



FASHIONABLE



FLEXIBLE



FUTURISTIC

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Notice

FINANCIAL HIGHLIGHTS FY 2019-20

₹ **529.67** CR.

Revenue

▲ 5.79% Y-o-Y growth

₹ **73.04** CR.

Profit after tax

₹ **59.27**

Earnings per share

₹ **95.10** CR.

EBITDA

OPERATIONAL HIGHLIGHTS FY 2019-20

322

Stores

2,081

Team strength

7

Brands

4

Major products

4.77%

Growth in apparel sales

₹ **917**

Apparel sales realisation
per unit

FASHIONABLE. FLEXIBLE. FUTURISTIC.

We are in the business of creating iconic apparel brands with deep flexibility embedded in our strategies, operations and financial management to remain relevant in a constantly evolving industry.

Meticulously crafting trends for diverse customer segments, we have navigated several business cycles and volatilities over the decades, capitalising on our rich legacy and learnings from the past.

We have been aggressively investing to build strong product brands, robust manufacturing expertise, wide and deep distribution network and alluring trends for India and many other parts of the world.

However, we have always avoided high-risk leveraged growth, and have focused on building strong cash reserves to tide over any unprecedented adversity. These strategic investments in stability, sustainability and scalability are now helping us sail through the unforeseen crisis, which has currently gripped the globe. Our foresight and fortitude are enabling our brand equity to outshine in these tough times.

We are supporting our customers, employees, business partners and other stakeholders, while reposing faith in the time-tested virtues of being **fashionable, flexible** and **futuristic**.

The Report will take you through our journey in a particularly defining year. These learnings will influence our decisions and inspire how we deliver in future.



Tailored to India

Founded in 1980, Kewal Kiran Clothing Limited is one of India's premier lifestyle companies and one of the largest manufacturers of branded apparel in the country.

With a presence across segments, such as casual, formal, semi-formal and western wear for men and fusion wear for women, we deliver the best of global fashion and versatile designs of the highest standards. Our expansive presence and homegrown manufacturing excellence help us craft the perfect fit for customers with different tastes and preferences.

VISION

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

MISSION

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

VALUES

ETHOS

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

PASSION AND LONG-TERM VISION

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

SEAMLESSNESS

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

RESPECT AND HUMILITY

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

GENEROUS THOUGHTS

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

GEOGRAPHIC PRESENCE

Ingenuity transcends borders and cultures

Headquartered in Mumbai, India, KKCL is also present in select geographies across Asia, the Middle East and the Commonwealth of Independent States (CIS). Our portfolio of brands is supported by a robust distribution network, which reflects our deep insight into varied customer segments across nations and cultures. We are taking the homegrown KKCL proposition across markets in India, with an eye on international forays.

217

Cities and towns

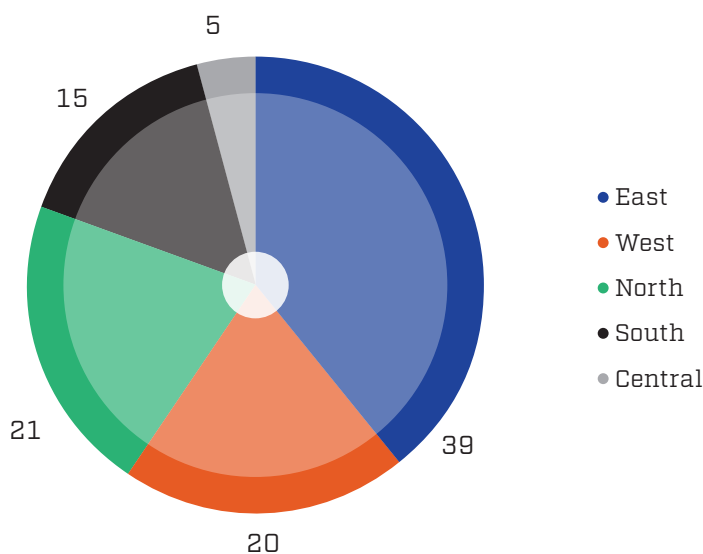
322

Stores

223,121 SQ FT

Retail space

REGION-WISE SALES MIX [%]



529.67 LAKH

Units sold

₹917

Average per unit realisation



PORTFOLIO

Locally manufactured. Globally trending.

Our offerings and the way we make them available have been charted, in step with the evolving needs of the Indian customer. No longer is today's customer just buying products, but actively seeking out brands that underscore quality, responsibility and convenience.

STYLES FOR EVERY CLOSET

Be it the fashion-conscious individual or otherwise, our products are suited for every personality. Our brands integrate myriad personal preferences and style statements.

JEANS



SHIRTS



T-SHIRTS



TROUSERS



OTHERS



LABELS THAT COMPETE WITH GLOBAL CONTEMPORARIES

Our offerings span seven eminent Indian brands that have carved a niche for themselves, despite steep competition from international names.

KILLER >K<

LAWMAN Pg³

easies
BY **KILLER >K<**

Integrati

DÉSI BELLE

ADDICTIONS

K-LOUNGE

INTERNATIONAL TRENDS DELIVERED AT YOUR DOORSTEP

Our formidable 'phygital' network is what enables a long-standing recall among consumers. We have emerged among the top apparel and lifestyle companies by always being where the customer is and through a medium convenient for them.

Channels

- Brick-and-mortar stores
 - Company Owned and Company Operated (COCO)
 - Franchisee Owned and Franchisee Operated (FOFO)
 - Factory outlets
 - Multi-Brand Outlets (MBO)
 - National Chain Stores (NCS)
- E-commerce platforms strengthened by Easy Ecom

HOMEGROWN MANUFACTURING EXCELLENCE

Our offerings reflect the pride and promise of 'Atmanirbhar Bharat'. They are made in India, deploying state-of-the-art machinery, homegrown skills and marketing skills to deliver branded jeans, apparel and lifestyle products for men and women, which are sold in India and overseas.

Our manufacturing units are our undoubted growth enablers, with technologically advanced production facilities, led by a management that is committed to local employment and skill development.

4

Plants in India

237,078 SQ FT

Area coverage

OPERATING PERFORMANCE

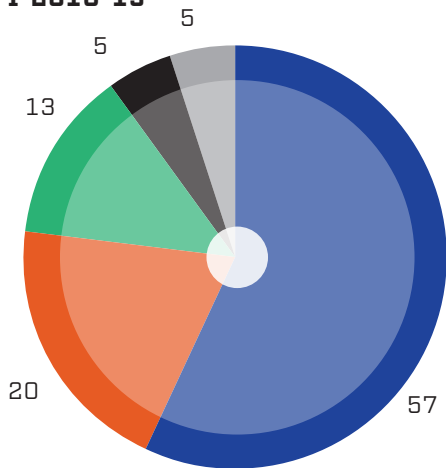
Closer look at our portfolio

Despite a challenging year, our portfolio recorded stable growth, and we are stepping up greater efficiency in our operations to consolidate our capabilities.

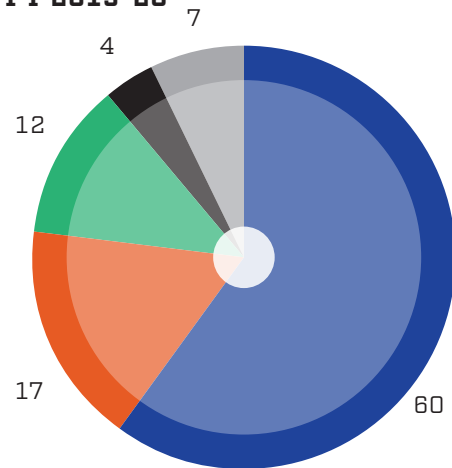
BRANDS

BRAND-WISE SALES MIX [%]

FY 2018-19



FY 2019-20

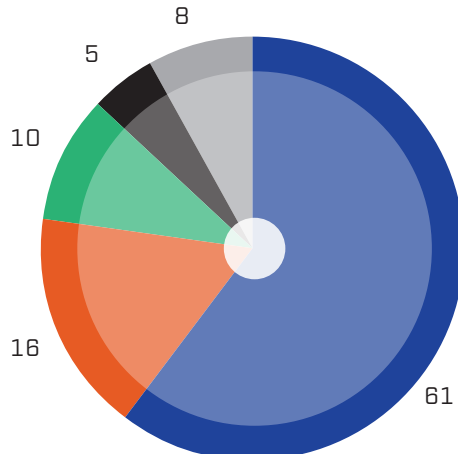


● Killer ● Integriti ● LawmanPg3 ● Easies ● Others

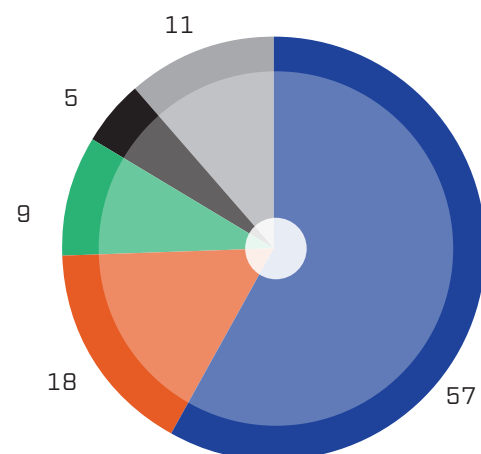
PRODUCTS

PRODUCT-WISE SALES MIX [%]

FY 2018-19



FY 2019-20



● Jeans ● Shirts ● Trousers ● T-shirts ● Others

PROGRESS FY 2019-20

Brands

Killer sales grew by **12%**, holding on to its status as our top brand with **60%** revenue share

Integrati is the second largest brand with **17%** revenue share

Lawman and Easies contributed **12%** and **4%**, to the revenue, respectively

Addictions contributed to **7%** revenue share

Products

Jeans continues to be the dominant product and contributed **57%** to revenues

Shirts sales grew by **15%** and contributed to **18%** of revenue share

Trousers contributed to **9%** revenue share

T-shirts category contributed to **5%** revenue share

Others segment grew by **45%** and contributed to **11%** revenue share

Channels

MBOs grew by **6.4%** to remain our largest channel, with a revenue share of **42%**

K-Lounge and **Exclusive Brand Outlets (EBOs)** contributed to **17%** of revenue

NCS sales grew by **31%**, to record a revenue share of **26%**

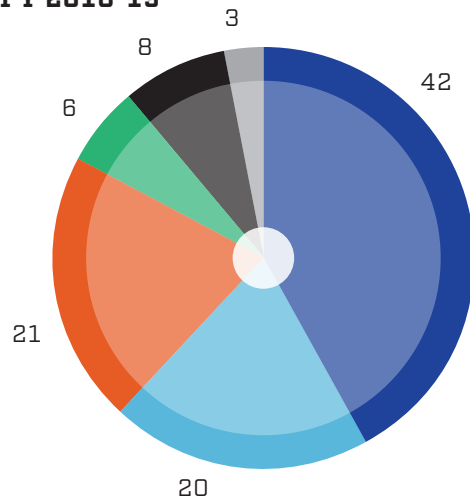
Factory outlet and **e-commerce** channels, respectively contributed to **5%** and **7%** of the revenue

Overseas sales grew by **7%** and contributed **3%** to the revenue

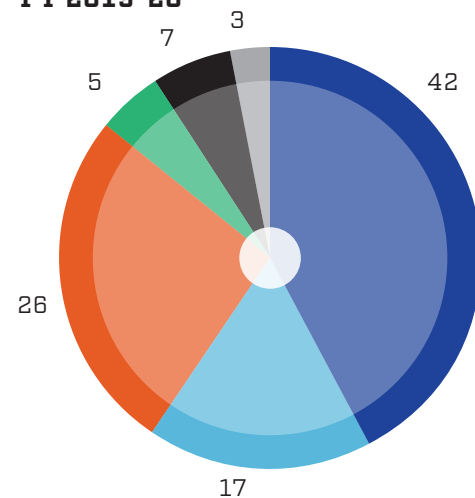
CHANNELS

CHANNEL-WISE SALES MIX (%)

FY 2018-19



FY 2019-20

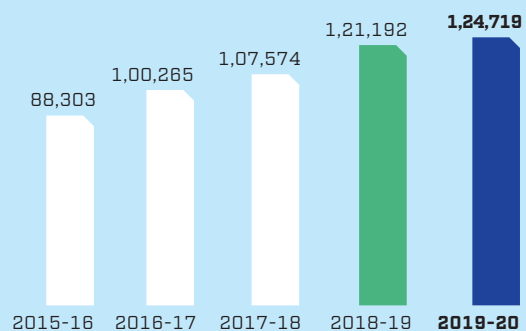


● MBO ● Retail ● NCS ● Factory outlets ● E-commerce ● Overseas

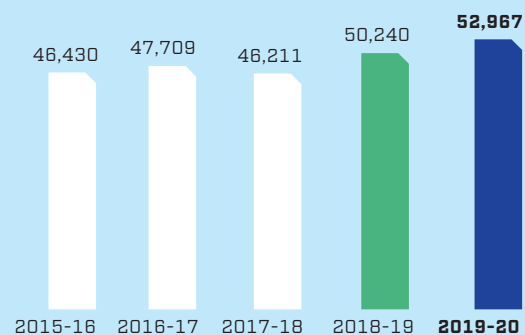
KEY PERFORMANCE INDICATORS

On course with sound fundamentals

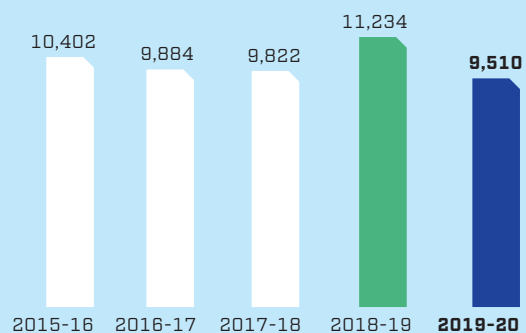
MRP turnover (₹ in Lakh)



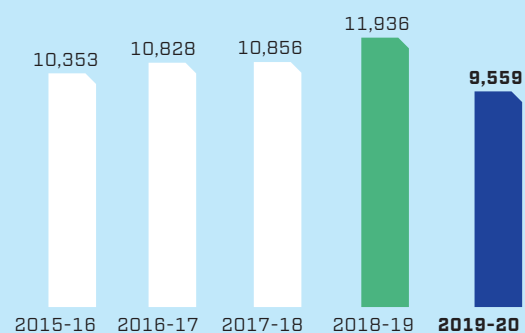
Revenue (₹ in Lakh)



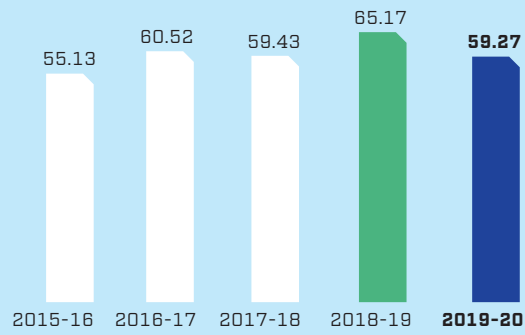
Operating profit (₹ in Lakh)



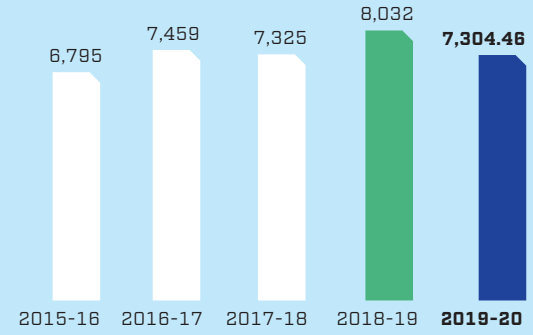
Net profit before tax (₹ in Lakh)



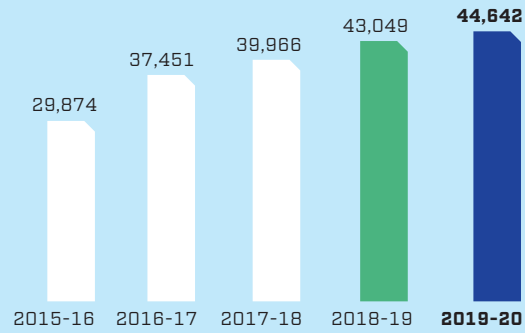
Earnings per share (₹)



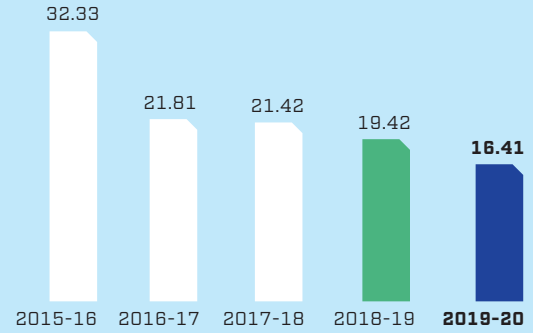
Profit after tax (₹ in Lakh)



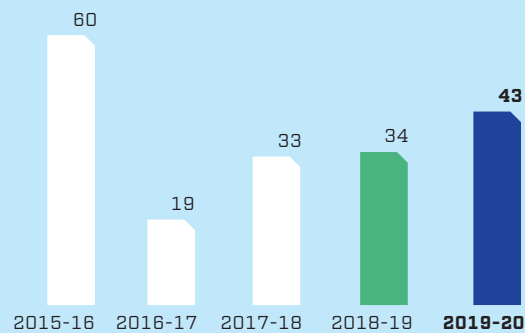
Net worth (₹ in Lakh)



Return on capital employed (%)



Dividend per share (₹)



CHAIRMAN'S ADDRESS

Leveraging experience to create lasting value



The futuristic thinking and disciplined adherence to the core philosophy of sustainable and profitable growth have been implemented through various measures. The first significant outcome of our business model is that it has enabled us to protect the interests of stakeholders in these tumultuous times.



Dear Stakeholders,

Health, Optimism, Passion and Ethics (HOPE) – it's a small word but has played a humungous role in keeping the world going, in an era that has witnessed disruptions of every kind – financial, technological, social, political, and so on. However, they pale before the crisis that stemmed from the pandemic, affecting humanity across all spheres of life. While HOPE will enable us to see the crisis through, the experience will leave us with an invaluable lesson – that HOPE alone cannot help us survive, unless supplemented with VISION, STRATEGY and COMMITMENT.

Kewal Kiran Clothing Limited (KKCL), with a rich legacy and experience, has operated through several business cycles and disruptions, leveraging the learnings in crafting a vision and strategy to develop a business model that can withstand severe challenges, while enabling the Company to grow. KKCL has always maintained the philosophy of Stability, Sustainability and Scalability as the foundation of the business. We have underlined its relevance for us over the years and now more than ever before, the true value of embracing this strategy has yielded tangible results for us.

We have followed these principles to create a robust organisation and maintain discipline in business conduct. Some stakeholders may find our philosophy conservative, but in fact it was a well thought out and judicious decision to resist the temptation of chasing the over-aggressive, high-risk and leveraged growth pursued by other industry players. The reality today speaks for itself. We are net debt free,



Kewal Kiran Clothing Limited (KKCL), with a rich legacy and experience, has operated through several business cycles and disruptions, leveraging the learnings in creating a vision and strategy to develop a business model that can withstand severe challenges while enabling the Company to grow.

with strong cash reserves even after regular and higher pay-outs of stakeholder dividends. Cost controls and prudent working capital policies have ensured not just accounting profits, but healthy cash flows as well. A focused approach towards investment in key brands and strengthening of distribution muscle and channel network ensure that KKCL's brand equity remains high across customer segments and geographies.

Additionally, we undertook a pioneering step in FY 2012-13 by establishing a 'Business Progressive Fund' with the objective of maintaining stable growth in sluggish market conditions and supporting industry-leading growth for the long term. It is a unique concept of creating reserves ahead of time, to meet potential headwinds that are inherent to the industry we are a part of. This fund was established with a corpus of ₹ 10 Crore and has multiplied over the years, reaching ₹ 40 Crore today. It is specifically earmarked and invested in safe and highly liquid investments and will serve its intended purpose as we utilise it to overcome the business challenges presented by the prevailing market conditions.

The futuristic thinking and disciplined adherence to the core philosophy of sustainable and profitable growth have been implemented through various

measures. The first significant outcome of our business model is that it has enabled us to protect the interests of stakeholders in these tumultuous times. We have avoided lay-offs or job cuts; and supported all our supply chain partners and vendors. At a time when not just financial performance but core industry operations are being tested to the limit, KKCL is well positioned to weather this storm and emerge stronger. This phase has also highlighted the long-standing need for the overall industry to focus on the bottom-line and not just topline.

KKCL achieved positive revenue growth in FY 2019-20, along with stable profitability and increased dividends. Our priority is to restore business operations and we remain committed to the pursuit of creating a robust organisation, capable of sustaining and delivering long-term growth with HOPE.

I would like to thank all our stakeholders, including customers, employees, vendors, investors and business partners for their continued trust in us, as I hope and pray for the well-being of each one of you.

Warm regards,

Kewalchand P. Jain
Chairman and
Managing Director

BUSINESS MODEL

Key to our progress

Our approach to creating value for our consumers involves the use of multiple resources and relationships. Our strategy is to deploy our resources judiciously with appropriate and flexible scenario planning and meticulous analysis of risk-reward matrix.

ASSETS THAT ENABLE US



DIFFERENTIATED BRANDS

A mix of world-class, homegrown brands that earns India's manufacturing prowess global recognition.

ROBUST DISTRIBUTION MUSCLE

A vast network comprising pan-India MBOs, NCSs, over 322 brand stores and a strong e-commerce presence are helping us bring our offerings to the customer's doorstep.

BEST-IN-INDUSTRY TALENT

The talent pool associated with us are some of the best minds, carefully chosen from around India. Their resonance with our values helps us remain consistent in our performance.

BALANCE SHEET STRENGTH

Through macro headwinds, our time-tested way of conducting business has kept us afloat, keeping us debt-free even in a particularly challenging year.

STRENGTHS THAT HELP DELIVER



World-class design and quality

Faced with competition from global peers, we stayed true to our belief that there is no substitute to quality. With a nexus of the best creative minds working on our designs, coupled with quality raw material that is sourced responsibly, our output is always distinguished.



Manufacturing excellence

Our technologically advanced facilities and skilled workforce help us compete with global contemporaries and remain a customer-favourite.



Efficient execution

As a responsible organisation, cognisant of the challenges of the future, we conduct our operations with a strict objective to cut down on excesses. This puts focus firmly on eliminating superfluous processes and resources to continue achieving the same volume of output.



Marketing acumen

Our marketing initiatives enable consumers to connect with the KKCL brand and everything for which it stands.

ATTRACTIVE OUTCOMES



Jeans



Trousers



Shirts



T-shirts



Indo-western outfits



Accessories (eyewear, watches, wallets, belts, deodorant, travel bags, among others)



CREATING VALUE FOR STAKEHOLDERS



People

We work to ensure that our workplace is a safe and conducive environment for our employees to grow and pursue their ambitions.



Consumers

Our focus on customers is unwavering and we are striving to augment our offerings to include something that suits every Indian personality and preference.



Shareholders

The year-on-year consistency we demonstrate with a strong net-debt-free balance sheet inspires investor confidence. Shareholder value is best safeguarded through cash availability.



Communities

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

MEGATRENDS

Navigating unprecedented headwinds

The operating environment continues to be volatile. The COVID-19 pandemic and the consequent social and economic shutdowns necessary to contain its spread has delivered a shock to the global economy and the broader fashion industry.

The crisis presents the fashion retail sector with unprecedented challenges and simultaneously demands that companies shore up resilience to remain competitive in the market with a long-term focus.

INDUSTRY OVERVIEW: BUSINESS CONTINUITY WITH SAFETY

The entire retail sector has been adversely impacted by the COVID-19 outbreak. Businesses are temporarily closed or resuming operations in a phased manner; brands are adjusting to declining customer spending; and day-to-day operations have to grapple with high operating leverage. The companies are focusing on business continuity, while at the same time ensuring the safety and security of their employees and business partners.

What's on the radar

- Protect the business and its critical assets, such as human capital, financial capital and supply chain relationships
- Build a strong liquidity buffer through cost rationalisation, working capital optimisation, reduction of non-essential spends and negotiation on rental agreements
- Deepen engagement with all business partners to strengthen the supply chain
- Communicating more with customers, exploring new store formats and building on a culture of transparency

- Manage excess inventory and plan for upcoming seasons in accordance with demand fluctuations and without offering discounts that dilute the brand proposition

CONSUMER LANDSCAPE: A NEW NORMAL IN PLAY

Consumers are now focusing more on essentials and reducing their discretionary spend. Enforced physical distancing norms are creating an expectation for shopping experiences that are safe, convenient and hassle-free.

What's on the radar

- Postpone discretionary demand and spend less money but more consciously, considering factors, such as quality and durability
- Remain cautious of visiting retail stores, with a clear inclination towards online shopping
- Prefer comfortable at-home apparel over high-fashion pieces
- Cross over to brands that offer greater value
- Respond positively when brands demonstrate social responsibility, give back to communities in need and prioritises environmental sustainability

DOMESTIC OUTLOOK: LONG-TERM PROSPECTS INTACT

The Government of India has been proactive in ramping up healthcare facilities to combat the COVID-19 curve, and the strategy is already producing encouraging outcomes. Besides, the impact beyond metros has been reasonably better. This enhances optimism for the medium term. Further, the long-term demand drivers of the Indian economy, such as its burgeoning millennial population, growing affluence among the middle-income households and higher participation of women in the workforce, remain intact.

KKCL: PROGRESSING WITH CAUTIOUS OPTIMISM

The operating environment continues to be challenging, but KKCL's diversified collection of products will help broad-base its revenue source. The onset of the festival season is likely to bolster demand and revive industry growth.

Our response

- Sharpening our strategies and maintaining consistency and discipline in the way we approach our business
- Empowering our brands by weaving in local relevance
- Strengthening our distribution network and growing closer to our customers
- Managing working capital prudently and implementing stringent cost controls
- Protecting the interest of our stakeholders to realise our shared ambitions

Vocal for Local

Since inception, KKCL has been the flagbearer of domestic manufacturing and bespoke products that cater to Indian preferences. We are enthused by the Government of India's call to promote homegrown offerings and indigenous expertise. We are upgrading our manufacturing techniques and the skillsets of our people, as well as streamlining our processes to grow sustainably and profitably.

COVID-19 RESPONSE

Supporting the battle against a common adversary

COVID-19 challenged business resilience and continuity in a manner that is unprecedented in living memory. This prompted enterprises around the world to relook at day-to-day operations from a new perspective and lend a helping hand to customers, business partners and the community. We have been proactive in observing safety protocols to ensure the safety and security of our customers, people and all other stakeholders.



SPREADING CHEER WITH OUR SOCIAL HANDLES

We shared KCCL Daily Updates: Stay Home, Stay Safe on our social media handles, as part of our mission to keep India informed of latest developments and restrictions in light of the pandemic.

To lift spirits during the extended lockdown and social isolation, we communicated with our fraternity of stakeholders with positive messages on our social media. Our videos encourage awareness on health and hygiene, positive effects of laughter on our body and minds. Our employees came together to become the face of inspiration for our videos.

WHEN IN OUR STORES

Our measures are ensuring that we conduct store operations keeping the safety of our stakeholders in mind. Besides, laid down guidelines on how to shop at our stores, consumers are always also encouraged to wear facemasks while inside and keep themselves sanitised.

MAINTAINING HIGHEST PRODUCTION STANDARDS

At our manufacturing plants, we have taken stringent measures to ensure that under no circumstances our products are contaminated or our personnel exposed to the virus. We sanitise every vehicle entering the premises. Additionally, our workforce operates with hand gloves and face masks. Also, sanitisation stops with foot pedals have been installed at multiple points.

STRATEGIC PRIORITIES

Fashion is invaluable and evergreen

When we embarked on our journey in 1980, there were no global denim brands in India. We created something unique, with best fits at most affordable prices. Despite a challenging economy with rising competition, slow growth and deep discounting – we continue to create value for a fashion-conscious generation on the pillars of our strategic priorities.

EFFICIENT ACROSS THE VALUE CHAIN

The present crisis has once again reminded us of the need for simplification and efficiency. Operational excellence and prudence with resources are the only ways to navigate a dampened business environment and plunging consumption. We are strengthening our existing processes and investing in technological advancements.

Our goal is to demonstrate unmatched flexibility at a time when individuals and communities are grappling with job furloughs and pay-cuts, among other insidious aftermaths of the virus. This approach has been extended towards our employees, our supply chain and in terms of settlements for our channels and associates.

FULL PRICE FOR WORLD-CLASS FASHION

We remain consistent in our belief that brands lose their value when products are sold at extensive discounts. Thus, Killer Jeans was initiated as a full-price brand, offering no discounts on current or fresh inventory.

With heavy discounting being the current norm, full-price models retain the edge of holding

an undiluted brand recall. We continue to price our products at reasonable rates, selling them mostly without discounts. Our logic is simple – selling at full price ensures brand loyalty and higher profits, allowing us to introduce more brands that follow a similar, price model.

CONSERVING WHAT MATTERS MOST

Maintaining adequate liquidity is the critical need of the hour for businesses. Enterprises must have at their disposal liquid assets that

will help them wade through, when piling unsold inventories due to plunging consumption dampens profitability. This will, in turn, help them invest in regaining a strong foothold when business environment bounces back.

At KKCL, we have always been conservative in our financial management, the biggest testimony of which is our balance sheet strength. We are relooking at multiple elements with material impact on our business, besides production and administrative expenses.



PEOPLE AND CAPACITY BUILDING

Team spirit is always in fashion

Our people continue to uphold their role as one of the organisation's most invaluable assets. The proverbial Happy Employee, Happy Customer concept is one that we swear by and which has shown results year after year.

In the 1980s, while trying to explain the secret behind the Japanese success story, William Ouchi, an American professor at UCLA, coined the Theory Z of Japanese management which focused on employee well-being, on and off the job. The benefits - stable employment, increased productivity and high morale and satisfaction were common factors

credited with leading the Japanese economy to a position of power.

At KKCL, we work to extend the best working experience to our employees through various learning opportunities as well as fun-filled activities throughout the year. Team KKCL conceptualised and successfully concluded the AW19 Trade Booking at Goa,

wherein we underlined the impact of group effort. Our employees are encouraged to step out of their comfort zones and achieve great things. This leads to the success of the individual, the organisation and by extension, its stakeholders.



MARKETING AND ENGAGEMENT

Communicating with impact

We believe in engaging with our customers and stakeholders in a language they can understand and relate to. We are home-grown and our offerings have helped bring India on the global grandstand. Our strategy is to look at the consumer through the long-term lens of a rewarding partnership.

CONNECTING WITH THE YOUTH

We took to the colleges of India with our in-house brands, hosting and sponsoring several events, in step with what the youth of today enjoys. Our brand, Integriti powered Ravator, an EDM night organised at IISR College in Pune and Pro Night, an IMT Ghaziabad programme held in October 2019. Another EDM Night was organised at IIT Ropar, Punjab in February 2020, while Converge was a festival held at Jaypee Institute of Technology, Noida, in association with Integriti.

ADDING LAUGHTER TO THE ROUTINE

Our efforts to connect with our customers have taken us into the stand-up comedy industry that is now thriving in India. Hosted by brand Integriti, comedians, such as Akash Gupta, Anubhav Singh Bassi, Aakash Mehta, among others shared stage at events organised around Mumbai, VNIT Nagpur and so on.

STYLE CAST '20

We hosted the Style Cast '20 programme to unveil the latest Spring-Summer collection in

August, 2019 at Leonia Holistic Destination in Hyderabad and Autumn-Winter collection in March 2020 at Sahara Star, Mumbai.

ADORNING MAGAZINE COVERS

During the year our products from the LawmanPg3 brand were featured in two monthly issues of CineBlitz Magazine 'Get The Look Section'. Eminent stars from Bollywood such as Karthik Aryan and Ayushmann Khurana posed on the magazine covers in our apparel, strengthening our brand recall.



RECOGNITIONS THAT ENCOURAGE US

We are proud to announce that our leading brand, Killer was awarded Iconic Denim Brand of India 2019 by Mid Day Retail Icon Awards



BOARD OF DIRECTORS

Guided by prudent leadership



Kewalchand P. Jain

Chairman and Managing Director

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



Hemant P. Jain

Whole-time Director

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



Dinesh P. Jain

Whole-time Director

Mr. Jain manages the manufacturing operations of the Company. His specialisation lies in production, human resources and industrial relations related issues. Under his leadership, he ensures optimum utilisation of the Company's production facilities, its personnel and overall development. He is one of the Trustees of Jatnobai Karmchandji Ratanparia Chauhan Charitable Trust.



Vikas P. Jain

Whole-time Director

Mr. Jain spearheads the LawmanPg3 and Integriti brands, alongside supervising the lifestyle accessories business of our brand, Addictions. His roles also include spearheading the retail business of the Company. He is one of the trustees of Jatnobai Karmchandji Ratanparia Chauhan Charitable Trust.



Dr. Prakash A. Mody

Independent Director

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



Nimish G. Pandya

Independent Director

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



Yogesh A. Thar

Independent Director

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



Drushti R. Desai

Independent Director

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





MANAGEMENT DISCUSSION AND ANALYSIS



PERFORMANCE HIGHLIGHTS FOR FY 2019-20:

- Total Revenue (including other income) increased to ₹ 547.20 Crore
- Revenue from Operations grew by 5.43% to ₹ 529.67 Crore from ₹ 502.40 Crore
- EBITDA stood at ₹ 95.10 Crore with EBITDA margin of 17.95%
- Profit after Tax (PAT) stood at ₹ 73.04 Crore with PAT margin of 13.79%
- Dividend per share increased to ₹ 43.00 from ₹ 34.00 per share
- Company has net cash balance of ₹ 187.40 Crore.

ECONOMIC AND INDUSTRY OVERVIEW

Economy

India's economy slowed down to 3.1% growth in Q4 FY 2020 on the back of the COVID-19 pandemic. Growth in Q4 was the slowest since the global financial crisis, which happened more than a decade ago. The FY 2019-20 GDP growth stood at 4.2%, in sharp contrast to expected GDP growth of 7.5%. The government also revised the growth for the first three quarters of FY 2019-20 to 5.2% in Q1, 4.4% in Q2 and 4.1% in Q3 showing a decelerating trend. Indian economy was struggling through a subdued economic environment with consumption, exports and private investment witnessing severe slowdown. Exports contracted by more than 3% during the entire financial year and consumption, which was the key growth engine, fell even more. The overall slowdown got further impacted due to the pandemic and rating agencies expects a 25% contraction in the June quarter. After six weeks complete lockdown the government started easing restrictions in a phased manner to give pace to economic activities. The IMF projects sharp contraction of 4.5% in Indian economy in 2020, and expectations of a bounce back in 2021 with a robust 6% growth rate. The government is also taking initiatives to spur growth and provide support for the economy, along with fostering domestic industries through 'Atmanirbhar Bharat'. Early indicators show robust demand for FMCG in rural markets with consumption reaching 85% of pre-COVID-19 levels as per AC Nielsen data. With several countries deploying significant efforts and resources in the development of a vaccine, any medical breakthrough can provide a sustainable solution to the crisis.

Industry

The branded apparel industry is closely linked to growth in consumption and overall economic and consumer sentiment. The industry is likely to face strong headwinds in the short term driven by multiple factors, including social distancing measures, impact of lockdowns and slowdown in consumption. The retailing sector has been impacted with malls being shut and risk of prolonged or recurring lockdowns leading to lower footfalls. The retailing industry is also witnessing a collaborative approach with retailers and

mall owners restructuring business arrangements in a mutually conducive manner to tide over this challenging period. The government is moving, decisively towards resumption of economic activity along with ramping up of health support facilities and managing the process surgically rather than through expansive lockdowns.

The key metro cities have been worst hit in terms of number of cases due to the high density of population while rural and semi-urban areas have been less impacted. Higher farm income, reverse migration and increased public expenditure is likely to result in restoration of demand in rural and semi-urban areas, including discretionary demand as suggested by preliminary trends that point towards potential rebound in demand for two wheelers and automobiles. Consumer behaviour and choices will also get impacted with Work from Home norms and a shift in preference towards comfort and casual wear. Near-term trends will witness sharp contraction resulting in consolidation in the industry and well-capitalised businesses in the organised sector are likely to gain in the long term.

Overview

Total revenue from operations registered growth of 5.43% with revenue of ₹ 529.67 Crore compared to ₹ 502.40 Crore in FY 2018-19. Profit After Tax (PAT) stood at ₹ 73.04 Crore with profit margin of 13.79%. Net profit has declined marginally due to higher operating expenditure compared to previous year.

BRANDS

Killer: Killer is one of the established and well-regarded denim brands in India, targeted towards young population. Killer is a powerful and iconic brand and continues to be the flagship brand contributing to 60% of total sales. Killer maintained its leadership role and brand sales increased by 12% to ₹ 317.18 Crore from ₹ 282.33 Crore in the previous year.

Integriti: Integriti is the second largest brand for the Company with 17% revenue share. Sales under Integriti stood at ₹ 87.26 Crore compared to ₹ 100.28 Crore in FY 2018-19. 'Integriti', as the brand name itself suggests, offers a credible, trusted and value proposition across work and casual wear.

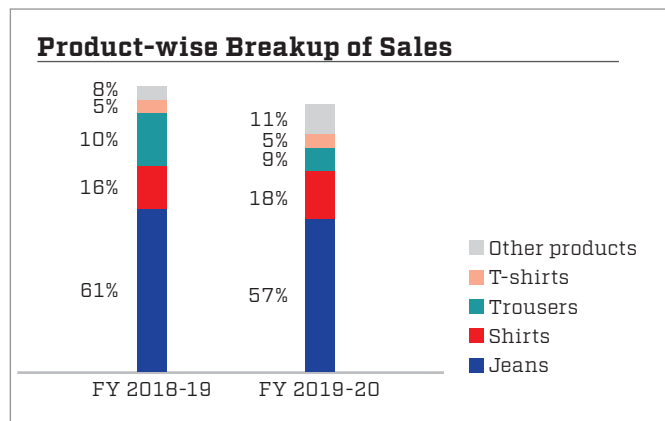
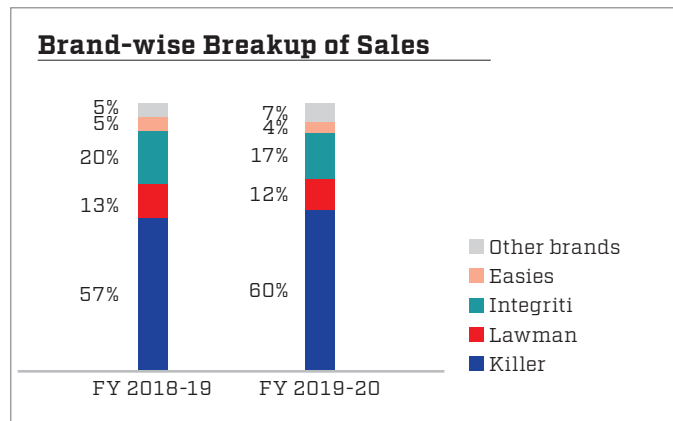


Lawman Pg3: Lawman sales were maintained at ₹ 60.56 Crore compared to ₹ 62.81 Crore in the previous year. 'Lawman Pg3' sales contributed 12% of total sales and the brand plays a unique role in bringing the glamour quotient to the fashion wardrobe.

Easies: Sales from Easies stood at ₹ 23.13 Crore compared to ₹ 25.60 Crore in the previous year. Easies revenue share stood at 4% compared to 5% in FY 2018-19. Easies is a well-established brand known for its collection of chinos, shirts and has a dedicated customer following supported by the increasing trend of semi-formal wear.

Addictions: Addiction sales increased by 46% with revenue of ₹ 36.76 Crore compared to ₹ 25.14 Crore in FY 2018-19. Addiction revenue share increased sharply from 5% to 7%. Addiction is a synergistic business segment, which consists of a range of branded accessories like deodorants, watches, wallets, belts, innerwear, which complement the key brands of the company.

Other products: Other products sales registered strong growth of 45%, including growth driven by accessories and revenue share increased to 11% from 8% in previous year. Other products sales stood at ₹ 55.70 Crore compared to ₹ 38.35 Crore.



PRODUCTS

The Company's product portfolio consists of jeans, trousers, shirts, t-shirts, jackets, pullovers and fashion accessories. With the acquisition of the brand Desi Belle, the Company has marked its foray into the women's wear segment.

Jeans: Jeans sales remained stable at ₹ 299.85 Crore. Jeans contribution to sales was 57% lower by 4% compared to last year.

Trousers: Trousers sales stood at ₹ 45.68 Crore compared to ₹ 47.89 Crore in the previous year. Trousers contributed 9% of revenue, similar to last year levels.

Shirts: Shirts contribution to total sales stood at 18% and revenue from shirts grew by 15% to ₹ 95.33 Crore from ₹ 82.58 Crore in previous year.

T-Shirts: T-Shirts sales increased by 17% to ₹ 28.32 Crore from ₹ 24.21 Crore. T-Shirts revenue share remained constant at 5%.

SALES AND DISTRIBUTION CHANNELS

KKCL operates in domestic and overseas markets through its multiple distribution channels and robust distribution model. The Company continued to diversify its channel mix with an increasing footprint through large format, modern retail channels. The Company maintains a judicious balance across various formats to drive sales growth, along with maintaining discipline to mitigate inventory and payments risk.

Multi Brand Outlets (MBOs): MBO maintained its revenue share of 42%. MBO sales increased by 6.4% to ₹ 220.23 Crore from ₹ 207.04 Crore in the previous year.

K-Lounges and Exclusive Brand Outlets (EBOs): K-Lounge sales stood at ₹ 89.06 Crore compared to ₹ 100.14 Crore. Retail sales through EBOs contributed to 17% of total sales.



National Chain Stores (NCSs): NCS sales grew strongly with 31% growth rate and revenue share has also increased to 26% from 21% compared to last year. Sales stood at ₹ 138.22 Crore compared to ₹ 105.12 Crore.

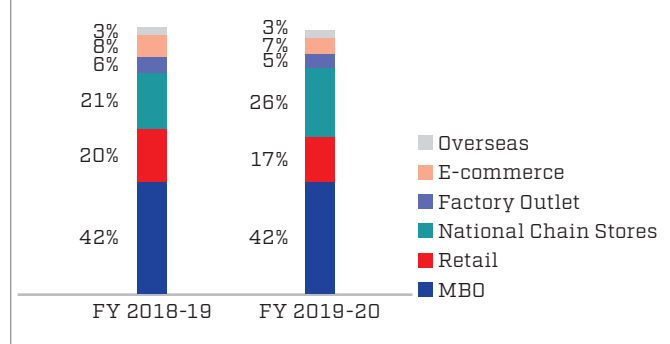
E-commerce: E-commerce sales slowed down this year with sales moving to ₹ 33.80 Crore compared to ₹ 39.52 Crore in FY2019. E-commerce accounted for 7% of total sales.

Overseas: Overseas sales were up by 7% with sales of ₹ 15.27 Crore against ₹ 14.25 Crore in FY 2018-19. Contribution to total sales remained same as last year at 3%.

Factory outlets: Factory outlets sales moved down to ₹ 28.30 Crore from ₹ 30.08 Crore with sales contribution of 5%.

The Company has presence in 23 states and one Union Territory, and more than 217 towns and cities in India and also sells in select markets globally catering to international customers.

Channel-wise Breakup of Sales



RETAIL STORES

The Company has 322 existing retail stores as on March 31, 2020 and 19 stores are in work in progress phase. The Company opened 35 new stores and 35 stores were closed/relocated, resulting in total store count of 341 inclusive of work-in-progress stores.

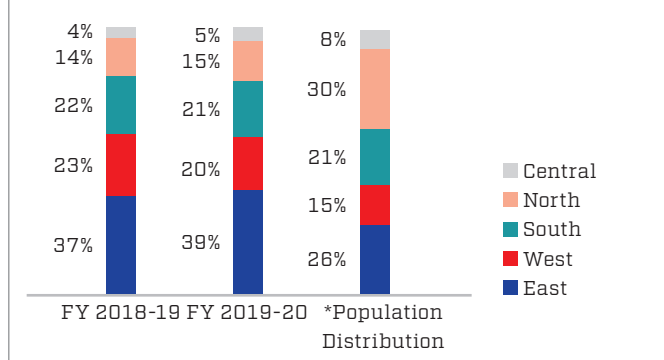


Store Type	Number of stores
K-Lounge	205
EBOs	116
Factory outlet	1
Total	322

REGIONS

Region-wise domestic sales are categorised into East, West, South, North and Central zones. Eastern region continues to lead in the revenue share with 39% of sales. Eastern region sales increased by 10% to ₹ 196.74 Crore from ₹ 179.62 Crore. Western region contributes 20% of sales amounting to ₹ 101.05 Crore against ₹ 109.63 Crore sales in last year. Southern region sales increased by 4% to ₹ 108.77 Crore and contributed 21%. Northern region sales jumped up by 18% from ₹ 66.20 Crore to ₹ 78.25 Crore accounting for 15% of sales. Central region sales grew to ₹ 24.27 Crore with 9% growth rate and 5% contribution to total domestic sales. Overseas sales increased by 13% to ₹ 15.81 Crore compared to ₹ 14.03 Crore of last year.

Region-wise Breakup of Sales



Based on comparable distribution data from 11 to 50 years age group.

(Source: India population census data - 2011)

RESULTS OF OPERATIONS

Total Revenue

The total revenue from operation increased by 5.43% to ₹ 529.67 Crore against ₹ 502.40 Crore in the last year.

Costs

Cost of Goods Sold (COGS): Cost of goods sold increased to ₹ 213.06 Crore as compared to ₹ 192.17 Crore in last year. The COGS percentage to sales increased to 40.23% from 38.25%.

Personnel cost: Personnel costs were down to ₹ 71.45 Crore from ₹ 75.12 Crore in FY 2018-19. The cost as percentage to sales declined to 13.49% from 14.95%.

Manufacturing and operating expenses: Manufacturing expenses remained constant at ₹ 49.01 Crore against ₹ 49.04 Crore in previous year. Manufacturing expenses as percentage to sales trended lower this year to 9.25% compared to 9.76% last year with high focus on costs control.

Despite the year-end impact of lockdowns and sluggishness in the market, the Company was able to maintain reasonable control on the net working capital cycle with strong focus on collections and inventory management.

Selling and distribution expenses: Selling and distribution expenses went up by 66% to ₹ 67.97 Crore from ₹ 40.90 Crore in FY 2018-19 due to increased marketing activity by the Company. Percentage to sales also increased to 12.83% from 8.14%.

Administrative and other expense: Administrative and other expense remained stable at ₹ 33.08 Crore as compared to ₹ 32.83 Crore. Administrative and other expense as percentage of sales moved lower to 6.25% from 6.53%.

Profitability

EBITDA and EBITDA margin: EBITDA stood at ₹ 95.10 Crore as compared to ₹ 112.34 Crore in last year mainly due to higher selling and distribution expenditure and cost of goods sold. EBITDA margin stood at 17.95% compared to 22.36%.

Profit before Tax (PBT): PBT stood at ₹ 95.59 Crore as compared to ₹ 119.37 Crore in FY 2018-19 and correspondingly the PBT margin was at 18.05% against 23.76% in previous year.

Profit after Tax (PAT): The net profit was down marginally by 9.06% to ₹ 73.04 Crore from ₹ 80.32 Crore. Net Profit Margin stood at 13.79%.

Earnings per Share (EPS): The EPS for the year was ₹ 59.26 compared to ₹ 65.17 last year.

Return on Capital Employed (ROCE): The ROCE from operations continued to stay healthy at 34.71% with overall ROCE at 16.41% in FY 2019-20.

Return on Net Worth (RONW): The RONW of the Company decreased from 19.42% in FY 2018-19 to 16.51% in FY 2019-20 due to marginal decrease in profit and marginal increase in average net worth.

Financial Position and Cash Flows

The Company has a strong financial position with net cash balance (Cash & Investments minus borrowings) of ₹ 187.40 Crore. The Company reduced its short-term borrowings to ₹ 88.01 Crore from ₹ 93.46 Crore in previous year.

Despite the year-end impact of lockdowns and sluggishness in the market, the Company was able to maintain reasonable control on the net working capital cycle with strong focus on collections and inventory

management. The debtors turnover ratio moved up to 115 days from 105 days in the previous financial year. Inventory turnover ratio stood at 59 days as compared to 49 days in the previous financial year and creditors turnover ratio marginally increased to 47 days as compared to 46 days in the previous financial year. Liquidity parameters improved with the current ratio increasing to 2.69 times from 1.98 times while debt equity ratio remained at 0.20 times. Total dividend per share for FY 2019-20 increased by 26.47% to ₹ 43 per share (₹ 42 per share of interim dividends and ₹ 1 per share of final dividend) as compared to ₹ 34 per share in previous year.

Business Progressive Fund

The Business Progressive Fund stood at ₹ 40 Crore. The Company had taken a first-of-its-kind initiative in FY 2012-13 by setting up a 'Business Progressive Fund'. The genesis of this fund was to create and build up a reserve from the profits of the Company to address potential market volatility that are inherent to the industry due to potential macro-economic events that impact consumer sentiment and spending behaviour. This timely initiative enabled the Company to create a fund that started with a corpus of ₹ 10 Crore in FY 2012-13 and now stands at ₹ 40 Crore. The amount of fund is specifically earmarked and invested in safe and highly liquid investments. As stated earlier the said fund shall be utilised for maintaining normal growth in sluggish market conditions by and support long-term growth.

CREDIT RATING

CRISIL has reaffirmed the Company's debt rating as AA-/Stable (high degree of safety), which will enable superior credit terms from the financial market and banks.

OUTLOOK, OPPORTUNITIES AND THREATS

The initial response to the pandemic was through expansive, countrywide, administrative lockdowns to safeguard public health. But prolonged lockdown led to disruption in economic activity and the trend now is



The Company has an in-house team of designers that track national and international trends to create innovative fashionable products that customers would relate to.

towards opening up of economy and business activities. Economic recovery is expected to be gradual because a certain amount of social distancing will continue over the short to medium term to avoid another wave of infection. The process of recovery is likely to be gradual and uneven across different sectors with discretionary consumption taking the brunt as spending is geared towards essentials, healthcare and connectivity that enables work from home. Sectors catering to social distancing, including personal mobility, packaged foods, telecom, and home improvement, automation, white goods, and consumer electronics, are likely to witness pent up demand and recover faster. On the other hand businesses such as retail, hospitality, tourism, cinemas, exhibitions, social gatherings etc. may see restricted activity.

It is difficult to predict consumer behaviour even after the restrictions are lifted but fashion consciousness and retail therapy have become a core part of human lifestyle and are likely to recover and gain momentum eventually. Also, the impact is likely to vary with rural and semi-urban areas witnessing faster recovery and low incidence of new cases. This period can be a test of survival for many companies, especially those with leveraged balance sheets, high-cost structures and concentrated geographic and channel concentration. The future belongs to companies and businesses that can sail through these turbulent waters as the industry goes through a phase of consolidation. Based on its well-capitalised balance sheet, debt-free status and disciplined cost control the Company has the ability to protect interests of all its stakeholders. With the added strength of its strong brands and robust pan India distribution network the Company is well positioned



to meet the near-term challenges and emerge stronger and more committed to its long-term vision of pursuing sustainable and profitable growth.

RISK AND CONCERNS

The biggest risk in recent times has been the impact of macro events on consumer sentiments. Fashion wear is a discretionary expenditure and in times of liquidity crisis the impact on the consumer confidence has a protracted impact on discretionary spending.

Increasing competition can result in pricing pressure as other players offer discounts and extend sale periods to drive revenue growth. The Indian markets have attracted foreign brands who spend heavily on advertisement and promotion to establish their presence, thereby increasing costs for the Company to maintain its visibility in the market.

The branded apparel industry needs continuous product innovation to track fashion trends and changes in consumer preferences. The ability to create products in line with changing trends at affordable price points is critical to maintain the brand pull and connect with the consumer. With shifts in consumer taste the Company may be left with unsold inventory or mark down in value of stocks.

KKCL is uniquely placed in the sector with an integrated business model that encompasses design, manufacturing and sourcing, distribution and logistics and retailing. The Company has an in-house team of designers that track national and international trends to create innovative fashionable products that customers would relate to. The Company has state-of-the-art manufacturing facilities that ensure quality and timely deliveries.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

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

The key constituents of the internal control system are:

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

The Company has an Internal Audit Department to monitor the Internal Control systems and its implementation.

The Audit Committee of the Board of Directors actively reviews the adequacy and effectiveness of

internal controls systems and suggests improvement for strengthening them. The Company has a strong Management Information System, which is an integral part of the control mechanism.

HUMAN RESOURCE

The performance of KKCL is driven by a highly motivated and professional team of employees. KKCL is focused on attracting, retaining and grooming the best talent available. The Company continued to invest in building competence in the organisation through employee training and development and compensation structure that rewards performance. The Company has also taken steps to further strengthen the employee morale by enhancing internal communication mechanism and aligning the employees with the Company's strategic vision and initiatives to promote business excellence.

The Company continued to maintain excellent industrial relations with all its employees at manufacturing facilities. Adequate safety and welfare measures are in place and we will continue to improve the same on ongoing basis.

As on March 31, 2020, the Company had 2,081 employees.





CAUTIONARY STATEMENT

This discussion contains certain forward-looking statements within the meaning of applicable securities laws. Readers are cautioned not to place undue reliance on these forward-looking statements, which reflects management's analysis describing our objectives and expectations based on certain information and assumptions. Our operations are dependent on various internal and external factors within and outside the control of the management.

We assume no responsibility in respect of the forward-looking statements herein, which may undergo changes in future on the basis of subsequent developments, information or events. Actual results may differ from those expressed or implied herein.





DIRECTORS' REPORT

To

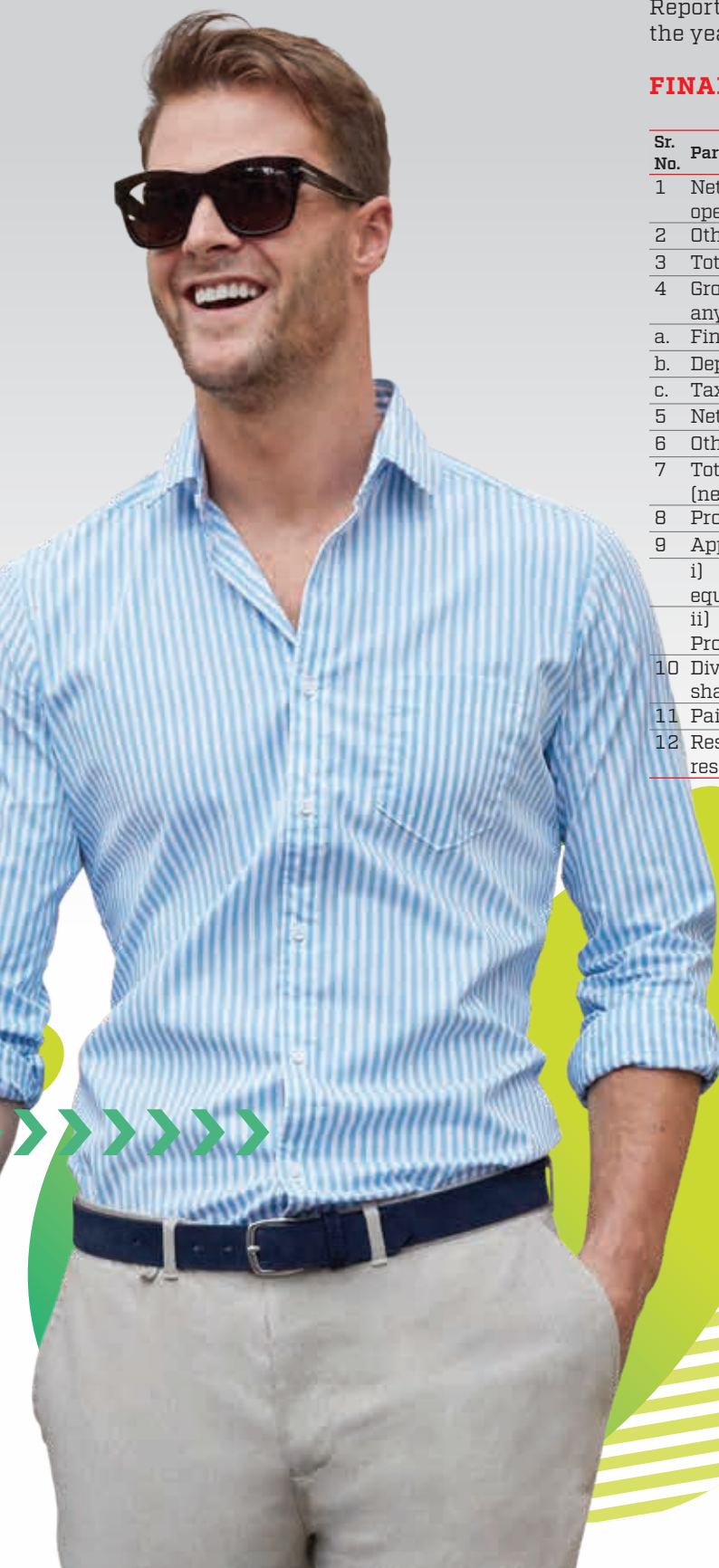
The Members,

Your Board of Directors are pleased to present the 29th Annual Report together with the Audited Accounts of the Company for the year ended March 31, 2020.

FINANCIAL SUMMARY & HIGHLIGHTS (STANDALONE)

[Amount in ₹ Lakh]

Sr. No.	Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
1	Net Sales/Income from operations	52,967.01	50,288.58
2	Other Income	1,753.36	2,197.87
3	Total Expenditure	45,161.44	40,550.22
4	Gross profit (Before deducting any of the following)	11,263.41	13,431.74
a.	Finance charges	881.08	689.36
b.	Depreciation/Amortisation	823.40	806.15
c.	Tax provision	2,254.52	3,904.54
5	Net profit for the Period	7,304.41	8,031.69
6	Other Comprehensive Income	(65.05)	29.62
7	Total of Comprehensive Income (net of tax)	7,239.36	8,061.31
8	Profit b/f from previous years	24,014.15	21,430.43
9	Appropriation of profit	5,646.22	5,477.60
	i) Dividend (Including DDT) on equity shares	5,646.22	4,977.60
	ii) Transfer to Business Progressive fund	-	500
10	Dividend (in ₹) per ordinary share	43	34
11	Paid up Equity capital	1,232.50	1,232.50
12	Reserves except revaluation reserve	17,802.40	17,802.40



Your Company is featuring in the list of top 1000 listed entities as per market capitalisation calculated as on March 31, 2019

OVERALL PERFORMANCE AND STATE OF COMPANY AFFAIRS

The company achieved a total revenues of ₹ 547.20 Crore compared to ₹ 524.86 Crore in the previous year. The EBITDA was ₹ 95.10 Crore compared to ₹ 112.34 Crore and Profit After Tax stood at ₹ 73.04 Crore resulting in an EPS of ₹ 59.27 per share. Disruption in business environment has become a regular feature in recent times.

Despite the headwinds, the company's operating revenue grew by 5.33% to ₹ 529.67 Crore. The company's flagship brand "Killer" has stood out in this uncertain environment by growing 12% this year and contributing to 60% of operating sales. The company continues to adopt its time tested strategy to pursue sustainable and profitable growth.

TRANSFER TO RESERVES

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

SHARE CAPITAL

There is no change in share capital during the financial year 2019-20.

DIVIDEND

The total dividend for the year ended March 31, 2020 (including interim and final dividends) stood at ₹ 43/- per share as compared to ₹ 34/- per share in the previous year.

The Board of Directors had in their meeting held on June 20, 2019 declared the first interim dividend of ₹ 11/- (110%) per equity share absorbing a sum of ₹ 1,634.43/- Lakh including dividend distribution tax. The record date for the purpose of payment of interim dividend was July 2, 2019 and the said interim dividend was paid in July 2019.

The Board of Directors had in their meeting held on October 22, 2019 declared the second interim dividend of ₹ 10/- (100%) per equity share absorbing a sum of ₹ 1,485.85/- Lakh including dividend distribution tax. The record date for the purpose of payment of interim dividend was November 5, 2019 and the said interim dividend was paid in November 2019.

The Board of Directors had in their meeting held on January 28, 2020 declared the third interim dividend of ₹ 15/- (150%) per equity share absorbing a sum of ₹ 2,228.77/- Lakh including dividend distribution tax. The record date for the purpose of payment of interim dividend was February 7, 2020 and the said interim dividend was paid in February 2020.

The Board of Directors had in their meeting held on May 26, 2020 declared the fourth interim dividend of ₹ 6/- (60%) per equity share absorbing a sum of ₹ 739.50/- Lakh. The record date for the purpose of payment of interim dividend was June 5, 2020 and the said interim dividend was paid in June 2020.

Your directors are pleased to recommend a final dividend of ₹ 1/- (10%) per equity share of ₹ 10/- each for the year ended March 31, 2020.

The final dividend once approved by the members in the ensuing Annual General Meeting will be paid out of the profits of your company for the year and will sum up to a total of ₹ 123.25/- Lakh.

Cumulatively, the Board of Directors of your company has declared / recommended a total Dividend of ₹ 43/- per equity share (430%) for the year under review.

DIVIDEND DISTRIBUTION POLICY

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

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



DIRECTORS' REPORT (CONTD.)

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

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

FINANCIAL STATEMENTS

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

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

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

DISCLOSURES RELATING TO SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

White Knitwears Private Limited is a joint venture of the Company. There were no other companies, which have become or ceased to be its subsidiaries, joint ventures or associate companies during the financial year 2019-20.

INVESTMENT IN WHITE KNITWEAR PRIVATE LIMITED

The company had invested in aggregate ₹ 34,550,000 (P.Y. ₹ 34,550,000) in Joint Venture "White Knitwear Private Limited" (WKPL). WKPL had acquired land in Surat Special Economic Zone (SEZ) and constructed factory building for setting up of manufacturing unit for production of knitwear apparels for exports. However due to slowdown in International market, SEZ could not take off and most of the members of SEZ shelved their projects and approached to Gujarat

Industrial Development Corporation (GIDC) and state and central government for de-notification of SEZ. Gujarat Industrial Development Corporation vide its circular No. GIDC/CIR/Distribution/Policy/13/05 dated March 14, 2013 has de-notified the SEZ and conceded the members to convert and use the erstwhile land in SEZ as Domestic Tariff Area (DTA) subject to fulfillment of conditions stated therein. WKPL vide its letter dated April 4, 2013 has consented for de-notification of its plot of Land and undertaken to complete the formal procedure for the same.

CASH FLOW STATEMENT

In conformity with the provisions of Regulation 34(2)(c) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Consolidated and Standalone Cash Flow Statements for the year ended March 31, 2020 forms a part of this Annual Report.

BUSINESS RESPONSIBILITY REPORT

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

Your Company is featuring in the list of top 1000 listed entities as per market capitalisation calculated as on March 31, 2019 and hence the Business Responsibility Report forms a part of this annual report.

OVERVIEW OF INDUSTRY AND IMPORTANT CHANGES IN THE INDUSTRY

The growth of the branded apparel industry is closely linked to overall economic growth and consumer sentiment. The industry has witnessed volatility on a periodic basis due to disruption in the economic and market environment thereby affecting consumer sentiment. The prevailing market conditions are likely to create short term growth challenges as consumer spending will be impacted due to various factors including skew towards essentials and healthcare spends, work from home culture, social distancing measures that restrict social gatherings/ events and delayed opening up of modern retail formats like malls.



EXTERNAL ENVIRONMENT AND ECONOMIC OUTLOOK

The Indian economy witnessed a period slowdown in FY2019-20 with GDP growth dropping to 4.2%. In the post pandemic scenario, the immediate business environment has been severely impacted due to nationwide lockdown and social distancing measures that were required to curtail human loss. While measures have been taken to gradually relax the restrictions and resume activity, the recovery for the branded apparel industry is likely to be prolonged and gradual. The long term trend of the industry remains positive with favourable demographics, modern retail penetration, increased brand consciousness and convergence with global fashion trends.

CREDIT RATING OF SECURITIES

CRISIL, India's leading ratings, research, risk and policy advisory company has assigned 'AA- / Stable' (pronounced Double a Negative Stable), meaning high degree of safety, for the banking facilities of the company. This will further ensure superior credit terms from the financial market and banks.

INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

Unclaimed Dividend

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

The Company had during the year, accordingly, transferred to IEPF, the unpaid and unclaimed dividend

amounts pertaining to 2nd Interim Dividend 2011-12 of ₹ 27,907/-, Final Dividend 2011-12 of ₹ 9,624/- and 1st Interim Dividend 2012-13 of ₹ 32,410/-. Subsequent to the end of the financial year 2019-20 till the date of this report the company transferred the 2nd Interim Dividend 2012-13 of ₹ 13,091/- and 3rd Interim Dividend of ₹ 8469/- to the IEPF. Dividend declared by the Company thereafter, is still lying in the respective unpaid dividend accounts of the Company.

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

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

An aggregate of 403 shares were transferred to the IEPF till date of which 1 share was transferred by the Company to IEPF during the financial year under review.



DIRECTORS' REPORT (CONTD.)

Disclosure with respect to demat suspense account/unclaimed suspense account

The Company does not have any shares in the demat suspense /unclaimed suspense account.

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

Financial year	Date of allotment/ declaration	Unclaimed Dividend (in ₹)	Last date for claiming dividend
Final Dividend 2012-13	August 22, 2013	2,800.00	September 28, 2020
1st Interim Dividend 2013-14	October 19, 2013	19,327.50	November 25, 2020
2nd Interim Dividend 2013-14	January 24, 2014	21,462.00	March 1, 2021
3rd Interim Dividend 2013-14	May 10, 2014	9,990.00	June 16, 2021
Final Dividend 2013-14	August 28, 2014	4,998.00	October 4, 2021
1st Interim Dividend 2014-15	September 10, 2014	22,224.00	October 17, 2021
2nd Interim Dividend 2014-15	October 17, 2014	15,922.50	November 24, 2021
3rd Interim Dividend 2014-15	January 31, 2015	12,215.00	March 9, 2022
4th Interim Dividend 2014-15	May 14, 2015	4,365.00	June 22, 2022
Final Dividend 2014-15	August 31, 2015	3,841.50	October 8, 2022
1st Interim Dividend 2015-16	June 16, 2015	64,820.00	July 24, 2022
2nd Interim Dividend 2015-16	November 6, 2015	14,229.00	December 14, 2022
3rd Interim Dividend 2015-16	February 6, 2016	25,584.00	March 14, 2023
4th Interim Dividend 2015-16	March 9, 2016	19,397.00	April 16, 2023
Final Dividend 2015-16	September 7, 2016	10,159.50	October 14, 2023
1st Interim Dividend 2016-17	October 27, 2016	21,123.00	December 3, 2023
2nd Interim Dividend 2016-17	January 27, 2017	25,678.50	March 6, 2024
Final Dividend 2016-17	September 7, 2017	3,676.50	October 14, 2024
1st Interim Dividend 2017-18	April 25, 2017	22,743.00	June 2, 2024
2nd Interim Dividend 2017-18	October 14, 2017	19,800.00	November 20, 2024
3rd Interim Dividend 2017-18	January 18, 2018	58,995.00	February 26, 2025
4th Interim Dividend 2017-18	March 10, 2018	20,235.00	April 16, 2025
Final Dividend 2017-18	September 4, 2018	12,498.00	October 12, 2025
1st Interim Dividend 2018-19	July 21, 2018	26,894.00	August 27, 2025
2nd Interim Dividend 2018-19	October 25, 2018	58,070.00	December 1, 2025
3rd Interim Dividend 2018-19	January 23, 2019	86,570.00	March 1, 2026
4th Interim Dividend 2018-19	March 7, 2019	42,410.00	April 15, 2026
Final Dividend 2018-19	September 18, 2019	12,248.00	October 25, 2026
1st Interim Dividend 2019-20	June 20, 2019	62,425.00	July 29, 2026
2nd Interim Dividend 2019-20	October 22, 2019	57,200.00	November 28, 2026
3rd Interim Dividend 2019-20	January 28, 2020	1,02,360.00	March 6, 2027
4th Interim Dividend 2019-20	May 26, 2020	14,591.00	July 2, 2027

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

NODAL OFFICER

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

DIRECTORS

Re-appointment of Director retiring by rotation

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of your company, Mr. Dinesh P. Jain (DIN: 00327277), Director of your Company would retire by rotation at the ensuing Annual General Meeting and being eligible has offered himself for re-appointment.





KEY MANAGERIAL PERSONNEL

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

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

COMPLIANCE WITH THE CODE OF CONDUCT

Your company has put in place a Code of Conduct effective January 14, 2006, for its Board Members and Senior Management Personnel. Declaration of compliance with the Code of Conduct has been received from all the Board Members and Senior Management Personnel as stipulated under Regulation 26(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. A certificate to this effect from the Chairman & Managing Director forms a part of this Report.

COMPLIANCE WITH THE CODE OF INDEPENDENT DIRECTORS

Your company has put in place a Code of Independent Director approved in the Board Meeting held on May 10, 2014, for its Independent Directors. Declaration of compliance with the code has been received from all the Independent Directors of your Company as required under Section 134 (3)(d) of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. A certificate to this effect from the Chairman and Managing Director forms a part of this Report.

DECLARATION BY INDEPENDENT DIRECTORS

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

GENERAL

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

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

BOARD MEETINGS

The details of the number and dates of meetings of the Board of Directors held during the Financial Year 2019-20 forms part of the Corporate Governance Report.

COMMITTEES

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



DIRECTORS' REPORT (CONTD.)



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

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

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

ANNUAL BOARD EVALUATION

The Board has adopted a formal mechanism for evaluating its performance and as well as that of its

committee and individual directors, including the chairman of the Board.

The criteria for performance evaluation of the Board include aspects like Board composition and structure effectiveness of Board processes, information and functioning, experience, competencies, etc. The exercise was carried out through a structured evaluation process covering various aspects of the Boards functioning such as composition of the Board and Committees, experience and competencies, performance of specific duties and obligations, governance issues etc. Separate exercise was carried out to evaluate the performance of Individual Directors including the Board Chairman who was evaluated on parameters such as attendance, contribution at the meetings and otherwise, independent judgment, safeguarding of minority shareholders interest, etc.

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

REMUNERATION OF DIRECTORS AND EMPLOYEES

The information required under section 197(12) of the Companies Act, 2013 read with rule 5(2) and 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and forming part of the Directors' report for the year ended March 31, 2020 and the prescribed particulars of employees required under Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are attached as '**Annexure-V**' and forms part of this report.



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

DIRECTORS' RESPONSIBILITY STATEMENT

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

- (a) in the preparation of the annual accounts for the financial year ended March 31, 2020, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
- (c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) the directors had prepared the accounts for the financial year ended March 31, 2020 on a 'going concern' basis;
- (e) the directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively;
- (f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.



INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

Your Company has an Internal Control system, commensurate with the size, scale and complexity of its operations. The Internal Audit team monitors and evaluates the efficacy and adequacy of the Internal Control System in the Company, its compliance with operating systems, accounting procedures and policies at all the Company locations.

Based on the report of Internal Audit function, process owners undertake corrective action in their respective areas and thereby strengthen the controls.

The Audit Committee of the Board of Directors actively reviews the adequacy and effectiveness of the Internal Control System and suggests improvements to strengthen the same.

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

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

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

AUDITORS

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

DIRECTORS' REPORT (CONTD.)

Meeting till the conclusion of the 31st Annual General Meeting of the Company to be held in the year 2022.

AUDIT REPORT

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

DEPOSITS

The Company has not accepted any public deposits within the meaning of Section 73 and 74 of the Companies Act, 2013 read with Companies (Acceptance of Deposit) Rules, 2014 during Financial Year 2019-20.

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

Your Company has not given any loans or guarantee during the financial year 2019-20. The acquisitions of securities of any other body corporate are within the limit specified u/s 186 of the Companies Act, 2013. The details of the same are given in the notes to financial statements.

RELATED PARTY TRANSACTIONS

Suitable disclosure as required by the Accounting Standard (AS-24) has been made in the notes to the Financial Statement.

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

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

There were no material related party transaction during the year under review with Promoters, Directors or Key Managerial Personnel which may have potential conflict of interest with the company at large. The Company has developed a Related Party transactions framework through standard operating procedures for the purpose of identification and monitoring of such transactions.

All Related Party Transactions are placed before the Audit Committee. A statement of all Related Party Transactions is placed before Audit Committee for its review on a quarterly basis, specifying the nature, value and terms and conditions of the transactions for approval. The policy on Related Party transactions as approved by the Board of Directors has been uploaded on the website of the Company. The web-link to the Related Party Policy is <https://kewalkiran.com>

CORPORATE SOCIAL RESPONSIBILITY (CSR) REPORT

The Corporate Social Responsibility Committee has formulated and recommended to the Board a Corporate Social Responsibility Policy of the Company indicating the activities to be undertaken by the Company which has been approved by the Board. The CSR Policy may be accessed on the Company's website at <https://kewalkiran.com>

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

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

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

RISK MANAGEMENT

Your Company has a Risk Management Committee which has been entrusted with the responsibility to assist the Board in (a) Overseeing and approving the Company's enterprise wide risk management



framework; and (b) Overseeing that all the risks that the organisation faces such as strategic, financial, credit, market, liquidity, security, property, IT, legal, regulatory, reputational and other risks have been identified and assessed and there is an adequate risk management infrastructure in place capable of addressing those risks.

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

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

VIGIL MECHANISM / WHISTLE BLOWER POLICY

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

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

It is affirmed that no personnel of the company have been denied access to the Audit Committee in the Financial Year 2019-20.

The Policy on whistle blower/ vigil mechanism may be accessed on the Company website at <https://kewalkiran.com>.

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

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

SECRETARIAL AUDIT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with rule 9 of Companies [Appointment and Remuneration of Managerial



Personnel] Rules, 2014, the Company has appointed Mr. Ummedmal P. Jain, proprietor of M/s U. P. Jain & Co (C.P. No. 2235) to undertake the Secretarial Audit of the Company. The Secretarial Audit Report is included as **Annexure IV** and forms an integral part of this report.

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

SECRETARIAL STANDARDS

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

EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in Form MGT-9, as required under Section 92 of the Act read with the Rule 12 of Companies [Management and Administration] Rules, 2014, is annexed as **Annexure I** which forms an integral part of this Report and is also available on the Company's website viz. www.kewalkiran.com

ENVIRONMENT AND SAFETY

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

DIRECTORS' REPORT (CONTD.)

creating right safety culture across the organisation and aims to achieve ultimate goal of zero injuries to all its employees and all stakeholders associated with the Company's operations.

MAINTENANCE OF COST RECORD

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

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

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

CORPORATE GOVERNANCE

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

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

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

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

The company has in place a Policy for prevention of Sexual Harassment at the Workplace in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

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

- (a) Number of complaints pending at the beginning of the year: 0
- (b) Number of complaints received during the year: 0
- (c) Number of complaints disposed of during the year: Not Applicable
- (d) Number of cases pending at the end of the year: Not Applicable

ACKNOWLEDGEMENTS

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

Dated: July 29, 2020
Place: Mumbai

For and on behalf of the Board
Kewalchand P. Jain
Chairman & Managing Director
DIN: 00029730



ANNEXURE I

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN

As on financial year ended on March 31, 2020

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

I. REGISTRATION AND OTHER DETAILS:

1. CIN	L18101MH1992PLC065136
2. Registration Date	January 30, 1992
3. Name of the Company	Kewal Kiran Clothing 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	460/7, Kewal Kiran Estate, I. B. Patel Road, Goregaon(East), Mumbai - 400063 Tel no. - 26814400 Website- www.kewalkiran.com E-mail- grievanceredressal@kewalkiran.com
6. Whether listed company	Yes
7. Name, Address & contact details of the Registrar & Transfer Agent, if any.	Link Intime India Private Limited C 101, 247 Park, LBS Marg, Vikhroli (West) Mumbai - 400083. Tel. no. - 49186000 Fax no. - 49186060 Email ID - mumbai@linkintime.co.in Website- www.linkintime.co.in

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

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

Sr. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Apparels	141 - Manufacturing of wearing apparels, except fur apparels	89.39

III. PARTICULAR OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sr. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	White Knitwears Private Limited 460/7, Kewal Kiran Estate, I. B. Patel Road, Goregaon(East), Mumbai - 400063	U18101MH2005PTC157994	Joint Venture	Equity: 33.33 Preference: 50	Section 2(6)

DIRECTORS' REPORT (CONTD.)

IV. SHARE HOLDING PATTERN:

A. [Equity Share Capital Breakup as percentage of Total Equity] Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on April 1, 2019]				No. of Shares held at the end of the year [As on March 31, 2020]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter s									
[1] Indian									
a) Individual/ HUF	9,147,178	0	9,147,178	74.22	9,147,178	0	9,147,178	74.22	0
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	4,295	0	4,295	0.03	4,295	0	4,295	0.03	0
e) Banks/FI	0	0	0	0	0	0	0	0	0
f) Any other	0	0	0	0	0	0	0	0	0
Sub-total [A] [1]	9,151,473	0	9,151,473	74.25	9,151,473	0	9,151,473	74.25	0
[2] Foreign	0	0	0	0	0	0	0	0	0
Sub-total [A] [2]	0	0	0	0	0	0	0	0	0
Total Shareholding of Promoter [A] = [A][1] + [A][2]	9,151,473	0	9,151,473	74.25	9,151,473	0	9,151,473	74.25	0
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	1,467,906	0	1,467,906	11.91	1,440,760	0	1,440,760	11.69	(0.22)
b) Banks/FI	10	0	10	0.00	0	0	0	0	0
c) Central Govt.	0	0	0	0	0	0	0	0	0
d) State Govt.(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIIs/FPI	1,168,367	0	1,168,367	9.48	1,168,367	0	1,168,367	9.48	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
Sub-total [B][1):-	2,636,283	0	2,636,283	21.39	2,609,127	0	2,609,127	21.17	(0.22)
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	137,894	0	137,894	1.12	174,858	0	174,858	1.42	0.30
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	281,437	58	281,495	2.28	296682	59	296741	2.41	0.13
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	68,270	0	68,270	0.55	41778	0	41778	0.34	(0.21)
c) Others (specify)									
Non Resident Indians	15,003	0	15,003	0.12	15,208	0	15,208	0.12	0
Clearing Members	1,156	0	1,156	0.01	461	0	461	0	(0.01)
Office Bearer	751	0	751	0.01	640	0	640	0	(0.01)
Independent Director	336	0	336	0	336	0	336	0	0
Hindu Undivided Family	31,455	0	31,455	0.25	33,990	0	33,990	0.28	0.03
IEPF	402	0	402	0	403	0	403	0.00	0
NBFCs Registered with RBI	519	0	519	0	22	0	22	0	0
Sub-total [B][2):-	537,223	58	537,281	4.36	564378	59	564437	4.58	0.22
Total Public Shareholding [B]=[B] [1]+ [B][2]	3,173,506	58	3,173,564	25.75	3,173,505	59	3,173,564	25.75	0
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total [A+B+C]	12,324,979	58	12,325,037	100	12,324,978	59	12,325,037	100	0

B. Shareholding of Promoter:

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Shantaben P. Jain j/w Kewalchand P. Jain j/w Hemant P. Jain	6,153,000	49.92	0	6,153,000	49.92	0	0
2	Kewalchand P. Jain	690,611	5.61	0	690,611	5.61	0	0
3	Hemant P. Jain	691,915	5.61	0	691,915	5.61	0	0
4	Dinesh P. Jain	729,831	5.92	0	729,831	5.92	0	0
5	Vikas P. Jain	721,821	5.86	0	721,821	5.86	0	0
6	Kewalchand P. Jain HUF	16,000	0.13	0	16,000	0.13	0	0
7	Hemant P. Jain HUF	16,000	0.13	0	16,000	0.13	0	0
8	Dinesh P. Jain HUF	16,000	0.13	0	16,000	0.13	0	0
9	Vikas P. Jain HUF	16,000	0.13	0	16,000	0.13	0	0
10	Veena K. Jain	16,000	0.13	0	16,000	0.13	0	0
11	Lata H. Jain	16,000	0.13	0	16,000	0.13	0	0
12	Sangeeta D. Jan	16,000	0.13	0	16,000	0.13	0	0
13	Kesar V. Jain	16,000	0.13	0	16,000	0.13	0	0
14	Pankaj Jain	16,000	0.13	0	16,000	0.13	0	0
15	Hitendra Jain	16,000	0.13	0	16,000	0.13	0	0
16	Kewal Kiran Finance Private Limited	4,295	0.03	0	4,295	0.03	0	0
	TOTAL	9,151,473	74.25	0	9,151,473	74.25	0	0

C. Change in Promoters' Shareholding (please specify, if there is no change): No Change**D. Shareholding Pattern of top ten shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):**

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Nalanda India Fund Limited				
	At the beginning of the year	879081	7.13		
	Changes during the year	-	-		
	At the end of the year			879,081	7.13
2	SBI Small Cap Fund				
	At the beginning of the year	685,470	5.56		
	Changes during the year	-	-		
	At the end of the year			685,470	5.56
3	Kotak Emerging Equity Scheme				
	At the beginning of the year	474,006	3.84		
	Changes during the year	25,996	0.22		
	At the end of the year			500,002	4.06
4	Aditya Birla Sun Life Trustee Private Limited A/C Aditya Birla Sun Life Dividend Yield Fund				
	At the beginning of the year	242,801	1.97		
	Changes during the year	(776)	(0.01)		
	At the end of the year			242,025	1.96
5	PineBridge Global Funds - PineBridge India Equity Fund				
	At the beginning of the year	179,644	1.46		
	Changes during the year	-	-		
	At the end of the year			179,644	1.46

DIRECTORS' REPORT (CONTD.)

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
6	Ambit Capital Private Limited				
	At the beginning of the year	125,100	1.01		
	Changes during the year	-	-		
	At the end of the year			125,100	1.01
7	Government of Singapore - E				
	At the beginning of the year	71,599	0.58		
	Changes during the year	-	-		
	At the end of the year			71,599	0.58
8	Vida Trustees Private Limited				
	At the beginning of the year	42,270	0.34		
	Changes during the year	-	-		
	At the end of the year			42,270	0.34
9	Lobco Limited				
	At the beginning of the year	35,261	0.28		
	Changes during the year	-	-		
	At the end of the year			35,261	0.28
10	Naresh Singhi				
	At the beginning of the year	4715	0.04		
	Changes during the year	11063	0.09		
	At the end of the year			15,778	0.13

* The shares of the Company are traded on daily basis and hence the date wise increase/ decrease in shareholding is not indicated. Shareholding is consolidated based on permanent account number(PAN) of the shareholder.

E) Shareholding of Directors

1	Shareholding of Kewalchand P. Jain, Chairman and Managing Director	Shareholding at the beginning of the year		Cumulative Shareholding during the Year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	690,611	5.61		
	Increase/ Decrease during the year:	NIL	NIL	NIL	NIL
	At the end of the year			690,611	5.61
2	Shareholding of Hemant P. Jain, Wholetime Executive Director	Shareholding at the beginning of the year		Cumulative Shareholding during the Year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	691,915	5.61		
	Increase/ Decrease during the year:	NIL	NIL	NIL	NIL
	At the end of the year			691,915	5.61
3	Shareholding of Dinesh P. Jain, Wholetime Executive Director	Shareholding at the beginning of the year		Cumulative Shareholding during the Year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	729,831	5.92		
	Increase/ Decrease during the year:	NIL	NIL	NIL	NIL
	At the end of the year			729,831	5.92
4	Shareholding of Vikas P. Jain, Wholetime Executive Director	Shareholding at the beginning of the year		Cumulative Shareholding during the Year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	721,821	5.86		
	Increase/ Decrease during the year:	NIL	NIL	NIL	NIL
	At the end of the year			721,821	5.86

5	Shareholding of Yogesh Thar, Non-Executive Independent Director	Shareholding at the beginning of the year		Cumulative Shareholding during the Year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	NIL	NIL	NIL	NIL
	Increase/ Decrease during the year:	NIL	NIL	NIL	NIL
	At the end of the year	NIL	NIL	NIL	NIL

6	Shareholding of Nimish Pandya, Non-Executive Independent Director	Shareholding at the beginning of the year		Cumulative Shareholding during the Year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	NIL	NIL	NIL	NIL
	Increase/ Decrease during the year:	NIL	NIL	NIL	NIL
	At the end of the year	NIL	NIL	NIL	NIL

7	Shareholding of Prakash Mody, Non-Executive Independent Director	Shareholding at the beginning of the year		Cumulative Shareholding during the Year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	336	0.00	336	0.00
	Increase/ Decrease during the year:	0	0	0	0
	At the end of the year	336	0.00	336	0.00

8	Shareholding of Drushti Desai, Non-Executive Independent Director	Shareholding at the beginning of the year		Cumulative Shareholding during the Year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	NIL	NIL	NIL	NIL
	Increase/ Decrease during the year:	NIL	NIL	NIL	NIL
	At the end of the year	NIL	NIL	NIL	NIL

Shareholding of Key Managerial Personnel:

9	Shareholding of Abhijit Warange, Company Secretary	Shareholding at the beginning of the year		Cumulative Shareholding during the Year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	NIL	NIL	NIL	NIL
	Increase/ Decrease during the year:	NIL	NIL	NIL	NIL
	At the end of the year	NIL	NIL	NIL	NIL

10	Shareholding of Bhavin Sheth, Chief Financial Officer	Shareholding at the beginning of the year		Cumulative Shareholding during the Year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	NIL	NIL	NIL	NIL
	Increase/ Decrease during the year:	NIL	NIL	NIL	NIL
	At the end of the year	NIL	NIL	NIL	NIL

Note:

Any changes in shareholding, as indicated above, are based on disclosures received from the Directors and Key Managerial Personnel

DIRECTORS' REPORT (CONTD.)

V. INDEBTEDNESS:

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

Figures in lacs

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	6095.47	3250.52	0	9345.99
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	3.90	0	3.90
Total (i+ii+iii)	6095.47	3254.42	0	9349.90
Change in Indebtedness during the financial year				
*Addition	64.70	0	0	64.70
*Reduction	0	570.15	0	570.15
Net Change	64.70	-570.15	0	-505.45
Indebtedness at the end of the financial year				
i) Principal Amount	6160.17	2641.01	0	8801.18
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	43.26	0	43.26
Total (i+ii+iii)	6095.47	3254.42	0	8844.45

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

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

Sr. No.	Particulars of Remuneration	Name of MD/WTD/ Manager				Total Amount
		Kewalchand P. Jain(CMD)	Hemant P. Jain (WTD)	Dinesh P. Jain (WTD)	Vikas P. Jain (WTD)	
1	Gross salary					
	(a) Salary as per provisions contained in section 17(1) of the Income-Tax Act, 1961	7,950,000	7,950,000	7,950,000	7,950,000	31,800,000
	(b) Value of perquisites u/s 17(2) of the Income-Tax Act, 1961	39,600	39,600	39,600	39,600	158,400
	(c) Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961	0	0	0	0	0
2	Stock Option	0	0	0	0	0
3	Sweat Equity	0	0	0	0	0
4	Commission	0	0	0	0	0
	- as % of profit					
	- others, specify..					
5	Others, please specify	0	0	0	0	0
	Total (A)	7,989,600	7,989,600	7,989,600	7,989,600	31,958,400
	Ceiling as per the Companies Act, 2013	81,851,540				

B. Remuneration to other directors

Sr. No.	Particulars of Remuneration	Name of Directors				Total Amount
		Nimish Pandya	Prakash Mody	Yogesh Thar	Drushti Desai	
1	Independent Directors					
	Fee for attending board/ committee meetings	8,40,000	1,60,000	7,80,000	7,80,000	25,60,000
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total [1]	8,40,000	1,60,000	7,80,000	7,80,000	25,60,000
2	Other Non-Executive Directors					
	Fee for attending board / committee meetings	-	-	-	-	-
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total [2]	-	-	-	-	-
	Total [B]=(1+2)	8,40,000	1,60,000	7,80,000	7,80,000	25,60,000
	Total Managerial Remuneration [A+B]					3,45,18,400
	Ceiling as per the Companies Act 2013	900,36,694				

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

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			Total
		Mr. Abhijit Warange,	Mr. Bhavin Sheth,		
		CEO	Company Secretary	Chief Financial Officer	
1	Gross salary	Not Applicable			
	(a) Salary as per provisions contained in section 17(1) of the Income-Tax Act, 1961		40,59,360	65,55,587	1,06,14,947
	(b) Value of perquisites u/s 17(2) of the Income-Tax Act, 1961		1,83,599	-	1,83,599
	(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		42,42,959	6,555,587	1,07,98,546

VII.PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: -

There were no penalties, punishment or compounding of offenses during the year ended March 31, 2020.

DIRECTORS' REPORT (CONTD.)

ANNEXURE II

A. CONSERVATION OF ENERGY

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

The major steps taken at various locations were as under:

1. Energy Conservation Teams were formed at all large facilities and were provided with all relevant monitoring instruments.
2. Energy Efficiency of Air Conditioning Systems and equipment was improved:
 - i. At the Offices since air conditioning was the major load, your company set up regular monitoring of all the air conditioning equipment, assessing the three major energy efficiency parameters of temperature difference between supply and return air, flow rate and the power used, for all the air conditioning equipment, including Ductables, Cassette, Split and Window Air conditioners. Wherever short falls were detected, corrective action was immediately taken to restore the equipment to rated parameters.
 - ii. The practice of monitoring of the air conditioning equipment was adopted at all the factories also. Regular monitoring resulted in both improved performance and energy saving.
 - iii. Old air conditioners were replaced by 5 Star ones: At a number of locations, wherever the air conditioners were very old, or working for long periods, they were replaced by the modern energy efficient 5 Star Split air conditioners. This added to the energy savings.
3. Lighting Energy Conservation:
 - i. Illumination levels were checked at all locations; excess lights were removed and lights were switched on only when required;
 - ii. Energy efficient lights were adopted, including the use of LEDs
4. Improving Power Factor:

The power factor was being controlled mostly by Automatic Power Factor Controllers. However, these were studied to optimise the maintenance of P.F. above 0.98; the monthly bonuses earned in the electricity bills will offset the investments in short periods.
5. Improving Efficiency of Boilers at the Factories:
 - i. Regular Monitoring of the various parameters important for maintaining high efficiency in Boilers yielded ways to improve their efficiency. This was diligently taken up; maintenance was improved and done regularly resulting in useful fuel savings.
 - ii. Systems were installed to monitor the distribution of steam, including at pressure reducing stations and at steam traps, to ensure that the required steam quality and pressure was available at the various equipment using steam, e.g. tumble driers, washers, steam irons, etc. This enabled high productivity of the equipment.
6. Improving efficiency of driers, ashers, steam irons, etc. at the Factories:
 - i. Regular Monitoring of the various parameters important for maintaining high efficiency in the driers and washers, etc., ensured that the cycles were completed not only within rated times but also often ahead of time.
 - ii. In washer's steam usage was restricted to those cycles where temperature required was 90 OC.

For all other cycles the recovered hot water was used. This yielded useful savings in the use of steam, electricity and operation period.
7. Regular monitoring of all important parameters relating to improved maintenance were adopted in a dedicated way, to improve plant & equipment availability.
8. Leakages of steam and compressed air were minimised and plant productivity improved.

UTILISING ALTERNATE SOURCES OF ENERGY

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

Serious efforts are on to explore the feasibility of Roof Top Solar Power Generation. The Central Govt. has offered to provide the necessary impetus and funds, and the State Governments are gearing up to accept all the surplus energy generated allowing direct feeding into their Grid. Hence we expect this will soon be viable and we will consider their use at our factories.

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

B. TECHNOLOGY ABSORPTION

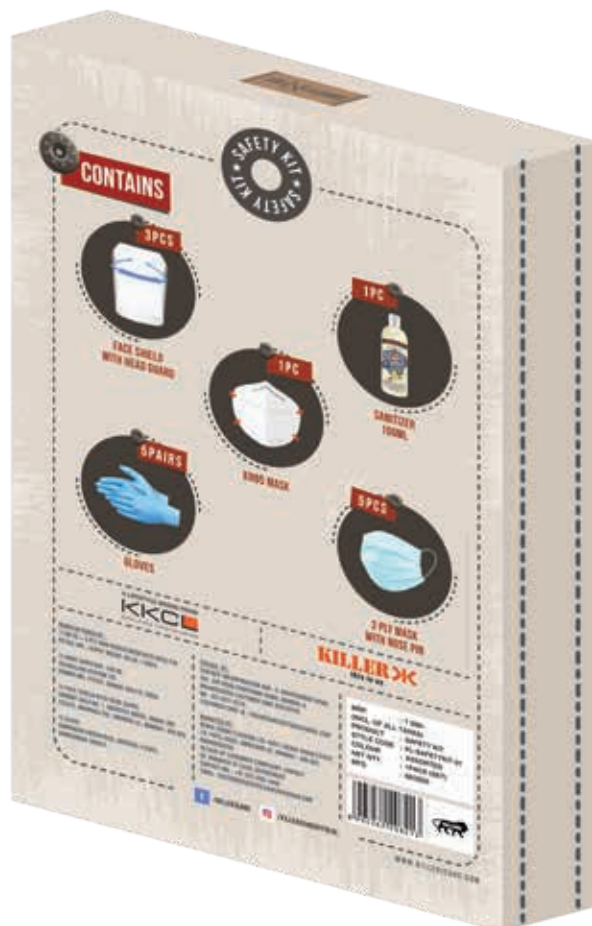
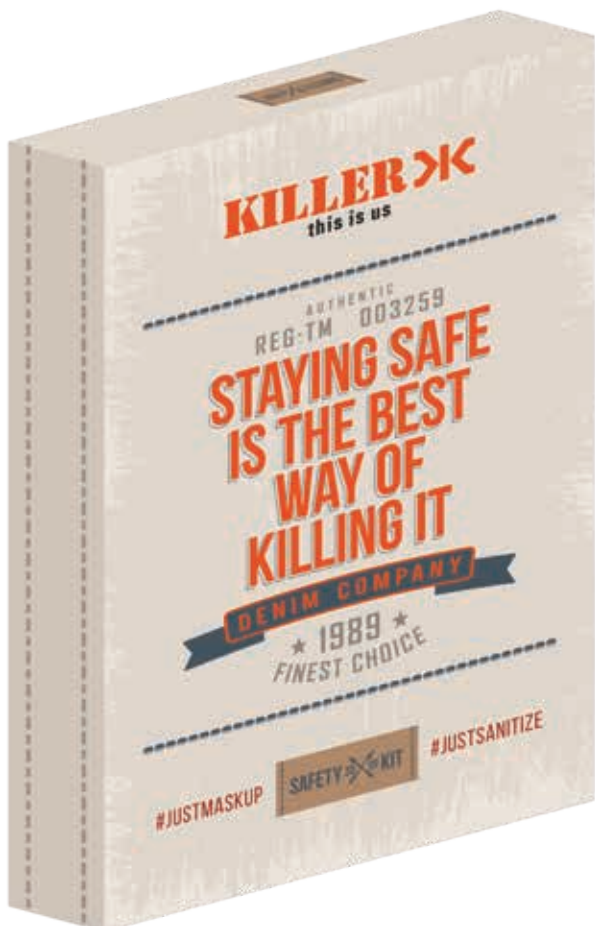
Your company continues to use the latest technologies for improving the productivity and quality of its products. The company's operations do not require significant import of technology.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

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

Total Foreign Exchange used and earned:

FOB Value earned	₹ 156,276,128/-
Total Foreign Exchange outgo	₹ 55,720,000/-



DIRECTORS' REPORT (CONTD.)

ANNEXURE -III

Particulars of Contracts/Arrangement with related parties

FORM NO. AOC-2

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

This form pertains to the disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under the third proviso thereto

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

Name of Related Party	Nature of Relationship	Duration of Contract	Salient Terms*	Amount [₹ In Lakh]
Kewalchand P. Jain	Promoter Director	01.09.2019 - 31.08.2024	As per Agreement	9.98
Hemant P. Jain	Promoter Director	01.09.2019 - 31.08.2024	As per Agreement	8.60
Dinesh P. Jain	Promoter Director	01.09.2019 - 31.08.2024	As per Agreement	5.66
Vikas P. Jain	Promoter Director	01.09.2019 - 31.08.2024	As per Agreement	5.66
Shantaben P. Jain	Promoter	01.09.2019 - 31.08.2024	As per Agreement	9.18
Pankaj K. Jain	Relative of Promoter Director	Ongoing	As per terms of appointment	28.00
Hitendra H. Jain	Relative of Promoter Director	Ongoing	As per terms of appointment	24.00
Jai D. Jain	Relative of Promoter Director	Ongoing	As per terms of appointment	5.00
Yash V. Jain	Relative of Promoter Director	Ongoing	As per terms of appointment	5.00
Krushika D. Jain	Relative of Promoter Director	01.02.2020 - Ongoing	As per terms of appointment	0.83
Nami D. Jain	Relative of Promoter Director	01.02.2020 - Ongoing	As per terms of appointment	0.83
Pandya & Co.	Mr. Nimesh Pandya, Non-Executive Independent Director is the proprietor of M/s. Pandya & Co.	14.05.2015 - ongoing	Professional Fees on actuals	3.25

*Appropriate approvals have been taken from the Audit Committee and the Board of Directors of the company from time to time for the related party transactions as mentioned above.

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

ANNEXURE IV

SECRETARIAL AUDIT REPORT**FOR THE FINANCIAL YEAR ENDED MARCH 31, 2020**

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

To,
The Members,

Kewal Kiran Clothing Limited

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

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **KEWAL KIRAN CLOTHING LIMITED** [CIN: L18101MH1992PLC065136] (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on **March 31, 2020** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

- I. We have examined the Secretarial compliance based on the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on **March 31, 2020**, as shown to us during our audit, according to the provisions of:
- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
 - (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
 - (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
 - (iv) The provisions of the Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment.

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

- a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, to the extent applicable;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, to the extent applicable.
 - c. Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, to the extent applicable and the Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited.
- II. We further report that the Company has complied with the Secretarial Standards issued by The Institute of Company Secretaries of India.
- III. During the year under review the Company has complied with the applicable provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above to the extent applicable.
- IV. We have relied on the representation made by the Company and its officers, and state that there are no other laws, rules / regulations specifically applicable to the industry under which the Company operates.
- V. The following Regulations and Guidelines prescribed under The Securities and Exchange Board of India Act, 1992 were, in our opinion, not attracted during the financial year under report:
- a. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - b. The Securities and Exchange Board of India ((Share Based Employee Benefits) Regulations, 2014;
 - c. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

DIRECTORS' REPORT (CONTD.)

- d. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Act and dealing with client;
 - e. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - f. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998.
- VI. The provisions of the Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder in relation to Overseas Direct Investment and External Commercial Borrowings were not attracted during the financial year under report.

VII. We further report that;

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors / Independent Directors.

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

Decisions at the meetings of the Board of Directors of the Company were carried through on the basis

of majority. There were no dissenting views by any member of the Board of Directors during the year under review.

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

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

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

Ummedmal P. Jain
Proprietor

Dated: July 29, 2020
Place: Mumbai

FCS-3735, CP-2235
ICSI UDIN: F003735B000520548

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



ANNEXURE A

(To the Secretarial Audit Report of KEWAL KIRAN CLOTHING LIMITED
for the financial year ended March 31, 2020)

To,
The Members,
KEWAL KIRAN CLOTHING LIMITED
Kewal Kiran Estate, 460/7, I. B. Patel Road,
Near Western Express Highway, Goregaon (East)
Mumbai - 400063

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

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

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

Ummedmal P. Jain
Proprietor

FCS-3735, CP-2235

ICSI UDIN: F003735B000520548

Dated: July 29, 2020
Place: Mumbai

DIRECTORS' REPORT (CONTD.)

ANNEXURE-V

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

- (i) The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2019-20 and the percentage increase in the remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2019-20 are as under: -

Sr. No	Name of Director/ KMP and Designation	Remuneration of the Director/ KMP for the financial year 2019-20 (In Rupees)	% increase in remuneration in the financial year 2019-20	Ratio of remuneration of each Director to median remuneration of employees
1.	Mr. Kewalchand P. Jain, Chairman & Managing Director	7,989,600	Nil	29: 1
2	Mr. Hemant P. Jain, Whole Time Director	7,989,600	Nil	29: 1
3	Mr. Dinesh P. Jain, Whole Time Director	7,989,600	Nil	29: 1
4	Mr. Vikas P. Jain, Whole Time Director	7,989,600	Nil	29: 1
5	Mr. Bhavin Sheth, Chief Financial Officer	6,555,587	14.54	20: 1
6	Mr. Abhijit Warange, Company Secretary	4,242,959	17.19	15: 1

Notes:

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

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

- (ii) The Median remuneration of employees of the company during the financial year was ₹ 2.76 Lakh.
- (iii) In the financial year, there was decrease of 1% in the median remuneration of the employees.
- (iv) There were 2081 permanent employees including Piece rate employees on the rolls of company as on March 31, 2020.
- (v) Average percentage increase made in the salaries of the employees (excluding wages) other than Key Managerial Personnel[s] in the financial year 2019-20 was 3.11% whereas, the increase in Key Managerial remuneration was 9.56%.
- (vi) It is hereby affirmed that the remuneration paid is as per the remuneration policy for Directors, Key Managerial Personnel[s] and other employees.

Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

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

Sr. No	Name	Designation	Nature of employment whether contractual or otherwise	Nature of Duties of the employee	Qualification	Age in years	Date of Commencement of employment	Total Experience in years	Gross Remuneration [₹]	Previous Employment/ Designation
1	Kewalchand P. Jain	Chairman & Managing Director	Permanent	Finance & overall control of the company affairs	Under Graduate	57	January 30, 1992	36	7,989,600	Kewal Kiran & Co/ Partners
2	Hemant P. Jain	Wholetime Director	Permanent	Marketing - Killer & Easies	Under Graduate	55	January 30, 1992	34	7,989,600	Kewal Kiran & Co/ Partner
3	Dinesh P. Jain	Wholetime Director	Permanent	Production	Under Graduate	50	October 2, 1997	29	7,989,600	Kewal Kiran & Co/ Partner
4	Vikas P. Jain	Wholetime Director	Permanent	Marketing- Lawman Integriti & K-Lounge Stores	B. Com	48	October 2, 1997	26	7,989,600	N.A
5	Lakhbir Singh	Brand Head - Killer	Permanent	End to End operations of Killer brand	1. B. Com 2. M. Com 3. M.B.A. 4. M. Phil	40	September 21, 2018	18	70,00,003	Royal Classic Group (Classic Polo) – Business Head
6	Bhavin Sheth	Chief Financial Officer	Permanent	Financial Operations & Control	1.B. Com 2.C.A. 3.D.I.S.A.	43	January 15, 2016	21	63,00,004	GTL Limited - Joint CFO
7	Himanshu Pant	Brand Head - Lawman Pg3 & Integriti	Permanent	End to End operations of Lawman Pg3 & Integriti brand	1. B. A 2. M. A	53	April 11, 2019	27	60,00,008	Pepe Jeans - Assistant General Manager - Distribution
8	Abhijit Warange	Vice President - Legal and Company Secretary	Permanent	Legal and Secretarial Work	1.B. Com 2.C.S. 3.L.L.B	41	November 1, 2009	18	42,00,001	Zodiac Clothing - Assistant Manager - Secretarial
9	Nimesh Anandpara	Deputy General Manager	Permanent	Financial Operations	1.B. Com 2.C.A.	37	January 7, 2008	17	40,50,001	Shruti Shah & Co - Audit and Taxation Manager
10	Ashish Barodia	Head Operations - Easies	Permanent	End to End operations of Easies brand	1.Diploma in Mechanical Engineering 2.M.B.A.- Marketing	46	April 1, 2014	27	35,00,012	K.G. Denim- General Manager - Apparel Division

Note :-

- Mr. Kewalchand P. Jain, Mr. Hemant P. Jain, Mr. Dinesh P. Jain and Mr. Vikas P. Jain are brothers. Save and except Mr. Kewalchand P. Jain, Mr. Hemant P. Jain, Mr. Dinesh P. Jain and Mr. Vikas P. Jain none of the other employees' aforesaid hold equity shares in the company either individually or together with their spouse or dependent children exceeding two percent of the total equity shares. The details of the shareholding of Mr. Kewalchand P. Jain, Mr. Hemant P. Jain, Mr. Dinesh P. Jain and Mr. Vikas P. Jain are detailed in the Corporate Governance Report which forms a part of the Annual Report.
- Gross Remuneration figures are based on Cost to Company (CTC) as on March 31, 2020 and does not include gratuity to be paid at the time of separation or retirement from service.
- Mr. Lakhbir Singh, and Mr. Himanshu Pant remuneration figures excludes variable performance pay.
- Mr. Abhijit Warange was employed with Kewal Kiran Clothing Ltd. from October 26, 2005 to August 8, 2009. Mr. Warange rejoined the Company w.e.f. November 1, 2009. Prior to being employed with Kewal Kiran Clothing Ltd., Mr. Warange was employed with Zodiac Clothing Co. Ltd.

DIRECTORS' REPORT (CONTD.)

ANNEXURE VI

CORPORATE SOCIAL RESPONSIBILITY REPORT

1. CORPORATE SOCIAL RESPONSIBILITY POLICY

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

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

Pursuant to Section 135 of the Companies Act, 2013 and rules made there under the company had approved the Corporate Social Responsibility policy, as recommended by Corporate Social Responsibility Committee, in the Board Meeting held on May 4, 2019. The company incurred a CSR spend of an amount of ₹ 196,000,000/- during the financial year 2019-20. The details of the donations made during the year ended March 31, 2020 are detailed below:

Sr. No.	Name of the Party	Amount (₹)	Purpose
1.	Smt. Jatnobai Karamchandji Ratanparia Chouhan Charitable Trust	17,600,000/-	Promoting health care including preventive health care
2.	People For Animals	500,000/-	Rehabilitate sick and needy animals
3	Mira Education Trust	1,500,000/-	Support for Education

The web-link to the CSR policy is <https://kewalkiran.com>

2. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Pursuant to Section 135 of the Companies Act, 2013 the Board of Directors have in the Board Meeting held on May 10, 2015 constituted Corporate Social Responsibility Committee under the chairmanship of Mr. Nimish Pandya and comprising of Mr. Kewalchand Jain and Mr. Hemant Jain as members.

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

2. AVERAGE NET PROFIT OF THE COMPANY FOR LAST THREE YEARS: ₹ 957,117,871/-

3. PRESCRIBED CSR EXPENDITURE: (2% OF THE AMOUNT AS IN ITEM NO. 3): ₹ 19,142,357/-

4. DETAILS OF CSR SPENT DURING THE FINANCIAL YEAR: 2019-2020

a. Total amount to be spent for the financial year - ₹ 19,600,000/-

b. Amount unspent, if any - Nil

c. Manner in which the amount spent during the financial year is detailed below -

Sr. No.	CSR project or activity identified	Sector in which the project is covered	Projects or programs 1. Local area or other 2. State & district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the programs or projects Direct expenditure on programs or projects and Overheads	Cumulative expenditure upto the reporting period	Amount spent: Direct or through implementing agency
1	Contribution towards operating hospital	Promoting health care including preventive health care	Sadri, Rajasthan	17,600,000	17,600,000	17,600,000	Implementing Agency - Smt. Jatnobai Karamchandji Ratanparia Chouhan Charitable Trust
2	Contribution towards Rehabilitation of animals	Promoting Welfare of needy animals	Pan India	500,000	500,000	500,000	Implementing Agency - People For Animals.
3	Contribution towards Educational Support	Support for Education irrespective of class, creed and religion	Pan India	1,500,000	1,500,000	1,500,000	Implementing Agency - Mira Education Trust

5. REASON FOR FAILURE TO SPEND TWO PERCENT OF THE AVERAGE NET PROFIT OF THE LAST THREE FINANCIAL YEARS OR ANY PART THEREOF - NOT APPLICABLE

- 6.** The Chairman of the CSR Committee has given a responsibility statement on behalf of the CSR Committee that the implementation and monitoring of the CSR policy is in compliance with CSR objectives and policy of the company.

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

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

BUSINESS RESPONSIBILITY REPORT



SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

No.	Particulars	Company Information
1	Corporate Identity Number (CIN) of the Company	L18101MH1992PLC065136
2	Name of the Company	Kewal Kiran Clothing Limited
3	Registered address	Kewal Kiran Estate, 460/7, I. B. Patel Road, Near Western Express Highway, Goregoan (East), Mumbai: 400063
4	Website	http://www.kewalkiran.com/
5	E-mail id	abhijit.warange@kewalkiran.com
6	Financial Year reported	Year ended on March 31, 2020 (FY20)
7	Sector(s) that the Company is engaged in (industrial activity code-wise)	Apparels- NIC code 141- Manufacturing of wearing apparels, except fur apparels
8	List three key products/services that the Company manufactures/provides (as in balance sheet)	Product includes Garment under its 5 iconic brands i.e. Killer, Easies, LawmanPg3, Integrity, and Desi Belle and also extensive range of branded Lifestyle Accessories
9	Total number of locations where business activity is undertaken by the Company	
9.1	Number of International Locations	KKCL does not have any manufacturing unit outside India
9.2	Number of National Locations	Manufacturing facilities at Vapi, Daman and Mumbai
10	Markets served by the Company - Local/State/National/International	Company serves Local, State, National & International markets

SECTION B: FINANCIAL DETAILS OF THE COMPANY

No.	Particulars	Company Information
1	Paid up Capital (₹)	₹ 1,232.50 Lakh (12,325,037 equity shares of ₹ 10 each)
2	Total Turnover (₹)	₹ 54,720 Lakh
3	Total profit after taxes (₹)	₹ 7,304 Lakh
4	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax [%]	₹ 196 Lakh (2.05%)
5	List of activities in which expenditure in 4 above has been incurred	Education for needy People Promoting Health care Rehabilitate sick and needy animals Health care for needy People



BUSINESS RESPONSIBILITY REPORT (CONTD.)

SECTION C: OTHER DETAILS

1. Does the Company have any Subsidiary Company/ Companies?

No the company doesn't have a subsidiary although it has an associate company called White Knitwear Private Limited [WKPL].

2. Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company[s]

Not applicable since the company doesn't have any subsidiary company.

3. Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]

The company has not mandated any entities e.g. suppliers, distributors etc. of the Company for participating in the BR initiatives of the Company. However going forward company will encourage them to adopt BR initiatives of the company.

SECTION D: BUSINESS RESPONSIBILITY (BR) INFORMATION

1. Details of Director/Directors responsible for BR

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

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

b. Details of BR head:

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

2. Principle-wise [as per National Voluntary Guidelines (NVGs)] Business Responsibility Policy/policies

Principle 1: Ethics, Transparency and Accountability [P1]

Principle 2: Products Lifecycle Sustainability [P2]

Principle 3: Employees' Well-being [P3]

Principle 4: Stakeholder Engagement [P4]

Principle 5: Human Rights [P5]

Principle 6: Environment [P6]

Principle 7: Policy Advocacy [P7]

Principle 8: Inclusive Growth [P8]

Principle 9: Customer Value [P9]

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

No.	Questions	P	P	P	P	P	P	P	P	
		1	2	3	4	5	6	7	8	9
1	Do you have a policy/ policies for....	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	
3	Does the policy conform to any national / international standards? If yes, specify?	All the policies are compliant with respective principles of NVG guidelines								
4	Has the policy being approved by the Board?	Y	Y	Y	Y	Y	Y	Y	Y	
	Is yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	
5	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	
6	Indicate the link for the policy to be viewed online?	http://www.kewalkiran.com/policies/								

7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Yes. All policies are communicated to internal stakeholders and are available on internal network. Policies applicable to external stakeholders are available on the Company's website
8	Does the company have in-house structure to implement the policy/policies?	Yes. There is an in-house structure which clearly defines roles and responsibilities that are periodically reviewed.
9	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	Y Y Y Y Y Y Y Y Y
10	Has the Company carried out independent audit/evaluation of the working of this policy by an internal or external agency?	While the company has not carried out independent audit of the policies, the internal audit function periodically looks at the implementation of the policies.

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

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

3. Governance related to Business Responsibility (BR):

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

SECTION E: PRINCIPLE-WISE PERFORMANCE

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

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

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

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



BUSINESS RESPONSIBILITY REPORT (CONTD.)

- b. Policy for Determining Materiality of Events and Information** - The objective of this Policy is: (a) to ensure disclosure of any event or information which, pursuant to SEBI regulations is material, (b) to determine whether an event or information is material or not, and (c) to ensure timely, accurate, uniform and transparent disclosure.
- c. Code of Conduct for Directors and Senior Management** - to ensure, inter alia, protection of confidential information, preventing conflict of interest, ensuring that anti-bribery and corruption laws are complied with, and ensure compliance with all the applicable laws, regulations and Company's policies.
- d. Company's Code of Conduct on (prevention of) Insider Trading** - in order to protect the interest of investors, the company has mechanism to prevent insider trading and protect unpublished price sensitive information (UPSI).
- e. Policy on prevention of sexual harassment** - the Company has instituted processes and mechanisms

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

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

Information with reference to BRR framework:

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

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

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

The Company endeavours to embed the principles of sustainability, as far as practicable, into the various stages of product or service life-cycle. This involves an end-to-end analysis of the product, taking into account all raw materials, transport, production processes, usage and disposal of the product.

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



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

Waste Management – The principles underlying waste separation are:

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

Information with reference to BRR framework:

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

Principle 3: Businesses should promote the wellbeing of all employees

Physical health and fitness are important elements of employee well-being and to facilitate this, the company arranged several programs to make the employees' health and fitness cautious. In order to that we had organised a Medical Check Up camp at the Daman factory.

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

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

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

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



BUSINESS RESPONSIBILITY REPORT (CONTD.)

We never miss any single opportunity of enjoying the festivals and special days at KKCL family. We organise fun-centric activities and contest on various occasions such as Diwali, Dussehra, X-mas, Rakshabandhan,

Women's Day etc. to boost the employee morale and enhancing bonding between cross functional teams.

Information with reference to BRR framework:

No.	Questions	Information
3.1	Please indicate the Total number of employees.	2081
3.2	Please indicate the Total number of employees hired on temporary/contractual/casual basis.	1070
3.3	Please indicate the Number of permanent women employees.	246
3.4	Please indicate the Number of permanent employees with disabilities	None
3.5	Do you have an employee association that is recognised by management.	None
3.6	What percentage of your permanent employees is members of this recognised employee association?	Not applicable

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

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

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

No.	Employee Categories	% trained on Safety & Skill up-gradation
a	Permanent employees	45%
b	Permanent women employees	60%
c	Contract employees	30%
d	Employees with disabilities	Not applicable

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

We strive hard with passion to meet and set industry benchmarks in our systems and processes to ensure insightful experiences for our stakeholders. We are accountable towards all our stakeholders. We are liberal and committed in giving back to the society. We always work together for the upliftment of the society as a whole.

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

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

Information with reference to BRR framework:

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

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

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

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

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

4.3 Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalised stakeholders? If so, provide details thereof, in about 50 words or so.

For socio-economically disadvantaged sections of the society, the Company through its CSR programmes has donated funds to various trusts and foundations for CSR activities like Eradicating hunger, poverty and malnutrition, Promoting Health care, Rehabilitating sick and needy animals and Education for needy people.

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

Principle 5: Businesses should respect and promote human rights

Human rights are fundamental rights and we adhere to this principle in the most earnest spirit. Confirming our commitment is our Human Rights Policy which spans various principles ranging from freedom of

association to freedom from harassment, and applies across our operations.

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

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

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

Information with reference to BRR framework:

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

Principle 6: Business should respect, protect, and make efforts to restore the environment

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

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

Measures for carbon footprint reduction – the practice of monitoring of the air conditioning equipment was

adopted at all the factories, offices which resulted in both improved performance and energy saving. At a number of locations, wherever the air conditioners were very old, or working for long periods, they were replaced by the modern energy efficient 5 Star Split air conditioners. This added to the energy savings.

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

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

Improved the efficiency of Driers, Washers, Steam Irons, etc. at the factories by regular monitoring of the various parameters important for maintaining high efficiency. In Washers steam usage was restricted to those cycles where temperature required was 90 degree Celsius.

Information with reference to BRR framework:

6.1 Does the policy related to Principle 6 cover only the company or extends to the Group /Joint Ventures/ Suppliers/Contractors/NGOs/others.

Many facets of environment protection are embedded in the company's operations as also in its products. The company has not mandated it applicability to its group companies and suppliers although it encourage the adoption of best environmental practises.

6.2 Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.

As a responsible corporate citizen, the company is committed to addressing climate change risks in proactive ways and modes. We endorse the precautionary principle towards global warming and climate change, and take up various committed initiatives towards resource conservation and preservation. Our initiatives for energy and water conservation have seen increasing efficiencies over the years and our emissions and waste have been in constant check and control.

6.3 Does the company identify and assess potential environmental risks? Y/N

The company doesn't have any mechanism regarding assessment of potential environment risks however company has initiated several measures to conserve our fossil fuels consumptions.

6.4 Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?

The Company has not undertaken any project related to Clean Development Mechanism however the Company has been working systematically to reduce its impact on the Environment. We take seriously our impact on the natural resources in the communities where we operate and have put in place measures to not merely comply with

regulations but to responsibly take care of the Planet, preserve its beauty and resources for future generations.

6.5 Has the company undertaken any other initiatives on - clean technology, energy efficiency, renewable energy, etc.Y/N. If yes, please give hyperlink for web page etc.

The company has invested in green energy. Prime amongst them is the investment in generation of wind energy. One of our facilities is dedicated towards harnessing the power of wind to generate energy. The Company has a 600 KW Wind Generator in Gujarat which provides most of the electricity at Company's Vapi Factory.

6.6 Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?

Yes, the emissions/ waste generated by the Company are within the permissible limits given by CPCB/SPCB and are reported on periodic basis.

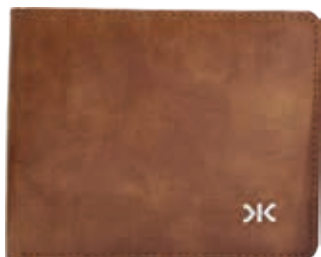
6.7 Number of show cause/ legal notices received from CPCB/SPCB which are pending [i.e. not resolved to satisfaction] as on end of Financial Year.

None

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

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

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



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

Principle 8: Businesses should support inclusive growth and equitable development

We support the principles of inclusive growth and equitable development through our corporate social responsibility initiatives. KKCL believes that social,

Information with reference to BRR framework:

No.	Questions	Information
8.1	Does the company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.	Yes the Company has formulated a well- defined CSR policy, which focuses on issues like Education, health care, environment, rural development, etc.
8.2	Are the programmes/projects undertaken through in-house team/own foundation/external NGO/government structures/ any other organisation?	The programmes/ projects are undertaken through in-house teams/ our foundation to serve areas of community growth and sustainable development.
8.3	Have you done any impact assessment of your initiative?	Yes the Company has conducted impact assessment of its CSR initiatives.
8.4	What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken.	During the year under review, the Company has spent an amount of ₹ 209 Lakh on CSR activities mainly on education, health care, environment, rural development, etc.
8.5	Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.	Yes, Initiatives conducted under the CSR are tracked to determine the outcome achieved and the benefits to the community.

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

The Company is committed to providing products and services that offer best-in-class quality and user experience. All businesses of the Company comply

environmental and economic values are interlinked and we belong to an Interdependent Ecosystem Comprising Shareholders, Consumers, Associates, Employees, Government, Environment and Society. We are committed to ensure a positive impact of our existence on all these stakeholders. It's our continuous endeavour to integrate sustainability considerations in all our business decisions.

with all regulations and relevant voluntary codes concerning marketing communications, including advertising, promotion and sponsorship. The Company's communications are aimed at enabling customers to make informed purchase decisions.

Information with reference to BRR framework:

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

CORPORATE GOVERNANCE REPORT



I. COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

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

The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 provide for stricter disclosure and protection of investor rights by listed entities. The regulations are aligned with the provisions of the Companies Act, 2013 and are aimed to encourage companies to adapt best practices on Corporate Governance. Our Corporate Governance framework has helped us be aligned with the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. We believe that an active, well informed and independent Board is necessary to ensure the highest standard of Corporate Governance. The Board of Directors of your company is at the core of our Corporate Governance practices. The Board thus oversees your company's management functions and protects the long term interest of our stakeholders.

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

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

II. BOARD OF DIRECTORS

Composition of the Board: -

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

The Board of Directors of your company has an optimum combination of Executive and Non Executive Directors. As at March 31, 2020 the Board of Directors comprise of 8 Directors of which 4 are Independent Non-executive Directors including 1 Woman Director. The Executive Directors of your

The composition of the Board and other relevant details relating to Directors as on March 31, 2020 are given below:

Name of the Director	Designation	Category of Directorship	No. of other Directorship	No. of Committee Chairmanship/ Membership
Mr. Kewalchand P. Jain (DIN - 00029730)	Chairman & Managing Director	Promoter & Executive	8	1
Mr. Hemant P. Jain (DIN - 00029822)	Whole-time Director	Promoter & Executive	7	1
Mr. Dinesh P. Jain (DIN - 00327277)	Whole-time Director	Promoter & Executive	7	0
Mr. Vikas P. Jain (DIN - 00029901)	Whole-time Director	Promoter & Executive	6	0
Mr. Yogesh A. Thar (DIN - 02687466)	Director	Independent Non-Executive	0	1
Dr. Prakash A. Mody (DIN - 00001285)	Director	Independent Non-Executive	2	1
Mr. Nimish G. Pandya (DIN - 00326966)	Director	Independent Non-Executive	1	2
Ms. Drushti R. Desai (DIN - 00294249)	Director	Independent Non-Executive	3	4

Note:

Details of other directorships (excluding directorship in Kewal Kiran Clothing Limited)/Committee memberships (including committee chairmanship/membership in Kewal Kiran Clothing Limited) are given by way of a separate Annexure.

The Committee chairmanship/membership of the Directors is restricted to the chairmanship/membership of Audit Committee and Stakeholders Relationship and Shareholder/Investor Grievance Committee. Excludes Chairmanship/ Membership in Private Companies, Foreign Companies and Companies under Section 8 of the Companies Act, 2013.

company have more than two decades of hands on experience in manufacturing and retailing of branded apparels. The Non Executive Independent Directors are eminent professionals with wide range of knowledge and experience in various spheres of business and industry, finance and law.

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

CORPORATE GOVERNANCE REPORT (CONTD.)

Number of Board Meetings held and attended by Directors:-

- (i) The meetings of the Board of Directors are scheduled well in advance. The Board Members are presented in advance with the detailed agenda in respect of all Board meetings. During the year under review five (5) meetings of the Board of Directors were held on the following dates: - May 4, 2019, June 20, 2019, July 24, 2019, October 22, 2019 and January 28, 2020. The Maximum time gap between any two consecutive meetings did not exceed 120 days.
- (ii) The attendance record of each of the Directors at the Board Meetings during the year ended on March 31, 2020 and during the last Annual General Meeting (AGM) is as under: -

Directors	No. of Board Meetings Attended	Attendance at the last AGM
Mr. Kewalchand P. Jain	3 of 5	Absent
Mr. Hemant P. Jain	5 of 5	Present
Mr. Dinesh P. Jain	5 of 5	Present
Mr. Vikas P. Jain	5 of 5	Present
Mr. Yogesh A. Thar	5 of 5	Present
Dr. Prakash A. Mody	2 of 5	Absent
Mr. Nimish G. Pandya	5 of 5	Present
Ms. Drushti R. Desai	5 of 5	Present

Disclosure of relationship between the Directors inter-se:

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

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

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

Familiarisation Programme for Independent Directors:-

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

Details of shares held by directors in the company as on March 31, 2020

Name of the Directors	Number of shares held
Mr. Kewalchand P. Jain*	7,06,611
Mr. Hemant P. Jain*	7,07,915
Mr. Dinesh P. Jain*	7,45,831
Mr. Vikas P. Jain*	7,37,821
Mr. Yogesh A. Thar	Nil
Dr. Prakash A. Mody	336
Mr. Nimish G. Pandya	Nil
Ms. Drushti R. Desai	Nil

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

*Note:

The said shares held by Mr. K. P. Jain includes 16,000 equity shares in his capacity of Karta of Kewalchand P. Jain H.U.F and 79,361 shares held j/w Veena K. Jain.

The said shares held by Mr. H.P. Jain includes 16,000 equity shares in his capacity of Karta of Hemant P. Jain H.U.F and 80,665 shares held j/w Lata H. Jain.

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

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

with the newly appointed Independent Director to familiarise him/her with the Company's operations. Further the Company has put in place a policy to familiarise the Independent Directors about the company, its products, business and on-going events relating to the Company.

During the financial year 2019-20 the Independent Directors have attended familiarisation programme conducted by the company and the web-link for the details of familiarisation programme is <https://kewalkiran.com>

Core skills/expertise/competencies identified by the board of directors for it to function effectively and available with the Board:

The Board of Directors ('Board') has not established specific minimum age, education, years of business experience or specific types of skills for appointing any individual as a Board member, but, in general, expects an individual to have ample experience and a proven record of professional success, leadership and the highest level of personal and professional ethics, integrity and values and loyalty to the interest of the Company and its stakeholders.

The Board would generally ensure that an individual should have ability to exercise objectivity and independence in making informed business decisions, willingness and commitment to devote the required time to fulfil his/her duties, ability to communicate effectively and collaborate

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

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

with other Board members to contribute effectively to the diversity of perspectives that enhances Board including a willingness to listen and respect the views of others.

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



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

Governance Codes:-

• **Code of Conduct**

In line with the company's objective of following the best Corporate Governance Standards the Board of Directors has laid down a Code of Conduct for all Board Members and

CORPORATE GOVERNANCE REPORT (CONTD.)

Senior Management of the company. The Code is effective from January 14, 2006. All the Board members and Senior Management of the Company as on March 31, 2020 have affirmed compliance with their respective Codes of Conduct in accordance with Regulation 26(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

- ### Conflict of Interest

Each Director informs the company on an annual basis about the Board and the Committee positions he/she occupies in other companies and notifies changes if any during the year. The Board Members while discharging their duties, avoid conflict of interest in the decision making process. The members of the Board neither participate in any discussions nor vote in any transactions in which they have any concern or interest.

- ### Insider Trading Code

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

III. AUDIT COMMITTEE

Constitution of Audit Committee: -

The Audit Committee of the Board of Directors is entrusted with the responsibility to supervise the internal control and financial reporting process. The composition, quorum, powers, role and scope of the Committee are in accordance with Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. All the members of the Audit Committee are financially literate and

bring in expertise in the field of Finance, Taxation, Economics and Risk Management.

The Audit Committee comprises the following members:

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

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

The terms of reference of the Audit Committee includes:

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

Meetings of the Audit Committee: -

During the year ended March 31, 2020, four (4) Audit Committee meetings were held on May 4, 2019, July 24, 2019, October 22, 2019 and January 28, 2020. The attendance of each Audit Committee member is given hereunder: -

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

Attendees: -

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

IV. NOMINATION AND REMUNERATION COMMITTEE

Composition of Committee:-

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

The Nomination and Remuneration Committee comprises of the following members:

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

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

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

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



- To carry out evaluation of the performance of Directors, as well as Key Managerial and Senior Management Personnel.
- To provide them reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.
- To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.
- To device policy on diversity of Board of Directors.
- To determine whether to extend or continue the term of appointment of the independent director on the basis of the report of performance evaluation of independent director.
- To recommend to the board all remuneration, in whatever form, payable to senior management.

Meetings of the Nomination and Remuneration Committee:

During the year ended March 31, 2020 one (1) Nomination and Remuneration Committee meeting was held on May 4, 2019. The attendance of Nomination and Remuneration Committee meeting is given hereunder:-

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

Performance Evaluation:-

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out the annual performance evaluation of individual directors as well as the evaluation of the working of the Board and Committees in accordance with the performance evaluation policy. A structured questionnaire was prepared after circulating the draft forms, covering various aspects of the Board's functioning such as composition of the Board and Committees, experience and competencies, performance of specific duties and obligations, governance issues, etc.

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

CORPORATE GOVERNANCE REPORT (CONTD.)

V. REMUNERATION OF DIRECTORS

Remuneration Policy for Executive Directors:-

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

The remuneration of the Executive Directors is governed by the Articles of Association of the company, the resolution of the Board of Directors and the members. The details of the remuneration paid to the Executive Directors have been detailed hereafter.

Revisions, if any in the remuneration of the Executive Directors are deliberated by the Nomination and Remuneration Committee of the Board. Based on the recommendation of the Nomination and Remuneration Committee, the Board decides on the revision subject to the shareholders approval.

Remuneration Policy for Non-Executive Directors:-

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

Details of sitting fees, remuneration etc. paid to Directors for the year ended March 31, 2020.

Name of the Directors	Sitting Fees	Salary	Contribution to PF and Perquisites	Retiral benefits/ Bonuses/ Commission payable/ performance linked incentive/ pension/ Stock options granted	Total
Mr. Kewalchand P. Jain	Nil	₹ 75,00,000	₹ 4,89,600	Nil	₹ 79,89,600
Mr. Hemant P. Jain	Nil	₹ 75,00,000	₹ 4,89,600	Nil	₹ 79,89,600
Mr. Dinesh P. Jain	Nil	₹ 75,00,000	₹ 4,89,600	Nil	₹ 79,89,600
Mr. Vikas P. Jain	Nil	₹ 75,00,000	₹ 4,89,600	Nil	₹ 79,89,600
Mr. Yogesh A. Thar	₹ 7,80,000	Nil	Nil	Nil	₹ 7,80,000
Dr. Prakash A. Mody	₹ 1,60,000	Nil	Nil	Nil	₹ 1,60,000
Mr. Nimish G. Pandya	₹ 8,40,000	Nil	Nil	Nil	₹ 8,40,000
Ms. Drushti R. Desai	₹ 7,80,000	Nil	Nil	Nil	₹ 7,80,000

VI. STAKEHOLDERS RELATIONSHIP AND SHAREHOLDER/INVESTOR GRIEVANCE COMMITTEE

Composition of Committee:-

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

add substantial value to the deliberations of the Board and its Committee.

All pecuniary relationship or transactions of the non-executive directors vis-à-vis the listed entity

During the year under review payments to Pandya & Co., Advocates, where Nimish G. Pandya is a Proprietor, amounted to ₹ 3,25,000/- for legal services.

Criteria of making payment to Non-Executive Directors:-

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

Service contracts, notice period and severance fee:-

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

There is no provision for severance fees.

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

Name of the Director	Membership
Mr. Nimish G. Pandya, Non Executive- Independent Director	Chairman and Member
Mr. Kewalchand P. Jain, Chairman & Managing Director	Member
Mr. Hemant P. Jain, Whole-time Director	Member

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

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

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

During the year ended March 31, 2020 two Stakeholders Relationship and Shareholder/ Investor Grievance Committee meeting were held on October 22, 2019 and January 28, 2020. The attendance of Shareholder/ Investor Grievance Committee member is given hereunder: -

Name of the Stakeholders Relationship and Shareholder/ Investor Grievance Committee Member	No. of meetings attended
Mr. Nimish G. Pandya	2 of 2
Mr. Kewalchand P. Jain	1 of 2
Mr. Hemant P. Jain	2 of 2

Status report of the complaints received and resolved to the satisfaction of the shareholders/ investors during the year ended March 31, 2020.

No. of complaints received	-	3
No. of complaints resolved	-	3
No. of complaints pending	-	0

Name and Designation of the Compliance Officer:-

Mr. Abhijit B. Warange - Vice President - Legal & Company Secretary, who is the Compliance Officer, can be contacted at, Kewal Kiran Estate, 460/7, I.B. Patel Road, Goregaon (East), Mumbai - 400063

Tel: 022-26814400, Fax: 02226814410

E-mail: grievanceredressal@kewalkiran.com

VII. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Composition of Committee:-

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

Corporate Social Responsibility Committee comprises of the following members:

Name of the Director	Membership
Mr. Nimish G. Pandya, Non Executive-Independent Director	Chairman and Member
Mr. Kewalchand P. Jain, Chairman & Managing Director	Member
Mr. Hemant P. Jain, Whole-time Director	Member

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

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

1. To review the existing CSR policy and to make it more comprehensive so as to indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013
2. To provide guidance on various CSR activities to be undertaken by the Company and to monitor process
3. To recommend the amount of expenditure to be incurred on the activities as specified in Schedule VII of the Companies Act, 2013
4. Monitor the Corporate Social Responsibility Policy of the company from time to time.

Meetings of the Corporate Social Responsibility Committee:-

During the year ended March 31, 2020, one (1) Corporate Social Responsibility Committee meeting was held on May 4, 2019. The attendance of Corporate Social Responsibility Committee meeting is given hereunder:

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

The policy on CSR as approved by the Board of Directors has been uploaded on the website of the Company. The web-link to the CSR Policy is <https://kewalkiran.com>

VIII. RISK MANAGEMENT COMMITTEE

Composition of Committee:-

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

Risk Management Committee comprises of the following members:

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

* Dr. Sanjeev Chauhan ceased to be the Member and Secretary of the Risk Management Committee with effect from October 25, 2019

CORPORATE GOVERNANCE REPORT (CONTD.)

Risk Management Policy:-

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

Role and Responsibilities of the Committee includes the following:-

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

Meetings of the Risk Management Committee:-

During the year ended March 31, 2020, Two (2) Risk Management Committee meetings were held on July 9, 2019 and October 15, 2019. The attendance of Risk Management Committee meeting is given hereunder:

Name of the Risk Management Committee Member	No. of meetings attended
Mr. Kewalchand P. Jain	2 of 2
Mr. Hemant P. Jain	2 of 2
Mr. Nimish G. Pandya	2 of 2
Mr. Abhijit B. Warange	2 of 2
Mr. Bhavin Sheth	2 of 2
Mr. Sanjeev Chauhan	2 of 2

IX. INVESTMENT COMMITTEE

Composition of Committee:-

The Investment Committee comprises of the following members:

Name of the Director	Membership
Mr. Kewalchand P. Jain, Chairman & Managing Director	Chairman
Mr. Hemant P. Jain, Whole-time Director	Member
Mr. Dinesh P. Jain, Whole-time Director	Member
Mr. Vikas P. Jain, Whole-time Director	Member

The Investment Committee is responsible for investing idle funds of the Company not immediately required for the business of the

company and to monitor the investments made for the benefit of the Company.

No meeting of the Investment Committee was held during the year ended March 31, 2020

X. BORROWING COMMITTEE

Composition of Committee:-

The Borrowing Committee comprises of the following members:

Name of the Director	Membership
Mr. Kewalchand P. Jain, Chairman & Managing Director	Chairman
Mr. Hemant P. Jain, Whole-time Director	Member
Mr. Dinesh P. Jain, Whole-time Director	Member
Mr. Vikas P. Jain, Whole-time Director	Member

Role and Responsibilities of the Committee includes the following:-

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

Meetings of the Borrowing Committee:-

During the year ended March 31, 2020 three (3) Borrowing Committee meetings were held on May 22, 2019, November 11, 2019 and November 28, 2019. The attendance of Borrowing Committee meeting is given hereunder:

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

XI. SHARE TRANSFER COMMITTEE

Composition of Committee:-

The Share Transfer Committee comprises of the following members:

Name of the Director	Membership
Mr. Kewalchand P. Jain, Chairman & Managing Director	Chairman
Mr. Nimish G. Pandya, Independent Director	Member
Mr. Yogesh A. Thar, Independent Director	Member

Role and Responsibilities of the Committee includes the following:-

The Committee is responsible for considering the process of transferring existing shares from one person to another; either by sale or gift. This

committee deal with how to transfer existing shares within the company.

Meetings of the Share Transfer Committee:-

During the year ended March 31, 2020 one (1) Share Transfer Committee meeting was held on October 15, 2019. The attendance of Share Transfer Committee meeting is given hereunder:

Name of the Share Transfer Committee Member	No. of meetings attended
Mr. Kewalchand P. Jain	0 of 1
Mr. Nimish G. Pandya	1 of 1
Mr. Yogesh A. Thar	1 of 1

XII. INDEPENDENT DIRECTORS MEETING

During the year under review, the Independent Directors met on March 16, 2020 inter alia, to discuss:

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

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

XIII. GENERAL BODY MEETINGS

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

Financial Year	Day & Date	Time	Venue
2016-17	Thursday, September 7, 2017	12.00 noon	M. C. Ghia Hall, Bhogilal Hargovindas Building, 4th floor, 18/20, Kaikhushru Dubash Marg (Behind Prince of Wales Museum), Mumbai - 400 001
2017-18	Tuesday, September 4, 2018	12.00 noon	M. C. Ghia Hall, Bhogilal Hargovindas Building, 4th floor, 18/20, Kaikhushru Dubash Marg (Behind Prince of Wales Museum), Mumbai - 400 001
2018-19	Wednesday, September 18, 2019	12.00 noon	M. C. Ghia Hall, Bhogilal Hargovindas Building, 4th floor, 18/20, Kaikhushru Dubash Marg (Behind Prince of Wales Museum), Mumbai - 400 001

Special Resolutions passed in previous three Annual General Meetings:

26th Annual General Meeting: At this meeting there were no Special Resolutions passed by the members of the Company.

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

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

- Re-appointment of Mr. Nimish G. Pandya, Independent Non-Executive Director of the Company not be liable to retire by rotation to hold office for a second term of 5 (five) consecutive years
- Re-appointment of Dr. Prakash A. Mody, Independent Non-Executive Director of the Company not be liable to retire by rotation to hold office for a second term of 5 (five) consecutive years
- Re-appointment of Mr. Yogesh A. Thar, Independent Non-Executive Director of the Company not be liable to retire by rotation to hold office for a second term of 5 (five) consecutive years

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

CORPORATE GOVERNANCE REPORT (CONTD.)

Special Resolutions whether passed by Postal Ballot:-

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

XIV. MEANS OF COMMUNICATION

The Quarterly, Half Yearly and Annual Financial Results of the company are published in the leading newspaper in India which include The Economic Times, Business Standard, Mint, The Free Press Journal, Lokmat and Navshakti. The financial results and other information are displayed on the company's website viz. www.kewalkiran.com. The company also displays official news releases on its website for the information of its shareholders/investors. Even presentations made to institutional investors have been hosted on the website of the company.

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

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

XV. GENERAL SHAREHOLDERS' INFORMATION

a) Annual General Meeting:

Day, Date and Time : Tuesday,
September 15, 2020 at 12.00 Noon

Mode : Video Conference
and other
audio visual mode

b) Financial Year

: April 1, 2019
to March 31, 2020

c) Dates of Book Closure:

Wednesday, September 9, 2020 to Tuesday
September 15, 2020 (both days inclusive)
Dividend if declared by the shareholders
will be made payable on or after
September 21, 2020.

d) Listing on Stock Exchanges:

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

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

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

Note:

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

e) Stock Code/Symbol:

The BSE Limited : 532732

The National Stock
Exchange of India Ltd : KKCL

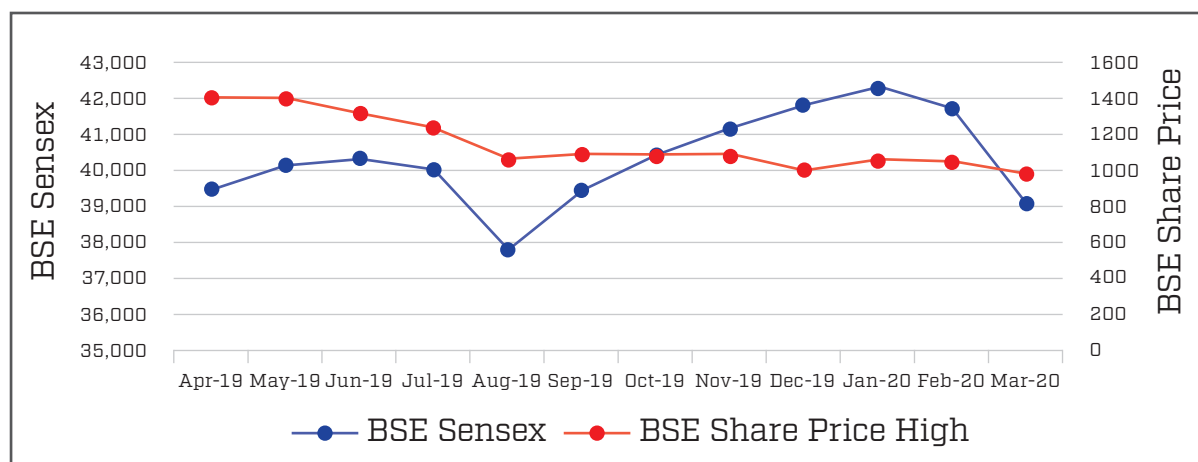
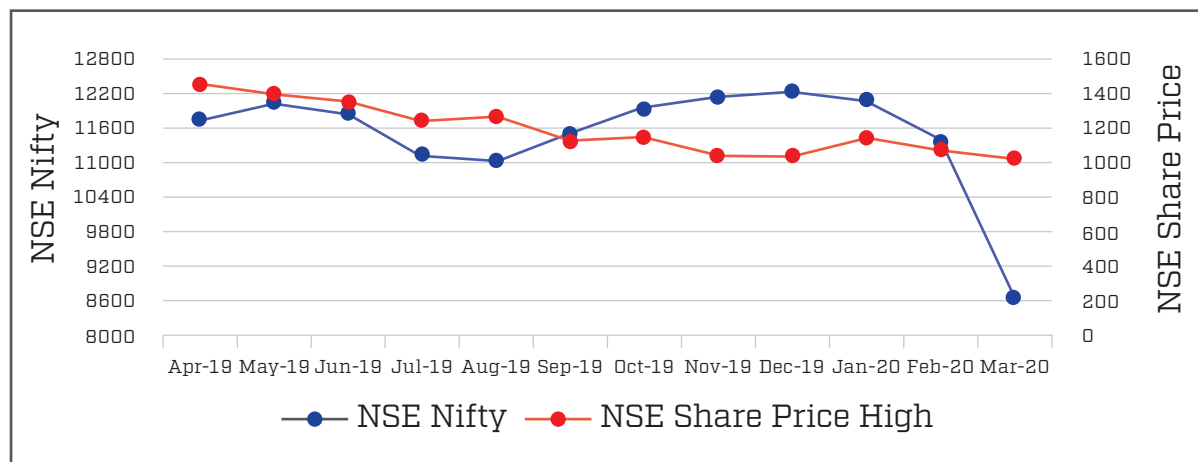
ISIN No. : INE401H01017



f) Market Price Data:

The monthly high and low quotations of the company's shares traded on the BSE Limited and the National Stock Exchange of India Limited during the financial year 2019-2020 are as under:

Months	BSE		NSE	
	High [₹ Per share]	Low [₹ Per share]	High [₹ Per share]	Low [₹ Per share]
April 19	1,400.00	1,241.00	1,400.00	1,233.85
May 19	1,397.00	1,236.05	1,343.00	1,209.95
June 19	1,314.00	1,110.00	1,299.00	1,025.90
July 19	1,231.00	995.00	1,199.00	981.05
August 19	1,053.85	925.00	1,220.00	905.25
September 19	1,088.00	951.00	1,085.60	943.60
October 19	1,076.45	953.00	1,100.00	921.00
November 19	1,078.00	933.15	1,000.00	935.05
December 19	1,000.00	921.10	1,000.00	931.00
January 20	1,050.00	972.05	1,099.00	960.00
February 20	1,044.70	900.00	1,033.00	905.60
March 20	977.60	572.20	983.45	566.20

g) Performance in comparison to broad based indices:

CORPORATE GOVERNANCE REPORT (CONTD.)

h) Suspension of securities from trading - Not Applicable

i) Registrar & Share Transfer Agents:

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

j) Share Transfer System:

Share transfers are processed and share certificates duly endorsed are delivered within

a period of fifteen days from the date of receipt, subject to documents being valid and complete in all respects. The Board has delegated the authority for approving transfer, transmission, etc. of the Company's securities to the Managing Director and/or Company Secretary. A summary of transfer/transmission of securities of the Company so approved by the Managing Director/Company Secretary is placed at every Board meeting / Share Transfer Committee meeting. The Company obtains from a Company Secretary in Practice half-yearly certificate of compliance with the share transfer formalities as required under Regulation 40(9) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and files a copy of the said certificates with stock exchange(s).

k) Distribution Pattern of shareholding as on March 31, 2020:

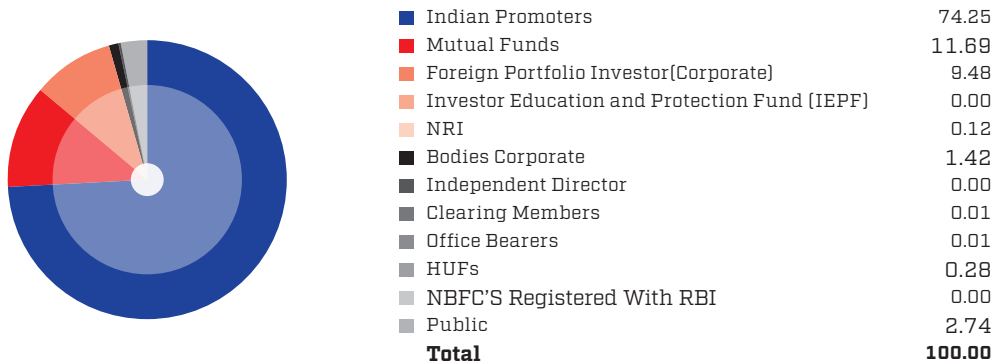
No of equity shares	Number of shareholders	% of shareholders	Number of shares held	% of shareholding
1-500	5146	97.68	174166	1.41
501-1000	39	0.74	30158	0.24
1001-2000	20	0.38	30579	0.25
2001-3000	7	0.13	16795	0.14
3001-4000	1	0.02	3199	0.03
4001-5000	4	0.08	17565	0.14
5001-10000	15	0.29	98182	0.79
10001 & above	36	0.68	11954393	97.00
Total	5268	100	12325037	100

Shareholding Pattern as on March 31, 2020:

Category	No. of Shares	% to total
Indian Promoters	9151473	74.25
Mutual Funds	1440760	11.69
Foreign Portfolio Investor(Corporate)	1168367	9.48
Investor Education and Protection Fund (IEPF)	403	0.00
NRI	15208	0.12
Bodies Corporate	174858	1.42
Independent Director	336	0.00
Clearing Members	461	0.01
Office Bearers	640	0.01
HUFs	33990	0.28
NBFC'S Registered With RBI	22	0.00
Public	338519	2.74
Total	12325037	100.00



Shareholding Pattern graph as on March 31, 2020:



l) Dematerialisation of Equity Shares:

The shares of the company are compulsorily traded in dematerialised form and are available for trading under both the Depository Systems – NSDL (National Securities Depository Limited) and CDSL (Central Depository Services (India) Limited). 99.99% of total equity shares of the company are held in dematerialised form with NSDL & CDSL as on March 31, 2020.

Liquidity:-

Kewal Kiran Clothing Limited's shares are actively traded on BSE Limited and The National Stock Exchange of India Limited.

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

The company has not issued any GDRS/ADRS/Warrants or any Convertible Instruments.

n) Commodity price risk or foreign exchange risk and hedging activities:

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

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

o) Plant Locations:

Vapi

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

Daman

697/3/5/5A/8/9/13, Near Maharani Estate,
Somnath Road, Dabhel
Daman: 396 210

Mumbai

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

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

p) Address for Investor Correspondence:

Shareholding related queries

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

General Correspondence

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

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

CORPORATE GOVERNANCE REPORT (CONTD.)

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

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

XVI OTHER DISCLOSURES

- a. The Register of Contracts containing the transactions in which Directors are interested is placed before the Board regularly for its approval. There are no materially significant Related Party Transactions which have potential conflict with the interest of the company at large. Transactions with related parties are disclosed separately in note no. 2.41 to the financial statements.
- b. No penalties or strictures have been imposed on the company by the Stock Exchanges or SEBI or any other Statutory Authority on any matter related to capital market during the last three years.
- c. The Company has adopted the Vigil Mechanism/ Whistle Blower Policy pursuant to Section 177(9) of the Companies Act, 2013 and Regulation 22 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 under which the Directors and employees can report to the management about the unethical behavior, fraud or violation of Company's Code of Conduct. The mechanism provides for adequate safeguards against victimisation of employees and Directors who use such mechanism and makes provision for direct access to the Chairman of the Audit Committee in exceptional cases. The Board hereby confirms that no personnel have been denied access to the Audit Committee.
- d. The company has complied with all the mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Adoption of non mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is reviewed by the Board from time to time. Half yearly declaration of financial performance including summary of the significant events in last six months were sent to shareholders.
- e. The company does not have any subsidiaries so the web link of policy for determining 'material' subsidiaries is not given.
- f. The Company has adopted a Related Party Transaction policy, as recommended by the audit Committee pursuant to Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The policy on Related Party transactions as approved by the Board of Directors has been uploaded on the website of the Company. The web-link to the Related Party Policy is <https://kewalkiran.com>
- g. Disclosure of commodity price risks and commodity hedging activities - Your Company is not having much exposure to foreign exchange and there is a natural hedging partly available in terms of exports made by the company.
- h. The Company did not raise any funds through preferential allotment or qualified institutions placement during the year under review.
- i. None of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority. A Certificate from practicing company secretary, U.P. Jain & Co. to that effect is annexed to this Report.
- j. In the preparation of the financial statement, the Company has followed the Accounting Standard referred to in Section 133 of the Companies Act 2013. The significant accounting policies which are consistently applied are set out in the notes to the financial statements. The board had accepted all recommendations of committees of the board which were mandatorily required, in the relevant financial year.
- k. Total fees for all services paid by the company, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part is - ₹ 28,77,000/- (Excluding TDS).
- l. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:
 - a. Number of complaints filed during the financial year - 0

- b. Number of complaints disposed of during the financial year - 0
- c. Number of complaints pending as on end of the financial year - 0

In terms of Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 Mr. Kewalchand P. Jain, Chairman & Managing Director and Mr. Bhavin Sheth, Chief Financial Officer have furnished certificate to the Board in the prescribed format for the year ended March 31, 2020.

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

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



CORPORATE GOVERNANCE REPORT (CONTD.)

ANNEXURE TO CORPORATE GOVERNANCE

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,

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

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

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal (www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2020 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1	PRAKASH AMRUT MODY	00001285	14/11/2005
2	KEWALCHAND PUKHRAJ JAIN	00029730	1/4/2010
3	HEMANT PUKHRAJ JAIN	00029822	1/4/2010
4	VIKAS PUKHRAJ JAIN	00029901	1/4/2010
5	DRUSHTI RAHUL DESAI	00294249	23/7/2014
6	NIMISH GULABRAI PANDYA	00326966	14/11/2005
7	DINESH PUKHRAJ JAIN	00327277	1/4/2010
8	YOGESH ARVIND THAR	02687466	13/2/2013

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

For **U. P. JAIN & CO.**
Company Secretaries

[Ummedmal P. Jain]
Proprietor

Place: Mumbai
Date: July 29, 2020

FCS: 3735 COP: 2235
ICSI UDIN: F003735B000520581

ANNEXURE TO CORPORATE GOVERNANCE

[A] DETAILS OF OTHER DIRECTORSHIPS AND COMMITTEE MEMBERSHIPS OF ALL DIRECTORS**[1] BODIES CORPORATE OF WHICH MR. KEWALCHAND P. JAIN IS A CHAIRMAN/DIRECTOR**

Name of the Company	Board Position Held
Enlighten Lifestyle Limited	Chairman
Kewal Kiran Management Consultancy Limited	Chairman
Kewal Kiran Media and Communication Limited	Chairman
Kewal Kiran Realtors and Infrastructures Private Limited	Chairman
Kewal Kiran Finance Private Limited	Chairman
White Knitwears Private Limited	Director
Lord Gautam Charitable Foundation	Chairman
Porwal Jain Foundation	Director

COMMITTEE MEMBERSHIPS

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

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

Name of the Company	Board Position Held
Enlighten Lifestyle Limited	Director
Kewal Kiran Management Consultancy Limited	Director
Kewal Kiran Media and Communication Limited	Director
Kewal Kiran Realtors and Infrastructures Private Limited	Director
Kewal Kiran Finance Private Limited	Director
White Knitwears Private Limited	Director
Lord Gautam Charitable Foundation	Director

COMMITTEE MEMBERSHIPS

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

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

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

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

Name of the Company	Board Position Held
Enlighten Lifestyle Limited	Director
Kewal Kiran Management Consultancy Limited	Director
Kewal Kiran Media and Communication Limited	Director
Kewal Kiran Realtors and Infrastructures Private Limited	Director
Kewal Kiran Finance Private Limited	Director
Lord Gautam Charitable Foundation	Director

CORPORATE GOVERNANCE REPORT (CONTD.)

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

Name of the Company	Board Position Held
NIL	NIL

COMMITTEE MEMBERSHIPS

Name of the Company	Name of the Committee	Position Held
Kewal Kiran Clothing Limited	Audit Committee	Chairman

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

Name of the Company	Board Position Held
Unichem Laboratories Limited	Chairman & Managing Director
Unichem Pharmaceuticals (USA) Inc.	Director

COMMITTEE MEMBERSHIPS:

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

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

Name of the Company	Board Position Held
Litus Technologies Private Limited	Director

COMMITTEE MEMBERSHIPS

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

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

Name of the Company	Board Position Held
Chemfab Alkalis Limited (Formerly known as Teamec Chlorates Limited)	Director
Narmada Gelatines Limited	Director
Kruti Finance and Holdings Private Limited	Director

COMMITTEE MEMBERSHIPS

Name of the Company	Name of the Committee	Position Held
Kewal Kiran Clothing Limited	Audit Committee	Member
Narmada Gelatines Limited	Audit Committee	Member
Chemfab Alkalis Limited (Formerly known as Teamec Chlorates Limited)	Audit Committee	Member
Chemfab Alkalis Limited (Formerly known as Teamec Chlorates Limited)	Stakeholder Relationship Committee	Chairman

-X-X-

AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

Certificate No.: 0729/2020/HeRa

To the Members of
Kewal Kiran Clothing Limited

We have examined the compliance of conditions of Corporate Governance by **Kewal Kiran Clothing Limited** (the 'Company'), for the year ended March 31, 2020, as per the relevant provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

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

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

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.

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.

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.

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

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

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

Hasmukh Dedhia
Partner (F - 033494)
UDIN: 20033494AAAAHN9201

Place: Mumbai
Date: July 29, 2020

CERTIFICATE OF COMPLIANCE WITH THE CODE OF CONDUCT

I, Kewalchand P. Jain, Chairman & Managing Director of the company, hereby declare that the company has adopted a Code of Conduct for its Board Members and Senior Management and a code for Independent Directors, in terms of Regulation 17(5) of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 and the Board Members and Senior Management have affirmed compliance with the said Code of Conduct of board of directors and senior management.

For and on behalf of the Board

Place : Mumbai
Date : May 26, 2020

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





INDEPENDENT AUDITOR'S REPORT

To the Members of Kewal Kiran Clothing Limited

Report on the Audit of the Standalone Ind AS Financial Statements

Opinion

1. We have audited the accompanying Standalone Ind AS Financial Statements of **Kewal Kiran Clothing Limited** ('the Company'), which comprise the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Ind AS Financial Statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and its profit (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Emphasis of Matter

3. Attention is invited to Note No 2.55 to the Standalone Ind AS Financial Statements regarding the uncertainties arising out of the outbreak of COVID-19 pandemic and the assessment made by the management on its operations and financial reporting for the year ended March 31, 2020; such an assessment and the outcome of the pandemic, as made by the management, is dependent on the circumstances as they evolve in the subsequent periods. Our report is not modified in respect of this matter.

Key Audit Matters

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

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

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

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

Responsibility of Management for Standalone Ind AS Financial Statements

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

including the Accounting Standards specified under prescribed Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Ind AS Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. In preparing the Standalone Ind AS Financial Statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

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

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

Other Matters

8. The entire audit finalisation process was carried from remote locations i.e. other than the office of the Company where books of account and other records are kept, based on data/details or financial information provided to us through digital medium, owing to complete lockdown imposed by the Central Government to restrict the spread of COVID-19. Thus, our attendance, inter alia, at the physical inventory verification done by the management was impracticable under the circumstances. Being constrained, we resorted to and relied upon the results of the related alternate audit procedures to obtain sufficient and appropriate audit evidence for the significant matters in course of our audit. Our report is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

9. As required by the Companies (Auditor's Report) Order, 2016 ('the Order'), issued by the Central Government of India in terms of sub-Section (11) of Section 143 of the Act, we give in the Annexure 2, a statement on the matters specified in paragraphs 3 and 4 of the Order.
10. As required by Section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the aforesaid Standalone Ind AS Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 3 of the Companies (Accounting Standards) Rules, 2015.

INDEPENDENT AUDITOR'S REPORT (CONTD.)

- e. On the basis of the written representations received from the directors as on March 31, 2020, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure 3.
- g. In terms of provisions of Section 197(16) of the Act, as per the information and explanations given, we report that the managerial remuneration paid by the Company to its Directors is in accordance with provisions of Section 197 of the Act.
- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us, we report as under:
 - (i) The Company has disclosed the impact of pending litigations on the financials position in its Standalone Ind AS Financial Statements. Refer Note no. 2.45 to the Standalone Ind AS Financial Statements;
 - (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - (iii) There has been no delay in transferring amounts, required to be transferred to the Investor Education and Protection Fund by the Company.

For **Khimji Kunverji & Co LLP**
[Formerly Khimji Kunverji & Co]
Chartered Accountants
Firm's Registration No.: 105146W / W-100621

Hasmukh B. Dedhia
Partner
Membership No.: 033494
ICAI UDIN : 20033494AAAAEH1732

Place : Mumbai
Date : May 26, 2020

ANNEXURE 1 TO THE INDEPENDENT AUDITORS' REPORT

to the members of Kewal Kiran Clothing Limited

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

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

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

ANNEXURE 2 TO THE INDEPENDENT AUDITORS' REPORT

to the members of Kewal Kiran Clothing Limited

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

- i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) As informed to us, fixed assets were physically verified by the Management at regular intervals. In our opinion, the frequency of physical verification is reasonable having regard to the size of the Company and nature of its business; according to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- ii. The Inventories (other than lying with the third parties) have been physically verified during the year by the management. In our opinion, the frequency of such verification is reasonable. As informed, the discrepancies noticed on verification between the physical stocks and the book records were not material. In respect of inventories lying with the third parties, confirmations have been obtained by the company from such third parties and discrepancies therein were not material.
- iii. The Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Act. Therefore, the requirement of clause (iii)(a), (iii)(b) and (iii)(c) of paragraph 3 of the Order are not applicable to the company.
- iv. In our opinion and according to the information and explanations given to us, the Company has not granted any loans, or provided any guarantees or securities covered under Section 185 and 186 of the Act and in respect of Investments made by company, provisions of Section 186 of the Act have been complied with.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public during the year in terms of the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.
- vi. The maintenance of cost records has not been specified by the Central Government under Section 148(1) of the Act for the business activities carried out by the Company. Thus, reporting under (vi) of the Order is not applicable.
- vii. In respect of Statutory dues:
 - (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including Provident Fund, Income-tax, Sales-tax, Service tax, Goods and Service Tax, Cess and other material statutory dues generally have been regularly deposited during the year by the Company with the appropriate authorities. There are no undisputed statutory dues payable in respect to the above statues, outstanding as at March 31, 2020 for a period of more than six months from the date they became payable.
 - (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no dues of Sales-tax, Service tax, Goods and Service Tax and Value added tax which have not been deposited as on March 31, 2020 on account of disputes except as under:

Nature of Statue	Nature of Dues	Period to which the Amount Relates [Assessment Year]	Forum where Dispute is Pending	Amount Unpaid/ [refund] ₹
Income Tax, 1961*	Income Tax and Interest	2005 - 6	Bombay HC [appeal filed by the department]	68,94,194
Income Tax, 1961**	Income Tax and Interest	2011 - 12	Appeal Partially Allowed. Pending for order giving effects to ITAT order	8,85,510
Income Tax, 1961	Income Tax and Interest	2011 - 12	CIT [A]	10,75,480
Income Tax, 1961	Income Tax and Interest	2012 - 13	Appeal Partially Allowed. Pending for order giving effects to ITAT order	6,89,290

Nature of Statute	Nature of Dues	Period to which the Amount Relates [Assessment Year]	Forum where Dispute is Pending	Amount Unpaid/ [refund] ₹
Income Tax, 1961	Income Tax and Interest	2012 - 13	CIT (A)	13,47,960
Income Tax, 1961**	Income Tax and Interest	2013 - 14	CIT (A) - Appeal Partially Allowed. Pending for order giving effects by AO	(7,79,065)
Income Tax, 1961	Income Tax and Interest	2014 - 15	CIT (A)	5,01,770

[*] Adjusted against the refund of assessment year 2007-08

[**] Adjusted against the refund of assessment year 2013-14

- viii. In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to banks and dues to debenture holders. The Company has not taken loans or borrowings from government and financial institutions.
- ix. In our opinion and according to the information and explanations given to us, Company did not raise any money by way of initial public offer (including debt instruments) and loans. Hence, clause (ix) of paragraph 3 of the Order is not applicable.
- x. According to the information and explanations given to us, no 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 give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, reporting under clause (xii) of the Order is not applicable.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the Standalone Ind AS Financial Statements as required under applicable Indian Accounting Standards (Ind AS).
- xiv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, reporting under clause (xiv) of the Order is not applicable to the Company.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, reporting under clause (xv) of the Order is not applicable to the Company.
- xvi. In our opinion, The Company is not required to be registered under Section 45IA of the Reserve Bank of India Act, 1934

For **Khimji Kunverji & Co LLP**
 (Formerly Khimji Kunverji & Co)
 Chartered Accountants
 Firm's Registration No.: 105146W / W-100621

Hasmukh B. Dedhia
 Partner
 Membership No.: 033494
 ICAI UDIN : 20033494AAAAEH1732

Place : Mumbai
 Date : May 26, 2020

ANNEXURE 3 TO THE INDEPENDENT AUDITORS' REPORT

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

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

We have audited the internal financial controls over financial reporting of Kewal Kiran Clothing Limited ('the Company') as at March 31, 2020 in conjunction with our audit of the Standalone Ind AS Financial Statements of the Company for the year ended on that date.

Opinion

In our opinion considering the nature and size of the operations, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

- (a) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company.
- (b) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Standalone Ind AS Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

For **Khimji Kunverji & Co LLP**

(Formerly Khimji Kunverji & Co)

Chartered Accountants

Firm's Registration No.: 105146W / W-100621

Hasmukh B. Dedhia

Partner

Membership No.: 033494

ICAI UDIN : 20033494AAAAEH1732

Place : Mumbai

Date : May 26, 2020

STANDALONE BALANCE SHEET

as at March 31, 2020

Corporate Identification Number: L18101MH1992PLC065136

(Amount ₹ in Lakh)

Particulars	Note	As at	As at
		March 31, 2020	March 31, 2019
		Audited	Audited
ASSETS			
1] Non-Current Assets			
a) Property, Plant and Equipment	2.1	7,537.00	7,693.91
b) Capital Work in Progress	2.1	286.00	224.16
c) Right of use Asset	2.1	557.33	204.05
d) Investment Property	2.1.1	134.23	142.84
e) Other Intangible Assets	2.1	29.83	194.18
f) Intangible Assets under Development		-	-
g) Financial Assets			
i) Investments	2.2	5,844.75	14,490.55
ii) Loans		-	-
iii) Other Financial Assets	2.3	248.16	311.15
h) Deferred Tax Assets(Net)		-	-
i) Other Non-Current Assets	2.4	436.95	111.09
		15,074.25	23,371.93
2] Current Assets			
a) Inventories	2.5	9,003.34	8,310.25
b) Financial Assets			
i) Investments	2.6	13,674.21	9,081.10
ii) Trade Receivables	2.7	17,092.47	17,766.61
iii) Cash & Cash Equivalents	2.8	7,970.87	5,320.61
iv) Bank balances other than iii above	2.9	49.51	7.97
v) Loans		-	-
vi) Other Financial Assets	2.10	169.17	143.14
c) Current Tax Assets (Net)		-	-
d) Other Current Assets	2.11	659.09	569.56
		48,618.66	41,199.24
		63,692.91	64,571.17
TOTAL ASSETS			
EQUITY & LIABILITIES			
Equity			
a) Equity Share Capital	2.12	1,232.50	1,232.50
b) Other Equity	2.13	43,409.69	41,816.55
		44,642.19	43,049.05
Liabilities			
1] Non-Current Liabilities			
a) Financial Liabilities	2.13A	342.01	-
b) Provisions	2.14	6.50	6.50
c) Deferred Tax Liability	2.15	545.00	547.00
d) Other non - current liabilities	2.16	110.40	134.92
		1,003.91	688.42
2] Current Liabilities			
a) Financial Liabilities			
i) Borrowings	2.17	8,801.18	9,345.99
ii) Trade Payables			
- Due to Micro and Small Enterprises	2.18	100.01	176.38
- Due to Others		4,880.11	4,296.79
iii) Other financial liabilities	2.19	539.53	690.19
b) Other Current Liabilities	2.20	1,722.35	3,251.00
c) Provisions	2.21	2,003.63	3,073.35
d) Current Tax Liabilities (Net)	2.22	-	-
		18,046.81	20,833.70
		63,692.91	64,571.17
TOTAL EQUITY AND LIABILITIES			

Significant accounting policies and notes on accounts

1 & 2

The notes referred to above form integral part of Financial Statements

As per our Audit Report of even date

For and on behalf of

Khimji Kunverji & Co LLP

(Formerly Khimji Kunverji & Co)

Chartered Accountants

Registration No.:105146W/W100621

Hasmukh Dedhia

Partner

Membership No. : 33494

Place: Mumbai

Date: May 26, 2020

For and on behalf of the Board of Directors

of **Kewal Kiran Clothing Ltd**

Kewalchand P. Jain

Chairman & Managing Director

Din No : 00029730

Bhavini Sheth

Chief Financial Officer

Hemant P. Jain

Whole time Director

Din No : 00029822

Abhijit Warange

Company Secretary

STANDALONE STATEMENT OF PROFIT AND LOSS

for the year ended March 31, 2020

Corporate Identification Number: L18101MH1992PLC065136

(Amount ₹ in Lakh)

Particulars	Note	For the Year Ended	For the Year Ended
		March 31, 2020	March 31, 2019
		Audited	Audited
INCOME			
Revenue from Operations	2.23	52,967.01	50,288.58
Other Income	2.24	1,753.36	2,197.87
		54,720.37	52,486.45
EXPENDITURE			
Changes in inventories of Finished goods, Stock in trade and Work in progress	2.25	(943.23)	(3,008.70)
Cost of Material Consumed	2.26	19,473.35	19,362.97
Purchase of Trading Items: Lifestyle Accessories/ Products		2,776.09	2,862.26
Employee Benefit Expenses	2.27	7,145.18	7,511.53
Finance Cost	2.28	881.08	689.36
Depreciation/ Amortisation	2.1	823.40	806.15
Manufacturing and Operating Expenses	2.29	4,901.49	4,904.36
Administrative and Other Expenses	2.30	3,307.88	3,332.08
Selling and Distribution Expenses	2.31	6,796.20	4,090.22
		45,161.44	40,550.22
Net Profit Before Tax		9,558.93	11,936.23
Tax Expense			
Current Tax		2,256.52	3,806.79
Deferred Tax		(2.00)	87.00
[Excess]/Short Provision for Taxes of Earlier Years		-	10.75
Net Profit for the Period		7,304.41	8,031.69
Other Comprehensive Income (OCI)			
Items that will not be reclassified to Profit and Loss			
Effect [(gain) / loss] of measuring equity instruments at fair value through OCI		69.36	(42.24)
Remeasurement (gain) / loss on net defined benefit liability		(5.79)	19.41
Income tax relating to items that will not be reclassified to profit and loss		1.48	(6.79)
Total Comprehensive Income for the year		7,239.36	8,061.31
Earnings per Share - Basic and Diluted (Face Value of ₹ 10 each fully paid up)		59.26	65.17
Weighted Average Number of Shares used in computing Earnings per Share -Basic and Diluted		1,23,25,037	1,23,25,037

The notes referred to above form integral part of Financial Statements

As per our Audit Report of even date

For and on behalf of

Khimji Kunverji & Co LLP

[Formerly Khimji Kunverji & Co]

Chartered Accountants

Registration No.:105146W/W100621

Hasmukh Dedhia

Partner

Membership No. : 33494

Place: Mumbai

Date: May 26, 2020

For and on behalf of the Board of Directors

of **Kewal Kiran Clothing Ltd**

Kewalchand P. Jain

Chairman & Managing Director

Din No : 00029730

Bhavin Sheth

Chief Financial Officer

Hemant P. Jain

Whole time Director

Din No : 00029822

Abhijit Warange

Company Secretary

STANDALONE CASH FLOW STATEMENT

for the year ended March 31, 2020

Corporate Identification Number: L18101MH1992PLC065136

[Amount ₹ in Lakh]

Particulars	For the Year Ended March 31, 2020	For the Year Ended March 31, 2019
	Audited	Audited
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit Before Taxes as per Statement of Profit and Loss	9,558.93	11,936.23
Adjustments for:		
Depreciation/ Amortisation	814.80	797.39
(Gain)/Loss on Sale / discard of Property plant & equipment (Tangible Assets) (Net)	(10.67)	(10.86)
Depreciation on Investment Property	8.60	8.76
Effect of fair value measurement of investments	(1,547.53)	(2,006.50)
Sundry Balance (written back)/written off (Net)	7.01	(8.96)
Finance costs	871.14	612.75
Dividend Income	(6.75)	(4.10)
Provision/(Reversal of provision) for Doubtful Debts , Advances, Deposits and Investments	129.36	129.76
Provision/(Reversal of provision) for Contingencies	-	150.92
Provision/ (Reversal of Provision) of Exchange Rate Fluctuation (Net)	(37.36)	1.06
Interest Income	(25.70)	(29.06)
	202.90	(358.85)
	9,761.83	11,577.39
Changes in Current & Non-current Assets and Liabilities		
Trade Receivable and Other Assets	572.13	(5,926.47)
Inventories	(693.08)	(3,025.27)
Trade Payables, Liabilities and Provisions	(2,250.64)	1,138.94
	(2,371.59)	(7,812.79)
Net Cash Inflow from Operating Activities	7,390.24	3,764.60
Less: Income Tax paid (Net of Refund)	(2,296.43)	(3,801.60)
Net Cash Inflow/(outflow) from Operating Activities	(5,093.81)	(37.00)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property Plant & Equipment (including Capital Advances)	(1,424.81)	(1,241.04)
Sale of Property Plant & Equipment	308.68	82.88
Purchase of Investments	(259.00)	(3,451.33)
Redemption of Investments (net of taxes)	5,953.08	4,783.43
Bank Deposit offered as Security		(40.57)
Maturity of Bank Deposit offered as Security	1.25	88.85
Dividend Income	6.75	4.10
Interest received on Bank Deposits	8.48	57.92
Less : Income Tax Paid (refer note 1 below)	(2.12)	(5.79)
Net Cash inflow / (Outflow) from Investing Activities	4,592.32	278.44

STANDALONE CASH FLOW STATEMENT

for the year ended March 31, 2020

Corporate Identification Number: L18101MH1992PLC065136

(Amount ₹ in Lakh)

Particulars	For the Year Ended March 31, 2020	For the Year Ended March 31, 2019
	Audited	Audited
C. CASH FLOW FROM FINANCING ACTIVITIES		
Working Capital Demand Loan (Net)	(544.81)	4,516
Interest and Finance Charges	(800.78)	(616)
Payment of Lease liability	(46.00)	-
Payment of Dividend (Including Dividend Tax)	(5,644.38)	(4,975.40)
Net Cash Inflow/(Outflow) from Financing Activities	(7,035.97)	(1,075.09)
Net Increase/ (Decrease) in Cash & Cash Equivalents	2,650.16	(833.65)
CASH AND CASH EQUIVALENTS - OPENING (refer note 2.8)	5,320.61	6,154.29
	7,970.77	5,320.64
Effect of Exchange(Gain)/Loss on Cash and Cash Equivalents	0.10	0.03
CASH AND CASH EQUIVALENTS - CLOSING (refer note 2.8)	7,970.87	5,320.61

Significant accounting policies and notes on accounts

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

- The Aggregate Income Tax paid during the year is ₹ 2,429.00 Lakh (P.Y. ₹ 3,952.39Lakh).
- The amount of undrawn borrowing facilities that may be available for future operating activities and to settle capital commitments as on March 31, 2020 is ₹ 5,199.99 Lakh (P.Y. ₹ 1,654.01 Lakh).

As per our Audit Report of even date

For and on behalf of

Khimji Kunverji & Co LLP

(Formerly Khimji Kunverji & Co)

Chartered Accountants

Registration No.:105146W/W100621

For and on behalf of the Board of Directors

of **Kewal Kiran Clothing Ltd**

Hasmukh Dedhia

Partner

Membership No. : 33494

Kewalchand P. Jain

Chairman & Managing Director

Din No : 00029730

Hemant P. Jain

Whole time Director

Din No : 00029822

Place: Mumbai

Date: May 26, 2020

Bhavin Sheth

Chief Financial Officer

Abhijit Warange

Company Secretary

STATEMENT OF STANDALONE CHANGE IN EQUITY

for the year ended March 31, 2020

Corporate Identification Number: L18101MH1992PLC065136

A) EQUITY SHARE CAPITAL

(Amount ₹ in Lakh)

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

B) OTHER EQUITY

(Amount ₹ in Lakh)

	General Reserve	Retained Earning	Securities premium	Business Progressive fund (refer note below)	Equity Instruments through OCI	Total
Balance as at March 31, 2019 (III) = I+II	5,375.63	23,920.14	8,426.77	4,000.00	94.01	41,816.55
Profit for the year	-	7,304.41	-	-	-	7304.41
Items of OCI for the year, net of tax	-	-	-	-	-	-
Remeasurement of net defined benefit liability	-	4.31	-	-	-	4.31
Effect of measuring equity instruments at fair value through OCI	-	-	-	-	(69.36)	(69.36)
Total Comprehensive income from the year (2019-20) (I)	-	7,308.71	-	-	(69.36)	7,239.36
Dividends	-	(4,683.51)	-	-	-	(4,683.51)
Tax on dividends	-	(962.71)	-	-	-	(962.71)
Total (II)	-	(5,646.22)	-	-	-	(5,646.22)
Balance as at 31st Mar 2020 (III) = I+II	5,375.63	25,582.63	8,426.77	4,000.00	24.64	43,409.69

BUSINESS PROGRESSIVE FUND

* The Company has created "Business Progressive Fund" out of its profits to maintain normal growth in sluggish market conditions and support superior growth for long term. The said fund shall be for the purpose of launching & promoting new products, advertisement campaigns, promotional schemes and initial support to master stockiest and franchisees for development of retail business, reinforce existing channels of sales etc. The amount of fund is specifically earmarked and invested in liquid mutual funds or any other safe and highly liquid investments. The Company has made adequate provisions in accordance with Indian Accounting Standard (AS) -37 in normal course of business. INDAS-37 does not permit providing for expenses where present obligation does not exist or there is no fixed commitment.

Accordingly the Company has opted to create Business Progressive Fund. Further addition to the aforesaid fund shall be reviewed from time to time considering business environment and conditions and the income accrued from the fund. Any accretion to the investment shall be credited to Statement of Profit and Loss.

The notes referred to above form integral part of Financial Statements

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

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

Hasmukh Dedhia
Partner
Membership No. : 33494

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

Hemant P. Jain
Whole time Director
Din No : 00029822

Place: Mumbai
Date: May 26, 2020

Bhavin Sheth
Chief Financial Officer

Abhijit Warange
Company Secretary

STANDALONE NOTES

on Accounts for the year ended 31st March 2020

Corporate Identification Number: L18101MH1992PLC065136

(₹ in lakhs except as otherwise stated)

1. COMPANY OVERVIEW AND SIGNIFICANT ACCOUNTING POLICIES:

A. Corporate Information

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

B. Statement of Compliance and Basis of Preparation

(i) Compliance with Ind AS

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

(ii) Basis of Preparation and presentation

Basis of Preparation:

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

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

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

Functional and Presentation Currency:

The financial statements are presented in Indian Rupees and all values are rounded

to the nearest lakh (₹ 00,000), except otherwise indicated.

C. Summary of Significant Accounting Policies

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

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

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

- a) It is expected to be realised, or is intended to be sold or consumed, in the normal operating cycle; or
- b) It is held primarily for the purpose of trading; or
- c) It is expected to realise the asset within twelve months after the reporting period; or
- d) The asset is a cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

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

- a) It is expected to be settled in the normal operating cycle; or
- b) It is held primarily for the purpose of trading; or
- c) It is due to be settled within twelve months after the reporting period; or
- d) The Company does not have an unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could result in its settlement by the issue of equity instruments at the option of the counterparty does not affect this classification.

All other liabilities are classified as non-current.

1.2 Property, Plant and Equipment (PPE):

The initial cost of PPE comprises its purchase price, including import duties and non-refundable purchase taxes and any directly attributable costs of bringing an asset to

STANDALONE NOTES

on Accounts for the year ended 31st March 2020

Corporate Identification Number: L18101MH1992PLC065136

(₹ in lakhs except as otherwise stated)

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

If significant parts of an item of PPE have different useful lives, then they are accounted for as separate items (major components) of PPE. Material items such as spare parts, stand-by equipment and service equipment are classified as PPE when they meet the definition of PPE as specified in Ind AS 16 - Property, Plant and Equipment.

1.3 Expenditure during construction period:

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

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

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

1.4 Depreciation:

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

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

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

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

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

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

STANDALONE NOTES

on Accounts for the year ended 31st March 2020

Corporate Identification Number: L18101MH1992PLC065136

(₹ in lakhs except as otherwise stated)

- d) Depreciation methods, useful lives and residual values are reviewed at each financial year end and adjusted prospectively.
- e) Leasehold lands are amortised over the period of lease or useful life whichever is lower. Buildings constructed on leasehold land are depreciated over its useful life which matches with the useful life mentioned in Schedule II. In cases where building is having useful life greater than the period of lease (where the Company does not have right of renewal), the same is amortised over the lease period of land.

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

- e) Amortisation methods and useful lives are reviewed at each financial year end and adjusted prospectively.
- f) In case of assets purchased during the year, amortisation on such assets is calculated on pro-rata basis from the date of such addition.

1.5 Investment properties

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

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

1.6 Intangible Assets and Amortisation:

- a) Intangible assets are recognised only if it is probable that the future economic benefits attributable to asset will flow to the Company and the cost of asset can be measured reliably. Intangible assets are stated at cost of acquisition/development less accumulated amortisation and accumulated impairment loss if any.
- b) Cost of an intangible asset includes purchase price including non - refundable taxes and duties, borrowing cost directly attributable to the qualifying asset and any directly attributable expenditure on making the asset ready for its intended use.
- c) Intangible assets under development comprises of cost incurred on intangible assets under development that are not yet ready for their intended use as at the Balance Sheet date.
- d) Class of intangible assets and their estimated useful lives are as under:

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

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

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

1.8 Impairment of Non-Financial Assets:

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

Intangible assets with indefinite useful lives and intangible assets not yet available for use

STANDALONE NOTES

on Accounts for the year ended 31st March 2020

Corporate Identification Number: L18101MH1992PLC065136

(₹ in lakhs except as otherwise stated)

are tested for impairment at least annually and whenever there is an indication that the asset may be impaired.

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

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

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

1.9 Inventories:

The inventories (including traded goods) are valued at lower of cost and net realisable value after providing for cost of obsolescence wherever considered necessary. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

The cost comprises of costs of purchase, duties and taxes (other than those subsequently recoverable), conversion cost and other costs incurred in bringing the inventories

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

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

1.10 Borrowing Costs:

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

1.11 Provisions, Contingent Liabilities and Contingent Assets:

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

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

STANDALONE NOTES

on Accounts for the year ended 31st March 2020

Corporate Identification Number: L18101MH1992PLC065136

(₹ in lakhs except as otherwise stated)

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

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

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

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

1.12 Revenue Recognition:

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

- a) Sales of goods are recognised when significant risks and rewards of ownership of the goods have passed to the buyer that coincides with delivery and is measured at the fair value of consideration received or receivable taking net off the amount of goods and services tax (GST), sales tax, rebates, discounts and sales returns.
- b) Interest income is recognised on time proportion basis taking into account the amount outstanding and rate applicable.
- c) Dividend income on investment is accounted for in the period/year in which the right to receive the same is established.

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

e) Licensing revenue is recognised on accrual basis in accordance with the terms of the relevant agreements. Licensing income is recorded net of sales tax and service tax/GST

f) Power generation income is recognised on the basis of electrical units generated and sold in excess of captive consumption and recognised at prescribed rate as per agreement of sale of electricity by the Company. Further, value of electricity generated and captively consumed is netted off from the electricity expenses.

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

h) Rental income (net of taxes) on assets given under operating lease arrangements is recognised on a straight-line basis over the period of the lease unless the receipts are structured to increase in line with expected general inflation to compensate for the Company's expected inflationary cost increases.

1.13 Leases:

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

STANDALONE NOTES

on Accounts for the year ended 31st March 2020

Corporate Identification Number: L18101MH1992PLC065136

(₹ in lakhs except as otherwise stated)

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

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

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

The lease liability is initially measured at amortised cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

1.14 Employees' Benefits:

a) Short term employee benefits-

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

b) Post-employment benefits

i) Defined contribution plan

The defined contribution plan is post-employment benefit plan under which the Company contributes fixed contribution to a government administered fund and will have no obligation to pay further contribution. The Company's defined contribution plan comprises of Provident Fund, Employee State Insurance Scheme, Employee Pension Scheme, National Pension Scheme and Labour Welfare Fund. The Company's contribution to defined contribution plans are recognised in the Statement of Profit and Loss in the period in which employee renders the related service.

ii) Defined benefit plan

The Company's obligation towards gratuity liability is funded to an approved gratuity fund, which fully covers the said liability under Cash Accumulation Policy of Life Insurance Corporation of India (LIC). The present value of the defined benefit obligations is determined based on actuarial valuation using the projected unit credit method. The rate used to discount defined benefit obligation is determined by reference to market yields at the Balance Sheet date on Indian Government Bonds for the estimated term of obligations. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and fair value of plan assets. Re-measurement gains or losses arising from experience adjustments changes in actuarial assumptions is reflected immediately in the Balance Sheet with a charge or credit recognised in Other Comprehensive Income (OCI) in the period in which they occur. Re-measurement recognised in OCI is reflected immediately in retained earnings and will not be reclassified to Statement of Profit and Loss in the subsequent period.

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

1.15 Income Taxes:

- a) Tax expenses comprise of current tax, deferred tax charge or credit and adjustments of taxes for earlier years. In respect of amounts adjusted against securities premium or retained earnings or other reserves, the corresponding tax effect is also adjusted against the securities premium or retained earnings or other reserves, as the case may be, as per the announcement of Institute of Chartered Accountant of India.
- b) Current Tax is measured on the basis of estimated taxable income for the current accounting period in with the applicable tax rates and the provisions of the Income-tax Act, 1961 and other applicable tax laws.
- c) Deferred tax is provided, on all temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax assets and liabilities are measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted at the reporting date.

Tax relating to items recognised directly in equity or OCI is recognised in equity or OCI and not in the Statement of Profit and Loss. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets and they relate to income taxes levied by the same tax authority, but they intend to settle current tax liabilities and assets on a net basis or

their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable

1.16 Earnings per Share:

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

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

1.17 Foreign Currency Transactions:

- a) Transactions denominated in foreign currencies are recorded at the exchange rates prevailing on the date of the transaction.
- b) As at balance sheet date, foreign currency monetary items are translated at closing exchange rate. Foreign currency non-monetary items carried at fair value are translated at the rates prevailing at the date when the fair value was determined. Foreign currency non-monetary items measured in terms of historical cost are translated using the exchange rate as at the date of initial transactions.
- c) Exchange difference arising on settlement or translation of foreign currency monetary items are recognised as income or expense in the year in which they arise except to the extent exchange differences are regarded as an adjustment to interest cost on those foreign currency borrowings.

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1.18 Financial Instruments:

Financial assets and financial liabilities are recognised when a Company becomes a party to the contractual provisions of the instruments.

Measurement

At initial recognition, the Company measures a financial asset and financial liabilities at its fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss and ancillary costs related to borrowings) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in Statement of Profit and Loss.

Classification and Subsequent Measurement:

Financial Assets

The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income ("FVTOCI") or fair value through profit or loss ("FVTPL") on the basis of following:

- the entity's business model for managing the financial assets and
- the contractual cash flow characteristics of the financial asset.

Amortised Cost:

A financial asset shall be classified and measured at amortised cost if both of the following conditions are met:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Fair Value through OCI (FVTOCI):

A financial asset shall be classified and measured at FVTOCI if both of the following conditions are met:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Fair Value through Profit or Loss (FVTPL):

A financial asset shall be classified and measured at fair value through profit or loss unless it is measured at amortised cost or at FVTOCI.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Equity instruments:

The Company subsequently measures its specific equity investments other than investments in joint venture at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to the Statement of Profit and Loss. Dividends from such investments are recognised in the Statement of Profit and Loss as other income when the Company's right to receive payments is established.

Impairment of financial assets

The Company assesses on a forward-looking basis the expected credit losses associated with its assets. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables, the Company applies 'simplified approach' as specified under Ind AS 109, which requires expected lifetime losses to be recognised from initial recognition of the receivables. The application of simplified

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approach does not require the Company to track changes in credit risk. The Company calculates the expected credit losses on trade receivables using a provision matrix on the basis of its historical credit loss experience and is adjusted for forward looking estimates.

Derecognition of financial assets:

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset (other than specific equity instrument classified as FVTOCI) in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

On derecognition of a financial asset other than in its entirety (e.g. when the Company retains an option to repurchase part of a transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the

consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

Subsequent measurement: Financial Liabilities

All financial liabilities of the Company are subsequently measured at amortised cost using the effective interest method.

Under the effective interest method, the future cash payments are exactly discounted to the initial recognition value using the effective interest rate. The cumulative amortisation using the effective interest method of the difference between the initial recognition amount and the maturity amount is added to the initial recognition value (net of principal repayments, if any) of the financial liability over the relevant period of the financial liability to arrive at the amortised cost at each reporting date. The corresponding effect of the amortisation under effective interest method is recognised as interest expense over the relevant period of the financial liability. The same is included under finance cost in the Statement of Profit and Loss.

Derecognition of Financial Liabilities:

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the Derecognition of the original liability and the recognition of a new liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid is recognised in the Statement of Profit and Loss.

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1.19 Cash Flow Statement and Cash and Cash

Equivalents:

Cash and cash equivalents include cash in hand, bank balances, deposits with banks (other than on lien) and all short term highly liquid investments / mutual funds (with zero exit load at the time of investment) that are readily convertible into known amounts of cash and are subject to an insignificant risk of changes in value. Cash flows are reported using the indirect method, where by net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities are segregated.

1.20 Dividend distribution:

Final equity dividends on shares are recorded as a liability on the date of approval by the shareholders and interim equity dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

1.21 Segment Reporting:

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

reviewed by the company's Chief Operating Decision Maker ["CODM"].

1.22 Critical accounting judgements and key sources of estimation uncertainty:

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosures and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods

Critical judgements and estimates in applying accounting policies:

1] *Property, Plant and Equipment:*

Property, Plant and Equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life. The useful lives of the Company's assets are determined by the management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technical or commercial obsolescence arising from changes or improvements in production or from a change in market demand of the product or service output of the asset.

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2] Estimation of Defined benefit obligation:

The costs of providing post-employment benefits are charged to the Statement of Profit and Loss in accordance with Ind AS 19 'Employee benefits' over the period during which benefit is derived from the employees' services. The costs are assessed on the basis of assumptions selected by the management. These assumptions include salary escalation rate, discount rates, expected rate of return on assets and mortality rates. The same is disclosed in Note 2.40

3] Sales Returns:

The Company accounts for sales returns by recording an allowance for sales returns concurrent with the recognition of revenue at the time of a product sale. This allowance is based on the Company's estimate of expected sales returns. The Company deals in various products and operates in various markets. Accordingly, the estimate of sales returns is determined primarily by the Company's historical experience in the markets in which the Company operates.

4] Fair value measurement of Financial Instruments: Refer Note 2.50

5] Impairment

An impairment loss is recognised for the amount by which an asset's or cash-generating unit's carrying amount exceeds its recoverable amount to determine the recoverable amount, management estimates expected future cash flows from each asset or cash generating unit and determines a suitable interest rate in order to calculate the present value of those cash flows. In the process of measuring expected future cash flows, management makes assumptions about future operating results. These assumptions relate to future events and circumstances. The actual results may vary and may cause significant adjustments to the Company's assets. In most cases, determining the applicable discount rate involves estimating the appropriate adjustment to market risk and the appropriate adjustment to asset-specific risk factors.

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2.1 PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS :

Sr. No.	Description of the Block of Assets	GROSS BLOCK			DEPRECIATION / AMORTISATION			NET BLOCK	
		As at 1/4/2019	Additions	Deductions/ Discarded	As at 1/4/2019	Depreciation	Deductions/ Discarded	As at 31/3/2020	As at 31/3/2020
	Property Plant & Equipment (Tangible Assets)								
1	Free Hold Land	1,697.36	103.82	-	-	-	-	-	1,801.18
2	Building	3,862.22	496.27	260.83	355.61	151.90	3.28	504.23	3,593.43
3	Furniture & Fixtures	91.51	22.92	-	35.70	16.96	-	52.66	61.77
4	Plant and Machinery	2,815.67	106.64	55.88	811.08	304.73	15.55	1,100.26	1,766.17
5	Computer	187.09	19.94	0.42	138.27	40.81	0.42	178.66	27.95
6	Office Equipments	312.88	6.55	0.39	111.84	65.49	0.26	177.08	141.97
7	Vehicles	256.85	-	-	77.16	35.16	-	112.32	144.53
	Total of Property Plant & equipment (a)	9,223.57	756.16	317.52	1,529.66	615.05	19.51	2,125.20	7,537.00
	Intangible Assets (other than internally generated)								
1	Software (Acquired)	131.84	2.68	-	88.08	16.61	-	104.70	29.83
2	Trademark	300.00	-	-	149.57	150.43	-	300.00	-
	Total of Intangible Assets (e)	431.84	2.68	-	237.66	167.04	-	404.70	29.83
	Right of Use Assets								
1	Land	-	204.05	-	-	3.06	-	3.06	200.99
2	Building	-	366.00	-	-	29.66	-	29.66	356.34
	Total of Right of Use Assets (c)	-	590.05	-	-	32.72	-	32.72	557.33
	Total of Property, Plant and Equipment and Intangible Assets								
	Capital Work in Progress (CWIP)								
1	Plant and Machinery	13.24	12.98	5.20	-	-	-	-	21.02
2	Building	210.92	112.44	58.36	-	-	-	-	264.98
	Total CWIP (b)	224.16	125.42	63.58	-	-	-	-	286.00
	Intangible Assets under development								
1	Software (Acquired)	15.35	-	15.35	-	-	-	-	-
	Total CWIP (b)	239.51	125.42	78.93	-	-	-	-	286.00
	Investment Properties (2.1.1)								
1	Building	255.91	-	-	113.08	8.60	-	121.68	134.23
	Total Investment properties (d)	255.91	-	-	113.08	8.60	-	121.68	134.23
	Grand total (a+b+c+d+e)	10,135.48	1,474.31	381.10	1,880.40	823.40	19.51	2,684.29	8,544.39

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2.1.1 Investment Property

Particulars	March 31, 2020	March 31, 2019
Rental income derived from Investment property	92.33	92.33
Direct operating expenses (Including repair and maintenance)	-	0.00
Income arising from Investment properties before depreciation	92.33	92.33
Depreciation	8.60	8.76
Income from Investment properties (Net)	83.73	83.57

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

2.1.3 Right to Use - Building includes building constructed on lease hold land having Gross block of ₹ 226.65 Lakh

2.1.4 In the year 2014-15, the company has acquired freehold land with integrated structures for a composite value whose conveyance is registered and municipal records updated. The value of the structure is determined based on estimated depreciated value of structures and the balance is considered as the value of the land. In respect of the land, the company has undivided share in land. Also an insignificant portion of land is unlawfully occupied by an illegal occupant and the said occupant had raised some illegal structures which were demolished by the Municipal Corporation. The said illegal occupant has filed a suit in the Hon'ble High Court for his alleged claim in respect of the portion of the land illegally occupied by him. The company has refuted the alleged claim of the illegal occupant and is defending the suit. The Company has filed an Eviction suit against the illegal occupant in the Hon'ble Small Causes Court. Both the said matters are sub-judiced. There is insignificant impact of these litigations on the financial position of the company.

2.1.5 Amount capitalised under building block includes ₹ 58.32 (P.Y. ₹ 876.71) being the amount of capital expenditure incurred on self-constructed assets. Further such amount included under CWIP is aggregating to ₹ 262.78 Lakh (P.Y. ₹ 210.92 Lakh).

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2.1 PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS:

Sr. No.	Description of the Block of Assets	GROSS BLOCK			DEPRECIATION / AMORTISATION			NET BLOCK		
		As at 1/4/2018	Additions	Deductions/ Discarded	As at 31/3/2019	As at 1/4/2018	Depreciation	Deductions/ Discarded	As at 31/3/2019	As at 31/3/2019
	Property Plant & Equipment (Tangible Assets)									
1	Free Hold Land	1,697.36	-	-	1,697.36	-	-	-	-	1,697.36
2	Building	2,729.08	1,133.14	-	3,862.22	219.01	136.61	-	355.61	3,506.61
3	Furnitures & Fixtures	96.27	8.48	13.24	91.51	23.51	14.43	2.23	35.70	55.81
4	Plant and Machinery	2,577.24	325.50	87.07	2,815.67	491.93	351.05	31.90	811.08	2,004.59
5	Computer	167.70	24.46	5.07	187.09	92.55	49.60	3.88	138.27	48.82
6	Office Equipments	245.51	67.72	0.35	312.88	74.00	38.01	0.17	111.84	201.04
7	Vehicles	198.17	73.12	14.45	256.85	54.70	32.43	9.97	77.16	179.69
	Total of Property Plant & equipment (A)	7,711.33	1,632.42	120.17	9,223.57	955.70	622.12	48.16	1,529.66	7,693.91
	Intangible Assets (other than internally generated)									
1	Software (Acquired)	112.46	19.38	-	131.84	62.40	25.69	-	88.09	43.75
2	Trademark	-	300.00	-	300.00	-	149.57	-	149.57	150.43
	Total of Intangible Assets (B)	112.46	319.38	-	431.84	62.40	175.27	-	237.67	194.18
	Capital Work in Progress (CWIP)									
1	Plant and Machinery	57.02	94.20	137.98	1324	-	-	-	-	13.24
2	Building	851.49	236.14	876.71	210.92	-	-	-	-	210.92
	Total CWIP	908.51	330.34	1,014.69	224.16	-	-	-	-	224.16
	Intangible Assets under development									
1	Software (Acquired)	15.35	-	15.35	-	-	-	-	-	-
	Total CWIP (C)	923.86	330.34	1,030.04	224.16	-	-	-	-	224.16
	Investment Properties (2.1.1)									
1	Building	255.91	-	-	255.91	104.32	8.76	-	113.08	142.83
	Total Investment properties (D)	255.91	-	-	255.91	104.32	8.76	-	113.08	142.83
	Grand total (A+B+C+D)	9,003.56	2,282.14	1,150.21	10,135.48	1,122.42	806.15	48.16	1,880.41	8,255.08

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Note	Particulars	As at March 31, 2020	As at March 31, 2019
2.2	INVESTMENTS		
	Long Term Investments		
	a) Trade Investments (Unquoted)		
	Investment in Joint Venture White Knitwear Private Limited		
	In Equity Shares		
	330,000 (P.Y. 330,000) Shares of face value ₹ 10 each, fully paid up.	33.00	33.00
	In Preference Shares		
	3,125,000 (P.Y. 3,125,000) 9% Cumulative Redeemable Preference Shares of face value of ₹ 10 each fully paid up.	312.50	312.50
	b) Other than Trade Investments (Quoted)		
	In Equity Shares		
	4,512 (P.Y. 4,512) Reliance Power Limited Shares of face value ₹ 10 each fully paid up.	0.06	0.51
	7,500 (P.Y. 15,000) HCL Technologies Ltd Shares of face value ₹ 2 each fully paid up.	65.51	81.60
	25,000 (P.Y. 25,000) Tech Mahindra Ltd Shares of face value ₹ 5 each fully paid up.	141.24	194.05
	In Fixed Maturity Plan		
	Investment in unquoted Mutual Funds		
	In units of Fixed Maturity Plans (FMP's) of ₹ 10/- each fully paid up		
	Aditya Birla Sunlife FTP Series OF Growth [Units: 9,510,574 (P.Y.: 9,510,574)]	-	1,087.36
	DSP FMP-Series 209-37M-Growth [Units: 3,000,000 (P.Y.: 3,000,000)]	-	342.93
	HDFC FMP 1199D Jan 2017(1) - Growth [Units: 10,000,000 (P.Y.: 10,000,000)]	-	1,174.95
	HDFC FMP 1178D Feb 2017(1) - Growth [Units: 3,252,951 (P.Y.: 3,252,951)]	-	383.93
	ICICI Pru FMP Series 80 - 1170D Plan I - Growth [Units: 5,253,506 (P.Y.: 5,253,506)]	-	620.03
	Kotak FMP Series 202 - Growth [Units: 5,000,000 (P.Y.: 5,000,000)]	-	575.40
	Reliance Fixed Horizon Fund XXXII - Series 2 - Growth [Units: 1,600,000 (P.Y.: 1,600,000)]	-	192.36
	Reliance Fixed Horizon Fund XXXII - Series 2 - Regular-Growth [Units: 1,000,000 (P.Y.: 1,000,000)]	-	118.85
	Reliance Fixed Horizon Fund XXXII - Series 5 - Growth [Units: 2,000,000 (P.Y.: 2,000,000)]	-	234.61
	Reliance Fixed Horizon Fund XXXIII - Series 2 - Growth [Units: 2,000,000 (P.Y.: 2,000,000)]	-	236.73
	Reliance Fixed Horizon Fund XXXIII - Series 5 - Growth [Units: 6,006,447.403 (P.Y.: 6,006,447.403)]	-	708.72
	UTI Fixed Term Income Fund Series XXV-XII - Growth [Units: 2,000,000 (P.Y.: 2,000,000)]	-	234.06
	UTI Fixed Term Income Fund Series XXVI-I - Growth [Units: 3,019,459.258 (P.Y.: 3,019,459.258)]	-	349.79
	UTI Fixed Term Income Fund Series XXVI-II - Growth [Units: 10,000,000 (P.Y.: 10,000,000)]	-	1,155.75
	Franklin India FMP-Series 2-Plan A - Growth [Units: 1,000,000 (P.Y.: 1,000,000)]	118.24	108.46

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Note	Particulars	As at March 31, 2020	As at March 31, 2019
	Franklin India FMP-Series 2-Plan B - Growth [Units: 1,000,000 (P.Y.: 1,000,000)]	119.09	109.24
	HDFC FMP 1165D April 2017 (1) - Growth [Units: 6,542,049 (P.Y.: 6,542,049)]	-	749.61
	HSBC FTS 130 Growth 1204 days - Growth [Units: 1,000,000 (P.Y.: 1,000,000)]	118.14	108.88
	ICICI Pru FMP Series 81 1205 Days - Growth [Units: 1,500,000 (P.Y.: 1,500,000)]	-	172.10
	Reliance Fixed Horizon Fund XXXV - Series 7 - Growth [Units: 2,000,000 (P.Y.: 2,000,000)]	237.99	218.06
	UTI FTIF-Series XXVII-VI - Growth [Units: 3,000,000 (P.Y.: 3,000,000)]	-	331.68
	Reliance Fixed Horizon Fund XXXVI-Series 6 - Growth [Units: 7,000,000 (P.Y.: 7,000,000)]	830.28	760.29
	Reliance Fixed Horizon Fund XXXVI-Series 6 - Growth [Units: 3,000,000 (P.Y.: 3,000,000)]	352.84	323.21
	Aditya Birla Sunlife FTP Series PV- Direct-Growth [Units: 4,000,000 (P.Y.: 4,000,000)]	481.64	437.78
	Aditya Birla Sunlife FTP Series PV-Growth [Units: 1,000,000 (P.Y.: 1,000,000)]	119.96	109.25
	DSP FMP-Series 232-36M-Growth [Units: 1,000,000 (P.Y.: 1,000,000)]	117.43	107.98
	DSP FMP-Series 235-36M-Growth [Units: 1,000,000 (P.Y.: 1,000,000)]	116.60	107.27
	ICICI Pru FMP Series 82 - 1119 Days Plan X - Growth [Units: 6,500,000 (P.Y.: 6,500,000)]	762.74	700.91
	ICICI Pru FMP Series 82 - 1141 Days Plan Y-Direct- Growth [Units: 3,000,000 (P.Y.: 3,000,000)]	354.29	325.38
	ICICI Pru FMP Series 82 - 1141 Days Plan Y - Growth [Units: 3,000,000 (P.Y.: 3,000,000)]	353.65	325.08
	IDFC FTP Series 152 - Growth [Units: 1,000,000 (P.Y.: 1,000,000)]	115.83	107.93
	Invesco India FMP Series 31 Plan D - Growth [Units: 1,000,000 (P.Y.: 1,000,000)]	119.70	108.84
	Kotak FMP Series 228 - Direct-Growth [Units: 1,000,000 (P.Y.: 1,000,000)]	118.66	108.57
	Kotak FMP Series 228 - Growth [Units: 1,000,000 (P.Y.: NIL)]	118.23	108.38
	Tata FMP Series 55 Scheme G - Growth [Units: 1,000,000 (P.Y.: 1,000,000)]	116.18	106.13
	UTI FTIF-Series XXIX-VI - Growth [Units: 1,000,000 (P.Y.: 1,000,000)]	118.32	108.41
	In the units of Fixed Maturity Plan (FMP'S) of ₹ 1000/- each fully paid		
	DHFL Pramerica Fixed Duration Fund-Series AF-Growth [Units: 30,000 (P.Y.: 30,000)]	-	347.47
	DHFL Pramerica Fixed Duration Fund-Series AY-Growth [Units: 20,000 (P.Y.: 20,000)]	239.45	217.57
	DHFL Pramerica Fixed Duration Fund-Series BA-Growth [Units: 10,000 (P.Y.: 10,000)]	119.16	108.45
	Investment in Portfolio management services		
	Mehta Multifocused Fund		

STANDALONE NOTES

on Accounts for the year ended 31st March 2020

Corporate Identification Number: L18101MH1992PLC065136

(₹ in lakhs except as otherwise stated)

Note	Particulars	As at March 31, 2020	As at March 31, 2019
	Capital Contribution	19.22	24.32
	Kotak India Whizdom Fund		
	Capital Contribution	80.55	112.18
	Sistema Asia Fund		
	Capital Contribution	44.25	-
		5,844.75	14,490.55
	Aggregate Market / Net asset Value		
	- Quoted	206.81	276.15
	- Unquoted	5,637.94	14,214.40
2.2.1	<p>The Company had invested in aggregate ₹ 34,550,000 in Joint Venture "White Knitwear Private Limited" (WKPL). The WKPL had acquired land in Surat Special Economic Zone (SEZ) and constructed factory building for setting up of manufacturing unit for production of Knitwear Apparels for exports. However due to slowdown in International market, SEZ could not take off and most of the members of SEZ shelved their projects and approached to Gujarat Industrial Development Corporation (GIDC) and State and Central government for de-notification of SEZ.</p> <p>Gujarat Industrial Development Corporation vide its circular No. GIDC/CIR/Distribution/Policy/13/05 dated March 14, 2013 has de-notified the SEZ and conceded the members to convert and use the erstwhile land in SEZ as Domestic Tariff Area (DTA) subject to fulfillment of conditions stated therein. WKPL vide its letter dated April 4, 2013 has consented for de-notification of its plot of land and undertaken to complete the formal procedure for the same.</p> <p>Post de-notification joint venture partners shall dispose of the Company/land and building and realise the proceeds to return it to joint venture partners.</p> <p>No provision for diminution in the value of investment is considered necessary for the year ended March 2020</p>		
2.3	OTHER FINANCIAL ASSETS		
	(Unsecured considered good)		
	Security Deposits	215.48	204.66
	Loan to Employees	22.37	54.13
	Rent Deposits to Related Parties	7.83	7.83
	Bank Deposits offered as Security	2.13	43.08
	Interest receivables on Bank Deposits	0.35	1.45
		248.16	311.15
2.4	OTHER NON CURRENT ASSETS		
	Capital Advances	178.94	22.50
	Prepaid Expenses	16.95	18.05
	Advance Tax / Tax deducted at source (Net of Provision)	241.06	70.54
		436.95	111.09
2.5	INVENTORIES		
	Finished goods	6,392.86	4,309.66
	Work-in-Progress	1,433.69	2,691.45
	Raw material	536.12	743.39
	Traded goods	528.90	411.11
	Packing material & accessories	72.72	85.51
	Stores, chemicals and consumables	39.05	69.13
		9,003.34	8,310.25

STANDALONE NOTES

on Accounts for the year ended 31st March 2020

Corporate Identification Number: L18101MH1992PLC065136

(₹ in lakhs except as otherwise stated)

Note	Particulars	As at March 31, 2020	As at March 31, 2019
2.6	CURRENT INVESTMENTS (REFER NOTE 1.18)		
	(includes current maturity of non current investment)		
	Investment in unquoted Mutual Funds		
	In units of Fixed Maturity Plans (FMP's) of ₹ 10/- each fully paid up		
	[Current Portion of Long Term Investments]		
	ICICI Pru FMP Series 79 - 1120D Plan J - Growth	-	1,185.59
	[Units: NIL (P.Y.: 9,763,702)]		
	Reliance Fixed Horizon Fund XXXI - Series 13 - Growth	-	1,821.70
	[Units: NIL (P.Y.: 15,179,080)]		
	Kotak FMP Series 187 - Growth	-	130.56
	[Units: NIL (P.Y.: 1,000,000)]		
	UTI Fixed Term Income Fund Series XXV-VII - Growth	-	189.12
	[Units: NIL (P.Y.: 1,600,000)]		
	Aditya Birla Sunlife FTP Series OF Growth	1,186.97	-
	[Units: 9,510,574 (P.Y.: 9,510,574)]		
	DSP FMP-Series 209-37M-Growth	367.67	-
	[Units: 3,000,000 (P.Y.: 3,000,000)]		
	HDFC FMP 1199D Jan 2017(1) - Growth	1,283.49	-
	[Units: 10,000,000 (P.Y.: 10,000,000)]		
	HDFC FMP 1178D Feb 2017(1) - Growth	418.70	-
	[Units: 3,252,951 (P.Y.: 3,252,951)]		
	ICICI Pru FMP Series 80 - 1170D Plan I - Growth	676.05	-
	[Units: 5,253,506 (P.Y.: 5,253,506)]		
	Kotak FMP Series 202 - Growth	618.74	-
	[Units: 5,000,000 (P.Y.: 5,000,000)]		
	Reliance Fixed Horizon Fund XXXII - Series 2 - Growth	199.88	-
	[Units: 1,600,000 (P.Y.: 1,600,000)]		
	Reliance Fixed Horizon Fund XXXII - Series 2 - Regular-Growth	123.38	-
	[Units: 1,000,000 (P.Y.: 1,000,000)]		
	Reliance Fixed Horizon Fund XXXII - Series 5 - Growth	253.07	-
	[Units: 2,000,000 (P.Y.: 2,000,000)]		
	Reliance Fixed Horizon Fund XXXIII - Series 2 - Growth	240.66	-
	[Units: 2,000,000 (P.Y.: 2,000,000)]		
	Reliance Fixed Horizon Fund XXXIII - Series 5 - Growth	723.67	-
	[Units: 6,006,447.403 (P.Y.: 6,006,447.403)]		
	UTI Fixed Term Income Fund Series XXV-XII - Growth	251.75	-
	[Units: 2,000,000 (P.Y.: 2,000,000)]		
	UTI Fixed Term Income Fund Series XXVI-I - Growth	376.64	-
	[Units: 3,019,459.258 (P.Y.: 3,019,459.258)]		
	UTI Fixed Term Income Fund Series XXVI-II - Growth	1,244.89	-
	[Units: 10,000,000 (P.Y.: 10,000,000)]		
	HDFC FMP 1165D April 2017 (1) - Growth	808.09	-
	[Units: 6,542,049 (P.Y.: 6,542,049)]		
	ICICI Pru FMP Series 81 1205 Days - Growth	185.65	-
	[Units: 1,500,000 (P.Y.: 1,500,000)]		
	UTI FTIF-Series XXVII-VI - Growth	336.61	-
	[Units: 3,000,000 (P.Y.: 3,000,000)]		

STANDALONE NOTES

on Accounts for the year ended 31st March 2020

Corporate Identification Number: L18101MH1992PLC065136

(₹ in lakhs except as otherwise stated)

Note	Particulars	As at March 31, 2020	As at March 31, 2019
	In the units of Fixed Maturity Plan (FMP'S) of ₹ 1000/- each fully paid		
	DHFL Pramerica Fixed Duration Fund-Series AF-Growth [Units: 30,000 (P.Y.: 30,000)]	353.44	
	Investment in unquoted Mutual Funds		
	In the units of Income Funds of ₹ 10/- each fully paid		
	HDFC Corporate Bond Fund - Growth [Units: 3,609,580.445 (P.Y.: 3,609,580.445)]	833.22	755.69
	ICICI Pru Credit Risk Fund-Regular-Growth [Units: NIL (P.Y.: 1,464,514.806)]	-	290.98
	ICICI Pru Credit Risk Fund -Direct- Growth [Units: 1,442,895.749 (P.Y.: 1,442,895.749)]	334.00	303.45
	IDFC Credit Risk Fund - Growth [Units: 6,030,225.274 (P.Y.: 6,030,225.274)]	767.63	699.24
	IDFC Corporate Bond Fund -Regular - Growth [Units: 2,323,070.357 (P.Y.: 2,323,070.357)]	320.15	295.78
	Principal Short Term Debt Fund - Growth [Units: 2,600,012.482 (P.Y.: 2,600,012.482)]	874.73	886.63
	Tata Short Term Bond Fund - Growth [Units: NIL (P.Y.: 481,575.842)]	-	163.83
	Franklin India Low Duration Fund - Growth [Units: NIL (P.Y.: 1,266,804.157)]	-	280.84
	IIFL Dynamic Bond Fund - Growth [Units: 704,061.732 (P.Y.: 704,061.732)]	116.07	107.21
	BNP Paribas Corporate Bond Fund - Growth [Units: 769,974.199 (P.Y.: 769,974.199)]	161.50	160.60
	DHFL Pramerica Credit Risk Fund - Growth [Units: 1,981,600.813 (P.Y.: 1,981,600.813)]	291.62	300.62
	DSP Corporate Bond Fund - Growth [Units: 1,000.000 (P.Y.: 1,000,000)]	118.34	107.61
	L&T Triple Ace Bond Fund - Growth [Units: 375,629.179 (P.Y.: NIL)]	207.60	
	In the units of Equity Funds of ₹ 10/- each fully paid		
	Edelweiss Arbitrage Fund - Growth [Units: NIL (P.Y.: 7,827,072.075)]	-	1,101.93
	Edelweiss Balance Advantage Fund - Growth [Units: NIL (P.Y.: 1,216,379.997)]	-	299.72
	Aggregate Market / Net asset Value	13,674.21	9,081.10
		13,674.21	9,081.10
2.7	TRADE RECEIVABLES		
	a) Trade Receivables considered good - Secured	2,447.57	2,210.24
	b) Trade Receivables considered good - Unsecured	15,219.90	16,071.38
	Less : Provision for Doubtful Debts (based on Expected Credit Loss model)	(575.00)	(515.00)
	c) Trade Receivables which has significant increase in credit risks	-	-
	d) Trade Receivables - credit impaired	-	-
		17,092.47	17,766.62

STANDALONE NOTES

on Accounts for the year ended 31st March 2020

Corporate Identification Number: L18101MH1992PLC065136

(₹ in lakhs except as otherwise stated)

Note	Particulars	As at March 31, 2020	As at March 31, 2019
2.8	CASH & CASH EQUIVALENT		
	Cash on Hand	37.35	48.75
	Balances with Banks :-		
	In Current Accounts	131.51	481.15
	In EEFC Account	-	70.36
	In Bank Deposits	171.57	5.00
	In Bank Deposits with more than 12 months maturity	101.25	265.22
	Liquid Mutual Funds	7,529.19	4,450.13
		7,970.87	5,320.61
2.9	OTHER BANK BALANCES		
	Earmarked balances in bank		
	In Unclaimed Dividend Accounts	8.56	6.72
	In Bank Deposits offered as Security (Maturity of less than 12 Months)	40.95	1.25
		49.51	7.97
		8,020.38	5,328.58
2.8.1	Details of Current Investments in Liquid Mutual Funds(Unquoted) as given below:		
	a) Face Value of ₹ 10/- each fully paid up		
	HDFC Banking and PSU Debt Fund - Growth [Units: 1,532,179.602 (PY.: 1,532,179.602)]	253.13	230.28
	ICICI Pru Corporate Bond Fund - Growth [Units: 1,785,278.593 (PY.: 1,785,278.593)]	384.01	351.11
	Kotak Savings Fund - Growth [Units: NIL (PY.: 332,002.005)]	-	101.44
	Tata Ultra Short Term Fund - Growth [Units: NIL (PY.: 997,357.004)]	-	101.28
	DSP Low Duration Fund-Growth [Units: 684,125.551 (PY.: NIL)]	101.97	-
	Franklin India Savings Fund-Growth [Units: 270,007.56 (PY.: NIL)]	102.37	
	HDFC Ultra Short Term Fund - Growth [Units: 2,027,837.083 (PY.: NIL)]	228.30	
	Nippon India Floating Rate Fund - Growth [Units: 4,255,404.586 (PY.: NIL)]	1,399.25	
	Nippon India Money Market Fund - Growth [Units: 3,401.512 (PY.: NIL)]	103.83	
	PGIM India Ultra Short Term Fund - Growth [Units: 391,502.823 (PY.: NIL)]	102.46	
	Total [a]	2,675.32	784.11
	b) Face Value of ₹ 100/- each fully paid up		
	Aditya Birla Sunlife Savings Fund - Growth [Units: 220,111.299 (PY.: 324.444.001)]	882.27	1,206.15
	Aditya Birla Sunlife Savings Fund - Growth-Regular [Units: 101,032.528 (PY.: NIL)]	401.62	-
	Aditya Birla Sunlife Banking & PSU Debt Fund - Growth [Units: 96,032.789 (PY.: 96,032.789)]	251.48	228.66
	Aditya Birla Sunlife Floating Rate Fund - Growth [Units: 124,046.445 (PY.: NIL)]	312.96	-
	ICICI Pru Savings Fund - Growth [Units: 98,488.109 (PY.: 98,488.109)]	384.47	355.71
	ICICI Pru Money Market Fund - Growth [Units: 232,227.534 (PY.: NIL)]	648.53	-
	Total [b]	2,881.33	1,790.52

STANDALONE NOTES

on Accounts for the year ended 31st March 2020

Corporate Identification Number: L18101MH1992PLC065136

(₹ in lakhs except as otherwise stated)

Note	Particulars	As at March 31, 2020	As at March 31, 2019		
	c) Face Value of ₹ 1,000/- each fully paid up				
	Axis Treasury Advantage Fund - Growth [Units: 46,486.382 (P.Y.: 46,486.382)]	1,048.60	970.58		
	Baroda Pioneer Treasury Advantage Fund - Growth [Units: 25,056.297 (P.Y.: 25,056.297)]	314.16	554.63		
	Kotak Money Market Scheme - Growth [Units: 5,628.328 (P.Y.: 5,628.328)]	186.47	173.72		
	Tata Treasury Advantage Fund - Growth [Units: 2,645.036 (P.Y.: 2,645.036)]	77.38	75.14		
	Principal Low Duration Fund - Growth [Units: 3,325.994 (P.Y.: 3,325.994)]	90.65	101.43		
	Invesco India Treasury Advantage Fund - Growth [Units: 3,565.121 (P.Y.: NIL)]	102.04	-		
	Tata Money Market Fund - Growth [Units: 4,421.036 (P.Y.: NIL)]	153.24	-		
	Total (c)	1,972.54	1,875.50		
	Aggregate Market / Net asset Value	7,529.19	4,450.13		
2.10	OTHER FINANCIAL ASSETS (Unsecured, Considered Good)				
	Advance to Employee	51.21	26.67		
	Loans to Employee	15.29	15.52		
	Prepaid Expenses	69.82	86.41		
	Interest receivables on Bank Deposits	32.85	14.54		
		169.17	143.14		
2.11	OTHER CURRENT ASSETS				
	Export Incentive Receivable	69.22	32.83		
	Other Receivable	25.06	34.32		
	Advance for gratuity	-	1.56		
	Advance to Suppliers	564.81	460.84		
	Advance for investment	-	40.00		
		659.09	569.56		
2.12	SHARE CAPITAL				
	Authorised Capital	2,000.00	2,000.00		
	20,000,000 (P.Y. 20,000,000) Equity shares of ₹ 10 each				
	Issued, subscribed and Paid up :				
	12,325,037 (P.Y. 12,325,037) Equity shares of ₹ 10 each, fully paid up	1,232.50	1,232.50		
		1,232.50	1,232.50		
2.12.1	The Company has only one class of shares referred to as equity shares having a par value of ₹ 10/-. Each holder of equity shares is entitled to one vote per share				
2.12.2	Reconciliation of the shares outstanding at the beginning and at the end of the year				
	Particulars	March 31, 2020		March 31, 2019	
		No. of shares	Amount	No. of shares	Amount
	Shares outstanding at the beginning of the year	12,325,037	123,250,370	12,325,037	123,250,370.00
	Shares issued during the year	-	-	-	-
	Shares bought back during the year	-	-	-	-
	Shares outstanding at the end of the year	12,325,037	123,250,370	12,325,037	123,250,370.00

STANDALONE NOTES

on Accounts for the year ended 31st March 2020

Corporate Identification Number: L18101MH1992PLC065136

(₹ in lakhs except as otherwise stated)

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

Name of Shareholder	March 31, 2020		March 31, 2019	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Shantaben P. Jain j/w Kewalchand P. Jain j/w Hemant P. Jain (equity shares held in their capacity as trustees/beneficiaries of P. K. Jain Family Holding Trust)	6,153,000	49.92	6,153,000	49.92
Mr. Dinesh P. Jain	729,831	5.92	729,831	5.92
includes 102,581 (P.Y. 100,401) shares jointly held with Mrs Sangeeta D. Jain				
Mr. Vikas P. Jain	721,821	5.86	721,821	5.86
includes 94,571 (P.Y.92,336) shares jointly held with Mrs Kesar V. Jain				
Mr. Hemant P. Jain	691,915	5.61	691,915	5.61
includes 80,665 (P.Y.78,400) shares jointly held with Mrs Lata H. Jain				
Mr. Kewalchand P. Jain	690,611	5.60	690,611	5.60
includes 79,361 (P.Y.77,161) shares jointly held with Mrs Veena K. Jain				
SBI Small Cap Fund	685,470	5.56	685,470	5.56
Nalanda India Fund Limited	879,081	7.13	879,081	7.13
<p>In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. However, there are no preferential amounts inter-se equity shareholders. The distribution will be in proportion to the number of equity shares held by the shareholders (After due adjustment in case shares are not fully paid up.)</p> <p>For the period of five years immediately preceding the date as at which the Balance Sheet is prepared:</p> <p>(i) No shares have been allotted as fully paid-up without payment being received in cash.</p> <p>(ii) No shares have been allotted as fully paid-up by way of bonus shares.</p> <p>(iii) No shares have been bought back by the company.</p>				

Note	As at March 31, 2020	As at March 31, 2019
2.13 OTHER EQUITY		
Securities Premium	8,426.77	8,426.77
(As per Last Balance Sheet)		
General Reserve		
Opening Balance	5,375.63	5,375.63
Add: Amount transferred from Balance in the Statement of Profit and Loss	-	-
	5,375.63	5,375.63
Balance in Statement of Profit and Loss		
Opening balance	24,014.15	21,430.43
Add: Net profit after tax transferred from Statement of Profit and Loss	7,239.36	8,061.31
	31,253.51	29,491.74
Less: Appropriations		
Final Dividend (pertaining to previous year)	246.50	184.88
Interim Dividend	4,437.01	3,944.00
Tax on Final Dividend	50.67	38.00
Tax on Interim Dividend	912.04	810.71
Transfer to Business Progressive Fund	-	500.00
	25,607.29	24,014.15

STANDALONE NOTES

on Accounts for the year ended 31st March 2020

Corporate Identification Number: L18101MH1992PLC065136

(₹ in lakhs except as otherwise stated)

Note		As at March 31, 2020	As at March 31, 2019
	Business Progressive Fund		
	Opening Balance	4,000.00	3,500.00
	Add: Amount transferred from Balance in the Statement of Profit and Loss		500.00
	Less: Amount retransferred to Balance in the Statement of Profit and Loss	-	-
		4,000.00	4,000.00
		43,409.69	41,816.55
2.13.1	The Board of Directors have recommended a payment of final dividend of ₹ 1/- per equity share of ₹ 10/- each for the financial year ended March 31, 2020. The Payment is subject to the approval of shareholders at the Annual General Meeting of the Company.		
2.13.2	The Company has created "Business Progressive Fund" by appropriating a sum of ₹ NIL (P.Y. 500) Lakh out of its profits to maintain normal growth in sluggish market conditions and support superior growth for long term. The said fund shall be for the purpose of launching & promoting new products, advertisement campaigns, promotional schemes and initial support to master stockiest and franchisees for development of retail business, reinforce existing channels of sales etc. The amount of fund is specifically earmarked and invested in liquid mutual funds or any other safe and highly liquid investments. The Company has made adequate provisions in accordance with Indian Accounting Standard (AS) -37 in normal course of business. INDAS-37 does not permit providing for expenses where present obligation does not exist or there is no fixed commitment. Accordingly the Company has opted to create Business Progressive Fund. Further addition to the aforesaid fund shall be reviewed from time to time considering business environment and conditions and the income accrued from the fund. Any accretion to the investment shall be credited to Statement of Profit and Loss.		
2.13A	FINANCIAL LIABILITIES		
	Lease Liability	342.01	-
		342.01	-
2.14	PROVISIONS		
	[Long term]		
	Other Long Term Provisions	6.50	6.50
	Other Provision	-	-
		6.50	6.50
2.15	DEFERRED TAX		
	Deferred Tax Assets:		
	Provision for Assets	178.17	226.87
	Others	101.31	151.82
	Depreciation	-	-
	Deferred Tax Liability		
	Depreciation	255.28	382.09
	Tax on LTCG on Mutual Fund	(569.20)	(543.60)
	Deferred Tax Asset/[Liabilities]	(545.00)	(547.00)
2.15.1	Tax effect of share issue expenses eligible for the Income tax deduction, under section 35D, credited to securities premium reserve account		
2.15.2	Deferred tax asset is recognised only on those timing differences, which reverse in the post tax free period, as Company enjoys exemption under section 80-IA of Income Tax Act, 1961 in respect of revenue generated from Wind Turbine Generator.		
2.16	OTHER NON CURRENT LIABILITIES		
	Deferred income on EPCG (i.e. Government Grant)	110.40	134.92
		110.40	134.92

STANDALONE NOTES

on Accounts for the year ended 31st March 2020

Corporate Identification Number: L18101MH1992PLC065136

(₹ in lakhs except as otherwise stated)

Note		As at March 31, 2020	As at March 31, 2019
2.17	BORROWINGS		
	Secured Loan		
	Cash Credit from Bank (payable on demand) (Secured by pari-passu first charge on Stock and Trade Receivables)	6,160.17	6,095.47
		6,160.17	6,095.47
	Unsecured Loan (payable on demand)		
	Working Capital Loan from Bank	2,500.00	3,250.52
	Financial Institute	141.01	-
		8,801.18	9,345.99
2.18	TRADE PAYABLES		
	a) Micro and Small Enterprises		
	Materials	100.01	176.38
	b) Other than Micro and Small Enterprises		
	Materials	3,321.51	2,958.24
	Expenses	1,558.60	1,338.55
		4,980.12	4,473.17
2.18.1	Disclosure U/s 22 of Micro, Small and Medium Enterprises Development Act, 2006 [MSMED Act]		
	a) Principal amount remaining unpaid to micro and small enterprises (trade payable)	100.01	176.38
	b) Principal amount remaining unpaid to micro and small enterprises (creditors for capital goods)	-	-
	c) Principal amount paid beyond due date	-	-
	d) Amount of Interest paid u/s 16 of MSMED Act	-	-
	e) Amount of Interest due and remaining unpaid	-	-
	f) Amount of Interest accrued and remaining unpaid	-	-
	g) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of the above Act.	-	-
	Above information is disclosed to the extent available with the Company		
2.19	OTHER FINANCIAL LIABILITIES		
	Other Liabilities		
	Security Deposits	459.78	679.57
	Interest accrued but not due on borrowings	43.26	3.90
	lease liability	27.93	-
	Unclaimed Dividend	8.56	6.72
		539.53	690.19
2.20	OTHER CURRENT LIABILITIES		
	Security Deposits	277.90	1,683.87
	Other Payables		
	Capital Goods	31.47	93.17
	Salary and Wages payable	531.22	579.54
	Employee Benefits	181.54	292.15
	Statutory Liabilities	14.11	133.16
	Advance from Customers	686.11	469.11
		1,722.35	3,251.00

STANDALONE NOTES

on Accounts for the year ended 31st March 2020

Corporate Identification Number: L18101MH1992PLC065136

(₹ in lakhs except as otherwise stated)

Note		As at March 31, 2020	As at March 31, 2019
2.20.1	Upon the enactment of 'The payment of Bonus (Amendment) Act 2015' the company had made additional provision for bonus amounting to ₹ 45 Lakh during the year 2015-16 pertaining to financial year 2014-15, Payment is not made pending final judgement from judicial authorities.		
2.21	PROVISIONS		
	[Short Term]		
	Provisions for Dividend & Dividend Distribution Tax	-	-
	Provision for Gratuity	234.44	-
	Provision for Employee Benefit	103.92	703.92
	Provision for Contingencies	520.67	726.84
	Other Provisions (including Selling & Distribution Expenses etc.)	1,144.60	1,642.59
		2,003.63	3,073.35
2.22	CURRENT TAX LIABILITIES (NET)		
	Provision for Taxations (Net of Advance Tax)	-	-
		-	-
Note	Particulars	For the Year Ended March 31, 2020 Audited	For the Year Ended March 31, 2019 Audited
2.23	REVENUE FROM OPERATIONS		
	A. Sales Income		
	Sales of Apparel and Lifestyle Accessories/Products	52,486.80	49,614.38
	Sale of Power	1.31	1.73
	Sales of Apparel and Lifestyle Accessories/Products	52,488.11	49,616.11
	B. Other Operating Income		
	Service Income	240.90	336.89
	Export Incentives	133.63	167.95
	Miscellaneous Operating Income	104.37	167.63
	Sundry balance written back (Net)	-	-
		478.90	672.47
	Total Revenue from Operations	52,967.01	50,288.58
2.24	OTHER INCOME		
	Interest on Bank Deposits	25.70	29.06
	Income from Current Investments and Liquid Mutual Funds:		
	Effect of fair value measurements	776.96	473.61
	Income from Non Current Investments		
	Dividend on Equity Shares	6.75	4.10
	Effect of fair value measurements	770.57	1,532.89
	Provision for share of loss in Joint Venture	-	-
	Rent Income on Investment Property	95.16	92.34
	Exchange Rate Fluctuation (Net)	67.55	55.01
	Sundry Income		
	Profit on Sale of Property Plant & Equipment (Net)	10.67	10.86
		1,753.36	2,197.87

STANDALONE NOTES

on Accounts for the year ended 31st March 2020

Corporate Identification Number: L18101MH1992PLC065136

(₹ in lakhs except as otherwise stated)

Note	Particulars	For the Year Ended March 31, 2020	For the Year Ended March 31, 2019
		Audited	Audited
2.25	CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK IN TRADE AND WORK IN PROGRESS		
	Opening stock		
	Work - in- Progress	2,691.45	1,624.01
	Traded Goods	411.11	131.55
	Finished goods	4,309.66	2,647.96
		7,412.22	4,403.52
	Closing Stock		
	Work - in- Progress	1,433.69	2,691.45
	Traded Goods	528.90	411.11
	Finished goods	6,392.86	4,309.66
		8,355.45	7,412.22
	Add/(Less): Variation in Excise Duty on Opening and Closing Stock of Finished goods	-	-
	(Increase)/Decrease in Stock	(943.23)	(3,008.70)
2.26	COST OF MATERIAL CONSUMED		
	a. Raw Material Consumed:		
	Opening stock	741.91	722.98
	Add: Purchases	10,933.89	12,618.93
		11,675.80	13,341.91
	Less: Sale of raw material	663.69	876.80
	Less: Closing stock	536.12	741.91
		10,475.99	11,723.20
	b. Semi-Finished Goods	5,502.40	4,324.37
	c. Packing Material, Accessories and others	2,444.73	2,506.28
	d. Stores, Chemicals and Consumables	1,050.23	809.12
		19,473.35	19,362.97
2.27	EMPLOYEE BENEFIT EXPENSES		
	Salary, Wages and Allowances	6,093.77	6,630.10
	Contribution to Provident and other Funds	535.13	452.90
	Bonus and Ex-gratia	135.56	132.87
	Gratuity	298.65	110.93
	Leave Benefits	2.15	109.43
	Staff Welfare	79.92	75.30
		7,145.18	7,511.53
2.28	FINANCE COSTS		
	Bank Charges	9.93	11.89
	Finance Charges	105.32	67.78
	Interest on Working Capital Loan	765.83	609.69
		881.08	689.36
2.29	MANUFACTURING AND OPERATING EXPENSES		
	Embroidery Expenses	253.89	326.23
	Electricity Expenses (net of credit received from windmill of ₹ 63.96 Lakh (P.Y. 66.10 Lakh)	189.50	167.20
	Factory Rent	49.73	42.87
	General Factory Expenses	29.06	25.99
	Processing Charges	3,583.91	3,520.16
	Lease premium charged	-	3.06
	Fuel Expenses	438.06	480.75
	Water Charges	104.21	85.15
	Waste Disposal Charges	68.11	62.42
	Repairs & Maintenance	171.86	175.36
	Wind Turbine Expenses	13.16	15.17
		4,901.49	4,904.36

STANDALONE NOTES

on Accounts for the year ended 31st March 2020

Corporate Identification Number: L18101MH1992PLC065136

(₹ in lakhs except as otherwise stated)

Note	Particulars	For the Year Ended	For the Year Ended
		March 31, 2020	March 31, 2019
		Audited	Audited
2.30	ADMINISTRATIVE & OTHER EXPENSES		
	Rent, Rates and Taxes	165.66	207.48
	Communication Expenses	69.96	93.95
	Insurance Premium(net of recoveries)	99.48	50.78
	Legal and Professional Fees	1,273.42	1,140.20
	Printing and Stationery	35.30	48.22
	Donations	67.97	29.87
	Corporate social responsibility	196.00	190.15
	Vehicle Expenses	190.01	183.05
	Auditors Remuneration	28.77	27.33
	Conveyance & Travelling Expenses	88.85	55.78
	Electricity Expenses	118.03	121.04
	Repairs & Maintenance	321.76	374.11
	Directors Sitting Fees	25.60	26.40
	General Office Expenses	567.07	611.73
	Provision for Doubtful debts	60.00	172.00
		3,307.88	3,332.08
2.31	SELLING & DISTRIBUTION EXPENSES		
	Advertisement and Publicity Expenses	739.86	1,173.05
	Sales Promotion Expenses	4,060.61	1,733.82
	Octroi, clearing and forwarding charges on Sales	285.43	315.40
	Tour and Travelling Expenses (Net of recoveries)	1,522.39	497.76
	Commission on Sales	187.91	219.27
	Provision for Contingencies	-	150.92
		6,796.20	4,090.22
2.32	AGGREGATE EXPENSES		
	Rent Including Common Area Maintenance Charges	149.90	176.45
	Total Rent, Rates & Taxes	149.90	176.45
	Electricity Expenses(net of credit received from windmill)	301.74	288.24
	Repair & Maintenance (Building)	437.86	516.80
	Repair & Maintenance (Machinery)	68.92	47.84
	Insurance Premium(net of recoveries)	-	48.96
	General Expenses	123.81	637.71
2.31.2	AGGREGATE AMOUNT WRITTEN BACK		
	Provision for deposit written back	-	-
	Provision for share of loss in Joint Venture reversed (refer note 2.10.1)	6.50	6.50
	Sundry balance written back	-	-
	Discount and Incentive on Sales	-	-
		6.50	6.50
2.33	AUDITORS REMUNERATION		
	As Auditors (including service tax)	28.44	27.00
	For Taxation matters	-	-
	For Management Services	-	-
	For Others matters	-	-
	For Reimbursement of Expenses	0.33	0.33
	Total	28.77	27.33
2.34	C.I.F. VALUE OF IMPORTS		
	Capital goods	-	10.01
	Components and Spare parts	1.74	25.29
	Apparel & Life style Accessories/Product	526.30	550.78
	Total	528.04	586.08

STANDALONE NOTES

on Accounts for the year ended 31st March 2020

Corporate Identification Number: L18101MH1992PLC065136

(₹ in lakhs except as otherwise stated)

Note	Particulars	For the Year Ended March 31, 2020	For the Year Ended March 31, 2019
		Audited	Audited
2.35	EXPENDITURE IN FOREIGN CURRENCIES		
	Traveling Expenses	20.32	29.15
	Legal Expenses	0.62	-
	Bank Charges	2.87	2.71
	Professional & Technical Services	5.35	1.27
		29.16	33.13
	The amounts mentioned above are net of Tax Deducted at source, if any.		
2.36	EARNINGS IN FOREIGN CURRENCIES		
	Export of goods (F.O.B. value)	1,562.78	1,512.58
	Total	1,562.78	1,512.58
2.37	INDIGENOUS AND IMPORTED CONSUMPTION		
	Indigenous (97.30% (P.Y. 97.16%) of total consumption)	18,947.05	18,831.13
	Imported (2.70% (P.Y. (2.84%) of total consumption)	526.30	550.78
	Total	19,473.35	19,381.91

2.38 DETAILS OF MATERIAL CONSUMED

Particulars	Measure	March 31, 2020		March 31, 2019	
		Qty	₹ in Lakh.	Qty	₹ in Lakh.
Material					
Woven Fabric	Mtrs	5,908,155	10,476	7,470,534	11,723
Semi-finished Garments	Pcs	1,458,125	5,502	1,158,709	4,324
Packing material	**	**	948	**	1,028
Accessories	**	**	1,497	**	1,478
Stores, chemicals and consumables	**	**	1,050	**	809
Total			19,473.36		19,362.97

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

2.39 QUANTITATIVE AND OTHER DETAILS PARTICULARS OF FINISHED PRODUCTS

(Qty in Nos)

Particulars	Opening Stock		Production		Sales/Captive Consumption		Closing Stock	
	Qty	₹ in Lakh.	Qty		Qty	₹ in Lakh.	Qty	₹ in Lakh.
Apparel	983,488	4,309.66	5,795,708		5,421,957	49,312	1,357,239	6,393
	(559,266)	(2,651.93)	(5,506,725)	-	(5,082,503)	(47,100.00)	(983,488)	4,309.66
Power Generation	-	-	763,380		763,380	63.96	-	-
	-	-	(1,081,167)		(1,081,167)	(65.55)	-	-

PARTICULARS OF TRADING ACTIVITIES

(Qty in Nos)

Particulars	Opening Stock		Purchases		Sales		Closing Stock	
	Qty	₹ in Lakh.	Qty		Qty	₹ in Lakh.	Qty	₹ in Lakh.
Trading of Lifestyle Accessories/ Products	269,551	411.00	3,150,114	2,776	2,873,112	3,175	546,553	529
	(127,013)	(128)	(3,460,450)	(2,862)	(3,317,912)	(2,514.00)	(269,551)	(411)

Note:

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

STANDALONE NOTES

on Accounts for the year ended 31st March 2020

Corporate Identification Number: L18101MH1992PLC065136

(₹ in lakhs except as otherwise stated)

2.40 EMPLOYEE BENEFITS:

a) Disclosure in respect of gratuity liability

Reconciliation of Defined Benefit Obligation (DBO):	As at March 31, 2020	As at March 31, 2019
Present value of DBO at start of the year	751.23	656.94
Interest Cost	55.59	49.93
Current Service Cost	167.89	114.57
Past Service Cost	129.43	-
Benefit Paid	(79.25)	(76.75)
Re-measurements:		
a. Actuarial Loss/(Gain) from changes in demographic assumptions	-	-
b. Actuarial Loss/(Gain) from changes in financial assumptions	85.75	13.65
c. Actuarial Loss/(Gain) from experience over the past period	(90.15)	(7.11)
Present value of DBO at end of the year	1,020.49	751.23
Reconciliation of Fair Value of Plan Assets:	As at March 31, 2020	As at March 31, 2019
Fair Value of Plan Assets at the beginning of the year	752.79	717.47
Interest Income on Plan Assets	54.26	53.57
Contributions by Employer	56.86	71.59
Benefit Paid	(79.25)	(76.75)
Re-measurements:		
a. Actuarial (Loss)/Gain from changes in financial assumptions	-	-
b. Return on plan assets excluding amount included in net interest on the net defined benefit liability/(asset)	-	-
c. Re-measurements on Plan Assets Gain/ (Loss)	1.39	(13.09)
Fair Value of Plan Assets at the end of the year	786.05	752.79
Actual Return on Plan Assets	55.85	40.48
Amount recognised in the Balance Sheet:	As at March 31, 2020	As at March 31, 2019
Present value of DBO at the end of the year	1,020.49	751.23
Fair Value of Plan Assets at the end of the year	786.05	752.79
Net Asset / (Liability) in the Balance Sheet	(234.44)	1.56
Gratuity recognised in Statement of Profit and Loss	For the year ended March 31, 2020	For the year ended March 31, 2019
Current service cost	167.89	114.57
Past service cost	129.43	-
Net interest on net defined benefit liability/(asset)	110.93	(3.64)
Expenses recognised in Statement of Profit and Loss	298.65	110.93
Principal Assumption used in determining Gratuity liability	For the year ended March 31, 2020	For the year ended March 31, 2019
Discount Rate	6.50% pa	7.40% pa
Interest rate for net interest on net DBO	7.40% pa	7.60% pa
Withdrawal Rate	Upto age 35 years: 10% pa Above age 35 years: 5% pa	Upto age 35 years: 10% pa Above age 35 years: 5% pa
Salary Escalation	7.50% pa	7.50% pa
Mortality Table	IALM 2012-14 Ult	IALM 2012-14 Ult
Expected average remaining working life	9 Years	9 Years
Retirement Age	58 years	58 years

STANDALONE NOTES

on Accounts for the year ended 31st March 2020

Corporate Identification Number: L18101MH1992PLC065136

(₹ in lakhs except as otherwise stated)

Movement in Other Comprehensive Income	As at March 31, 2020	As at March 31, 2019
Balance at start of year [loss]/gain	[4.44]	15.19
Re-measurements on DBO		
a. Actuarial (Loss)/Gain from changes in demographic assumptions	-	-
b. Actuarial (Loss)/Gain from changes in financial assumptions	(85.75)	(13.65)
c. Actuarial (Loss)/Gain from experience over the past period	90.15	7.11
Re-measurements on Plan Assets		
a. Actuarial (Loss)/Gain from changes in financial assumptions	-	-
b. Return on Plan assets, excluding amount included in net interest on the net defined benefit liability/(asset)	-	-
c. Re-measurements on Plan Assets Gain/ (Loss)	1.39	(13.09)
Balance at end of year [loss]/gain	1.35	[4.44]

Movement in Surplus/ (Deficit)	As at March 31, 2020	As at March 31, 2019
Surplus/ (Deficit) at start of year	1.56	60.53
Movement during the year		
Current Service Cost	(167.89)	(114.57)
Past Service Cost	(129.43)	-
Net Interest on net DBO	(1.33)	3.64
Actuarial gain/ (loss)	5.79	(19.63)
Contributions	56.86	71.59
Surplus/ (Deficit) at end of year	(234.44)	1.56

Other disclosures	As at March 31, 2020	As at March 31, 2019	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016
Defined benefit obligation	1020.49	751.23	656.94	563.63	453.05
Plan assets	786.05	752.79	717.47	674.59	518.37
Surplus/(deficit)	(234.44)	1.56	60.54	110.96	65.32
Experience adjustments on plan liabilities - loss/ (gain)	(90.15)	(7.11)	(41.14)	(17.89)	4.25
Experience adjustments on plan Assets - (loss)/ gain*	-	-	(5.24)	(13.68)	-

* Information is disclosed to the extent available

Sensitivity Analysis	As at March 31, 2020		As at March 31, 2019	
	Increases 1%	Decreases 1%	Increases 1%	Decreases 1%
	Change in DBO (Amount)		Change in DBO (Amount)	
Salary Growth Rate	110.65	(96.07)	73.83	(67.26)
Discount Rate	(96.07)	112.91	(66.74)	74.64
Withdrawal Rate	(11.48)	12.57	(3.48)	3.60

Maturity profile

The average expected remaining lifetime of the plan members is 9 years (March 31, 2019: 9 years) as at the date of valuation. This represents the weighted average of the expected remaining lifetime of all plan participants.

The sensitivity analyses above have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period and may not be representative of the actual change. It is based on a change in the key assumption while holding all other assumptions constant. When calculating the sensitivity to the assumption, the method (Projected Unit Credit

STANDALONE NOTES

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(₹ in lakhs except as otherwise stated)

Method) used to calculate the liability recognised in the balance sheet has been applied. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared with the previous period.

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

The Company expects to contribute ₹ 200.00 Lakh (P.Y. ₹ 100.00 Lakh) to gratuity trust for contribution to LIC of India in financial year 2020-21.

a) Disclosure in respect of leave entitlement liability:

Leave entitlement is short term benefit which is recognised as an expense at the un-discounted amount in the year in which the related service is rendered and disclosed under other current liabilities.

b) Death in service benefit:

The Company has taken group term policy from an insurance Company to cover its obligation for death in service benefit given to eligible employees. The insurance premium of ₹ 29.27 Lakh (P.Y. ₹ 24.65 Lakh) is recognised in Statement of Profit and Loss.

c) The Company contributes towards Employees Provident Fund, Employees State Insurance, National Pension Scheme and Labour Welfare Fund. The aggregate amount contributed and charged to Statement of Profit and Loss is ₹ 535.13 Lakh (P.Y. ₹ 452.90 Lakh).

The Hon'ble Supreme Court of India ("SC") by its order dated February 28, 2019, in the case of Surya Roshani Limited & others V/s EPFO, set out the principles based on which allowances paid to the employees should be identified for inclusion in basic wages for the purposes of computation of Provident Fund contribution. Based on the same, the company has changed its Salary Structure from April 1, 2019, but impact of the previous years is not ascertainable, since the retrospective date of applicability of the same is not yet clarified.

2.41 RELATED PARTY DISCLOSURE:

Disclosures as per Ind AS 24 - 'Related Party Disclosures' are given below:

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

Joint Ventures:

White Knitwear Private Limited

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

Enlighten Lifestyle Limited

Smt. Jatnobai Karamchandji Ratanparia Chouhan Charitable Trust

Lord Gautam Charitable Foundation

Kewal Kiran Finance Private Limited

Key Management Personnel:

Kewalchand P. Jain Chairman & Managing Director

Hemant P. Jain Whole-time Director

Dinesh P. Jain Whole-time Director

Vikas P. Jain Whole-time Director

Prakash A. Mody Independent Director

Nimish G. Pandya Independent Director

Yogesh A. Thar Independent Director

Drushti R. Desai Independent Director

STANDALONE NOTES

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(₹ in lakhs except as otherwise stated)

Relatives / Other concerns of Key Management Personnel (In cases where transactions are there):

Shantaben P. Jain (Mother of Key Management Personnel)

Veena K. Jain (Wife of Kewalchand P. Jain.)

Lata H. Jain (Wife of Hemant P. Jain)

Sangeeta D. Jain (Wife of Dinesh P. Jain)

Kesar V. Jain (Wife of Vikas P. Jain)

Pankaj K. Jain (Son of Kewalchand P. Jain)

Hitendra H. Jain (Son of Hemant P. Jain)

Yash V. Jain (Son of Vikas P. Jain)

Jai D. Jain (Son of Dinesh P. Jain)

Nami D. Jain (Daughter of Dinesh P. Jain)

Krushika D. Jain (Daughter of Dinesh P. Jain)

Kewalchand P. Jain (HUF)

Hemant P. Jain (HUF)

Dinesh P. Jain (HUF)

Vikas P. Jain (HUF)

P.K. Jain Family Holding Trust

Pandya & Co. (Controlled by Mr. Nimish G. Pandya)

Bansi S. Mehta & Co. (Partnership Firm- Yogesh A. Thar and Drushti R. Desai (Partners))

Employee Funds:

Kewal Kiran Clothing Limited - Employee Group Gratuity Scheme.

b) The following transactions were carried out with the related parties in the ordinary course of business:

Nature of Transaction	Enterprises Where KMP & their relatives have significant influence.	Joint Venture	Relatives/ Other Concerns of Key Management Personnel	Key Management Personnel	Employee Funds
Rent Expenses	-	-	9.18	29.89	-
	(-)	(-)	(9.18)	(29.89)	(-)
Managerial Remuneration	-	-	-	318.00	-
	(-)	(-)	(-)	(318.00)	(-)
Salary	-	-	63.67	-	-
	(-)	(-)	(54.63)	(-)	(-)
Sitting Fees Paid	-	-	-	25.60	-
	(-)	(-)	(-)	(26.40)	(-)
Dividend Paid	1.63	-	2,398.94	1,076.99	-
	(1.44)	(-)	(2,114.86)	(949.45)	(-)
CSR (Donation)	189.00	-	-	-	-
	(181.00)	(-)	(-)	(-)	(-)
Contribution to Gratuity Fund	-	-	-	-	56.86
	(-)	(-)	(-)	(-)	(71.59)
Legal & Professional Services received	-	-	3.25	-	-
	(-)	(-)	(2.87)	(-)	(-)

STANDALONE NOTES

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Corporate Identification Number: L18101MH1992PLC065136

(₹ in lakhs except as otherwise stated)

Outstanding Balances	As at March 31, 2020	As at March 31, 2019
Trade and Salary Payable		
Relatives/ Other Concerns of Key Management Personnel	15.13	7.50
Key Management Personnel	87.58	244.89
Trade Receivable & Advances		
Employee Funds	(234.44)	1.56
Deposit Receivable		
Relatives/ Other Concerns of Key Management Personnel	4.59	4.59
Key Management Personnel	3.24	3.24
Investments		
Joint Venture	345.50	345.50

c) Disclosure in respect of material transactions with related parties during the year:

Nature of Transaction	Nature of relationship	Name of the related party	Amount
Rent Expenses	Key Management Personnel	Kewalchand P. Jain	9.98
			(9.98)
		Hemant P. Jain	8.60
			(8.60)
		Dinesh P. Jain	5.66
			(5.66)
		Vikas P. Jain	5.66
	(5.66)		
Managerial Remuneration (Salary)	Relatives/ Other Concerns of Key Management Personnel	Shantaben P. Jain	9.18
			(9.18)
		Key Management Personnel	79.50
			(79.50)
		Hemant P. Jain	79.50
			(79.50)
		Dinesh P. Jain	79.50
	(79.50)		
Salary	Relatives/ Other Concerns of Key Management Personnel	Vikas P. Jain	79.50
			(79.50)
		Pankaj K. Jain	28.00
			(27.24)
		Hitendra H. Jain	24.00
	(23.35)		
Dividend Paid	Enterprises Where KMP & their relatives have significant influence	Kewal Kiran Finance Private Limited	1.63
			(1.44)
		Relatives/ Other Concerns of Key Management Personnel	2,338.14
			(2,061.26)
		Key Management Personnel	262.43
			(231.35)
		Hemant P. Jain	262.93
	(231.79)		
Contribution to Gratuity Fund	Employee Funds	Dinesh P. Jain	277.34
			(244.49)
		Vikas P. Jain	274.29
			(241.81)
		Employee Fund	56.86
	(71.59)		

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Corporate Identification Number: L18101MH1992PLC065136

(₹ in lakhs except as otherwise stated)

Nature of Transaction	Nature of relationship	Name of the related party	Amount
Corporate Social Responsibility (Donation)	Enterprises where KMP & their relatives have significant influence	Smt. Jatnobai Karamchandji Ratanparia Chouhan Charitable Trust	189.00 (181.00)
Legal & Professional Services received	Relatives/ Other Concerns of Key Management Personnel	Pandya & Co. Bansi S. Mehta & Co.	3.25 (1.70) - (1.17)

Compensation to KMP of the Company

Nature of Benefits#	For the year ended March 31, 2020	For the year ended March 31, 2019
Short-term employee benefits (including Sitting Fees)	343.60	344.20
Post-employment gratuity and medical	-	-
Other long-term benefits	-	-
Share-based payment transactions	-	-
Termination Benefits	-	-
Total	343.60	344.20

The aforesaid amounts exclude gratuity provision as it is determined on actuarial basis for the Company as a whole.

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

1. Bhavin Sheth Chief Financial Officer
2. Abhijit Warange Company Secretary

Disclosure of transactions during the year and year-end balance with above KMP / relative of KMP.

Nature of Transaction	Name of the KMP/Relative	Amount
Managerial Remuneration (Salary)	Bhavin Sheth	64.25 (61.03)
	Abhijit Warange	43.30 (35.30)
Outstanding balance as on March 31, 2020		
Salary Payable	Bhavin Sheth	6.09 (6.68)
	Abhijit Warange	4.20 (3.84)

Note:

- i) Figures in brackets represents corresponding amount of previous year.
- ii) Above transactions exclude reimbursement of expenses
- iii) In case of KMP under the Companies Act, 2013, managerial remuneration excludes gratuity provision as it is determined on actuarial basis for the Company as a whole.

STANDALONE NOTES

on Accounts for the year ended 31st March 2020

Corporate Identification Number: L18101MH1992PLC065136

(₹ in lakhs except as otherwise stated)

2.42 LEASES - IND AS 116

a) As Lessee:

Effective April 1, 2019, the Company adopted Ind AS 116 and applied the standard to all lease contracts existing on April 1, 2019 using the modified retrospective method. Consequently, the Company recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the right of use asset at an amount equal to lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the balance sheet immediately before the date of initial application.

Comparatives as at and for the year ended March 31, 2019 have not been retrospectively adjusted and therefore will continue to be reported under the accounting policies included as part of our Annual Report for year ended March 31, 2019.

The incremental borrowing rate applied to lease liabilities as at April 1, 2019 - 9.5% p.a.

Following is the information pertaining to leases for the year ended March 2020

Particulars	Amount
a. Depreciation Charge for Right to Use Asset	32.72
b. Interest Expense on Lease Liability	30.73
c. Expense relating to short term leases accounted in profit & loss	117.72
d. Total Cash Outflow for Leases for the period	46.00
e. Additions to Right to use Assets	590.05
f. Carrying Amount of Right to use Assets as on March 31, 2020	557.33

Table showing contractual maturities of lease liabilities on undiscounted basis:

Due	As at March 31, 2020
Due not later than one year	63.07
Due later than one year but not later than five years	258.50
More than 5 years	405.00
Total	726.57

b) As Lessor:

The Company has given certain part of its property on operating lease. These lease arrangements are for a period of 9 years and cancellable solely at discretion of the lessees. Rental income from leasing of property of ₹ 95.16 Lakh (P.Y. ₹ 92.33 Lakh) is recognised in the Statement of Profit and Loss. The initial direct cost (if any) is charged off to expenses in the year in which it is incurred.

The Company has not given any property under non -cancellable operating lease.

2.43 DISCLOSURE REGARDING DERIVATIVE INSTRUMENT AND UNHEDGED FOREIGN CURRENCY EXPOSURE:

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

Particulars	Currency	As at March 31, 2020		As at March 31, 2019	
		Amt. in Foreign Currency	Amount	Amt. in Foreign Currency	Amount
Trade Receivables	USD	7,84,519.86	591.21	5,41,775	374.91
Trade Payables	USD	3,565.81	2.69	-	-
Advance from Customer	USD	18,786.24	14.16	2,479.80	1.72
Advance to Supplier	USD	-	-	82,451.28	57.06
Balance in EEFC account	USD	-	-	1,01,668.78	70.35
Foreign currency in hand	Multiple	5,179.95	2.94	-	0.83

Note: The above figures do not include open purchase orders/sales orders.

STANDALONE NOTES

on Accounts for the year ended 31st March 2020

Corporate Identification Number: L18101MH1992PLC065136

(₹ in lakhs except as otherwise stated)

2.44 PROVISIONS:

Disclosure as per Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets are given below:

Particulars	Provision for Contingencies				Other Provisions (Selling & Distributions Expenses including dealer incentives and discounts)		Provision for margin on sales return	
	Provision for Claims/ Schemes etc		Other Contingencies*		As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019
	As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019				
Opening Balance	545.09	403.72	181.86	34.94	1,642.59	1,308.12	-	152.08
Addition	1330.77	515.73	5.25	150.92	2,592.25	3,300.32	-	18.34
Utilisation	1542.19	171.12	-	-	3,090.24	2,965.85	-	-
Reversals	-	203.24	-	4.00	-	-	-	170.42
Closing Balance	333.67	545.09	187.11	181.86	1,144.60	1642.59	-	-

* It comprises of rates & taxes.

The above Provision has been grouped under the head 'Current Provisions' in Note 2.21.

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

2.45 CONTINGENT LIABILITIES:

- a) Disputed demands in respect of income tax not acknowledged as debt by the Company of ₹ 34.25 Lakh (P.Y. ₹ 20.77 Lakh). Future cash outflows in respect of above are dependent on outcome of matter under dispute

In respect of Assessment year 2005-2006, there was tax demand of ₹ 68.94 Lakh (₹ 68.94 Lakh) which had been adjusted by the tax authorities against refund due to the Company in respect of other years. During F.Y. 2015-16, the Company had received favourable Order passed by the ITAT, Mumbai against which the Income Tax Department has filed the appeal before the Bombay High Court and is under admission stage.

- b) The Company has purchased capital assets under EPCG license against which the Company has a balance export obligation of ₹ 1,224.80 Lakh (P.Y. 1,224.80 Lakh). Contingent liability, to the extent of duty saved in respect of EPCG is ₹ 298.13 Lakh (P.Y. 204.13 Lakh). The balance export obligation to be fulfilled as per license is upto year 2021-2023.

Further, in respect of the above, outstanding bonds at the period end executed by the Company in favour of customs authority aggregates to ₹ 805.68 Lakh (P.Y. ₹ 805.68 Lakh). Out of above, bonds aggregating to ₹ 176.04 Lakh (P.Y. ₹ 176.04 Lakh) are under the process of discharge from custom authorities.

- c) Bank guarantees issued by the Company of ₹ 35.46 Lakh (P.Y. ₹ 35.46 Lakh)
- d) The company's contingent liability and capital/other commitment in relation to joint venture ₹ Nil and ₹ Nil.
- e) The Company has process in place to ascertain the impact of pending litigation.

Note: No outflow of resources is expected in respect of Para (b) and (c).

2.46 ESTIMATED AMOUNT OF CONTRACTS REMAINING TO BE EXECUTED ON-

- a) Capital Commitment- Capital Account and not provided for Nil (net of advances) (P.Y. Nil).
- b) Other commitments-
1. Advertisement contracts aggregating to Nil (Net of advances) (P.Y ₹ 75.00 Lakh).
 2. Purchase of Garments/Consumables- Nil (P.Y. ₹ 259.88 Lakh)
 3. Capital Contribution Commitment for investment in Sistema Asia Fund ₹ 91 Lakh (P.Y. ₹ 110 Lakh).

STANDALONE NOTES

on Accounts for the year ended 31st March 2020

Corporate Identification Number: L18101MH1992PLC065136

(₹ in lakhs except as otherwise stated)

2.47 INCOME TAXES (IND AS 12):

Reconciliation of Effective Tax Rate:

Particulars	As at March 31, 2020	As at March 31, 2019
Applicable tax rate [%]	25.17%	34.94%
Profit before tax	9,558.97	11,936.23
Current tax expenses on Profit before tax as per applicable tax rate	2,405.80	4,171.00
Tax effect of the amounts which are not deductible/[taxable] in calculating taxable income		
Effect of Income exempt from tax	(236.74)	(486.17)
Effect of Tax paid at a lower rate	(11.91)	(46.21)
Effect of Previous year adjustments	-	10.75
Effect of expenses that are not deductible in determining taxable profits	19.37	-
Effect of other items	78.00	255.17
Total income tax expense/[credit]	2,254.52	3,904.54

The effective tax rate is 23.59% (P.Y. 32.71%).

Other items include short excess provision for Income Tax and impact of tax rate change. Impact of tax rate change; the Company elected to exercise the option permitted under Section 115BAA of the Income Tax Act, 1961 as included by the taxation laws (amendment) ordinance, 2019. Accordingly, company remeasured its deferred tax assets basis the rate prescribed in the said Section. The full intact of this change has been recognised in the statement of Profit and Loss for the year.

2.48 CORPORATE SOCIAL RESPONSIBILITY

As per Section 135 of the Companies Act, 2013, the company has spent on Corporate Social Responsibility as per its CSR policy.

- a) Gross amount required to be spent by the company during the year is ₹ 191.42 Lakh (P.Y. ₹ 190.15 Lakh)
- b) Amount spent during the year on:

Sr. No.	Particulars	In Cash (Amount)	Yet to be paid (Amount)	Total (Amount)
(i)	Construction / acquisition of any asset	-	-	-
(ii)	On purposes other than (i) above	196.00 (190.15)	-	196.00 (190.15)

Note: 1 Figures in brackets represents corresponding amount of previous year.

Note: 2 Cash flow from operating activities includes CSR amounting to ₹ 196.00 Lakh (P.Y. ₹ 190.15 Lakh)

- c) Refer note no. 2.41 for transactions with related parties

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

Amount outstanding as at year end

Particulars	As at March 31, 2020	As at March 31, 2019
Loans given	-	-
Guarantee given	-	-
Investments made*	27,048.14	28,021.78

*Also Refer note no. 2.2, 2.6 and 2.8

STANDALONE NOTES

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(₹ in lakhs except as otherwise stated)

2.50 FAIR VALUE MEASUREMENT:

The management assessed that cash and bank balances, trade receivables, trade payables, cash credits and other financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The Company has established the following fair value hierarchy that categorises the values into 3 levels. The inputs to valuation techniques used to measure fair value of financial instruments are:

- **Level 1:** This hierarchy uses quoted (unadjusted) prices in active markets for identical assets or liabilities. The fair value of all equity investments and units of mutual funds which are traded in the stock exchanges is valued using the closing price or dealer quotations as at the reporting date.
- **Level 2:** The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on company specific estimates. The mutual fund units are valued using the closing Net Asset Value. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.
- **Level 3:** If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities-

A. Quantitative disclosures fair value measurement hierarchy for financial assets as at March 31, 2020, March 31, 2019

Particulars	Fair value measurement using			Total (Amount)
	(Level 1) Amount	(Level 2) Amount	(Level 3) Amount	
As at March 31, 2020:-				
Financial Assets at amortised cost:				
Trade receivables	-	-	17,092.49	17,092.49
Investments (non-current)	-	-	345.50	345.50
Cash and bank balances	-	-	491.19	491.19
Other financial assets	-	-	417.33	417.33
Assets measured at fair value				
Fair value through Other Comprehensive Income				
Investment in Equity shares, quoted	206.81	-	-	206.81
Fair value through Profit and Loss				
Investment in units of Mutual Funds	-	26,495.83	-	26,495.83

Particulars	Fair value measurement using			Total (Amount)
	(Level 1) Amount	(Level 2) Amount	(Level 3) Amount	
As at March 31, 2019:-				
Financial Assets at amortised cost:				
Trade receivables	-	-	17,760.60	17,760.60
Investments (non-current)	-	-	345.50	345.50
Cash and bank balances	-	-	878.45	878.45
Other financial assets	-	-	454.29	454.29
Assets measured at fair value				
Fair value through Other Comprehensive Income				
Investment in Equity shares, quoted	276.15	-	-	276.15
Fair value through Profit and Loss				
Investment in units of Mutual Funds	-	27,400.13	-	27,400.13

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(₹ in lakhs except as otherwise stated)

- B. Quantitative disclosures fair value measurement hierarchy for financial liabilities as at March 31, 2020, March 31, 2019

Particulars	Fair value measurement using			Total (Amount)
	(Level 1) Amount	(Level 2) Amount	(Level 3) Amount	
As at March 31, 2020: -				
Financial Liabilities at amortised cost:				
Cash Credits/Working Capital Borrowing	-	-	8,801.18	8,801.18
Trade payables	-	-	4,980.11	4,980.11
Other financial liabilities	-	-	881.55	881.55

Particulars	Fair value measurement using			Total (Amount)
	(Level 1) Amount	(Level 2) Amount	(Level 3) Amount	
As at March 31, 2019: -				
Financial Liabilities at amortised cost:				
Cash Credits/Working Capital Borrowing	-	-	9,345.99	9,345.99
Trade payables	-	-	4,473.18	4,473.18
Other financial liabilities	-	-	690.19	690.19

2.51 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES:

The Company's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include trade and other receivables, investments and cash & cash equivalents that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. It is the Company's policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

a) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: (i) interest rate risk and (ii) currency risk. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables and borrowings. The sensitivity analyses in the following sections relate to the position as at March 31, 2020 and March 31, 2019.

The analyses exclude the impact of movements in market variables on: the carrying values of gratuity and other post-retirement obligations; provisions.

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at March 31, 2020 and March 31, 2019.

(i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's short term debt obligations with floating interest rates. The Company has sufficient amount of liquid investments to mitigate the interest risk on its short term debt obligations.

STANDALONE NOTES

on Accounts for the year ended 31st March 2020

Corporate Identification Number: L18101MH1992PLC065136

(₹ in lakhs except as otherwise stated)

Interest rate sensitivity-

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings taken at floating rates. With all other variables held constant, the Company's profit / (loss) before tax is affected through the impact on floating rate borrowings, as follows:

Basis Points	As at March 31, 2020		As at March 31, 2019	
	5% increase	5% decrease	5% increase	5% decrease
Effect on profit before tax (Amount)	(38.29)	38.29	(30.48)	30.48

(ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company transacts business in local currency and in foreign currency, primarily in USD. The Company's trade receivables in foreign currency as at March 31, 2020 is ₹ 591.21 Lakh (P.Y. ₹ 374.91 Lakh).

Foreign currency sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in rate of USD, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities. The Company's exposure to foreign currency changes for all other currencies is not material.

Basis Points	As at March 31, 2020		As at March 31, 2019	
	5% increase	5% decrease	5% increase	5% decrease
Effect on profit before tax (Amount)	11.82	(11.82)	7.50	(7.50)

b) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables).

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of default occurring on asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forwarding-looking information such as:

- i. Actual or expected significant adverse changes in business,
- ii. Actual or expected significant changes in the operating results of the counterparty,
- iii. Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations,
- iv. Significant increase in credit risk on other financial instruments of the same counterparty,
- v. Significant changes in the value of the collateral supporting the obligation or in the quality of the third-party guarantees or credit enhancements.

Financial assets are written off when there are no reasonable expectations of recovery, such as a debtor failing to engage in a repayment plan with the Company.

Assets in the nature of Investment, security deposits, loans and advances are measured using 12 months expected credit losses (ECL). Balances with Banks is subject to low credit risk due to good credit rating assigned to these banks. Trade receivables are measured using lifetime expected credit losses.

STANDALONE NOTES

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Financial Assets for which loss allowances is measured using the Expected Credit Losses (ECL):

The Ageing analysis of Account receivables has been considered from the date the invoice falls due-

Ageing	As at March 31, 2020	As at March 31, 2019
0-180 days	13,572.42	13,441.31
181 days to 365 days	3,094.60	3,645.37
beyond 365 days	1,000.49	1,194.94
Total	17,667.51	18,281.62

The following table summarises the changes in loss allowances measured using lifetime expected credit loss model

Provisions	As at March 31, 2020	As at March 31, 2019
Opening Provision	515.00	343.00
Add:- Additional provision made	60.00	172.00
Less:- Provision utilised against bad debts	-	-
Closing provisions	575.00	515.00

No Significant changes in estimation techniques or assumptions were made during the year

c) Liquidity risk

The Company's principal source of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The Company believes that the working capital is sufficient to meet its current requirements.

As on March 31, 2020, the Company had working capital of ₹ 30,571.91 Lakh (P.Y. ₹ 20,365.54 Lakh) including cash and cash equivalents of ₹ 7,970.87 Lakh (P.Y. ₹ 5,320.61 Lakh) and current investments of ₹ 13,674.21 Lakh (P.Y. ₹ 9,081.10 Lakh)

Maturity patterns of the Financial Liabilities of the Company at the reporting date based on contractual undiscounted payment-

As at March 31, 2020	Less than 1 year (Amount)	1 to 5 years (Amount)	More than 5 Years (Amount)	Total (Amount)
Borrowings	8,801.18	-	-	8,801.18
Trade payables	4,980.11	-	-	4,980.11
Other financial liabilities	539.54	328.08	13.93	881.55
Total	14,320.83	328.08	13.93	14,662.84

As at March 31, 2019	Less than 1 year (Amount)	1 to 5 years (Amount)	More than 5 Years (Amount)	Total (Amount)
Borrowings	9,345.99	-	-	9,345.99
Trade payables	4,473.18	-	-	4,473.18
Other financial liabilities	690.19	-	-	690.19
Payable related to Capital goods	93.17	-	-	93.17
Total	14,602.53	-	-	14,602.53

STANDALONE NOTES

on Accounts for the year ended 31st March 2020

Corporate Identification Number: L18101MH1992PLC065136

(₹ in lakhs except as otherwise stated)

2.52 CAPITAL MANAGEMENT

(a) Risk Management

For the purposes of the Company's capital management, capital includes issued capital, share premium and all other equity reserves attributable to the equity holders. The Company aims to manage its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to our shareholders.

The capital structure of the Company is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. We consider the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The Company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure

The Company monitors capital using Net debt-equity ratio, which is Net debt (i.e. total debt less cash & cash equivalents and current investments) divided by total equity.

Particulars	As at March 31, 2020	As at March 31, 2019
Net Debt	[12,843.90]	[5,055.72]
Total Equity	44,642.24	43,049.05
Net Debt to Equity Ratio [%]	[28.77]	[11.74]

(b) Distributions made and proposed:

Equity Shares	For the year ended March 31, 2020	For the year ended March 31, 2019
Cash dividends on equity shares declared and paid:		
Final dividend for the year ended March 31, 2019 ₹ 2.00 (March 31, 2018 - ₹ 1.50) per fully paid share	246.51	184.88
Dividend distribution tax on final dividend	50.67	38.00
Interim Dividend for the year ended March 31, 2020 ₹ 36.00 (March 31, 2019 - ₹ 32.00) per fully paid share	4,437.01	3,944
Dividend distribution tax on interim dividend	912.04	810.70
Proposed dividends on Equity shares:		
Final dividend for the year ended on March 31, 2020 ₹ 1.00 (March 31, 2019- ₹ 2.00) per fully paid share This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting. The same is not recognised at the end of the reporting period.	123.25	246.50

2.53 Additional information as required by para 5 of General Instructions for preparation of Statement of Profit and Loss (other than already disclosed above) are either Nil or Not Applicable.

2.54 Previous year figures are regrouped or rearranged wherever considered necessary.

STANDALONE NOTES

on Accounts for the year ended 31st March 2020

Corporate Identification Number: L18101MH1992PLC065136

(₹ in lakhs except as otherwise stated)

2.55 The outbreak of COVID-19 across the globe and in India has resulted in pandemic requiring unprecedented steps to combat it. Consequent to the nation-wide lockdown imposed by the Central Government from March 23, 2020 to prevent the spread thereof, the Company had to shut down its factories / stores and all its operational activities across its locations, impacting the business during the quarter. The Company has taken and shall continue to take various precautionary measures to protect employees and their families from COVID-19.

Significant decline in the economic activity of the whole nation and the disruption created across the businesses have affected the operations of the Company as well, the impact whereof would evolve around the developments taking place in forthcoming months.

The operations of the Company have resumed in a partial manner at manufacturing locations from May 4, 2020, taking cognizance of the Governments' views around resuming manufacturing activities with controlled entry and exit facilities, maintaining appropriate distancing and following other directives of the regulatory authorities.

Further, the Company expects to recover the carrying amount of all its assets including inventory, receivables and loans in the ordinary course of business based on information available on current economic conditions. The Company is continuously monitoring any material changes in future economic conditions for taking prompt corrective actions within its purview and would keep assessing the impact for taking appropriate cognizance in financial reporting in the forthcoming quarters.

As per our Audit Report of even date attached

For and on behalf of

Khimji Kunverji & Co LLP

(Formerly Khimji Kunverji & Co)

Chartered Accountants

Registration No.:105146W/W100621

For and on behalf of the Board of Directors

of **Kewal Kiran Clothing Ltd**

Hasmukh Dedhia

Partner

Membership No. : 33494

Kewalchand P. Jain

Chairman & Managing Director

Din No : 00029730

Hemant P. Jain

Whole time Director

Din No : 00029822

Place: Mumbai

Date: May 26, 2020

Bhavin Sheth

Chief Financial Officer

Abhijit Warange

Company Secretary

INDEPENDENT AUDITOR'S REPORT

To the Members of Kewal Kiran Clothing Limited

Report on the Audit of the Consolidated Ind AS Financial Statements

Opinion

1. We have audited the accompanying Consolidated Ind AS Financial Statements ('CFS') of **Kewal Kiran Clothing Limited** ('the Holding Company') and a Joint Venture (The holding company and a Joint Venture collectively referred to as the 'Group'), which comprise the Consolidated Balance Sheet as at March 31, 2020, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid CFS give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the Consolidated financial position of the Group as at March 31, 2020, and their consolidated financial performance (including other comprehensive income), consolidated statement of changes in equity and their consolidated cash flows for the year ended on that date.

Basis for Opinion

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

Emphasis of Matter

3. Attention is invited to Note No 2.46 to the CFS regarding the uncertainties arising out of the outbreak of COVID-19 pandemic and the assessment made by the management on its operations and financial reporting for the year ended March 31, 2020; such an assessment and the outcome of the pandemic, as made by the management, is dependent on the circumstances as they evolve in the subsequent periods. Our report is not modified in respect of this matter.

Key Audit Matters

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the CFS for the year under audit. We have determined that there are no key audit matters to be communicated in our report.

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

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

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

Responsibility of Management for Consolidated Ind AS Financial Statements

6. The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these CFS that give a true and fair view of the consolidated financial position, consolidated financial performance (including other comprehensive income), consolidated

statement of changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under prescribed Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the respective entities and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the CFS that give a true and fair view and are free from material misstatement, whether due to fraud or error. In preparing the CFS, the respective Board of Directors of the companies included in the Group are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

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

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

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

Other Matters

8. The entire audit finalisation process was carried from remote locations i.e. other than the office of the Company where books of account and other records are kept, based on data/details or financial information provided to us through digital medium, owing to complete lockdown imposed by the Central Government to restrict the spread of COVID-19. Thus, our attendance, inter alia, at the physical inventory verification done by the management was impracticable under the circumstances. Being constrained, we resorted to and relied upon the results of the related alternate audit procedures to obtain sufficient and appropriate audit evidence for the significant matters in course of our audit. Our report is not modified in respect of this matter.
9. We did not audit the Financials Statements of the Joint Venture included in the CFS Group, whose share of net Loss is ₹ 1.40 Lakh for the year ended March 31, 2020. These Financial Statements have been audited by another auditor whose report has been furnished to us by the Management of the Company. In our opinion on the CFS, in so far as it relates to the amounts and disclosures included pertaining to the joint venture, is based solely on the report of another auditor. Our opinion is not modified on this matter.

Report on Other Legal and Regulatory Requirements

10. As required by section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the CFS.
 - b. In our opinion, proper books of account as required by law relating to the preparation of the CFS have been kept by the Company so far as it appears from our examination of those books and the reports of the other auditor.
 - c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the CFS.
 - d. In our opinion, the aforesaid CFS comply with the Accounting Standards specified under section 133 of the Act, read with Rule 3 of the Companies (Indian Accounting Standard) Rules, 2015.

INDEPENDENT AUDITOR'S REPORT (CONTD.)

- e. On the basis of the written representations received from the directors of the Holding Company as on March 31, 2020, taken on record by the Board of Directors of the Holding Company and the reports of the Statutory Auditor of the Joint Venture incorporated in India, none of the directors of the Group are disqualified as on March 31, 2020 from being appointed as a director in terms of section 164 (2) of the Act.
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate Report in Annexure 2.
- g. In terms of provisions of Section 197(16) of the Act, as per the information and explanations given, we report that the managerial remuneration paid by the Company to its Directors is in accordance with provisions of Section 197 of the Act.
- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditor on Standalone Financial Statements and other financial information of the Joint Venture, we report as under:
 - (i) The Company has disclosed the impact of pending litigations on the financials position in its CFS. Refer Note no. 2.37 to the CFS;
 - (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - (iii) There has been no delay in transferring amounts, required to be transferred to the Investor Education and Protection Fund by the Group.

For **Khimji Kunverji & Co LLP**
(Formerly Khimji Kunverji & Co)
Chartered Accountants
Firm's Registration No.: 105146W / W-100621

Hasmukh B. Dedhia
Partner
Membership No.: 033494
ICAI UDIN : 20033494AAAAEI4058

Place : Mumbai
Date : May 26, 2020

ANNEXURE 1 TO THE INDEPENDENT AUDITORS' REPORT

to the members of Kewal Kiran Clothing Limited

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

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

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

ANNEXURE 2 TO THE INDEPENDENT AUDITORS' REPORT

to the members of Kewal Kiran Clothing Limited

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

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act

In conjunction with our audit of the Consolidated Ind AS Financial Statements ('CFS') of the Company as of and for the year ended March 31, 2020, we report on internal financial controls over financial reporting of Kewal Kiran Clothing Limited (hereinafter referred to as 'the Holding Company'), and a Joint Venture (the Holding Company and a Joint Venture together referred to as 'the Group'), incorporated in India, as of that date.

Opinion

In our opinion, to the best of our information and according to the explanations given to us and based on auditor's report of the Joint Venture, incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Holding company considering the essential components of internal control stated in the Guidance Note.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

We believe that the audit evidence we have obtained and in terms of other auditor report referred to in paragraph of the Other Matters below, the audit evidence obtained by them, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Holding Company.

Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to the sole Joint Venture, is based on the report of the auditors of joint venture.

Meaning of Internal Financial Controls Over Financial Reporting

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

- (a) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- (b) provide reasonable assurance that transactions are recorded as necessary to permit preparation of CFS in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and
- (c) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the CFS.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

For **Khimji Kunverji & Co LLP**

(Formerly Khimji Kunverji & Co)

Chartered Accountants

Firm's Registration No.: 105146W / W-100621

Hasmukh B. Dedhia

Partner

Membership No.: 033494

ICAI UDIN : 20033494AAAAEI4058

Place : Mumbai

Date : May 26, 2020

CONSOLIDATED BALANCE SHEET

as at March 31, 2020

Corporate Identification Number: L18101MH1992PLC065136

Particulars	Note	(Amount ₹ in Lakh)	
		As at March 31, 2020 Audited	As at March 31, 2019 Audited
ASSETS			
1) Non-Current Assets			
a) Property, Plant and Equipment	2.1	7,537.00	7,693.91
b) Capital Work in Progress	2.1	286.00	224.16
c) Right of use Asset	2.1	557.33	204.05
d) Investment Property	2.1.1	134.23	142.84
e) Other Intangible Assets		29.83	194.18
f) Intangible Assets under Development		-	-
g) Financial Assets			
i) Investments	2.2	5,794.21	14,441.41
ii) Loans		-	-
iii) Other Financial Assets	2.3	248.16	311.15
h) Deferred Tax Assets(Net)		-	-
i) Other Non-Current Assets	2.4	436.95	111.09
		15,023.71	23,322.79
2) Current Assets			
a) Inventories	2.5	9,003.34	8,310.25
b) Financial Assets			
i) Investments	2.6	13,674.21	9,081.10
ii) Trade Receivables	2.7	17,092.47	17,766.62
iii) Cash & Cash Equivalents	2.8	7,970.87	5,320.61
iv) Bank balances other than iii above	2.9	49.51	7.97
v) Loans		-	-
vi) Other Financial Assets	2.10	169.17	143.14
c) Current Tax Assets (Net)		-	-
d) Other Current Assets	2.11	659.09	569.56
		48,618.66	41,199.25
		63,642.37	64,522.04
TOTAL ASSETS			
EQUITY & LIABILITIES			
Equity			
a) Equity Share Capital	2.12	1,232.50	1,232.50
b) Other Equity	2.13	43,359.15	41,767.40
		44,591.65	42,999.90
Liabilities			
1) Non-Current Liabilities			
a) Financial Liabilities	2.13A	342.01	-
b) Provisions	2.14	6.50	6.50
c) Deferred Tax Liability	2.15	545.00	547.00
d) Other non - current liabilities	2.16	110.40	134.92
		1,003.91	688.42
2) Current Liabilities			
a) Financial Liabilities			
i) Borrowings	2.17	8,801.19	9,345.99
ii) Trade Payables			
- Due to Micro and Small Enterprises	2.18	100.01	176.38
- Due to Others		4,880.11	4,296.79
iii) Other financial liabilities	2.19	539.52	690.19
b) Other Current Liabilities	2.20	1,722.35	3,251.02
c) Provisions	2.21	2,003.63	3,073.35
d) Current Tax Liabilities (Net)	2.22	-	-
		18,046.81	20,833.72
		63,642.37	64,522.04
TOTAL EQUITY AND LIABILITIES			

The notes referred to above form integral part of Financial Statements

As per our Audit Report of even date

For and on behalf of

Khimji Kunverji & Co LLP

(Formerly Khimji Kunverji & Co)

Chartered Accountants

Registration No.:105146W/W100621

Hasmukh Dedhia

Partner

Membership No. : 33494

Place: Mumbai

Date: May 26, 2020

For and on behalf of the Board of Directors

of **Kewal Kiran Clothing Ltd**

Kewalchand P. Jain

Chairman & Managing Director

Din No : 00029730

Bhavin Sheth

Chief Financial Officer

Hemant P. Jain

Whole time Director

Din No : 00029822

Abhijit Warange

Company Secretary

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

for the year ended March 31, 2020

Corporate Identification Number: L18101MH1992PLC065136

Particulars	Note	(Amount ₹ in Lakh)	
		For the Year Ended March 31, 2020 Audited	For the Year Ended March 31, 2019 Audited
INCOME			
Revenue from Operations	2.23	52,967.01	50,288.58
Other Income	2.24	1,753.36	2,197.87
		54,720.37	52,486.45
EXPENDITURE			
Changes in inventories of Finished goods, Stock in trade and Work in progress	2.25	(943.23)	(3,008.70)
Cost of Material Consumed	2.26	19,473.35	19,362.97
Purchase of Trading Items: Lifestyle Accessories/ Products		2,776.09	2,862.26
Employee Benefit Expenses	2.27	7,145.18	7,511.53
Finance Cost	2.28	881.08	689.36
Depreciation/ Amortisation	2.1	823.40	806.15
Manufacturing and Operating Expenses	2.29	4,901.49	4,904.36
Administrative and Other Expenses	2.30	3,307.88	3,332.08
Selling and Distribution Expenses	2.31	6,796.20	4,090.22
		45,161.44	40,550.22
Profit before exceptional items, share of profit/(loss) of investment using equity method and tax		9,558.93	11,936.23
Share of profit/(loss) of joint venture using equity method		(1.40)	(2.86)
Profit before exceptional items and tax		9,557.53	11,933.37
Exceptional items		-	-
Net Profit Before Tax		9,557.53	11,933.37
Tax Expense			
Current Tax		2,256.52	3,806.79
Deferred Tax		(2.00)	87.00
[Excess]/Short Provision for Taxes of Earlier Years		-	10.75
Net Profit for the Period		7,303.01	8,028.83
Other Comprehensive Income (OCI)			
Items that will not be reclassified to Profit and Loss			
Effect [(gain) / loss] of measuring equity instruments at fair value through OCI		69.36	(42.24)
Remeasurement (gain) / loss on net defined benefit liability		(5.79)	19.41
Income tax relating to items that will not be reclassified to profit and loss		1.48	(6.79)
Total Comprehensive Income for the year		7,237.96	8,058.45
Earnings per Share - Basic and Diluted (Face Value of ₹ 10 each fully paid up)		59.25	65.14
Weighted Average Number of Shares used in computing Earnings per Share -Basic and Diluted		12,325,037	12,325,037

The notes referred to above form integral part of Financial Statements

As per our Audit Report of even date

For and on behalf of

Khimji Kunverji & Co LLP

[Formerly Khimji Kunverji & Co]

Chartered Accountants

Registration No.:105146W/W100621

For and on behalf of the Board of Directors

of **Kewal Kiran Clothing Ltd**

Hasmukh Dedhia

Partner

Membership No. : 33494

Place: Mumbai

Date: May 26, 2020

Kewalchand P. Jain

Chairman & Managing Director

Din No : 00029730

Bhavin Sheth

Chief Financial Officer

Hemant P. Jain

Whole time Director

Din No : 00029822

Abhijit Warange

Company Secretary

CONSOLIDATED CASH FLOW STATEMENT

for the year ended March 31, 2020

Corporate Identification Number: L18101MH1992PLC065136

(Amount ₹ in Lakh)

Particulars	For the Year Ended March 31, 2020	For the Year Ended March 31, 2019
	Audited	Audited
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit Before Taxes as per Statement of Profit and Loss	9,557.53	11,933.37
Adjustments for:		
Depreciation/ Amortisation	814.80	797.39
Share of lost in Joint venture	1.40	2.86
(Gain)/Loss on Sale / discard of Property plant & equipment [Tangible Assets] (Net)	(10.67)	(10.86)
Depreciation on Investment Property	8.60	8.76
Effect of fair value measurement of investments	(1,547.53)	(2,006.50)
Sundry Balance (written back)/written off (Net)	7.01	(8.96)
Finance costs	871.14	612.75
Dividend Income	(6.75)	(4.10)
Provision/(Reversal of provision) for Doubtful Debts , Advances, Deposits and Investments	129.36	129.76
Provision/(Reversal of provision) for Contingencies	-	150.92
Provision/ (Reversal of Provision) of Exchange Rate Fluctuation (Net)	(37.36)	1.06
Interest Income	(25.70)	(29.06)
	204.30	(355.98)
	9,761.83	11,577.39
Changes in Current & Non-current Assets and Liabilities		
Trade Receivable and Other Assets	572.13	(5,926.47)
Inventories	(693.08)	(3,025.27)
Trade Payables, Liabilities and Provisions	(2,250.64)	1,138.94
	(2,371.59)	(7,812.80)
Net Cash Inflow from Operating Activities	7,390.24	3,764.59
Less: Income Tax paid (Net of Refund)	(2,296.43)	(3,801.60)
Net Cash Inflow/(outflow) from Operating Activities	5,093.81	(37.01)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property Plant & Equipment (including Capital Advances)	(1,424.81)	(1,241.04)
Sale of Property Plant & Equipment	308.68	82.88
Purchase of Investments	(259.00)	(3,451.33)
Redemption of Investments (net of taxes)	5,953.08	4,783.43
Bank Deposit offered as Security		(40.57)
Maturity of Bank Deposit offered as Security	1.25	88.85
Dividend Income	6.75	4.10
Interest received on Bank Deposits	8.48	57.92
Less : Income Tax Paid	(2.12)	(5.79)
Net Cash inflow / (Outflow) from Investing Activities	4,592.32	278.45

CONSOLIDATED CASH FLOW STATEMENT

for the year ended March 31, 2020

Corporate Identification Number: L18101MH1992PLC065136

(Amount ₹ in Lakh)

Particulars	For the Year Ended March 31, 2020	For the Year Ended March 31, 2019
	Audited	Audited
C. CASH FLOW FROM FINANCING ACTIVITIES		
Working Capital Demand Loan (Net)	[544.81]	4,516.34
Interest and Finance Charges	[800.78]	[616.03]
Payment of Lease liability	[46.00]	
Payment of Dividend (Including Dividend Tax)	[5,644.38]	[4,975.40]
Net Cash Inflow/(Outflow) from Financing Activities	[7,035.97]	[1,075.09]
Net Increase/ (Decrease) in Cash & Cash Equivalents	2,650.16	[833.65]
CASH AND CASH EQUIVALENTS - OPENING	5,320.61	6,154.29
	7,970.77	5,320.64
Effect of Exchange(Gain)/Loss on Cash and Cash Equivalents	0.10	0.03
CASH AND CASH EQUIVALENTS - CLOSING	7,970.87	5,320.61

Significant accounting policies and notes on accounts

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

- The Aggregate Income Tax paid during the year is ₹ 2,429.00 Lakh (P.Y. ₹ 3,952.39 Lakh).
- The amount of undrawn borrowing facilities that may be available for future operating activities and to settle capital commitments as on March 31, 2020 is ₹ 5,199.99 Lakh (P.Y. ₹ 1,654.01 Lakh).

As per our Audit Report of even date

For and on behalf of

Khimji Kunverji & Co LLP

(Formerly Khimji Kunverji & Co)

Chartered Accountants

Registration No.:105146W/W100621

For and on behalf of the Board of Directors

of **Kewal Kiran Clothing Ltd**

Hasmukh Dedhia

Partner

Membership No. : 33494

Kewalchand P. Jain

Chairman & Managing Director

Din No : 00029730

Hemant P. Jain

Whole time Director

Din No : 00029822

Place: Mumbai

Date: May 26, 2020

Bhavin Sheth

Chief Financial Officer

Abhijit Warange

Company Secretary

STATEMENT OF CONSOLIDATED CHANGE IN EQUITY

for the year ended March 31, 2020

Corporate Identification Number: L18101MH1992PLC065136

A) EQUITY SHARE CAPITAL

(Amount ₹ in Lakh)

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

B) OTHER EQUITY

(Amount ₹ in Lakh)

	General Reserve	Retained Earning	Securities premium	Business Progressive fund (refer note below)	Equity Instruments through OCI	Total
Balance as at March 31, 2019 (III) = I+II	5,375.63	23,870.99	8,426.77	4,000.00	94.01	41,767.41
Profit for the year	-	7,303.01	-	-	-	7303.01
Items of OCI for the year, net of tax						-
Remeasurement of net defined benefit liability	-	4.31	-	-	-	4.31
Effect of measuring equity instruments at fair value through OCI	-		-	-	(69.36)	(69.36)
Total Comprehensive income from the year (2019-20) (I)	-	7,307.32	-	-	(69.36)	7,237.96
						-
Dividends	-	(4,683.51)	-	-	-	(4,683.51)
Tax on dividends	-	(962.71)	-	-	-	(962.71)
Total (II)	-	[5,646.22]	-	-	-	[5,646.22]
Balance as at March 31, 2020 (III) = I+II	5,375.63	25,532.10	8,426.77	4,000.00	24.65	43,359.14

BUSINESS PROGRESSIVE FUND

* The Company has created "Business Progressive Fund" out of its profits to maintain normal growth in sluggish market conditions and support superior growth for long term. The said fund shall be for the purpose of launching & promoting new products, advertisement campaigns, promotional schemes and initial support to master stockiest and franchisees for development of retail business, reinforce existing channels of sales etc. The amount of fund is specifically earmarked and invested in liquid mutual funds or any other safe and highly liquid investments. The Company has made adequate provisions in accordance with Indian Accounting Standard (AS) -37 in normal course of business. INDAS-37 does not permit providing for expenses where present obligation does not exist or there is no fixed commitment.

Accordingly the Company has opted to create Business Progressive Fund. Further addition to the aforesaid fund shall be reviewed from time to time considering business environment and conditions and the income accrued from the fund. Any accretion to the investment shall be credited to Statement of Profit and Loss.

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

Hasmukh Dedhia
Partner
Membership No. : 33494

Place: Mumbai
Date: May 26, 2020

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

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

Bhavin Sheth
Chief Financial Officer

Hemant P. Jain
Whole time Director
Din No : 00029822

Abhijit Warange
Company Secretary

CONSOLIDATED NOTES

on Accounts for the year ended 31st March 2020

Corporate Identification Number: L18101MH1992PLC065136

(₹ in lakhs except as otherwise stated)

1. COMPANY OVERVIEW AND SIGNIFICANT ACCOUNTING POLICIES:

A. Corporate Information

Kewal Kiran Clothing Limited ("the Parent Company") is a Public Limited Company incorporated in India having its registered office at Mumbai, Maharashtra. The Parent Company is engaged into manufacturing, marketing and retailing of branded readymade garments and finished accessories. The Parent Company together with its joint venture (i.e. White Knitwear Private Limited) is referred to as the "Group".

B. Statement of Compliance and Basis of Preparation and Consolidation

(i) Compliance with Ind AS

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

(ii) Basis of Preparation and presentation

Basis of Preparation:

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

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

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

Functional and Presentation Currency:

The CFS are presented in Indian Rupees and all values are rounded to the nearest lakh (₹ 00,000), except otherwise indicated.

(iii) Principles of Consolidation and equity accounting

Joint Venture

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The Group's investments in its joint venture are accounted for using the equity method

Equity Method

Under the equity method, the investment in a joint venture is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the joint venture since the acquisition date. Goodwill relating to the joint venture is included in the carrying amount of the investment and is not tested for impairment individually.

The statement of profit and loss reflects the Group's share of the results of operations of the joint venture.

Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the joint venture, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the joint venture are eliminated to the extent of the interest in the joint venture.

The aggregate of the Group's share of profit or loss of a joint venture is shown on the face of the statement of profit and loss. The financial statements of the joint venture are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

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After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its joint venture. At each reporting date, the Group determines whether there is objective evidence that the investment in the joint venture is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the joint venture and its carrying value and then recognises the loss as 'Share of profit of a joint venture' in the statement of profit or loss.

Upon loss of significant influence over the joint control over the joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the joint venture upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

C. Summary of Significant Accounting Policies

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

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

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

- a) It is expected to be realised, or is intended to be sold or consumed, in the normal operating cycle; or
- b) It is held primarily for the purpose of trading; or
- c) It is expected to realise the asset within twelve months after the reporting period; or
- d) The asset is a cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

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

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

- b) It is held primarily for the purpose of trading; or
- c) It is due to be settled within twelve months after the reporting period; or
- d) The Group does not have an unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could result in its settlement by the issue of equity instruments at the option of the counterparty does not affect this classification.

All other liabilities are classified as non-current.

1.2 Property, Plant and Equipment (PPE):

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

If significant parts of an item of PPE have different useful lives, then they are accounted for as separate items (major components) of PPE. Material items such as spare parts, stand-by equipment and service equipment are classified as PPE when they meet the definition of PPE as specified in Ind AS 16 - Property, Plant and Equipment.

1.3 Expenditure during construction period:

- a) Expenditure/Income during construction period (including financing cost related

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to borrowed funds for construction or acquisition of qualifying PPE) is included under Capital Work-in-Progress and the same is allocated to the respective PPE on the completion of their construction.

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

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

1.4 Depreciation:

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

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

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

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

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

- c) In case of assets purchased, sold or discarded during the year, depreciation on such assets is calculated on pro-rata basis from the date of such addition or as the case may be, upto the date on which such asset has been sold or discarded.
- d) Depreciation methods, useful lives and residual values are reviewed at each financial year end and adjusted prospectively.
- e) Leasehold lands are amortised over the period of lease or useful life whichever is lower. Buildings constructed on leasehold land are depreciated over its useful life which matches with the useful life mentioned in Schedule II. In cases where building is having useful life greater than the period of lease (where the Parent Company does not have right of renewal), the same is amortised over the lease period of land.

1.5 Investment properties

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

Depreciation on building held as Investment Properties is provided over its useful life (60 years) using the straight line method.

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1.6 Intangible Assets and Amortisation:

- a) Intangible assets are recognised only if it is probable that the future economic benefits attributable to asset will flow to the Company and the cost of asset can be measured reliably. Intangible assets are stated at cost of acquisition/development less accumulated amortisation and accumulated impairment loss if any.
- b) Cost of an intangible asset includes purchase price including non-refundable taxes and duties, borrowing cost directly attributable to the qualifying asset and any directly attributable expenditure on making the asset ready for its intended use.
- c) Intangible assets under development comprises of cost incurred on intangible assets under development that are not yet ready for their intended use as at the Balance Sheet date.
- d) Class of intangible assets and their estimated useful lives are as under:

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

- e) Amortisation methods and useful lives are reviewed at each financial year end and adjusted prospectively.
- f) In case of assets purchased during the year, amortisation on such assets is calculated on pro-rata basis from the date of such addition.

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

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

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

1.8 Impairment of Non-Financial Assets:

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

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

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

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

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment

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loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the Statement of Profit and Loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.9 Inventories:

The inventories (including traded goods) are valued at lower of cost and net realisable value after providing for cost of obsolescence wherever considered necessary. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

The cost comprises of costs of purchase, duties and taxes (other than those subsequently recoverable), conversion cost and other costs incurred in bringing the inventories to their present location and condition. Since the Parent Company is in fashion industry with diverse designs / styles, the cost of inventory is determined on the basis of specific identification method (as the same is considered as more suitable).

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

1.10 Borrowing Costs:

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

an adjustment to the borrowing cost and other costs that an entity incurs in connection with the borrowing of funds.

1.11 Provisions, Contingent Liabilities and Contingent Assets:

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

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

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

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

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

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

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1.12 Revenue Recognition:

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

- a) Sales of goods are recognised when significant risks and rewards of ownership of the goods have passed to the buyer that coincides with delivery and is measured at the fair value of consideration received or receivable taking net off the amount of goods and services tax (GST), sales tax, rebates, trade discounts and sales returns.
- b) Interest income is recognised on time proportion basis taking into account the amount outstanding and rate applicable.
- c) Dividend income on investment is accounted for in the period/year in which the right to receive the same is established.
- d) Service income is recognised upon rendering of services. Service income is recorded net of service tax/GST.
- e) Licensing revenue is recognised on accrual basis in accordance with the terms of the relevant agreements. Licensing income is recorded net of sales tax and service tax/GST
- f) Power generation income is recognised on the basis of electrical units generated and sold in excess of captive consumption and recognised at prescribed rate as per agreement of sale of electricity by the Parent Company. Further, value of electricity generated and captively consumed is netted off from the electricity expenses.
- g) Export incentives principally comprises of Duty Drawback, merchandise exports from India scheme (MEIS) and rebate on state & central taxes and levies (RoSTCL) based on guidelines formulated for the respective scheme by the government authorities. These incentives are recognised as income on accrual basis in Statement of Profit and Loss only to the extent that realisation/ utilisation is certain.

- h) Rental income (net of taxes) on assets given under operating lease arrangements is recognised on a straight-line basis over the period of the lease unless the receipts are structured to increase in line with expected general inflation to compensate for the Company's expected inflationary cost increases.

1.13 Leases:

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

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

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

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

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The lease liability is initially measured at amortised cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Group changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

1.14 Employees' Benefits:

a) Short term employee benefits-

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

b) Post-employment benefits

ij) *Defined contribution plan*

The defined contribution plan is post-employment benefit plan under which the Group contributes fixed contribution to a government administered fund and will have no obligation to pay further contribution. The Group's defined contribution plan comprises of Provident Fund, Employee State Insurance Scheme, Employee Pension Scheme, National Pension Scheme and Labour Welfare Fund. The Group's contribution to defined contribution plans are recognised in the Statement of Profit and Loss in the period in which employee renders the related service.

ii) *Defined benefit plan*

The Group's obligation towards gratuity liability is funded to an approved gratuity fund, which fully covers the said liability under Cash Accumulation Policy of Life Insurance Corporation of India (LIC).

The present value of the defined benefit obligations is determined based on actuarial valuation using the projected unit credit method. The rate used to discount defined benefit obligation is determined by reference to market yields at the Balance Sheet date on Indian Government Bonds for the estimated term of obligations. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and fair value of plan assets. Re-measurement gains or losses arising from experience adjustments changes in actuarial assumptions is reflected immediately in the Balance Sheet with a charge or credit recognised in Other Comprehensive Income (OCI) in the period in which they occur. Re-measurement recognised in OCI is reflected immediately in retained earnings and will not be reclassified to Statement of Profit and Loss in the subsequent period.

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

1.15 Income Taxes:

- a) Tax expenses comprise of current tax, deferred tax charge or credit and adjustments of taxes for earlier years. In respect of amounts adjusted against securities premium or retained earnings or other reserves, the corresponding tax effect is also adjusted against the securities premium or retained earnings or other reserves, as the case may be,

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as per the announcement of Institute of Chartered Accountant of India.

- b) Current Tax is measured on the basis of estimated taxable income for the current accounting period in with the applicable tax rates and the provisions of the Income-tax Act, 1961 and other applicable tax laws.
- c) Deferred tax is provided, on all temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax assets and liabilities are measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted at the reporting date.

Tax relating to items recognised directly in equity or OCI is recognised in equity or OCI and not in the Statement of Profit and Loss. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets and they relate to income taxes levied by the same tax authority, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable

1.16 Earnings per Share:

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

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

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

1.17 Foreign Currency Transactions:

- a) Transactions denominated in foreign currencies are recorded at the exchange rates prevailing on the date of the transaction.
- b) As at balance sheet date, foreign currency monetary items are translated at closing exchange rate. Foreign currency non-monetary items carried at fair value are translated at the rates prevailing at the date when the fair value was determined. Foreign currency non-monetary items measured in terms of historical cost are translated using the exchange rate as at the date of initial transactions.
- c) Exchange difference arising on settlement or translation of foreign currency monetary items are recognised as income or expense in the year in which they arise except to the extent exchange differences are regarded as an adjustment to interest cost on those foreign currency borrowings.

1.18 Financial Instruments:

Financial assets and financial liabilities are recognised when a Company becomes a party to the contractual provisions of the instruments

Measurement

At initial recognition, the Group measures a financial asset and financial liabilities at its fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss and ancillary costs related to borrowings) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in Statement of Profit and Loss.

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Classification and Subsequent Measurement:

Financial Assets

The Group classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income ("FVTOCI") or fair value through profit or loss ("FVTPL") on the basis of following:

- the entity's business model for managing the financial assets and
- the contractual cash flow characteristics of the financial asset.

Amortised Cost:

A financial asset shall be classified and measured at amortised cost if both of the following conditions are met:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Fair Value through OCI (FVTOCI):

A financial asset shall be classified and measured at FVTOCI if both of the following conditions are met:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Fair Value through Profit or Loss (FVTPL):

A financial asset shall be classified and measured at fair value through profit or loss unless it is measured at amortised cost or at FVTOCI.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Equity instruments:

The Group subsequently measures its specific equity investments other than investments in joint venture at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to the Statement of Profit and Loss. Dividends from such investments are recognised in the Statement of Profit and Loss as other income when the Group's right to receive payments is established.

Impairment of financial assets

The Group assesses on a forward looking basis the expected credit losses associated with its assets. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables, the Company applies 'simplified approach' as specified under Ind AS 109, which requires expected lifetime losses to be recognised from initial recognition of the receivables. The application of simplified approach does not require the Company to track changes in credit risk. The Company calculates the expected credit losses on trade receivables using a provision matrix on the basis of its historical credit loss experience and is adjusted for forward looking estimates.

Derecognition of financial assets:

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset (other than specific equity instrument classified as FVTOCI) in its entirety, the difference between

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the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

On derecognition of a financial asset other than in its entirety (e.g. when the Group retains an option to repurchase part of a transferred asset), the Group allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

Subsequent measurement: Financial Liabilities

All financial liabilities of the Group are subsequently measured at amortised cost using the effective interest method.

Under the effective interest method, the future cash payments are exactly discounted to the initial recognition value using the effective interest rate. The cumulative amortisation using the effective interest method of the difference between the initial recognition amount and the maturity amount is added to the initial recognition value (net of principal repayments, if any) of the financial liability over the relevant period of the financial liability to arrive at the amortised cost at each reporting date. The corresponding effect of the amortisation under effective interest method is recognised as interest expense over the relevant period of the financial liability. The

same is included under finance cost in the Consolidated Statement of Profit and Loss.

Derecognition of Financial Liabilities:

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the Derecognition of the original liability and the recognition of a new liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid is recognised in the Consolidated Statement of Profit and Loss.

1.19 Cash Flow Statement Cash and Cash Equivalents:

Cash and cash equivalents include cash in hand, bank balances, deposits with banks (other than on lien) and all short term highly liquid investments / mutual funds (with zero exit load at the time of investment) that are readily convertible into known amounts of cash and are subject to an insignificant risk of changes in value. Cash flows are reported using the indirect method, where by net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities are segregated.

1.20 Dividend distribution:

Final equity dividends on shares are recorded as a liability on the date of approval by the shareholders and interim equity dividends are recorded as a liability on the date of declaration by the Parent Company's Board of Directors.

1.21 Segment Reporting:

Operating segments have been identified taking into account the nature of the products / services, geographical locations, nature of risks and returns, internal organisation structure and internal financial reporting system. The Group prepares its segment information in conformity with the accounting

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(₹ in lakhs except as otherwise stated)

policies adopted for preparing and presenting the consolidated financial statements of the Group as a whole. These operating results are regularly reviewed by the company's Chief Operating Decision Maker ("CODM").

D. Critical accounting judgements and key sources of estimation uncertainty (Parent Company):

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosures and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods

Critical judgements and estimates in applying accounting policies:

1) Property, Plant and Equipment:

Property, Plant and Equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life. The useful lives of the Company's assets are determined by the management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technical or commercial obsolescence arising from changes or improvements in production or from a change in market demand of the product or service output of the asset.

2) Estimation of Defined benefit obligation:

The costs of providing post-employment benefits are charged to the Statement of Profit and Loss in accordance with Ind AS 19 'Employee benefits' over the period during

which benefit is derived from the employees' services. The costs are assessed on the basis of assumptions selected by the management. These assumptions include salary escalation rate, discount rates, expected rate of return on assets and mortality rates. The same is disclosed in Note 2.32

3) Sales Returns:

The Company accounts for sales returns by recording an allowance for sales returns concurrent with the recognition of revenue at the time of a product sale. This allowance is based on the Company's estimate of expected sales returns. The Company deals in various products and operates in various markets. Accordingly, the estimate of sales returns is determined primarily by the Company's historical experience in the markets in which the Company operates.

4) Fair value measurement of Financial Instruments: Refer Note 2.40

5) Impairment

An impairment loss is recognised for the amount by which an asset's or cash-generating unit's carrying amount exceeds its recoverable amount to determine the recoverable amount, management estimates expected future cash flows from each asset or cash generating unit and determines a suitable interest rate in order to calculate the present value of those cash flows. In the process of measuring expected future cash flows, management makes assumptions about future operating results. These assumptions relate to future events and circumstances. The actual results may vary and may cause significant adjustments to the Company's assets. In most cases, determining the applicable discount rate involves estimating the appropriate adjustment to market risk and the appropriate adjustment to asset-specific risk factors.

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2.1 PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS :

Sr. No.	Description of the Block of Assets	GROSS BLOCK			DEPRECIATION / AMORTISATION			NET BLOCK	
		As at 1/4/2019	Additions	Deductions/ Discarded	As at 1/4/2019	Depreciation	Deductions/ Discarded	As at 31/3/2020	As at 31/3/2020
	Property Plant & Equipment (Tangible Assets)								
1	Free Hold Land	1,697.36	103.82	-	-	-	-	-	1,801.18
2	Building	3,862.22	496.27	260.83	355.61	151.90	3.28	504.23	3,593.43
3	Furniture & Fixtures	91.51	22.92	-	35.70	16.96	-	52.66	61.77
4	Plant and Machinery	2,815.67	106.64	55.88	811.08	304.73	15.55	1,100.26	1,766.17
5	Computer	187.09	19.94	0.42	138.27	40.81	0.42	178.66	27.95
6	Office Equipments	312.88	6.55	0.39	111.84	65.49	0.26	177.08	141.97
7	Vehicles	256.85	-	-	77.16	35.16	-	112.32	144.53
	Total of Property Plant & equipment (a)	9,223.57	756.16	317.52	1,529.66	615.05	19.51	2,125.20	7,537.00
	Intangible Assets (other than internally generated)								
1	Software (Acquired)	131.84	2.68	-	88.08	16.61	-	104.70	29.83
2	Trademark	300.00	-	-	149.57	150.43	-	300.00	-
	Total of Intangible Assets (e)	431.84	2.68	-	237.66	167.04	-	404.70	29.83
	Right of Use Assets								
1	Land	-	204.05	-	-	3.06	-	3.06	200.99
2	Building	-	366.00	-	-	29.66	-	29.66	356.34
	Total of Right of Use Assets (c)	-	590.05	-	-	32.72	-	32.72	557.33
	Capital Work in Progress (CWIP)								
1	Plant and Machinery	13.24	12.98	5.20	-	-	-	-	21.02
2	Building	210.92	112.44	58.36	-	-	-	-	264.98
	Total CWIP (b)	224.16	125.42	63.58	-	-	-	-	286.00
	Intangible Assets under development								
1	Software (Acquired)	15.35	-	15.35	-	-	-	-	-
	Total CWIP (b)	239.51	125.42	78.93	-	-	-	-	286.00
	Investment Properties (2.1.1)								
1	Building	255.91	-	-	113.08	8.60	-	121.68	134.23
	Total Investment properties (d)	255.91	-	-	113.08	8.60	-	121.68	134.23
	Grand total (a+b+c+d+e)	10,135.48	1,474.31	381.10	1,880.40	823.40	19.51	2,684.29	8,544.39
	Description of the Block of Assets	As at 1/4/2019	Additions	Capitalised	As at 31/3/2020				As at 31/3/2020

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2.1.1 Investment Property

Particulars	March 31, 2020	March 31, 2019
Rental income derived from Investment property	92.33	92.33
Direct operating expenses (Including repair and maintenance)	-	-
Income arising from Investment properties before depreciation	92.33	92.33
Depreciation	8.60	8.76
Income from Investment properties (Net)	83.73	83.57

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

2.1.3 Right to Use - Building includes building constructed on lease hold land having Gross block of ₹ 226.65 Lakh

2.1.4 In the year 2014-15, the company has acquired freehold land with integrated structures for a composite value whose conveyance is registered and municipal records updated. The value of the structure is determined based on estimated depreciated value of structures and the balance is considered as the value of the land. In respect of the land, the company has undivided share in land. Also an insignificant portion of land is unlawfully occupied by an illegal occupant and the said occupant had raised some illegal structures which were demolished by the Municipal Corporation. The said illegal occupant has filed a suit in the Hon'ble High Court for his alleged claim in respect of the portion of the land illegally occupied by him. The company has refuted the alleged claim of the illegal occupant and is defending the suit. The Company has filed an Eviction suit against the illegal occupant in the Hon'ble Small Causes Court. Both the said matters are sub-judiced. There is insignificant impact of these litigations on the financial position of the company.

2.1.5 Amount capitalised under building block includes ₹ 58.32 (P.Y. ₹ 876.71) being the amount of capital expenditure incurred on self-constructed assets. Further such amount included under CWIP is aggregating to ₹ 262.78 Lakh (P.Y. ₹ 210.92 Lakh).

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2.1 PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS:

Sr. No.	Description of the Block of Assets	GROSS BLOCK			DEPRECIATION / AMORTISATION			NET BLOCK		
		As at 1/4/2018	Additions	Deductions/ Discarded	As at 31/3/2019	As at 1/4/2018	Depreciation	Deductions/ Discarded	As at 31/3/2019	As at 31/3/2019
	Property Plant & Equipment (Tangible Assets)									
1	Free Hold Land	1,697.36	-	-	1,697.36	-	-	-	-	1,697.36
2	Building	2,729.08	1,133.14	-	3,862.22	219.01	136.61	-	355.61	3,506.61
3	Furnitures & Fixtures	96.27	8.48	13.24	91.51	23.51	14.43	2.23	35.70	55.81
4	Plant and Machinery	2,577.24	325.50	87.07	2,815.67	491.93	351.05	31.90	811.08	2,004.59
5	Computer	167.70	24.46	5.07	187.09	92.55	49.60	3.88	138.27	48.82
6	Office Equipments	245.51	67.72	0.35	312.88	74.00	38.01	0.17	111.84	201.04
7	Vehicles	198.17	73.12	14.45	256.85	54.70	32.43	9.97	77.16	179.69
	Total of Property Plant & equipment (A)	7,711.33	1,632.42	120.17	9,223.57	955.70	622.12	48.16	1,529.66	7,693.91
	Intangible Assets (other than internally generated)									
1	Software (Acquired)	112.46	19.38	-	131.84	62.40	25.69	-	88.09	43.75
2	Trademark	-	300.00	-	300.00	-	149.57	-	149.57	150.43
	Total of Intangible Assets (B)	112.46	319.38	-	431.84	62.40	175.27	-	237.67	194.18
	Capital Work in Progress (CWIP)									
1	Plant and Machinery	57.02	94.20	137.98	1324	-	-	-	-	13.24
2	Building	851.49	236.14	876.71	210.92	-	-	-	-	210.92
	Total CWIP	908.51	330.34	1,014.69	224.16	-	-	-	-	224.16
	Intangible Assets under development									
1	Software (Acquired)	15.35	-	15.35	-	-	-	-	-	-
	Total CWIP (C)	923.86	330.34	1,030.04	224.16	-	-	-	-	224.16
	Investment Properties (2.1.1)									
1	Building	255.91	-	-	255.91	104.32	8.76	-	113.08	142.83
	Total Investment properties (D)	255.91	-	-	255.91	104.32	8.76	-	113.08	142.83
	Grand total (A+B+C+D)	9,003.56	2,282.14	1,150.21	10,135.48	1,122.42	806.15	48.16	1,880.41	8,255.08

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(₹ in lakhs except as otherwise stated)

Note	Particulars	As at March 31, 2020	As at March 31, 2019
2.2	INVESTMENTS		
	Long Term Investments		
	a) Trade Investments (Unquoted)		
	Investment in Joint Venture White Knitwear Private Limited		
	In Equity Shares		
	330,000 (P.Y. 330,000) Shares of face value ₹ 10 each, fully paid up.	33.00	33.00
	In Preference Shares		
	3,125,000 (P.Y. 3,125,000) 9% Cumulative Redeemable Preference Shares of face value of ₹ 10 each fully paid up.	312.50	312.50
	Add/(loss): Share of Profit/(loss) for earlier years	(49.14)	(46.28)
	Add/(loss): Share of Profit/(loss) for the year	(1.40)	(2.86)
	Total trade Investment (using equity method)	294.96	296.36
	b) Other than Trade Investments (Quoted)		
	In Equity Shares		
	4,512 (P. Y. 4,512) Reliance Power Limited Shares of face value ₹ 10 each fully paid up.	0.06	0.51
	7,500 (P. Y. 15,000) HCL Technologies Ltd Shares of face value ₹ 2 each fully paid up.	65.51	81.60
	25,000 (P. Y. 25,000) Tech Mahindra Ltd Shares of face value ₹ 5 each fully paid up.	141.24	194.05
	In Fixed Maturity Plan		
	Investment in unquoted Mutual Funds		
	In units of Fixed Maturity Plans (FMP's) of ₹ 10/- each fully paid up		
	Aditya Birla Sunlife FTP Series OF Growth [Units: 9,510,574 (P.Y.: 9,510,574)]	-	1,087.36
	DSP FMP-Series 209-37M-Growth [Units: 3,000,000 (P.Y.: 3,000,000)]	-	342.93
	HDFC FMP 1199D Jan 2017(1) - Growth [Units: 10,000,000 (P.Y.: 10,000,000)]	-	1,174.95
	HDFC FMP 1178D Feb 2017(1) - Growth [Units: 3,252,951 (P.Y.: 3,252,951)]	-	383.93
	ICICI Pru FMP Series 80 - 1170D Plan I - Growth [Units: 5,253,506 (P.Y.: 5,253,506)]	-	620.03
	Kotak FMP Series 202 - Growth [Units: 5,000,000 (P.Y.: 5,000,000)]	-	575.40
	Reliance Fixed Horizon Fund XXXII - Series 2 - Growth [Units: 1,600,000 (P.Y.: 1,600,000)]	-	192.36
	Reliance Fixed Horizon Fund XXXII - Series 2 - Regular-Growth [Units: 1,000,000 (P.Y.: 1,000,000)]	-	118.85
	Reliance Fixed Horizon Fund XXXII - Series 5 - Growth [Units: 2,000,000 (P.Y.: 2,000,000)]	-	234.61
	Reliance Fixed Horizon Fund XXXIII - Series 2 - Growth [Units: 2,000,000 (P.Y.: 2,000,000)]	-	236.73
	Reliance Fixed Horizon Fund XXXIII - Series 5 - Growth [Units: 6,006,447.403 (P.Y.: 6,006,447.403)]	-	708.72
	UTI Fixed Term Income Fund Series XXV-XII - Growth [Units: 2,000,000 (P.Y.: 2,000,000)]	-	234.06
	UTI Fixed Term Income Fund Series XXVI-I - Growth [Units: 3,019,459.258 (P.Y.: 3,019,459.258)]	-	349.79

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(₹ in lakhs except as otherwise stated)

Note	Particulars	As at March 31, 2020	As at March 31, 2019
	UTI Fixed Term Income Fund Series XXVI-II - Growth [Units: 10,000,000 (P.Y.: 10,000,000)]	-	1,155.75
	Franklin India FMP-Series 2-Plan A - Growth [Units: 1,000,000 (P.Y.: 1,000,000)]	118.24	108.46
	Franklin India FMP-Series 2-Plan B - Growth [Units: 1,000,000 (P.Y.: 1,000,000)]	119.09	109.24
	HDFC FMP 1165D April 2017 (1) - Growth [Units: 6,542,049 (P.Y.: 6,542,049)]	-	749.61
	HSBC FTS 130 Growth 1204 days - Growth [Units: 1,000,000 (P.Y.: 1,000,000)]	118.14	108.88
	ICICI Pru FMP Series 81 1205 Days - Growth [Units: 1,500,000 (P.Y.: 1,500,000)]	-	172.10
	Reliance Fixed Horizon Fund XXXV - Series 7 - Growth [Units: 2,000,000 (P.Y.: 2,000,000)]	237.99	218.06
	UTI FTIF-Series XXVII-VI - Growth [Units: 3,000,000 (P.Y.: 3,000,000)]	-	331.68
	Reliance Fixed Horizon Fund XXXVI-Series 6 - Growth [Units: 7,000,000 (P.Y.: 7,000,000)]	830.28	760.29
	Reliance Fixed Horizon Fund XXXVI-Series 6 - Growth [Units: 3,000,000 (P.Y.: 3,000,000)]	352.84	323.21
	Aditya Birla Sunlife FTP Series PV- Direct-Growth [Units: 4,000,000 (P.Y.: 4,000,000)]	481.64	437.78
	Aditya Birla Sunlife FTP Series PV-Growth [Units: 1,000,000 (P.Y.: 1,000,000)]	119.96	109.25
	DSP FMP-Series 232-36M-Growth [Units: 1,000,000 (P.Y.: 1,000,000)]	117.43	107.98
	DSP FMP-Series 235-36M-Growth [Units: 1,000,000 (P.Y.: 1,000,000)]	116.60	107.27
	ICICI Pru FMP Series 82 - 1119 Days Plan X - Growth [Units: 6,500,000 (P.Y.: 6,500,000)]	762.74	700.91
	ICICI Pru FMP Series 82 - 1141 Days Plan Y-Direct- Growth [Units: 3,000,000 (P.Y.: 3,000,000)]	354.29	325.38
	ICICI Pru FMP Series 82 - 1141 Days Plan Y - Growth [Units: 3,000,000 (P.Y.: 3,000,000)]	353.65	325.08
	IDFC FTP Series 152 - Growth [Units: 1,000,000 (P.Y.: 1,000,000)]	115.83	107.93
	Invesco India FMP Series 31 Plan D - Growth [Units: 1,000,000 (P.Y.: 1,000,000)]	119.70	108.84
	Kotak FMP Series 228 - Direct-Growth [Units: 1,000,000 (P.Y.: 1,000,000)]	118.66	108.57
	Kotak FMP Series 228 - Growth [Units: 1,000,000 (P.Y.: NIL)]	118.23	108.38
	Tata FMP Series 55 Scheme G - Growth [Units: 1,000,000 (P.Y.: 1,000,000)]	116.18	106.13
	UTI FTIF-Series XXIX-VI - Growth [Units: 1,000,000 (P.Y.: 1,000,000)]	118.32	108.41

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Note	Particulars	As at March 31, 2020	As at March 31, 2019
	In the units of Fixed Maturity Plan (FMP'S) of ₹ 1000/- each fully paid		
	DHFL Pramerica Fixed Duration Fund-Series AF-Growth [Units: 30,000 (P.Y.: 30,000)]	-	347.47
	DHFL Pramerica Fixed Duration Fund-Series AY-Growth [Units: 20,000 (P.Y.: 20,000)]	239.45	217.57
	DHFL Pramerica Fixed Duration Fund-Series BA-Growth [Units: 10,000 (P.Y.: 10,000)]	119.17	108.45
	Investment in Portfolio management services		
	Mehta Multifocused Fund		
	Capital Contribution	19.22	24.32
	Kotak India Whizdom Fund		
	Capital Contribution	80.55	112.18
	Sistema Asia Fund		
	Capital Contribution	44.25	-
		5,794.22	14,441.41
	Aggregate Market / Net asset Value		
	- Quoted	206.81	276.15
	- Unquoted	5,587.41	14,214.40
2.2.1	<p>The Company had invested in aggregate ₹ 34,550,000 in Joint Venture "White Knitwear Private Limited" (WKPL). The WKPL had acquired land in Surat Special Economic Zone (SEZ) and constructed factory building for setting up of manufacturing unit for production of Knitwear Apparels for exports. However due to slowdown in International market, SEZ could not take off and most of the members of SEZ shelved their projects and approached to Gujarat Industrial Development Corporation (GIDC) and State and Central government for de-notification of SEZ.</p> <p>Gujarat Industrial Development Corporation vide its circular No. GIDC/CIR/Distribution/Policy/13/05 dated March 14, 2013 has de-notified the SEZ and conceded the members to convert and use the erstwhile land in SEZ as Domestic Tariff Area (DTA) subject to fulfillment of conditions stated therein. WKPL vide its letter dated April 4, 2013 has consented for de-notification of its plot of land and undertaken to complete the formal procedure for the same.</p> <p>Post de-notification joint venture partners shall dispose of the Company/land and building and realise the proceeds to return it to joint venture partners.</p> <p>No provision for diminution in the value of investment is considered necessary for the year ended March 2020.</p>		
2.3	OTHER FINANCIAL ASSETS		
	(Unsecured considered good)		
	Security Deposits	215.48	204.66
	Loan to Employees	22.37	54.13
	Rent Deposits to Related Parties	7.83	7.83
	Bank Deposits offered as Security	2.13	43.08
	Interest receivables on Bank Deposits	0.35	1.45
		248.16	311.15
2.4	OTHER NON CURRENT ASSETS		
	Capital Advances	178.94	22.50
	Prepaid Expenses	16.95	18.05
	Prepaid lease rental (Leasehold Property)	-	200.99
	Advance Tax / Tax deducted at source (Net of Provision)	241.06	70.54
		436.95	312.08

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Note	Particulars	As at March 31, 2020	As at March 31, 2019
2.5	INVENTORIES		
	Finished goods	6,392.86	4,309.66
	Work-in-Progress	1,433.69	2,691.45
	Raw material	536.12	743.39
	Traded goods	528.90	411.11
	Packing material & accessories	72.72	85.51
	Stores, chemicals and consumables	39.05	69.13
		9,003.34	8,310.25
2.6	CURRENT INVESTMENTS (REFER NOTE 1.18)		
	(includes current maturity of non current investment)		
	Investment in unquoted Mutual Funds		
	In units of Fixed Maturity Plans (FMP's) of ₹ 10/- each fully paid up (Current Portion of Long Term Investments)		
	ICICI Pru FMP Series 79 - 1120D Plan J - Growth [Units: NIL (P.Y.: 9,763,702)]	-	1,185.59
	Reliance Fixed Horizon Fund XXXI - Series 13 - Growth [Units: NIL (P.Y.: 15,179,080)]	-	1,821.70
	Kotak FMP Series 187 - Growth [Units: NIL (P.Y.: 1,000,000)]	-	130.56
	UTI Fixed Term Income Fund Series XXV-VII - Growth [Units: NIL (P.Y.: 1,600,000)]	-	189.12
	Aditya Birla Sunlife FTP Series OF Growth [Units: 9,510,574 (P.Y.: 9,510,574)]	1,186.97	-
	DSP FMP-Series 209-37M-Growth [Units: 3,000,000 (P.Y.: 3,000,000)]	367.67	-
	HDFC FMP 1199D Jan 2017(1) - Growth [Units: 10,000,000 (P.Y.: 10,000,000)]	1,283.49	-
	HDFC FMP 1178D Feb 2017(1) - Growth [Units: 3,252,951 (P.Y.: 3,252,951)]	418.70	-
	ICICI Pru FMP Series 80 - 1170D Plan I - Growth [Units: 5,253,506 (P.Y.: 5,253,506)]	676.05	-
	Kotak FMP Series 202 - Growth [Units: 5,000,000 (P.Y.: 5,000,000)]	618.74	-
	Reliance Fixed Horizon Fund XXXII - Series 2 - Growth [Units: 1,600,000 (P.Y.: 1,600,000)]	199.88	-
	Reliance Fixed Horizon Fund XXXII - Series 2 - Regular-Growth [Units: 1,000,000 (P.Y.: 1,000,000)]	123.38	-
	Reliance Fixed Horizon Fund XXXII - Series 5 - Growth [Units: 2,000,000 (P.Y.: 2,000,000)]	253.07	-
	Reliance Fixed Horizon Fund XXXIII - Series 2 - Growth [Units: 2,000,000 (P.Y.: 2,000,000)]	240.66	-
	Reliance Fixed Horizon Fund XXXIII - Series 5 - Growth [Units: 6,006,447.403 (P.Y.: 6,006,447.403)]	723.67	-
	UTI Fixed Term Income Fund Series XXV-XII - Growth [Units: 2,000,000 (P.Y.: 2,000,000)]	251.75	-
	UTI Fixed Term Income Fund Series XXVI-I - Growth [Units: 3,019,459.258 (P.Y.: 3,019,459.258)]	376.64	-
	UTI Fixed Term Income Fund Series XXVI-II - Growth [Units: 10,000,000 (P.Y.: 10,000,000)]	1,244.89	-
	HDFC FMP 1165D April 2017 (1) - Growth [Units: 6,542,049 (P.Y.: 6,542,049)]	808.09	-

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Note	Particulars	As at March 31, 2020	As at March 31, 2019
	ICICI Pru FMP Series 81 1205 Days - Growth [Units: 1,500,000 (P.Y.: 1,500,000)]	185.65	-
	UTI FTIF-Series XXVII-VI - Growth [Units: 3,000,000 (P.Y.: 3,000,000)]	336.61	-
	In the units of Fixed Maturity Plan (FMP'S) of ₹ 1000/- each fully paid		
	DHFL Pramerica Fixed Duration Fund-Series AF-Growth [Units: 30,000 (P.Y.: 30,000)]	353.44	-
	Investment in unquoted Mutual Funds		
	In the units of Income Funds of ₹ 10/- each fully paid		
	HDFC Corporate Bond Fund - Growth [Units: 3,609,580.445 (P.Y.: 3,609,580.445)]	833.22	755.69
	ICICI Pru Credit Risk Fund-Regular-Growth [Units: NIL (P.Y.: 1,464,514.806)]	-	290.98
	ICICI Pru Credit Risk Fund -Direct- Growth [Units: 1,442,895.749 (P.Y.: 1,442,895.749)]	334.00	303.45
	IDFC Credit Risk Fund - Growth [Units: 6,030,225.274 (P.Y.: 6,030,225.274)]	767.63	699.24
	IDFC Corporate Bond Fund -Regular - Growth [Units: 2,323,070.357 (P.Y.: 2,323,070.357)]	320.15	295.78
	Principal Short Term Debt Fund - Growth [Units: 2,600,012.482 (P.Y.: 2,600,012.482)]	874.73	886.63
	Tata Short Term Bond Fund - Growth [Units: NIL (P.Y.: 481,575.842)]	-	163.83
	Franklin India Low Duration Fund - Growth [Units: NIL (P.Y.: 1,266,804.157)]	-	280.84
	IIFL Dynamic Bond Fund - Growth [Units: 704,061.732 (P.Y.: 704,061.732)]	116.07	107.21
	BNP Paribas Corporate Bond Fund - Growth [Units: 769,974.199 (P.Y.: 769,974.199)]	161.50	160.60
	DHFL Pramerica Credit Risk Fund - Growth [Units: 1,981,600.813 (P.Y.: 1,981,600.813)]	291.62	300.62
	DSP Corporate Bond Fund - Growth [Units: 1,000,000 (P.Y.: 1,000,000)]	118.34	107.61
	L&T Triple Ace Bond Fund - Growth [Units: 375,629.179 (P.Y.: NIL)]	207.60	
	In the units of Equity Funds of ₹ 10/- each fully paid		
	Edelweiss Arbitrage Fund - Growth [Units: NIL (P.Y.: 7,827,072.075)]	-	1,101.93
	Edelweiss Balance Advantage Fund - Growth [Units: NIL (P.Y.: 1,216,379.997)]	-	299.72
	Aggregate Market / Net asset Value	13,674.21	9,081.10
2.7	TRADE RECEIVABLES		
	a) Trade Receivables considered good - Secured	2,447.57	2,210.24
	b) Trade Receivables considered good - Unsecured	15,219.90	16,071.38
	Less : Provision for Doubtful Debts (based on Expected Credit Loss model)	[575.00]	[515.00]
	c) Trade Receivables which has significant increase in credit risks	-	-
	d) Trade Receivables - credit impaired	-	-
		17,092.47	17,766.62

CONSOLIDATED NOTES

on Accounts for the year ended 31st March 2020

Corporate Identification Number: L18101MH1992PLC065136

(₹ in lakhs except as otherwise stated)

Note	Particulars	As at March 31, 2020	As at March 31, 2019
2.8	CASH & CASH EQUIVALENT		
	Cash on Hand	37.35	48.75
	Balances with Banks :-		
	In Current Accounts	131.51	481.15
	In EEFC Account	-	70.36
	In Bank Deposits	171.57	5.00
	In Bank Deposits with more than 12 months maturity	101.25	265.22
	Liquid Mutual Funds	7,529.19	4,450.13
		7,970.87	5,320.61
2.9	OTHER BANK BALANCES		
	Earmarked balances in bank		
	In Unclaimed Dividend Accounts	8.56	6.72
	In Bank Deposits offered as Security (Maturity of less than 12 Months)	40.95	1.25
		49.51	7.97
		8,020.38	5,328.58
2.8.1	Details of Current Investments in Liquid Mutual Funds(Unquoted) as given below:		
	a) Face Value of ₹ 10/- each fully paid up		
	HDFC Banking and PSU Debt Fund - Growth [Units: 1,532,179.602 (P.Y.: 1,532,179.602)]	253.13	230.28
	ICICI Pru Corporate Bond Fund - Growth [Units: 1,785,278.593 (P.Y.: 1,785,278.593)]	384.01	351.11
	Kotak Savings Fund - Growth [Units: NIL (P.Y.: 332,002.005)]	-	101.44
	Tata Ultra Short Term Fund - Growth [Units: NIL (P.Y.: 997,357.004)]	-	101.28
	DSP Low Duration Fund-Growth [Units: 684,125.551 (P.Y.: NIL)]	101.97	-
	Franklin India Savings Fund-Growth [Units: 270,007.56 (P.Y.: NIL)]	102.37	-
	HDFC Ultra Short Term Fund - Growth [Units: 2,027,837.083 (P.Y.: NIL)]	228.30	-
	Nippon India Floating Rate Fund - Growth [Units: 4,255,404.586 (P.Y.: NIL)]	1,399.25	-
	Nippon India Money Market Fund - Growth [Units: 3,401.512 (P.Y.: NIL)]	103.83	-
	PGIM India Ultra Short Term Fund - Growth [Units: 391,502.823 (P.Y.: NIL)]	102.46	-
	Total [a]	2,675.32	784.11
	b) Face Value of ₹ 100/- each fully paid up		
	Aditya Birla Sunlife Savings Fund - Growth [Units: 220,111.299 (P.Y.: 324,444.001)]	882.27	1,206.15
	Aditya Birla Sunlife Savings Fund - Growth-Regular [Units: 101,032.528 (P.Y.: NIL)]	401.62	-
	Aditya Birla Sunlife Banking & PSU Debt Fund - Growth [Units: 96,032.789 (P.Y.: 96,032.789)]	251.48	228.66
	Aditya Birla Sunlife Floating Rate Fund - Growth [Units: 124,046.445 (P.Y.: NIL)]	312.96	-
	ICICI Pru Savings Fund - Growth [Units: 98,488.109 (P.Y.: 98,488.109)]	384.47	355.71
	ICICI Pru Money Market Fund - Growth [Units: 232,227.534 (P.Y.: NIL)]	648.53	-
	Total [b]	2,881.33	1,790.52

CONSOLIDATED NOTES

on Accounts for the year ended 31st March 2020

Corporate Identification Number: L18101MH1992PLC065136

(₹ in lakhs except as otherwise stated)

Note	Particulars	As at March 31, 2020	As at March 31, 2019
	c) Face Value of ₹ 1,000/- each fully paid up		
	Axis Treasury Advantage Fund - Growth [Units: 46,486.382 (P.Y.: 46,486.382)]	1,048.60	970.58
	Baroda Pioneer Treasury Advantage Fund - Growth [Units: 25,056.297 (P.Y.: 25,056.297)]	314.16	554.63
	Kotak Money Market Scheme - Growth [Units: 5,628.328 (P.Y.: 5,628.328)]	186.47	173.72
	Tata Treasury Advantage Fund - Growth [Units: 2,645.036 (P.Y.: 2,645.036)]	77.38	75.14
	Principal Low Duration Fund - Growth [Units: 3,325.994 (P.Y.: 3,325.994)]	90.65	101.43
	Invesco India Treasury Advantage Fund - Growth [Units: 3,565.121 (P.Y.: NIL)]	102.04	-
	Tata Money Market Fund - Growth [Units: 4,421.036 (P.Y.: NIL)]	153.24	-
	Total [c]	1,972.54	1,875.50
	Aggregate Market / Net asset Value	7,529.19	4,450.13
2.10	OTHER FINANCIAL ASSETS [Unsecured, Considered Good]		
	Advance to Employee	51.21	26.67
	Loans to Employee	15.29	15.52
	Prepaid Expenses	69.82	86.41
	Interest receivables on Bank Deposits	32.85	14.54
		169.17	143.14
2.11	OTHER CURRENT ASSETS		
	Export Incentive Receivable	69.22	32.83
	Prepaid lease rental (Leasehold Property)		3.06
	Other Receivable	25.06	34.32
	Advance for gratuity		1.56
	Advance to Suppliers	564.81	460.84
	Advance for investment	-	40.00
		659.09	572.61
2.12	SHARE CAPITAL		
	Authorised Capital	2,000.00	2,000.00
	20,000,000 (P.Y. 20,000,000) Equity shares of ₹ 10 each		
	Issued, subscribed and Paid up :		
	12,325,037 (P.Y. 12,325,037) Equity shares of ₹ 10 each, fully paid up	1,232.50	1,232.50
		1,232.50	1,232.50

CONSOLIDATED NOTES

on Accounts for the year ended 31st March 2020

Corporate Identification Number: L18101MH1992PLC065136

(₹ in lakhs except as otherwise stated)

Note	Particulars	As at March 31, 2020	As at March 31, 2019
2.13	OTHER EQUITY		
	Securities Premium	8,426.77	8,426.77
	(As per Last Balance Sheet)		
	General Reserve		
	Opening Balance	5,375.63	5,375.63
	Add: Amount transferred from Balance in the Statement of Profit and Loss	-	-
		5,375.63	5,375.63
	Balance in Statement of Profit and Loss		
	Opening balance	23,965.01	21,384.15
	Add: Net profit after tax transferred from Statement of Profit and Loss	7,237.96	8,058.44
		31,202.97	29,442.59
	Less: Appropriations		
	Final Dividend (pertaining to previous year)	246.50	184.88
	Interim Dividend	4,437.01	3,943.99
	Tax on Final Dividend	50.67	38.00
	Tax on Interim Dividend	912.04	810.71
	Transfer to Business Progressive Fund	-	500.00
		25,556.75	23,965.01
	Business Progressive Fund		
	Opening Balance	4,000.00	3,500.00
	Add: Amount transferred from Balance in the Statement of Profit and Loss	-	500.00
		4,000.00	4,000.00
		43,359.15	41,767.40
2.13A	FINANCIAL LIABILITIES		
	Lease Liability	342.01	-
		342.01	-
2.14	PROVISIONS		
	(Long term)		
	Other Long Term Provisions	6.50	6.50
	Other Provision	-	-
		6.50	6.50
2.15	DEFERRED TAX		
	Deferred Tax Assets:		
	Provision for Assets	178.17	226.87
	Others	101.31	151.82
	Depreciation	-	-
	Deferred Tax Liability		
	Depreciation	255.28	382.09
	Tax on LTCG on Mutual Fund	(569.20)	(543.60)
		(545.00)	(547.00)
2.15.1	Tax effect of share issue expenses eligible for the Income tax deduction, under section 35D, credited to securities premium reserve account		
2.15.2	Deferred tax asset is recognised only on those timing differences, which reverse in the post tax free period, as Company enjoys exemption under section 80-IA of Income Tax Act, 1961 in respect of revenue generated from Wind Turbine Generator.		
2.16	OTHER NON CURRENT LIABILITIES		
	Deferred income on EPCG (i.e. Government Grant)	110.40	134.92
		110.40	134.92

CONSOLIDATED NOTES

on Accounts for the year ended 31st March 2020

Corporate Identification Number: L18101MH1992PLC065136

(₹ in lakhs except as otherwise stated)

Note	Particulars	As at March 31, 2020	As at March 31, 2019
2.17	BORROWINGS		
	Secured Loan		
	Cash Credit from Bank (payable on demand) (Secured by pari-passu first charge on Stock and Trade Receivables)	6,160.17	6,095.47
		6,160.17	6,095.47
	Unsecured Loan (payable on demand)		
	Working Capital Loan from Bank	2,500.00	3,250.52
	Financial Institute	141.01	-
		8,801.19	9,345.99
2.18	TRADE PAYABLES		
	a) Micro and Small Enterprises		
	Materials	100.01	176.38
	b) Other than Micro and Small Enterprises		
	Materials	3,321.51	2,958.24
	Expenses	1,558.60	1,338.55
		4,980.12	4,473.17
2.19	OTHER FINANCIAL LIABILITIES		
	Other Liabilities		
	Security Deposits	459.78	679.57
	Interest accrued but not due on borrowings	43.26	3.90
	Lease liability	27.93	-
	Unclaimed Dividend	8.56	6.72
		539.53	690.19
2.20	OTHER CURRENT LIABILITIES		
	Security Deposits	277.90	1,683.87
	Other Payables		
	Capital Goods	31.47	93.18
	Salary and Wages payable	531.22	579.54
	Employee Benefits	181.54	292.15
	Statutory Liabilities	14.11	133.16
	Advance from Customers	686.11	469.12
		1,722.35	3,251.02
2.21	PROVISIONS		
	(Short Term)		
	Provisions for Dividend & Dividend Distribution Tax	-	-
	Provision for Gratuity	234.44	-
	Provision for Employee Benefit	103.92	703.92
	Provision for Contingencies	520.67	726.84
	Other Provisions (including Selling & Distribution Expenses etc.)	1,144.60	1,642.59
		2,003.63	3,073.35
2.22	CURRENT TAX LIABILITIES (NET)		
	Provision for Taxations (Net of Advance Tax)	-	-
		-	-

CONSOLIDATED NOTES

on Accounts for the year ended 31st March 2020

Corporate Identification Number: L18101MH1992PLC065136

(₹ in lakhs except as otherwise stated)

Note	Particulars	For the Year Ended	For the Year Ended
		March 31, 2020	March 31, 2019
		Audited	Audited
2.23	REVENUE FROM OPERATIONS		
	A. Sales Income		
	Sales of Apparel and Lifestyle Accessories/Products	52,486.80	49,614.38
	Sale of Power	1.31	1.73
	Sales of Apparel and Lifestyle Accessories/Products	52,488.11	49,616.11
	B. Other Operating Income		
	Service Income	240.90	336.89
	Export Incentives	133.63	167.95
	Miscellaneous Operating Income	104.37	167.63
	Sundry balance written back (Net)	-	-
		478.90	672.47
	Total Revenue from Operations	52,967.01	50,288.58
2.24	OTHER INCOME		
	Interest on Bank Deposits	25.70	29.06
	Income from Current Investments and Liquid Mutual Funds:		
	Effect of fair value measurements	776.96	473.61
	Income from Non Current Investments		
	Dividend on Equity Shares	6.75	4.10
	Effect of fair value measurements	770.57	1,532.89
	Rent Income on Investment Property	95.16	92.34
	Exchange Rate Fluctuation (Net)	67.55	55.01
	Profit on Sale of Property Plant & Equipment (Net)	10.67	10.86
		1,753.36	2,197.87
2.25	CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK IN TRADE AND WORK IN PROGRESS		
	Opening stock		
	Work - in- Progress	2,691.45	1,624.01
	Traded Goods	411.11	131.55
	Finished goods	4,309.66	2,647.96
		7,412.22	4,403.52
	Closing Stock		
	Work - in- Progress	1,433.69	2,691.45
	Traded Goods	528.90	411.11
	Finished goods	6,392.86	4,309.66
		8,355.45	7,412.22
	Add/(Less): Variation in Excise Duty on Opening and Closing Stock of Finished goods (Increase)/Decrease in Stock	-	-
		[943.23]	[3,008.70]
2.26	COST OF MATERIAL CONSUMED		
	a. Raw Material Consumed:		
	Opening stock	741.91	722.98
	Add: Purchases	10,933.89	12,618.93
		11,675.80	13,341.91
	Less: Sale of raw material	663.69	876.80
	Less: Closing stock	536.12	741.91
		10,475.99	11,723.20
	b. Semi-Finished Goods	5,502.40	4,324.37
	c. Packing Material, Accessories and others	2,444.73	2,506.28
	d. Stores, Chemicals and Consumables	1,050.23	809.12
		19,473.35	19,362.97

CONSOLIDATED NOTES

on Accounts for the year ended 31st March 2020

Corporate Identification Number: L18101MH1992PLC065136

(₹ in lakhs except as otherwise stated)

Note	Particulars	For the Year Ended	For the Year Ended
		March 31, 2020	March 31, 2019
		Audited	Audited
2.27	EMPLOYEE BENEFIT EXPENSES		
	Salary, Wages and Allowances	6,093.77	6,630.10
	Contribution to Provident and other Funds	535.13	452.90
	Bonus and Ex-gratia	135.56	132.87
	Gratuity	298.65	110.93
	Leave Benefits	2.15	109.43
	Staff Welfare	79.92	75.30
		7,145.18	7,511.53
2.28	FINANCE COSTS		
	Bank Charges	9.93	26.04
	Finance Charges	105.32	53.63
	Interest on Working Capital Loan	765.83	609.69
		881.08	689.36
2.29	MANUFACTURING AND OPERATING EXPENSES		
	Embroidery Expenses	253.89	326.23
	Electricity Expenses	189.50	167.20
	Factory Rent	49.73	42.87
	General Factory Expenses	29.06	25.99
	Processing Charges	3,583.91	3,520.16
	Lease premium charged	-	3.06
	Fuel Expenses	438.06	480.75
	Water Charges	104.21	85.15
	Waste Disposal Charges	68.11	62.42
	Repairs & Maintenance	171.86	175.36
	Wind Turbine Expenses	13.16	15.17
		4,901.49	4,904.36
2.30	ADMINISTRATIVE & OTHER EXPENSES		
	Rent, Rates and Taxes	165.66	207.48
	Communication Expenses	69.96	93.95
	Insurance Premium (net of recoveries)	99.48	50.78
	Legal and Professional Fees	1,273.42	1,140.20
	Printing and Stationery	35.30	48.22
	Donations	67.97	29.87
	Corporate social responsibility	196.00	190.15
	Vehicle Expenses	190.01	183.05
	Auditors Remuneration	28.77	27.33
	Conveyance & Travelling Expenses	88.85	55.78
	Electricity Expenses	118.03	121.04
	Repairs & Maintenance	321.76	374.11
	Directors Sitting Fees	25.60	26.40
	General Office Expenses	567.07	611.73
	Provision for Doubtful debts	60.00	172.00
		3,307.88	3,332.08

CONSOLIDATED NOTES

on Accounts for the year ended 31st March 2020

Corporate Identification Number: L18101MH1992PLC065136

(₹ in lakhs except as otherwise stated)

Note	Particulars	For the Year Ended	For the Year Ended
		March 31, 2020	March 31, 2019
		Audited	Audited
2.31	SELLING & DISTRIBUTION EXPENSES		
	Advertisement and Publicity Expenses	739.86	1,173.05
	Sales Promotion Expenses	4,060.61	1,733.82
	Octroi, clearing and forwarding charges on Sales	285.43	315.40
	Tour and Travelling Expenses (Net of recoveries)	1,522.39	497.76
	Commission on Sales	187.91	219.27
	Provision for Contingencies	-	150.92
		6,796.20	4,090.22

2.32 EMPLOYEE BENEFITS:

a) Disclosure in respect of gratuity liability

Reconciliation of Defined Benefit Obligation (DBO):	As at	As at
	March 31, 2020	March 31, 2019
Present value of DBO at start of the year	751.23	656.94
Interest Cost	55.59	49.93
Current Service Cost	167.89	114.57
Past Service Cost	129.43	-
Benefit Paid	(79.25)	(76.75)
Re-measurements:		
a. Actuarial Loss/(Gain) from changes in demographic assumptions	-	-
b. Actuarial Loss/(Gain) from changes in financial assumptions	85.75	13.65
c. Actuarial Loss/(Gain) from experience over the past period	(90.15)	(7.11)
Present value of DBO at end of the year	1,020.49	751.23

Reconciliation of Fair Value of Plan Assets:	As at	As at
	March 31, 2020	March 31, 2019
Fair Value of Plan Assets at the beginning of the year	752.79	717.47
Interest Income on Plan Assets	54.26	53.57
Contributions by Employer	56.86	71.59
Benefit Paid	(79.25)	(76.75)
Re-measurements:		
a. Actuarial (Loss)/Gain from changes in financial assumptions	-	-
b. Return on plan assets excluding amount included in net interest on the net defined benefit liability/(asset)	-	-
c. Re-measurements on Plan Assets Gain/ (Loss)	1.39	(13.09)
Fair Value of Plan Assets at the end of the year	786.05	752.79
Actual Return on Plan Assets	55.65	40.48

Amount recognised in the Balance Sheet:	As at	As at
	March 31, 2020	March 31, 2019
Present value of DBO at the end of the year	1,020.49	751.23
Fair Value of Plan Assets at the end of the year	786.05	752.79
Net Asset / (Liability) in the Balance Sheet	(234.44)	(1.56)

Gratuity recognised in Statement of Profit and Loss	For the year ended	For the year ended
	March 31, 2020	March 31, 2019
Current service cost	167.89	114.57
Past service cost	129.43	-
Net interest on net defined benefit liability/(asset)	110.93	(3.64)
Expenses recognised in Statement of Profit and Loss	298.65	110.93

CONSOLIDATED NOTES

on Accounts for the year ended 31st March 2020

Corporate Identification Number: L18101MH1992PLC065136

(₹ in lakhs except as otherwise stated)

Principal Assumption used in determining Gratuity liability	For the year ended March 31, 2020	For the year ended March 31, 2019
Discount Rate	6.50% pa	7.40% pa
Interest rate for net interest on net DBO	7.40% pa	7.60% pa
Withdrawal Rate	Upto age 35 years: 10% pa Above age 35 years: 5% pa	Upto age 35 years: 10% pa Above age 35 years: 5% pa
Salary Escalation	7.50% pa	7.50% pa
Mortality Table	IALM 2012-14 Ult	IALM 2012-14 Ult
Expected average remaining working life	9 Years	9 Years
Retirement Age	58 years	58 years

Movement in Other Comprehensive Income	As at March 31, 2020	As at March 31, 2019
Balance at start of year (loss)/gain	(4.44)	15.19
Re-measurements on DBO		
a. Actuarial (Loss)/Gain from changes in demographic assumptions	-	-
b. Actuarial (Loss)/Gain from changes in financial assumptions	(85.75)	(13.65)
c. Actuarial (Loss)/Gain from experience over the past period	90.15	7.11
Re-measurements on Plan Assets		
a. Actuarial (Loss)/Gain from changes in financial assumptions	-	-
b. Return on Plan assets, excluding amount included in net interest on the net defined benefit liability/(asset)	-	-
c. Changes in the effect of limiting a net defined benefit asset to the asset ceiling	1.39	(13.09)
Balance at end of year (loss)/gain	1.35	(4.44)

Movement in Surplus/ (Deficit)	As at March 31, 2020	As at March 31, 2019
Surplus/ (Deficit) at start of year	1.56	60.53
Movement during the year		
Current Service Cost	(167.89)	(114.57)
Past Service Cost	(129.43)	-
Net Interest on net DBO	(1.33)	3.64
Actuarial gain/ (loss)	5.79	(19.63)
Contributions	56.86	71.59
Surplus/ (Deficit) at end of year	(234.44)	1.56

Other disclosures	As at March 31, 2020	As at March 31, 2019	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016
Defined benefit obligation	1020.49	751.23	656.94	563.63	453.05
Plan assets	786.05	752.79	717.47	674.59	518.37
Surplus/(deficit)	(234.44)	1.56	60.54	110.96	65.32
Experience adjustments on plan liabilities - loss/ (gain)	(90.15)	(7.11)	(41.14)	(17.89)	4.25
Experience adjustments on plan Assets - (loss)/ gain*	-	-	(5.24)	(13.68)	-

* Information is disclosed to the extent available

CONSOLIDATED NOTES

on Accounts for the year ended 31st March 2020

Corporate Identification Number: L18101MH1992PLC065136

(₹ in lakhs except as otherwise stated)

Sensitivity Analysis	As at March 31, 2020		As at March 31, 2019	
	Increases 1%	Decreases 1%	Increases 1%	Decreases 1%
	Change in DBO (Amount)		Change in DBO (Amount)	
Salary Growth Rate	110.65	(96.07)	73.83	(67.26)
Discount Rate	(96.07)	112.91	(66.74)	74.64
Withdrawal Rate	(11.48)	12.57	(3.48)	3.60

Maturity profile

The average expected remaining lifetime of the plan members is 9 years (March 31, 2019: 10 years) as at the date of valuation. This represents the weighted average of the expected remaining lifetime of all plan participants.

The sensitivity analyses above have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period and may not be representative of the actual change. It is based on a change in the key assumption while holding all other assumptions constant. When calculating the sensitivity to the assumption, the method (Projected Unit Credit Method) used to calculate the liability recognised in the balance sheet has been applied. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared with the previous period.

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

The Parent Company expects to contribute ₹ 200.00 Lakh (P.Y. ₹ 100.00 Lakh) to gratuity trust for contribution to LIC of India in financial year 2020-21.

b) Disclosure in respect of leave entitlement liability:

Leave entitlement is short term benefit which is recognised as an expense at the un-discounted amount in the year in which the related service is rendered and disclosed under other current liabilities.

c) Death in service benefit:

The Parent Company has taken group term policy from an insurance Company to cover its obligation for death in service benefit given to eligible employees. The insurance premium of ₹ 29.27 Lakh (P.Y. ₹ 24.65 Lakh) is recognised in Statement of Profit and Loss.

d) The Parent Company contributes towards Employees Provident Fund, Employees State Insurance, National Pension Scheme and Labour Welfare Fund. The aggregate amount contributed and charged to Statement of Profit and Loss is ₹ 535.13 Lakh (P.Y. ₹ 452.90 Lakh).

The Hon'ble Supreme Court of India ["SC"] by its order dated February 28, 2019, in the case of Surya Roshani Limited & others V/s EPFO, set out the principles based on which allowances paid to the employees should be identified for inclusion in basic wages for the purposes of computation of Provident Fund contribution. Based on the same, the company has changed its Salary Structure from April 1, 2019, but impact of the previous years is not ascertainable, since the retrospective date of applicability of the same is not yet clarified.

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2.33 RELATED PARTY DISCLOSURE:

Disclosures as per Ind AS 24 - 'Related Party Disclosures' are given below:

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

Joint Ventures:

White Knitwear Private Limited

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

Enlighten Lifestyle Limited

Smt. Jatnobai Karamchandji Ratanparia Chouhan Charitable Trust

Lord Gautam Charitable Foundation

Kewal Kiran Finance Private Limited

Key Management Personnel:

Kewalchand P. Jain	Chairman & Managing Director
Hemant P. Jain	Whole-time Director
Dinesh P. Jain	Whole-time Director
Vikas P. Jain	Whole-time Director
Prakash A. Mody	Independent Director
Nimish G. Pandya	Independent Director
Yogesh A. Thar	Independent Director
Drushti R. Desai	Independent Director

Relatives / Other concerns of Key Management Personnel (In cases where transactions are there):

Shantaben P. Jain	[Mother of Key Management Personnel]
Veena K. Jain	[Wife of Kewalchand P. Jain.]
Lata H. Jain	[Wife of Hemant P. Jain]
Sangeeta D. Jain	[Wife of Dinesh P. Jain]
Kesar V. Jain	[Wife of Vikas P. Jain]
Pankaj K. Jain	[Son of Kewalchand P. Jain]
Hitendra H. Jain	[Son of Hemant P. Jain]
Yash V. Jain	[Son of Vikas P. Jain]
Jai D. Jain	[Son of Dinesh P. Jain]
Nami D. Jain	[Daughter of Dinesh P. Jain]
Krushika D. Jain	[Daughter of Dinesh P. Jain]
Kewalchand P. Jain	[HUF]
Hemant P. Jain	[HUF]
Dinesh P. Jain	[HUF]
Vikas P. Jain	[HUF]
P.K. Jain	Family Holding Trust
Pandya & Co.	[Controlled by Mr. Nimish G. Pandya]
Bansi S. Mehta & Co.	[Partnership Firm- Yogesh A. Thar and Drushti R. Desai (Partners)]

Employee Funds:

Kewal Kiran Clothing Limited - Employee Group Gratuity Scheme.

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b) The following transactions were carried out with the related parties in the ordinary course of business:

Nature of Transaction	Enterprises Where KMP & their relatives have significant influence.	Joint Venture	Relatives/ Other Concerns of Key Management Personnel	Key Management Personnel	Employee Funds
Rent Expenses	-	-	9.18	29.89	-
	(-)	(-)	(9.18)	(29.89)	(-)
Managerial Remuneration	-	-	-	318.00	-
	(-)	(-)	(-)	(318.00)	(-)
Salary	-	-	63.67	-	-
	(-)	(-)	(54.63)	(-)	(-)
Sitting Fees Paid	-	-	-	25.60	-
	(-)	(-)	(-)	(26.40)	(-)
Dividend Paid	1.63	-	2,398.94	1,076.99	-
	(1.44)	(-)	(2,114.86)	(949.45)	(-)
CSR (Donation)	189.00	-	-	-	-
	(181.00)	(-)	(-)	(-)	(-)
Contribution to Gratuity Fund	-	-	-	-	56.86
	(-)	(-)	(-)	(-)	(71.59)
Legal & Professional Services received	-	-	3.25	-	-
	(-)	(-)	(2.87)	(-)	(-)

Outstanding Balances	As at March 31, 2020	As at March 31, 2019
Trade and Salary Payable		
Relatives/ Other Concerns of Key Management Personnel	15.13	7.50
Key Management Personnel	87.58	244.89
Trade Receivable & Advances		
Employee Funds	(234.44)	1.56
Relatives/ Other Concerns of Key Management Personnel	-	-
Deposit Receivable		
Relatives/ Other Concerns of Key Management Personnel	4.59	4.59
Key Management Personnel	3.24	3.24
Investments		
Joint Venture	345.50	345.50

c) Disclosure in respect of material transactions with related parties during the year:

Nature of Transaction	Nature of relationship	Name of the related party	Amount
Rent Expenses	Key Management Personnel	Kewalchand P. Jain	9.98
			(9.98)
		Hemant P. Jain	8.60
			(8.60)
		Dinesh P. Jain	5.66
			(5.66)
	Relatives/ Other Concerns of Key Management Personnel	Vikas P. Jain	5.66
			(5.66)
		Shantaben P. Jain	9.18
			(9.18)

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Nature of Transaction	Nature of relationship	Name of the related party	Amount	
Managerial Remuneration (Salary)	Key Management Personnel	Kewalchand P. Jain	79.50	
		Hemant P. Jain	(79.50)	
		Dinesh P. Jain	79.50	
		Vikas P. Jain	(79.50)	
			79.50	
Salary	Relatives/ Other Concerns of Key Management Personnel	Pankaj K. Jain	28.00	
		Hitendra H. Jain	(27.24)	
			24.00	
Dividend Paid	Enterprises Where KMP & their relatives have significant influence	Kewal Kiran Finance Private Limited	1.63	
			(1.44)	
		Relatives/ Other Concerns of Key Management Personnel	Shantaben P. Jain (Trustee/Beneficiary of P. K. Jain Family Holding Trust)	2,338.14
			(2,061.26)	
			Key Management Personnel	Kewalchand P. Jain
		Hemant P. Jain	(231.35)	
		Dinesh P. Jain	262.93	
		Vikas P. Jain	(231.79)	
			277.34	
			(244.49)	
			274.29	
			(241.81)	
Contribution to Gratuity Fund	Employee Funds	Employee Fund	56.86	
			(71.59)	
Corporate Social Responsibility (Donation)	Enterprises where KMP & their relatives have significant influence	Smt. Jatnobai Karamchandji Ratanparia Chouhan Charitable Trust	189.00	
			(181.00)	
Legal & Professional Services received	Relatives/ Other Concerns of Key Management Personnel	Pandya & Co.	3.25	
			(1.70)	
		Bansi S. Mehta & Co.	-	
			(1.17)	

Compensation to KMP of the Company

Nature of Benefits#	For the year ended March 31, 2020	For the year ended March 31, 2019
Short-term employee benefits (including Sitting Fees)	343.60	344.20
Post-employment gratuity and medical	-	-
Other long-term benefits	-	-
Share-based payment transactions	-	-
Termination Benefits	-	-
Total	343.60	344.20

The aforesaid amounts exclude gratuity provision as it is determined on actuarial basis for the Company as a whole.

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

1. Bhavin Sheth Chief Financial Officer
2. Abhijit Warange Company Secretary

Disclosure of transactions during the year and year-end balance with above KMP / relative of KMP.

Nature of Transaction	Name of the KMP/Relative	Amount
Managerial Remuneration (Salary)	Bhavin Sheth	64.25
		(61.03)
	Abhijit Warange	43.30
		(35.30)
Outstanding balance as on March 31, 2020		
Salary Payable	Bhavin Sheth	6.09
		(6.68)
	Abhijit Warange	4.20
		(3.84)

Note:

- i) Figures in brackets represents corresponding amount of previous year.
- ii) Above transactions exclude reimbursement of expenses.
- iii) In case of KMP under the Companies Act, 2013, managerial remuneration excludes gratuity provision as it is determined on actuarial basis for the Company as a whole.

2.34 LEASES - IND AS 116 (PARENT COMPANY):

a) As Lessee:

Effective April 1, 2019, the Parent Company adopted Ind AS 116 and applied the standard to all lease contracts existing on April 1, 2019 using the modified retrospective method. Consequently, the Parent Company recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the right of use asset at an amount equal to lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the balance sheet immediately before the date of initial application.

Comparatives as at and for the year ended March 31, 2019 have not been retrospectively adjusted and therefore will continue to be reported under the accounting policies included as part of our Annual Report for year ended March 31, 2019.

The incremental borrowing rate applied to lease liabilities as at April 1, 2019 - 9.5% p.a.

Following is the information pertaining to leases for the year ended March 2020

Particulars	Amount
(a) Depreciation Charge for Right to Use Asset	32.72
(b) Interest Expense on Lease Liability	30.73
(c) Expense relating to short term leases accounted in profit & loss	117.72
(d) Total Cash Outflow for Leases for the period	46.00
(e) Additions to Right to use Assets	590.05
(f) Carrying Amount of Right to use Assets as on March 31, 2020	557.33

Table showing contractual maturities of lease liabilities on undiscounted basis:

Due	As at March 31, 2020
Due not later than one year	63.07
Due later than one year but not later than five years	258.50
More than 5 years	405.00
Total	726.57

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b) As Lessor:

The Parent Company has given certain part of its property on operating lease. These lease arrangements are for a period of 9 years and cancellable solely at discretion of the lessees. Rental income from leasing of property of ₹ 95.16 Lakh (P.Y. ₹ 92.33 Lakh) is recognised in the Statement of Profit and Loss. The initial direct cost (if any) is charged off to expenses in the year in which it is incurred.

The Parent Company has not given any property under non-cancellable operating lease.

2.35 DISCLOSURE REGARDING DERIVATIVE INSTRUMENT AND UNHEDGED FOREIGN CURRENCY EXPOSURE (PARENT COMPANY):

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

Particulars	Currency	As at March 31, 2020		As at March 31, 2019	
		Amt. in Foreign Currency	Amount	Amt. in Foreign Currency	Amount
Trade Receivables	USD	7,84,519.86	591.21	5,41,775	374.91
Trade Payables	USD	3,565.81	2.69	-	-
Advance from Customer	USD	18,786.24	14.16	2,479.80	1.72
Advance to Supplier	USD	-	-	82,451.28	57.06
Balance in EEFC account	USD	-	-	1,01,668.78	70.35
Foreign currency in hand	Multiple	5,179.95	2.94	-	0.83

Note: The above figures do not include open purchase orders/sales orders.

2.36 PROVISIONS (PARENT COMPANY):

Disclosure as per Ind AS 37 - Provisions, Contingent Liabilities and Contingent Assets are given below:

Particulars	Provision for Contingencies				Other Provisions (Selling & Distributions Expenses including dealer incentives and discounts)		Provision for margin on sales return	
	Provision for Claims/ Schemes etc		Other Contingencies*		As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019
	As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019				
Opening Balance	545.09	403.72	181.86	34.94	1,642.59	1,308.12	-	152.08
Addition	1330.77	515.73	5.25	150.92	2,592.25	3,300.32	-	18.34
Utilisation	1542.19	171.12	-	-	3,090.24	2,965.85	-	-
Reversals	-	203.24	-	4.00	-	-	-	170.42
Closing Balance	333.67	545.09	187.11	181.86	1,144.60	1642.59	-	-

* It comprises of rates & taxes.

The above Provision has been grouped under the head 'Current Provisions' in Note 2.21.

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

2.37 CONTINGENT LIABILITIES:

a) Disputed demands in respect of income tax not acknowledged as debt by the Parent Company of ₹ 34.25 Lakh (P.Y. ₹ 20.77 Lakh).

In respect of Assessment year 2005-2006, there was tax demand of ₹ 68.94 Lakh (₹ 68.94 Lakh) which had been adjusted by the tax authorities against refund due to the Parent Company in respect of other years. During F.Y. 2015-16, the Parent Company had received favourable Order passed by the ITAT, Mumbai against which the Income Tax Department has filed the appeal before the Bombay High Court and is under pre-admission stage.

Future cash outflows in respect of above are dependent on outcome of matter under dispute

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- b) The Parent Company has purchased capital assets under EPCG license against which the Parent Company has a balance export obligation of ₹ 1,224.80 Lakh (P.Y. 1,224.80 Lakh). Contingent liability, to the extent of duty saved in respect of EPCG is ₹ 298.13 Lakh (P.Y. 204.13 Lakh). The balance export obligation to be fulfilled as per license is upto year 2021-2023.

As at the year-end, amount of outstanding bonds executed by the Company in favour of customs authority aggregates to ₹ 805.68 Lakh (P.Y. ₹ 805.68 Lakh). Out of these, bonds aggregating to ₹ 176.04 Lakh (P.Y. ₹ 176.04 Lakh) are under the process of discharge from custom authorities.

- c) Bank guarantees issued by the Parent Company of ₹ 35.46 Lakh (P.Y. ₹ 35.46 Lakh)
- d) The Parent Company's contingent liability and capital/other commitment in relation to joint venture ₹ Nil and ₹ Nil.
- e) The Group has process in place to ascertain the impact of pending litigation.

Note: No outflow of resources is expected in respect of Para (b) and (c).

2.38 ESTIMATED AMOUNT OF CONTRACTS REMAINING TO BE EXECUTED ON-

- a) Capital Commitment- Capital Account and not provided for Nil (net of advances) (P.Y. Nil).
- b) Other commitments-
1. Advertisement contracts aggregating to Nil (Net of advances) (P.Y ₹ 75.00 Lakh).
 2. Purchase of Garments/Consumables- Nil (P.Y. ₹ 259.88 Lakh)
 3. Capital Contribution Commitment for investment in Sistema Asia Fund ₹ 91 Lakh (P.Y. ₹ 110 Lakh).

2.39 INCOME TAXES (IND AS 12):

Reconciliation of Effective Tax Rate:

Particulars	As at March 31, 2020	As at March 31, 2019
Applicable tax rate (%)	25.17%	34.94%
Profit before tax	9,557.57	11,933.36
Current tax expenses on Profit before tax as per applicable tax rate	2,405.45	4,170.00
Tax effect of the amounts which are not deductible/(taxable) in calculating taxable income		
Effect of Income exempt from tax	(236.74)	(486.17)
Effect of Tax paid at a lower rate	(11.91)	(46.21)
Effect of Previous year adjustments	-	10.75
Effect of expenses that are not deductible in determining taxable profits	19.37	-
Effect of other items	78.35	256.17
Total income tax expense/(credit)	2,254.52	3,904.54

The effective tax rate is 23.59% (P.Y 32.72%).

*Also Refer note no. 2.2, 2.6 and 2.8

*Other items include short excess provision for Income Tax and impact of tax rate change. Impact of tax rate change; the Company elected to exercise the option permitted under Section 115BAA of the Income Tax Act, 1961 as included by the taxation laws (amendment) ordinance, 2019. Accordingly, company remeasured its deferred tax assets basis the rate prescribed in the said Section. The full intact of this change has been recognised in the statement of Profit and Loss for the year.

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2.40 FAIR VALUE MEASUREMENT:

The management assessed that cash and bank balances, trade receivables, trade payables, cash credits and other financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The Group has established the following fair value hierarchy that categorises the values into 3 levels. The inputs to valuation techniques used to measure fair value of financial instruments are:

- **Level 1:** This hierarchy uses quoted (unadjusted) prices in active markets for identical assets or liabilities. The fair value of all equity investments and units of mutual funds which are traded in the stock exchanges is valued using the closing price or dealer quotations as at the reporting date.
- **Level 2:** The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on Group specific estimates. The mutual fund units are valued using the closing Net Asset Value. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.
- **Level 3:** If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities-

A. Quantitative disclosures fair value measurement hierarchy for financial assets as at March 31, 2020, March 31, 2019

Particulars	Fair value measurement using			Total (Amount)
	(Level 1) Amount	(Level 2) Amount	(Level 3) Amount	
As at March 31, 2020:-				
Financial Assets at amortised cost:				
Trade receivables	-	-	17,092.49	17,092.49
Investments (non-current)	-	-	294.96	294.96
Cash and bank balances	-	-	491.19	491.19
Other financial assets	-	-	417.33	417.33
Assets measured at fair value				
Fair value through Other Comprehensive Income				
Investment in Equity shares, quoted	206.81	-	-	206.81
Fair value through Profit and Loss				
Investment in units of Mutual Funds	-	26,495.83	-	26,495.83

Particulars	Fair value measurement using			Total (Amount)
	(Level 1) Amount	(Level 2) Amount	(Level 3) Amount	
As at March 31, 2019:-				
Financial Assets at amortised cost:				
Trade receivables	-	-	17,760.60	17,760.60
Investments (non-current)	-	-	296.36	296.36
Cash and bank balances	-	-	878.45	878.45
Other financial assets	-	-	454.29	454.29
Assets measured at fair value				
Fair value through Other Comprehensive Income				
Investment in Equity shares, quoted	-	-	-	276.15
Fair value through Profit and Loss				
Investment in units of Mutual Funds	-	-	27,400.13	27,400.13

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- B. Quantitative disclosures fair value measurement hierarchy for financial liabilities as at March 31, 2020, March 31, 2019

Particulars	Fair value measurement using			Total (Amount)
	(Level 1) Amount	(Level 2) Amount	(Level 3) Amount	
As at March 31, 2020: -				
Financial Liabilities at amortised cost:				
Cash Credits/Working Capital Borrowing	-	-	8,801.18	8,801.18
Trade payables	-	-	4,980.11	4,980.11
Other financial liabilities	-	-	881.55	881.55

Particulars	Fair value measurement using			Total (Amount)
	(Level 1) Amount	(Level 2) Amount	(Level 3) Amount	
As at March 31, 2019: -				
Financial Liabilities at amortised cost:				
Cash Credits/Working Capital Borrowing	-	-	9,345.99	9,345.99
Trade payables	-	-	4,473.18	4,473.18
Other financial liabilities	-	-	690.19	690.19

2.41 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES:

The Group's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations. The Group's principal financial assets include trade and other receivables, investments and cash & cash equivalents that derive directly from its operations.

The Group is exposed to market risk, credit risk and liquidity risk. The Group's senior management oversees the management of these risks. It is the Group's policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

a) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: (i) interest rate risk and (ii) currency risk. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables and borrowings. The sensitivity analyses in the following sections relate to the position as at March 31, 2020 and March 31, 2019.

The analyses exclude the impact of movements in market variables on: the carrying values of gratuity and other post-retirement obligations; provisions.

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at March 31, 2020 and March 31, 2019.

(i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's short term debt obligations with floating interest rates. The Group has sufficient amount of liquid investments to mitigate the interest risk on its short term debt obligations.

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Interest rate sensitivity-

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings taken at floating rates. With all other variables held constant, the Group's profit / (loss) before tax is affected through the impact on floating rate borrowings, as follows:

Basis Points	As at March 31, 2020		As at March 31, 2019	
	5% increase	5% decrease	5% increase	5% decrease
Effect on profit before tax (Amount)	(38.29)	38.29	(30.48)	30.48

(ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group transacts business in local currency and in foreign currency, primarily in USD. The Group's trade receivables in foreign currency as at March 31, 2020 is ₹ 591.21 Lakh (P.Y. ₹ 374.91 Lakh).

Foreign currency sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in rate of USD, with all other variables held constant. The impact on the Group's profit before tax is due to changes in the fair value of monetary assets and liabilities. The Group's exposure to foreign currency changes for all other currencies is not material.

Basis Points	As at March 31, 2020		As at March 31, 2019	
	5% increase	5% decrease	5% increase	5% decrease
Effect on profit before tax (Amount)	11.82	(11.82)	7.50	(7.50)

b) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables).

The Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the Group compares the risk of default occurring on asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forwarding-looking information such as:

- Actual or expected significant adverse changes in business,
- Actual or expected significant changes in the operating results of the counterparty,
- Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations,
- Significant increase in credit risk on other financial instruments of the same counterparty,
- Significant changes in the value of the collateral supporting the obligation or in the quality of the third-party guarantees or credit enhancements.

Financial assets are written off when there are no reasonable expectations of recovery, such as a debtor failing to engage in a repayment plan with the Group.

Assets in the nature of Investment, security deposits, loans and advances are measured using 12 months expected credit losses (ECL). Balances with Banks is subject to low credit risk due to good credit rating assigned to these banks. Trade receivables are measured using lifetime expected credit losses.

Financial Assets for which loss allowances is measured using the Expected Credit Losses (ECL):

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The Ageing analysis of Account receivables has been considered from the date the invoice falls due-

Ageing	As at March 31, 2020	As at March 31, 2019
0-180 days	13,572.42	13,441.31
181 days to 365 days	3,094.60	3,645.37
beyond 365 days	1,000.49	1,194.94
Total	17,667.51	18,281.62

The following table summarises the changes in loss allowances measured using lifetime expected credit loss model

Provisions	As at March 31, 2020	As at March 31, 2019
Opening Provision	515.00	343.00
Add:- Additional provision made	60.00	172.00
Less:- Provision utilised against bad debts	-	-
Closing provisions	575.00	515.00

No Significant changes in estimation techniques or assumptions were made during the year

c) Liquidity risk

The Group's principal source of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The Group believes that the working capital is sufficient to meet its current requirements.

As on March 31, 2020, the Group had working capital of ₹ 30,571.91 Lakh (P.Y. ₹ 20,365.54 Lakh) including cash and cash equivalents of ₹ 7,970.87 Lakh (P.Y. ₹ 5,320.61 Lakh) and current investments of ₹ 13,674.21 Lakh (P.Y. ₹ 9,081.10 Lakh)

Maturity patterns of the Financial Liabilities of the Group at the reporting date based on contractual undiscounted payment-

As at March 31, 2020	Less than 1 year (Amount)	1 to 5 years (Amount)	More than 5 Years (Amount)	Total (Amount)
Borrowings	8,801.18	-	-	8,801.18
Trade payables	4,980.11	-	-	4,980.11
Other financial liabilities	539.54	328.08	13.93	881.55
Total	14,320.83	328.08	13.93	14,662.84

As at March 31, 2019	Less than 1 year (Amount)	1 to 5 years (Amount)	More than 5 Years (Amount)	Total (Amount)
Borrowings	9,345.99	-	-	9,345.99
Trade payables	4,473.18	-	-	4,473.18
Other financial liabilities	690.19	-	-	690.19
Payable related to Capital goods	93.17	-	-	93.17
Total	14,602.53	-	-	14,602.53

CONSOLIDATED NOTES

on Accounts for the year ended 31st March 2020

Corporate Identification Number: L18101MH1992PLC065136

(₹ in lakhs except as otherwise stated)

2.42 CAPITAL MANAGEMENT

(a) Risk Management

For the purposes of the Group's capital management, capital includes issued capital, share premium and all other equity reserves attributable to the equity holders. The Group aims to manage its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to our shareholders.

The capital structure of the Group is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. We consider the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

The Group's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The Group will take appropriate steps in order to maintain, or if necessary adjust, its capital structure

The Group monitors capital using Net debt-equity ratio, which is Net debt (i.e. total debt less cash & cash equivalents and current investments) divided by total equity.

Particulars	As at March 31, 2020	As at March 31, 2019
Net Debt	(12,843.90)	(5,055.72)
Total Equity	44,591.70	42,999.90
Net Debt to Equity Ratio (%)	(28.80)	(11.76)

(b) Distributions made and proposed (Parent Company):

Equity Shares	For the year ended March 31, 2020	For the year ended March 31, 2019
Cash dividends on equity shares declared and paid:		
Final dividend for the year ended March 31, 2019 ₹ 2.00 (March 31, 2018 - ₹ 1.50) per fully paid share	246.51	184.88
Dividend distribution tax on final dividend	50.67	38.00
Interim Dividend for the year ended March 31, 2020 ₹ 36.00 (March 31, 2019 - ₹ 32.00) per fully paid share	4,437.01	3,944
Dividend distribution tax on interim dividend	912.04	810.70
Proposed dividends on Equity shares:		
Final dividend for the year ended on March 31, 2020 ₹ 1.00 (March 31, 2019- ₹ 2.00) per fully paid share	123.25	246.50
This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting. The same is not recognised at the end of the reporting period.		

CONSOLIDATED NOTES

on Accounts for the year ended 31st March 2020

Corporate Identification Number: L18101MH1992PLC065136

(₹ in lakhs except as otherwise stated)

2.43 INTEREST IN OTHER ENTITIES:

A. List of the company (Jointly Venture Company) included in the consolidation is mentioned below: -

Joint Venture	Country of Incorporation	Activities	Proportion of Ownership interest	
			As at March 31, 2020	As at March 31, 2019
White Knitwear Private Limited	India	Refer Note 2.43(B)	33.33%	33.33%

B. Summarised Financial Information

Particulars	As at March 31, 2020	As at March 31, 2019
[A] Non-Current Assets	4.91	4.91
[B] Current Assets		
i) Cash and Cash Equivalent	1.71	2.74
ii) Others	232.07	228.57
Total Current Assets	233.78	231.31
Total Assets [A + B]	238.69	236.22
[A] Non-Current Liabilities		
i) Financial Liabilities	-	-
ii) Non-Financial Liabilities	278.84	256.24
Total Non-Current Liabilities	278.84	256.24
[B] Current Liabilities		
i) Financial Liabilities	0.31	0.30
ii) Non-Financial Liabilities	0.04	0.04
Total Current Liabilities	0.35	0.34
Total Liabilities [A + B]	279.19	256.58
Net Assets	[40.51]	[20.35]

Summarised Performance

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Revenue	3.50	3.26
Profit and Loss before Tax	[20.15]	[21.61]
Tax Expense	-	-
Profit and Loss after Tax	[20.15]	[21.61]
Other Comprehensive Income	-	-
Total Comprehensive Income	[20.15]	[21.61]
Depreciation and Amortisation	-	-
Interest Income	-	-
Interest Expense	22.61	22.99

For contingency and commitment of Joint Venture, refer Note No. 2.37(d)

CONSOLIDATED NOTES

on Accounts for the year ended 31st March 2020

Corporate Identification Number: L18101MH1992PLC065136

(₹ in lakhs except as otherwise stated)

Reconciliation of Net Assets considered for consolidated financial statement to net asset as per Joint Venture financial statements

Particulars	As at March 31, 2020	As at March 31, 2019
Net Assets as per Entity's Financial Statements	(40.51)	(20.35)
Add/(Less): Consolidation Adjustments		
i) Fair Value of Investment	-	-
ii) Dividend distributed	-	-
iii) Others	335.47	316.71
Net Assets as per Consolidated Financial Statements	294.96	296.36

Reconciliation of Profit and Loss/OCI considered for consolidated financial statement to net asset as per Joint Venture financial statements

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Profit/(Loss) as per Entity's Financial Statements	(20.15)	(21.61)
Add/(Less): Consolidation Adjustments		
i) Dividend distributed	-	-
ii) Others	18.75	18.75
Profit/(Loss) as per Consolidated Financial Statements	(1.40)	(2.86)
OCI as per Entity's Financial Statements	-	-
Add/(Less): Consolidation Adjustments		
i) Fair Valuation	-	-
ii) Others	-	-
OCI as per Consolidated Financial Statements	-	-

Movement of Investment in Joint Ventures using Equity Method

Particulars	As at March 31, 2020	As at March 31, 2019
Interest as at April 1	296.36	299.22
Add: Share of Profit for the Period	(1.40)	(2.86)
Add: Share of OCI for the Period	-	-
Interest as at March 31	294.96	296.36

The Joint Venture had acquired land in Surat Special Economic Zone (SEZ) and constructed factory building for setting up of manufacturing unit for production of Knitwear Apparels for exports. However, due to slowdown in international market, SEZ could not operationalise as majority of SEZ members have put-on-hold their operations in SEZ and approached to Gujarat Industrial Development Corporation (GIDC) and State and Central government for de-notification of SEZ.

Gujarat Industrial Development Corporation vide its circular No. GIDC/CIR/Distribution/Policy/13/05 dated March 14, 2013 had de-notified the SEZ and conceded the members to convert and use the erstwhile land in SEZ as Domestic Tariff Area (DTA) subject to fulfilment of conditions stated therein.

Based on GIDC circular on de-notification, WKPL vide its letter dated April 4, 2013 has consented for de-notification of its plot of land and undertaken to complete the formal procedure for the same, however, Central Government approval is awaited.

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

CONSOLIDATED NOTES

on Accounts for the year ended 31st March 2020

Corporate Identification Number: L18101MH1992PLC065136

(₹ in lakhs except as otherwise stated)

2.44 Additional information as required by para 5 of General Instructions for preparation of Statement of Profit and Loss (other than already disclosed above) are either Nil or Not Applicable.

2.45 Previous year figures are regrouped or rearranged wherever considered necessary.

2.46 The outbreak of COVID-19 across the globe and in India has resulted in pandemic requiring unprecedented steps to combat it. Consequent to the nation-wide lockdown imposed by the Central Government from March 23, 2020 to prevent the spread thereof, the Company had to shut down its factories / stores and all its operational activities across its locations, impacting the business during the quarter. The Company has taken and shall continue to take various precautionary measures to protect employees and their families from COVID-19.

Significant decline in the economic activity of the whole nation and the disruption created across the businesses have affected the operations of the Company as well, the impact whereof would evolve around the developments taking place in forthcoming months.

The operations of the Company have resumed in a partial manner at manufacturing locations from May 4, 2020, taking cognizance of the Governments' views around resuming manufacturing activities with controlled entry and exit facilities, maintaining appropriate distancing and following other directives of the regulatory authorities.

Further, the Company expects to recover the carrying amount of all its assets including inventory, receivables and loans in the ordinary course of business based on information available on current economic conditions. The Company is continuously monitoring any material changes in future economic conditions for taking prompt corrective actions within its purview and would keep assessing the impact for taking appropriate cognizance in financial reporting in the forthcoming quarters.

As per our Audit Report of even date attached

For and on behalf of

Khimji Kunverji & Co LLP

[Formerly Khimji Kunverji & Co]

Chartered Accountants

Registration No.:105146W/W100621

For and on behalf of the Board of Directors

of **Kewal Kiran Clothing Ltd**

Hasmukh Dedhia

Partner

Membership No. : 33494

Kewalchand P. Jain

Chairman & Managing Director

Din No : 00029730

Hemant P. Jain

Whole time Director

Din No : 00029822

Place: Mumbai

Date: May 26, 2020

Bhavin Sheth

Chief Financial Officer

Abhijit Warange

Company Secretary

FORM AOC-1

[Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014]

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A": Subsidiaries - Not applicable

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of Joint Venture	White Knitwears Private Limited(WKPL)
1. Latest audited Balance Sheet Date	31/03/2020
2. Shares of Joint Venture held by the company on the year end	
No.	3,30,000
Amount of Investment in Joint Venture	33,00,000
Extend of Holding%	33.33%
3. Description of how there is significant influence	Due to holding of 33.33% equity shares in WKPL
4. Reason why the Joint Venture is not consolidated	Not Applicable
5. Net worth attributable to shareholding as per latest audited Balance Sheet	(2,48,84,050)
6. Profit/[Loss] for the year	
(i) Considered in Consolidation	(1,40,000)
(ii) Not Considered in Consolidation	(59,05,430)

1. Names of associates or joint ventures which are yet to commence operations - Not Applicable

2. Names of associates or joint ventures which have been liquidated or sold during the year - Not Applicable

As per our Audit Report of even date attached

Khimji Kunverji & Co LLP

(Formerly Khimji Kunverji & Co)

Chartered Accountants

Registration No.: 105146W/W100621

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

Hasmukh Dedhia

Partner

Membership No.: 33494

Kewalchand P. Jain

Chairman & Managing Director

Din No: 00029730

Hemant P. Jain

Whole time Director

Din No: 00029822

Place: Mumbai

Date: May 26, 2020

Bhavin Sheth

Chief Financial Officer

Abhijit Warange

Company Secretary

NOTICE

KEWAL KIRAN CLOTHING LIMITED

Registered Office : Kewal Kiran Estate, 460/7, I. B. Patel Road, Goregaon (East) Mumbai-400 063

Tel: +91 22 26814400 Fax: +91 22 26814410

Website: www.kewalkiran.com

CIN : L18101MH1992PLC065136

Email: grievanceredressal@kewalkiran.com

NOTICE OF 29TH ANNUAL GENERAL MEETING

NOTICE is hereby given that the 29th Annual General Meeting of Kewal Kiran Clothing Limited will be held on Tuesday, September 15, 2020, through Video Conferencing ["VC"] / Other Audio Visual Means ["OAVM"] to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Standalone and Consolidated Financial Statements of the Company for the year ended March 31, 2020 including the Audited Balance Sheet as on March 31, 2020 and the Statement of Profit and Loss Account for the financial year ended March 31, 2020 together with the report of the Directors and Auditors thereon.
2. To confirm the four interim dividends of ₹ 11/-, ₹ 10/-, ₹ 15/- and ₹ 6/- respectively and to declare the final dividend on the equity share for the year ended March 31, 2020.
3. To appoint a Director in place of Mr. Dinesh P. Jain (DIN: 00327277) who retires by rotation and being eligible, offers himself for re-appointment.

By order of the Board of Directors

Abhijit B. Warange

Vice President - Legal & Company Secretary

Regd. Office:
Kewal Kiran Estate
460/7, I. B. Patel Road,
Goregaon (E), Mumbai - 400 063

Date: July 29, 2020
Place: Mumbai

NOTES:

1. In view of the outbreak of the COVID-19 pandemic, social distancing norm and continuing restriction on movement of persons in the country and pursuant to General Circular Nos 14/2020, 17/2020, 20/2020 and 22/2020 dated April 8, 2020, April 13, 2020, May 5, 2020 and June 15, 2020 respectively issued by Ministry of Corporate Affairs ["MCA Circulars"] and Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 issued by the Securities and Exchange Board of India ["SEBI Circular"] and in compliance with the provisions of the Companies Act, 2013 ["the Act"] and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ["SEBI Listing Regulations"], the 29th AGM of the company is being conducted through means of VC/OAVM Facility, which does

not require physical presence of Members at a common venue. The deemed venue of 29th AGM shall be the Registered Office of the company.

2. There are no items of special business to be transacted at the AGM and accordingly the statement pursuant to Section 102(1) of the Companies Act 2013, setting out the material facts is not annexed hereto.
3. In terms of MCA circulars since the physical attendance of Members has been dispensed with, there is no requirement of appointment of proxies. Accordingly, the facility of appointment of proxies by Members under Section 105 of the Act will not be available for the 29th AGM and hence the Proxy Form and Attendance Slip are not annexed to the Notice. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate may be appointed for the purpose of voting through remote e-voting, for participation in the 29th AGM through VC/OAVM facility and cast their votes through e-voting during 29th AGM.
4. Institutional/Corporate Shareholders (i.e. other than individuals/HUF, NRI, etc) are required to send a scanned copy (PDF/JPEG Format) of its Board Resolution or governing body Resolution/ Authorisation etc., authorising its representative to attend the Annual General Meeting through VC/OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorisation shall be sent to the Scrutiniser by email through their registered email address to upjainco@gmail.com with copies marked to the Company at grievanceredressal@kewalkiran.com and to its RTA at instameet@linkintime.co.in.
5. The attendance of the Members participating in the 29th AGM through VC/OAVM facility shall be counted for the purpose of reckoning the quorum under section 103 of the Act.
6. Voting rights shall be reckoned on the paid-up capital value of shares registered in the name of member/beneficial owners (in case of electronic shareholding) as on the cut-off date i.e Tuesday, September 8, 2020.
7. In view of the outbreak of the COVID-19 pandemic, considering the difficulties involved in dispatching

of physical copies of the Annual Report to the members and in line with the Circulars issued by the MCA and SEBI, the Annual Report for the year 2019-20 including the Notice of the 29th AGM of the company, inter alia, indicating the process and manner of E-voting is being sent only by Email, to all the Members whose Email IDs are registered with the Company/Registrar and Share Transfer Agent or with the respective Depository Participant(s) for communication purposes to the members and to all other persons so entitled.

Further in terms of the applicable provisions of the Act, SEBI Listing regulations read with the circulars issued by MCA and SEBI, the Annual report along with the Notice of the 29th AGM will be available on the website of the company at www.kewalkiran.com. The same can also be accessed from the websites of the stock exchanges i.e. BSE Limited at www.bseindia.com and National Stock Exchanges of India Limited at www.nseindia.com and on the website of Link Intime India Private Limited at <https://instavote.linkintime.co.in>.

8. The Register of Members and the Share Transfer Books of the Company will remain closed from Wednesday, September 9, 2020 to Tuesday, September 15, 2020 (both days inclusive) for the annual closing and to determine the entitlement of the Members to the final dividend.
9. Since the 29th AGM will be held through VC/OAVM facility, the Route Map is not annexed in this Notice.
10. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are therefore requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company/ R&T Agent.
11. SEBI has also mandated that for registration of transfer of securities, the transferee(s) as well as transferor(s) shall furnish a copy of their PAN card to the Company for registration of transfer of securities.
12. Under Section 124 of the Companies Act, 2013 and the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('IEPF Rules, 2016'), the amount of dividend remaining unpaid or unclaimed for a period of seven years from the due date is required to be transferred to the Investor Education and Protection Fund (IEPF), constituted by the Central Government. The Company had during the year, accordingly, transferred to IEPF, the unpaid and unclaimed dividend amounts pertaining to 2nd Interim Dividend 2011-12 of ₹ 27,907/-, Final

Dividend 2011-12 of ₹ 9,624/- and 1st Interim Dividend 2012-13 of ₹ 32,410/-. Subsequent to the end of the financial year 2019-20 till the date of this report the company transferred the 2nd Interim Dividend 2012-13 of ₹ 13,091 /- and 3rd Interim Dividend 2012-13 of ₹ 8,469/- to the IEPF. Dividend declared by the Company thereafter, is still lying in the respective unpaid dividend accounts of the Company. Members, who have not encashed these dividend(s) are requested to immediately Contact the Company or the Registrar and Transfer Agent - M/s Link Intime India Pvt. Ltd.

The Company has been sending reminders to those members having unpaid/unclaimed dividends before transfer of such dividend(s) to IEPF. Details of the unpaid/unclaimed dividend are also uploaded as per the requirements, on the Company's website www.kewalkiran.com. Unclaimed Final Dividend 2012-13 is due for transfer in September 2020, 1st Interim Dividend 2013-14 is due for transfer in November 2020, 2nd Interim Dividend 2013-14 is due for transfer in March 2021 and 3rd Interim Dividend 2013-14 is due for transfer in June 2021.

13. Pursuant to the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 all shares in respect of which dividend has not been paid or claimed for seven consecutive years shall be transferred by the Company to the designated Demat Account of the IEPF Authority ('IEPF Account') within a period of thirty days of such shares becoming due to be transferred to the IEPF Account.

All the shareholders who have not claimed/encashed their dividends in the last seven consecutive years from 2013 are requested to claim the same from the Company. In case valid claim is not received, the Company will proceed to transfer the respective shares to the IEPF Account in terms of the said rules. The Shareholders whose shares and unclaimed dividend have been transferred to IEPF may claim the same by making an application to IEPF Authority in form 5 (available on www.iepf.gov.in) along with requisite fees.

The details of such shares and shareholders whose shares are transferred to IEPF are uploaded on the "Investors Section" of the website of the Company viz. www.kewalkiran.com

14. Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates to their Depository Participants with whom they are maintaining their demat account. Members holding shares in physical segment are requested to notify change in their address/status, if any, immediately to the Company's Registrar & Transfer Agents, M/s Link Intime India Private Limited, C 101, 247 Park, LBS Marg, Vikhroli (West), Mumbai 400 083.

15. Members holding shares in the same set of names under different ledger folios are requested to apply for consolidation of such folios along with relevant share certificates to the Company's Registrar & Transfer Agents, Link Intime India Private Limited, C 101, 247 Park, LBS Marg, Vikhroli (West), Mumbai 400 083. Members must quote their Folio no./ Demat Account no. and contact details such as e-mail address, contact no. etc in all their correspondence with the Company/ Registrar and Share Transfer Agent.
16. All document referred to in the accompanying notice are available on website of the Company at www.kewalkiran.com for inspection of Members upto the date of 29th AGM.
- During the 29th AGM, Members may access the scanned copy of Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts or arrangements in which Directors are interested under section 189 of the Act which will be available on website of the company.
17. The Company has designated an exclusive e-mail id called grievanceredressal@kewalkiran.com for redressal of shareholder complaints / grievances. In case you have any queries/ complaints or grievances then please write to us at grievanceredressal@kewalkiran.com
18. Members who would like to ask any questions on the accounts are requested to send their questions at grievanceredressal@kewalkiran.com at least 10 days before the AGM. The same will be replied on behalf of the company suitably.
19. In terms of applicable provisions of the Act and Rules thereto, the Company has obtained e-mail addresses of its Members and have given as advance opportunity to every Member to register their email address and changes therein from time to time with the Company for service of communications/ documents (including Notice of General Meetings, Audited Financial Statements, Directors Report, Auditors Report and all other documents) through electronic mode.
- Although, the Company has given opportunity for registration of e-mail addresses and has already obtained e-mail address from some of its Members, Members who have not registered their e-mail address so far are requested to register their Email for receiving all communications including Annual Report, Notices and Circulars, etc. from the Company electronically. Members can do this by updating their email addresses with their depository participants.
20. In case of joint holders attending the 29th AGM, the Member whose name appears as the first holder in the order of names as per the Register of Member of the Company will be entitled to vote.
- 21. Registration of Email ID and Bank Account Details:**
- a) In case the shareholder's e-mail ID is already registered with the Company/its Registrar & Share Transfer Agent "RTA/Depositories, log in details for e-voting are being sent on the registered email address.
 - b) In case the shareholder has not registered his/her/their email address with the Company/its RTA/Depositories and or not updated the Bank Account mandate for receipt of dividend, the following instructions to be followed:
 - i. Kindly log in to the website of our RTA, Link Intime India Private Ltd., www.linkintime.co.in under Investor services >Email/Bank detail Registration - fill in the details and upload the required documents and submit. OR
 - ii. In the case of Share held in Demat Mode: The shareholders may please contact the Depository Participant ("DP") and register the email address and bank account details in the demat account as per the process followed and advised by the DP.
22. Securities of listed companies would be transferred in dematerialised form only w.e.f April 1, 2019. In view of the same, Members holding shares in physical form are requested to convert their holdings to dematerialised form to eliminate all risks associated with physical shares and for ease of portfolio management. Members can contact the company's RTA for assistance in this regard.
- 23. Voting through Electronic means:**
- a. Pursuant to Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, Regulation 44 of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 and Secretarial Standard on General Meeting (SS 2) as amended from time to time, the Company is pleased to provide its members the facility to cast their vote either for or against each resolution set forth in the notice of the 29th AGM using electronic voting system ('remote e-voting') and e-voting (during the 29th AGM) provided by Link Intime India Pvt. Ltd. and the business may be transacted through such voting.

- b. The facility for e-voting through VC/OAVM shall be made available to the Members who will be present in the 29th AGM and have not cast their vote on the resolutions through remote e-voting, and are otherwise not barred from doing so, shall be eligible to vote through e-voting system during 29th AGM.
- c. The instructions for shareholders voting electronically are as under:
- (i) The voting period begins on Saturday, September 12, 2020 at 9.00 a.m and ends on Monday, September 14, 2020 at 5.00 p.m. During this period members of the Company, holding shares either in physical form or in dematerialised form, as on the cut-off date i.e Tuesday, September 8, 2020, may cast their vote electronically. Any person who acquires shares of the company and becomes member of the company after dispatch of the notice of the 29th AGM and holds shares on the cut-off date i.e. Tuesday, September 8, 2020 may obtain the login ID and password by sending a request at grievanceredressal@kewalkiran.com or rnt.helpdesk@linkintime.co.in. However, if a member is already registered with Link Intime for e-voting, then he/she can use existing user id and password/PIN for casting the vote.
- (ii) Visit the E-voting system of Link Intime. Open web browser by typing the following URL: <https://instavote.linkintime.co.in>.
- (iii) Click on “Login” tab, available under ‘Shareholders’ section.
- (iv) Enter your User ID, password and image verification code (CAPTCHA) as shown and click on “SUBMIT”.
- (v) Your User ID details are given below:
- Shareholder holding shares in demat account with CDSL: 16 digits beneficiary ID,
 - Shareholder holding shares in demat account with NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - Shareholder holding shares in Physical Form: Event No. plus Folio Number registered with the Company.
- (vi) Your password details are given below:
- If you are using e-voting system of Link Intime: <https://instavote.linkintime.co.in> for the first time or if you are holding shares in physical form, you need to follow the steps given below :
- Click on “Sign up” tab available under ‘Shareholders’ section register your details and set the password of your choice and confirm (The password should contain minimum 8 characters, at least one special character, at least one numeral, at least one alphabet and at least one capital letter).

For Members holding shares in Demat Form and Physical Form	
PAN	Enter your 10-digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable in the PAN field.
Dividend Bank Details or Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).
Bank Account Number	Enter the Bank Account number (Last four Digits) as recorded in your demat account or in the company records for the said demat account or folio number. Please enter the DOB/DOI or Bank Account number in order to register. If the above mentioned details are not recorded with the depository participants or company, please enter Folio number in the Bank Account number field as mentioned in instruction (iv)

If you are holding shares in demat form and had registered on to e-voting system of Link Intime : <https://instavote.linkintime.co.in> and/or voted on an earlier voting of any company then you can use your existing password to login.

If Shareholders holding shares in Demat form or Physical form have forgotten password:

Enter User ID, select Mode and Enter Image Verification code (CAPTCHA). Click on “SUBMIT”.

In case shareholder is having valid email address, Password will be sent to the shareholders registered e-mail address. Else, shareholder can set the password of his/her choice by providing the information about the particulars of the Security Question & Answer, PAN, DOB/DOI, Dividend Bank Details etc. and confirm. (The password should contain minimum 8 characters, (at least one special character, one numeral, one alphabet and at least one capital letter).

Note: The password is to be used by demat shareholders for voting on the resolutions placed by the company in which they are a shareholder and eligible to vote, provided that the company opts for e-voting platform of Link Intime.

For Shareholders holding shares in physical form, the details can be used only for voting on the resolutions contained in this notice.

It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(vii) After successful Login, you will be able to see the notification for e-voting on the home page of INSTA Vote. Select/View "Event No" of the company, you choose to vote.

(viii) On the voting page, you will see "Resolution Description" and against the same the option "Favour/Against" for voting.

Cast your vote by selecting appropriate option i.e. Favour/Against as desired.

Enter the number of shares (which represents no. of votes) as on the cut-off date under 'Favour/Against'. You may also choose the option 'Abstain' and the shares held will not be counted under 'Favour /Against'

(ix) If you wish to view the entire Resolution details. Click on the 'View Resolutions' File Link.

(x) After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on 'SUBMIT'. A confirmation box will be displayed. If you wish to confirm your vote, click on "YES", else to change your vote, click on "NO" and accordingly modify your vote.

(xi) Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

(xii) You can also take the printout of the votes cast by you by clicking on "Print" option on the Voting page.

(xiii) Institutional shareholders (i.e. other than Individuals, HUF, NRI, etc.) and Custodian are required to log on to e-voting system of Link Intime <https://instavote.linkintime.co.in> and register themselves as '**Custodian/Mutual fund/Corporate body**'.

They are also required to upload a scanned certified true copy of the board resolution/ authority letter/ power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF Format in the '**Custodian/Mutual Fund/Corporate**' login for the Scrutiniser to verify the same.

(xiv) During the voting period, shareholders can login any number of times till they have voted on the resolution(s) for a particular "Event".

(xv) Shareholders holding multiple folios/demat account shall choose the voting process separately for each of the folios/demat account.

(xvi) In case the shareholders have any queries or issues regarding e-voting, please refer the Frequently Asked Questions ("FAQs") and Instavote e-voting manual available at <https://instavote.linkintime.co.in>. under help section or write an email to enotices@linkintime.co.in or Call us :- Tel : 022-49186270.

24. Instructions for Shareholders/Members to Attend the 29th AGM through Instameet

1. Shareholders/ Members are entitled to attend 29th AGM through VC/OAVM provided by Link Intime by following the below mentioned process. Facility for joining the 29th AGM through VC/OAVM shall open 15 (Fifteen) minutes before the time scheduled for the 29th AGM and will be available on 'first come first serve' basis.
2. Shareholders / Members are requested to participate on first come first serve basis as participation through VC/OAVM is limited and will be closed on expiry of 15 (Fifteen) minutes from the scheduled time of the 29th AGM. Shareholders /Members with >2% shareholding, promoters, institutional

Investors, Directors, KMPs, Chair Persons of Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee and Auditors, etc. may be allowed to the meeting without restrictions of 'first come first serve' basis. Members can log in and join 15(Fifteen) minutes prior to the schedule time of meeting and window for joining shall be kept open till the expiry of 15 (fifteen) minutes after the schedule time. Participation is restricted up to 1000 members only.

3. Shareholders/ Members will be provided with InstaMeet facility wherein shareholders/ Members shall register their details and attend the 29th AGM as under:

- i. Open the internet browser and launch the URL for InstaMeet <<<https://instameet.liniintime.co.in><<. Select the Company and register with your following details:
 - a. DP ID/ Client ID or Beneficiary ID or Folio No: Enter your 16 digit DP ID/Client ID or Beneficiary ID or Folio Number registered with the Company.
 - b. PAN: Enter your 10-digit Permanent Account Number (PAN)
 - c. Mobile No. : Enter your mobile number
 - d. Email ID : Enter your email-id, as recorded with your DP/ Company.
- ii. Click "Go to Meeting"

Note:

Shareholders/ Members are encouraged to join the Meeting through Tablets/ Laptops connected through broadband for better experience.

Shareholders/Members are required to use internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.

Please note that shareholders/Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss Due to fluctuation in their network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

In case the shareholders / Members have any queries or issues regarding e-voting, you can write an email to instameet@linkintime.co.in or Call us - Tel : 022 49186270,

InstaMeet Support Desk, Link Intime India Private Limited.

25. Instructions for Shareholders / Members to register themselves as Speakers during 29th AGM:

Shareholder / Members who would like to express their views/ ask questions during the meeting may register themselves as a speaker by sending their request mentioning their name, demat account number/folio number, email id, mobile number at grievanceredressal@kewalkiran.com atleast 3 days in advance to the date of 29th AGM.

Shareholders will receive "speaking serial number" once they mark attendance for the meeting.

Please remember speaking serial number and start your conversation with panellist by switching on video mode and audio of your device.

The Company reserves the right to restrict the number of speakers depending on the availability of time for the 29th AGM.

Shareholder/ Members, who would like to ask questions, may send their questions in advance mentioning their name, demat account number/ folio number, email id, mobile number at grievanceredressal@kewalkiran.com [company mail id]. The same will be replied by the company suitably.

Note:

Those Shareholders /Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting. The Company reserves the right to restrict the number of speakers depending on the availability of time for the 29th AGM.

Other shareholder may ask questions to the panellist, via active chat - board during the meeting.

Shareholders/Members should allow to use camera and are required to use internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.

26. Instructions for Shareholders/Members to vote during the 29th AGM through InstaMeet:

Once the electronic voting is activated by the scrutiniser during the meeting, shareholders/ members who have not exercised their vote through the remote e-voting can cast the vote as under: -

1. On the Shareholders VC page, click on the link for e-voting "Cast your vote".
2. Enter Demat Account No./Folio No. and OTP [received on the registered mobile number/registered email id] received during registration for InstaMeet and click on 'Submit'.

3. After successful login, you will see “Resolution Description” and against the same the option “Favour/Against” for voting.
4. Cast your vote by selecting appropriate option i.e. “Favour/Against” as desired.

Enter the number of shares (which represents no. of votes) as on the cut-off date under ‘Favour/Against’.
5. After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on “Save”. A confirmation box will be displayed. If you wish to confirm your vote, click on “Back” and accordingly modify your vote.
6. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

Note:

Shareholders/Members who will be present in the 29th AGM through InstaMeet facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting facility during the meeting.

Shareholders/Members who have voted through Remote e-Voting prior to the 29th AGM will be eligible to attend/participate in the Annual General Meeting through InstaMeet. However, they will not be eligible to vote again during the meeting.

In case the shareholders/members have any queries or issues regarding e-voting you can write an email to instameet@linkintime.co.in or call us :- Tel : 022-49186270, InstaMeet Support Desk, Link Intime Indian Private Limited.

27. The Company has appointed Mr. Ummedmal P. Jain, Practicing Company Secretary (CP no. 2235) of M/s. U. P. Jain & Co. as the Scrutiniser to scrutinise the remote e-voting and e-voting during the 29th AGM in a fair and transparent manner.
28. The voting rights of Shareholders shall be in proportion to their share of the paid up capital of the Company as on the cut-off date Tuesday, September 8, 2020.
29. The Scrutiniser shall after scrutinising the votes cast during the 29th AGM and through remote e-voting not later than 48 (forty-eight) hours from the conclusion of the AGM, make a consolidated Scrutiniser’s Report and submit it to the Chairman or any Director authorised by the Board. The results declared along with the consolidated Scrutiniser’s report shall be placed on the website of the Company (www.kewalkiran.com) and on the website of Link

Intime India Private Limited (<https://instavote.linkintime.co.in>). The results shall simultaneously be communicated to the Stock Exchanges where the Company’s shares are listed.

30. Subject to the receipt of the requisite number of votes, the Resolutions shall be deemed to be passed on the date of the 29th AGM i.e. Tuesday, September 15, 2020.
31. Details as required in sub-regulation [3] of Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) and Secretarial Standard on General Meeting (SS-2) of ICSI in respect of the Directors seeking appointment/re-appointment at the AGM is detailed below. Requisite declarations have been received from the Directors for seeking appointment/ re-appointment.

Profile of Director retiring by rotation and offering for re-appointment:

Mr. Dinesh P. Jain, (DIN : 00327277):

Mr. Dinesh Jain (age 51 years) is the Whole-time Director of the Company. He joined the business in 1990. Mr. Jain is also one of the Promoters of your company and was first appointed as a Director of your company on October 2, 1997. Mr. Jain heads the manufacturing operations of the Company. He specialises in Production and HR related issues. Mr. Jain is also responsible for ensuring optimum utilisation of production facilities of the Company at its units at Dadar, Goregaon, Daman and Vapi.

Mr. Jain holds 7,45,831 shares which includes 16,000 shares as a Karta of Dinesh P. Jain (H.U.F) and 1,02,581 shares held j/w Sangeeta D. Jain in the company as on the date of this notice. Mr. Dinesh P. Jain, Mr. Kewalchand P. Jain, Mr. Hemant P. Jain and Mr. Vikas P. Jain are brothers. In the financial year under review 5 meeting of the Board of Directors were held and Mr. Dinesh P. Jain has attended all the 5 Board Meetings. The last drawn remuneration by Mr. Jain was ₹ 79,89,600/- per annum (including perquisites).

The details of other directorships of Mr. Dinesh P. Jain are as follows:-

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

32. Dividend:

- a. The Board of Directors has recommended Final Dividend of ₹ 1/- (10%) per Equity Share of ₹ 10/- each for the year ended March 31, 2020 that is proposed to be paid on or after Monday, September 21, 2020, subject to the approval of shareholders at the 29th AGM. Pursuant to the provisions of Section 123 of the Companies Act 2013, the payment of final dividend on equity shares, upon declaration by the shareholders at the Annual General Meeting, will be made on or after Monday, September 21, 2020, as under:
- i. As Beneficial Owners as at the end of business hours on September 8, 2020 as per the list to be furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL), in respect of the shares held in electronic form and
 - ii. As members on the Register of Members of the Company as at September 15, 2020 after giving effect to valid transfers in respect of transfer request lodged with the Company on or before the close of business hours on September 8, 2020
- b. Payment through Electronic Means.
- i. The Company provides the facility to the Members for remittance of dividend directly in electronic mode through National Automated Clearing House (NACH). In view of the outbreak of the COVID-19 pandemic and resultant difficulties involved in dispatching of physical dividend warrants, Members holding shares in physical form and desirous of availing this facility of electronic remittance are requested to provide their latest bank account details (Core Banking Solutions Enabled Account Number, 9 digit MICR and 11 digit IFSC Code), along with their Folio Number, to the Company or Link Intime. Members holding shares in dematerialised form are requested to provide the said details to their respective Depository Participants.
 - ii. In line with the MCA Circulars issued by the MCA, in case the Company is unable to pay the dividend to any shareholder by the electronic mode, due to non-availability of their latest bank account details (Core Banking Solutions Enabled Account Number, 9 digit MICR and 11 digit IFSC Code), the Company shall upon normalisation of the postal services,

dispatch the dividend warrant / Cheque to such shareholders by post.

- iii. Members holding shares in dematerialised form are hereby informed that bank particulars registered against their respective depository accounts will be used by the Company for payment of Dividend. The company/ Link Intime cannot act on any request received directly from the Members holding shares in dematerialised form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant of the Shareholders.
- iv. Members may note that the Income Tax Act, 1961, ["the IT Act"] as amended by the Finance Act 2020, mandates that dividends paid or distributed by a company after April 1, 2020 shall be taxable in the hands of Members. The Company shall therefore be required to deduct tax at source (TDS) at the time of making the payment of final dividend. In order to enable us to determine the appropriate TDS rate as applicable, members are requested to submit the following documents in accordance with the provisions of the IT Act.

For resident shareholder, taxes shall be deducted at source under section 194 of the IT Act as follows: -

Members having valid PAN	7.5% or as notified by the Government of India
Members not having PAN/ Valid PAN	20% or as notified by the Government of India

However, no tax shall be deducted on the dividend payable to a resident individual if the total dividend to be received by them during Financial Year 2020-21 does not exceed ₹ 5000/- and also in cases where members provide Form 15G/Form 15H [applicable to individuals aged 60 years or more] subject to conditions specified in the IT Act. Resident shareholders may also submit any other document as prescribed under the IT Act to claim a lower / Nil withholding tax. PAN is mandatory for members providing Form 15G/15H or any other document as mentioned above.

For Non-resident shareholders, taxes are required to be withheld in accordance with the provisions of section 195 and other applicable section of the IT Act,

at the rates in force. The withholding tax shall be at the rate of 20% (plus applicable surcharge and cess) or as notified by the Government of India on the amount of dividend payable. However, as section 90 of the IT Act, non-resident shareholders have the option to be governed by the provisions of the Double Tax Avoidance Agreement (DTAA) between India and the country of tax residence of the member, if they are more beneficial to them. For this purpose, i.e. to avail the benefits under the DTAA, non-resident shareholders will have to provide the following:

- Copy of the PAN card allotted by the Indian Income Tax Authorities duly attested by the member
- Copy of the Tax Residency Certificate (TRC) for the FY 2020-21 obtained from the revenue authorities of the country of tax residence, duly attested by member.
- Self-declaration in Form 10F
- Self-declaration by the shareholder of having no permanent establishment in India in accordance with the applicable tax Treaty.
- Self-declaration of beneficial ownership by the non-resident shareholder.

Any other documents as prescribed under the IT Act for lower withholding of taxes if applicable, duly attested by member.

In case of Foreign Institutional Investors/ Foreign Portfolio Investors, tax will be deducted under Section 196D of the IT Act @20% (plus applicable surcharge and cess).

The aforementioned documents can be downloaded from Link Intime's website at <https://www.linkintime.co.in/client-downloads.html> on general tab and are required to be uploaded on the Link Intime Portal at <https://linkintime.co.in/formsreg/submission-of-form-15g-15h.html> on or before Tuesday,

September 8, 2020 to enable the Company to determine the appropriate TDS/withholding tax rate applicable. Incomplete and /or unsigned forms and declarations will not be considered by the Company. Any communication on the tax determination/deduction received post Tuesday, September 8, 2020 shall not be considered. All communications/queries in this respect should be addressed to our RTA, Link Intime to its email address at instameet@linkintime.co.in. The Company will arrange to email a soft copy of the TDS Certificate at the shareholders registered email ID post payment of the said Final Dividend. Shareholders will also be able to see the credit of TDS in Form 26AS, which can be downloaded from their e-filing account at <https://incometaxindiaefiling.gov.in>.

33. Members holding shares in physical form are advised to furnish, on or before Tuesday, September 8, 2020, particulars of their bank account, if not done already or if it has changed, to the Company to incorporate the same in the dividend warrants/payment instruments.
34. In respect of cases, where the payments to the shareholders holding shares in de-materialised form are made by dividend warrants/payment instruments, particulars of bank account registered with their Depository Participants would be considered by the Company for printing the same on the dividend warrants/payment instruments.
35. Section 72 of the Act, provides for Nomination by the Members of the Company in the prescribed form. Blank forms will be supplied by Link Intime on request. Members holding shares in dematerialised form may contact their respective Depository Participants for recording of nomination.

By order of the Board of Directors

Abhijit B. Warange

Vice President – Legal & Company Secretary

Regd. Office:
Kewal Kiran Estate
460/7, I. B. Patel Road,
Goregaon (E), Mumbai - 400 063

Date: July 29, 2020
Place: Mumbai





CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Kewalchand P. Jain

Chairman & Managing Director

Mr. Hemant P. Jain

Whole-time Director

Mr. Dinesh P. Jain

Whole-time Director

Mr. Vikas P. Jain

Whole-time Director

Dr. Prakash A. Mody

Director

Mr. Nimish G. Pandya

Director

Mr. Yogesh A. Thar

Director

Ms. Drushti R. Desai

Director

CHIEF FINANCIAL OFFICER

CA Mr. Bhavin D. Sheth

VICE PRESIDENT, LEGAL & COMPANY SECRETARY

CS Mr. Abhijit B. Warange

STATUTORY AUDITORS

Khimji Kunverji & Co. LLP

[formerly known as M/s Khimji Kunverji & Co.]

SECRETARIAL AUDITORS

U. P. Jain & Co. Company Secretaries,

Mumbai

LEGAL ADVISORS

Pandya Juris LLP

International Lawyers and Tax Consultants

Gajria and Co.,

Solicitors and Advocates

BANKERS

Standard Chartered Bank

Mumbai

REGISTRAR & TRANSFER AGENTS

Link Intime India Private Limited,

C-101, 247 Park, LBS Marg,

Vikhroli (West),

Mumbai - 400 083

FACTORIES

Vapi

Plot No. 787/1/2A/3, 40, Shed,

IInd Phase, G.I.D.C.,

Vapi - 39

Daman

697/3/5/5A/8/9/13, Maharani Estate,

Samnath Road, Dabhel,

Daman - 396 210

Mumbai

Synthofine Estate,

Opp. Virwani Industrial Estate

Goregaon (East),

Mumbai - 400 063 7

71-73, Kasturchand Mill Estate

Bhawani Shankar Road,

Dadar (West),

Mumbai - 400 028

Windmill

Land Survey No. 1119/P

Village Kuchhadi,

Taluka Porbandar,

District Porbandar, Gujarat

WEBSITE

www.kewalkiran.com

REGISTERED OFFICE

Kewal Kiran Estate, 460/7,

I.B. Patel Road, Goregaon (East),

Mumbai - 400 063



Registered office

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