1,68,13,561**

		Non-Funded			Funded		
		March 31, 2018	March 31, 2017	April 01, 2016	March 31, 2018	March 31, 2017	April 01, 2016
40(c)	**Net Defined Benefit Liability/ (Asset)**						
	Present value of defined benefit obligation at the end of the year	12,36,927	4,59,291	1,60,390	3,71,71,465	3,06,42,384	1,94,78,667
	Fair value of plan assets at the end of the year	-	-	-	2,06,79,545	1,94,70,675	1,68,13,561
	Net Liability/(Asset recognised in the Balance Sheet	**12,36,927**	**4,59,291**	**1,60,390**	**1,64,91,920**	**1,11,71,709**	**26,65,106**

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2018

(Amount in ₹)

		Non-Funded			Funded		
		March 31, 2018	March 31, 2017	April 01, 2016	March 31, 2018	March 31, 2017	April 01, 2016
40(d)	**Expenses recognised in Statement of Profit and Loss**						
	Service Cost	8,34,568	3,95,943	1,60,390	35,60,930	1,03,69,216	30,44,158
	Interest Cost (Net)	35,595	12,029	-	8,15,873	2,13,208	14,804
	Total expense recognised in Statement of Profit and Loss	**8,70,163**	**4,07,972**	**1,60,390**	**43,76,803**	**1,05,82,424**	**30,58,962**

		Non-Funded			Funded		
		March 31, 2018	March 31, 2017	April 01, 2016	March 31, 2018	March 31, 2017	April 01, 2016
40(e)	**Re-measurement gains/ (losses) in OCI**						
	Actuarial (gain)/ loss due to financial assumption changes	(3,37,240)	(28,839)	-	53,88,686	(42,90,049)	-
	Actuarial (gain)/ loss due to experience adjustments	4,29,767	1,66,587	-	(73,20,615)	41,07,898	1,53,755
	Return on plan assets (greater)/ less than discount rate	-	-	-	(97,353)	1,61,017	1,74,901
	Total amount routed through OCI	**92,527**	**1,37,748**	**-**	**(20,29,282)**	**(21,134)**	**3,28,656**

40(f) The major categories of plan assets of the fair value of the total plan assets are as follows:

	Non-Funded		Funded	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Actuarial (gain)/ loss due to experience adjustments				
Investments with insurer	N.A.	N.A.	100%	100%

40(g) The principal assumptions used in determining gratuity benefit obligations for the company's plans are shown below:

	March 31, 2018	March 31, 2017	April 01, 2016
Discount Rate	7.75%	7.50%	8.00%
Salary Escalation Rate	4%-6%	6.00%	5.00%
Mortality Rate	IALM (2006-08) table	IALM (2006-08) table	IALM (2006-08) table
Withdrawal Rate	1% to 8%	1% to 8%	1% to 8%

40(h) A quantitative sensitivity analysis for significant assumption as at March 31, 2018 is as shown below:

		Funded			
	Sensitivity	March 31, 2018		March 31, 2017	
		Increase	Decrease	Increase	Decrease
Effects on Defined Benefit Obligation due to change in					
Discount Rate	1%	3,46,34,823	4,00,84,163	2,73,88,394	3,44,46,885
Further salary increase	1%	3,95,78,509	3,50,63,019	3,38,53,415	2,78,41,443

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2018

(Amount in ₹)

		Non-Funded			
	Sensitivity	March 31, 2018		March 31, 2017	
		Increase	Decrease	Increase	Decrease
Effects on Defined Benefit Obligation due to change in					
Discount Rate	1%	10,84,186	14,21,076	3,24,378	4,45,483
Further salary increase	1%	14,29,200	10,75,447	4,45,825	3,23,177

The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

40(i) The average duration of the Defined Benefit Plan obligation at the end of the reporting period is 6.54 years (March 31, 2017: 8.47 years). The distribution of the timing of benefits payment i.e., the maturity analysis of the benefit payments is as follows:

	Non-Funded	Funded
Expected benefits payment for the year ending on		
March 31, 2019	4,402	78,39,499
March 31, 2020	6,897	14,79,296
March 31, 2021	6,974	14,86,699
March 31, 2022	60,050	4,29,226
March 31, 2023	98,951	42,37,867
March 31, 2024 to March 31, 2028	4,55,059	3,54,94,474

40(j) Defined Contribution Plan

	March 31, 2018	March 31, 2017
Contribution to Provident/pension funds (Refer Note no. 30)	95,92,150	61,33,948

41 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. Prahlad Rai Agarwala	Chairman
	Mr. Ghanshyam Prasad Agarwala	Vice-chairman
	Mr. Kunj Bihari Agarwal	Managing Director
	Mr. Ramesh Agarwal	Whole-time Director-cum-Chief Financial Officer
	Mr. Mukesh Agarwal	Whole-time Director
	Mr. Niraj Kabra	Executive Director (Additional) (w.e.f. February 12, 2018)
	Mr. Arihant Kumar Baid	Whole-time Director (w.e.f. November 05, 2015 to January 15, 2018)
	Mr. Neeraj Sureka	Chief Financial Officer (Upto November 17, 2016)
	Mr. Kundan Kumar Jha	Company Secretary (w.e.f. May 30, 2016)
	Mr. Satya Brata Ganguly	Independent Director
	Mr. Dipak Kumar Banerjee	Independent Director
	Mr. Dharam Chand Jain	Independent Director

Notes to the Consolidated Financial Statements

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	Mr. Vinod Kumar Kothari	Independent Director
	Mr. Sushil Patwari	Independent Director
	Mrs. Alka Devi Bangur	Independent Director
Relatives of Key Management Personnel	Mr. Suresh Agarwal	Son of Mr. Prahlad Rai Agarwala
	Mr. Manish Agarwal	Son of Mr. Ghanshyam Prasad Agarwala
	Mr. Ravi Agarwal	Son of Mr. Kunj Bihari Agarwal
	Mr. Vikash Agarwal	Son of Mr. Kunj Bihari Agarwal
	Mr. Rajnish Agarwal	Son of Mr. Ghanshyam Prasad Agarwala
	Mr. Siddhant Agarwal	Grand-Son of Mr. Prahlad Rai Agarwala
	Mrs. Rekha Patodia	Daughter of Mr. Prahlad Rai Agarwala
	Mrs. Shanti Devi Agarwal	Wife of Mr. Prahlad Rai Agarwala
	Mrs. Pushpa Devi Agarwal	Wife of Mr. Ghanshyam Prasad Agarwala
	Mrs. Lalita Devi Agarwal	Wife of Mr. Kunj Bihari Agarwal
	Mrs. Seema Agarwal	Wife of Mr. Ramesh Agarwal
	Mrs. Seema Agarwal	Wife of Mr. Mukesh Agarwal
	Mrs. Sarita Patwari	Daughter of Mr. Ghanshyam Prasad Agarwala
Enterprises owned or significantly influenced by Key Management Personnel or their relatives	Salasar Projects and Estates Pvt. Ltd.	
	Sidhant Flats & Apartments Pvt Ltd.	
	Salasar Infrastructure Ltd.	
	Sobhasaria Properties Pvt Ltd	
	Rupa Spinners Ltd.	
	Salasar Developers & Garments Pvt Ltd.	
	Bajrangbali Projects Ltd.	
	Bajrangbali Hosiery Pvt. Ltd	
	Sidhant Textiles Pvt Ltd.	
	Ganesh Enclave Ltd.	
	Ravi Global Pvt Ltd.	
	Kadambari Impex & Agency Pvt Ltd.	
	Prahlad Rai Suresh Kumar - HUF	
	Suresh Kumar Agarwal - HUF	
	Mukesh Kumar Agarwal - HUF	
	Ghanshyam Prasad Manish Kumar - HUF	
	K B & Sons - HUF	
	Ravi Agarwal - HUF	
	Binod Hosiery	
	Rajnish Enterprises Ltd.	
	Purvanchal Leasing Ltd.	
	Sidhant Credit Capital Ltd.	
	Rupa Dyeing & Printing Pvt Ltd	
	Rupa Foundation	
	Tushar Knitting LLP	
Private companies in which directors or relatives are director or members	Tushar Knitting Pvt. Ltd.	
	Salasar Processors Pvt. Ltd.	
	Bajarangbali Textiles Pvt. Ltd.	
	Metro Towers Office Owners Association	

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2018

(Amount in ₹)

Related party transactions

Particulars	Party	Nature of relationship	2017-18	2016-2017
Rent	Mr. Prahlad Rai Agarwala	Key Management Personnel	2,82,000	2,82,000
	Mr. Ghanshyam Prasad Agarwala		1,14,000	1,14,000
	Mr. Kunj Bihari Agarwal		48,000	48,000
	Mr. Mukesh Agarwal		1,08,000	1,08,000
	Mrs. Pushpa Devi Agarwal	Relatives of Key Management Personnel	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
	Bajrangbali Hosiery Pvt. Ltd		72,500	-
	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
	Sobhasaria Properties Pvt Ltd		11,04,000	1,44,000
	Others		96,000	96,000
Salary & Perquisites	Mr. Prahlad Rai Agarwala#	Key Management Personnel	1,90,00,000	1,87,00,000
	Mr. Ghanshyam Prasad Agarwala		84,00,000	81,00,000
	Mr. Kunj Bihari Agarwal		84,00,000	81,00,000
	Mr. Ramesh Agarwal		79,50,000	63,00,000
	Mr. Mukesh Agarwal		79,50,000	63,00,000
	Mr. Arihant Kumar Baid		17,18,337	16,83,226
	Mr Neeraj Sureka		-	31,92,911
	Mr. Niraj Kabra		2,19,016	-
	Mr. Kundan Kumar Jha		20,72,924	16,14,251
	Mr. Manish Agarwal	Relatives of Key Management Personnel	54,00,000	51,00,000
	Mr. Ravi Agarwal		54,00,000	51,00,000
	Mr. Vikash Agarwal		54,00,000	51,00,000
	Mr. Rajnish Agarwal		54,00,000	51,00,000
	Mr. Suresh Agarwal		30,00,000	30,00,000
	Mr. Siddhant Agarwal		30,00,000	24,00,000
	Mrs. Rekha Patodia		15,69,979	15,69,979

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as at and for the year ended March 31, 2018

(Amount in ₹)

Particulars	Party	Nature of relationship	2017-18	2016-2017
Sitting Fees	Mr. Satya Brata Ganguly	Independent Director	6,50,000	4,20,000
	Mr. Dipak Kumar Banerjee		5,35,000	7,25,000
	Mr. Dharam Chand Jain		3,60,000	4,50,000
	Mr. Vinod Kumar Kothari		6,10,000	4,05,000
	Mr. Sushil Patwari		5,85,000	6,50,000
	Mrs. Alka Devi Bangur		4,50,000	4,50,000
Sub-contracting Expenses	Rupa Dyeing & Printing Pvt Ltd	Enterprises owned or significantly influenced by Key Management Personnel or their relatives	7,04,97,772	10,81,92,399
	Tushar Knitting Pvt. Ltd.		29,46,603	33,08,764
	Salasar Processors Pvt. Ltd.		6,15,42,024	4,57,26,291
	Bajarangbali Textiles Pvt. Ltd.		38,39,872	29,51,005
CSR Expenditure	Rupa Foundation		69,46,400	22,00,000
Miscellaneous Expenses	Metro Towers Office Owners Association	Private companies in which directors or relatives are director or members	51,94,110	54,54,068
Dividend Paid	Mr. Prahlad Rai Agarwala	Key Management Personnel	82,04,790	-
	Mr. Ghanshyam Prasad Agarwala		35,01,795	-
	Mr. Kunj Bihari Agarwal		33,92,263	-
	Mr. Mukesh Agarwal		20,06,263	
	Mr. Ramesh Agarwal		29,12,883	
	Others		35,33,475	-
	Mr. Vikash Agarwal	Relatives of Key Management Personnel	48,27,460	-
	Mr. Ravi Agarwal		47,92,233	-
	Mr. Rajnish Agarwal		34,19,268	-
	Mr. Manish Agarwal		33,89,513	-
	Mr. Suresh Agarwal		29,33,068	-
	Others		71,24,645	-
	Rajnish Enterprises Ltd.	Enterprises owned or significantly influenced by Key Management Personnel or their relatives	4,35,33,273	-
	Purvanchal Leasing Ltd.		1,59,71,093	-
	Binod Hosiery		4,61,00,054	-
	Sidhant Credit Capital Ltd.		51,59,523	-

[#] includes Commission of ₹ 100,00,000/- (March 31, 2017: ₹ 100,00,000/-).

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as at and for the year ended March 31, 2018

(Amount in ₹)

Balance at end of the year

Particulars	Party	Nature of relationship	2017-2018	2016-2017	2015-2016
Trade Payables and Other Liabilities (payable to employees)	Mr. Prahlad Rai Agarwala	Key Management Personnel	85,68,745	1,37,35,602	4,10,390
	Mr. Ghanshyam Prasad Agarwala		13,50,616	22,09,860	21,54,329
	Mr. Kunj Bihari Agarwal		3,39,794	12,83,514	37,15,355
	Mr. Ramesh Agarwal		1,05,403	1,42,585	37,05,674
	Mr. Mukesh Agarwal		33,32,321	24,47,140	50,78,952
	Mr Arihant Kumar Baid		-	1,54,731	1,05,004
	Mr Niraj Kabra		1,45,549	-	-
	Mr Neeraj Sureka		-	-	3,16,024
	Mr Kundan Kumar Jha		1,48,777	1,11,540	-
	Mr. Manish Agarwal	Relatives of Key Management Personnel	3,00,459	18,08,028	74,11,527
	Mr. Rajnish Agarwal		78,261	4,84,263	34,14,270
	Mr. Ravi Agarwal		1,51,863	16,83,813	14,23,907
	Mr. Vikash Agarwal		1,76,794	6,31,569	10,40,195
	Mr. Suresh Agarwal		1,52,508	4,89,720	92,188
	Mr. Siddhant Agarwal		4,65,015	6,41,567	7,98,822
	Mrs. Rekha Patodia		41,495	2,20,534	2,37,220
Other Liabilities	Mrs. Pushpa Devi Agarwal		18,000	18,000	18,000
Trade Payables	Rupa Dyeing & Printing Pvt Ltd	Enterprises owned or significantly influenced by Key Management Personnel or their relatives	87,66,839	1,49,99,594	1,85,10,676
	Salasar Infrastructure Ltd.		-	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
	Sobhasaria Properties Pvt Ltd		1,47,600	1,44,000	1,20,000
	Others		12,000	96,000	96,000
	Salasar Processors Pvt. Ltd.	Private companies in which directors or relatives are director or members	37,74,322	39,39,327	70,54,036
	Bajarangbali Textiles Pvt. Ltd.		22,75,991	33,08,870	26,57,865
	Tushar Knitting Pvt. Ltd.		33,98,544	68,07,834	-
	Tushar Knitting LLP		5,69,190	-	-
	Metro Towers Office Owners Association		2,09,898	1,88,166	4,02,342

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as at and for the year ended March 31, 2018

(Amount in ₹)

Particulars	Party	Nature of relationship	2017-2018	2016-2017	2015-2016
Advance against supply of goods & services	Tushar Knitting Pvt. Ltd.	Private companies in which directors or relatives are director or members	5,30,533	-	2,22,281
Financial Assets - Security Deposit	Salasar Projects and Estates Pvt. Ltd.	Enterprises owned or significantly influenced by Key Management Personnel or their relatives	26,00,000	26,00,000	26,00,000
	Sidhant Flats & Apartments Pvt Ltd.		26,40,001	26,40,001	26,40,001
	Bajrangbali Projects Ltd.		3,00,000	3,00,000	3,00,000
	Ganesh Enclave Ltd.		3,00,000	3,00,000	3,00,000
	Rupa Spinners Ltd.		3,00,000	3,00,000	3,00,000
	Salasar Infrastructure Ltd.		3,00,000	3,00,000	3,00,000
	Salasar Developers & Garments Pvt Ltd.		3,00,000	3,00,000	3,00,000
Guarantees taken*	Mr. Prahlad Rai Agarwala	Key Management Personnel	-	55,55,555	2,77,00,000
	Mr. Ghanshyam Prasad Agarwala		-	55,55,555	2,77,00,000
	Mr. Kunj Bihari Agarwal		-	55,55,555	2,77,00,000

* Guarantees given in aggregate by all the Directors.

Note:

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

		March 31, 2018	March 31, 2017
42	**Earning per share**		
	Profit as per Statement of Profit & Loss attributable to Equity Shareholders (a)	86,22,98,885	72,28,36,939
	Weighted average number of Equity Shares (in number) (b)	7,95,24,560	7,95,24,560
	Basic & Diluted Earnings Per Share (a/b) (Nominal Value - ₹ 1/- per share)	10.84	9.09

43. 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:

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(Amount in ₹)

	For the year ended March 31, 2018			For the year ended March 31, 2017		
	India	Overseas	Total	India	Overseas	Total
Revenue from Operations	11,38,37,43,092	18,38,73,759	11,56,76,16,851	10,70,81,35,105	22,02,01,390	10,92,83,36,495
Carrying amount						
Segment Assets	8,93,06,47,326	6,08,82,933	8,99,15,30,259	7,10,26,90,474	5,56,91,289	7,15,83,81,763
Segment Liabilities	3,99,61,51,421	32,47,092	3,99,93,98,513	2,75,29,57,967	1,11,26,204	2,76,40,84,171
Additions:						
Tangible Assets	13,30,04,509	-	13,30,04,509	16,84,24,937	-	16,84,24,937
Intangible Assets	29,41,561	-	29,41,561	12,79,88,497	-	12,79,88,497

	As at April 01, 2016		
	India	Overseas	Total
Carrying amount			
Segment Assets	6,79,37,48,994	4,20,42,443	6,83,57,91,437
Segment Liabilities	3,15,69,51,039	74,61,110	3,16,44,12,148

44. Disclosures of Corporate Social Responsibility expenditure in line with the requirement of Guidance Note on "Accounting for Expenditure on Corporate Social Responsibility Activities"

	March 31, 2018	March 31, 2017
Amount of CSR expenditure to be incurred during the year	2,23,53,494	2,06,58,803
CSR Expenditure incurred during the year	2,25,35,955	2,10,13,258
Related party transaction as per Ind AS 24 in relation to CSR expenditure	69,46,400	22,00,000

45. Leases - Operating lease commitments - Company as lessee

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. The leases are cancellable.

	March 31, 2018	March 31, 2017
Lease Payments made during the year	3,84,86,937	2,81,59,021

46. Capital Management

The Group's objective to manage its capital is to ensure continuity of business while at the same time provide reasonable returns to its various stakeholders but keep associated costs under control. In order to achieve this, requirement of capital is reviewed periodically with reference to operating and business plans that take into account capital expenditure and strategic investments. Apart from internal accrual, sourcing of capital is done through judicious combination of equity and borrowing, both short term and long term. Net debt (total borrowings less Cash & Cash Equivalents) to equity ratio is used to monitor capital.

	March 31, 2018	March 31, 2017	April 01, 2016
Debt Equity Ratio	0.22:1	0.16:1	0.38:1

47. Disclosure on Financial Instrument

This section gives an overview of the significance of financial instruments for the Group and provides additional information on balance sheet items that contain financial instruments

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2018

The details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised in respect of each class of financial asset, financial liability and equity instrument are disclosed in Note 4.12 to the financial statements.

(a) Financial Asset and Liabilities (Non Current and Current)

The following tables presents the carrying value and fair value of each category of financial assets and liabilities as at March 31, 2018, March 31, 2017 and April 1, 2016.

(Amount in ₹)

	Balance as on March 31, 2018			Balance as on March 31, 2017		
	Fair value through statement of Profit & Loss	Amortised Cost	Carrying Value	Fair value through statement of Profit & Loss	Amortised Cost	Carrying Value
Financial Assets						
(i) Investments	-	-	-	-	-	-
(ii) Investments others	10,56,500	18,000	10,74,500	9,75,640	18,000	9,93,640
(iii) Trade Receivable	-	3,51,36,31,829	3,51,36,31,829	-	2,10,76,09,624	2,10,76,09,624
(iv) Cash and Cash Equivalents	-	6,51,87,071	6,51,87,071	-	11,44,84,991	11,44,84,991
(v) Other Bank Balances	-	1,78,66,734	1,78,66,734	-	1,68,51,329	1,68,51,329
(vi) Loans	-	4,19,78,171	4,19,78,171	-	2,04,77,406	2,04,77,406
(vii) Interest Accrued on Loan / Deposits	-	3,31,807	3,31,807	-	-	-
(viii) Deposits With maturity of more than 12 months	-	16,96,692	16,96,692	-	16,96,692	16,96,692
	10,56,500	**3,64,07,10,304**	**3,64,17,66,804**	**9,75,640**	**2,26,11,38,042**	**2,26,21,13,682**
Financial Liabilities						
(i) Borrowings	-	1,14,78,84,024	1,14,78,84,024	-	80,57,12,397	80,57,12,397
(ii) Trade Payables	-	1,64,72,69,080	1,64,72,69,080	-	1,00,51,95,060	1,00,51,95,060
(iii) Interest Accrued but not due on borrowings	-	5,45,312	5,45,312	-	1,25,277	1,25,277
(iv) Security Deposits from Customers	-	39,66,00,393	39,66,00,393	-	29,03,53,800	29,03,53,800
(v) Capital Creditors	-	39,31,462	39,31,462	-	55,15,711	55,15,711
(vi) Payable to Employees	-	4,16,38,235	4,16,38,235	-	5,15,28,538	5,15,28,538
(vii) Others Financial Liabilities	-	40,52,31,568	40,52,31,568	-	27,31,06,148	27,31,06,148
	-	**3,64,31,00,073**	**3,64,31,00,073**	**-**	**2,43,15,36,931**	**2,43,15,36,931**

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2018

(Amount in ₹)

	Balance as on April 01, 2016		
	Fair value through statement of Profit & Loss	Amortised Cost	Carrying Value
Financial Assets			
(i) Investments	-	-	-
(ii) Investments others	8,19,600	18,000	8,37,600
(iii) Trade receivable	-	1,75,10,16,612	1,75,10,16,612
(iv) Cash and Cash Equivalents	-	7,16,99,546	7,16,99,546
(v) Other Bank Balances	-	1,56,16,702	1,56,16,702
(vi) Loans	-	2,07,72,348	2,07,72,348
(vii) Interest Accrued on Loan/ Deposits	-	-	-
(viii) Deposits With maturity of more than 12 months	-	15,01,328	15,01,328
	8,19,600	**1,86,06,24,536**	**1,86,14,44,136**
Financial Liabilities			
(i) Borrowings	-	1,43,07,59,429	1,43,07,59,429
(ii) Trade Payables	-	87,14,96,824	87,14,96,824
(iii) Interest Accrued but not due on borrowings	-	2,95,217	2,95,217
(iv) Security Deposits from Customers	-	27,04,42,400	27,04,42,400
(v) Capital Creditors	-	1,18,70,727	1,18,70,727
(vi) Payable to Employees	-	5,58,81,859	5,58,81,859
(vii) Others Financial Liabilities	-	22,98,61,220	22,98,61,220
	-	**2,87,06,07,676**	**2,87,06,07,676**

(b) Fair Value hierarchy

	March 31, 2018	March 31, 2017	April 01, 2016
Investment in Mutual Funds (Quoted Price in Active Markets) Level -1	10,56,500	9,75,640	8,19,600

There are no transfer between levels during the year.

The carrying value of trade receivables, trade payables, cash and cash equivalents, loans, borrowings and other current financial assets and liabilities approximate their fair values largely due to the short-term maturities.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The fair values of the investments in mutual funds are derived from quoted market prices in active markets.

(c) Financial Risk Management

The Group has a Risk Management Policy which covers risk associated with the financial assets and liabilities. The different types of risk impacting the fair value of financial instruments are as below:

(a) Credit risk

The credit risk is the risk of financial loss arising from counter party failing to discharge an obligation. The credit risk is controlled by analysing credit limits and credit worthiness of customers on continuous basis to whom the credit has been granted,obtaining necessary approvals for credit and taking security deposits from trade channels.

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2018

(i) Trade receivables

Customer credit risk is managed by the Group subject to the Group's established policy, procedures and control relating to customer credit risk management. Outstanding customer receivables are regularly monitored and major customers are generally secured by obtaining security deposits/bank guarantee or other forms of credit insurance. The maximum exposure to credit risk at the reporting date is the carrying value of trade receivable disclosed in Note no. 12.

(b) Liquidity risk

The Group determines its liquidity requirement in the short term and long term. The Group manage its liquidity risk in a manner so as to meet its financial obligations without any significant delay or stress. Such risk is managed through ensuring operational cash flow while at the same time maintaining adequate cash and cash equivalent position. The management has arranged for diversified funding sources and adopted a policy of managing assets with liquidity monitoring future cash flow and liquidity on a regular basis. Besides, it generally has certain undrawn credit facilities which can be assessed as and when required; such credit facilities are reviewed at regular basis.

(i) Maturity Analysis for financial liabilities

The following are the remaining contractual maturities of financial liabilities as at March 31, 2018.

(Amount in ₹)

	On Demand	Upto 1 Yr	1Yr - 3Yr	More than 3 Yr
Non-Derivative				
Trade Payables	-	1,65,08,81,097	-	-
Borrowings	49,78,84,024	65,77,64,175	-	-
Other Financial Liabilities				
Interest Accrued but not due on borrowings	-	5,45,312	-	-
Unpaid Dividends (to be credited to Investor Education and Protection Fund as and when due)	13,63,525	-	-	-
Security Deposits from Customers	34,59,56,268	-	5,06,44,125	-
Capital Creditors	-	39,31,462	-	-
Dealers Incentive Payable	-	36,23,98,818	-	-
Payable to Employees	-	4,16,38,235	-	-
Others	-	3,37,05,050	-	-
Total	**84,52,03,817**	**2,75,08,64,149**	**5,06,44,125**	**-**

The following are the remaining contractual maturities of financial liabilities as at March 31, 2017

	On Demand	Upto 1 Yr	1Yr - 3Yr	More than 3 Yr
Non-Derivative				
Trade Payables	-	1,00,51,95,060	-	-
Borrowings	29,79,48,222	53,50,24,311	77,64,175	-
Other Financial Liabilities				
Interest Accrued but not due on borrowings	-	1,25,277	-	-
Unpaid dividends (to be credited to Investor Education and Protection Fund as and when due)	13,00,708	-	-	-
Security Deposits from Customers	28,55,53,800	-	48,00,000	-
Capital Creditors	-	55,15,711	-	-
Dealers Incentive Payable	-	20,50,84,309	-	-
Payable to Employees	-	5,15,28,538	-	-
Others	-	3,16,96,819	-	-
Total	**58,48,02,730**	**1,83,41,70,025**	**1,25,64,175**	**-**

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2018

(Amount in ₹)

The following are the remaining contractual maturities of financial liabilities as at April 01, 2016

Particulars	On Demand	Upto 1 Yr	1Yr - 3Yr	More than 3 Yr
Non-Derivative				
Trade Payables	-	87,14,96,824	-	-
Borrowings	48,79,70,943	95,15,01,289	4,27,88,486	-
Other Financial Liabilities				
Interest Accrued but not due on borrowings	-	2,95,217	-	-
Unpaid dividends (to be credited to Investor Education and Protection Fund as and when due)	9,45,465	-	-	-
Security Deposits from Customers	27,04,42,400	-	-	-
Capital Creditors	-	1,18,70,727	-	-
Dealers Incentive Payable	-	15,21,63,825	-	-
Payable to Employees	-	5,58,81,859	-	-
Others	-	2,52,50,641	-	-
Total	**75,93,58,808**	**2,06,84,60,382**	**4,27,88,486**	**-**

(c) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: Interest rate Risk and Foreign Currency Risk. Financial instruments affected by market risk include borrowings, trade receivable and trade payable.

(i) Interest Rate Risk: Interest rate risk is the risk that the fair value or future cash flows of the Group's financial instruments will fluctuate because of changes in market interest rates.

The Group is exposed to risk due to interest rate fluctuation on long term borrowings. Such borrowings are based on fixed as well as floating interest rate. Interest rate risk is determined by current market interest rates, projected debt servicing capability and view on future interest rate. Such interest rate risk is actively evaluated and is managed through portfolio diversification and exercise of prepayment/refinancing options where considered necessary.

The Group is also exposed to interest rate risk on surplus funds parked in fixed deposits . To manage such risks, such investments are done mainly for short durations, in line with the expected business requirements for such funds.

a) Exposure to interest rate risk

	March 31, 2018	March 31, 2017	April 01, 2016
Fixed Rate Instruments			
Financial Assets	5,01,06,884	2,73,81,963	3,73,39,079
Financial Liabilities	65,00,00,000	50,00,00,000	90,00,00,000
Variable Rate Instruments			
Financial Assets	-	-	-
Financial Liabilities	50,56,48,199	34,07,36,708	58,22,60,719

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2018

(b) Interest rate Sensitivity: A change in 50 basis points in the interest rate would have following impact on profit before tax and other equity (Amount in ₹)

	Sensitivity Analysis	March 31, 2018 Impact on		March 31, 2017 Impact on	
		Profit before Tax	Other Equity	Profit before Tax	Other Equity
Interest rate increase by	0.50%	(25,28,241)	(16,53,267)	(17,03,684)	(11,14,073)
Interest rate decrease by	0.50%	25,28,241	16,53,267	17,03,684	11,14,073

(c) Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group does not have significant foreign currency exposure and hence, is not exposed to any significant foreign currency risk.

Unhedged Foreign Currency Exposure

The Group's exposure to foreign currency in USD at the end of the reporting period expressed in INR is as follows: (Amount in ₹)

	March 31, 2018	March 31, 2017	April 01, 2016
Financial Assets			
Trade Receivables	5,97,32,245	3,15,53,029	3,89,52,182
EEFC Bank Account	11,50,689	2,41,38,260	30,90,261

48. Movement of Deferred Revenue (Refer note no. 20)

	March 31, 2018	March 31, 2017
Opening Balance	45,03,541	52,85,446
Government Grant received during the year	1,21,39,225	-
Less:		
Deferred Revenue on Government Grant recognised in Profit and Loss Statement	48,33,928	7,81,906
Current portion of Deferred Revenue Grant carried forward as at year end	17,47,857	7,80,407
Non-Current portion of Deferred Revenue Grant carried forward as at year end	1,00,60,981	37,23,134

49. Business Combination

Oban Fashions Private Limited, a Subsidiary Company, has acquired Business undertaking from BMI Wholesale Trading Pvt. Ltd. The following disclosure as per Ind AS 103 "Business Combination" :

Pursuant to the Purchase Agreement ("Agreement") between Oban Fashion Private Limited and BMI Wholesale Trading Pvt. Ltd., Oban Fashions Private Limited has acquired Business Undertaking as going concern for consideration of ₹ 10,73,87,945/- as on April 01,2016 which may be further adjusted based on terms & conditions of the agreement.Oban Fashions Private Limited does not envisage any material impact on account of above and there will not be any impact on the financial statement. The acquistion provides Oban Fashions Private Limited the right to use of the license of French Connection (FCUK) in India for distribution of FCUK Branded apperal, including underwear/innerwear, Socks etc.

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2018

(Amount in ₹)

Details of purchase consideration, the net assets acquired are as follows:	
Purchase consideration	-
Cash & Cash Equivalent	10,73,87,945
Total Purchase consideration	**10,73,87,945**
The Assets and Liabilities recognised as a result of acquisition are as follows on the acquisition date	
Other Intangible Assets	10,00,00,000
Inventories	73,87,945
	10,73,87,945

Significant Estimate: Contingent Consideration

As per agreement, in the event of fulfilment of certain predetermined conditions by Oban Fashions Private Limited beyond an agreed amount, contingent consideration may be payable to the BMI Wholesale Private Limited. Based on the review of the above conditions by the management of the Subsidiary Company, no contingent consideration is assessed to be payable during the year.

Acquired Assets

As on date of acquisition, Gross contractual amount of acquired Business right and Inventories was ₹ 10,73,87,945/-. Fair value of the acquired assets was ₹ 10,73,87,945/-.

50 First time adoption- Transition to Ind AS

Basis for Preparation

For all period up to and including the year ended March 31, 2017, the Group has prepared its financial statements in accordance with Generally Accepted Accounting Principles in India (Indian GAAP). These financial statements for the year ended March 31, 2018 are the Group's first annual IND AS financial statements and have been prepared in accordance with Ind AS.

The accounting policies set out in Note 4 have been applied in preparing the Financial Statements for the year ended 31 March 2018, the comparative information presented in these Financial Statements for the year ended March 31, 2017 and in the preparation of an opening Ind AS balance sheet at April 01, 2016 (the date of transition). This note explains the principal adjustments made by the Group in restating its Financial Statements prepared in accordance with previous GAAP, and how the transition from previous GAAP to Ind AS has affected the Group's financial position, financial performance and cash flows.

Exceptions and Exemptions Applied

IND AS 101 "First-time adoption of Indian Accounting Standards" (hereinafter referred to as Ind AS 101) allows first time adopters certain mandatory exceptions and optional exemptions from the retrospective application of certain IND AS, effective for April 01, 2016 opening balance sheet. In preparing these Standalone Financial Statements, the Group has applied the below mentioned mandatory exceptions and optional exemptions.

A Mandatory exceptions to retrospective application

The Group has applied the following exceptions to the retrospective application of Ind AS as mandatorily required under Ind AS 101 "First Time Adoption of Indian Accounting Standards".

i Estimates

As per para 14 of Ind AS 101, an entity's estimates in accordance with Ind AS at the date of transition to Ind AS at the end of the comparative period presented in the entity's first Ind AS Financial Statements, as the case may be, should be consistent with estimates made for the same date in accordance with the previous GAAP unless there is objective

evidence that those estimates were in error. However, the estimates should be adjusted to reflect any differences in accounting policies.

As per para 16 of the standard, where application of Ind AS requires an entity to make certain estimates that were not required under previous GAAP, those estimates should be made to reflect conditions that existed at the date of transition or at the end of the comparative period. The Group's estimates under Ind AS are consistent with the above requirement. Key estimates considered in preparation of the Financial Statement that were not required under the previous GAAP are listed below:

- Fair Valuation of financial instruments carried at FVTPL and/ or FVOCI.

- Impairment of financial assets based on the expected credit loss model.

- Determination of the discounted value for financial instruments carried at amortized cost.

ii De-recognition of Financial Assets and Liabilities

As per para B2 of Ind AS 101, an entity should apply the derecognition requirements in Ind AS 109, "Financial Instruments", prospectively for transactions occurring on or after the date of transition to Ind AS. However, para B3 gives an option to the entity to apply the derecognition requirements from a date of its choice if the information required to apply Ind AS 109 to financial assets and financial liabilities derecognized as a result of past transactions was obtained at the initially accounting for those transactions. the Group has elected to apply the de-recognition provisions of Ind AS 109 prospectively from the date of transition to Ind AS.

iii Classification and measurement of Financial Assets

The classification of financial assets to be measured at amortised cost or fair value through other comprehensive income is made on the basis of facts and circumstances that existed on the date of transition to Ind AS.

B Optional exemptions from retrospective application

Ind AS 101 "First time Adoption of Indian Accounting Standards" permits Companies adopting Ind AS for the first time to take certain exemptions from the full retrospective application of Ind AS during the transition. the Group has accordingly on transition to Ind AS availed the following key exemptions:

i Property Plant and Equipment, Intangible Assets

As permitted by para D5-D8B of Ind AS 101, the Group has elected to continue with the carrying values under previous GAAP for all the items of property, plant and equipment. The same election has been made in respect of intangible assets also.

ii Business Combinations

Ind AS 101 provides the option to apply Ind AS 103 prospectively from the transition date or from a specific date prior to the transition date. This provides relief from full retrospective application that would require restatement of all business combinations prior to the transition date.

The Standard has not been applied to acquisitions of subsidiaries, which are considered businesses for Ind AS, or of interests in associates that occured before the transition date i.e., April 01, 2016.

iii Determining whether an arrangement contains a Lease

Para D9-D9AA of Ind AS 101 includes an optional exemption that permits an entity to apply the relevant requirements in Appendix C of Ind AS 17 "Leases" for determining whether an arrangement existing at the date of transition contains a lease by considering the facts and circumstances existing at the date of transition (rather than at the inception of the arrangement). The Company has applied the above transitional provision and has assessed all the arrangements at the date of transition

C Transition to Ind AS - Reconciliations

The following reconciliations provide the explanation and qualification of the differences arising from the transition from Previous GAAP to Ind AS in accordance with Ind AS 101 "First Time Adoption of Indian Accounting Standards".

(I) Reconciliation of material items of Balance sheet as at April 01, 2016 (Transition Date) and as at March 31, 2017.

(II) Reconciliation of Statement of Profit & Loss for the year ended March 31, 2017.

(III) Reconciliation of total equity as at April 01, 2016 and March 31, 2017.

1 Effect of Ind AS adoption on the Balance Sheet as at March 31, 2017 and April 01, 2016

	Note	Balance sheet as at March 31, 2017			Opening balance sheet as at April 01, 2016		
		Previous GAAP	Effect of Transition to Ind AS	Ind AS	Previous GAAP	Effect of Transition to Ind AS	Ind AS
ASSETS							
Non-current Assets							
Property, plant and equipment		1,56,94,21,582	-	1,56,94,21,582	1,55,02,34,518	-	1,55,02,34,518
Capital Work In Progress		-	-	-	6,46,75,130	-	6,46,75,130
Intangible Asset		12,33,88,503	-	12,33,88,503	93,60,877	-	93,60,877
Intangible Asset under development		-	-	-	2,31,55,565	-	2,31,55,565
Financial Assets							
(i) Investments	4	1,18,000	8,75,640	9,93,640	1,18,000	7,19,600	8,37,600
(ii) Loans		1,16,13,763	-	1,16,13,763	1,39,11,334	-	1,39,11,334
(iii) Other Financial Assets		16,96,692	-	16,96,692	15,01,328	-	15,01,328
Other Non-current Assets		13,57,63,922	-	13,57,63,922	16,55,66,789	-	16,55,66,789
		1,84,20,02,462	**8,75,640**	**1,84,28,78,102**	**1,82,85,23,541**	**7,19,600**	**1,82,92,43,141**
Current Assets							
Inventories		2,94,88,22,722	-	2,94,88,22,722	3,02,03,78,841	-	3,02,03,78,841
Financial Asset							
(i) Trade Receivable	5	2,10,83,24,331	(7,14,707)	2,10,76,09,624	1,75,16,25,830	(6,09,218)	1,75,10,16,612
(ii) Cash and Cash Equivalents		11,44,84,991	-	11,44,84,991	7,16,99,546	-	7,16,99,546
(iii) Other Bank Balances (other than above)		1,68,51,329	-	1,68,51,329	1,56,16,702	-	1,56,16,702
(iv) Loans		88,63,643	-	88,63,643	68,61,014	-	68,61,014
Other Current Asset		11,88,71,352	-	11,88,71,352	14,09,75,581	-	14,09,75,581
Total Assets		**7,15,82,20,830**	**1,60,933**	**7,15,83,81,763**	**6,83,56,81,055**	**1,10,382**	**6,83,57,91,437**

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2018

(Amount in ₹)

	Note	Balance sheet as at March 31, 2017			Opening balance sheet as at April 01, 2016		
		Previous GAAP	Effect of Transition to Ind AS	Ind AS	Previous GAAP	Effect of Transition to Ind AS	Ind AS
EQUITY AND LIABILITIES							
Equity							
Equity Share Capital		7,96,29,060	-	7,96,29,060	7,96,29,060	-	7,96,29,060
Other Equity		4,31,71,39,498	(24,70,966)	4,31,46,68,532	3,59,46,38,754	(28,88,525)	3,59,17,50,229
Total equity		**4,39,67,68,558**	**(24,70,966)**	**4,39,42,97,592**	**3,67,42,67,814**	**(28,88,525)**	**3,67,13,79,289**
Non-Current Liabilities							
Financial Liabilities							
(i) Borrowings	4	77,77,707	(13,532)	77,64,175	4,28,88,822	(1,00,336)	4,27,88,486
(ii) Other Financial Liabilities		48,00,000	-	48,00,000	-	-	-
Provisions		3,78,986	-	3,78,986	-	-	-
Deferred Tax Liabilities (Net)	2	14,52,16,833	(17,71,310)	14,34,45,523	14,94,41,902	(19,09,728)	14,75,32,174
Other Non-current Liabilities	1	-	37,23,134	37,23,134	-	45,03,540	45,03,540
		15,81,73,526	**19,38,292**	**16,01,11,818**	**19,23,30,724**	**24,93,476**	**19,48,24,200**
Current Liabilities							
Financial Liabilities							
(i) Borrowings		79,79,48,222	-	79,79,48,222	1,38,79,70,943	-	1,38,79,70,943
(ii) Trade Payables		1,00,51,95,060	-	1,00,51,95,060	87,14,96,824	-	87,14,96,824
(iii) Other Financial Liabilities	4	61,59,16,275	(86,802)	61,58,29,473	56,86,27,897	(2,76,474)	56,83,51,423
Provisions		1,83,07,413	-	1,83,07,413	97,20,505	-	97,20,505
Current Tax Liabilities (Net)		8,36,29,254	-	8,36,29,254	4,17,93,260	-	4,17,93,260
Other Current Liabilities	1	8,22,82,522	7,80,409	8,30,62,931	8,94,73,088	7,81,905	9,02,54,993
Total Liabilities		**2,60,32,78,746**	**6,93,607**	**2,60,39,72,353**	**2,96,90,82,517**	**5,05,431**	**2,96,95,87,948**
Total Equity and Liabilities		**7,15,82,20,830**	**1,60,933**	**7,15,83,81,763**	**6,83,56,81,055**	**1,10,382**	**6,83,57,91,437**

2 Effect Of Ind AS adoption on the Statement of Profit & Loss for the year ended March 31, 2017

	Note	Year ended March 31, 2017		
		Previous GAAP	Effect of transition to Ind AS	IND AS
Income				
Revenue from Operations	1	10,92,75,54,589	7,81,906	10,92,83,36,495
Other Income	4	2,53,84,208	1,56,040	2,55,40,248
TOTAL		**10,95,29,38,797**	**9,37,946**	**10,95,38,76,743**

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2018

(Amount in ₹)

	Note	Year ended March 31, 2017		
		Previous GAAP	Effect of transition to Ind AS	IND AS
Expenses				
Cost of Raw Materials Consumed		4,79,12,92,602	-	4,79,12,92,602
Purchases of traded goods		8,37,44,350	-	8,37,44,350
(Increase)/Decrease in inventories		10,17,51,802	-	10,17,51,802
Employee Benefits Expense	3	38,22,05,783	(74,050)	38,22,79,833
Depreciation and Amortisation Expense		16,20,77,990	-	16,20,77,990
Finance Costs	4	10,56,53,124	2,76,483	10,59,29,607
Other Expenses	5	4,18,00,16,471	1,05,489	4,18,01,21,960
TOTAL		**9,80,67,42,122**	**4,56,022**	**9,80,71,98,144**
Profit Before Tax		**1,14,61,96,675**	**4,81,924**	**1,14,66,78,599**
Tax Expense				
Current Tax		42,79,21,000	-	42,79,21,000
Deferred Tax	2	(42,23,717)	1,44,377	(40,79,340)
Income Tax Expense		42,36,97,283	(1,44,377)	42,38,41,660
Profit for the year		**72,24,99,392**	**3,37,547**	**72,28,36,939**
Other Comprehensive Income				
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:				
Re-measurement gains/ (losses) on defined benefit plans		-	1,16,614	1,16,614
Income tax effect		-	(35,250)	(35,250)
Other comprehensive income for the year, net of tax		-	81,364	81,364
Total Comprehensive Income for the year, net of tax		**72,24,99,392**	**4,18,911**	**72,29,18,303**

3 Reconciliation of Total Equity

	Refer Note No.	As at March 31, 2017	As at April 01, 2016
Equity under Previous Indian GAAP		**4,39,67,68,558**	**3,67,42,67,814**
Measurement of Capital Reserve as Deferred Revenue Grant	1	(45,03,543)	(52,85,445)
Impact of amortization of transaction cost on borrowings	4	1,00,334	3,76,810
Impact of measurement of Investment at fair value	4	8,75,640	7,19,600
Impact of Expected Credit Loss model on trade receivables	5	(7,14,707)	(6,09,218)
Less: Tax Adjustments on above		17,71,310	19,09,728
Total Equity as per Ind AS		**4,39,42,97,592**	**3,67,13,79,289**

Footnotes to the reconciliation of equity as at April 01, 2016 and March 31, 2017 and profit and loss for the year ended March 31, 2017.

1 Deferred Revenue/ Government Grant

Under Previous GAAP , grants received from government agencies against specific fixed assets (Property, Plant and Equipment) are adjusted to the cost of the assets. Under IND AS the same has been presented as deferred revenue being amortised in the statement of profit & loss on a systematic basis.

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2018

2 Deferred Tax

Previous GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS-12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind AS-12 approach has resulted in recognition of deferred tax on new temporary differences which was not required under Previous GAAP.

In addition, the various transitional adjustments lead to temporary differences. According to the accounting policies, the Company has to account for such differences. Deferred tax adjustments are recognised in correlation to the underlying transaction either in retained earnings or a separate component of equity.

3 Employee benefits

In accordance with Ind AS 19, "Employee Benefits"re-measurement gains and losses on post employment defined benefit plans are recognised in other comprehensive income as compared to the statement of profit and loss under the Previous GAAP.

The figures of the previous year as at and for the year ended March 31, 2017 and as at April 01, 2016 have been regrouped/reclassified, wherever necessary.

4 Financial Instrument

In accordance with Ind AS 109 "Financial Instruments", investments in mutual funds are recognised at fair value through the statement of profit and loss at each reporting period.

Borrowings which were recognized at historical cost under previous GAAP have been recognized at amortised cost under IND AS with the difference being adjusted to opening retained earnings. Under previous GAAP, transaction costs incurred in connection with borrowings were either capitalized or amortised equally over the tenure of the borrowings. Under Ind AS, transaction costs are deducted from the initial recognition amount of the financial liability and charged over the tenure of borrowing using the effective interest method.

5 Trade Receivables

Allowances for credit losses of trade receivables, has been computed based on the ageing of the receivables. In computing expected credit losses the Company has taken into account historical credit loss experience and forward looking information.

51. Additional information in respect of net assets and profit / loss of each entity within the Group and their respective share

(Amount in ₹)

	As at March 31, 2018		FY 2017-2018		FY 2017-2018		FY 2017-2018	
	Net Assets, i.e., total assets minus total liabilities		Share in profit		Share in profit		Share in profit	
	As % of Consolidated net assets	Amount (₹)	As % of Consolidated Profit & Loss	Amount (₹)	As % of Consolidated Other Comprehensive Income	Amount (₹)	As % of Consolidated net assets	Amount (₹)
Parent								
- Rupa & Company Ltd	91.23%	4,55,44,13,632	108.06%	93,17,34,844	105.48%	(13,20,170)	108.05%	93,04,14,674
Subsidiaries (Indian)								
- Imoogi Fashions Pvt Ltd	0.61%	3,05,04,788	0.35%	30,48,999	(1.59%)	19,903	0.36%	30,68,902
- Euro Fashion Inners International Pvt Ltd	0.86%	4,29,49,576	0.14%	12,19,020	-	-	0.14%	12,19,020
- Oban Fashions Pvt Ltd	7.30%	36,42,63,750	(8.55%)	(7,37,03,978)	(3.89%)	48,731	(8.55%)	(7,36,55,247)
Total	**100.00%**	**4,99,21,31,746**	**100.00%**	**86,22,98,885**	**100.00%**	**(12,51,536)**	**100.00%**	**86,10,47,349**

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2018

(Amount in ₹)

	As at March 31, 2017		FY 2016-2017		FY 2016-2017		FY 2016-2017	
	Net Assets, i.e., total assets minus total liabilities		Share in profit		Share in profit		Share in profit	
	As % of Consolidated net assets	Amount (₹)	As % of Consolidated Profit & Loss	Amount (₹)	As % of Consolidated Other Comprehensive Income	Amount (₹)	As % of Consolidated net assets	Amount (₹)
Parent								
- Rupa & Company Ltd	95.62%	4,20,16,39,595	105.73%	76,42,20,541	(16.99%)	(13,820)	105.71%	76,42,06,721
Subsidiaries (Indian)								
- Imoogi Fashions Pvt Ltd	0.70%	3,05,93,137	0.29%	21,13,501	-	-	0.29%	21,13,501
- Euro Fashion Inners International Pvt Ltd	0.94%	4,11,92,525	(0.18%)	(13,11,309)	-	-	(0.18%)	(13,11,309)
- Oban Fashions Pvt Ltd	2.74%	12,08,72,335	(5.84%)	(4,21,85,794)	116.99%	95,184	(5.82%)	(4,20,90,610)
Total	**100.00%**	**4,39,42,97,592**	**100%**	**72,28,36,939**	**100.00%**	**81,364**	**100.00%**	**72,29,18,303**

52. Previous GAAP figures have been reclassified/regrouped to confirm the presentation requirements under Ind AS and the requirements laid down in Division -II of the Schedule III of the Companies Act, 2013.

As per our report of even date

For **Singhi & Co.**
Chartered Accountants
Firm's Registration No. 302049E

Sd/-
Aditya Singhi
Partner
Membership No. 305161

Place: Kolkata
Date: May 23, 2018

For and on behalf of the Board of Directors

Sd/-
Prahlad Rai Agarwala
Chairman
DIN: 00847452

Sd/-
Ghanshyam Prasad Agarwala
Vice-Chairman
DIN: 00224805

Sd/-
Kunj Bihari Agarwal
Managing Director
DIN: 00224857

Sd/-
Ramesh Agarwal
Whole-time Director-cum-Chief Financial Officer
DIN: 00230702

Sd/-
Kundan Kumar Jha
Company Secretary
Membership No. ACS17612

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/ Associate Companies/ Joint Ventures

Part "A": Subsidiaries

(Amount in ₹)

Sl. No.	1	2	3
Name of the Subsidiary Company	**Euro Fashion Inners International Private Limited**	**Imoogi Fashions Private Limited**	**Oban Fashions Private Limited**
The date since when the subsidiary was acquired	April 26, 2005	September 15, 2010	December 29, 2015
Financial Year ending on	March 31, 2018	March 31, 2018	March 31, 2018
Reporting Currency	Indian Rupee	Indian Rupee	Indian Rupee
Exchange Rate on the last day of the Financial Year in the case of foreign subsidiaries	N.A.	N.A.	N.A.
Share Capital	4,10,00,000	1,00,000	9,91,00,000
Reserves and Surplus	18,31,436	2,28,63,735	(14,18,67,970)
Total Assets	4,70,83,942	4,18,61,004	56,49,66,553
Total Liabilities	42,52,506	1,88,97,268	60,77,34,523
Investments	-	-	-
Turnover	8,29,210	3,94,53,564	29,18,30,562
Profit/ (Loss) before Tax	19,11,263	47,16,939	(14,09,03,666)
Provision for Tax	(1,36,968)	12,18,355	(5,15,12,205)
Profit/ (Loss) after Tax	20,48,231	34,98,584	(8,93,91,461)
Proposed dividend	-	-	-
% of shareholding	100	100	100

Notes:

1. Names of the subsidiaries which are yet to commence operations: Not Applicable
2. Names of the subsidiaries which have been liquidated or sold during the year: Not Applicable

Part "B": Associates and Joint Ventures

The Company does not have an associate or a joint venture, therefore, the requirement under this part is not applicable to the Company.

For and on behalf of the Board of Directors

Sd/-
Prahlad Rai Agarwala
Chairman
DIN: 00847452

Sd/-
Ghanshyam Prasad Agarwala
Vice-Chairman
DIN: 00224805

Sd/-
Kunj Bihari Agarwal
Managing Director
DIN: 00224857

Sd/-
Ramesh Agarwal
Whole-time Director-cum-Chief Financial Officer
DIN: 00230702

Sd/-
Kundan Kumar Jha
Company Secretary
Membership No. ACS17612

Place: Kolkata
Date: May 23, 2018

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SPORTS PRO

ABS

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