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REGISTERED OFFICE

No. 70, Mission Road
Bangalore 560 027, India

CHIEF FINANCIAL OFFICER

Mr. Sumit Keshan

COMPANY SECRETARY AND COMPLIANCE OFFICER

Ms. Ramya .K

STATUTORY AUDITORS

M/s S R Batliboi & Associates LLP
Chartered Accountants
Canberra Block, 12th Floor, UB City,
No 24, Vittal Mallya Road,
Bangalore - 560001

M/s Girish Murthy & Kumar
Chartered Accountants
4502, High Point IV
45, Palace Road,
Bangalore 560 001

INTERNAL AUDITORS

G. Balu Associates
Chartered Accountants
4 – A, Venkatesa Agraharam Road
Mylapore, Chennai - 600 004

BANKERS

Canara Bank
Corporation Bank

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Won highest number of export awards



BOARD OF DIRECTORS



Shri Richard B Saldanha
Chairman



Shri P. Ramababu
*Vice Chairman &
Managing Director*



Shri Mathew Cyriac
Director



Shri Arun K Thiagarajan
Independent Director



Shri J H Mehta
Independent Director



Dr Yashwant Shankarrao
Patil Thorat
Independent Director



Smt Smita Aggarwal
Independent Director

CHAIRMAN'S MESSAGE



Richard B Saldanha
Chairman

Dear Shareholders,

In the year 2014-15, the company has taken strategic initiatives towards a healthier product and customer portfolio mix with renewed focus on operating margins. The overall performance for the year has been challenging with noticeable improvement in operational profitability.

The endeavor of working closer with customers, with fresh innovative products, quicker turnaround in sampling and design processes have worked to our advantage.

There is a clear shift in consumer behavior affecting Brands and Retail Outlets: with new customers and different retail formats emerging. Our Mission is to be customer-centric and closely connect with our Customers and markets, both existing and emerging.

This industry has been adversely impacted by inflationary pressures but your Company has successfully offset these by taking measures toward cost

reduction, cost containment as well as wastage reduction, such that the total cost increase has been 3% in this year. All these measures have delivered a significant increase in operational profitability as well as a strong PBT.

Our people are our strength: closely monitoring and tracking market trends, analyzing & assimilating, and taking decisive initiatives for value creation and improve our speed to market.

Given the fast paced changes in the market, the company has re-organized its internal structure to be more nimble-footed, precise and quick at our go-to-market efforts. Further, the management has taken initiatives to enhance operational excellence in the supply change process, which is mission critical for your Company.

Customer focus, continuous and tangible operational improvement along with financial metrics' focus would be the strategic thrust areas for the company, going forward.

On behalf of the Team, I thank our valued customers who continue to support us. We truly value the trust they have reposed in the company and we will continue to serve and strive towards creating sustainable and consistent value for them.

We also thank our business partners, vendors, and other business associates, who form our extended partnership network. We depend on their continued support as key enablers to overcome the existing challenges. These relationships are the strong pillars and an intrinsic part of our business architecture.

Further, I thank this outstanding Board for their guidance on governance and strategic direction.

And last, but not the least, I wish to thank you and all stakeholders for continued patience, unstinted support, confidence, encouragement and trust, in the company.

DIRECTORS' REPORT

We have pleasure in presenting Twelfth Annual Report on the business and operations of the Company together with Audited Results for the financial year ended March 31, 2015.

Financial Results (Consolidated)

Your Company's performance during the year as compared with that during the previous year is summarized below: (Rs. In lakhs)

Particulars	Year ended March 31, 2015	Year ended March 31, 2014
Revenue	113,749	114,709
EBIDTA	7,206	5,473
Other Income	4,355	883
PBT	3,552	(373)

Review of Operations

Gokaldas Exports, on a consolidated basis, has reported total revenue of Rs.113,749 Lakhs which is constant over previous year 2013-14. There are positive indicators from the US markets as their economy is showing signs of improvement, while European markets are looking weak with Greece imbroglio and similar stress in few other countries like France and UK. The company has successfully adopted its strategy of expanding geo-footprint to countries like Latin America and doing development work in few other countries. There is focus on reviewing product mix for higher thrust on products with higher margins.

On the profitability front, the company has shown positive performance with growth in operational profits as well as at the PBT level. Profits from operations has grown in excess of 30% in 2014-15 over 2013-14, through proactive measures towards cost & waste reduction, cost containment & margin improvement. This has helped the company post an EBIDTA of Rs.7,206 Lakhs in 2014-15 as against Rs. 5,473 Lakhs in 2013-14. PBT for 2014-15 has also seen improvement to Rs.3,552 Cr in 2014-15 as against a small loss in 2013-14 aided by one time income.

Key Cost Metrics

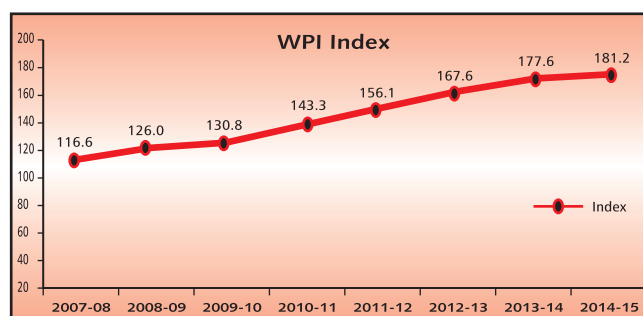
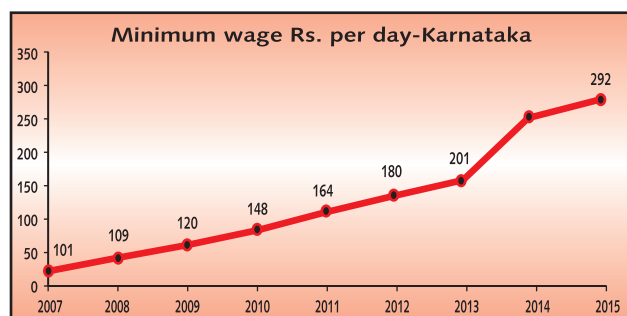
In the year 2014-15, there has been reduction in the key costs ratios as compared to previous year. The company had taken various measures towards creating an environment of effective cost management in the organization to keep the costs from spiraling as well as keep ourselves competitive in the market place. Among the key cost items, raw material costs to sales have reduced from 50% in 2013-2014 to 48% in 2014-15, and overhead costs from 15.7% to 13.5%. There has been increase in depreciation charge due to change in accounting standard. Interest subvention was not renewed by Ministry of Commerce for the year 2014-15 leading to hike in interest costs & resultant hit to the P&L.

(% to Sales)

	FY15	FY14
Raw Material Cost (Including inc/dec in Inventory)	48.0	50.0
Wage cost	33.0	29.4
Other Expenses	13.5	15.7
Depreciation and amortisation expense	3.0	2.4
Finance costs	4.0	3.5

Our strategy of cost management measures continues, which coupled with productivity enhancement initiatives would drive the overall performance improvement strategy in the coming years.

Wage costs form a significant part of our costs, which has seen increase in rates over the years as follows. As can be seen from the chart below, minimum wage in Karnataka has gone up 3 times over the past 8 years. Rising trend in wholesale price index (WPI) also reflects continuing inflationary pressure on operating costs.



We have undertaken substantive strategic measures to improve our performance, viz: focus on increasing share of business with existing customers, bring churn in customer set, develop new customers and markets, focus on high margin product basket, strengthen design capabilities, improve manufacturing efficiencies, and sustain focus on tighter financial management. These initiatives will help us achieve enhanced results in the coming years.

Dividend

No dividend has been recommended by the Directors for the year

Transfer to Reserves

No amount is transferred to the Reserves.

List of Subsidiaries

Your Company has 13 subsidiary companies. The names of these companies are as follows: All Colour Garments Private Limited, DeeJay Trading Private Limited, Glamourwear Apparels Private Limited, Madhin Trading Private Limited, Magenta Trading Private Limited, Rafter Trading Private Limited, Rajdin Apparels Private Limited, Reflexion Trading Private Limited, Rishikesh Apparels Private Limited, Seven Hills Clothing Private Limited, SNS Clothing Private Limited, Vignesh Apparels Private Limited and Robot Systems Private Limited.

Pursuant to provisions of Section 129(3) of the Companies Act, 2013 a statement containing salient features of the financial statements of the Subsidiary Companies in Form AOC-1 is given in Annexure to this report, the Audited Financial Statements along with the reports of the Board of Directors and the Auditors pertaining to the above subsidiaries have not been attached to this Report. The Financial Statements of the said subsidiaries will be kept for inspection by any investor at the registered office of your Company and that of the subsidiary companies. Investors who want to have a copy of the above may write to the Company Secretary at the registered office.

Deposits

During the year under review, your Company has not invited or accepted any deposits from the public under section 76 of the Companies Act, 2013 and Rules made there under.

ESOP- 2010

Your Company has introduced the Employee Stock Option Scheme – 2010 in accordance with the SEBI (Employees Stock Option Scheme and Employees Stock Purchase Scheme) Guidelines 1999. During the year 2,18,332 employee stock options were converted into equivalent number of equity shares. As required under SEBI (Share Based Employee Benefits Regulations, 2014), a disclosure is annexed herewith.

SHARE CAPITAL

Consequent to conversion of stock options into equity shares, your Company's Paid Up equity share capital has gone upto Rs.172,971,660 as on March 31, 2015 from 171,880,000 as on March 31, 2014.

Directors

During the year 2015-16, Mr. Gautam Chakravarti, Director, resigned from Directorship with effect from 25th May, 2015 and Mr.P. Ramababu has been appointed as Vice Chairman and Managing Director of the Company with effect from 25th May, 2015.

The Board of Directors places on record sincere appreciation to Mr. Gautam Chakravarti for his invaluable contribution to the Company during his tenure as Whole-time Director.

Mr. Richard B Saldanha, Director, retires by rotation at the forthcoming Annual General Meeting and being eligible, offers himself for re-appointment.

The brief resume/details relating to Director being re-appointed as stipulated under Clause 49 of the Listing Agreement is furnished in the Report on Corporate Governance.

At the Board Meeting of the Company held on September 29th, 2014 the Company had appointed Mrs. Smita Aggarwal (DIN: 01478327), a woman Director as Independent Director under the Companies Act, 2013, for 5 years.

BOARD EVALUATION:

Pursuant to the provisions of the Companies Act, 2013 and clause 49 of the Listing Agreement, a structured questionnaire was prepared after taking into consideration various aspects of

Board's functioning, composition of the Board and its Committees, execution and performance of specific duties, obligations and governance.

The performance evaluation of Independent Directors has been carried out. The performance evaluation of the Non-Independent Directors was carried out by the Independent Directors. The Board of Directors expressed their satisfaction with the evaluation process.

NUMBER OF MEETINGS OF THE BOARD

During the year, five Board Meetings were held on May 10, 2014, August 13, 2014, September 29, 2014, November 14, 2014 and February 14, 2015. The Particulars of Directors & their attendance during the financial year 2014-2015 has been disclosed in the Corporate Governance Report forming part of this Annual Report.

BOARD COMMITTEE

The Company has the following committees of the Board:

1. Audit Committee
2. Nomination and Remuneration Committee
3. Stakeholders' Relationship Committee
4. CSR Committee

The Composition of each of the above Committees, their respective roles and responsibility are as detailed in the report on Corporate Governance.

The Company's last Annual General Meeting was held on 29th September, 2014.

Directors' Responsibility Statement

Pursuant to the requirement under Section 134(5) of the Companies Act, 2013 with respect to the Directors' Responsibility Statement, the Management states that:

- I) In the preparation of the annual accounts for the year ended March 31, 2015, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- II) They have selected such accounting

policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company and of its profits / losses for the year ended March 31, 2015;

- III) They have taken proper and sufficient care towards the maintenance of adequate accounting records in accordance with the provisions of this Act, to safeguard the assets of the Company and to prevent and detect fraud and other irregularities;
- IV) They have laid down Internal Financial Controls to be followed by the Company and the Audit Committee of the Board of Directors shall ensure that the Internal Control is adequate and robust;
- V) They have prepared the financial statements for the year ended March 31, 2015 on a going concern basis;
- VI) They have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Safety, Health, Environment

We, as a responsible manufacturer, are committed to take adequate measures related to environment, employee health and safety in developing, manufacturing, storing, handling and distribution of our products. It is our responsibility to provide a workplace free from accidents, injuries and exposure to hazardous substances, conserve natural resources and prevent pollution to protect the environment.

Besides, as a constructive partner in the communities in which it operates, the Company has been taking concrete actions to realize its social responsibility objectives, thereby building value for its various stakeholders. We respect human rights, value our employees, and invest in innovative technologies. In the past the Company has supported innumerable social and community initiatives and continues to do the same.

Some of the key initiatives taken by the company are:

- Regular fire safety audits along with mock drills at all locations
- Identification and implementation for

additional fire safety measures for high rising buildings

- Up-gradation of existing fire control and safety systems including training on fire prevention for employees
- Enhanced focus on product safety and safe working practices through training programs
- Implementation of a Reverse Osmosis plant in Denim Laundry for recycling of waste water

Corporate Governance

Your Company is committed to maintaining the highest standards of Corporate Governance. Your Directors adhere to the standards set out by the Securities and Exchange Board of India's (SEBI) Corporate Governance practices. Your Company's Corporate Governance Compliance Certificate is in line with Clause 49 of the Stock Exchange Listing Agreement and is given along with the Corporate Governance Report.

Management Discussion and Analysis

Management Discussion and Analysis Report is given separately, forming part of this Annual Report and is in accordance with the requirements laid out in Clause 49 of the Listing Agreement with Stock Exchanges.

Listing

The equity shares of the Company are listed on the Bombay Stock Exchange Limited (BSE) and National Stock Exchange of India Limited (NSE). The Company has paid the listing fees to the respective stock exchanges till date. The Company's shares are tradable compulsorily in the dematerialized form and the Company has entered into an agreement with National Securities Depository Limited (NSDL) and Central Depository Services India Limited (CDSL) for trading in electronic form.

Auditors

a) Statutory Auditor

At the AGM held on 29th September, 2014 the members approved the appointment of M/s S R Batliboi & Associates LLP, Chartered Accountants and M/s Girish Murthy & Kumar Chartered Accountants as Joint Statutory Auditors for a period of three (3) years from the eleventh AGM till the conclusion

of the thirteen AGM subject to the approval of the Audit Committee and ratification by the Members every year. As recommended by the Audit Committee, the Board has proposed the re-appointment of M/s S R Batliboi & Associates LLP, Chartered Accountants and M/s Girish Murthy & Kumar Chartered Accountants as Joint Statutory Auditors for fiscal 2015-16.

b) Secretarial Auditor

Pursuant to the Provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Mr. Nagendra D Rao, Practising Company Secretary (CP No : 7731, ACS No & 5553) to undertake the secretarial audit of the Company. The Secretarial Audit Report is given in Annexure to this Report.

Particulars of Employees

The Statement containing particulars of employees as required under Section 197(12) of the Companies Act, 2013 read with rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given in an annexure forming part of this Annual Report

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

In pursuance of the Conservation of Energy, Technology Absorption, Foreign Exchange Earnings in such manner as prescribed under Rule 8 (3) of the Companies (Accounts) Rules, 2014, the particulars of the same are given below.

A. Conservation of Energy

The operations of the Company are not energy intensive. However, the Company takes continuous initiatives to curtail consumption of energy on an ongoing basis.

B. Technology absorption, adaptations and innovation

Not Applicable

C. Foreign Exchange Earnings and Outgo

Foreign Exchange earned: Rs. 82,664 lakhs

Out go : Rs. 21,755 lakhs

RELATED PARTY TRANSACTIONS

All related party transactions, that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. The Company presents a statement of all related party transactions before the Audit Committee. Prior omnibus approval of the Audit Committee has been obtained for the transactions which are of foreseen and repetitive nature. The transactions entered into pursuant to the omnibus approval so granted along with a statement giving details of all related party transactions is placed before the Audit Committee. Further there are no materially significant related party transactions during the year under review made by the Company with promoters, Directors, Key Managerial Personnel or designated persons which may have a potential conflict of interest with the Company at a large.

PARTICULARS OF LOAN, GUARANTEES AND INVESTMENT

In terms of Section 134 of the Companies Act, 2013 the particulars of Loan, Guarantees and Investment given by the Company under Section 186 of the Companies Act, 2013 is detailed in notes to accounts of the financial statements.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

Your Company has in place a policy on prevention, prohibition and Redressal of Sexual Harassment and Non-discrimination at work place in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. All employees (permanent, contractual temporary, trainees) are covered under this policy.

An Internal Complaints Committee (ICC) was set up to redress complaints received regarding sexual harassment and discrimination at work place.

During the year ended March 31, 2015, the ICC has received no complaints pertaining to Sexual harassment/discrimination at work place.

EXTRACT OF THE ANNUAL RETURN

Relevant extract of annual return to be filed with the Registrar of Companies for the financial year 2014-15 is given as Annexure to this Report.

INTERNAL CONTROL SYSTEMS

The Company has adequate system of internal control to safeguard and protect from loss, unauthorized use or disposition of its assets. All the transactions are properly authorized, recorded and reported to the Management. Internal Audit is carried out in a programmed way and follow up actions were taken for all audit observations.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

In terms of Section 135 and Schedule VII of the Companies Act, 2013, the Board of Directors of your Company has constituted a CSR Committee.

REMUNERATION POLICY FOR THE DIRECTORS, KEY MANAGERIAL PERSONNEL AND OTHER EMPLOYEES

In terms of the provisions of Section 178(3) of the Act and Clause 49(IV)(B)(1) of the Listing Agreement, the NRC is responsible for formulating criteria for determining qualification, positive attributes and independence of a Director. The NRC is also responsible for recommending to the Board a policy relating to remuneration of Directors, Key Managerial Personnel and other senior employees.

In line with this, Board has adopted

Remuneration Policy for Directors, Key Managerial Personnel and other senior employees of the Company. The copy of policy is available on the company's website www.gokaldasexports.com

DEVELOPMENT AND IMPLEMENTATION OF A RISK MANAGEMENT POLICY

Your Company has adopted a Risk Management Policy for addressing the requirements of risk identification, risk assessment, risk mitigation plans etc of the company.

RISK MANAGEMENT POLICY

In terms of Clause 49 of the listing agreement, the Board of Directors have formulated policy on risk management which can be accessed from the website of the Company at www.gokaldasexports.com

Acknowledgements and Appreciation

Your Directors take this opportunity to thank the customers, shareholders, suppliers, bankers, business partners and associates, financial institutions and the Central and State Governments for their consistent support and encouragement to the Company. I am sure you will join our Directors in conveying our sincere appreciation to all employees of the Company for their hard work and commitment.

On behalf of the Board of Directors

Richard B Saldanha
(Chairman)

P. Ramababu
(VC and MD)

Bangalore
12th August, 2015

ANNEXURE TO DIRECTORS' REPORT

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 (Information in respect of each subsidiary to be present with amounts in Lakhs)

Sl. No.	Name of the Company Pvt Ltd	All Colour Garments Pvt Ltd	Deejay Trading Pvt Ltd	Glamourwear Apparels Pvt Ltd	Madhin Trading Pvt Ltd	Magenta Trading Pvt Ltd	Rafter Trading Pvt Ltd	Rajdin Trading Pvt Ltd	Reflexion Trading Pvt Ltd	Rishikesh Trading Pvt Ltd	Seven Hills Clothing Pvt Ltd	SNS Clothing Pvt Ltd	Vignesh Apparels Pvt Ltd	Robot Systems
1	Reporting period for the subsidiary concerned, if different from holding Company's reporting period	31st March, 2015	31st March, 2015	31st March, 2015	31st March, 2015	31st March, 2015	31st March, 2015	31st March, 2015	31st March, 2015	31st March, 2015	31st March, 2015	31st March, 2015	31st March, 2015	31st March, 2015
2	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	INR	INR	INR	INR	INR	INR	INR	INR	INR	INR	INR	INR	INR
3	Share Capital	2.00	2.00	2.00	2.00	2.00	2.00	2.00	1.00	2.00	2.00	2.00	2.00	12.00
4	Reserves & Surplus	346.87	115.80	151.81	72.23	70.42	68.87	200.30	21.95	96.64	323.72	0.02	83.11	-8.43
5	Total Assets	359.02	608.88	569.27	377.43	586.22	485.78	724.73	319.43	698.29	1733.82	1578.12	94.97	7.08
6	Total Liabilities	359.02	608.88	569.27	377.43	586.22	485.78	724.73	319.43	698.29	1733.82	1578.12	94.97	7.08
7	Investments	NIL	0.01	0.09	0.01	0.03	NIL	0.01	0.03	0.00	0.00	0.02	NIL	NIL
8	Turnover	0.00	2732.71	2102.50	1571.68	2731.61	3185.70	2736.08	2003.51	3263.39	7658.59	1722.99	0.00	NIL
9	Profit before taxation	-0.43	5.28	1.47	6.68	20.71	29.37	9.65	13.91	18.20	4.82	7.78	-0.66	-0.26
10	Provision for taxation	0.00	0.18	-2.46	5.53	15.80	23.88	6.49	10.86	16.07	1.57	5.46	0.00	0.00
11	Profit after taxation	-0.43	5.11	3.93	1.15	4.91	5.48	3.16	3.05	2.13	3.24	2.32	-0.66	-0.26
12	Proposed Dividend	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
13	% of Shareholding	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

Notes: The Following information shall be furnished at the end of the statement

- Names of Subsidiaries which are yet to commence operations - NA
- Names of Subsidiaries which have been liquidated or sold during the year - NA

ANNEXURE TO THE DIRECTORS' REPORT TO THE SHAREHOLDERS

Section 197 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company is as follows:

- 1) Ratio of remuneration of each director to the median remuneration of the employees of the Company for the financial year

Sl. No	Name	Designation	Remuneration Paid FY 2014-15 (Rs lacs)	Remuneration Paid FY 2013-14 (Rs lacs)	Increase in remuneration over previous year(Rs lacs)	Ratio/times per Median of employee remuneration
1	P. Ramababu *	VC & MD	Nil	Nil	NA	NA
2	Mr. Gautam Chakravarti**	CEO & WTD	110	135	Nil	0.012

Includes fixed and variable payments, does not include ESOP

*Appointed wef May 25, 2015

** resigned wef May 25 2015

- 2) The percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer, Company Secretary, in the financial year:
Mr. Gautam Chakravarti, Whole time Director & Chief Executive Officer – Nil
Mr. Sumit Keshan, Chief Financial officer – NIL
Ms. Ramya K, Company Secretary – 13.04%
- 3) The percentage increase in the median remuneration of employees in the financial year : 17.8%
- 4) The number of permanent employees on the rolls of Company as of 31 March 2015 : 26,591
- 5) The explanation on the relationship between average increase in remuneration and Company performance: Not Applicable
- 6) Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company.
During the year the Company has not done any fixed remuneration revision for CEO and CFO.
- 7) Variations in the market capitalization of the Company, price earnings ratio as at the closing date of the Current financial year and previous financial year:

Particulars	March 31, 2015	March 31, 2014	% Change
Market Capitalization (Rs. Crores)	143.4	187.3	(-)23.4%
P/E Ratio	4.1	(-)ve	NA

- 8) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration : increase in non-managerial salaries were higher than the increase in managerial remuneration during 2014-15
- 9) Comparison of remuneration of each of the Key Managerial personnel against the performance of the Company (as % of revenue)

Mr. Gautam Chakravarti, WTD & CEO	0.09%
Mr. Sumit Keshan, Chief Financial Officer	0.08%
Ms. Ramya K	0.002%

*Excluding perquisite value of stock options exercised during the year ended March 31, 2015

- 10) Key parameters for any variable component of remuneration availed by the directors – revenue and operational profitability
- 11) The ratio of the remuneration of the highest paid director to that of the employees who are not directors but received remuneration in excess of the highest paid director during the year – None
- 12) Affirmation that the remuneration is as per the remuneration policy of the Company - The Company affirms that the remuneration is as per the remuneration policy of the Company.

ANNEXURE TO DIRECTORS' REPORT

DETAILS OF STOCK OPTIONS PURSUANT TO SEBI (SHARE BASED EMPLOYEE BENEFITS) REGULATION, 2014

	Description	ESOP Scheme- 2010
	No. of Options available under ESOP Scheme-2010	17,18,800
A)	No. of Options Granted during FY 2014-15	85,000
B)	The Pricing Formula	The exercise price for the purposes of the grant of options as decided by the ESOP Compensation Committee is Rs.32.25, 60.95 and 80.20, the price being not less than the Par value of the equity share of the Company and not more than the market price as on 20th May, 2013, 1st Feb, 2014 and 13th Aug, 2014 respectively being relevant date subject to the SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999.
C)	Options vested during FY2014-15	4,23,333
D)	Options Exercised during FY2014-15	2,18,332
E)	The total number of shares arising as a result of exercise of options	3.45,94,332
F)	Options lapsed FY2014-15	2,81,667
G)	Variation Terms of Options	Nil
H)	Money Realized by exercise of options	Rs.70,41,239
I)	Total Number of Options in Force as on March 31,2015	8,85,001
J)	Employee-wise details of options granted to	Details as under :
	i) Senior Managerial Personnel	Yes
	ii) Any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during the year	Nil
	iii) Identified employees who were granted option , during any one year , equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant	Nil
K)	Diluted Earnings Per share (EPS) pursuant to issue of shares on exercise of option calculated in accordance with Accounting Standard (AS) 20 "Earnings Per Share"	Rs. 9.87
L)	i) the Method of calculation of Employee Compensation Cost	Fair Value Method Black-Scholes-Merton
	ii) Difference between the employee compensation cost so computed at (i) above and the employee Compensation Cost that shall have been recognized if it had used the fair value of options	Nil
	iii) The impact of the difference on profits and on EPS of the Company	Nil
M)	Weighted average exercise prices and weighted average fair values of options shall be disclosed separately for options whose exercise price either equals or exceeds or is less than the market price	Exercise Price Rs. 40.89 Fair value Rs. 56.95
N)	A description of the method and significant assumptions used during the year to estimate the fair values of options, including the following weighted average information : 1) Risk-free interest rate 2) Expected life 3) Expected volatility 4) Expected dividends 5) Price of underlying share in market at the time of option grant	Fair Value Method – Black-Scholes-Merton 1) 7.95% 2) 10 yrs 3) 45.50% 4) 0.00 yield 5) Rs. 32.25

ANNEXURE TO DIRECTORS' REPORT

To,
The Members
Gokaldas Exports Limited,
70, Mission Road,
Bangalore- 560 027

My 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. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I 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 correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the further viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Nagendra D. Rao
Practising Company Secretary
Membership No. FCS – 5553
Certificate of Practice – 7731
543/A, 7th Main,
3rd Cross, S.L. Byrappa Road,
Hanumanthnagar,
Bengaluru – 560 019.

Place: Bengaluru
Date: August 12, 2015

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2015
[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
Gokaldas Exports Limited,
70, Mission Road,
Bangalore- 560 027

I have conducted the secretarial audit of the compliance of the applicable statutory provisions and the adherence to good corporate practices by Gokaldas Exports Limited (hereinafter called the company). Secretarial Audit was conducted in the manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Gokaldas Exports Limited books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the company, its officers, agents and authorized representatives during the conduct of the secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March 2015 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by Gokaldas Exports Limited ("the Company") for the financial year ended on 31st March 2015 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) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 [Not Applicable as the Company has not issued any debt securities during the financial year under review];
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with clients [Not Applicable as the Company is not registered as Registrar to Issue and Share Transfer Agent during the financial year under review] ;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 [Not Applicable as the Company has not delisted / propose to delist its equity shares from any stock exchange during the financial year under review]; and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 [Not Applicable as the Company has not bought back / propose to buyback any of its securities during the financial year under review];
- (vi) We have relied on the representation made by the company and its officers for systems and mechanism formed by the company for compliances under other applicable Acts, Laws and Regulations to the Company.

The Laws as are applicable specifically to the Company are as under:

- a) The Central Excise Act, 1944,
- b) The Customs Act, 1962,
- c) Karnataka Value Added Tax,
- d) The Central Sales Tax Act, 1956
- e) The Payment of Bonus Act, 1965,
- f) The Environment Protection Act, 1986,

-
- g) The Maternity Benefit Act, 1961
 - h) The Factories Act, 1948,
 - i) The Minimum Wages Act, 1948,
 - j) The Payment of Wages Act, 1936,
 - k) The Employees Provident Funds and Miscellaneous Provisions Act, 1952,
 - l) The Employees State Insurance Act, 1948
 - m) The Payment of Gratuity Act, 1972,
 - n) The Industrial Disputes Act, 1947,
 - o) The Employees Compensation Act, 1923,
 - p) The Equal Remuneration Act, 1976 and
 - q) Karnataka Shops and Establishment Act, 1961

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India [Not Applicable, as the same is not yet notified].
- (ii) The Listing Agreements entered into by the Company with Bombay Stock Exchange Limited and National Stock Exchange of India Limited.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following:

1. The Company has transferred an amount of Rs. 45 Lakhs to the Investor Education and Protection Fund on November 6, 2014. The Company was required to transfer the same on September 21, 2014 and there was a delay of 46 days.
2. As on the date of March 31, 2015, the Company's accumulated losses at the end of the financial year is more than fifty percent of its net worth. The Company has not incurred cash losses in the current and immediately preceding financial year.

I further report that

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

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

As per the Minutes of the Board of Directors duly recorded and signed by the Chairman, the decisions were unanimous and no dissenting views were required to be recorded.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period, the company has passed following Special resolutions which are having major bearing on the Company's Affairs in pursuance of the above referred Laws, Rules, Regulations, Guidelines, Standards, etc.:

1. Increase in borrowing limits under Section 180(1)(c) of the Companies Act, 2013.
2. Sell, lease or dispose of whole or substantially the whole of the undertaking under Section 180 (1)(a) of Companies Act, 2013

Place: Bengaluru
Date: August 12, 2015

Nagendra D. Rao
Practising Company Secretary
Membership No. FCS – 5553
Certificate of Practice – 7731
543/A, 7th Main,
3rd Cross, S.L.Byrappa Road,
Hanumanthnagar,
Bengaluru – 560 019.

FORM NO. MGT 9**EXTRACT OF ANNUAL RETURN**

As on financial year ended on 31.03.2015

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

I. REGISTRATION & OTHER DETAILS:

1.	CIN	L18101KA2004PLC033475
2.	Registration Date	01/03/2004
3.	Name of the Company	GOKALDAS EXPORTS LTD
4.	Category/Sub-category of the Company	PUBLIC, LISTED
5.	Address of the Registered office & contact details	NO, 70, MISSION ROAD, BANGALORE - 560027
6.	Whether listed company	YES
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	MS. SHOBHA ANAND KARVY SELENIUM TOWER, B, PLOT 31-32, GACHIBOWLI, FINANCIAL DISTRICT, NANAKRAMGUDA, HYDERABAD - 500032.

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)

Sl.No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Apparel and Clothing	6105	100%

III PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES-

Sl. No.	Name and Address of the company	CIN / GIN	Holding/ Subsidiary/ Associate	% of shares Held	Applicable section
1.	All Colour Garments Pvt Ltd No. 70, Mission Road, Bangalore – 560027	U17111KA2004PTC034055	Subsidiary	100%	2(87)
2.	Deejay Trading Pvt Ltd No. 70, Mission Road, Bangalore - 560027	U17111KA2003PTC031614	Subsidiary	100%	2(87)
3.	Glamourwear Apparels Pvt Ltd No. 70, Mission Road, Bangalore – 560027	U18101KA2004PTC034154	Subsidiary	100%	2(87)
4.	Madhin Trading Pvt Ltd No. 70, Mission Road, Bangalore – 560027	U17111KA2003PTC031643	Subsidiary	100%	2(87)
5.	Magenta Trading Pvt Ltd No. 70, Mission Road, Bangalore – 560027	U17111KA2003PTC031645	Subsidiary	100%	2(87)
6.	Rafter Trading Pvt Ltd No. 70, Mission Road, Bangalore – 560027	U17111KA2003PTC031681	Subsidiary	100%	2(87)
7.	Rajdin Apparels Pvt Ltd No. 70, Mission Road, Bangalore - 560027	U18101KA2004PTC033904	Subsidiary	100%	2(87)
8.	Reflexion Trading Pvt Ltd No. 70, Mission Road, Bangalore - 560027	U17111KA2003PTC031680	Subsidiary	100%	2(87)
9.	Rishikesh Apparels Pvt Ltd No. 70, Mission Road, Bangalore - 560027	U18101KA2004PTC033760	Subsidiary	100%	2(87)
10.	Robot Systems Pvt Ltd No. 70, Mission Road, Bangalore - 560027	U31909KA1978PTC003267	Subsidiary	100%	2(87)

Sl. No.	Name and Address of the company	CIN / GIN	Holding/ Subsidiary/ Associate	% of shares Held	
11.	Seven Hills Clothing Pvt Ltd	U18101KA2004PTC034162 No. 70, Mission Road, Bangalore - 560027	Subsidiary	100%	2(87)
12.	SNS Clothing Pvt Ltd	U17115KA2004PTC034457 No. 70, Mission Road, Bangalore - 560027	Subsidiary	100%	2(87)
13.	Vignesh Apparels Pvt Ltd	U18101KA2004PTC033759 No. 70, Mission Road, Bangalore - 560027	Subsidiary	100%	2(87)

VI. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)
Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year[As on 31-March-2014]				No. of Shares held at the end of the year[As on 31-March-2015]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian	0	0	0	-	0	0	0	-	-
a) Individual/HUF	0	0	0	-	0	0	0	-	-
b) Central Govt	0	0	0	-	0	0	0	-	-
c) State Govt(s)	0	0	0	-	0	0	0	-	-
d) Bodies Corp.	0	0	0	-	0	0	0	-	-
e) Banks / FI	0	0	0	-	0	0	0	-	-
f) Any other	0	0	0	-	0	0	0	-	-
Sub-total (A) (1) :-	0	0	0	-	0	0	0	-	-
(2) Foreign	0	0	0	-	0	0	0	-	-
a) NRIs- Individuals	0	0	0	-	0	0	0	-	-
b) Other-Individuals	0	0	0	-	0	0	0	-	-
c) Bodies Corp.	23469242	0	23469242	68.27	19983742	0	19983742	57.77	10.5
d) Banks/ FI	0	0	0	-	0	0	0	-	-
e) Any Other	0	0	0	-	0	0	0	-	-
Sub-total (A) (2) :-	23469242	0	23469242	68.27	19983742	0	19983742	57.77	10.5
Total shareholding of Promoter (A)= (A)(1)+(A)(2)	23469242	0	23469242	68.27	19983742	0	19983742	57.77	10.5
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	0	0	0	-	0	0	0	-	-
b) Banks / FI	299484	0	299484	0.87	3754984	0	3754984	10.85	9.98
c) Central Govt	0	0	0	-	0	0	0	-	-
d) State Govt(s)	0	0	0	-	0	0	0	-	-
e) Venture Capital Funds	0	0	0	-	0	0	0	-	-
f) Insurance	0	0	0	-	0	0	0	-	-
Companies	0	0	0	-	0	0	0	-	-
g) FIs	0	0	0	-	0	0	0	-	-
h) Foreign Venture Capital Funds	0	0	0	-	0	0	0	-	-
i) Others (specify)	0	0	0	-	0	0	0	-	-
Sub-total (B)(1):-	299484	0	299484	0.87	3754984	0	3754984	10.85	9.98
2. Non-Institutions									
a) Bodies Corp. (Indian and Overseas)	2668681	0	2668681	7.76	3253390	0	3253390	9.40	1.64

Category of Shareholders	No. of Shares held at the beginning of the year[As on 31-March-2014]				No. of Shares held at the end of the year[As on 31-March-2015]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
i) Indian									
ii) Overseas									
b) Individuals									
i) Individual share holders holding nominal share capital upto Rs. 1 lakh	1384812	0	1384812	4.03	2798279	0	2798279	8.09	4.06
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	6512119	0	6512119	18.94	4748129	0	4748129	13.73	(5.21)
c) Others (specify)	0	0	0	-	0	0	0	-	-
Non Resident Indians	29252	0	29252	0.09	43687	0	43687	0.13	0.04
Overseas Corporate Bodies	0	0	0	-	0	0	0	-	-
Foreign Nationals	0	0	0	-	0	0	0	-	-
Clearing Members	12410	0	12410	0.04	12121	0	12121	0.04	0
Trusts									
Foreign Bodies - D R									
Sub-total (B)(2):-	10607274	0	10607274	30.86	10855606	0	10855606	31.38	0.52
Total Public Share holding (B)=(B)(1) + (B)(2)	10906758	0	10906758	31.73	14610590	0	14610590	42.23	10.50
C. Shares held by Custodian for GDRs & ADRs	0	0	0	-	0	0	0	-	-
Grand Total (A+B+C)	34376000	0	34376000	100	34594332	0	34594332	100	-

B) Shareholding of Promoter-

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	BLACKSTONE FP CAPITAL PARTNERS (MAURITIUS) V-B	23469242	68.27	100	19983742	57.77	100	10.5

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

Sl. No.	Particulars	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
Please refer previous table					

D) Shareholding Pattern of top ten Shareholders:

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

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
1.	Blackstone FP Capital Partners (Mauritius) V-B Subsidiary Ltd*	23469242	68.27	19983742	57.77
2.	Dinesh Jhamandas Hinduja*	2151634	6.26	897346	2.59
3.	Rajendra J Hinduja*	1914138	5.57	1121486	3.24
4.	Madanlal Jhamandas Hinduja*	1879177	5.47	1227934	3.55
5.	Shinano Retail Pvt Ltd*	1413513	4.11	1413513	4.09
6.	Ojasvi Trading Pvt Ltd*	867000	2.52	867000	2.51
7.	Aswin R Hinduja@	377596	1.10	-	-
8.	Life Insurance Corporation of India*	299484	0.87	299484	0.87
9.	Khushboo Rajiv Poddar*	65000	0.19	65000	0.19
10.	.Mihika Industries Ltd@	41000	0.12		
11.	ICICI Bank Ltd#	-	-	3485500	10.08
12.	Param Capital Research Pvt Ltd#	-	-	200652	0.58
13.	Zaki Abbas Nasser#	16000	0.05	200000	0.58

1. The Shares of the Company are substantially held in dematerialised form, and are traded on a daily basis and hence the date wise increase/decrease in shareholding is not indicated.

2. *Common Top 10 shareholders as on April 1, 2014 and March 31, 2015

@Top 10 Shareholders as on April 1 2014

#Top 10 shareholders as on March 31 2015

E) Shareholding of Directors and Key Managerial Personnel:

SN	Name of the Directors	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
	Gautam Chakravarti At the beginning of the year	0	0	-	-
	August 13th, 2014 Allotment	33,333	0.10	-	-
	At the end of the year	-	-	33,333	0.10
	Arun K Thiagarajan At the beginning of the year	0	0	-	-
	November 14th, 2014 Allotment	3333	0.01	-	-
	At the end of the year	-	-	3333	0.01
	Jitendra H Mehta At the beginning of the year	0	0	-	-
	November 14th, 2014 Allotment	3333	0.01	-	-
	At the end of the year	-	-	3333	0.01
	Yashwant Shankarrao Patil Thorat At the beginning of the year	0	0	-	-
	November 14th, 2014 Allotment	3333	0.01	-	-
	At the end of the year	-	-	3333	0.01

SN	Name of the Key Managerial Personnel	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
	Sumit Keshan At the beginning of the year	0	0	-	-
	November 14th, 2014 Allotment	20,000	0.06	-	-
	At the end of the year	-	-	20,000	0.06

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	310.89	-	-	310.89
ii) Interest due but not paid	0.26	-	-	0.26
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	311.15	-	-	311.15
Change in Indebtedness during the financial year				
* Addition	1.86	-	-	1.86
* Reduction	-	-	-	-
Net Change	1.86	-	-	1.86
Indebtedness at the end of the financial year				
i) Principal Amount	310.86	-	-	310.86
ii) Interest due but not paid	0.64	-	-	0.64
iii) Interest accrued but not due	1.51	-	-	1.51
Total (i+ii+iii)	313.01	-	-	313.01

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

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

SN.	Particulars of Remuneration	Gautam Chakravarti, WTD	Total Amount
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	99,96,367	99,96,367
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-
2	Stock Option	14,28,319	14,28,319
3	Sweat Equity	-	-
4	Commission		
	- as % of profit		
	- others, specify...		
	Incentive*	35,00,000	35,00,000
5	Others, please specify	-	-
	Total (A)	1,49,24,686	1,49,24,686
	Ceiling as per the Act	-	-

* Incentive as above pertain to year 2013-14 but paid out in 2014-15

B. Remuneration to other directors

SN.	Particulars of Remuneration	Name of Directors					Total Amount
		Arun K Thiagarajan	J H Mehta	Dr. Y S P Thorat	Smita Aggarwal	Richard B Saldanha	
1	Independent Directors	-	-	-	-	-	-
	Fee for attending board committee meetings	8,80,000	10,40,000	7,20,000	1,60,000	-	28,00,000
	Commission	0	0	0	0	0	0
	Others, please specify	0	0	0	0	0	0
	Total (1)	8,80,000	10,40,000	7,20,000	1,60,000	-	28,00,000
2	Other Non-Executive Directors	-	-	-	-	-	-
	Fee for attending board committee meetings		-	-	-	800,000	800,000
	Commission	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-
	Total (2)	-	-	-	-	-	-
	Total (B)=(1+2)	-	-	-	-	-	-
	Total Managerial Remuneration	8,80,000	10,40,000	7,20,000	1,60,000	8,00,000	36,00,000
	Overall Ceiling as per the Act	1,00,000 per meeting	1,00,000 per meeting	1,00,000 per meeting	1,00,000 per meeting	1,00,000 per meeting	1,00,000 per meeting

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

SN	Particulars of Remuneration	Key Managerial Personnel		
		CFO Sumit Keshan	CS Ramya K	Total
1	Gross salary			
	(a) Salary and allowances	68,06,046	7,44,723	75,50,769
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0	0	0
	(c) Bonus paid in fiscal 2015	0	0	0
	(d) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0	0	0
2	Stock Option	5,57,000	0	5,57,000
3	Sweat Equity	0	0	
4	Commission	0	0	0
	- as % of profit	0	0	0
	others, specify...	0	0	0
5	Incentive	29,00,000	0	29,00,000
	Total	1,02,63,046	7,44,723	1,10,07,769

**Incentive as above pertain to year 2013-14 but paid out in 2014-15

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B. DIRECTORS					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. OTHER OFFICERS IN DEFAULT					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

CORPORATE GOVERNANCE REPORT

Company's philosophy on Corporate Governance

Corporate governance is an ethically driven business process that is committed to values. This is ensured by taking ethical business decisions and conducting business with a firm commitment to values, while meeting stakeholders' expectations. It is imperative that our company affairs are managed in a fair and transparent manner. This is vital to gain and retain the trust of our stakeholders. We conduct our business in a manner that is fair to all our stakeholders, we practice highest standards of integrity in all our actions and we respect and comply with the laws of the geographies in which we are present.

Good Corporate Governance leads to long-term shareholder value creation. It brings into focus the fiduciary and trustee role of the Board to align and direct the actions of the organization towards creating wealth and shareholder value.

Recently, the Securities and Exchange Board of India (SEBI) sought to amend the equity listing agreement to bring in additional corporate governance norms for listed entities. These norms provide for stricter disclosures and protection of investor rights, including equitable treatment for minority and foreign shareholders. The amended norms are aligned with the provisions of the companies Act, 2013, and are aimed to encourage companies to adopt best practices on corporate governance.

Your Company is in compliance with the requirements of the guidelines on Corporate Governance stipulated under Clause 49 of the Listing Agreement existing as of March 31, 2015 and presents the following Corporate Governance Report for the year 2014-15, based on the said disclosure requirements.

Board of Directors

The Board is headed by a Non-Executive Chairman, Mr. Richard B. Saldanha, and is composed of eminent persons with considerable professional experience in diverse fields viz, manufacturing, marketing, finance, banking, legal, management and commercial administration and comprises of a majority of Non-Executive Directors. The Gokaldas Exports Board is a balanced Board, comprising of Executive and Non-Executive Directors. As on March 31, 2015, the Board consists of 7 members, 5 of whom are Non- executive, out of which 4 are Independent Directors.

The composition of the Board and category of Directors as on this date of Report:

Sl. No.	Name of Directors	Category
1.	Mr. Richard B. Saldanha	Non Executive Director & Chairman
2.	Mr. P. Ramababu	Executive Director – VC & MD
3.	Mr. Arun K.Thiagarajan	Non Executive & Independent Director
4.	Mr. Mathew Cyriac	Non Executive Director
5.	Mr. Jitendrakumar H.Mehta	Non Executive & Independent Director
6.	Dr. Yashwant S.Thorat	Non Executive & Independent Director
7.	Ms. Smita Aggarwal	Non Executive & Independent Director

Meetings

The meetings of the Board of Directors are normally held at the Company's Registered Office in Bangalore. During the year under review, 5 (Five) meetings were held on May 10th 2014, August 13th 2014, September 29th 2014, November 14th 2014 and February 14th 2015.

The Company Secretary prepares the agenda and explanatory notes, in consultation with the Chairman and Managing Director and circulates the same well in advance to the Directors. Every Director is free to suggest inclusion of items on the agenda. The Board is provided with the relevant information as stipulated in Clause 49 of the Listing Agreement. The Meetings are governed by a structured agenda.

The details of the Board meetings for the financial year 2014-2015 are as under:

Sl.no	Date of the Board Meeting	Board Strength	No of Directors Present
1	May 10th, 2014	6	4
2	August 13th, 2014	6	6
3	September 29th, 2014	6	6
4	November 14th, 2014	7	5
5	February 14th, 2015	7	6

The last Annual General Meeting (AGM) was held on Monday, September 29th, 2014, 11.30 AM

Particulars of the directorship of the Board, membership and office of the Chairman of Board Committees across all Companies as on the date of this Report and attendance at the Board Meetings of the Company are given below:

CORPORATE GOVERNANCE REPORT

Directors Details :

Sl No	Name	Category	Attendance Particulars		No of Directorship* and Committee** Membership/Chairmanships as on report date			
			No. of Board Meetings		Whether attended last AGM	Directors hips ²	Committee Member-ships ⁶	Commit-tee Chairman hips ⁶
			Held	Attended				
1	Mr. Richard B. Saldanha	Chairman & Non- Executive Director	5	5	Yes	7	4	-
2	Mr. Ramababu*	VC & MD, Executive Director	NA	NA	NA	13	10	-
3	Mr. Gautam G. Chakravarti**	WTD&CEO, Executive Director	5	5	Yes	7	6	-
4	Mr. Arun K. Thiagarajan	Non-Executive and Independent Director	5	4	Yes	8	5	2
5	Mr. Mathew Cyriac	Non-Executive Director	5	3	No	11	1	-
6	Mr. Jitendrakumar H.Mehta	Non-Executive and Independent Director	5	5	Yes	2	2	-
7	Dr. Yashwant S.Thorat	Non-Executive and Independent Director	5	4	Yes	10	10	5
8	Ms. Smita Aggarwal@	Non-Executive and Independent Director	5	1	NA	2	-	-

1. * Appointed as Vice Chairman and Managing Director with effect from 25th May, 2015

2. @ Appointed as Additional Director w.e.f 30th September, 2014. She will be an Independent Director after shareholder approval

3. ** Resigned from Board as director w.e.f 25th May, 2015

4. Excludes Private limited Companies, Foreign Companies and Companies registered under Section 8 of the Companies Act, 2013

5. Excludes alternate Directorships but includes Additional Directorships and Directorship in Gokaldas Exports Limited

6. Committees considered are Audit Committee and Stakeholders Relationship Committee, as per Clause 49 of the Listing Agreement. Committee membership includes Committee Chairmanship

Remuneration to Executive Directors

Rs in Lakhs

Name of the Director	Designation	Total
Mr. Gautam Chakravarti	Wholetime Director & CEO	110.00

Mr. Gautam Chakravarti resigned from the Board as Director w.e.f 25th May, 2015

The terms and conditions of the executive director's appointment and remuneration are governed by the resolution passed by the shareholders of his appointment; The Company has not entered into separate agreement for the contract of services with the executive director.

Independent Directors are entitled to sitting fee only and are not entitled to any remuneration.

Code of Conduct

In compliance with the Clause 49 (1) (d) of the Listing Agreement, the Company has adopted a Code of conduct and Ethics for the Board of Directors, officers and employees of the Company. The said Code of Conduct and Ethics is posted on the website of the Company: <http://www.gokaldasexports.com>. The code is circulated to all the members of the Board, Officers and Employees of the Company on an annual basis and compliance of the same is affirmed by them on or before 31st March of every year.

DECLARATION ON CODE OF CONDUCT

To,

The Members
Gokaldas Exports Limited,
70, Mission Road,
Bengaluru- 560 027

This is to confirm that the Company has adopted "Gokaldas Exports Group Code of Conduct and Ethics" herein after referred as "Code of Conduct" for its employees including the officers and Board Members. In addition, the Company has adopted the Code of Conduct and Ethics for its Subsidiaries and Associate Companies.

The Code of Conduct is posted on the Company's website, <http://www.gokaldasexports.com>.

In accordance with Clause 49 (1) (d) of the Listing Agreement with the Stock Exchanges, I hereby conform that all

CORPORATE GOVERNANCE REPORT

the directors, officers and employees of the company have affirmed compliance to their respective Codes of Conduct and Ethics, as applicable to them for the financial year ended March 31, 2015.

Place : Bengaluru

Date : Aug 12, 2015

Richard B Saldanha
Chairman

Committees of the Board

In compliance with the Listing Agreements and the SEBI Regulations, the Board has constituted a set of committees with specific terms of reference and scope to deal with specified matters expediently. Presently, the Board has four committees:

1. Audit Committee
2. Stakeholders' Relationship Committee
3. Nomination & Remuneration Committee &
4. Corporate Social Responsibility Committee

1. Audit Committee

1.1 The Audit Committee of the Company is constituted in line with the provisions of the clause 49 of the Listing Agreements entered into with the Stock Exchanges read with Section 177(1) of the Companies Act, 2013

Constitution of Audit Committee:

During the year under review, the Audit Committee of the Company consists of three members and all are Independent Directors with vast experience in Financial Management. The members of the Committee are

1. Mr. Arun K. Thiagarajan, Chairman
2. Mr. Jitendrakumar H. Mehta, Member
3. Dr. Yashwant Shankarrao Patil Thorat, Member

Composition and details of Audit Committee Meetings during the financial year:

During the financial year ended March 31, 2015, 4 (Four) Meetings of the Audit Committee were held on May 10, 2014, August 13, 2014, November 14, 2014 and February 14, 2015. The composition of the Audit Committee and the number of meetings attended during the year under review are as under:

Name of the Director	No. of Meetings Held	No. of Meetings Attended
Mr. Arun K. Thiagarajan	4	3
Mr. Jitendrakumar H. Mehta	4	4
Dr. Yashwant S. Thorat	4	3

Terms of Reference of the Audit Committee

- Overview of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements reflect a true and fair position and that sufficient and credible information are disclosed.
- Recommending the appointment and removal of external auditors, fixation of audit fee and also approval for payment for any other services.
- Discussion with the external auditors before the audit commences, of the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- Reviewing the financial statements and draft audit report, including the quarterly/half-yearly financial information
- Reviewing with the management the annual financial statements before submission to the Board, focusing primarily on:
 - Any changes in accounting policies and practices;
 - Major accounting entries based on exercise of judgment by management;
 - Qualifications in draft audit report;
 - Significant adjustments arising out of audit;
 - Going concern assumption;
 - Compliance with accounting standards;

CORPORATE GOVERNANCE REPORT

- Compliance with stock exchange and legal requirements concerning financial statements;
 - Any related party transactions as per Accounting Standard 18.
 - Reviewing the Company's financial and risk management policies.
 - Disclosure of contingent liabilities.
 - Reviewing with the management, external and internal auditors, the adequacy of internal control systems
 - Reviewing the adequacy of internal audit function, including the audit charter, the structure of the internal audit department, approval of the audit plan and its execution, coverage and frequency of internal audit.
 - Discussion with internal auditors of any significant findings and follow-ups thereon.
 - Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure or internal control systems of a material nature and reporting the matter to the Board.
 - Looking into the reasons for substantial defaults in payments to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
- 1.2 The Audit Committee invites such of the executives, as it considers appropriate (particularly the head of the finance function), representatives of the statutory auditors and representatives of the internal auditors to be present at its meetings. The Company Secretary acts as the secretary to the Audit Committee.

2. Stakeholders' Relationship Committee

The Stakeholders Relationship Committee of the Company is formed as per the Listing Agreement. It consists of 3 members. Mr. Arun. K. Thiagarajan, Non-Executive and Independent Director is the Chairman of the Committee.

During the year under review, one meeting of the Stakeholders' Relationship Committee was held on February 14th, 2015 in compliance with the provisions of the Companies Act, 2013.

Name of the Director	No. of Meetings Held	No. of Meetings Attended
Mr. Arun K. Thiagarajan	1	1
Mr. Richard B Saldanha	1	1
Mr. P. Ramababu	NA	NA

The Stakeholders' Relationship Committee is primarily responsible for Redressal of shareholders'/investors'/ Security holders' grievances including complaints related to transfer of shares, non-receipt of declared dividends, annual reports etc.

*The Board at its meeting held on May 10th, 2014 reconstituted this Committee as Stakeholders' Relationship Committee in Compliance with the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

The Committee is to examine and redress shareholders' and investors' complaints. The status of complaints and share transfers is reported to the Board.

The Company through its Registrar and Share Transfer Agents has resolved the investors' grievances / correspondence at the earliest from the date of their receipt.

Monitor implementation of the Company's code of Conduct for prohibition of Insider Trading.

The statistics of Shareholders complaints received / redressed, during the year under review is appended below:

No. of Shareholders complaints pending as at April 01, 2014 Nil

No. of Complaints relating to Non-receipt of dividend warrants, Redemption / Interest warrants, Annual Reports, Share certificates, endorsement stickers, change of address, deletion of name and others received during the year April 01, 2014 to March 31, 2015 0

No. of Shareholders complaints resolved during the year April 01, 2014 to March 31, 2015 0

No. of Shareholders complaints pending as on March 31, 2015 Nil

Secretarial Audit for Reconciliation of Capital

A Secretarial Audit was carried out by Mr. Nagendra D Rao, a qualified Practicing Company Secretary for reconciling the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The audit confirms that the total issued/paid up capital is in agreement with the total number of shares held in physical form and the total number of dematerialized shares held with NSDL and CDSL. This audit is carried out every quarter and the report thereon is submitted to the stock exchanges and is also placed before the Board of Directors.

CORPORATE GOVERNANCE REPORT

3. Nomination & Remuneration Committee *

Our Remuneration Committee ("the Committee") currently comprises of three independent Directors:

Name of the Director	No. of Meetings Held	No. of Meetings Attended
Mr. Jitendrakumar H Mehta, Chairman	3	3
Mr. Arun K Thiagarajan, Member	3	2
Dr. Yashwant S Thorat, Member	3	1

The Remuneration Committee Meeting met on May 10th 2014, August 13th 2014 and September 29th 2014 during the year 2014 -15

*The Board at its meeting held on May 10th, 2014 reconstituted this Committee as **Nomination and Remuneration Committee** in Compliance with the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

Terms of Reference:

To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and to recommend to the Board of their appointment and /or removal.

To carry out evaluation of Directors' performance.

To formulate the criteria for determining qualifications, positive attributes and independence of a Director, and recommend to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees.

To formulate the criteria for evaluation of Independent Directors and the Board.

To recommend/review remuneration of the Managing Director(s) and Whole-Time Director(s) based on their performance and defined assessment criteria.

To carry out any other function as is mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification, as may be applicable.

To perform such other functions as may be necessary or appropriate for the performance of its duties including carrying out any other functions within its terms of reference as outlined in Clause 49 of the listing Agreement and section 178 of the Companies Act, 2013.

4. Corporate Social Responsibility Committee

Currently the Committee consists of three Directors chaired by Dr. Yashwant S Thorat, an Independent Director.

The Corporate Social Responsibility (CSR) committee was constituted by the Board at its meeting held on May 10, 2014 considering requirements of the Companies Act, 2013 relating to the Formation of a Corporate Social Responsibility Policy.

The Committee's prime responsibility is to assist the Board in discharging its social responsibilities by way of formulating and monitoring implementation of the framework of 'corporate social responsibility policy'.

The Corporate Social Responsibility policy is available on the Website of the company

5. Independent Directors Meet

The Independent Directors of the Company shall hold at least one meeting in a year, without the attendance of non-Independent Directors and members of management. Directors on the Board to abide by the provisions specified in Schedule IV of the Companies Act, which defines Code for Independent Directors.

Name of the Director	No. of Meetings Held	No. of Meetings Attended
Mr. Jitendrakumar H Mehta	1	1
Mr. Arun K Thiagarajan	1	1
Dr. Yashwant S Thorat	1	1
Ms. Smita Aggarwal	1	0

CORPORATE GOVERNANCE REPORT

Terms of the Meet

Review the performance of the Non-Independent Directors and Board as a whole and also the Chairperson of the Company to assess the quality, quantity and timely flow of information between the Company and management. Board needs to provide effective strategic direction to the Company and to direct on key decisions impacting the performance of the Company. To review the financial performance of the company and suggest corrective actions.

Risk Management:

The Board reviews the Company's risk management practices and policies periodically. This includes comprehensive review of various risks attached to the company's business for achieving key objectives and actions taken to mitigate them. The Board reviews and advises on risk management aspects inter alia in the areas of leadership development, information security, project management and execution risks, contracts management risks, financial risks, forex risks and geopolitical risks.

Subsidiary Companies' Monitoring Framework:

All the Company's subsidiaries are wholly owned subsidiaries with their Boards having rights and obligations to manage such Companies in the best interest of the stakeholders. The Company does not have any material unlisted subsidiary and hence is not required to nominate an independent Director of the Company on the Board of any subsidiary. The Audit Committee reviews the financial statements; in particular investments made by unlisted subsidiary companies, Minutes of the Board meetings of unlisted subsidiary companies are placed and reviewed periodically by the Company's Board. A statement containing all significant transactions and arrangements entered into by unlisted subsidiary companies is placed before the Company's Board.

Disclosures

Disclosures on materially significant related party transactions

The related party transactions during the year ended March 31, 2015 have been listed in the notes to the accounts. Shareholders may please refer the same. However, these are not in conflict with the interests of the company at large. There are no material individual transactions which are not in the normal course of business.

In terms of Clause 49 of the Listing Agreement, the Board of Directors have formulated a policy on Related Policy Transactions which can be accessed from the website of the Company at www.gokaldasexports.com

Details of non-compliance by the Company, penalties and strictures imposed on the Company by the Stock Exchanges, SEBI or any statutory authorities or any member related to capital markets.

There has been no non-compliance of any legal requirements nor have there been any strictures imposed by any stock exchange, SEBI or any other statutory authorities on any matters relating to the capital markets.

Whistle Blower Policy

Pursuant to Section 177(9) of the Companies Act, 2013 and Listing Agreement, the Board has established a Vigilance Mechanism to report concerns about unethical behaviour, actual or suspected fraud or violation of our Code of Conduct or ethics policy. It also provides for adequate safeguards against victimization of employees who avail of the mechanism and also allows direct access to the Chairperson of the Audit Committee in exceptional cases. We further affirm that no employee has been denied access to the Audit Committee.

General Body Meeting

Details of Annual General Meetings (AGM) of the Company held for the last three years:

Financial Year	Day, date & Time	Location
2011-12	Tuesday, September 4, 2012, 11.30 A.M	NIMHANS Conventional Hall, Hosur Road, Bangalore - 560 029
2012-13	Monday, September 23, 2013, 11.30 A.M	Sri. Shivarathreeswara Centre, JSS Circle, 1st Main, 38th Cross, 8th Block, Jayanagar, Bangalore - 560070
2013-14	Monday, September 29, 2014, 11.30 A.M	NIMHANS Conventional Hall, Hosur Road, Bangalore - 560 029

CORPORATE GOVERNANCE REPORT

Special Resolutions passed during the last 3 Years

Date of AGM	Number of Special Resolutions	Details of Special Resolution passed
Tuesday, September 4, 2012	NA	NA
Monday, September 23, 2013	1	To appoint Mr. Gautam Chakravarti, as Whole-time Director & Chief Executive Officer of the Company for 3 years with effect from April 1, 2014 to March 31, 2017.
Monday, September 29, 2014	2	Approval of Shareholders has been obtained for an amount of Rs. 500 Crores as borrowing powers over and above the aggregate of the paid up share capital and free reserves of the Company Consent of the Shareholders obtained to delegate such authority to any person or persons to hypothecate, mortgage, charge and /or in any other way encumber all or any movable and immovable assets of the Company.

Postal Ballot

The approval of the shareholders was sought through a postal ballot pursuant to Section 110 of the Companies Act, 2013, read with Rule 22 of the Companies (Management and Administration) Rules 2014 as on the date of this report.

Sr. No.	Type of Resolution	Particulars
1	Special Resolution	Transfer of Building, Plant and Machinery and related assets pertaining to the Company's property at 76/77, 6th Main, 3rd Phase Peenya Industrial Area, Bangalore, to its wholly owned subsidiary, Robot Systems Pvt Ltd.
2	Special Resolution	Transfer of shares of the Company's Subsidiary, Robot Systems Pvt Ltd
3	Special Resolution	Transfer of Land and Building pertaining to the Company's property at Nacharam, Hyderabad to its wholly owned subsidiary, All Colour Garments Pvt Ltd.

Insider Trading

Pursuant to the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992, the Company has prescribed a Code of Conduct for Prevention of Insider Trading and a Code of Corporate Disclosure Practices.

The Company observes a closed period for trading in securities of the Company by the Directors/Officers and Designated Employees of the Company for a minimum period of seven days prior to the close of the quarter/half year/year and up to 48 hours after the date on which the results for the respective quarter/half year/year are declared.

Auditor's Certificate on Corporate Governance

As required under clause 49 of the Listing Agreement, a certificate from the Statutory Auditors' is obtained regarding compliance of conditions of corporate governance and is annexed and forms part of the Directors' Report.

CEO / CFO Certificate

As required by clause 49 of the Listing Agreement, the certificate issued by the Whole-time Director & CEO and CFO on financial statements etc., is provided in the Annual Report.

Means of Communication

The annual audited financial results, the quarterly / half yearly unaudited financial results are generally published in the Financial Express and Vijaya Vani (a regional daily published from Bangalore). These were not sent individually to the shareholders. The quarterly and the annual results of the Company are e-mailed/online filing/ and mailed to the stock exchanges on which the Company's shares are listed, immediately of closure of meeting of the Board of Directors.

Investor Grievances and Share Transfer

The Company has a Board level Stakeholders' Relationship Committee to examine and redress shareholders' and investors' complaints. The status on complaints and share transfers is reported to the Board. For matters like dividends, change of address, refunds, demat, remat of shares etc., the shareholders/investors communicate with Karvy Computershare Private Limited, who are the Registrar and Share Transfer Agent of the company. Their address is given in the section on General Shareholder Information.

CORPORATE GOVERNANCE REPORT

General Shareholder information:

Annual General Meeting	SRI SHIVARATHREESHWARA CENTRE JSS Circle, 1st Main, 38th Cross, 8th Block, Jayanagar, Bangalore - 560070 3.00 P.M - 18th September, 2015
Date of Book Closure	September 14, 2015 (Monday) to September 18, 2015 (Friday)
Financial Results Calendar (tentative)	Second week of August, 2015 - Unaudited Results for the quarter and three months ended June 30, 2015. Second week of November, 2015- Unaudited Results for the quarter and six months ended September 30, 2015. First week of February, 2016 - Unaudited Results for the quarter and nine months ended December 31, 2015. Fourth week of May, 2016 - Audited Results for the year ended March 31, 2016
Listing on Stock Exchanges	National Stock Exchange, Mumbai (Scrip Code - GOKEX) Bombay Stock Exchange, Mumbai (Scrip Code - 532630)
International Securities Identification Number (ISIN)	INE887G01027
Corporate Identification Number (CIN)	L18101KA2004PLC033475

Compliance with Non-Mandatory Requirements

1. The Board: The Company does not maintain a separate office for non-executive Chairman. The independent directors have requisite qualification and experience to act as director on the Board.
2. Shareholders Rights: Quarterly results are published in widely circulating national and local daily newspapers such as the Financial Express and Vijaya Vani. These were no sent individually to the shareholders.
3. Audit Qualifications: The auditor's report does not contain any qualification
4. Separate post of Chairman and Chief Executive Officer: The Company has separate persons to the post of Chairman and Managing Director.
5. Reporting of Internal Auditor: The Internal Auditor reports to the Audit Committee.

Listing Fee

The Company has paid annual listing fees, as prescribed, to the National Stock Exchange of India Limited and Bombay Stock Exchange Limited, Mumbai for the Financial Year 2015-16.

Custodial Fee

Pursuant to the Securities and Exchange Board of India (SEBI) Circular No.MRD/DoP/SE/DEP/CIR-4/2005 dated 28th January, 2005 and MRD/DoP/SE/DEP/CIR-2/2009 dated February 10, 2009, Issuer Companies are required to pay custodial fees to the depositories. Accordingly, the Company has paid custodial fee for the year 2014-15 to NSDL and CDSL on the basis of the number of beneficial accounts maintained by them as on 31st March 2015.

Registrar & Share Transfer Agents:

Share registration and other investor related activities are carried out by our Registrar and Transfer Agents, M/s. Karvy Computershare Private Limited for both Physical and Demat securities. Their address is given below:

Karvy Computershare Private Limited

Karvy Selenium Tower, B, Plot 31-32,
Gachibowli, Financial District,
Nanakramguda, Hyderabad - 500 032.

Phone : 040 - 67161559

Fax : 040 - 2342 0814

E-mail: einward.ris@karvy.com, www.karvycomputershare.com

Contact person: Ms. Shobha Anand

CORPORATE GOVERNANCE REPORT

Share Transfer System:

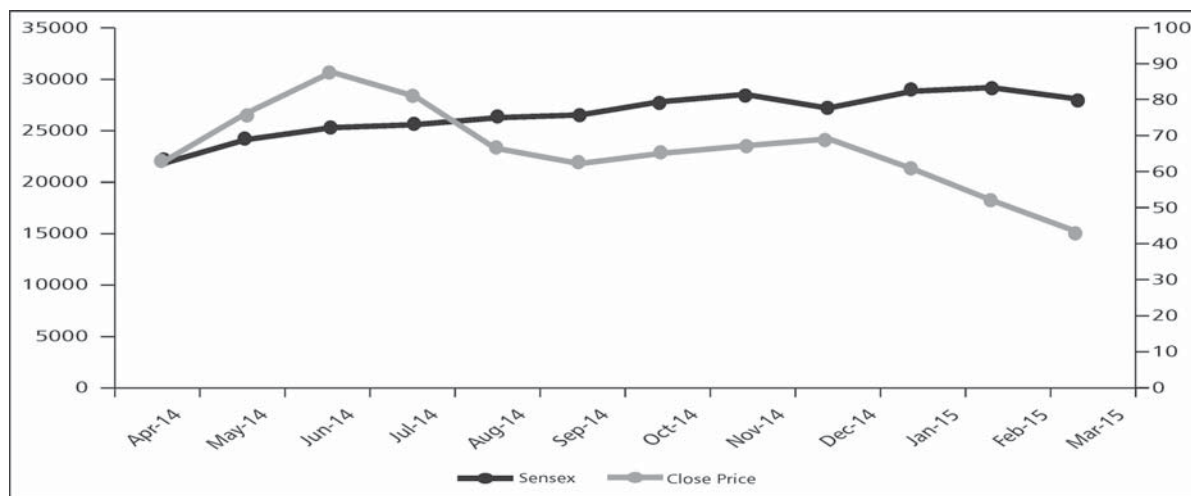
Shares sent for transfer in physical form are registered and dispatched within 15 days of receipt of the documents, if documents are found to be in order. Shares under objection are returned within 15 days. Monitoring of Share Transfers and other investor related matters are dealt with by the Stakeholders Relationship Committee. The Company's Registrars, M/s. Karvy Computershare Private Limited process the share transfers in respect of physical securities on a fortnightly basis and the processed transfers are approved by the authorized Executives of the Company also on a fortnightly basis. All requests for dematerialization of shares, which are in order, are processed within 15 days and the confirmation is given to the respective depositories, i.e., National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

Stock price Data:

Month	Bombay Stock Exchange (BSE)			National Stock Exchange (NSE)		
	High (Rs)	Low (Rs)	No of shares traded	High (Rs)	Low (Rs)	No of shares traded
April-14	63.15	58.40	11806	63.20	58.75	21425
May-14	77.45	72.35	2916	77.95	72.00	14983
Jun-14	91.20	87.25	8041	90.90	86.15	27697
Jul-14	82.75	81.00	3593	81.90	80.65	9157
Aug-14	69.30	66.70	1191	69.30	67.00	6043
Sep-14	63.30	62.00	2761	64.50	61.20	14048
Oct-14	65.25	63.05	16886	65.00	62.65	39351
Nov-14	70.20	66.60	60606	70.30	66.30	166833
Dec-14	70.75	68.20	18610	70.90	68.65	15359
Jan-15	72.50	60.75	8726	62.70	60.40	16930
Feb-15	55.00	51.75	11398	53.80	51.55	42445
Mar-15	42.80	40.50	17541	43.6	40.35	29026

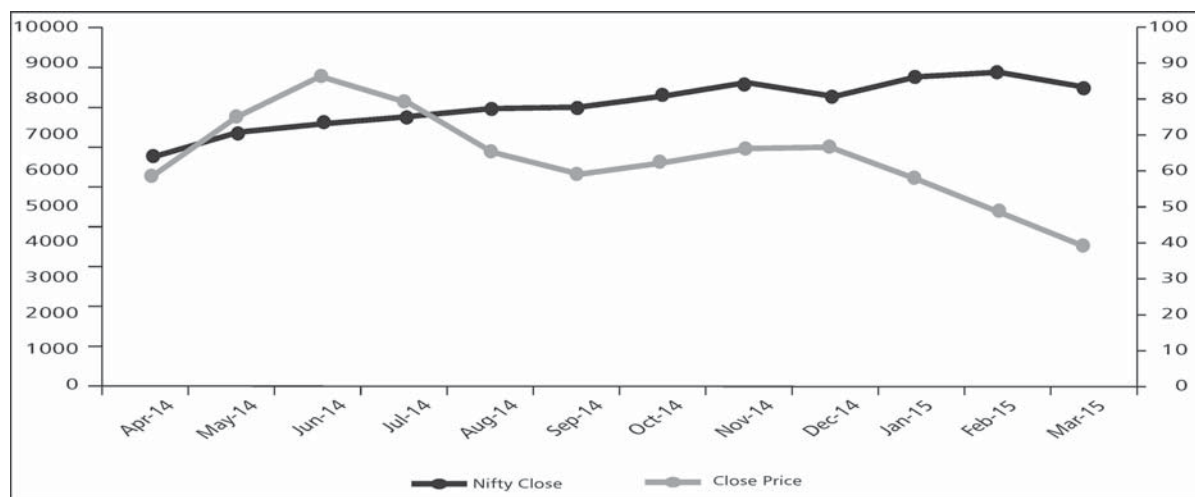
Stock Performance:

BSE – SENSEX Vs Gokaldas Exports Share Price (Monthly Closing)



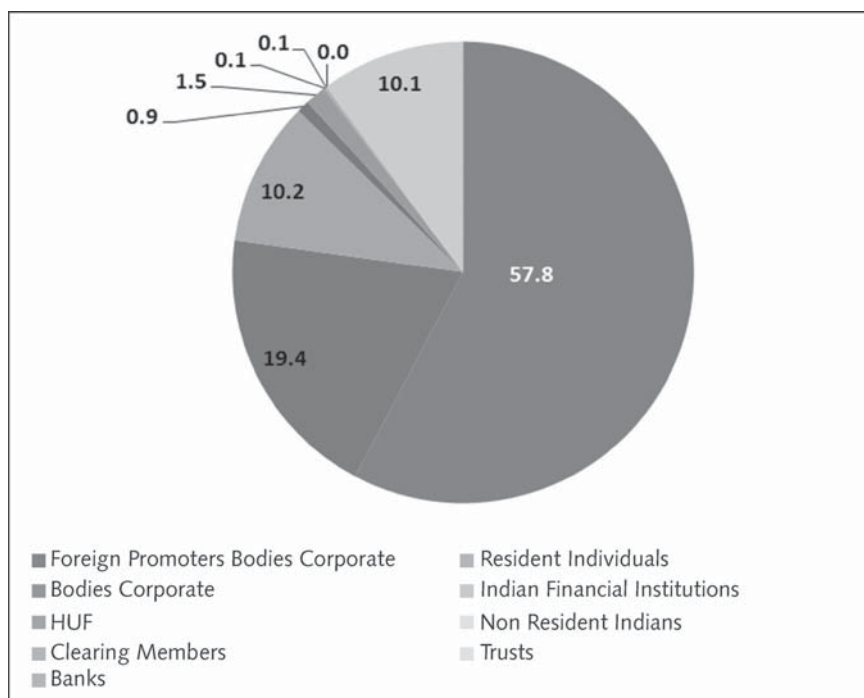
CORPORATE GOVERNANCE REPORT

NSE – S&P CNX NIFTY V/s Gokaldas Exports Share Price (Monthly Closing)



Shareholding Pattern as on March 31, 2015:

Sno	Description	No. of Shareholders	Total Shares	%Equity
1	Foreign Promoters Bodies Corporate	1	1,99,83,742	57.77
2	Resident Individuals	9955	67,22,855	19.43
3	Bodies Corporate	274	35,10,722	10.15
4	Indian Financial Institutions	1	2,99,484	0.87
5	H U F	454	5,02,173	1.45
6	Non Resident Indians	111	42,326	0.12
7	Clearing Members	36	47,530	0.14
8	Trusts	0	0	0.00
9	Banks	1	34,85,500	10.08
	Total:	10833	3,45,94,332	100.00



CORPORATE GOVERNANCE REPORT

Top ten shareholders of the company as on March 31, 2015

Sl. No.	DP Id	Folio/ Client ID	Name of concern/ person	Shares	% Equity
1	IN301348	20015218	Blackstone FP Capital Partners (Mauritius) V- B Subsidiary Ltd.	1,99,83,742	57.77
2	IN301348	20002990	ICICI Bank Ltd	34,85,500	10.08
3	IN302927	10137278	Shinano Retail Private Limited	14,13,513	4.09
4	IN301549	34942595	Madanlal J Hinduja	12,27,934	3.55
5	IN301926	30583435	Rajendra J Hinduja	11,21,486	3.24
6	IN301549	33506698	Dinesh J Hinduja	8,97,346	2.59
7	IN302927	10121536	Ojasvi Trading Private Limited	8,67,000	2.51
8	IN300812	10000012	Life Insurance Corporation of India	2,99,484	0.87
9	IN300214	10478103	Param Capital Research Pvt Ltd	2,00,652	0.58
10	IN301022	10109561	Zaki Abbas Nasser	2,00,000	0.58

Distribution of Shareholding on March 31, 2015:

Sln	Category (Shares)	No. of Holders	% To Holders	Amount	% of Amount
1	1 - 5000	10206	94.21	57,14,535	3.30
2	5001 - 10000	262	2.42	20,55,885	1.19
3	10001 - 20000	150	1.38	21,55,585	1.25
4	20001 - 30000	67	0.62	16,86,590	0.98
5	30001 - 40000	30	0.28	10,71,565	0.62
6	40001 - 50000	28	0.26	13,21,755	0.76
7	50001 - 100000	48	0.44	33,34,355	1.93
8	100001 and above	42	0.39	15,56,31,390	89.98
	TOTAL:	10833	100.00	17,29,71,660	100.00

Dematerialization of shares and Liquidity as on March 31, 2015:

Sl. No.	Category	No. of Holders	Total Shares	% To Equity
1	PHYSICAL	37	619	0.00
2	NSDL	7791	3,25,76,215	94.17
3	CDSL	3005	20,17,498	5.83
	Total:	10833	3,45,94,332	100.00

No of Shares in Demat form as on March 31, 2015

No of Shares	% of Shares	No of Shareholders	% of Shareholders
3,45,93,713	100.00	10796	99.65%

Plant Location

Sl. No. Address	Sl. No. Address
1. Atlantic Apparels – II Plot No. 28-D & 28E, Belavadi Industrial Area, Mysore.	4. Carnival clothing company-II Benganur Village Bangarpet - KGF Road, Bangarpet, Karnataka
2. Atlantic Apparels – III – Hyderabad Survey No. A-7/1, Nacharam, Rangareddy District, Hyderabad. Andhra Pradesh	5. Dressmaster Suits, No.76/77, 6th Main, 3rd Phase, Peenya Industrial Area, Bangalore - 560 058, Karnataka
3. Carnival Clothing Co, No.2/A-1, Chikkaveeranna Road Cross, Bannimantap Etn, Mysore – 15, Karnataka	6. Euro Clothing Co - I, No.122/1, Doddabidarakallu Village, Yeshwanthpur – 560 022 Bangalore. Karnataka

CORPORATE GOVERNANCE REPORT

Sl. No. Address	Sl. No. Address
7. Euro Clothing Company II T.B.Road Srirangapatna, Mandya, Karnataka	17. J.D.Clothing Company, No.9, Rajajinagar Industrial Estate, Bangalore-560 010. Karnataka
8. Gokaldas Exports Ltd Sez Division, Plot No.6/1, Phase - 2, Mepz - Sez, Tambaram, NH - 45, Chennai - 600 045. Tamil Nadu	18. Luckytex Unit-I No.17/A-34/A-1 Industrial Suburb, Bangalore, Karnataka
9. Global Garments -Unit-I No.17/1-38/4 Industrial Suburb, Bangalore, Karnataka	19. Luckytex-III, No.17/A-34/A-1, Industrial Suburb, Yeshwanthpur, Bangalore-560 022. Karnataka
10. Global Garments – Unit II At Ring Road, near Gubbi Gate Ring Road Circle Tumkur - 572 101	20. Sri Krishna Industries, No.25/26, 3rd Main Road, Industrial Suburb, Yeshwanthpur, Bangalore-560 022. Karnataka
11. Global Garments-III, Gokaldas Exports Ltd, R&D-I, Gokaldas Exports Ltd, R&D-III, No.44, 3rd Cross, Industrial Suburb, Yeshwanthpur, Bangalore-560 022. Karnataka	21. Triangle Apparels-I, Site No.804/75, 7th Ward, Near Tilak Park Police Station, Jayapure Road, Tumkur - 01. Karnataka
12. Gokaldas India, No.21C & 21B, Survey No.34,35,36 & 37, Nallakadaranahalli, Peenya II Stage, Industrial Area, Peenya, Bangalore-560 058. Karnataka	22. Triangle Apparels – VI, # 25/26, 3rd Main Road, Industrial Suburb, Yeshwanthpur, Bangalore – 22, Karnataka
13. Hinduja Proc & Fins Unit, No.2, 5th Cross, Mysore Road, Bangalore-560 023. Karnataka	23. The Unique Creations, No.44, Industrial Suburb, 3rd Main, II Stage, Yeshwanthpur, Bangalore-560 022, Karnataka
14. International Clothing Company – I #B2, B3 & B4, Indl Estate, Madanapalli -517 325. Andhra Pradesh	24. Venkateshwara Clothing Company - II No.10, KHB, Colony Industrial Area, Yelahanka, Bangalore - 64. Karnataka
15. International Clothing Company-II Survey No.113, Hongasandra Village, Begur Hobli, (Near Bhondary Factory) 7th Mile, Hosur Road, Bangalore-560 068, Karnataka	25. Wearcraft Apparels – I No.17/1-38/4-1, Industrial Suburb, Yeshwanthpur, Bangalore-560 022. Karnataka
16. Indigo Blues, Plot No-2, KIADB Industrial Area, Doddaballapur - 581 203. Karnataka	26. The Wearwel I Industrial Estate N.H-206, Tiptur, Karnataka.

Address for Correspondence

Registered office
70 Mission Road, Bengaluru 560027
Phones: 80-22223600 / 1 / 2 / 41272200
Fax : 91-80- 22274869 / 22277497
Email: gokex@vsnl.com
investorcare@gokaldasexports.com

Registrar and Transfer Agent:

Ms. K. Shobha Anand, Senior Manager
Karvy Computershare Private Limited
(Unit: Gokaldas Exports Limited)
Karvy Selenium Tower, B, Plot 31-32,
Gachibowli, Financial District,
Nanakramguda, Hyderabad - 500 032.
Phone : 040 - 67161559
Fax : 040 - 2342 0814

CORPORATE GOVERNANCE REPORT

CEO AND CFO CERTIFICATE

We, P. Ramababu, VC & MD and Sumit Keshan CFO of Gokaldas Exports Limited, certify that:

- 1) We have reviewed the Balance Sheet and Profit and Loss account (standalone and consolidated), and all the schedules and notes on accounts, as well as the Cash Flow Statements and the Directors' Report.
- 2) Based on our knowledge and information, these statements do not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the statements made.
- 3) To the best of our knowledge and belief, no transactions entered into by the Company during the year are fraudulent, illegal or violative of the Company's Code of Conduct.
- 4) We are responsible for establishing and maintaining disclosure controls and procedures and internal controls over financial reporting for the Company, and we have:
 - (i) Designed such disclosure controls and procedures to ensure that material information relating to the Company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared.
 - (ii) To provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes.
 - (iii) Evaluated the effectiveness of the Company's disclosure, controls and procedures.
 - (iv) Disclosed in this report any change in the Company's internal control over financial reporting that occurred during the Company's most recent fiscal year that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.
- 5) We have disclosed, based on our most recent evaluation, wherever applicable, to the Company's auditors and the audit committee of the Company's Board of Directors (and persons performing the equivalent functions):
 - a. There were no deficiencies in the design or operation of internal controls, that could adversely affect the company's ability to record, process, summarize and report financial data, and there have been no material weaknesses in internal controls over financial reporting including any corrective actions with regard to deficiencies.
 - b. There were no significant changes in internal controls during the year covered by this report.
 - c. All significant changes in accounting policies during the year, if any, and that the same have been disclosed in the notes to the financial statements.
 - d. There were no instances of fraud of which we are aware, that involve the Management or other employees who have a significant role in the Company's internal control system.
- 6) We further declare that all Board members and senior managerial personnel have affirmed compliance with the Code of conduct for the current year.

For Gokaldas Exports Limited

Place: Bengaluru
Date: 12 August, 2015

P. Ramababu
VC & MD

Sumit Keshan
CFO

CORPORATE GOVERNANCE REPORT

Auditors' Certificate on compliance with the conditions of Corporate Governance under Clause 49 of the Listing Agreements

To

The Members of
Gokaldas Exports Limited

We have examined the compliance of conditions of Corporate Governance by Gokaldas Exports Limited, for the year ended on March 31, 2015, as stipulated in Clause 49 of the Listing Agreement of the said Company with stock exchange(s) in India.

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

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

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

For **Girish Murthy & Kumar**
Chartered Accountants
Firm Registration Number: 000934S

per **A.V. Satish Kumar**
Partner
Membership No : F- 26526

Place : Bengaluru
Date : 12 August, 2015

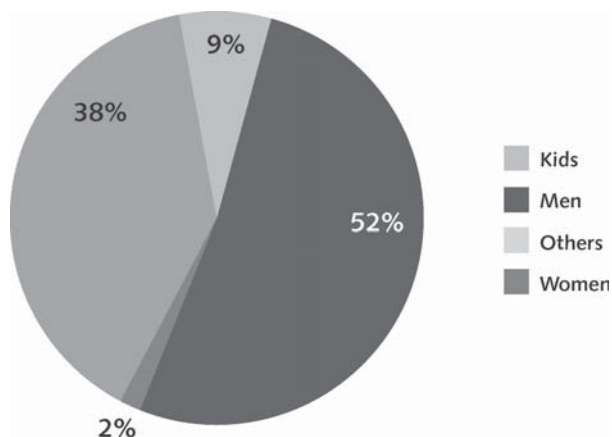
MANAGEMENT DISCUSSION AND ANALYSIS

Introduction

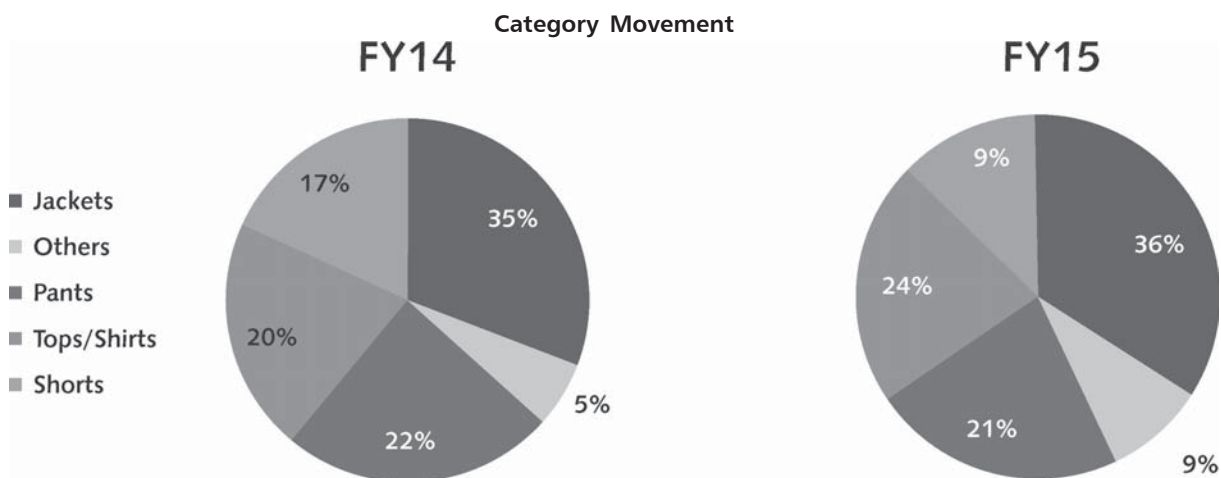
Gokaldas Exports Limited (GEL) is one of the leading apparel exporters of India serving large global retailers since its inception in the year 1978. GEL, an ISO 9001:2001 certified company, operates from 26 units spread across states of Karnataka, Tamil Nadu and Andhra Pradesh and has installed capacity to produce more than 2.5 million garments per month. GEL provides employment to 26,591 people.

GEL blends its manufacturing expertise with state of the art design capabilities to provide multiproduct offerings; sustained reliability weaved with consistent quality to meet changing demands from customers at right cost: from design to delivery.

GEL has a diversified product portfolio across various categories of garments for men, women as well as children. GEL's expertise lies in manufacturing, among other products, outerwear which very few manufacturers in India can match. Below chart depicts various categories catered to by GEX:



The following graph shows the product mix of past two years. While the share of business, in 2014-15 over 2013-14, from jackets and pants have more or less been similar, the same for tops has gone up driven by our focus towards this product category as well as being high margin in nature. Below exhibit also illustrates the wide range of products catered to by the company to meet customer needs and continuously build upon our capabilities to cater to the changing market requirements.



Industry Scenario

Demand scenario is looking up in the US with the economy showing signs of improvement. However, with recent events in Greece and decline in certain other European countries' economies, the outlook from Europe is quite weak. Over the past 12 to 18 months, the Euro as a currency has also weakened by over 15% which is hurting sentiments as well as reflecting reality from this region.

From a supply side point of view, China continues its dominance with over one-third market share and Bangladesh showing good growth. There have been strong indications of certain space been vacated by China due to rising costs in this country, which is being taken by Vietnam, Indonesia, Bangladesh and India.

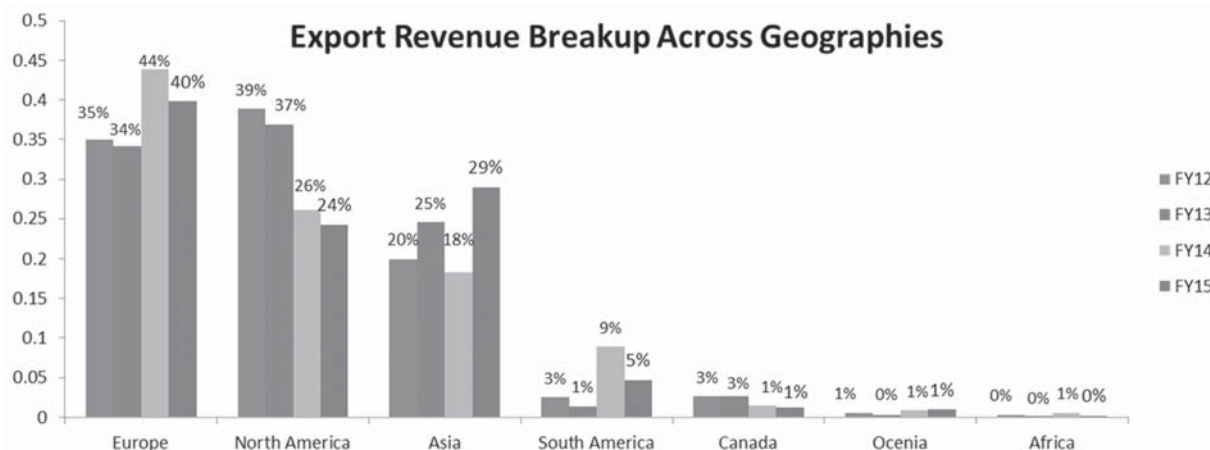
It is also witnessed that the cycle time of order to delivery expectations of customers have gone up where they

MANAGEMENT DISCUSSION AND ANALYSIS

expect this cycle to be much shorter as compared to earlier times. This is also led by changes in customer preferences, uncertainty in season change predictability, competitive scenario etc. This is driving the vendors to be quicker and more nimble to keep pace with the changing expectations. There is also change seen in the preference of raw materials driven by cost and availability aspects. Current reports suggest that cotton demand from China is coming down which is leading to sharp reduction in market prices of this product.

Our geo-wise revenue share has changed in 2014-15 as compared to 2013-14 where the objective is to work towards a de-risking model. The share of revenue from Europe as well as from North America has come down, with majority of increase coming from Asia.

Revenue share from various geographical locations in 2011-12, 2012-13, 2013-14 and 2014-15 is given below:



Opportunities and Challenges

India's textile industry is one of the leading textile industries in the world, exporting to over 100 countries. It is a significant contributor to India's overall export earnings and employs over 35 million people directly, making it the second largest source of employment after agriculture in the country.

The U.S apparel market is the largest in the world, comprising of more than a fourth of the global market and has a market value in excess of 300 billion U.S dollar.

With India's market share at ~4% of global apparel trade, it has enormous opportunity to grow.

- India has a large fiber base; it is the 3rd largest cotton producing country in the world (second only to US and China).
- Second largest cotton yarn exporter
- Large pool of skilled labor
- Industry has developed design and product development capabilities
- Country has developed an integrated and efficient supply chain
- Country has higher compliance standards as compared to some of the Asian counterparts
- Stable political and social environment which is attractive to buyers in North America and Europe
- Growing domestic demand is a big opportunity which can be capitalized by the industry

Macroeconomic scenario:

- Rising wage costs in China is leading to it becoming uncompetitive in the market. Hence there is a widespread expectation of business moving from China to other SE Asian countries. However China's internal demand is seemingly taking a hit.
- Bangladesh exports continue to be strong with 6% market share.
- Vietnam's share has gone upto 11% with a growth of 14%.
- Bangladesh exports continue to enjoy duty benefits & MFN status for imports in certain European countries

Challenges:

However above opportunities are not without the challenges stemming from macroeconomic forces, a few of these challenges that apparel industry continue to face are-

- Demand from certain parts of western countries continue to be uncertain

MANAGEMENT DISCUSSION AND ANALYSIS

- Pricing pressures at retail level and hence across the value chain
- Cost inflation- wage costs continue to rise on account of minimum wage increases and non-availability of skilled labor at competitive prices

It can be seen from the below table, Exports to USA from India has grown by 6% in FY 15 over FY 14. Overall the shares of these five countries have been stable in FY14 as compared to FY13.

USA Apparel Imports from Key countries

Country	USD mn Year FY 2014	USD mn Year FY 2015	Growth over FY14	Market Share in 2014	Market Share in 2015
India	3,212	3,401	6%	4%	4%
Bangladesh	4,948	4,834	-2%	6%	6%
China	29,783	29,794	0%	37%	36%
Vietnam	8,126	9,269	14%	10%	11%
Indonesia	4,975	4,833	-3%	6%	6%
World	79,798	81,781	2%	100%	100%

**Source- Ministry of Commerce, US. Government*

Key Focus Areas

Key focus areas for the company focused towards growth & improved performance:

- Focus on profitable growth by increasing share of business with existing customers as well focus on developing new strategic customers
- Focus on increasing the share of tops & jackets as part of product category focus
- Diversify geo footprint and grow
- Improvement in productivity and overall operational efficiencies
- Sustained focus on financial management and profitability improvement

Risks and concerns

As an export driven enterprise with more than 80% revenues being denominated in USD/EURO, we are exposed to currency fluctuation risks. Forex related risks are being mitigated through robust foreign currency risk management practices.

Rise in wage costs and inflationary conditions in the country may have an adverse impact on the profitability of the company. Further, there could be pricing pressure from customers in the current macroeconomic scenario.

Any change in government policies which adversely impacts us may hurt our competitiveness.

Change in government policies of competitive countries favoring the respective country's industry may affect the competitiveness of the Indian apparel industry.

Internal control systems and their adequacy

The Company is committed to maintaining an effective system of internal control to facilitate accurate, reliable and speedy compilation of financial information, safeguarding the assets and interests of the Company and ensuring compliance with all laws and regulations. The Company has an internal control function to monitor, review and update internal controls on an ongoing basis. The Company has put in place a well-defined organization structure, authority levels and internal guidelines for conducting business transactions.

The Company has appointed independent internal auditors, who monitor and review transactions independently and report directly to the Audit Committee, which consists of entirely independent directors, on quarterly basis. The Internal Auditors conduct audit on all key business areas as per pre-drawn audit plan. All significant audit observations and follow up actions are reported to the Audit Committee along Internal Audit reports and management's responses/replies. The minutes of Audit Committee are reviewed by the Board.

The Audit Committee periodically reviews audit plans, observations and recommendations of the internal auditors as well as external (statutory) auditors with reference to significant risk areas and adequacy of internal controls.

MANAGEMENT DISCUSSION AND ANALYSIS

Financial Highlights

The financial statements have been prepared in compliance with the requirements of the Companies Act, 2013 and generally accepted accounting principles (GAAP) in India. The management accepts the responsibility for the integrity and objectivity of these financial statements and the basis for the various estimates and judgments used in preparing the financial statements.

Some of the key performance indicators are given below

Particulars (Consolidated)	Rs in Lacs	
	2014-15	2013-14
Gross Revenue	113,749	114709
Profit Before Tax (PBT)	3552	(373)
Ratio of PBT to Gross Revenue	3.1%	-0.3%
Profit After Tax	3469	(670)
Ratio of PAT to Gross Revenue	3.0%	-0.6%
Earnings Per Share (EPS) Rs.	10.0	(1.9)

Human Resources

We believe that people are our greatest asset and we compete for business through the people we employ. Various learning and development initiatives have been undertaken during the year to strengthen the human capital of the company. Periodic skill up-gradation has been a continuous process.

The HR processes and employee engagement activities supplement the facilitation of better performance and skill evaluation, higher employee satisfaction and skill and career development of our employees.

As in the past, the industrial relations continue to remain cordial at all factories / units of the Company. The Company has around 26,591 employees as on March 31, 2015.

Caution Statement

Investors are cautioned that this discussion contains statements that involve risks and uncertainties. Words like anticipate, believe, estimate, intend, will, expect and other similar expressions are intended to identify such forward looking statements. The Company assumes no responsibility to amend, modify or revise any forward looking statements, on the basis of any subsequent developments, information or events. Besides, the Company cannot guarantee that these assumptions and expectations are accurate or will be realized and actual results, performance or achievements could thus differ materially from those projected in any such forward looking statements.

INDEPENDENT AUDITOR'S REPORT

To the Members of Gokaldas Exports Limited

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

Opinion

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure 1 a statement on the matters specified in paragraphs 3 and 4 of the Order.

INDEPENDENT AUDITOR'S REPORT

2. As required by section 143 (3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- (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, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- (e) On the basis of written representations received from the directors as on March 31, 2015, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015, from being appointed as a director in terms of section 164 (2) of the Act;
- (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 26 to the financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. Following is the instance of delay in transferring amount, required to be transferred, to the Investor Education and Protection Fund by the Company.

Nature of delay	Amount (Rs in lakhs)	Due date of payment	Date of payment	Number of days delay
Unpaid dividend	0.45	September 21, 2014	November 6, 2014	46

Further the Company has during the year facilitated transfer of Rs. 4.82 lakhs to Investor Education and Protection Fund, which was lying in escrow accounts with the bankers for initial public offer made during 2005.

for Girish Murthy & Kumar
ICAI Firm Registration No: 000934S
Chartered Accountants

per A.V. Satish Kumar
Partner
Membership No: F- 26526

Place: Bengaluru
Date: May 25, 2015

for S.R. Batliboi & Associates LLP
ICAI Firm Registration Number: 101049W
Chartered Accountants

per Chandra Kumar Rampuria
Partner
Membership No: 055729

Place: Bengaluru
Date: May 25, 2015

ANNEXURE TO AUDITORS' REPORT

Annexure 1 referred to in clause 1 of paragraph on Report on Other Legal and Regulatory Requirements of our report of even date

Re: Gokaldas Exports Limited ('the Company')

- i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) All fixed assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- ii. (a) The management has conducted physical verification of inventory at reasonable intervals during the year.
- (b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) The Company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification.
- iii. According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii)(a) and (b) of the Order are not applicable to the Company and hence not commented upon.
- iv. In our opinion and according to the information and explanations given to us and having regard to the explanation that certain items purchased are of special nature for which suitable alternative sources do not exist for obtaining comparative quotations, there is an adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods and services, including sale of surplus inventories for which management is taking steps to further strengthen the process. During the course of our audit, we have not observed any major weakness or continuing failure to correct any major weakness in the internal control system of the Company in respect of these areas.
- v. The Company has not accepted any deposits from the public.
- vi. To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under clause 148(1) of the Companies Act, 2013, for the products/services of the Company.
- vii. (a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty, value added tax, cess and other material statutory dues have generally been regularly deposited with the appropriate authorities.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, wealth-tax, service tax, sales-tax, customs duty, excise duty, value added tax, cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (c) According to the records of the Company, the dues outstanding of income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty, value added tax and cess on account of any dispute, are as follows:

Name of statute	Nature of dues	Demand Amount (Rs. in lakhs)	Amount paid (Rs. in lakhs)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Various disallowances	278.43	253.43	AY 1995-96	Income Tax Appellate Tribunal
		3.13	3.13	AY 2009-10	Commissioner of Income Tax (Appeals)
Central Excise Act, 1944	Excise duty	24.88	-	FY 2011-12	Additional Commissioner of Central Excise
Employees' Provident Funds and Miscellaneous Provisions Act, 1952	Penal interest etc.	30.05	5.00	June to August 2008	Employees Provident Fund Tribunal

- (d) According to the information and explanations given to us, there are certain delays in the amount required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder.

ANNEXURE TO AUDITORS' REPORT

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

for Girish Murthy & Kumar
ICAI Firm Registration No: 000934S
Chartered Accountants

per A.V. Satish Kumar
Partner
Membership No: F- 26526

Place: Bengaluru
Date: May 25, 2015

for S.R. Batliboi & Associates LLP
ICAI Firm Registration Number: 101049W
Chartered Accountants

per Chandra Kumar Rampuria
Partner
Membership No: 055729

Place: Bengaluru
Date: May 25, 2015

BALANCE SHEET AS AT MARCH 31, 2015

All amounts in Indian Rupees in lakhs, except stated otherwise

	Notes	March 31, 2015	March 31, 2014
EQUITY AND LIABILITIES			
Shareholder's funds			
Share capital	4	1,729.72	1,718.80
Reserves and surplus	5	13,915.90	10,412.60
		15,645.62	12,131.40
Non- current liabilities			
Long-term borrowings	6	2,674.00	6,416.00
Long-term provisions	7	278.91	688.19
		2,952.91	7,104.19
Current liabilities			
Short term borrowings	8	26,204.09	24,489.87
Trade payables	9	10,099.39	11,418.03
Other current liabilities	9	8,558.29	5,292.95
Short term provisions	7	994.55	343.94
		45,856.32	41,544.79
		64,454.85	60,780.38
ASSETS			
Non-current assets			
Fixed assets			
Tangible assets	10	12,441.96	15,754.26
Intangible assets	10	70.52	91.48
Capital work-in-progress		218.90	18.88
		12,731.38	15,864.62
Non-current investments	11	3,218.43	3,218.43
Long-term loans and advances	12	2,139.24	1,540.08
Other non-current assets	13	657.56	468.54
		18,746.61	21,091.67
Current assets			
Inventories	14	20,864.65	20,191.73
Trade receivables	15	7,732.94	9,740.57
Cash and bank balances	16	7,040.98	3,450.40
Short-term loans and advances	12	1,420.96	2,138.82
Other current assets	13	8,648.71	4,167.19
		45,708.24	39,688.71
		64,454.85	60,780.38
Summary of significant accounting policies	2.1		

The accompanying notes are integral part of the financial statements.

As per our report of even date

for **Girish Murthy & Kumar**
Chartered Accountants
ICAI Firm Registration No: 000934S

per **A.V. Satish Kumar**
Partner
Membership No. F-26526

Place: Bengaluru
Date: May 25, 2015

for **S R Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration No: 101049W

per **Chandra Kumar Rampuria**
Partner
Membership No: 055729

Place: Bengaluru
Date: May 25, 2015

For and on behalf of the
Board of Directors
Gokaldas Exports Limited

Richard B Saldanha
Chairman
DIN No. 00189029

Gautam Chakravarti
Director & Chief Executive Officer
DIN No. 00004399

Sumit Keshan
Chief Financial Officer

Ramya Kannan
Company Secretary
Place: Bengaluru
Date: May 25, 2015

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED MARCH 31, 2015

All amounts in Indian Rupees in lakhs, except stated otherwise

	Notes	March 31, 2015	March 31, 2014
INCOME			
Revenue from operations (gross)	17	107,011.77	111,185.76
Less: excise duty		-	-
Revenue from operations (net)		107,011.77	111,185.76
Other income	18	4,617.86	1,528.62
		111,629.63	112,714.38
Expenses			
Cost of materials consumed	19	56,388.00	56,923.27
(Increase) / decrease in inventories of finished goods and work-in-progress	20	(1,766.81)	407.56
Employee benefits expense	21	12,673.32	11,392.62
Other expenses	22	37,579.67	38,190.35
Depreciation and amortisation expense	23	2,991.91	2,485.49
Finance costs	24	4,683.27	3,996.19
		112,549.36	113,395.48
Loss before exceptional items and tax		(919.73)	(681.10)
Exceptional items	25	4,355.31	-
Profit / (Loss) before tax		3,435.58	(681.10)
Tax expense:			
MAT credit written off		-	40.32
Net Profit / (loss) for the year		<u>3,435.58</u>	<u>(721.42)</u>
Earnings/(Loss) per equity share [nominal value per share : Rs. 5 (2014 - Rs. 5)]			
Basic		9.96	(2.10)
Diluted		9.87	(2.10)
Weighted average number of shares used in computing basic earning/(loss) per equity share		34,503,738	34,376,000
Weighted average number of shares used in computing diluted earning/(loss) per equity share		34,803,527	34,376,000
Summary of significant accounting policies	2.1		

The accompanying notes are integral part of the financial statements.

As per our report of even date

for Girish Murthy & Kumar
Chartered Accountants
ICAI Firm Registration No: 000934S

per A.V. Satish Kumar
Partner
Membership No. F-26526
Place: Bengaluru
Date: May 25, 2015

for S R Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration No: 101049W

per Chandra Kumar Rampuria
Partner
Membership No: 055729
Place: Bengaluru
Date: May 25, 2015

**For and on behalf of the
Board of Directors
Gokaldas Exports Limited**

Richard B Saldanha
Chairman
DIN No. 00189029

Gautam Chakravarti
Director & Chief Executive Officer
DIN No. 00004399

Sumit Keshan
Chief Financial Officer

Ramya Kannan
Company Secretary
Place: Bengaluru
Date: May 25, 2015

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2015

All amounts in Indian Rupees in lakhs, except stated otherwise

PARTICULARS	March 31, 2015	March 31, 2014
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Profit / (Loss) before tax	3,435.58	(681.10)
Adjustments		
Depreciation and amortisation expense	2,991.91	2,485.49
Provision for doubtful deposits and advances	-	71.82
Irrecoverable balances written off	208.41	67.66
Bad debts written off	338.08	19.46
Provision for doubtful debts	587.96	1,029.07
Unrealised foreign exchange gains (net)	(12.11)	(28.88)
(Profit)/Loss on sale of assets (net)	(44.67)	(931.60)
(Profit)/Loss on sale of investments	-	(65.46)
Interest expense	3,934.02	3,168.57
Excess provision of earlier years written back	(1,179.53)	(261.19)
Interest earned	(220.79)	(37.31)
Exceptional items	(4,355.31)	-
Operating profit before working capital changes	5,683.55	4,836.53
(Increase)/decrease in inventories	(672.92)	4,242.19
(Increase)/decrease in trade receivables	1,471.57	(2,960.52)
(Increase)/decrease in other non current assets	-	-
(Increase)/decrease in other current assets	(251.11)	(959.54)
(Increase)/decrease in long-term loans and advances	(187.27)	(109.32)
(Increase)/decrease in short-term loans and advances	509.45	(795.06)
Increase/(decrease) in trade payables	(864.83)	(305.37)
Increase/(decrease) in other current liabilities	1,191.97	(304.95)
Increase/(decrease) in long term provisions	(409.28)	203.32
Increase/(decrease) in short term provisions	650.61	(90.50)
Cash Generated from /(used in) Operations	7,121.74	3,756.78
Direct taxes paid (net of refunds)	(190.73)	(71.09)
Net cash flow from operating activities	6,931.01	3,685.69
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of fixed assets, including CWIP and capital advances	(552.71)	(220.75)
Proceeds from sale of fixed assets	967.81	1,611.02
Deposits redeemed (maturity more than 3 months)	1,792.25	56.42
Deposits made (maturity more than 3 months)	(4,019.89)	(468.54)
Proceeds from sale of current investment	-	1,065.46
Interest received	112.06	37.69
Net Cash Flow from / (used in) investing activities	(1,700.48)	2,081.30

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2015

All amounts in Indian Rupees in lakhs, except stated otherwise

PARTICULARS	March 31, 2015	March 31, 2014
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds from issuance of equity share capital	70.42	-
Proceeds from long-term borrowings	-	6,600.00
Repayment of long-term borrowings	(1,718.00)	(526.00)
Proceeds from short-term borrowings	88,569.20	80,550.30
Repayment of short-term borrowings	(86,854.98)	(87,214.74)
Unclaimed dividend transferred to Investor education and protection fund	(0.45)	(0.47)
Interest paid	(3,744.75)	(3,145.95)
Net cash flow used in financing activities	(3,678.56)	(3,736.86)
D. Net increase in cash and cash equivalents (A+B+C)	1,551.97	2,030.13
E. Cash and cash equivalents at the beginning of the year	3,359.71	1,329.58
F. Cash and cash equivalents at the end of the year	4,911.68	3,359.71
Components of Cash and Cash Equivalents		
Cash on hand	18.26	16.36
Balance with banks :		
-- in deposit account	10.12	1,600.00
-- in current accounts	4,883.15	1,742.75
-- in unpaid dividend accounts (restricted use)	0.15	0.60
Total cash and cash equivalents	4,911.68	3,359.71

Summary of significant accounting policies

2.1

As per our report of even date

for Girish Murthy & Kumar
Chartered Accountants
ICAI Firm Registration No: 000934S

per A.V. Satish Kumar
Partner
Membership No. F-26526
Place: Bengaluru
Date: May 25, 2015

for S R Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration No: 101049W

per Chandra Kumar Rampuria
Partner
Membership No: 055729
Place: Bengaluru
Date: May 25, 2015

For and on behalf of the
Board of Directors
Gokaldas Exports Limited

Richard B Saldanha
Chairman
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Director & Chief Executive Officer
DIN No. 00004399

Sumit Keshan
Chief Financial Officer

Ramya Kannan
Company Secretary
Place: Bengaluru
Date: May 25, 2015

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015

(All amounts in Indian Rupees in lakhs, except stated otherwise)

1. Corporate Information

Gokaldas Exports Limited ('the Company') was incorporated on March 1, 2004 by converting the erstwhile partnership firm Gokaldas India under Part IX of the Companies Act, 1956 ("the Act"). Pursuant to the order of the Hon'ble High Court of Karnataka dated November 20, 2004, Gokaldas Exports Private Limited and The Unique Creations (Bangalore) Private Limited had been amalgamated with the Company, with April 1, 2004 being the appointed date. The Company currently operates a 100% Export Oriented Unit, a Domestic Tariff Area Unit and a Special Economic Zone Unit.

The Company is a public company domiciled in India and its shares are listed on two stock exchanges in India. The Company is engaged in the business of design, manufacture, and sale of a wide range of garments for men, women, and children and caters to the needs of several leading international fashion brands and retailers. The principal source of revenue for the Company is from export of garments and related products.

2. Basis of preparation of financial statements

The financial statements of the Company have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules 2014. The financial statements have been prepared under the historical cost convention on an accrual basis except in case of assets for which provision for impairment is made and revaluation is carried out and derivative financial instruments which have been measured at fair value.

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

2.1 Summary of Significant accounting policies

a) Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets, and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in outcomes requiring material adjustment to the carrying amounts of assets and liabilities in future periods.

b) Revenue recognition

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

Revenue from sale of goods is recognized when significant risks and rewards of ownership of the goods are transferred to the customer.

Export incentives are recognized on accrual basis in accordance with the applicable schemes formulated, by the Government of India and where there is reasonable assurance that the enterprise will comply with the conditions attached to them.

Revenues from job work contract are recognized as and when services are rendered.

Dividend income on investments is accounted when the right to receive the dividend is established as at reporting date.

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable. Insurance / other claims are recognized on acceptance basis.

c) Hedge accounting

The Company is exposed to foreign currency fluctuations on foreign currency assets, liabilities and forecasted cash flows denominated in foreign currencies. The Company limits the effects of foreign exchange rate fluctuations by following established risk management policies including the use of forward cover derivatives. The Company enters into derivative contract for sale of US dollars, GBP and Euros, where the counterparty is a bank.

The Company has adopted principles of hedge accounting as set out in Accounting Standard (AS) 30, "Financial Instruments: Recognition and Measurement", to the extent that the adoption does not conflict with existing accounting standards and other authoritative pronouncements of the Company Law and other regulatory requirements.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015

(All amounts in Indian Rupees in lakhs, except stated otherwise)

Based on the recognition and measurement principles of hedge accounting set out in AS 30, the effective portion on changes in the fair values of derivative financial instruments designated as cash flow hedges are recognized directly in reserves/ equity and are reclassified to the statement of profit and loss upon the occurrence of the hedged transaction. The ineffective portion of the gain or loss on the hedging instrument is recognised immediately in the statement of profit and loss. Changes in fair value relating to derivatives not designated as hedges are recognized in the statement of profit and loss.

Hedge Accounting is discontinued when the hedging instrument expires or is sold, or terminated, or exercised or no longer qualifies for hedge accounting. Any cumulative gain or loss on the hedging instrument is recognised in hedging reserve is transferred to statement of profit and loss when forecasted transaction occurs or when a hedged transaction is no longer expected to occur.

d) Fixed assets and depreciation/ amortization (tangible and intangible)

Fixed assets are stated at cost of acquisition/construction less accumulated depreciation and impairment losses if any, net of grants received, where applicable and subsequent improvements thereto including taxes, duties, freight, and other incidental expenses related to acquisition/construction. Any trade discounts and rebates are deducted in arriving at the purchase price.

Depreciation is provided using the written down value method as per the useful lives of the assets estimated by the management with residual value at 5%, which is equal to the corresponding rates prescribed under schedule II of the Companies Act, 2013.

	Estimated useful life (in years)
Buildings	30
Plant & Machinery	15
Electrical Equipments	10
Office Equipments	5
Furniture & Fixtures	10
Computers	3
Vehicles	8
Computer software (Intangibles)	2.5

Leasehold improvements are depreciated over the primary lease period or useful life, whichever is lower which ranges between 5 to 10 years. "Intangible assets comprising Know-how (Process improvement costs) are amortized over 36 months.

e) Borrowing Costs

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

Borrowing costs attributable to acquisition and construction of qualifying assets that necessarily takes substantial period of time to get ready for its intended use are capitalized as a part of the cost of such asset. All other borrowing costs are expensed in the period they occur.

f) Impairment of tangible and intangible assets

At each reporting date, the Company assesses whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount. If the carrying amount of the asset exceeds its recoverable amount, an impairment loss is recognized in the statement of profit and loss to the extent the carrying amount exceeds the recoverable amount. The recoverable amount is the greater of the asset's net selling price 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. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

g) Inventories

Raw materials, packing materials, stores, spares, and consumables are valued at lower of cost and net realizable value. Cost is determined on a weighted average basis. 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.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015

(All amounts in Indian Rupees in lakhs, except stated otherwise)

Finished goods and work in progress are valued at lower of cost and net realisable value after considering provision for obsolescence and other anticipated loss, wherever considered necessary. Finished goods and work in progress includes cost of conversion and other production overheads. Cost is determined on a weighted average basis. Cost of finished goods includes excise duty.

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

h) Foreign currency transactions

(i) Initial Recognition

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

(ii) Conversion

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

(iii) Exchange Differences

Exchange differences arising on the settlement of monetary items or on reporting monetary items of Company at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognised as income or as expenses in the year in which they arise.

i) Government Grants and subsidies

Grants and subsidies from the government are recognized when there is reasonable assurance that the grant/subsidy will be received and all attaching conditions will be complied with.

When the grant or subsidy relates to an expense item, it is netted off with the relevant expense. Where the grant or subsidy relates to an asset, its value is deducted in arriving at the carrying amount of the related asset.

j) Investments

Investments that are readily realizable and intended to be held for not more than a year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments. On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged / credited to statement of profit and loss.

k) Retirement and Other Employee Benefits

(i) Defined Contribution Plans:

Contributions to provident fund are made at pre-determined rates and charged to the statement of profit and loss for the year when the employee renders the services. The Company has no obligation, other than the contribution payable to the provident fund.

(ii) Defined Benefit Plans:

Gratuity liability is accrued in the books based on actuarial valuation on projected unit credit method as at reporting date. Actuarial gains or losses are immediately taken to statement of profit and loss and are not deferred.

(iii) Compensated absences:

Accumulated leave, which is expected to be utilised within the next twelve months, is treated as short-term employee benefit. The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the basis of an actuarial valuation using the projected unit credit method at the year end. Actuarial gains or losses are immediately taken to statement of profit and loss and are not deferred. The Company presents the leave as a current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement for twelve months after the reporting date.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015

(All amounts in Indian Rupees in lakhs, except stated otherwise)

l) Taxation

Tax expense comprises current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the reporting date. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the taxes on income levied by same governing taxation laws. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the Company has unabsorbed depreciation or carry forward tax losses, deferred tax asset is recognised only to the extent that it has timing differences the reversal of which will result in sufficient income or there is other convincing evidence that sufficient taxable income will be available against which such deferred tax assets can be realised.

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

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

Minimum Alternative Tax ('MAT') credit is recognised, as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in Guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the statement of profit and loss and shown as MAT Credit Entitlement. The Company reviews the same at each reporting date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal Income Tax during the specified period.

m) Employee stock compensation cost

Measurement and disclosure of the employee share-based payment plans is done in accordance with SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and the Guidance Note on Accounting for Employee Share - based Payments, issued by the Institute of Chartered Accountants of India. The Company accounts for stock compensation expense based on the intrinsic value of the options granted, determined on the date of grant. Compensation expense is amortized over the vesting period of the option on a straight - line basis. The accounting value of the options outstanding net of the Deferred Compensation Expense is reflected as Employee Stock Options Outstanding.

n) Accounting for leases

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

o) Provisions

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

p) Segment Reporting Policies

(i) Identification of segments:

The Company's operating businesses are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and services different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the Company operate.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015

(All amounts in Indian Rupees in lakhs, except stated otherwise)

(ii) **Basis of allocation:**

Assets, liabilities, income and expenditure are allocated to each segment according to the relative contribution of each segment to the total amount. Unallocated items include general corporate items, which are not allocated to any segment.

(iii) **Segment Policies:**

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.

q) Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they were entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events of bonus issue; bonus element in a rights issue to existing shareholders; share split; and reverse share split (consolidation of shares).

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

r) Contingent Liability

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

s) Cash and Cash equivalents

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

3. During the year, the Company continued to incur substantial losses i.e. Rs. 919.73 lakhs before exceptional gain of Rs. 4,355.31 lakhs (2014 – loss of Rs. 721.42 lakhs) and has accumulated losses of Rs 12,777.25 lakhs (2014 - Rs. 16,099.37 lakhs) as at March 31, 2015. The management has taken several measures to cut costs and improve productivity and is reasonably confident of improved profitability in coming years. Based on the future business plan, the Company is confident of funding its operating and capital expenditure and continue business operations in the foreseeable future. Accordingly, these financial statements have been prepared on a going concern basis.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015

(All amounts in Indian Rupees in lakhs, except stated otherwise)

	March 31, 2015	March 31, 2014
4 SHARE CAPITAL		
Authorised shares	2,000.00	2,000.00
40,000,000 (2014 : 40,000,000) equity shares of Rs. 5 each		
Issued, subscribed and fully paid-up		
34,594,332 (2014 : 34,376,000) equity shares of Rs. 5 each	1,729.72	1,718.80
	<u>1,729.72</u>	<u>1,718.80</u>

(a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Equity shares	31 March 2015		31 March 2014	
	No.	Amount	No.	Amount
At the beginning of the year	34,376,000	1,718.80	34,376,000	1,718.80
Add : issued during the year - ESOP	218,332	10.92	-	-
Outstanding at the end of the year	34,594,332	1,729.72	34,376,000	1,718.80

(b) Terms/ rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs. 5 per share. Each holder of equity is entitled to one vote per share. The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of directors is subject to the approval of the shareholders in ensuing Annual General Meeting.

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

(c) Shares held by holding/ ultimate holding company and/ or their subsidiaries/ associates

Equity shares of Rs. 5 each fully paid up	31 March 2015		31 March 2014	
	No.	Amount	No.	Amount
Holding company :				
Blackstone FP Capital Partners (Mauritius)	19,983,742	999.19	23,469,242	1,173.46
V-B Subsidiary Limited				

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

Equity shares	31 March 2015		31 March 2014	
	No.	Shareholding %	No.	Shareholding %
Blackstone FP Capital Partners (Mauritius)	19,983,742	57.77%	23,469,242	68.27%
V-B Subsidiary Limited, Holding company				
ICICI Bank Limited	3,485,500	10.08%	-	0.00%
Dinesh J Hinduja	897,346	2.59%	2,151,634	6.26%
Madanlal J Hinduja	1,227,934	3.55%	1,879,177	5.47%
Rajendra J Hinduja	1,121,486	3.24%	1,914,138	5.57%

As per records of the Company, including its register of shareholders/ members and other declaration received from shareholders regarding beneficial interest, the above shareholding represent both legal and beneficial ownership of shares.

(e) Shares reserved for issue under options

For details of shares reserved for issue under the employee stock option (ESOP) plan of the Company, please refer note 38.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015

(All amounts in Indian Rupees in lakhs, except stated otherwise)

	March 31, 2015	March 31, 2014
5 RESERVES AND SURPLUS		
Capital reserves		
Capital reserve (on amalgamation) balance as per last financial statements	9,751.19	9,751.19
Securities Premium Reserve		
Balance as per last financial statements	13,721.31	13,721.31
Addition on ESOP's exercised	59.50	-
Balance as at year end	13,780.81	13,721.31
General Reserve		
Balance as per last financial statements	2,192.09	2,192.09
Hedging Reserve		
Balance as per last financial statements	847.38	209.49
Changes during the year :		
Transferred to statement of profit and loss on occurrence of forecasted hedge transaction	(847.38)	(209.49)
Net changes in the fair value of effective portion of outstanding cash flow derivatives	969.06	847.38
	969.06	847.38
Deficit in the statement of profit and loss		
Balance as per last financial statements	(16,099.37)	(15,377.95)
Depreciation adjustment (Refer note 42)	(113.46)	-
Profit / (loss) for the year	3,435.58	(721.42)
Net deficit in the statement of profit and loss	(12,777.25)	(16,099.37)
	13,915.90	10,412.60

6 LONG-TERM BORROWINGS

	Non-current		Current Maturities	
	31 March 2015	31 March 2014	31 March 2015	31 March 2014
Term loans (secured) :				
Indian Rupee loan from bank				
(Working capital loan)	2,674.00	6,416.00	2,208.00	184.00
	2,674.00	6,416.00	2,208.00	184.00

(a) Working capital loan from bank carries interest at 14.95% p.a. (2014: 14.7%) The loan is repayable in 35 monthly instalments of Rs 184 lakhs each and a final instalment of Rs 160 lakhs, after moratorium of 12 months from the date of loan. The loan is secured by certain land and buildings and fixed deposit of Rs 402 lakhs.

(b) Current maturities disclosed under the head current liabilities [Refer Note 9]

7 PROVISIONS

	Long term		Short term	
	31 March 2015	31 March 2014	31 March 2015	31 March 2014
Provision for employee benefits				
Provision for gratuity [Refer Note 28]	278.91	688.19	792.68	97.28
Provision for leave benefits	-	-	201.87	246.66
	278.91	688.19	994.55	343.94

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015

(All amounts in Indian Rupees in lakhs, except stated otherwise)

	March 31, 2015	March 31, 2014
8 SHORT-TERM BORROWINGS		
Loans repayable on demand from banks (secured)		
Indian rupee packing credit loan	20,359.64	24,273.61
Foreign currency packing credit loan	3,242.26	173.93
Bank overdraft (unsecured)	2,602.19	42.33
	26,204.09	24,489.87
Note :		
(a) Packing Credit is secured against hypothecation of inventory, trade receivables and three immovable properties. The interest is 10.70% p.a for Indian Rupee loan and LIBOR+350 basis points for foreign currency packing credit loan.		
9 TRADE PAYABLES AND OTHER CURRENT LIABILITIES		
Trade payables		
to micro and small enterprises [Refer Note 35]	27.59	118.09
to others	10,071.80	11,299.94
	10,099.39	11,418.03
Other current liabilities		
Current maturities of long-term borrowings [Refer Note 6]	2,208.00	184.00
Advances from customers / others	1,765.26	1,647.17
Due to subsidiaries	4,038.07	2,457.66
Book overdraft	73.14	537.53
Interest accrued and not due on borrowings	214.97	25.70
Unclaimed dividends	0.15	0.60
[Investor education and protection fund will be credited as and when due]		
Statutory liabilities	258.70	440.29
	8,558.29	5,292.95
	18,657.68	16,710.98

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015

10 FIXED ASSETS

(All amounts in Indian Rupees in lakhs, except stated otherwise)

	Tangible assets										Intangible assets			
	Land	Buildings	Leasehold improvements	Plant & machinery	Electrical equipments	Office equipments	Furniture & fixtures	Computers	Vehicles	Total tangible assets	Know-how	Computer software	Total intangible assets	
Cost or valuation														
At 1 April 2013	1,325.85	7,876.98	1,148.73	29,503.17	825.99	443.68	1,691.51	920.69	464.35	44,200.95	694.64	637.45	1,332.09	
Additions	-	-	3.10	188.47	0.39	3.05	6.75	35.79	-	237.55	-	11.22	11.22	
Disposals	2.91	851.27	-	946.83	-	-	-	-	-	1,801.01	-	-	-	
At 31 March 2014	1,322.94	7,025.71	1,151.83	28,744.81	826.38	446.73	1,698.26	956.48	464.35	42,637.49	694.64	648.67	1,343.31	
Additions	-	2.54	-	281.14	3.50	17.92	1.03	25.42	-	331.55	-	22.13	22.13	
Disposals	186.91	1,050.29	0.63	578.90	0.71	1.84	0.10	473.98	-	2,293.36	-	44.65	44.65	
At 31 March 2015	1,136.03	5,977.96	1,151.20	28,447.05	829.17	462.81	1,699.19	507.92	464.35	40,675.68	694.64	626.15	1,320.79	
Depreciation														
At 1 April 2013	-	3,437.48	826.69	18,260.47	478.69	259.78	1,151.52	796.48	364.08	25,575.19	694.64	501.33	1,195.97	
Charge for the year	-	420.61	165.04	1,593.09	48.47	25.74	98.37	52.35	25.96	2,429.63	-	55.86	55.86	
Disposals	-	349.98	-	771.61	-	-	-	-	-	1,121.59	-	-	-	
At 31 March 2014	-	3,508.11	991.73	19,081.95	527.16	285.52	1,249.89	848.83	390.04	26,883.23	694.64	557.19	1,251.83	
Charge for the year	-	324.77	126.18	2,077.64	127.80	35.95	157.67	75.06	23.75	2,948.82	-	43.09	43.09	
Disposals	-	742.10	0.63	493.07	0.71	1.22	0.08	473.98	-	1,711.79	-	44.65	44.65	
Depreciation adjustment	-	-	-	4.53	6.82	87.47	5.66	6.74	2.24	113.46	-	-	-	
(Refer note 42)														
At 31 March 2015	-	3,090.78	1,117.28	20,671.05	661.07	407.72	1,413.14	456.65	416.03	28,233.72	694.64	555.63	1,250.27	
Net Block														
At 31 March 2014	1,322.94	3,517.60	160.10	9,662.86	299.22	161.21	448.37	107.65	74.31	15,754.26	-	91.48	91.48	
At 31 March 2015	1,136.03	2,887.18	33.92	7,776.00	168.10	55.09	286.05	51.27	48.32	12,441.96	-	70.52	70.52	

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015

(All amounts in Indian Rupees in lakhs, except stated otherwise)

	March 31, 2015	March 31, 2014
11 NON-CURRENT INVESTMENTS		
Trade investments [valued at cost unless stated otherwise]		
Investment In subsidiaries (unquoted equity instruments)		
All Colour Garments Private Limited	333.98	333.98
20,000 (2014 : 20,000) equity shares of Rs. 10 each, fully paid-up		
Deejay Trading Private Limited	81.96	81.96
20,000 (2014 : 20,000) equity shares of Rs. 10 each, fully paid-up		
Glamourwear Apparels Private Limited	101.46	101.46
20,000 (2014 : 20,000) equity shares of Rs. 10 each, fully paid-up		
Madhin Trading Private Limited	65.86	65.86
20,000 (2014 : 20,000) equity shares of Rs. 10 each, fully paid-up		
Magenta Trading Private Limited	69.08	69.08
20,000 (2014 : 20,000) equity shares of Rs. 10 each, fully paid-up		
Rafter Trading Private Limited	36.72	36.72
20,000 (2014 : 20,000) equity shares of Rs. 10 each, fully paid-up		
Rajdin Apparels Private Limited	170.90	170.90
20,000 (2014 : 20,000) equity shares of Rs. 10 each, fully paid-up		
Reflexion Trading Private Limited	1.00	1.00
10,000 (2014 : 10,000) equity shares of Rs. 10 each, fully paid-up		
Rishikesh Apparels Private Limited	67.83	67.83
20,000 (2014 : 20,000) equity shares of Rs. 10 each, fully paid-up		
Robot Systems Private Limited	327.81	327.81
12,000 (2014 : 12,000) equity shares of Rs. 100 each, fully paid-up		
Seven Hills Clothing Private Limited	307.90	307.90
20,000 (2014 : 20,000) equity shares of Rs. 10 each, fully paid-up		
Vignesh Apparels Private Limited	80.89	80.89
20,000 (2014 : 20,000) equity shares of Rs. 10 each, fully paid-up		
SNS Clothing Private Limited	1,776.00	1,776.00
20,000 (2014 : 20,000) equity shares of Rs. 10 each, fully paid-up		
Less : Provision for dimunition in value of Investment	(203.39)	(203.39)
	<u>1,572.61</u>	<u>1,572.61</u>
(A)	3,218.00	3,218.00
Non trade investments [valued at cost unless stated otherwise]		
Investment in government securities (unquoted) - National Savings Certificate	0.43	0.43
(B)	<u>0.43</u>	<u>0.43</u>
(A) + (B)	<u>3,218.43</u>	<u>3,218.43</u>
Note :		
(a) Aggregate amount of unquoted investments	3,218.43	3,218.43
(b) Aggregate provision for dimunition in value of investment	203.39	203.39

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015

(All amounts in Indian Rupees in lakhs, except stated otherwise)

12 LOANS AND ADVANCES

(A) Unsecured, Considered Good

	Non-current		Current	
	31 March 2015	31 March 2014	31 March 2015	31 March 2014
Capital advances	14.70	15.69	-	-
Security and other deposits	1,707.92	1,321.83	-	-
Advance to wholly owned subsidiaries	-	-	3.20	78.04
Advances to suppliers	-	-	921.71	1,380.19
Other loans and advances				
Prepaid expenses	6.89	0.78	302.06	260.04
Loans and advances to employees	48.23	31.01	33.26	25.30
Other receivables	-	-	18.40	326.54
Advance tax	361.50	170.77	-	-
Balance with government authorities	-	-	142.33	68.71
	2,139.24	1,540.08	1,420.96	2,138.82

(B) Advances / deposits considered doubtful

	Non-current		Current	
	31 March 2015	31 March 2014	31 March 2015	31 March 2014
Security and other deposits	31.16	34.56	-	-
Other receivables	221.55	364.58	-	-
Balance with government authorities	-	61.98	-	-
	252.71	461.12	-	-
Less: Provision for doubtful advances / deposits	(252.71)	(461.12)	-	-
	-	-	-	-
Total (A+B)	2,139.24	1,540.08	1,420.96	2,138.82

Advance to wholly owned subsidiaries for supplies / services.

Rishikesh Apparels Private Limited
Robot Systems Private Limited

Current	
31 March 2015	31 March 2014
-	74.98
3.20	3.06
3.20	78.04

13 OTHER ASSETS

	Non-current		Current	
	31 March 2015	31 March 2014	31 March 2015	31 March 2014
Unsecured, Considered Good				
Non-current bank balances [Refer Note 16]	657.56	468.54	-	-
Interest accrued on bank deposits	-	-	121.57	12.84
Mark to market gain on derivative contracts	-	-	1,102.45	933.73
Export incentives receivable	-	-	3,010.94	3,220.62
Other receivables	-	-	4,413.75	-
	657.56	468.54	8,648.71	4,167.19

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015

(All amounts in Indian Rupees in lakhs, except stated otherwise)

	March 31, 2015	March 31, 2014
14 INVENTORIES		
(Valued at lower of cost and net realisable value)		
Raw materials (including packing materials)	7,393.79	8,521.17
[includes material in transit Rs.273.25lakhs (2014 : 70.02 lakhs)]		
Work-in-progress	8,759.61	7,168.32
Finished goods	4,396.63	4,221.11
Consumables, stores and spares parts	314.62	281.13
	20,864.65	20,191.73

15 TRADE RECEIVABLES

	31 March 2015	31 March 2014
Outstanding for a period exceeding six months from the date they are due for payment		
Unsecured, considered good	476.64	315.52
Unsecured, considered doubtful	1,503.95	1,254.07
	1,980.59	1,569.59
Less: Provision for doubtful receivables	1,503.95	1,254.07
	476.64	315.52
Other receivables		
Unsecured, considered good	7,256.30	9,425.05
	7,732.94	9,740.57

16 CASH AND BANK BALANCES

	Non-current		Current	
	31 March 2015	31 March 2014	31 March 2015	31 March 2014
Cash and cash equivalents				
Cash on hand	-	-	18.26	16.36
Balance with banks :				
-- in current accounts	-	-	4,881.62	1,736.12
-- in EEFC accounts	-	-	1.53	6.63
-- in unpaid dividend accounts	-	-	0.15	0.60
Deposits with original maturity for less than 3 months	-	-	10.12	1,600.00
	-	-	4,911.68	3,359.71
Other bank balances				
Deposits with original maturity for more than 12 months*	657.56	468.54	66.54	90.69
Deposits with original maturity for more than 3 months and less than 12 months	-	-	2,062.76	-
	657.56	468.54	2,129.30	90.69
Amount disclosed under non-current assets (note 13)	(657.56)	(468.54)	-	-
	-	-	7,040.98	3,450.40

* Includes Rs. 402 lakhs (2014 - Rs. 402 lakhs) held by the bank as security against the term loan.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015

(All amounts in Indian Rupees in lakhs, except stated otherwise)

	March 31, 2015	March 31, 2014
17 REVENUE FROM OPERATIONS		
Sale of Finished goods		
Exports	81,933.78	86,506.00
Domestic	18,449.55	18,494.14
	<u>100,383.33</u>	<u>105,000.14</u>
Other operating revenue		
Sale of accessories, fabrics, etc	845.72	910.93
Job work income	80.15	240.97
Export incentives	5,223.81	4,409.11
Scrap sales and others (including claims)	478.76	624.61
	<u>6,628.44</u>	<u>6,185.62</u>
Revenue from operations (gross)	<u>107,011.77</u>	<u>111,185.76</u>
<u>Details of finished goods sold</u>		
Manufactured (Ready made garments)	<u>100,383.33</u>	<u>105,000.14</u>
18 OTHER INCOME		
Interest income on bank deposit	220.79	37.31
Gain (net) on sale of current investments	-	65.46
Exchange differences (net)	3,147.47	-
Profit on sale of fixed assets (net)	44.67	931.60
Excess provision of earlier years, written back	1,179.53	261.19
Other non-operating income	25.40	233.06
	<u>4,617.86</u>	<u>1,528.62</u>
19 COST OF RAW MATERIALS CONSUMED		
Inventory at the beginning of the year	8,521.17	12,488.48
Add: purchases	55,260.62	52,955.96
	<u>63,781.79</u>	<u>65,444.44</u>
Less: inventory at the end of the year	7,393.79	8,521.17
Cost of raw materials consumed	<u>56,388.00</u>	<u>56,923.27</u>
Note :		
(a) <u>Details of inventory held</u>		
Fabrics	5,441.92	6,116.56
Accessories and others	1,951.87	2,404.61
	<u>7,393.79</u>	<u>8,521.17</u>
(b) <u>Details of raw materials consumed</u>		
Fabrics	41,884.20	40,512.65
Accessories	14,274.88	14,067.30
Others	228.92	2,343.32
	<u>56,388.00</u>	<u>56,923.27</u>
(c) <u>Imported and indigenous raw materials consumed</u>		
Imported	21,138.09	19,883.78
Indigenous	35,249.91	37,039.49
	<u>56,388.00</u>	<u>56,923.27</u>
<u>% of total consumption</u>		
Imported	37%	35%
Indigenous	63%	65%
	<u>100%</u>	<u>100%</u>

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015

(All amounts in Indian Rupees in lakhs, except stated otherwise)

	March 31, 2015	March 31, 2014
20 (INCREASE) / DECREASE IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS		
Inventories at the beginning of the year		
Finished goods	4,221.11	3,387.06
Work-in-progress	7,168.32	8,409.93
	<u>11,389.43</u>	<u>11,796.99</u>
Inventories at the end of the year		
Finished goods	4,396.63	4,221.11
Work-in-progress	8,759.61	7,168.32
	<u>13,156.24</u>	<u>11,389.43</u>
	<u>(1,766.81)</u>	<u>407.56</u>
21 EMPLOYEE BENEFITS EXPENSE		
Salaries, wages and bonus	10,969.81	9,986.73
Contribution to provident fund and other fund	919.86	706.06
Gratuity expense	454.24	391.65
Staff welfare expenses	329.41	308.18
	<u>12,673.32</u>	<u>11,392.62</u>
22 OTHER EXPENSES		
Consumption of consumables, stores and spares	1,133.20	942.36
Power and fuel	1,429.71	1,437.59
Job work charges	27,055.92	24,756.53
Other manufacturing expenses	619.84	685.74
Rent	885.58	744.63
Rates and taxes	138.62	92.55
Insurance	318.36	357.28
Repairs and maintenance		
- Plant and machinery	592.32	560.71
- Buildings	51.52	34.36
- Others	467.51	488.88
Legal and professional charges	304.70	301.70
Printing and stationery	140.72	130.12
Communication costs	203.95	214.90
Travelling and conveyance	354.04	272.72
Auditors' remuneration	54.49	53.40
Director's remuneration	174.55	106.81
Clearing, forwarding and freight (net of recoveries)	1,087.89	1,667.72
Provision for doubtful deposits and advances	-	71.82
Irrecoverable balances written off	208.41	67.66
Provision for doubtful debts	587.96	1,029.07
Bad debts written off	338.08	19.46
Exchange differences (net)	-	2,791.96
Export claims	603.25	389.84
Miscellaneous expenses	829.05	972.54
	<u>37,579.67</u>	<u>38,190.35</u>

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015

(All amounts in Indian Rupees in lakhs, except stated otherwise)

	March 31, 2015	March 31, 2014
Note :		
(a) Consumables, stores and spares consumed		
Imported	11.18	57.74
Indigenous	1,122.02	884.62
	<u>1,133.20</u>	<u>942.36</u>
<u>% of total consumption</u>		
Imported	1%	6%
Indigenous	99%	94%
	<u>100%</u>	<u>100%</u>
(b) Payment to auditor		
Audit fees	27.50	27.50
Limited review fees	19.50	19.50
In other capacity - Taxation matters	1.50	1.50
Out of pocket expenses (includes service tax)	5.99	4.90
	<u>54.49</u>	<u>53.40</u>
23 DEPRECIATION AND AMORTISATION EXPENSE		
Depreciation on tangible assets	2,948.82	2,429.63
Amortisation on intangible assets	43.09	55.86
	<u>2,991.91</u>	<u>2,485.49</u>
24 FINANCE COSTS		
Interest		
- on term loans [Refer Note below]	887.59	40.26
- on packing credit	2,304.09	2,572.00
- on bill discounting and others	742.34	556.31
Exchange difference to the extent considered as an adjustment to borrowing cost	31.77	63.34
Bank charges	717.48	764.28
	<u>4,683.27</u>	<u>3,996.19</u>
Note :		
Interest on term loans is net of interest subvention subsidy Rs. Nil (2014 : Rs. 7.65 lakhs) under Technology Upgradation Scheme.		
25 EXCEPTIONAL ITEMS		
Profit on sale of Land and building	4,355.31	-
	<u>4,355.31</u>	<u>-</u>

Note :

The Company during the year has sold land and building for consideration of Rs. 4,930.00 Lakhs. This has resulted into profit of Rs. 4,355.31 lakhs.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015

(All amounts in Indian Rupees in lakhs, except stated otherwise)

26. Contingent liabilities (to the extent not provided for)

	March 31, 2015	March 31, 2014
(a) Claims against the Company not acknowledged as debts	336.49	308.48
(b) Guarantees given by banks	-	2.00
(c) Outstanding letters of credit	4,574.76	1,680.56
(d) Bills of exchange discounted with banks	10,711.33	9,372.68
(e) The Company is also involved in certain litigations with third parties, the impact of which is not quantifiable. These cases are pending with various courts/forums and are scheduled for hearings. After considering the circumstances and legal evaluation thereon, the Company's management believes that these cases will not have any adverse impact on the financial statements.		

27. Capital and other commitments

	March 31, 2015	March 31, 2014
(a) Estimated amount of contracts remaining to be executed on capital accounts and not provided for (net of advances)	259.43	15.38
(b) The Company has imported capital goods without payment of duty under Export promotion capital goods (EPCG) scheme. Value of pending export obligation to be fulfilled before March 26, 2021	144.91	-
(c) For commitments relating to leasing arrangements, refer Note 31		
(d) For commitments relating to forward contracts, refer Note 36		
(e) The Company has entered into an agreement with a third party for sale of its investment in a subsidiary for an agreed consideration which is yet to be executed.		

28. Gratuity

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on retirement or termination at 15 days salary (last drawn salary) for each completed year of service. The scheme is funded with an insurance Company in the form of a qualifying insurance policy.

The following tables summaries the components of net benefit expense recognised in the statement of profit and loss and the funded status and amounts recognised in the balance sheet:

Net employee benefit expense (in statement of profit and loss) :

	March 31, 2015	March 31, 2014
Current service cost	108.32	243.07
Interest cost on benefit obligation	66.12	45.89
Expected Return on Plan Assets	(1.63)	(2.19)
Actuarial loss/(gain)	281.43	104.88
Net benefit expense	454.24	391.65
Actual return on plan asset	1.30	1.58

Details of Provision for gratuity (in Balance Sheet)

Defined benefit obligation	1,094.88	810.79
Fair value of plan asset	(23.29)	(25.32)
Plan liability / (asset)	1,071.59	785.47

Changes in the present value of defined benefit obligation

Opening defined benefit obligation	810.79	588.73
Current Service Cost	108.32	243.07
Interest Cost	66.12	45.89
Benefits Paid	(171.45)	(171.17)
Actuarial (gain)/loss	281.10	104.27
Closing defined benefit obligation	1,094.88	810.79

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015

(All amounts in Indian Rupees in lakhs, except stated otherwise)

	March 31, 2015	March 31, 2014
Changes in the fair value of plan asset are as follows		
Opening fair value of plan asset	25.32	31.05
Expected return	1.63	2.19
Actuarial gain/(loss)	(0.33)	(0.61)
Contributions by employer	168.12	163.86
Benefits Paid	(171.45)	(171.17)
Closing fair value of plan asset	23.29	25.32
The principal assumptions used in determining gratuity obligations for the Company's plan are shown below:		
Interest Rate	7.95%	9.12%
Discount Factor	7.95%	9.12%
Estimated Rate of return on Plan Assets	8.00%	8.00%
Attrition Rate	40.00%	40.00%
Rate of escalation in Salary per annum	12.00%	20.00%
Retirement Age	60 years	60 years
The major categories of plan asset as a percentage of the fair value of total plan asset are as follows:		
Investments with insurer	100%	100%

Notes:

1. The estimate of future salary increases considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors such as supply & demand in the employment market.
2. The estimated rate of return on plan assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled.
3. The Company expects to contribute Rs.792.68 lakhs to gratuity in 2015-16.

Amounts for the current year and previous four year period are as follows:

	31 March 2015	31 March 2014	31 March 2013	31 March 2012	31 March 2011
Defined benefit obligation	1,094.88	810.79	588.73	604.18	405.83
Plan assets	(23.29)	(25.32)	(31.05)	(79.45)	(157.11)
(Surplus) / deficit	1,071.59	785.47	557.68	524.73	248.72
Experience adjustment on plan liabilities	281.10	104.27	19.90	36.32	4.98
Experience adjustment on plan assets	0.33	0.61	(0.30)	0.67	(1.54)

29. Segment information

a) Primary business segment

The Company is engaged in a single business segment of sale of garment, and hence, no additional disclosures are required, other than those already given in the financial statements.

b) Secondary business segment (by geographical area based on location of customers):

The Company mainly operates in two geographical areas of the world, i.e., India and Rest of World, the details of which are as below:

Geographical Segment	Revenues / Income	Carrying amount of segment assets
In India	24,830.59 (24,247.63)	60,037.56 (55,214.82)
Outside India	82,181.18 (86,938.13)	4,417.29 (5,565.56)
Total	107,011.77 (111,185.76)	64,454.85 (60,780.38)

All fixed assets are located in India.

Notes: Figures in brackets relate to previous year.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015

(All amounts in Indian Rupees in lakhs, except stated otherwise)

30. Related party disclosures

A. Names of related parties and description of relationship:

	Description of Relationship	Names of related parties
a.	<i>Parties where control exists:</i>	
	Immediate Holding Company	Blackstone FP Capital Partners (Mauritius) V-B Subsidiary Limited
	Ultimate holding Company	Blackstone FP Capital Partners (Mauritius) V-B Limited
	Wholly owned subsidiaries	All Colour Garments Private Limited Deejay Trading Private Limited Glamourwear Apparels Private Limited Madhin Trading Private Limited Magenta Trading Private Limited Rafter Trading Private Limited Rajdin Apparels Private Limited Reflexion Trading Private Limited Rishikesh Apparels Private Limited Robot Systems Private Limited Seven Hills Clothing Private Limited SNS Clothing Private Limited Vignesh Apparels Private Limited
b.	<i>Key management personnel:</i>	
	Director and Chief Executive Officer	Mr. Gautam Chakravarti
	Chief Financial Officer (CFO)	Mr. Sumit Keshan

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015

(All amounts in Indian Rupees in lakhs, except stated otherwise)

- B. The following are the volume of transactions with related parties during the year and outstanding balances as at the year-end disclosed in aggregate by type of related party:

Nature of Transactions	Subsidiary Companies	Key Management Personnel	Total
Sales /Other Income			
Sale of fabrics, accessories / ready made garments	633.59 (381.39)	- -	633.59 (381.39)
Expenses			
Job work charges	26,281.44 (24,059.01)	- -	26,281.44 (24,059.01)
Material purchases	674.41 (561.63)	- -	674.41 (561.63)
Remuneration	- -	251.88 (203.66)	251.88 (203.66)
Balances outstanding as at March 31, 2015			
Trade payables and other current liabilities	4,038.07 (2,457.66)	53.37 (82.56)	4,091.44 (2,540.22)
Loans and advances	3.20 (78.04)	- -	3.20 (78.04)

Note : (i) Figures in brackets relate to previous year.

(ii) Loans and advances are in the nature of advances for supplies / services.

Disclosure for transactions that exceed 10% of total value of each class of transactions:

Sale of fabrics, accessories/ready made garments	31 March 2015	31 March 2014
Subsidiary companies		
SNS Clothing Private Limited	503.65	381.39
Reflexion Trading private Limited	129.94	-
	633.59	381.39

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015

(All amounts in Indian Rupees in lakhs, except stated otherwise)

	31 March 2015	31 March 2014
Job work Charges		
Subsidiary Companies		
Seven Hills Clothing Private Limited	7,280.60	6,684.95
Rafter Trading Private Limited	3,066.96	2,852.26
Rishikesh Apparels Private Limited	3,029.98	2,690.82
Rajdin Apparels Private Limited	2,668.83	1,774.71
Glamourwear Apparels Private Limited	-	2,833.63
Magenta Trading Private Limited	2,684.75	2,448.80
Others	7,550.32	4,773.84
	26,281.44	24,059.01
Material purchases		
Subsidiary Companies		
Reflexion Trading Private Limited	674.41	561.63
Remuneration		
Key Management Personnel		
Gautam Chakravarti	149.25	135.00
Sumit Keshan	102.63	68.66
	251.88	203.66
Current Liabilities		
Subsidiary Companies		
SNS Clothing Private Limited	1,247.92	1,281.99
Seven Hills Clothing Private Limited	1,041.19	259.52
All Colour Garments Private Limited	275.50	275.85
Others	1,473.46	640.30
	4,038.07	2,457.66
Remuneration to Key Management Personnel		
Gautam Chakravarti	42.91	42.73
Sumit Keshan	10.46	39.83
	53.37	82.56
Loans and Advances		
Subsidiary Companies		
Rishikesh Apparels Private Limited	-	74.98
Robot System Private Limited	3.20	3.06
	3.20	78.04

31. Leasing arrangements

The Company's leasing arrangements in respect of its office, factory and residential premises are in the nature of operating leases. These leasing arrangements, which are usually cancellable at the option of the lessee, are for a total period ranging from eleven months to six years and are renewable with mutual consent. All leases include a clause to enable upward revision of the rental charge on a periodic basis as specified under the rental agreement. The charge on account of lease rentals for the year is Rs. 885.58 lakhs (2014: Rs. 744.63 lakhs).

Future obligations of lease rentals for non cancellable period under respective lease agreements are as follows.

	31 March 2015	31 March 2014
Not later than one year	195.44	200.47
Later than one year and not later than five years	-	-
Later than five years	-	-
	195.44	200.47

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015

(All amounts in Indian Rupees in lakhs, except stated otherwise)

32. CIF value of imports

	31 March 2015	31 March 2014
Capital goods	178.59	112.42
Raw materials and accessories	20,715.47	19,456.03
Stores and spares	11.31	57.74
	20,905.37	19,626.19

33. Expenditure in foreign currency

	31 March 2015	31 March 2014
Travel expenses	48.94	29.11
Brokerage and commission	7.57	58.49
Export claims	603.25	389.84
Others	190.29	84.82
	850.05	562.26

34. Earnings in foreign currency

	31 March 2015	31 March 2014
FOB value of exports	81,933.78	86,506.00
Sale of accessories, fabrics, etc	170.41	173.93
Freight and insurance recoveries	482.72	1,487.01
Export Claims	76.98	258.20
	82,663.89	88,425.14

35. Disclosure of dues / payments to micro and small enterprises to the extent such enterprises are identified by the company:

	31 March 2015	31 March 2014
(i) The principal amount due thereon remaining unpaid on March 31, 2015	22.20	115.83
Interest amount due and remaining unpaid on March 31, 2015	-	2.26
(ii) The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	2.26	-
(iii) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
(iv) The amount of interest accrued and remaining unpaid on March 31, 2015 in respect of principal amount settled during the year.	5.39	-
(v) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	5.39	2.26

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015

(All amounts in Indian Rupees in lakhs, except stated otherwise)

36. Derivative instruments and unhedged foreign currency exposure

a) **Particulars of Derivative contracts:** Forward contract outstanding as at balance sheet date

Sell contracts	31 March 2015		31 March 2014		Purpose
	foreign currency (in lakhs)	Rs. (in lakhs)	foreign currency (in lakhs)	Rs. (in lakhs)	
USD	540.06	33,834.84	471.95	28,349.76	Hedge of expected future sales
EURO	37.29	2,521.72	60.10	4,963.66	

b) As of the Balance Sheet date, the Company's unhedged foreign currency exposure is as under

	Receivables / (Payables)			
	31 March 2015		31 March 2014	
	Amount in foreign currency	Amount Rs. in lakhs	Amount in foreign currency	Amount Rs. in lakhs
Bank balances – USD	2,435	1.53	11,033	6.63
Trade receivables – USD*	4,982,429	3,120.49	6,277,814	3,771.09
Trade receivables – EURO*	1,373,254	928.65	1,150,651	950.32
Trade receivables – GBP*	108,645	100.58	149,276	148.98
Loans and advances – USD	410,050	256.94	1,092,107	656.11
Loans and advances – EURO	15,751	10.63	17,738	14.65
Loans and advances – GBP	-	-	24,461	24.41
Short-term borrowings – USD	(5,174,366)	(3,242.26)	(289,502)	(173.93)
Trade payables – USD	(2,685,649)	(1,682.83)	(3,624,601)	(2,177.66)
Trade payables – EURO	(21,404)	(14.48)	(1,213)	(1.00)
Trade payables – GBP	(8,086)	(7.49)	(34)	(0.03)
Advances received from customers – USD	(65,684)	(44.42)	(73,404)	(44.09)
Advances received from customers – EURO	-	-	(3,037)	(2.51)

* net of export bills discounted

37. Exchange difference loss / (gain)

	31 March 2015	31 March 2014
Pre-shipment packing credit	-	299.34
Post-shipment credit	105.68	(239.56)
Forward contracts and options	(3,262.49)	2,920.89
Foreign currency receivables	(83.60)	(315.92)
Foreign currency payables	92.94	127.21
	(3,147.47)	2,791.96

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015

(All amounts in Indian Rupees in lakhs, except stated otherwise)

38. Employee stock option Plans (Equity Settled)

In September 2010, the shareholders of the Company approved Stock Option Plan (ESOP 2010) in accordance with the guidelines issued by the Securities and Exchange Board of India (SEBI) for Employees Stock Options Plan. The plan covered all employees of the Company including employees of subsidiaries and directors and provided for the issue of 1,718,800 shares of Rs. 5 each. The Company follows intrinsic method of accounting for stock compensation cost pursuant to the Guidance Note on "Accounting for Employee Share - Based Payments" issued by the Institute of Chartered Accountants of India".

85,000 (2014: 1,290,000) options have been granted during the year and 1,136,668 (2014: 1,290,000) are outstanding as at March 31, 2015. The vesting period ranges from 1 to 7 years. Weighted average of remaining contractual life is 8.35 years (2014: 9.25 years). The weighted average exercise price of all the options is Rs. 40.89 (2014: Rs. 36.70). There is no compensation cost since the exercise price is equal to the intrinsic value as at the date of grant.

The weighted average fair value of options granted during the year was Rs. 55.86 (2014: Rs. 26.56). The Black Scholes valuation model has been used for computing the weighted average fair value considering the following inputs:

	31 March 2015	31 March 2014
Dividend yield %	-	-
Expected volatility %	45.50%	46.70%
Risk free interest rate	7.95%	9.12%
Weighted average share price	40.89	36.70
Exercise price	80.20	32.25 & 60.95
Expected life of options granted in years	10	10

The expected life of the stock is based on historical data and current expectations and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may also not necessarily be the actual outcome.

39. Deferred tax asset/(liability)

	31 March 2015	31 March 2014
Deferred tax liability		
Impact of difference between tax depreciation and depreciation for financial reporting	(238.63)	(303.95)
Deferred tax asset		
Unabsorbed business losses	238.63	303.95
Deferred tax	-	-

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015

(All amounts in Indian Rupees in lakhs, except stated otherwise)

40. The Company is in process of taking necessary steps to comply with the Transfer Pricing requirements relating to the preparation & maintenance of the Transfer Pricing documentation with respect to the specified domestic transactions entered into by the Company during financial year ended March 31, 2015. Management is of the opinion that the specified domestic transactions are at arm's length and hence the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expense and that of provision for taxation.
41. The Company had filed petition with the Company Law Board for compounding of offence u/s. 297 of the erstwhile Companies Act, 1956 for the transactions entered with CMS Info Systems Private Limited between July 2009 to October 2011 and as at date, the petition is pending with the Company Law Board.

For periods subsequent to October 2011, the Company had filed an application with Central Government, Ministry of Corporate Affairs, seeking its approval u/s. 297(1) of the erstwhile Companies Act, 1956 for entering into contract with CMS Info Systems Private Limited which is pending approval.

42. Depreciation on tangible fixed assets

Pursuant to the requirements of Schedule II of the Companies Act, 2013 ("the Act"), management has reassessed and changed, wherever necessary the useful lives to compute depreciation. Accordingly, the carrying amount as at April 1, 2014 is being depreciated over the revised remaining useful life of the asset. The carrying value of Rs. 113.46 lakhs, in case of assets with nil revised remaining useful life as at April 1, 2014, is reduced from the retained earnings as at such date. Further, had the Company continued with the previously assessed useful lives, charge for depreciation for the year would have been lower by Rs. 929.73 lakhs with consequential impact in the profits for the year.

43. Previous year comparatives

Previous year figures have been regrouped/re-arranged/reclassified, wherever necessary to conform to the current year's presentation.

As per our report of even date

for Girish Murthy & Kumar
Chartered Accountants
ICAI Firm Registration No: 000934S

per A.V. Satish Kumar
Partner
Membership No. F-26526
Place: Bengaluru
Date: May 25, 2015

for S R Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration No: 101049W

per Chandra Kumar Rampuria
Partner
Membership No: 055729
Place: Bengaluru
Date: May 25, 2015

**For and on behalf of the
Board of Directors
Gokaldas Exports Limited**

Richard B Saldanha
Chairman
DIN No. 00189029

Gautam Chakravarti
Director & Chief Executive Officer
DIN No. 00004399

Sumit Keshan
Chief Financial Officer

Ramya Kannan
Company Secretary
Place: Bengaluru
Date: May 25, 2015

INDEPENDENT AUDITOR'S REPORT

To the members of Gokaldas Exports Limited

Report on the Consolidated Financial Statements

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

Management's Responsibility for the Consolidated Financial Statements

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

Auditor's Responsibility

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

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

Opinion

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, based on the comments in the auditors' report of the Holding company and its subsidiaries incorporated in India, to whom the Order applies, we give in the Annexure 1 a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
 - (a) We / the other auditors whose reports we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;

INDEPENDENT AUDITOR'S REPORT

- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;
- (c) The Consolidated Balance Sheet, Consolidated Statement of Profit and Loss and Consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;
- (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2015 taken on record by the Board of Directors of the Holding Company and the reports of the auditors who are appointed under Section 139 of the Act, of its subsidiary companies incorporated in India, none of the directors of the Group's companies incorporated in India is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group – Refer Note 28 to the consolidated financial statements;
 - The Group did not have any material foreseeable losses in long-term contracts including derivative contracts.
 - Following is the instance of delay in transferring amount, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, and its subsidiary companies:

Nature of delay	Amount (Rs in lakhs)	Due date of payment	Date of payment	Number of days delay
Unpaid dividend	0.45	September 21, 2014	November 6, 2014	46

Further the Holding Company has during the year facilitated transfer of Rs. 4.82 lakhs to Investor Education and Protection Fund, which was lying in escrow accounts with the bankers for initial public offer made during 2005.

Other Matters

- (a) The accompanying consolidated financial statements include (after elimination) total assets of Rs 1,712.71 lakhs as at March 31, 2015, and total revenues (including other income) of Rs 887.61 lakhs and net cash outflows of Rs 86.99 lakhs for the year ended on that date, in respect of four subsidiaries, which have been audited by Girish Murthy & Kumar on which S.R. Batiboi & Associates LLP has placed reliance for the purpose of this report.
- (b) The accompanying consolidated financial statements include (after elimination) total assets of Rs 2,645.01 lakhs as at March 31, 2015, and total revenues (including other income) of Rs 1,865.31 lakhs and net cash inflows of Rs 15.47 lakhs for the year ended on that date, in respect of nine subsidiaries, which have been audited by other auditors, whose financial statements, other financial information and auditor's reports have been furnished to us by the management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of such other auditors.

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

for Girish Murthy & Kumar
ICAI Firm Registration No: 000934S
Chartered Accountants

per A.V. Satish Kumar
Partner
Membership No: F- 26526

Place: Bengaluru
Date: May 25, 2015

for S.R. Batliboi & Associates LLP
ICAI Firm Registration Number: 101049W
Chartered Accountants

per Chandra Kumar Rampuria
Partner
Membership No: 055729

Place: Bengaluru
Date: May 25, 2015

ANNEXURE TO AUDITORS' REPORT

Annexure 1 referred to in clause 1 of paragraph on Report on Other Legal and Regulatory Requirements of our report of even date

Re: The Group, comprising Gokaldas Exports Limited ('Holding Company') and its subsidiaries incorporated in India and to whom the provisions of the Order apply (together referred to as "the Covered entities" in this report). Our reporting, hereunder, in so far as it relates to aforesaid subsidiaries is based solely on the reports of Girish Murthy & Kumar covering four subsidiaries and other auditors who audited the financial statements/financial information of nine subsidiaries.

- i. (a) The Covered entities have maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) All fixed assets have not been physically verified by the management of the Covered entities during the year but there is a regular programme of verification which, in our opinion is reasonable having regard to the size of the Covered entities and the nature of its assets. No material discrepancies were noticed on such verification.
- ii. (a) The management of the Covered entities have conducted physical verification of inventory at reasonable intervals during the year.
- (b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Covered entities and the nature of their business.
- (c) The Covered entities are maintaining proper records of inventory and no material discrepancies were noticed on physical verification.
- iii. According to the information and explanations given to us the Covered entities have not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Act. Accordingly, the provisions of clause 3(iii)(a) and (b) of the Order are not applicable to the Covered entities and hence not commented upon.
- iv. In our opinion and according to the information and explanations given to us the Covered entities, having regard to the explanation that certain items purchased are of special nature for which suitable alternative sources do not exist for obtaining comparative quotations, there is an adequate internal control system commensurate with the size of the Covered entities and the nature of its businesses, for the purchase of inventory and fixed assets and for the sale of goods and services, including sale of surplus inventories for which management is taking steps to further strengthen the process. During the course of our audit, we have not observed any major weakness or continuing failure to correct any major weakness in the internal control system of the Covered entities in respect of these areas.
- v. The Covered entities have not accepted any deposits from the public.
- vi. To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under clause 148(1) of the Act, for the products/services of the Covered entities.
- vii. (a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty, value added tax, cess and other material statutory dues have generally been regularly deposited with the appropriate authorities.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, wealth-tax, service tax, sales-tax, customs duty, excise duty, value added tax, cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable for the Covered entities.
- (c) According to the records of the Covered entities, the dues outstanding of income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty, value added tax and cess on account of any dispute, are as follows:

Name of statute	Nature of dues	Demand Amount (Rs. in lakhs)	Amount paid (Rs. in lakhs)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Various disallowances	278.43	253.43	AY 1995-96	Income Tax Appellate Tribunal
		55.45	3.13	AY 2009-10, 2010-11 and 2012-2013	Commissioner of Income Tax (Appeals)
Central Excise Act, 1944	Excise duty	24.88	-	FY 2011-12	Additional Commissioner of Central Excise
Employees' Provident Funds and Miscellaneous Provisions Act, 1952	Penal interest etc.	125.84	22.30	April 2005 to August 2008	Employees Provident Fund Tribunal

ANNEXURE TO AUDITORS' REPORT

- (d) According to the information and explanations given to us, there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Covered entities in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder except by the Holding Company where there are certain delays in transfer.
- viii. The Holding Company's accumulated losses at the end of the financial year are more than fifty percent of its net worth and the Holding Company has not incurred cash losses in the current and immediately preceding financial year. The subsidiaries have no accumulated losses at the end of the financial year. Certain subsidiaries have incurred cash losses in the current and immediately preceding financial year.
- ix. Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that the Covered entities have not defaulted in their repayment of dues to a financial institution, bank or debenture holders.
- x. According to the information and explanations given to us, the Covered entities have not given any guarantee for loans taken by others from bank or financial institutions.
- xi. Based on the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained by the Holding Company. The subsidiaries did not have any term loans outstanding during the year.
- xii. Based upon the audit procedures performed for the purpose of reporting the true and fair view of the consolidated financial statements and as per the information and explanations given by the management, we report that no fraud on or by the Covered entities have been noticed or reported during the year.

for Girish Murthy & Kumar
ICAI Firm Registration No: 0009345
Chartered Accountants

per A.V. Satish Kumar
Partner
Membership No: F- 26526
Place: Bengaluru
Date: May 25, 2015

for S.R. Batliboi & Associates LLP
ICAI Firm Registration Number: 101049W
Chartered Accountants

per Chandra Kumar Rampuria
Partner
Membership No: 055729
Place: Bengaluru
Date: May 25, 2015

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2015

All amounts in Indian Rupees in lakhs, except stated otherwise

	Notes	March 31, 2015	March 31, 2014
EQUITY AND LIABILITIES			
Shareholder's funds			
Share capital	4	1,729.72	1,718.80
Reserves and surplus	5	14,153.93	10,646.92
		15,883.65	12,365.72
Non- current liabilities			
Long-term borrowings	6	2,674.00	6,416.00
Long-term provisions	7	278.91	1,296.66
Deferred tax liability (net)	8	6.95	-
		2,959.86	7,712.66
Current liabilities			
Short term borrowings	9	26,204.09	24,489.87
Trade payables	10	10,259.41	11,470.56
Other current liabilities	10	8,327.47	5,896.76
Short term provisions	7	2,271.47	870.73
		47,062.44	42,727.92
		65,905.95	62,806.30
ASSETS			
Non-current assets			
Fixed assets			
Tangible assets	11	13,093.15	16,828.01
Intangible assets	11	385.31	406.27
Capital work-in-progress		218.90	18.90
		13,697.36	17,253.18
Non-current investments	12	0.63	0.63
Long-term loans and advances	13	4,471.83	4,454.70
Other non-current assets	14	657.56	468.54
		18,827.38	22,177.05
Current assets			
Current investments	15	0.09	0.09
Inventories	16	21,320.59	20,381.89
Trade receivables	17	8,215.07	10,069.32
Cash and bank balances	18	7,395.82	3,876.73
Short-term loans and advances	13	1,498.29	2,134.03
Other current assets	14	8,648.71	4,167.19
		47,078.57	40,629.25
		65,905.95	62,806.30
Summary of significant accounting policies	2.1		

The accompanying notes are integral part of the consolidated financial statements.

As per our report of even date

**For and on behalf of the
Board of Directors
Gokaldas Exports Limited**

for Girish Murthy & Kumar
Chartered Accountants
ICAI Firm Registration No: 000934S

for S R Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration No: 101049W

Richard B Saldanha
Chairman
DIN No. 00189029

per A.V. Satish Kumar
Partner
Membership No. F-26526
Place: Bengaluru
Date: May 25, 2015

per Chandra Kumar Rampuria
Partner
Membership No: 055729
Place: Bengaluru
Date: May 25, 2015

Gautam Chakravarti
Director & Chief Executive Officer
DIN No. 00004399
Sumit Keshan
Chief Financial Officer

Ramya Kannan
Company Secretary
Place: Bengaluru
Date: May 25, 2015

CONSOLIDATED STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED MARCH 31, 2015

All amounts in Indian Rupees in lakhs, except stated otherwise

	Notes	March 31, 2015	March 31, 2014
INCOME			
Revenue from operations (gross)	19	109,135.09	113,264.27
Less: excise duty		111.94	146.06
Revenue from operations (net)		109,023.15	113,118.21
Other income	20	4,725.79	1,590.64
		113,748.94	114,708.85
Expenses			
Cost of raw materials consumed	21	56,105.77	56,772.27
(Increase) / decrease in inventories of finished goods and work-in-progress	22	(2,002.51)	393.06
Employee benefits expense	23	37,045.44	33,267.42
Other expenses	24	15,394.69	17,919.66
Depreciation and amortisation expense	25	3,320.73	2,728.96
Finance costs	26	4,688.03	4,000.46
		114,552.15	115,081.83
Loss before exceptional items and tax		(803.21)	(372.98)
Exceptional items	27	4,355.31	-
Profit / (Loss) before tax		3,552.10	(372.98)
Tax expense:			
Current tax		91.12	112.17
Tax of earlier years (net)		(14.42)	147.03
MAT tax charge / (credit)		(0.27)	40.32
Deferred tax charge / (credit)		6.95	(2.41)
		83.38	297.11
Net Profit / (loss) for the year		3,468.72	(670.09)
Earnings / (loss) per equity share			
[nominal value per share : Rs. 5 (2014 - Rs. 5)]			
Basic		10.05	(1.95)
Diluted		9.97	(1.95)
Weighted average number of shares used in computing basic earning/(loss) per equity share		34,503,738	34,376,000
Weighted average number of shares used in computing diluted earning/(loss) per equity share		34,803,527	34,376,000
Summary of significant accounting policies	2.1		

The accompanying notes are integral part of the consolidated financial statements.

As per our report of even date

for Girish Murthy & Kumar
Chartered Accountants
ICAI Firm Registration No: 000934S

per A.V. Satish Kumar
Partner
Membership No. F-26526
Place: Bengaluru
Date: May 25, 2015

for S R Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration No: 101049W

per Chandra Kumar Rampuria
Partner
Membership No: 055729
Place: Bengaluru
Date: May 25, 2015

**For and on behalf of the
Board of Directors
Gokaldas Exports Limited**

Richard B Saldanha
Chairman
DIN No. 00189029

Gautam Chakravarti
Director & Chief Executive Officer
DIN No. 00004399

Sumit Keshan
Chief Financial Officer

Ramya Kannan
Company Secretary
Place: Bengaluru
Date: May 25, 2015

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2015

All amounts in Indian Rupees in lakhs, except stated otherwise

Particulars	March 31, 2015	March 31, 2014
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Profit / (Loss) before tax	3,552.10	(372.98)
Adjustments		
Depreciation and amortization expense	3,320.73	2,728.96
Provision for doubtful deposits and advances	-	71.82
Irrecoverable balances written off	211.39	67.66
Bad debts written off	342.23	21.70
Provision for doubtful debts	587.96	1,029.07
Unrealised foreign exchange gains (net)	(12.11)	(28.88)
(Profit)/Loss on sale of assets (net)	(44.67)	(931.60)
(Profit)/Loss on sale of investments	-	(65.46)
Excess provision of earlier years written back	(1,222.91)	(261.19)
Interest expense	3,934.10	3,168.57
Interest earned	(222.14)	(37.31)
Exceptional items	(4,355.31)	-
Operating profit before working capital changes	6,091.37	5,390.36
(Increase)/decrease in inventories	(938.70)	4,256.27
(Increase)/decrease in trade receivables	1,314.04	(3,032.37)
(Increase)/decrease in other current assets	(251.14)	(959.21)
(Increase)/decrease in long-term loans and advances	104.88	(113.25)
(Increase)/decrease in short-term loans and advances	424.35	(807.89)
Increase/(decrease) in trade payables	(714.00)	(391.53)
Increase/(decrease) in other current liabilities	357.34	(524.07)
Increase/(decrease) in long term provisions	(1,017.75)	292.63
Increase/(decrease) in short term provisions	1,400.74	42.40
Cash Generated from Operations	6,771.13	4,153.34
Direct taxes paid (net of refunds)	22.72	(149.45)
Net Cash Flow from operating activities	6,793.85	4,003.89
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of fixed assets, including CWIP and capital advances	(643.59)	(302.85)
Proceeds from sale of fixed assets	1,123.09	1,645.33
Deposits redeemed (maturity more than 3 months)	1,792.25	56.42
Deposits made (maturity more than 3 months)	(4,019.89)	(468.54)
Proceeds from sale of current Investments	-	1,065.46
Interest received	113.41	37.69
Net Cash Flow from / (used in) investing activities	(1,634.73)	2,033.51

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2015

All amounts in Indian Rupees in lakhs, except stated otherwise

Particulars	March 31, 2015	March 31, 2014
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds from issuance of equity share capital	70.42	-
Proceeds from long-term borrowings	-	6,600.00
Repayment of long-term borrowings	(1,718.00)	(526.00)
Proceeds from short-term borrowings	88,569.20	80,550.30
Repayment of short-term borrowings	(86,854.98)	(87,214.74)
Unclaimed dividend transferred to Investor education and protection fund	(0.45)	(0.47)
Interest paid	(3,744.83)	(3,145.95)
Net Cash Flow from used in financing activities	(3,678.64)	(3,736.86)
D. Net Increase / (Decrease) in Cash & Cash Equivalents (A + B + C)	1,480.48	2,300.54
E. Cash and cash equivalents at the beginning of the year	3,786.04	1,485.50
F. Cash and cash equivalents at the end of the year	5,266.52	3,786.04
Components of Cash and Cash Equivalents		
Cash on hand	54.49	32.13
Balance with banks :		
-- in deposit account	10.12	1,600.00
-- in current accounts	5,201.76	2,153.31
-- in unpaid dividend accounts (restricted use)	0.15	0.60
Total cash and cash equivalents	5,266.52	3,786.04

Summary of significant accounting policies 2.1

As per our report of even date

for Girish Murthy & Kumar
Chartered Accountants
ICAI Firm Registration No: 000934S

per A.V. Satish Kumar
Partner
Membership No. F-26526

Place: Bengaluru
Date: May 25, 2015

for S R Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration No: 101049W

per Chandra Kumar Rampuria
Partner
Membership No: 055729

Place: Bengaluru
Date: May 25, 2015

**For and on behalf of the
Board of Directors
Gokaldas Exports Limited**

Richard B Saldanha
Chairman
DIN No. 00189029

Gautam Chakravarti
Director & Chief Executive Officer
DIN No. 00004399

Sumit Keshan
Chief Financial Officer

Ramya Kannan
Company Secretary
Place: Bengaluru
Date: May 25, 2015

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

(All amounts in Indian Rupees in lakhs, except stated otherwise)

1. Corporate Information

Gokaldas Exports Limited ('the Company' or 'Gokaldas') was incorporated on March 1, 2004 by converting the erstwhile partnership firm Gokaldas India under Part IX of the Companies Act, 1956 ('the Act'). Pursuant to the order of the Hon'ble High Court of Karnataka dated November 20, 2004, Gokaldas Exports Private Limited and The Unique Creations (Bangalore) Private Limited had been amalgamated with the Company, with April 1, 2004 being the appointed date. The Company currently operates a 100% Export Oriented Unit, a Domestic Tariff Area Unit and a Special Economic Zone Unit.

The Company is a public company domiciled in India and its shares are listed in India. The Company and its subsidiaries (hereinafter collectively referred to as "the Group") is engaged in the business of design, manufacture and sale of a wide range of garments for men, women and children and caters to the needs of several leading international fashion brands and retailers. The principal source of revenue for the Group is from export of garments and related products

2. Basis of preparation and consolidation of financial statements

The accompanying consolidated financial statements include the accounts of Gokaldas and its subsidiaries as follows:

Name of the Subsidiary	% Holding*	Country of Incorporation
All Colour Garments Private Limited	100%	India
Deejay Trading Private Limited	100%	India
Glamourwear Apparels Private Limited	100%	India
Madhin Trading Private Limited	100%	India
Magenta Trading Private Limited	100%	India
Rafter Trading Private Limited	100%	India
Rajdin Apparels Private Limited	100%	India
Reflexion Trading Private Limited	100%	India
Rishikesh Apparels Private Limited	100%	India
Robot Systems Private Limited	100%	India
Seven Hills Clothing Private Limited	100%	India
SNS Clothing Private Limited	100%	India
Vignesh Apparels Private Limited	100%	India

* No change in the shareholding during the year.

The consolidated financial statements of the Group have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The consolidated financial statements have been prepared to comply in all material respects with the accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules 2014. The consolidated financial statements have been prepared under the historical cost convention on an accrual basis except in case of assets for which provision for impairment is made and revaluation is carried out and derivative financial instruments which have been measured at fair value.

The accounting policies have been consistently applied by the Group with those used in the previous year.

The consolidated financial statements have been prepared based on a line-by-line consolidation of balance sheet, statement of profit and loss and cash flows of Gokaldas and its subsidiaries. All material inter-company transactions and balances between the entities included in the consolidated financial statements have been eliminated. The consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances.

The excess of the cost to the Company of its investments in subsidiaries over its proportionate share in equity of the investee company as at the date of acquisition is recognised in the consolidated financial statements as Goodwill. In case the cost of investment in subsidiary companies is less than the proportionate share in equity of the investee company as on the date of investment, the difference is treated as capital reserve and shown under Reserves and Surplus.

2.1 Summary of Significant accounting policies

a) Use of estimates

The preparation of consolidated financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of

(All amounts in Indian Rupees in lakhs, except stated otherwise)

revenues, expenses, assets and liabilities and disclosure of contingent liabilities at the date of the consolidated financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in outcomes requiring material adjustment to the carrying amounts of assets and liabilities in future periods.

b) Revenue recognition

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

Revenue from sale of goods is recognized when significant risks and rewards of ownership of the goods are transferred to the customer.

Export incentives are recognized on accrual basis in accordance with the applicable schemes formulated, by the Government of India and where there is reasonable assurance that the enterprise will comply with the conditions attached to them.

Revenues from job work contract are recognized as and when services are rendered.

Dividend income on investments is accounted when the right to receive the dividend is established as at reporting date.

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable. Insurance / other claims are recognized on acceptance basis.

c) Hedge accounting

The Group is exposed to foreign currency fluctuations on foreign currency assets, liabilities and forecasted cash flows denominated in foreign currencies. The Group limits the effects of foreign exchange rate fluctuations by following established risk management policies including the use of forward cover derivatives. The Group enters into derivative contract for sale of US dollars, GBP and Euros, where the counterparty is a bank.

The Group has adopted principles of hedge accounting as set out in Accounting Standard (AS) 30, "Financial Instruments: Recognition and Measurement", to the extent that the adoption does not conflict with existing accounting standards and other authoritative pronouncements of Company Law and other regulatory requirements.

Based on the recognition and measurement principles of hedge accounting set out in AS 30, the effective portion on changes in the fair values of derivative financial instruments designated as cash flow hedges are recognized directly in reserves/ equity and are reclassified to the statement of profit and loss upon the occurrence of the hedged transaction. The ineffective portion of the gain or loss on the hedging instrument is recognised immediately in the statement of profit and loss. Changes in fair value relating to derivatives not designated as hedges are recognized in the statement of profit and loss.

Hedge Accounting is discontinued when the hedging instrument expires or is sold, or terminated, or exercised or no longer qualifies for hedge accounting. Any cumulative gain or loss on the hedging instrument recognised in hedging reserve is transferred to profit and loss account when forecasted transaction occurs or when a hedged transaction is no longer expected to occur.

d) Fixed assets and depreciation/ amortization (tangible and intangible)

Fixed assets are stated at cost of acquisition/construction less accumulated depreciation and impairment losses if any, net of grants received, where applicable and subsequent improvements thereto including taxes, duties, freight and other incidental expenses related to acquisition/construction. Any trade discounts and rebates are deducted in arriving at the purchase price.

Depreciation is provided using the written down value method as per the useful lives of the assets estimated by the management with residual value at 5%, which is equal to the corresponding rates prescribed under schedule II of the Companies Act, 2013.

	Estimated useful life (in years)
Buildings	30
Plant & Machinery	15
Electrical Equipments	10
Office Equipments	5
Furniture & Fixtures	10
Computers	3
Vehicles	8
Computer Software (Intangibles)	2.5

(All amounts in Indian Rupees in lakhs, except stated otherwise)

Leasehold improvements are depreciated over the primary lease period or useful life, whichever is lower which ranges between 5 to 10 years.

Intangible assets comprising Know-how (Process improvement costs) are amortized over 36 months.

e) Borrowing Costs

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

Borrowing costs attributable to acquisition and construction of qualifying assets that necessarily takes substantial period of time to get ready for its intended use are capitalized as a part of the cost of such asset. All other borrowing costs are expensed in the period they occur.

f) Impairment of tangible and intangible assets

At each reporting date, the Group assesses whether there is any indication that an asset may be impaired. If any such indication exists, the Group estimates the recoverable amount. If the carrying amount of the asset exceeds its recoverable amount, an impairment loss is recognized in the statement of profit and loss to the extent the carrying amount exceeds the recoverable amount. The recoverable amount is the greater of the asset's net selling price 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. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

g) Inventories

Raw materials, packing materials, stores, spares and consumables are valued at lower of cost and net realizable value. Cost is determined on a weighted average basis. 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.

Finished goods and work in progress are valued at lower of cost and net realisable value after considering provision for obsolescence and other anticipated loss, wherever considered necessary. Finished goods and work in progress includes cost of conversion and other production overheads. Cost is determined on a weighted average basis. Cost of finished goods includes excise duty.

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

h) Foreign currency transactions

(i) Initial Recognition

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

(ii) Conversion

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

(iii) Exchange Differences

Exchange differences arising on the settlement of monetary items or on reporting monetary items of Group at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognised as income or as expenses in the year in which they arise.

i) Government Grants and subsidies

Grants and subsidies from the government are recognized when there is reasonable assurance that the grant/subsidy will be received and all attaching conditions will be complied with.

When the grant or subsidy relates to an expense item, it is netted off with the relevant expense. Where the grant or subsidy relates to an asset, its value is deducted in arriving at the carrying amount of the related asset.

j) Investments

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

(All amounts in Indian Rupees in lakhs, except stated otherwise)

as long-term investments. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments. On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged / credited to statement of profit and loss.

k) Retirement and Other Employee Benefits

(i) Defined Contribution Plans:

Contributions to provident fund are made at pre-determined rates and charged to the statement of profit and loss for the year when the employee renders the services. The Group has no obligation, other than the contribution payable to the provident fund.

(ii) Defined Benefit Plans:

Gratuity liability is accrued in the books based on actuarial valuation on projected unit credit method as at reporting date. Actuarial gains or losses are immediately taken to statement of profit and loss and are not deferred.

(iii) Compensated absences:

Accumulated leave, which is expected to be utilised within the next twelve months, is treated as short-term employee benefit. The Group treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the basis of an actuarial valuation using the projected unit credit method at the year end. Actuarial gains or losses are immediately taken to statement of profit and loss and are not deferred. The Group presents the leave as a current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement for twelve months after the reporting date.

l) Taxation

Tax expense comprises current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the reporting date. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the taxes on income levied by same governing taxation laws. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the Group has unabsorbed depreciation or carry forward tax losses, deferred tax asset is recognised only to the extent that it has timing differences the reversal of which will result in sufficient income or there is other convincing evidence that sufficient taxable income will be available against which such deferred tax assets can be realised.

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

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

Minimum Alternative Tax ('MAT') credit is recognised, as an asset only when and to the extent there is convincing evidence that the Group will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in Guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the statement of profit and loss and shown as MAT Credit Entitlement. The Group reviews the same at each reporting date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Group will pay normal Income Tax during the specified period.

m) Employee stock compensation cost

Measurement and disclosure of the employee share-based payment plans is done in accordance with SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and the Guidance Note on Accounting for Employee Share - based Payments, issued by the Institute of Chartered Accountants of India. The Group accounts for stock compensation expense based on the intrinsic value of the options

(All amounts in Indian Rupees in lakhs, except stated otherwise)

granted, determined on the date of grant. Compensation expense is amortized over the vesting period of the option on a straight - line basis. The accounting value of the options outstanding net of the Deferred Compensation Expense is reflected as Employee Stock Options Outstanding.

n) Accounting for leases

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

o) Provisions

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

p) Segment Reporting Policies

(i) Identification of segments:

The Group's operating businesses are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the Group operate.

(ii) Basis of allocation:

Assets, liabilities, income, and expenditure are allocated to each segment according to the relative contribution of each segment to the total amount. Unallocated items include general corporate items, which are not allocated to any segment.

(iii) Segment Policies:

The Group prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the consolidated financial statements of the Group as a whole.

q) Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they were entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events of bonus issue; bonus element in a rights issue to existing shareholders; share split; and reverse share split (consolidation of shares).

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

r) Contingent Liability

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

s) Cash and Cash equivalents

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

3. During the year, the Group continued to incur substantial losses i.e. Rs 886.59lakhs before exceptional gain of Rs. 4,355.31 lakhs(2014 – loss of Rs.670.09 lakhs)and has accumulated losses of Rs 12,557.15lakhs (2014-Rs.15,883.01 lakhs) as at March 31, 2015. The management has taken several measures to cut costs and improve productivity and is reasonably confident of improved profitability in coming years. Based on the future business plan, the Group is confident of funding its operating and capital expenditure and continue business operations in the foreseeable future. Accordingly, these financial statements have been prepared on a going concern basis.

(All amounts in Indian Rupees in lakhs, except stated otherwise)

	March 31, 2015	March 31, 2014
4 SHARE CAPITAL		
Authorised shares	2,000.00	2,000.00
40,000,000 (2014 : 40,000,000) equity shares of Rs. 5 each		
Issued, subscribed and fully paid-up		
34,594,332 (2014 : 34,376,000) equity shares of Rs. 5 each	1,729.72	1,718.80
	<u>1,729.72</u>	<u>1,718.80</u>

(a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Equity shares	31 March 2015		31 March 2014	
	No.	Amount	No.	Amount
At the beginning of the year	34,376,000	1,718.80	34,376,000	1,718.80
Add: Issued during the year - ESOP	218,332	10.92	-	-
Outstanding at the end of the year	34,594,332	1,729.72	34,376,000	1,718.80

(b) Terms/ rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs. 5 per share. Each holder of equity is entitled to one vote per share. The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of directors is subject to the approval of the shareholders in ensuing Annual General Meeting.

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

(c) Shares held by holding/ ultimate holding company and/ or their subsidiaries/ associates

Equity shares of Rs. 5 each fully paid up	31 March 2015		31 March 2014	
	No.	Amount	No.	Amount
Holding company :				
Blackstone FP Capital Partners (Mauritius)	19,983,742	999.19	23,469,242	1,173.46
V-B Subsidiary Limited				

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

Equity shares	31 March 2015		31 March 2014	
	No.	Shareholding %	No.	Shareholding %
Blackstone FP Capital Partners (Mauritius)	19,983,742	57.77%	23,469,242	68.27%
V-B Subsidiary Limited, Holding company				
ICICI Bank Limited	3,485,500	10.08%	-	-
Dinesh J Hinduja	897,346	2.59%	2,151,634	6.26%
Madanlal J Hinduja	1,227,934	3.55%	1,879,177	5.47%
Rajendra J Hinduja	1,121,486	3.24%	1,914,138	5.57%

As per records of the Company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

(e) Shares reserved for issue under options

For details of shares reserved for issue under the employee stock option (ESOP) plan of the Company, please refer note 36.

(All amounts in Indian Rupees in lakhs, except stated otherwise)

	March 31, 2015	March 31, 2014
5 RESERVES AND SURPLUS		
Capital reserves		
Capital reserve (on amalgamation) balance as per financial statements	9,769.12	9,769.12
Securities premium reserve		
Balance as per last financial statements	13,721.31	13,721.31
Addition on ESOPs exercised	59.50	-
Balance as at year end	13,780.81	13,721.31
General reserve		
Balance as per last financial statements	2,192.09	2,192.09
Hedging reserve		
Balance as per last financial statements	847.38	209.49
Changes during the year :		
Transferred to statement of profit and loss on occurrence of forecasted hedge transaction	(847.38)	(209.49)
Net changes in the fair value of effective portion of outstanding cash flow derivatives	969.06	847.41
	969.06	847.41
Surplus / (deficit) in the statement of profit and loss		
Balance as per last financial statements	(15,883.01)	(15,212.92)
Depreciation adjustment (Refer note 39)	(142.86)	-
Profit / (loss) for the year	3,468.72	(670.09)
Net deficit in the statement of profit and loss	(12,557.15)	(15,883.01)
	14,153.93	10,646.92

6 LONG-TERM BORROWINGS

	Non-current		Current Maturities	
	31 March 2015	31 March 2014	31 March 2015	31 March 2014
Term loans (secured) :				
Indian rupee loan from bank	2,674.00	6,416.00	2,208.00	184.00
(Working capital loan)				
	2,674.00	6,416.00	2,208.00	184.00

(a) Working capital loan from bank carries interest at 14.95% p.a. (2014: 14.7% p.a.). The loan is repayable in 35 monthly instalments of Rs 184 lakhs each and a final instalment of Rs 160 lakhs, after moratorium of 12 months from the date of loan. The loan is secured by certain land and buildings and fixed deposit of Rs. 402 lakhs.

(c) Current maturities disclosed under the head current liabilities [Refer Note 10]

7 PROVISIONS

	Long term		Short term	
	31 March 2015	31 March 2014	31 March 2015	31 March 2014
Provision for employee benefits				
Provision for gratuity (Refer note 30)	278.91	1,296.66	1,536.85	224.20
Provision for leave benefits	-	-	734.62	646.53
	278.91	1,296.66	2,271.47	870.73

(All amounts in Indian Rupees in lakhs, except stated otherwise)

	March 31, 2015	March 31, 2014
8 DEFERRED TAX ASSET/(LIABILITY)		
Deferred tax liability		
Fixed assets: Impact of difference between tax depreciation and book depreciation	245.58	303.95
Gross deferred tax liability	245.58	303.95
Deferred tax asset		
Unabsorbed business losses	(238.63)	(303.95)
Gross deferred tax assets	(238.63)	(303.95)
Net deferred tax asset/liability	6.95	-
9 SHORT-TERM BORROWINGS		
Loans repayable on demand from banks (secured)		
Indian rupee packing credit loan	20,359.64	24,273.61
Foreign currency packing credit loan	3,242.26	173.93
Bank overdraft (unsecured)	2,602.19	42.33
	26,204.09	24,489.87
Note :		
(a) Packing Credit is secured against hypothecation of inventory, trade receivables and three immovable properties. The interest is 10.70% p.a for Indian Rupee loan and LIBOR+350 basis points for foreign currency packing credit loan.		
10 TRADE PAYABLES AND OTHER CURRENT LIABILITIES		
Trade payables		
to micro and small enterprises	27.59	118.09
to others	10,231.82	11,352.47
	10,259.41	11,470.56
Other current liabilities		
Current maturities of long-term borrowings [Refer Note 6]	2,208.00	184.00
Other expenses / liabilities	2,948.28	2,705.12
Advances from customers / others	1,963.77	1,647.32
Book overdraft	310.58	548.90
Interest accrued and not due on borrowings	214.97	25.70
Unclaimed dividends	0.15	0.60
[Investor education and protection fund will be credited as and when due]		
Statutory liabilities	681.72	785.12
	8,327.47	5,896.76
	18,586.88	17,367.32

11 FIXED ASSETS

(All amounts in Indian Rupees in lakhs, except stated otherwise)

	Tangible assets										Intangible assets			
	Land	Buildings	Leasehold improvements	Plant & machinery	Electrical equipments	Office equipments	Furniture & fixtures	Computers	Vehicles	Total tangible assets	Know-how	Goodwill on consolidation	Computer software	Total intangible assets
Costorvaluation														
As at 1 April 2013	1,326.82	8,506.02	1,504.92	30,571.99	1,907.26	521.74	2,525.81	925.20	475.42	48,265.18	694.64	314.79	637.45	1,646.88
Additions	-	-	8.37	260.57	0.39	3.05	11.46	35.79	-	319.63	-	-	11.22	11.22
Disposals	2.91	851.27	67.47	968.90	20.49	-	8.79	-	-	1,919.83	-	-	-	-
As at 31 March 2014	1,323.91	7,654.75	1,445.82	29,863.66	1,887.16	524.79	2,528.48	960.99	475.42	46,664.98	694.64	314.79	648.67	1,658.10
Additions	-	2.54	90.61	281.32	3.61	17.92	1.03	25.42	-	422.45	-	-	22.13	22.13
Disposals	186.91	1,145.71	144.99	584.83	116.90	1.84	73.58	473.98	-	2,728.74	-	-	44.65	44.65
As at 31 March 2015	1,137.00	6,511.58	1,391.44	29,560.15	1,773.87	540.87	2,455.93	512.43	475.42	44,358.69	694.64	314.79	626.15	1,635.58
Depreciation														
As at 1 April 2013	-	3,856.17	1,109.08	18,957.37	1,182.74	308.62	1,780.91	800.89	374.19	28,369.97	694.64	-	501.33	1,195.97
Charge for the year	-	449.66	230.79	1,646.08	100.52	31.13	136.30	52.41	26.21	2,673.10	-	-	55.86	55.86
Disposals	-	349.98	48.31	786.75	14.32	-	6.74	-	-	1,206.10	-	-	-	-
As at 31 March 2014	-	3,955.85	1,291.56	19,816.70	1,268.94	339.75	1,910.47	853.30	400.40	29,836.97	694.64	-	557.19	1,251.83
Charge for the year	-	336.77	155.28	2,147.45	275.75	40.68	222.89	75.06	23.76	3,277.64	-	-	43.09	43.09
Disposals	-	745.83	116.19	497.69	95.46	1.22	61.56	473.98	-	1,991.93	-	-	44.65	44.65
Depreciation adjustment (Refer note 39)	-	-	-	4.59	20.65	97.71	10.92	6.62	2.37	142.86	-	-	-	-
As at 31 March 2015	-	3,546.79	1,330.65	21,471.05	1,469.88	476.92	2,082.72	461.00	426.53	31,265.54	694.64	-	555.63	1,250.27
Net Block														
As at 31 March 2014	1,323.91	3,698.90	154.26	10,046.96	618.22	185.04	618.01	107.69	75.02	16,828.01	-	314.79	91.48	406.27
As at 31 March 2015	1,137.00	2,964.79	60.79	8,089.10	303.99	63.95	373.21	51.43	48.89	13,093.15	-	314.79	70.52	385.31

(All amounts in Indian Rupees in lakhs, except stated otherwise)

	March 31, 2015	March 31, 2014
12 NON-CURRENT INVESTMENTS		
Non trade investments [valued at cost unless stated otherwise]		
Investment in Government Securities (unquoted)	0.63	0.63
	0.63	0.63
Note :		
(a) Aggregate amount of unquoted investments	0.63	0.63

13 LOANS AND ADVANCES

	Non-current		Current	
	31 March 2015	31 March 2014	31 March 2015	31 March 2014
(A) Unsecured, Considered Good				
Capital advances	14.70	15.69	-	-
Security and other deposits	2,924.58	2,825.18	1.00	3.80
Advances recoverable in cash / kind	-	-	935.35	1,401.17
Other loans and advances				
Prepaid expenses	14.79	3.81	328.43	270.95
Loans and advances to employees	48.23	31.01	60.67	57.22
Other receivables	-	10.33	18.40	326.54
Advance tax	1,469.26	1,568.68	-	-
Minimum alternate tax credit entitlement	0.27	-	-	-
Balance with government authorities	-	-	154.44	74.35
	4,471.83	4,454.70	1,498.29	2,134.03
(B) Advances/deposits considered doubtful				
Security and other deposits	31.16	34.56	-	-
Other receivables	221.55	364.58	-	-
Balance with government authorities	-	61.98	-	-
	252.71	461.12	-	-
Less: Provision for doubtful advances / deposits	(252.71)	(461.12)	-	-
	-	-	-	-
Total (A+B)	4,471.83	4,454.70	1,498.29	2,134.03

14 OTHER ASSETS

	Non-current		Current	
	31 March 2015	31 March 2014	31 March 2015	31 March 2014
(A) Unsecured, Considered Good				
Non-current bank balances [Refer Note 18]	657.56	468.54	-	-
Interest accrued on bank deposits	-	-	121.57	12.84
Mark to market gain on derivative contracts	-	-	1,102.45	933.73
Export incentives receivable	-	-	3,010.94	3,220.62
Other receivables	-	-	4,413.75	-
	657.56	468.54	8,648.71	4,167.19

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

(All amounts in Indian Rupees in lakhs, except stated otherwise)

	March 31, 2015	March 31, 2014
15 CURRENT INVESTMENTS		
Unquoted government securities		
National Savings Certificate and Indira Vikas Patra	0.09	0.09
	<u>0.09</u>	<u>0.09</u>
Note :		
(a) Aggregate amount of unquoted investments	0.09	0.09
16 INVENTORIES		
(Valued at lower of cost and net realisable value)		
Raw materials (including packing materials)	7,428.34	8,525.63
[includes material in transit Rs.273.25 lakhs (2014 : 70.02 lakhs)]		
Work-in-progress	8,759.61	7,168.32
Finished goods	4,818.02	4,406.80
Consumables, stores and spares parts	314.62	281.14
	<u>21,320.59</u>	<u>20,381.89</u>

17 TRADE RECEIVABLES

	31 March 2015	31 March 2014
- Outstanding for a period exceeding six months from the date they are due for payment		
Unsecured, considered good	476.64	315.61
Unsecured, considered doubtful	1,503.95	1,254.07
	<u>1,980.59</u>	<u>1,569.68</u>
Less: Provision for doubtful receivables	1,503.95	1,254.07
	<u>476.64</u>	<u>315.61</u>
Other receivables		
Unsecured, considered good	7,738.43	9,753.71
	<u>8,215.07</u>	<u>10,069.32</u>

18 CASH AND BANK BALANCES

	Non-current		Current	
	31 March 2015	31 March 2014	31 March 2015	31 March 2014
Cash and cash equivalents				
Cash on hand	-	-	54.49	32.13
Balance with banks :				
-- in current accounts	-	-	5,200.23	2,146.68
-- in EEFC accounts	-	-	1.53	6.63
-- in unpaid dividend accounts	-	-	0.15	0.60
Deposits with original maturity for less than 3 months	-	-	10.12	1,600.00
	-	-	5,266.52	3,786.04
Other bank balances				
Deposits with original maturity for more than 12 months*	657.56	468.54	66.54	90.69
Deposits with original maturity for more than 3 months and less than 12 months	-	-	2,062.76	-
	657.56	468.54	2,129.30	90.69
Amount disclosed under non-current assets (note 14)	(657.56)	(468.54)	-	-
	-	-	<u>7,395.82</u>	<u>3,876.73</u>

* Includes Rs. 402 lakhs (2014 - Rs. 402 lakhs) held by the bank as security against the term loan.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

(All amounts in Indian Rupees in lakhs, except stated otherwise)

	March 31, 2015	March 31, 2014
19 REVENUE FROM OPERATIONS		
(A) Sale of Finished goods		
-- Exports	81,933.78	86,506.00
-- Domestic	18,806.69	19,079.73
	<u>100,740.47</u>	<u>105,585.73</u>
(B) Other operating revenue		
Sale of accessories, fabrics, etc	845.72	910.93
Job work income	1,976.27	1,733.89
Export incentives	5,223.81	4,409.11
Scrap sales and others (including claims)	348.82	624.61
	<u>8,394.62</u>	<u>7,678.54</u>
Revenue from operations (gross)	<u>109,135.09</u>	<u>113,264.27</u>
20 OTHER INCOME		
Interest income on bank deposit (gross)	222.14	37.31
Gain (net) on sale of current investments	-	65.46
Exchange differences (net)	3,147.57	-
Profit on sale of fixed assets	44.67	931.60
Excess provision of earlier years written back	1,222.91	261.19
Other non-operating income	88.50	295.08
	<u>4,725.79</u>	<u>1,590.64</u>
21 COST OF RAW MATERIALS CONSUMED		
Inventory at the beginning of the year	8,525.63	12,521.54
Add: purchases	55,008.48	52,776.36
	<u>63,534.11</u>	<u>65,297.90</u>
Less: inventory at the end of the year	7,428.34	8,525.63
Cost of raw materials consumed	<u>56,105.77</u>	<u>56,772.27</u>
22 (INCREASE) / DECREASE IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS		
Inventories at the beginning of the year		
Work-in-progress	7,168.32	8,409.93
Finished goods	4,406.80	3,558.25
	<u>11,575.12</u>	<u>11,968.18</u>
Inventories at the end of the year		
Work-in-progress	8,759.61	7,168.32
Finished goods	4,818.02	4,406.80
	<u>13,577.63</u>	<u>11,575.12</u>
	<u>(2,002.51)</u>	<u>393.06</u>
23 EMPLOYEE BENEFITS EXPENSE		
Salaries, wages and bonus	31,511.46	28,594.15
Contribution to provident fund and other fund	3,578.13	2,847.66
Gratuity expense	869.68	684.62
Staff welfare expenses	1,086.17	1,140.99
	<u>37,045.44</u>	<u>33,267.42</u>

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

(All amounts in Indian Rupees in lakhs, except stated otherwise)

	March 31, 2015	March 31, 2014
24 OTHER EXPENSES		
Consumption of consumables, stores and spares	1,140.54	952.85
Power and fuel	2,327.69	2,326.58
Job work charges	1,262.74	885.25
Other manufacturing expenses	746.85	821.89
Rent	2,594.46	2,573.60
Rates and taxes	163.05	117.43
Insurance	319.02	357.69
Repairs and maintenance		
- Plant and machinery	630.87	605.31
- Buildings	110.96	99.93
- Others	513.78	529.82
Legal and professional charges	364.22	350.66
Printing and stationery	141.31	131.87
Communication costs	205.15	217.70
Travelling and conveyance	410.41	328.36
Auditors' remuneration	61.15	59.62
Director's remuneration	174.55	106.81
Clearing, forwarding and freight (net of recoveries)	1,087.89	1,667.72
Provision for doubtful deposits and advances	-	71.82
Irrecoverable balances written off	211.39	67.66
Provision for doubtful debts	587.96	1,029.07
Bad debts written off	342.23	21.70
Exchange differences (net)	-	2,793.89
Export claims	603.25	389.84
Miscellaneous expenses	1,395.22	1,412.59
	15,394.69	17,919.66
25 DEPRECIATION AND AMORTISATION EXPENSE		
Depreciation on tangible assets	3,277.64	2,673.10
Amortisation on intangible assets	43.09	55.86
	3,320.73	2,728.96
26 FINANCE COSTS		
Interest		
- on term loans [Refer Note below]	887.59	40.26
- on packing credit	2,304.09	2,572.00
- on bill discounting and others	742.42	556.31
Exchange difference to the extent considered as an adjustment to borrowing cost	31.77	63.34
Bank charges	722.16	768.55
	4,688.03	4,000.46
Note :		
Interest on term loans is net of interest subvention subsidy		
Rs. Nil (2014 : Rs. 7.65 lakhs) under Technology Upgradation Scheme.		
27 EXCEPTIONAL ITEMS		
Profit on sale of Land and building	4,355.31	-
	4,355.31	-

Note :

The Company during the year has sold land and building for consideration of Rs. 4,930.00 Lakhs. This has resulted into profit of Rs. 4,355.31 lakhs.

(All amounts in Indian Rupees in lakhs, except stated otherwise)

28. Contingent liabilities (to the extent not provided for)

	31 March 2015	31 March 2014
(a) Claims against the Group not acknowledged as debts	484.60	497.07
(b) Guarantees given by banks	-	2.00
(c) Outstanding letters of credit	4,574.76	1,680.56
(d) Bills discounted with banks	10,711.33	9,372.68
(e) The Group is also involved in certain litigations with third parties, the impact of which is not quantifiable. These cases are pending with various courts/forums and are scheduled for hearings. After considering the circumstances and legal evaluation thereon, the Group's management believes that these cases will not have any adverse impact on the financial statements.		

29. Capital and other commitments

(a) Estimated amount of contracts remaining to be executed on capital accounts and not provided for (net of advances)	259.43	15.38
(b) The Group has imported capital goods without payment of duty under Export promotion capital goods('EPCG') scheme. Value of pending export obligations to be fulfilled before March 26, 2021	144.91	-
(c) For commitments relating to lease arrangements, refer Note 33		
(d) For commitments relating to forward contracts, refer Note 34		
(e) The Company has entered into an agreement with a third party for sale of its investment in a subsidiary for an agreed consideration which is yet to be executed		

30. Gratuity

The Group has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on retirement or termination at 15 days salary (last drawn salary) for each completed year of service. The scheme is funded with an insurance Company in the form of a qualifying insurance policy.

The following tables summarise the components of net benefit expense recognised in the statement of profit and loss and the funded status and amounts recognised in the balance sheet:

	31 March 2015	31 March 2014
Net employee benefit expense (in statement of profit and loss) :		
Current service cost	378.13	453.15
Interest cost on benefit obligation	136.30	104.57
Expected Return on Plan Assets	(41.51)	(11.61)
Actuarial loss/(gain)	396.76	138.51
Net benefit expense	869.68	684.62
Actual return on plan asset	8.99	5.24
Details of Provision for gratuity (in Balance Sheet)		
Defined benefit obligation	2,224.38	1,661.54
Fair value of plan asset	(408.62)	(140.68)
Plan liability / (asset)	1,815.76	1,520.86
Changes in the present value of defined benefit obligation		
Opening defined benefit obligation	1,661.54	1,339.81
Current Service Cost	378.13	453.15
Interest Cost	136.30	104.57
Benefits Paid	(315.83)	(368.13)
Actuarial (gain)/loss	364.24	132.14
Closing defined benefit obligation	2,224.38	1,661.54

(All amounts in Indian Rupees in lakhs, except stated otherwise)

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

	31 March 2015	31 March 2014
Opening fair value of plan asset	140.68	173.09
Expected return	41.51	11.61
Actuarial gain/(loss)	(32.52)	(6.37)
Contributions by employer	574.78	330.48
Benefits Paid	(315.83)	(368.13)
Closing fair value of plan asset	408.62	140.68

The principal assumptions used in determining gratuity obligations for the Groups's plan are shown below:

	31 March 2015	31 March 2014
Interest Rate	7.95%	9.12%
Discount Factor	7.95%	9.12%
Estimated Rate of return on Plan Assets	8.00%	8.00%
Attrition Rate	40.00%	40.00%
Rate of escalation in Salary per annum	12.00%	20.00%
Retirement Age	60 years	60 years

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

	31 March 2015	31 March 2014
Investments with insurer	100%	100%

Notes:

1. The estimate of future salary increases considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors such as supply & demand in the employment market.
2. The estimated rate of return on plan assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled,
3. The Group expects to contribute Rs. 1,536.85 lakhs to gratuity in 2015-16.

Amounts for the current year and previous four year period are as follows:

	31 March 2015	31 March 2014	31 March 2013	31 March 2012	31 March 2011
Defined benefit obligation	2,224.38	1,661.54	1,339.81	1,252.46	898.46
Plan assets	(408.62)	(140.68)	(173.09)	(294.31)	(250.14)
(Surplus) / deficit	1,815.76	1,520.86	1,166.72	958.15	648.32
Experience adjustment on plan liabilities	364.24	132.14	(7.03)	52.13	77.89
Experience adjustment on plan assets	32.52	6.37	(0.06)	(1.28)	(2.04)

31. Segment information**a) Primary business segment**

The Group is engaged in a single business segment of sale of garment, and hence, no additional disclosures are required, other than those already given in the consolidated financial statements.

(All amounts in Indian Rupees in lakhs, except stated otherwise)

b) Secondary business segment (by geographical area based on location of customers):

The Group mainly operates in two geographical areas of the world, i.e., India and Rest of World, the details of which are as below:

Geographical Segment	Revenues/Income	Carrying amount of segment assets
In India	26,841.97 (26,180.08)	61,488.66 (57,240.74)
Outside India	82,181.18 (86,938.13)	4,417.29 (5,565.56)
Total	109,023.15 (113,118.21)	65,905.95 (62,806.30)

All fixed assets are located in India.

Notes: Figures in brackets relate to previous year.

32. Related party disclosures

A. Names of related parties and description of relationship:

	Description of Relationship	Names of related parties
a.	<i>Parties where control exists:</i>	
	Immediate Holding Company	Blackstone FP Capital Partners (Mauritius) V-B Subsidiary Limited
	Ultimate holding Company	Blackstone FP Capital Partners (Mauritius) V-B Limited
b.	<i>Key management personnel:</i>	
	Director and Chief Executive Officer Chief Financial Officer (CFO)	Mr. Gautam Chakravarti Mr. Sumit Keshan

B. The following are the volume of transactions with related parties during the year and outstanding balances as at the year-end disclosed in aggregate by type of related party:

Nature of transactions	31 March 2015	31 March 2014
Remuneration		
Key Management Personnel		
Mr. Gautam Chakravarti	149.25	135.00
Mr. Sumit Keshan	102.63	68.66
	251.88	203.66
Trade payables and other current liabilities		
Mr. Gautam Chakravarti	42.91	42.73
Mr. Sumit Keshan	10.46	39.83
	53.37	82.56

33. Leasing Arrangements:

The Group's leasing arrangements in respect of its office, factory and residential premises are in the nature of operating leases. These leasing arrangements, which are usually cancellable at the option of the lessee, are for a total period ranging from eleven months to six years and are renewable with mutual consent. All leases include a clause to enable upward revision of the rental charge on a periodic basis as specified under the rental agreement. The charge on account of lease rentals for the year is Rs. 2,594.46 lakhs (2014: Rs. 2,573.60 lakhs).

Future obligations of lease rentals for non cancellable period under respective lease agreements are as follows.

	31 March 2015	31 March 2014
Not later than one year	195.44	200.47
Later than one year and not later than five years	-	-
Later than five years	-	-
	195.44	200.47

(All amounts in Indian Rupees in lakhs, except stated otherwise)

34. Derivative instruments and unhedged foreign currency exposure**a) Particulars of Derivative contracts:** Forward contract outstanding as at balance sheet date

Sell contracts	31 March 2015		31 March 2014		Purpose
	foreign currency (in lakhs)	Rs. (in lakhs)	foreign currency (in lakhs)	Rs. (in lakhs)	
USD	540.06	33,834.84	471.95	28,349.76	Hedge of expected future sales
EURO	37.29	2,521.72	60.10	4,963.66	

b) As of the Balance Sheet date, the Group unhedged foreign currency exposure is as under:

	Receivables / (Payables)			
	31 March 2015		31 March 2014	
	Amount in foreign currency	Amount in Rs. lakhs	Amount in foreign currency	Amount in Rs. lakhs
Bank balances – USD	2,435	1.53	11,033	6.63
Trade receivables – USD*	4,982,429	3,120.49	6,277,814	3,771.09
Trade receivables – EURO*	1,373,254	928.65	1,150,651	950.32
Trade receivables – GBP*	108,645	100.58	149,276	148.98
Loans and advances – USD	410,050	256.94	1,092,107	656.11
Loans and advances – EURO	15,751	10.63	17,738	14.65
Loans and advances – GBP	-	-	24,461	24.41
Short-term borrowings – USD	(5,174,366)	(3,242.26)	(289,502)	(173.93)
Trade payables – USD	(2,685,649)	(1,682.83)	(3,624,601)	(2,177.66)
Trade payables – EURO	(21,404)	(14.48)	(1,213)	(1.00)
Trade payables – GBP	(8,086)	(7.49)	(34)	(0.03)
Advances received from customers – USD	(65,684)	(44.42)	(73,404)	(44.09)
Advances received from customers – EURO	-	-	(3,037)	(2.51)

* net of export bills discounted

35. Exchange difference loss / (gain)

	31 March 2015	31 March 2014
Pre-shipment packing credit	-	299.34
Post-shipment credit	105.68	(239.56)
Forward contracts and options	(3,262.49)	2,920.89
Foreign currency receivables	(83.60)	(315.91)
Foreign currency payables	92.84	129.13
	(3,147.57)	2,793.89

36. Employee stock option Plans

In September 2010, the shareholders of the Group approved Stock Option Plan (ESOP 2010) in accordance with the guidelines issued by the Securities and Exchange Board of India (SEBI) for Employees Stock Options Plan. The plan covered all employees of the Group and directors and provided for the issue of 1,718,800 shares of Rs. 5 each. The Group follows intrinsic method of accounting for stock compensation cost pursuant to the Guidance Note on "Accounting for Employee Share - Based Payments" issued by the Institute of Chartered Accountants of India".

85,000 (2014: 1,290,000) options have been granted during the year and 1,136,668 (2014: 1,290,000) are outstanding as at March 31, 2015. The vesting period ranges from 1 to 7 years. Weighted average of remaining contractual life is 8.35 years (2014: 9.25 years). The weighted average exercise price of all the options is Rs. 40.89

(All amounts in Indian Rupees in lakhs, except stated otherwise)

(2014: Rs. 36.70). There is no compensation cost since the exercise price is equal to the intrinsic value as at the date of grant.

The weighted average fair value of options granted during the year was Rs. 55.86 (2014: Rs. 26.56). The Black Scholes valuation model has been used for computing the weighted average fair value considering the following inputs:

	31 March 2015	31 March 2014
Dividend yield %	-	-
Expected volatility %	45.50%	46.70%
Risk free interest rate	7.95%	9.12%
Weighted average share price	40.89	36.70
Exercise price	80.20	32.25 & 60.95
Expected life of options granted in years	10	10

The expected life of the stock is based on historical data and current expectations and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may also not necessarily be the actual outcome.

37. The Group is in process of taking necessary steps to comply with the Transfer Pricing requirements relating to the preparation & maintenance of the Transfer Pricing documentation with respect to the specified domestic transactions entered into by the Group during financial year ended March 31, 2015. Management is of the opinion that the specified domestic transactions are at arm's length and hence the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expense and that of provision for taxation.
38. The Company had filed petition with the Company Law Board for compounding of offence u/s. 297 of the erstwhile Companies Act, 1956 for the transactions entered with CMS Info Systems Private Limited between July 2009 to October 2011 and as at date, the petition is pending with the Company Law Board.

For periods subsequent to October 2011, the Company had filed an application with Central Government, Ministry of Corporate Affairs, seeking its approval u/s. 297(1) of the erstwhile Companies Act, 1956 for entering into contract with CMS Info Systems Private Limited which is pending approval.

39. Depreciation on tangible fixed assets

Pursuant to the requirements of Schedule II of the Companies Act, 2013 ("the Act"), management has reassessed and changed, wherever necessary the useful lives to compute depreciation. Accordingly, the carrying amount as at April 1, 2014 is being depreciated over the revised remaining useful life of the asset. The carrying value of Rs. 142.86 lakhs, in case of assets with nil revised remaining useful life as at April 1, 2014, is reduced from the retained earnings as at such date. Further, had the Group continued with the previously assessed useful lives, charge for depreciation for the year would have been lower by Rs. 1,104.38 lakhs with consequential impact in the profits for the year.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

(All amounts in Indian Rupees in lakhs, except stated otherwise)

40. Additional information, as required under Schedule III to the Act, of enterprises consolidated as subsidiary/ associates/ joint ventures.

Name of the entity	Net assets				Share in profit or loss			
	As % of consolidated net assets*		Amount in lakhs		As % of consolidated profit or loss*		Amount in lakhs	
	31-Mar-15	31-Mar-14	31-Mar-15	31-Mar-14	31-Mar-15	31-Mar-14	31-Mar-15	31-Mar-14
Parent								
Gokaldas Exports Limited	105.50%	93.75%	16,762.66	11,592.73	99.05%	107.65%	3,435.58	(721.43)
Subsidiaries								
Indian								
All Colour Garments Private Limited	-	-	72.33	73.45	-	-	(0.43)	(1.38)
Deejay Trading Private Limited	-	-	2.69	15.68	0.45%	-1.00%	5.11	5.90
Glamourwear Apparels Private Limited	-	-	(33.60)	(7.72)	-	-1.00%	3.93	5.84
Madhin Trading Private Limited	-1.00%	-	(189.58)	(41.93)	-	-	1.15	3.13
Magenta Trading Private Limited	-1.00%	-	(194.89)	33.28	-	-	4.91	3.96
Rafter Trading Private Limited	-	-	(76.82)	(56.37)	0.50%	-1.00%	5.48	6.70
Rajdin Apparels Private Limited	-1.00%	2.00%	(91.17)	188.68	-	-	3.16	3.38
Reflexion Trading Private Limited	-	-	(16.55)	16.39	-	-1.00%	3.05	6.41
Rishikesh Apparels Private Limited	-	1.75%	15.28	171.72	-	-1.50%	2.13	6.92
Robot Systems Private Limited	-	-	7.30	6.87	-	-	(0.26)	(0.44)
Seven Hills Clothing Private Limited	-5.00%	-	(715.47)	64.16	-	-1.00%	3.24	6.88
SNS Clothing Private Limited	2.50%	2.50%	332.20	299.52	-	-1.15%	2.32	4.71
Vignesh Apparels Private Limited	-	-	9.27	9.26	-	-	(0.65)	(0.67)
	100.00%	100.00%	15,883.65	12,365.72	100.00%	100.00%	3,468.72	(670.09)

* Rounded off to zero for insignificant items.

41. Previous year comparatives

Previous year figures have been regrouped/re-arranged/reclassified, wherever necessary to conform to the current year's presentation.

As per our report of even date

for Girish Murthy & Kumar
Chartered Accountants
ICAI Firm Registration No: 000934S

per A.V. Satish Kumar
Partner
Membership No. F-26526
Place: Bengaluru
Date: May 25, 2015

for S R Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration No: 101049W

per Chandra Kumar Rampuria
Partner
Membership No: 055729
Place: Bengaluru
Date: May 25, 2015

**For and on behalf of the
Board of Directors
Gokaldas Exports Limited**

Richard B Saldanha
Chairman
DIN No. 00189029

Gautam Chakravarti
Director & Chief Executive Officer
DIN No. 00004399
Sumit Keshan
Chief Financial Officer

Ramya Kannan
Company Secretary
Place: Bengaluru
Date: May 25, 2015

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