DOLLAR INDUSTRIES LIMITED

ANNUAL REPORT, 2018-19

DOLLAR.
ENTERING EVERY INDIAN HOME

contents

Caution regarding forward-looking statements

This document contains statements about expected future events and financial and operating results of Dollar Industries Limited, which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is significant risk that the assumptions, predictions and other forward-looking statements will not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as a number of factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the management's discussion and analysis of the Dollar Industries Limited Annual Report 2018-19.

DOLLAR.
ENTERING EVERY INDIAN HOME

At Dollar Industries Limited, we are often asked: 'Is growth plateauing out?'

This then is our answer.

There are approximately 25 cr households in India.

Until now, Dollar has addressed the needs of around only 2 cr households only.

Our growth story is only just the beginning.

At Dollar, the objective is to grow faster than we have done in the past.

By combining decades of rich sectoral experience with the passion of a start-up.

Not just with the objective to see the world with a new pair of glasses.

But with a new pair of eyes.

At Dollar, we are seeing the world with a new pair of eyes

Even after four-and-a-half decades, we are addressing a new Indian consumer every single day – a consumer who is earning more, aspiring more and consuming more, which makes virtually every retrospective assumption of consumption appear conservative and irrelevant.

There are a number of Indians within India – an India that seeks to consume more of the same, an India that seeks to buy more of the different and an India still discovering itself, undecided about how, where and on what it would like to spend.

India reconciles two unique realities – the fastest growing economy on one hand and the fastest growing population on the other, which indicates that even after 72 years of independence, the 'Real India' is possibly yet to be born.

An insight into Dollar Industries Limited

ETHOS

Vision

Dollar in everyone's lives.

Medium-term vision
Over the medium-term, we aspire to metamorphise the Company into an aspirational innerwear company by offering premium and super-premium products.

Long-term vision
The long-term vision is to emerge as a complete brand and distribution company present across multiple categories of fashion wear – from garments to innerwear.

Mission

- To emerge as India's best-loved innerwear brand
- To make fashionable yet affordable outerwear and innerwear
- To graduate customers to a higher apparel standard
- To reach customers conveniently (modern trade and e-commerce)
- To invest in highly productive manufacturing facilities
- To outperform industry standards in terms of profitability
- To improve the lives of people centred around Dollar
- To achieve high governance standards

VALUES

- Insights and innovation are a way for Dollar. We also add value to the Dollar experience so as to keep it more vibrant and relevant.
- The benchmark for Dollar's success is customer satisfaction.
- Dollar delights its customers through a range of products that not only deliver comfort, but are constantly upgraded to keep the styling in line with the latest trends.
- Business integrity is the way of life at Dollar. The Company is proud to stand by integrity and transparency in all its dealings and ensures adherence to the highest standards of business ethics.
- In Dollar, we value time. We try and utilise valuable time and drive better decision faster.

OUR POSITIONING

Categories	Brands
Class	Present through Pepe Jeans Innerfashion Pvt Ltd, a Joint Venture Company of Dollar Industries Ltd. with Pepe Jeans Europe B.V and through Force NXT
Class-for-mass	Bigboss Force Go Wear, Missy, Ultra Thermals and Champion
Mass	Lehar, RKG, Comfort and Commando

PROMOTERS AND MANAGEMENT

The Company was founded in 1972-73 by Mr. Dindayal Gupta. Enjoying a pan-Indian presence, the Company comprises of 977 employees with manufacturing facilities in Tirupur and 15 branch offices across India. The Company has evolved from being a family-run innerwear business to an NSE and BSE-listed company The Company is being stewarded by Mr Vinod Kumar Gupta, Mr Binay Kumar Gupta, Mr. Krishan Kumar Gupta and Mr. Bajrang Kumar Gupta. The next-generation promoters are Mr. Ankit Gupta, Mr. Gaurav Gupta and Mr. Aayush Gupta, who are responsible of growing the business with a team of competent professionals.

FOOTPRINT

Dollar is headquartered in Kolkata. The Company has a strong and robust distribution network comprising 950+ distributors and 100,000+ retailers. The Company is also a prominent name in eighteen countries - UAE, Oman, Qatar, Kuwait, Bahrain, Yemen, Iraq, Nepal, Nigeria, Jordan, Myanmar, Ghana, Algeria, Kenya, Iran, Ukraine, Togo and Latvia.

OFFERINGS

Dollar's product portfolio comprises innerwear, casual wear, lounge wear, thermal wear, athleisure and kids' wear.

CERTIFICATIONS

Dollar has been accredited ISO 9001:2015 and received the 'One Star Export House' certificate from the Directorate General of Foreign Trade, Department of Commerce, Ministry of Commerce and Industry, Government of India, validating its process discipline and quality practices.

EMPLOYEES

Dollar considers its human resource as its one of the biggest strengths. The Company believes in imparting, training and upgrading employees with the latest technologies and practices.

AWARDS

Over the years, the Company has been bestowed numerous awards comprising 'National Award for Excellence in Men's Innerwear from CMAI' and 'Best brand by CMAI'.

The awards owned by Dollar in FY2018-19:

- Top performer from India in home-grown innovative businesses. 'Company Of The Year - Textile' award by Zee Business in Dare to Dream Awards.
- Times Business Award East, Kolkata 2019, for 'Clothing: Best in Men Hosiery'.

LISTING

The Company is listed on the National Stock Exchange (NSE) Limited and Bombay Stock Exchange (BSE). The Company had a market capitalisation of ₹1,625 cr as on 31 March, 2019.

Savita Bhandari earned her first paycheck and decided to spend it all on buying clothes – for the entire family

The salaried **Aswini Nagappa** spent a mini-fortune during Amazon.com's festive offer in 2018 - and is ready to splurge again

"So what if it is more expensive?" wondered **Rina Trivedi** when she saw the latest set of premium innerwear. 'Maybe I can buy it," she said.

Rinku Mhatre showed the shopkeeper a picture of a friend on Instagram. 'See this?! This is the colour and design I want. Can you get it for me?"

Shafkat Alam was embarrassed wearing his office clothes to the club. "I need to invest in some casual lounge wear," he felt.

Perhaps the 'Real India' has already been born.

Suzanne Chen has one set of clothes and innerwear she likes to wear in summer and an entirely different set in the monsoons and yet another set for winter.

When **Sagorika Ray** got her first job, she turned up for work on the first day formally dressed in a shirt and trousers – the first ever time she had done so.

Kavita Shah stopped going to a store to buy innerwear a long time ago. She buys it online with the click of a button after scanning for the best offer across half-a-dozen marketplaces

Debenanda Mohapatra used to buy anonymous unbranded Bangladeshi innerwear from a street hawker. He now buys branded innerwear only from mall stores

"Have you seen what innerwear my favourite fashion blogger has recommended?" shrieked **Rama Pandey** in excitement. "I musttttttt try it out."

And few people are realising it...

At Dollar, we are addressing Real India with a new way of doing business.

We will need to work in 2019 but think of 2024.

We will need to compete better today...with our Company of yesterday.

We will need to modify some of our products because the market demands.

We will need to keep provoking our eco-system with 'This won't do! We need to think better."

We will need to transform our mind-set from the conventional 'Why?' to the radical 'Why not?'

Dollar's new way of doing business is culminating in a new vision.

Dollar in every Indian home.

How 'Dollar... entering every Indian home' will be increasingly driven by a digital mindset.

Dollar's transformation blueprint in five simple points

01

We believe that there is no such thing as a digital company and a non-digital company. The definition has changed to 'responsive company' and 'yesterday's company' respectively.

02

We believe that a digital strategy is not just a technology strategy sitting in the corner of a company. By the virtue of residing at the heart of an enterprise, equipped with digital/IT infrastructure, it effectively represents a company's core business strategy.

03

Digital strategy is not just about touching a few functions within our company. The advanced nature of the technology can potentially transform our operating DNA and reinvent virtually every business function.

04

Digital strategy is about converging cutting-edge technologies in our Company's everyday working.

05

Digital strategy at our Company is not about knowing the right answers as much as it is about asking more informed questions of the IT backbone and generating disruptive solutions.

Dollar's decisive digital intervention will address the restructuring of its legacy distribution network

One approach could be to use a digital strategy to transform every initiative and every function within a company.

Dollar intends to invest in resources using a digital approach that promises to transform its supply chain along with existing partners.

The conventional approach for a manufacturing company lies in going through distributors to reach retail stores.

Dollar intends to circumvent its conventional network and tried to reach as many retailers in its supply chain along with its existing partners.

The conventional approach lies in being able to access the marketplace through trade filters.

Dollar intends to access the marketplace mood and trends directly from retailers and consumers.

The conventional approach restricted Dollar to its role as a product developer and principal risk taker.

Dollar intends to engage in timely role-expansions and emerge as a distributor as well.

The conventional approach was underlined by intense negotiation between the Company and trade partners, moderating margins.

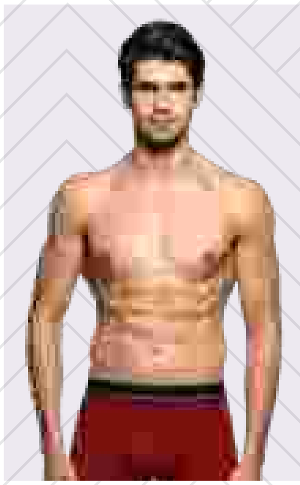
Dollar's restructured approach will empower it to capture a larger slice of the distribution spread, strengthening value-addition and margins.

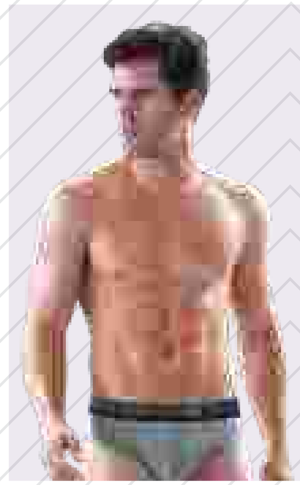
Our brands

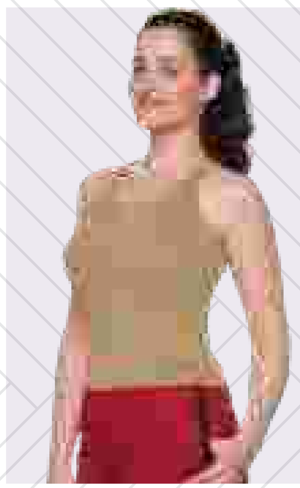
BRAND	PRODUCTS	DEMOGRAPHIC	KEY FACETS
Force NXT	Vests, briefs, trunks, t-shirts and atheleisure	Men	**USP:** International quality and globally fashionable products **Target audience:** Generation-next with a high disposable income **Tagline:** Inner fashion
Dollar Bigboss PREMIUM INNERWEAR	Vests, briefs and trunks	Men	**USP:** Affordable and comfortable **Target audience:** Men with a stable income looking for value-for-money product **Tagline:** Fit Hai Boss
FORCE	T-shirts (round-neck and collared), vests (innerwear and sports vests), briefs, boxers, bermudas, capris and track pants	Men	**USP:** Comfortable and stylish active wear with vibrant shades catering to the mass market **Target audience:** Men with growing aspirations, income and following trends
Missy	Camisoles, panties, leggings, lounge wear	Women and girls	**USP:** Wide range of products in different sizes and colours at affordable prices **Target audience:** Women and girls of all age groups **Tagline:** Carry on Missy
CHAMPION KIDS	T-shirts, bermudas and trousers	Kids	**USP:** Affordable, comfortable, sporty and primarily caters to suburban and rural customers **Target audience:** People who look for vibrant, valuable clothing for their kids
Dollar ULTRA™ THERMALS HOT HAI BOSS	V-necks with trousers and long and short camisoles	Men, Women, Kids	**USP:** Ultra-light, comfortable and stylish winter-wear **Target audience:** All individuals at every age group **Tagline:** Hot Hai Boss

Our Force NXT brand has an exclusive website: www.forcenxt.com.

Portfolio of few of our products

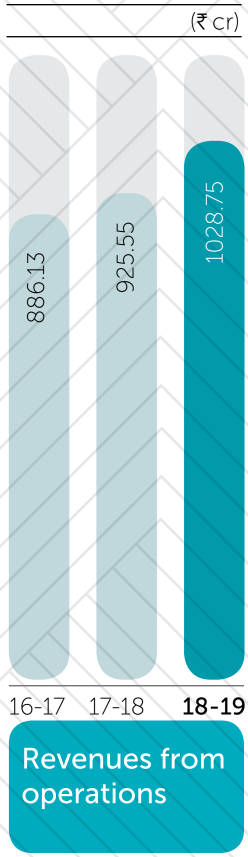



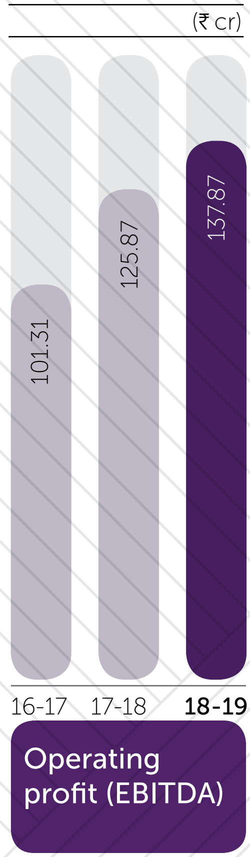


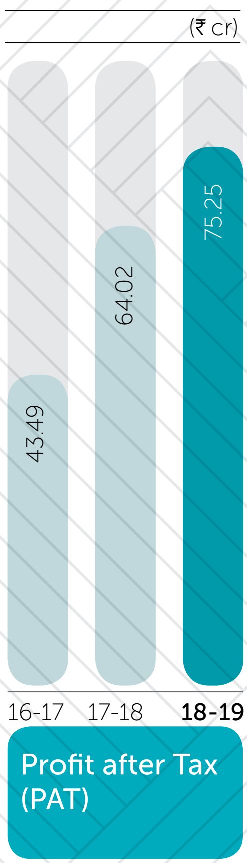



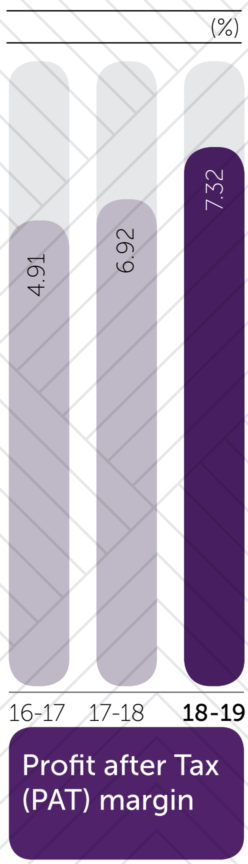


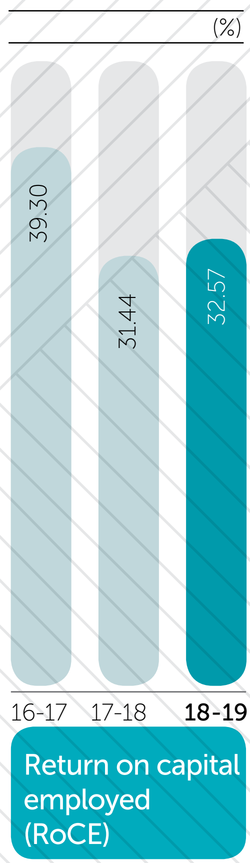

This is how we have grown in the last few years

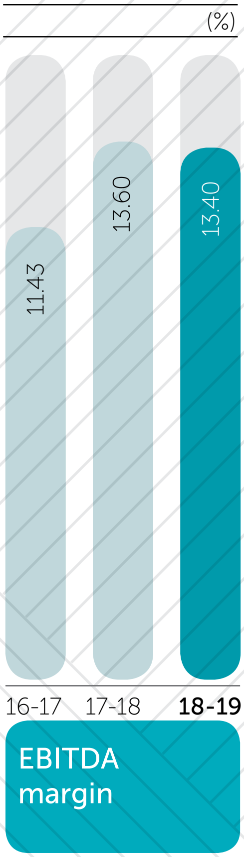


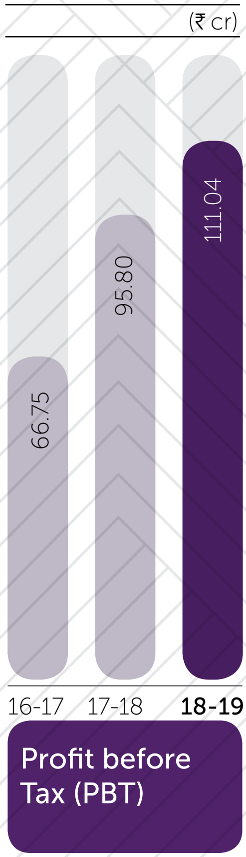






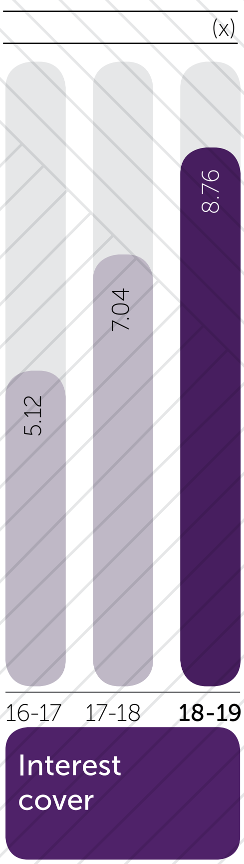


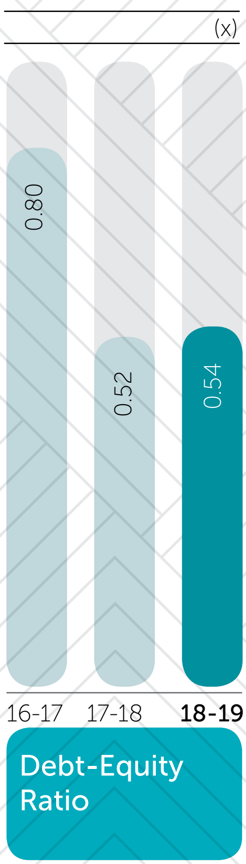


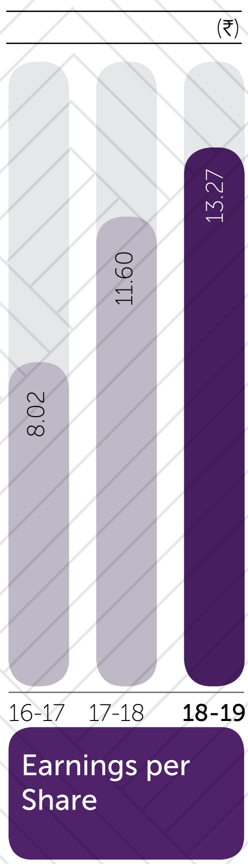


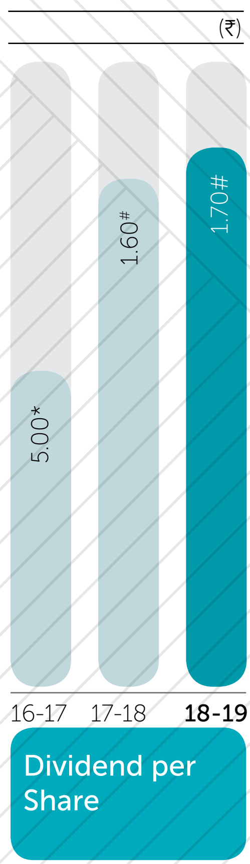
Note: 1. The ratios for the FY2016-17 are considered based on the figures of said financial year, which have not been re-classified pursuant to adoption of IND AS-115 owing to the said Accounting Standard being applicable w.e.f. 01 April, 2018.

2. The ratios for the FY2017-18 are considered based on the figures of the said financial year, which have been re-classified pursuant to adoption of IND AS-115 to conform with the corresponding figures for the FY2018-19.









* On face value of ₹10 each

On face value of ₹2 each

The Managing Directors' overview

"Dollar's grand objective is to enter every home in the world's second most populous market and across the world."

At Dollar, we believe that the millennial will drive India faster than ever. It is increasingly evident to us that if we are to grow faster, we will need to reorient and reinvent our company's products.

Overview

Dollar Industries took a couple of decades to achieve a turnover of ₹1,000+ cr. Going ahead, we are confident of replicating this growth in a compressed period of time.

This optimism is based on the convergence of a number of realities that are emerging possibly for the first time in the country.

The principal reality is the emergence of the 'millennial', a reference to all those individuals born between 1981 and 1997. The millennial is proving to be the game-changer in India because he or she brings to the table a differentiated mindset.

The millennial phenomenon

The millennial is primarily a knowledge-worker, proficient at working with cutting-edge technologies, deeply influenced by the social media, keenly aware of global and Indian trends, decidedly brand-conscious, willing to spend.

At Dollar, we believe that the millennial will drive India faster than ever. It is increasingly evident to us that if we are to grow faster, we will need to reorient and reinvent our company's products around the evolving preferences of this consumer kind along with our existing customer base.

The aspirations revolution

There is another revolution that is sweeping the consumption markets of the country. The concept of buying a product because it is the cheapest, is well on its way out. A number of consumers are seeking to buy branded products that come with the assurance of higher value. Suddenly, the conventional approach of pricing a product low enough for it to carve away a large market share is being replaced with a smarter positioning: **productise, premiumise and profitise**.

The challenge then is to locate these consumers. Any company that creates a pitch and a proposition that touches the core of the millennial's being has a better chance of beating the sectoral average growth in our business or any other business in India.

The digital technology intervention

Reaching the consumer is the biggest challenge of the day. The conventional distribution network of companies like ours will only be good enough to reach a conventional consumer – a consumer who continues to be under-serviced and under-addressed. The prevailing priority is to reach the millennial consumer through modern distribution routes.

Interestingly, the cutting-edge digital technologies of the last few years have opened a window to what appears to be an unprecedented distribution opportunity. The conventional distribution system followed by the innerwear sector was three-tiered: the manufacturer marketed to distributors who, in turn, sold to retailers. This structure relieved companies like ours from focusing on thousands of unattended retailers.

Dollar in every Indian home

- > Engage directly with retailers
- > Deeper understanding of the mindset of consumers

- > Quicker access to evolving market preferences
- > Address the growing need of every family

- > Faster and relevant product launches
- > Carve out a larger family wallet share

This arrangement worked well as long as market preferences were stable and the needs of the end consumer could be safely predicted. Fashion preferences are evolving with speed; what one wears within has become as important as what one wears on the outside; the category of casual leisure wear has become more fashionable; the time-cycles that one generally associated with a fashion preference have got progressively shorter; a company that would plan for a handful of launches in a year is now compelled to come out with twice that number in a year.

The result is that there is a premium in knowing what today's consumer would like to wear tomorrow. The usual response would have been to speak to our retailers; however, the sheer numbers that need to be addressed for a credible sample opinion to be derived, makes this exercise virtually impossible to carry to its logical conclusion.

This is where we believe that technology will play a game-changing role. The emergence of digital platforms is making it increasingly possible to connect companies like ours to retailers across nations. What used to be a physical conversation in the past has been progressively replaced by technology 'engagements'. What used to be a corporate limitation in engaging with a large number of distribution partners is now being increasingly facilitated by digital platforms. The reality of **'one talking to a few'** has now being replaced with the possibility of 'one engaging with thousands'.

Wondrous opportunities

This reality is opening up wondrous opportunities of engaging directly with the marketplace, accessing preferences directly, accelerating our portfolio rejuvenation and enhancing our responsiveness to an evolving consumer.

We believe that this technology access and our willingness to engage directly with retailers will lead us to Dollar's grand objective.

This grand objective is the ambition to enter every home of the world's second most populous market and progressively across the globe, providing Dollar with a multi-decade growth opportunity.

Vinod Kumar Gupta
Binay Kumar Gupta

The birth of new Dollar Industries has begun

The challenge of the day at Dollar is two-phased: one, develop the capability to directly reach all retail partners; two, develop the capability to reach retailers who are not even presently on our map.

Overview

At Dollar, we have priorities cut out for ourselves.

We need to access more information from the market place.

We need to strengthen our consumer pull.

We need to accelerate stock turns at the retail end.

We need to ensure that the benefits of our marketing schemes reach the intended audience.

We need to protect the integrity of our minimum retail price in a discount-driven environment.

We need to strengthen the seamlessness of our supply chain.

The urgency

At Dollar, we are a company in a hurry for a number of reasons.

The introduction of Goods and Services Tax has reduced the viability of unorganised players and strengthened the competitiveness of brand-led players like Dollar.

One would have expected that the suddenly-enlarged market for companies like ours would have immediately translated into enhanced offtake, margins and profits.

There is only one hurdle to this reality. A company like ours markets products through distributors, who, in turn, market to a larger pan-India spread of retailers. The extent to which we can market products is limited by the financial capacity of our distributors. Our decades of experience indicate that if we dump more products on our distributors, there could be challenges related to payment defaults and under-recovery.

At a time when we see a larger market opening for our products – based on growing demand from the new India – it is an irony that we should be faced with a distribution bottleneck.

At Dollar, we indirectly service the downstream needs of about 1,00,000+ odd retail points out of a market of more than 6,00,000+ retailers for our products. By this measure, it is evident that we address only 16% of our existing potential market.

In view of this, the challenge of the day is two-phased: **one,** develop the capability to directly reach all our existing retail partners; **two,** develop the capability to reach those retailers who are not even on our map as of now.

During the experimentation period, Dollar increased its sales from that market, convincing the Company that in a distribution-restricted country like India, the sky is the potential.

The solution

At Dollar, we are increasingly convinced that one solution is to engage directly with retailers across the country along with our other channel partners.

The suggested strategy is not combative; it is a collaborative approach that empowers distributors to market our products to the extent of their desired risk appetite and what their capital mobilisation permit while we market the rest through an engagement with our large retail network.

There is a robust rationale for this complementary approach.

The experiment

This approach would have been hypothetical were it not for the fact that the Company successfully experimented with its transformed distribution approach during the last financial year starting with a single market in one place.

We embarked on a direct engagement with retailers, our distribution partner at the last mile, we provided a flexible purchase proposition whereby the retailer box of our product; the retailer had an option to buy on a per-piece basis; we replaced the conventional incentive structure with a points matrix.

These initiatives will transform our retail presence. Retailers who started small began to recognise that their working capital efficiency was now higher; they began to stock a larger quantity of Dollar products; they incentivised consumers with a better pass-through of the value proposition; there was a larger consumer offtake; there was a quicker replenishment of the material sold; there was a willingness to buy larger products from the accrued points, transforming one-off engagement with Dollar into an enduring relationship. In turn, Dollar derived a deeper understanding of market place realities and consumer preferences, enriching its strategic bandwidth.

The result is that during the experimentation period, Dollar increased its sales from that market, convincing the Company that in a distribution-restricted country like India, the sky is the potential.

The goal

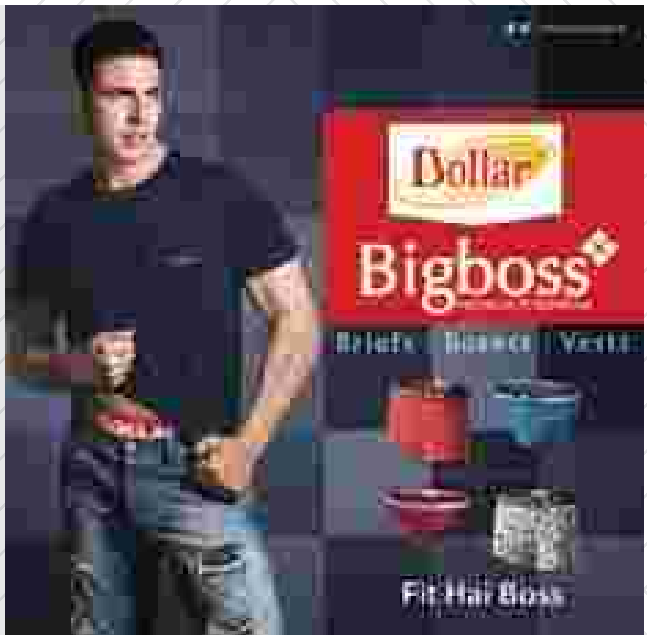
Dollar believes that gunning for the usual year-on-year percentage growth target would result in under-shooting the vast potential in our business.

The new goal at Dollar is even larger, even more consuming and even more engaging. It is the ambition to market a Dollar product in every single household across India and abroad.

Krishan Kumar Gupta
Bajrang Kumar Gupta

Brands and brand ambassadors

Dollar markets brands like Dollar Bigboss, Dollar Missy, Force NXT, Force-Go-Wear, Dollar J Class, Dollar Lehar, Dollar Comfort, Dollar Champion, Dollar RKG, Dollar Commando, Dollar Bravery, Dollar Ultra and Dollar Foot Prints among others. Over the years, the Company engaged celebrities as brand ambassadors.



Akshay Kumar has been associated with Dollar Bigboss as brand ambassador for more than 10 years.

Ms. Chitrangada Singh was recently engaged as brand ambassador of Dollar Missy.

Branding and marketing

INDIA'S INNERWEAR SECTOR IS MARKED BY INTENSE COMPETITION WITH SUCCESS INFLUENCED BY STRATEGIC PRODUCT POSITIONING. DOLLAR'S BRANDING HAS BEEN CONSISTENT. THE BRAND PROVIDES USERS WITH AN ASSURANCE THAT THEY ARE FIT AND THEY HAVE MADE THE RIGHT DECISION IN BUYING OUR PRODUCT.

Branding highlights, FY2018-19

- Sustained campaigns around the use of Akshay Kumar as brand ambassador of Dollar Bigboss and Chitrangada Singh as brand ambassador of Dollar Missy
- Extended promotions through the summer when the product enjoys superior offtake; separate promotion for the winter wear range
- Differentiated branding approach for Missy and Force NXT, niche brands not entirely dependent on seasonality
- Widening presence across media (outdoor, digital, television, print, radio etc.)
- Strengthened branding through movie tie-ins and campaigns coinciding with Durga Puja and Ganesh Utsav, among others
- Sustained round-the-year advertisements in retail shops, coupled with bi-annual fresh stock introduction
- Personalised engagement with customers through online platforms (Facebook, Instagram, Twitter, Linkedin)

Marketing highlights, FY2018-19

- Conducted a year-long 360 degree marketing campaign; launched an election-based campaign centred around the need to vote and effect change in the 2019 Lok Sabha elections
- Offered various incentives and schemes to catalyse sales.

Outlook, FY2018-19

The Company intends to increase the number of partners, increase brand equity and strengthen its market

~10%
Advertisement and marketing expense as a share of revenues

₹101.79cr
Brand spending during the year under review

Unveiling the Athleisure range by Dollar Industries

The new range of Dollar Bigboss and Force NXT Athleisure collection has been launched.

Our collection of Athleisure products is made from rich cotton fabric which is more durable, flexible and washable than other fabrics. Moreover, the state of the art fitness and appearance has given this fitness wear collection a new status.

Our products ranges from varieties of colors which includes black, white, blue and other seasonal colors. Bermuda, capris, track pant and the joggers are mainly available in darker shades of grey mélange, charcoal mélange, blue, black. The size stretches from small to double extra large and is available at the retail stores across India.

How Dollar will 'talk' to its retailers across India

AT DOLLAR, WE BELIEVE THAT ADDRESSING DISTRIBUTION CHALLENGES IS NOT JUST A NECESSARY FUNCTION; IT IS IMPERATIVE TO SUCCESS AND SUSTAINABILITY.

Dollar's challenges in launching a new distribution model are numerous: the Model is virtually untried; the Company will require to engage with more retailers compared to distributors who are less in number.

The big question is whether Dollar can successfully pull off what most consider difficult and intimidating. Our understanding is that this exercise is indeed challenging when addressed manually; however, when addressed technologically through an operating platform that 'engages' and 'speaks' with trade partners, the exercise is not only possible to achieve but advisable as well.

Dollar's business is largely dependent on how its distributors are motivated and driven to grow the Company's business. Much of Dollar's mind-set is influenced by how its trade partners think of a product or terms of trade or market reality, as distinct from what the management feels; if the trade feels a product can sell, then it provides the Company with a basis to productise – otherwise not. The disadvantage of this engagement is that the Company's vision is always clouded by what 950+ pan-India distributors feel at a given moment about a given issue.

The time has come for Dollar to trust its conviction deeper, to listen to its inner voice. The Company believes that it would be more advisable to connect with trade partners engaged with marketing its products – for the first time in its existence – opening up new perspectives, insights and experiences seldom accessed. A stronger connect with retailers and consumers would also connect the Company deeper with marketplace responses to products – almost in real-time – serving as a faithful guide for new product development and deeper store expansion.

The technology-driven approach will be smartphone-compatible, making it possible for the Company to reach consumers the way retailers find it convenient and to communicate on-the-go, enhancing systemic responsiveness.

This technology platform will make it possible for the Company to track inventory movements through real-time updates.

This platform will make it possible to map the personality and performance of every single retailer, resulting in the timely customisation of policies and promotions.

This platform will be empowered to decode market trends and developments, providing valuable cues of the potential existing pockets and under-penetrated markets (comprising un-addressed or under-addressed retailers).

This platform will prompt the Company to manufacture only as much as is being sold, minimise or eliminate slow-moving merchandise, enhance working capital efficiency, shrink receivables, moderate debt and enhance cash flows.

This platform will strengthen the Company's preparedness to address a rapidly-growing online consumption phenomenon, bringing it to the centre-stage of business planning.

This result is that the role of a back-end platform will enhance Dollar's credentials as a front-end customer-engaged and future-facing organisation.

Excellence drivers

Finance

DOLLAR POSSESSES A ROBUST FINANCIAL FOUNDATION, MARKED BY MODEST GEARING AND HIGH NET WORTH OF ₹417.69 CR AS ON 31 MARCH, 2019. THE COMPANY'S CREDIT RATING WAS A+ FOR LONG-TERM AND A1+ FOR SHORT-TERM DEBT FACILITIES IN FY2018-19.

Highlights, FY2018-19

- Investments in fixed assets were ₹72.22 cr, an addition of ₹12.96 cr in existing utilities from the previous financial year.
- Total capital employed was ₹423.35 cr compared to ₹400.40 cr in the previous financial year
- Working capital was at ₹315.72 cr as against ₹308.57 cr in the previous financial year. The Company generated revenues of more than ₹1,000+cr.
- The Company strengthened its end-to-end inventory management (raw material aggregation to finished goods transportation).

Outlook, FY2019-20

The Company intends to maintain its double-digit revenue growth in the current financial year.

Sales

AS CUSTOMERS BECOME MORE FASHION-CONSCIOUS, THEY SEEK PRODUCTS THAT ARE COMFORTABLE, AFFORDABLE AND STYLISH. SUCCESS IN THE INNERWEAR INDUSTRY IS BEING INCREASINGLY INFLUENCED BY A COMPANY'S ABILITY TO ORIENT ITSELF AROUND GROWING CUSTOMER NEEDS, PUTTING A PREMIUM ON SALES AND PROCUREMENT.

Challenges and counter-measures

The key challenges faced during the fiscal under review comprised volatile raw material costs and growing competition. Dollar embarked on various initiatives to address these challenges. The Company's distribution effectiveness was derived from an awareness of prevailing product trends.

Dollar's conventional trade channels

Agents	Distributors	Retailers

Alternative modern sales channels

E-commerce	Multi brand outlets (MBO)	Large format stores (LFS)

Our e-commerce visibility

Manufacturing

DOLLAR HAS JUDICIOUSLY INVESTED IN SUPERIOR QUALITY MANUFACTURING ASSETS. THE COMPANY INVESTED IN BACKWARD INTEGRATION – FROM THE CONSUMPTION OF RAW COTTON TO PRODUCT DELIVERY. THIS INTEGRATION IS EXTENSIVE IN INDIA'S INNERWEAR SECTOR, STRENGTHENING THE COMPANY'S MARGINS. DOLLAR POSSESSED THE FORESIGHT TO ENHANCE ECONOMIES-OF-SCALE, STRENGHTENING ITS OVERALL COMPETITIVENESS.

Production capacities, FY2018-19

Cotton combed yarn (per month): **400** tonnes	Knitted fabrics (per month): **300** tonnes
Dyed and bleached fabrics (per month): **400** tonnes	Elastic production (per month): **19** lacs meters
Cutting capacity (per day): **3** lacs pieces	

Manufacturing expenses

FY2017-18 ₹**205.67**cr	FY2018-19 ₹**233.32**cr

Dollar's manufacturing operations are spread across the following areas:

SPINNING

Dollar's Spinning division manufactures 100% cotton combed yarn of superior quality in various count ranges.

The raw materials are sourced from the finest resource centres within India and abroad, comprising superior raw material attributes.

The Spinning division's infrastructure comprises the following machines:

• Blow and Carding machines with a foreign material detector attachment from Trutzschler, Germany and Trumac.

• Drawframe, Comber and Speedframe machines of the latest technology from LMW and Reiter, Switzerland.

• Ringframes from LMW with autodoffers from LMW and Aspire Excel, with Compact Spinning from Sussen, Germany, with Spindle Monitoring System SpinBee.

• Bobbin Transport System from Simta Jacobi, installed for transporting SF bobbins.

• Autoconers from Schlafhorst, Germany equipped with the latest EYC from Loepfe, Switzerland, and Uster, Switzerland. The machines are equipped with Sterling Cop feeders and Sortlink bobbin sorting system.

• Spinning plant equipped with humidification plants from Aero-Based Controls Systems.

• Final packages checked through ultra-violet lights and air conditioned by Sieger Conditioning System before packing.

• Spinning Testing Lab equipped with Premier HVI, Uster Testor 5, Statex Count, Strength testor, and Classimate. The testing procedures of all materials i.e raw materials, in process materials and final products are tested as per international lab procedures. The yarn produced is used in captive consumption as well as marketed in domestic and export markets.

KNITTING

Dollar's Knitting division manufactures all types of knitted fabrics using 100% cotton combed yarn, PC, Melange, Speciality etc. of a superior quality in various count ranges.

The fabrics range comprises single jersey, double jersey, pique, feeder stripped, auto stripped and fleece, which goes into body shaping fabrics for inner and active wears.

- The knitting machines were sourced from Mayer and Cie, Terrort, Smart and Unitex, with the latest technologies.
- The needles used in knitting machines were sourced from Groz Beckert, ensuring quality knitting.
- The fabric produced is thoroughly inspected before despatch and used in captive consumption and exports.

DYEING AND BLEACHING

- Dollar's units are automated, complemented by available lab equipment.
- Eco-friendly dyes and chemicals are used in bleaching.
- Machines were sourced from Sclavos, MCS, Bianco, Strahm, Corino and Fongs.

WOMEN EMPOWERMENT

At Dollar, we see ourselves as a company that empowers women.

We empower women through products that enhance comfort, convenience, confidence and choice.

We provide these utilities through a patient understanding of what women need and at what price. The result has been increased product availability, accessibility and affordability.

Dollar has extended the empowerment through direct employment, equal opportunities, career growth and workplace safety.

DOLLAR INDUSTRIES LIMITED

CIN: L17299WB1993PLC058969
'OM TOWER', 15TH FLOOR, 32 J. L. NEHRU ROAD, KOLKATA – 700 071
Phone No. – 033-2288 4064-66, Fax – 033-2288 4063
E-mail: investors@dollarglobal.in Website: www.dollarglobal.in

NOTICE

NOTICE is hereby given that Annual General Meeting of members of M/s. Dollar Industries Limited will be held at Rotary Sadan, 'S.S. Hall', 94/2, Chowringhee Road, Kolkata – 700 020 on Friday, the 30th day of August, 2019 at 12:30 p.m. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Standalone & Consolidated Financial Statement of the Company including Audited Balance Sheet as at 31 March, 2019, Audited Statement of Profit & Loss and the Cash Flow Statement together with the Notes to Accounts for the year ended on that date along with Report of Directors' and Auditors' thereon.
2. To declare a dividend on Equity Shares.
3. To appoint a Director in place of Mr. Krishan Kumar Gupta (DIN: 01982914), who retires by rotation and, being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

4. APPOINTMENT OF MR. ANIL KUMAR SABOO AS AN INDEPENDENT DIRECTOR

   To consider and if thought fit, to pass with or without modifications, the following resolution as an **Ordinary Resolution:**

   "**RESOLVED THAT** pursuant to Section 149, 152, 160,161 and 197(5) read with Schedule IV and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Anil Kumar Saboo (DIN 00621325), be and is hereby appointed as an Independent Director of the Company to hold office for a term of 5 (Five) consecutive years upto 10 November, 2023 and shall not be liable to retire by rotation.

   FURTHER RESOLVED THAT the Board of Directors of the Company be and is hereby authorised to do all acts, deeds and things and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

5. APPOINTMENT OF MR. SRIKUMAR BANDYOPADHYAY AS AN INDEPENDENT DIRECTOR

   To consider and if thought fit, to pass with or without modifications, the following resolution as an **Ordinary Resolution:**

   "**RESOLVED THAT** pursuant to Section 149, 152, 160,161 and 197(5) read with Schedule IV and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Srikumar Bandyopadhyay (DIN 03504452), be and is hereby appointed as an Independent Director of the Company to hold office for a term of 5 (Five) consecutive years upto 10 November, 2023 and shall not be liable to retire by rotation.

   FURTHER RESOLVED THAT the Board of Directors of the Company be and is hereby authorised to do all acts, deeds and things and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

6. APPROVAL OF REMUNERATION OF COST AUDITOR FOR THE FINANCIAL YEAR 2019-20

   To consider and, if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution:**

   "**RESOLVED THAT** pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), M/s Debabrota Banerjee & Associates, Cost Accountants (FRN: 001703) appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year ending 31 March, 2020, be paid the remuneration as set out in the Statement annexed to the Notice convening this Meeting.

FURTHER RESOLVED THAT the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

By Order of the Board of Directors
For Dollar Industries Limited

Registered Office:
'Om Tower', 15th floor,
32 J. L. Nehru Road,
Kolkata- 700 071

Sd/-
Abhishek Mishra
Company Secretary

Date: 27 May, 2019

NOTES :

1. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
2. The Proxies to be effective must be deposited at the Registered Office of the Company not later than 48 hours before the commencement of the meeting. A proxy form is enclosed.
3. **A PERSON CAN ACT AS PROXY FOR ONLY 50 MEMBERS AND HOLDING IN AGGREGATE NOT MORE THAN 10 PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. MEMBERS HOLDING MORE THAN 10 PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS PROXY FOR ANY OTHER MEMBER.**
4. The Statement pursuant to Section 102 (1) of the Companies Act, 2013 with respect to the special business set out in the Notice is annexed.
5. The profile of the Directors seeking appointment/ re-appointment, as required in terms of applicable Regulations of Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed hereto and forms part of this Notice.
6. The Register of Members and Transfer Books of the Company will be closed from 24 August, 2019 to 30 August, 2019 (both days inclusive) for the Annual General Meeting (AGM).
7. Dividend on equity shares, when approved at the Meeting, will be paid to those members :
   (a) whose names appear as Beneficial Owners as at the end of business hours on 23 August, 2019, in the list to be furnished by National Securities Depository Limited and Central Depository Services (India) Limited in respect of the shares held in electronic form, and
   (b) whose names appear as Members in the Register of Members of the Company after giving effect to valid share transfers in physical form lodged with the Company on or before 23 August, 2019.
8. The un-paid or un-claimed dividend declared in the earlier years has been transferred to 'Un-paid Dividend Account' opened for the purpose.
9. Members holding shares in physical form are requested to intimate, indicating their respective folio number, the change of their addresses, the change of Bank Accounts etc. to M/s. Niche Technologies Pvt. Ltd., 3A, Auckland Place, 7th Floor, Room No. 7A & 7B, Kolkata-700017, the Registrar and Share Transfer Agents of the Company, while members holding shares in electronic form may write to their respective Depository Participant for immediate updation, so as to enable the Company to dispatch dividend warrants to the correct address.
10. Members holding shares in physical form are advised to file nominations in respect of their shareholding in the Company, if not already registered and to submit the same to Registrar and Share Transfer Agent.
11. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified true copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.

12. Members/proxies should bring the duly filled Attendance Slip enclosed herewith to attend the meeting.

13. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.

14. **The Company is concerned about the environment and utilizes natural resources in a sustainable way. We request you to update your email address with your Depository Participant to enable us to send you the Annual Reports, Notices and other communications via e-mail. All the shareholders holding shares in physical form who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, etc. from the Company, electronically.**

15. Notice of the AGM along with attendance slip, proxy form along with the process, instructions and the manner of conducting e-voting is being sent electronically to all the members whose e-mail IDs are registered with the Company / Depository Participant(s). For members who request for a hard copy and for those who have not registered their email address, physical copies of the same are being sent through the permitted mode.

16. The Securities and Exchange Board of India (SEBI) has mandated the submission of the Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their respective Depository Participant(s) and Members holding shares in physical form are requested to submit their PAN details to the Company/RTA.

17. All Documents referred to in the accompanying Notice are open for inspection at the Registered Office of the Company on all the working days during business hours upto the date of meeting.

18. **Voting Through Electronic Means**

    I) As per Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), and Regulation 44 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, the items of business set out in the attached Notice may also be transacted through electronic voting system as an alternative mode of voting. The Company is providing the facility of casting vote through the electronic voting system ("e-voting") under an arrangement with The Central Depository Services (India) Limited ("CDSL") as specified more particularly in the instruction hereunder provided that once the vote on a Resolution is casted through e-voting, a Member shall not be allowed to change it subsequently.

    II) Similarly, Members opting to vote physically can do the same by remaining present at the meeting and should not exercise the option for e-voting. However, in case Members cast their vote exercising both the options, i.e. physically and e-voting, then votes casted through e-voting shall only be taken into consideration and treated valid whereas votes casted physically at the meeting shall be treated as invalid.

    III) **The instructions for shareholders voting electronically are as under:**

    (i) The voting period begins on 27 August, 2019 at 9.00 a.m. and ends on 29 August, 2019 at 5.00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 23 August, 2019 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

    (ii) The shareholders should log on to the e-voting website www.evotingindia.com during the voting period.

    (iii) Click on "Shareholders" tab.

    (iv) Now Enter your User ID

    a. For CDSL: 16 digits beneficiary ID,

    b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

    c. Members holding shares in Physical Form should enter Folio Number registered with the Company, excluding the special characters.

    (v) Next enter the Image Verification as displayed and Click on Login.

    (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any Company, then your existing password is to be used.

(vii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. • In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
DOB	Enter the Date of Birth as recorded in your demat account with the depository or in the Company records for your folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Bank Account Number as recorded in your demat account with the depository or in the Company records for your folio. • Please Enter the DOB or Bank Account Number in order to Login. • If both the details are not recorded with the depository or Company then please enter the member-ID / Folio Number in the Bank Account Number details field as mentioned in above instruction (iv).

(viii) After entering these details appropriately, click on "SUBMIT" tab.

(ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other Company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xi) Click on the EVSN for the relevant "**Dollar Industries Ltd.**" on which you choose to vote.

(xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

(xvii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xviii) Note for Institutional Shareholders

- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to https://www.evotingindia.com and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details they have to create a compliance user using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.

- The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com or contact them at 1800 200 5533.

(xx) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. IPhone and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.

19. Institutional Members / Bodies Corporate (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution / Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote through e-mail at santibrewalla@gmail.com with a copy mark to helpdesk.evoting@cdslindia.com on or before 29 August, 2019 upto 5.00 p.m. without which the vote shall not be treated as valid.

20. **The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 23 August, 2019.** A person who is not a member as on cut-off date should treat this notice for information purpose only.

21. The notice of Annual General Meeting will be sent to the members, whose names appear in the register of members / depositories as at closing hours of business, on 19 July, 2019.

22. Investors who became members of the Company subsequent to the dispatch of the Notice / Email and holds the shares as on the cut-off date i.e. 23 August, 2019 are requested to send the duly signed written / email communication to the Company at investors@dollarglobal.in and to the RTA at nichetechpl@nichetechpl.com by mentioning their Folio No. / DP ID and Client ID to obtain the Login-ID and Password for e-voting.

23. **The shareholders shall have one vote per equity share held by them as on the cut-off date of 23 August, 2019. The facility of e-voting would be provided once for every folio / client id, irrespective of the number of joint holders.**

    The facility for voting either through ballot or polling paper shall also be made available at the meeting and members attending the meeting who have not casted their vote by remote e-voting shall be able to exercise their right at the meeting.

24. **However, in case the members who have casted their votes by e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their votes again.**

25. **Mr. Santosh Kumar Tibrewalla, Practising Company Secretary has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner. The Scrutinizer shall not later than 3(three) days or such time as may be permitted under the law, of conclusion of the meeting make a consolidated Scrutinizer's Report (which includes remote e-voting and voting as may be permitted at the venue of the AGM by means of ballot paper/poll) of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing who shall countersign the same and declare the results of the voting forthwith.**

26. Subject to casting of requisite number of votes in favour of the resolution(s), the resolution(s) shall be deemed to be passed on the date of Annual General Meeting of the Company.

27. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.dollarglobal.in and on the website of CDSL immediately after declaration of results of passing of the resolution at the Annual General Meeting of the Company and the same shall also be communicated to The National Stock Exchange of India Limited (NSE) and BSE Limited (BSE), where the shares of the Company are listed.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013:

The following Explanatory Statement, pursuant to Section 102 of the Companies Act, 2013 ("Act"), sets out all material facts relating to the business mentioned at Item Nos. 4 to 6 of the accompanying Notice dated 27 May, 2019 :

Item No. 4:

The Board, at its meeting held on 10 November, 2018 has appointed Mr. Anil Kumar Saboo as an Additional Director (designated as Independent Director) of the Company with immediate effect, pursuant to provisions of Section 149, 152, 160 and 161 of the Companies Act, 2013 and the Articles of Association of the Company. As per provisions of the Act, he would hold office of Directors up to the date of the ensuing Annual General Meeting (AGM) unless appointed as a Director of the Company by the Shareholders. The Company has received a notice in writing under the provisions of Section 160 of the Companies Act, 2013, from a member, proposing the candidature of Mr. Anil Kumar Saboo for the office of an Independent Director, to be appointed under the provisions of Section 149 of the Companies Act, 2013.

In accordance to the verification made by the Company and its Nomination & Remuneration Committee, the aforesaid Director is not debarred from holding of office as Director pursuant to any SEBI Order.

In the opinion of the Board, Mr. Anil Kumar Saboo fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director and he is independent of the management.

A brief profile of Mr. Anil Kumar Saboo including nature of his expertise and shareholding in the Company are annexed to the notice.

Accordingly, the Board recommends the resolution in relation to appointment of Mr. Anil Kumar Saboo as an Independent Director, for approval by the shareholders of the Company upto 10 November, 2023 pursuant to Section 149 and other applicable provisions of the Companies Act, 2013 and the Rules made there under. Further, he shall not be liable to retire by rotation.

Copy of the draft letter of appointment of Mr. Anil Kumar Saboo as an Independent Director setting out the terms and conditions is available for inspection by members during working hours at the Registered Office of the Company.

Except Mr. Anil Kumar Saboo, no other director, key managerial personnel or their relatives, is in any way, financially or otherwise interested or concerned in the resolution.

The Board recommends the Ordinary Resolution set forth in Item no. 4 of the Notice, for the approval by the shareholders of the Company.

Item No. 5:

The Board, at its meeting held on 10 November, 2018 has appointed Mr. Srikumar Bandyopadhyay as an Additional Director (designated as Independent Director) of the Company with immediate effect, pursuant to provisions of Section 149, 152, 160 and 161 of the Companies Act, 2013 and the Articles of Association of the Company. As per provisions of the Act, he would hold office of Directors up to the date of the ensuing Annual General Meeting (AGM) unless appointed as a Director of the Company by the Shareholders. The Company has received a notice in writing under the provisions of Section 160 of the Companies Act, 2013, from a member, proposing the candidature of Mr. Srikumar Bandyopadhyay for the office of an Independent Director, to be appointed under the provisions of Section 149 of the Companies Act, 2013.

In accordance to the verification made by the Company and its Nomination & Remuneration Committee, the aforesaid Director is not debarred from holding of office as Director pursuant to any SEBI Order.

In the opinion of the Board, Mr. Srikumar Bandyopadhyay fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director and he is independent of the management.

A brief profile of Mr. Srikumar Bandyopadhyay including nature of his expertise and shareholding in the Company are annexed to the notice.

Accordingly, the Board recommends the resolution in relation to appointment of Mr. Srikumar Bandyopadhyay as an Independent Director, for approval by the shareholders of the Company upto 10 November, 2023 pursuant to Section 149 and other applicable provisions of the Companies Act, 2013 and the Rules made there under. Further, he shall not be liable to retire by rotation.

Copy of the draft letter of appointment of Mr. Srikumar Bandyopadhyay as an Independent Director setting out the terms and conditions is available for inspection by members during working hours at the Registered Office of the Company.

Except Mr. Srikumar Bandyopadhyay, no other director, key managerial personnel or their relatives, is in any way, financially or otherwise interested or concerned in the resolution.

The Board recommends the Ordinary Resolution set forth in Item no. 5 of the Notice, for the approval by the shareholders of the Company.

Item No. 6:

The Board, on the recommendation of the Audit Committee, has approved the appointment of M/s Debabrota Banerjee & Associates, Cost Accountants, to conduct the audit of the cost records of the Company for the financial year ending 31 March, 2020 at a remuneration of ₹1.50 lacs plus applicable taxes and out of pocket expenses, if any as their Audit fees.

In accordance with the provisions of Section 148 of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors needs to be ratified by the shareholders of the Company in the general meeting. Accordingly, consent of the members is sought for passing the Resolution as set out in Item No. 6 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending 31 March, 2020.

Your Board of Directors recommends the above Ordinary Resolution set out in Item No. 6 of the accompanying notice for your approval.

None of the directors of the Company or any key managerial personnel or their relatives are in any way, financially or otherwise, directly or indirectly, concerned or interested in the said resolution.

ANNEXURE TO NOTICE OF AGM

Details of the Directors seeking appointment/ re-appointment in the Annual General Meeting

[In pursuance to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard 2 issued by the Institute of Company Secretaries of India]

Name of Director & DIN	Date of Birth and Age	Date of Appointment	Remuneration last drawn (₹ in Lacs)	Expertise in specific Functional areas	Qualifications	Shareholding in the Company	No. of Board Meetings Attended	List of listed Companies in which Directorships held *	Chairman/ Member of the Committee of the Board of other listed Companies in which he is a Director *
Mr. Krishan Kumar Gupta (DIN :01982914)	09.11.1970 50 Years	04.08.2005	80.00	More than two decades of experience in the manufacturing activities	Science Graduate	1653330	4 (Four)	NIL	NIL
Mr. Anil Kumar Saboo (00621325)	23.06.1963 56 Years	10.11.2018	NIL	Expertise in the field in the field of Audit and Direct & Indirect Taxation.	Chartered Accountant	NIL	2 (Two)	1. Dollar Industries Limited 2. BKM Industries Limited	1. BKM Industries Limited- Audit Committee- Member Nomination & Remuneration Committee - Member
Mr. Srikumar Bandyopadhyay (03504452)	10.01.1956 63 Years	10.11.2018	NIL	Expertise in Taxation (Direct & Indirect Taxes), International Taxation, Finance, Commercial Laws including FEMA, Service Tax, Company Law matters	Chartered Accountant	NIL	1 (One)	1. Dollar Industries Limited 2. Beekay Steel Industries Ltd	1. Beekay Steel Industries Ltd- Audit Committee- Member

* Excluding Private Limited Companies, Foreign Companies and Companies registered under Section 8 of the Companies Act, 2013.

The disclosure of relationships between Directors inter se as required as per Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard 2 issued by the Institute of Company Secretaries of India are as follows :

Relationship between the Directors inter se:

Name of Directors	Name of Other Director and Nature of Relationship
Mr. Krishan Kumar Gupta	Mr. Vinod Kumar Gupta, Mr. Binay Kumar Gupta & Mr. Bajrang Kumar Gupta - Brothers
Mr.Anil Kumar Saboo	No relation with other Directors
Mr.Srikumar Bandyopadhyay	No relation with other Directors

Directors' Report

To the members,

Your Directors are pleased to present the 26th Annual Report of the Company together with the audited financial statements for the financial year ended 31 March, 2019.

Financial Results:

(₹ in Lacs)

Particulars	Standalone		Consolidated	
	2018-19	2017-18	2018-19	2017-18
Revenue from operations	1,02,875.52	92,555.34	1,02,875.52	92,555.34
Other Income	220.96	200.54	220.96	200.54
Total Revenue	**1,03,096.48**	**92,755.88**	**1,03,096.48**	**92,755.88**
Profit before Interest, Depreciation & Taxation	**13,787.05**	**12,587.00**	**13,787.05**	**12,587.00**
Less Interest	(1,573.94)	(1,788.80)	(1,573.94)	(1,788.80)
:Depreciation	(1,109.57)	(1,217.37)	(1,109.57)	(1,217.37)
Profit Before Tax	**11,103.54**	**9,580.83**	**11,103.54**	**9,580.83**
Less: Tax Expense	(3,578.12)	(3,179.20)	(3,578.12)	(3,179.20)
Profit After Tax	**7,525.42**	**6,401.63**	**7,525.42**	**6,401.63**
Less: Share of Loss of Joint Venture	-	-	(163.05)	(38.13)
Add: Balance brought forward from previous year	**20,070.43**	**14,321.33**	**20,032.50**	**14,321.33**
Less: Proposed Dividend (Including Dividend Distribution Tax)	**(1,092.19)**	**(652.53)**	**(1,092.19)**	**(652.53)**
Adjustment relating to fixed Assets & Gratuity	-	-	-	-
Balance carried to Balance Sheet	**26,503.66**	**20,070.43**	**26,302.48**	**20,032.30**

Current Operations

During the financial year, your Company has reported an increase of 11.15% in total revenue and an increase of 17.55% in the profit (after tax) compared to the previous financial year. The exports made by the Company stood at ₹7,100.55 lacs against ₹6,718.87 lacs during the previous financial year.

Your Company has launched a new range of products viz. Dollar Athleisure collection and it has already started to create a buzz amongst its customers. The collection of athleisure products is made from rich cotton fabric which is more durable, flexible and is washable than other fabrics. Moreover, the state of the art fitness and appearance has given this fitness wear collection a new status. The tees has many features such as fashionable and durable frontal prints, unique pocket prints, whereas the bermudas, capri, track pant and jogger has unique one-sided zipper pocket, embossed branding and waistband with drawcod. The new range of Dollar Bigboss is being well accepted by the consumers at large.

Dividend

Your Board has recommended a dividend of ₹1.70 (previous year ₹1.60 on face value of ₹2 each fully paid-up) per equity share of ₹2 each fully paid-up (i.e. 85% on the paid-up value of equity shares). The proposal is subject to the approval of the Members at the 26th Annual General Meeting (AGM) of your Company scheduled to be held on 30 August, 2019. The dividend payout is in the line with the Dividend Distribution Policy as adopted by the Company.

Pursuant to Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has formulated a Dividend Distribution Policy. The Policy is annexed hereto and marked as **Annexure-A** forming part of the Directors' Report and is also available on the Company's website at https://www.dollarglobal.in/assets/upload/corporate-policy/dividend_distribution_policy.pdf.

Amount Transferred to Reserves

The Company has not transferred any amount to the General Reserves.

Financial Statements

The Financial Statements of your Company have been prepared in accordance with Indian Accounting Standards (Ind AS) issued by the Institute of Chartered Accountants of India and Regulation 48 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as SEBI Listing Regulations, 2015) for the financial year 2018-19 as applicable to the Company. The estimates and judgments relating to the Financial Statements are made on a prudent basis, so as to reflect in a true and fair manner, the form and substance of transactions and reasonably present the Company's state of affairs, profits and cash flows for the year ended 31 March, 2019.The Consolidated Financial Statements of the Company forms an integral part of this Report.

Share Capital

The Authorised Share Capital of your Company as on 31 March, 2019 stands at ₹11,50,00,000 (Rupees Eleven Crores Fifty Lacs) divided into 5,75,00,000 equity shares of F.V. ₹2 each.

The issued, subscribed and paid-up share capital of your Company is ₹11,34,32,240 (Rupees Eleven Crores Thirty Four Lacs Thirty Two Thousand Two Hundred Forty) divided into 5,67,16,120 equity shares of F.V. ₹2 each, fully paid up.

Deposits

Your Company has not accepted any deposits during the year in terms of the Act. No deposits remained unpaid or unclaimed as at the end of the year and there was no default in repayment of deposits or payment of interest thereon during the year.

Conservation of Energy, Research & Development, Technology Absorption, Foreign Exchange Earnings and Outgo

Information related to Conservation of Energy, Research & Development, Technology Absorption, Foreign Exchange Earnings and Outgo as required under Section 134(3)(m) of the Companies Act, 2013 and Rule 8(3) of Companies (Accounts) Rules, 2014 are at **Annexure-B** as attached hereto and forming part of this Report.

Corporate Governance

Your Company strives to ensure that best Corporate Governance practices are consistently identified, adopted and followed towards ensuring sustainable growth of business thereby enhancing stakeholders' value. Your Company has practiced sound Corporate Governance and takes necessary actions at appropriate times for enhancing and meeting stakeholders' expectations while continuing to comply with the mandatory provisions of Corporate Governance.

Your Company has given its deliberations to provide all the information in the Directors' Report and the Corporate Governance Report as per the requirements of the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Listing Agreement entered by the Company with the Stock Exchange(s) as a matter of prudence and good governance.

Pursuant to Regulation 34(3) read with Schedule V of The Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time, a report on Corporate Governance along with a certificate from Mr. Santosh Kumar Tibrewalla, Practicing Company Secretary regarding compliance of conditions of Corporate Governance and certification by CEO & CFO are given in **Annexure-C, D** and **E,** respectively.

Code of Conduct

A Code of Conduct as applicable to the Board of Directors, KMPs and Senior Executives is already in force and is available on the Company's website at https://www.dollarglobal.in/assets/upload/corporate-policy/companys-code-of-conduct.pdf. The Board Members and Senior Management have affirmed their compliance with the Code and pursuant to Regulation 26(3) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and a declaration signed by the Managing Director (CEO) to this affect is given in **Annexure-F**.

Management Discussions & Analysis Report

Pursuant to Regulation 34 (2) (e) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015,a report on Management Discussion & Analysis is at **Annexure-G** to this report.

Change in Directors & Key Managerial Personnel

i) Resignations :

Mr. Pawan Kumar Agarwal (DIN: 01978322), Non-Executive Independent Director of the Company had resigned from the office of Directors w.e.f. 10 August, 2018 due to his personal reasons. The Company has received confirmation from Mr. Agarwal that there was no other reason except as stated above, for his resignation.

Mr. Rakesh Gopikishan Biyani (DIN:00005806), Non-Executive Independent Director of the Company has resigned from the office of Independent Directors of the Company w.e.f. 10 April, 2019 due to proposed acquisition of some similar business in India which would may lead to conflict of interest of Independence. The Company has received confirmation from Mr. Biyani that there was no other reason except as stated above, for his resignation.

Shri. Din Dayal Gupta (DIN: 00885582), Chairman (Non-Executive Director) of the Company has resigned from the office of Directors and Chairman w.e.f. 11 April, 2019 due to his growing age.

ii) Appointments :

Mrs. Divyaa Newatia (DIN: 00347787) was appointed as an Additional Director (Non-Executive Independent Women Director) of the Company with effect from 12 February, 2018, pursuant to Section 149, 152, 160 and 161 of the Companies Act, 2013 and other applicable provisions of the said Act and Mr. Sanjay Jhunjhunwalla (DIN: 00233225) was appointed as an Additional Director (Non-Executive Director) in the Board, w.e.f. 10 August, 2018 pursuant to Section 152, 160 and 161 of the Companies Act, 2013 and other applicable provisions of the said Act and subsequently both the above appointments were approved by the shareholders in the last Annual General Meeting of the Company held on 12 September, 2018.

The shareholders had also re-appointed Mr. Binay Kumar Agarwal (DIN: 01342065) as a Non-Executive Independent Director of the Company to hold office for a second term of 5 (five) consecutive years w.e.f. 1 April, 2019 by passing special resolution pursuant to Section 149(10) read with Schedule IV of the Companies Act, 2013 at the Annual General Meeting of the Company held on 12 September, 2018.

Pursuant to the provisions of Section 161 of the Companies Act, 2013 and rules framed thereunder, Mr. Anil Kumar Saboo (DIN: 00621325) and Mr. Srikumar Bandyopadhyay (DIN: 03504452) were appointed as Additional Directors (Non-Executive Independent Directors) of the Company with effect from 10 November, 2018 and they would hold the office of Directors upto the date of ensuing Annual General Meeting of the Company unless their appointment is approved by the Shareholders in the ensuing Annual General Meeting of the Company. Amongst other terms, Mr. Anil Kumar Saboo and Mr. Srikumar Bandyopadhyay, if confirmed by the Shareholders would no longer be required to retire by rotation in view of Section 149(13) of the Companies Act, 2013 and can hold the office of Directors of the Company for a consecutive period of 5 (five) years as per Section 149(10) of the said Act and hence their appointment has been proposed in the ensuing Annual General Meeting of the Company, accordingly.

Declaration of Independence as per Section 149(6) of the Companies Act, 2013 were duly received from all the Independent Directors as required under the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

iii) Retirement by Rotation :

Pursuant to the provisions of Section 152(6) and other applicable provisions of the Companies Act, 2013 and Articles of Association of the Company, Mr. Krishan Kumar Gupta (DIN:01982914), Director of the

Company, retires by rotation at the ensuing Annual General Meeting and being eligible offered himself for re-appointment.

None of the Directors of the Company as mentioned in item no (ii) are disqualified as per section 164(2) of the Companies Act, 2013.

The Directors have also made necessary disclosures to the extent as required under the provisions of Section 184(1) of the Companies Act, 2013, as applicable.

iv) Appointment & Resignation of Whole-time Key Managerial Personnel (KMP) :

Ms. Shashi Agarwal, Chief Financial Officer (CFO) of the Company was elevated as Senior Vice President - Corporate Strategy & Investor Relations in the Company w.e.f. 29 May, 2018.

Mr. Lalit Chand Sharma was appointed as the Chief Financial Officer (CFO) of the Company w.e.f. 29 May, 2018.

Except for above, there were no changes in the Whole-time KMPs during the financial year under review.

Directors' Responsibility Statement

Pursuant to the provisions of Section 134(3)(c) & 134(5) of the Companies Act, 2013, your Directors hereby confirm that:

1. In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation related to material departures;
2. Appropriate accounting policies have been selected and applied consistently and judgements and estimates that are reasonable and prudent have been made so as to give a true and fair view of the state of affairs of the Company as at 31 March, 2019 and of the Profit of the Company for the year ended on 31 March, 2019;
3. Proper and sufficient care has been taken, to the best of their knowledge and ability, for the maintenance of adequate accounting records in accordance with the provisions of this Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. The annual accounts have been prepared on a going concern basis;
5. The Directors have laid down Internal Financial Controls to be followed by the Company and that such Internal Financial Controls are adequate and are operating effectively; and
6. Proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

Auditors and their Reports

(i) Statutory Auditors:

M/s. Singhi & Co. (Firm Registration No. 302049E), Chartered Accountants, were appointed as the Statutory Auditors of the Company at the 24th Annual General Meeting of the Company held on 8 August, 2017 for a period of 5 (five) years and would hold the office of Auditors till the conclusion of the 29th Annual General Meeting of the Company to be held for the financial year 2021-22.

The observations made by the Statutory Auditors in their Auditors Report together with the notes to accounts, as append thereto are self-explanatory and hence does not call for any further explanation.

(ii) Cost Auditor:

Pursuant to Section 148 of the Companies Act, 2013, the Board of Directors on recommendation of the Audit Committee had re-appointed M/s Debabrota Banerjee & Associates, Cost Accountant, as the Cost Auditors of the Company for the financial year 2019-20. The Company has received consent and confirmation of eligibility for their re-appointment as the Cost Auditors of the Company for the financial year 2019-20.

As per the requirements of the Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014 as amended from time to time, your Company is required to maintain cost records and accordingly, such accounts are made and records have been maintained.

(iii) Secretarial Auditor:

Mr. Santosh Kumar Tibrewalla, Practicing Company Secretary, continued to be the Secretarial Auditor of the Company to carry out the Secretarial Audit under the provisions of Section 204 of the Companies Act, 2013. The report of the Secretarial Auditor (MR-3) for the financial year 2018-19 is enclosed as **Annexure-H** to this Board's Report, which is self-explanatory and hence do not call for any further explanation.

(iv) Internal Auditors :

M/s. Pawan Gupta & Co., Chartered Accountants continued to be the Internal Auditors of the Company under the provisions of Section 138 of the Companies

Act, 2013 for conducting the internal audit of the Company for the financial year 2018-19

Corporate Social Responsibility (CSR)

The Corporate Social Responsibility (CSR) is an integral part of our sustainability model. In view of resignation of Shri Din Dayal Gupta from the office of Directors of the Company w.e.f. 11 April, 2019, in the Board Meeting held on 27 May, 2019, the Committee was reconstituted by inducting Mr. Krishan Kumar Gupta, Whole-time Director of the Company as the member of the Committee. Other members of the Committee are Mr. Binay Kumar Agarwal Non-Executive Independent Director and Mr. Vinod Kumar Gupta, Managing Director of the Company. Mr. Vinod Kumar Gupta was appointed as the Chairman of the Committee. The CSR policy formulated by the Company is available on the website at https://www.dollarglobal.in/assets/upload/corporate-policy/corporate-social-responsibility-policy.pdf.The details of the Committee has been provided in the Corporate Governance Report as annexed to this report and the CSR activities are mentioned in the 'Annual Report on CSR Activities' enclosed as **Annexure-I** to this report.

Personnel

The particulars and information of the employees as required under Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 has been set out as **Annexure-J** to this Report, attached hereto.

Disclosure as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. All employees (Permanent/Contractual/Temporary/Trainees) are covered under this policy. The policy is gender neutral. During the year under review, no complaints with allegations of Sexual Harassment were received by the Company.

Company's Website

The website of your Company, www.dollarglobal.in has been designed to present the Company's businesses up-front on the home page. The site carries a comprehensive database of information of the Company including the Financial Results of your Company, Shareholding Pattern, Directors & Corporate Profile, details of Board Committees, Corporate Policies, business activities and current affairs of your Company. All the mandatory information and disclosures as per the requirements of the Companies Act, 2013 , Companies Rules, 2014 and as per Regulation 46 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and also the non-mandatory information of Investors' interest / knowledge has been presented on the website of the Company.

Voluntary Delisting of Equity Shares of the Company from the Calcutta Stock Exchange Limited (CSE)

Pursuant to Regulation 6 and Regulation 7 of the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009, your Company delisted its Equity shares from The Calcutta Stock Exchange Ltd (CSE) under Voluntary Delisting guidelines with effect from 22 May, 2018.

Listing Of Equity Shares of The Company on BSE Limited (BSE)

Your Company got listed for trading in its equity shares on 7 June, 2018 with BSE Ltd. (BSE).

Accordingly, your Company's Equity Shares are listed on The National Stock Exchange of India Ltd (NSE) and BSE Ltd. (BSE), both having Nationwide Trading Terminals.

The Company is registered with both NSDL & CDSL for holding the shares in dematerialized form and open for trading. The Company has duly paid the Annual Listing/Custodial Fees to the Stock Exchanges and the depositories, respectively.

Code of Conduct for Prevention of Insider Trading

In terms of the SEBI (Prohibition of Insider Trading) Regulations, 1992, your Company has adopted the Code of Conduct for prevention of Insider Trading. Further, in accordance with the provisions of Regulation 8 of SEBI (Prohibition of Insider Trading) Regulations, 2015, the Board of Directors of the Company has duly approved and adopted the code of practices and procedure for fair disclosure of Un-published Price Sensitive Information and formulated the code of conduct of the Company.

However, SEBI has amended certain provisions of the SEBI (Prohibition of Insider Trading) Regulations, 1992 w.e.f. 1 April, 2019, which were duly adopted by the Company and the Code of Conduct was revised accordingly. The aforesaid code of conduct for prevention of Insider Trading is duly placed on the website of the Company at https://www.dollarglobal.in/assets/upload/corporate-policy/0dd03be062a2791adab540a133a008df.pdf.

Disclosures as per Applicable Act, Listing Agreement / SEBI (LODR) Regulations, 2015

i) Related Party Transactions:

All transactions entered with related parties during the financial year 2018-19 were on an arm's length basis and were in the ordinary course of business and provisions of Section 188 (1) are not attracted. There have been no materially significant related party transactions with the Company's Promoters, Directors and others as defined in Section 2(76) of the Companies Act, 2013 and Regulation 23 of SEBI(Listing Obligations & Disclosure Requirements) Regulations, 2015 which may have potential conflict of interest with the Company at large.

Accordingly, disclosure in Form AOC-2 is not required.

In compliance with the provisions of the Act and the SEBI (LODR) Regulation 2015, each transaction as entered by the Company with its related parties is placed before the Audit Committee. A prior omnibus approval of the Audit Committee is obtained on a yearly basis for the transactions which are foreseen and repetitive in nature. The transactions pursuant to the omnibus approval so granted, is audited and a detailed quarterly statement of all related party transactions is placed before the Audit Committee for its review. The policy on related party transactions as approved by the Board is available on the Company's website at https://www.dollarglobal.in/assets/upload/corporate-policy/sdefewwea.pdf.

The necessary disclosures regarding the transactions are given in the notes to accounts. The Company has also formulated a policy on dealing with the Related Party Transactions and necessary approval of the Audit Committee and Board of Directors were taken wherever required in accordance with the Policy.

In terms of Regulation 34 (3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended w.e.f. 1 April, 2019, disclosure of transactions of the Company with its promoter group Company, M/s. Simplex Impex Private Limited holding more than ten percent of equity shares in the Company are provided herein below:-

(₹ in Lacs)

Nature of Transaction	Amount
Rent Paid	9.36
Interest paid	152.73
Loan Taken	1,654.00
Repayment of Loan	5,378.26

ii) Number of Board Meetings:

The Board of Directors met 4 (four) times in the year 2018-19. The details of the Board Meeting and attendance of the Directors are provided in the Corporate Governance Report, attached as Annexure to this Board's Report.

iii) Composition of Audit Committee:

The Board has constituted the Audit Committee under the applicable provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Audit Committee was re-constituted by the Board of Directors in its meeting held on 29 May, 2018 as Mr. Pawan Kumar Agarwal ceased to be the member of the Committee due to his resignation from the Board of the Company and Mrs. Divyaa Newatia, Non-Executive Independent Director of the Company was inducted as the member of the Committee in his place.

Mr. Binay Kumar Agarwal continues to be the Chairman of the Committee.

Complete details of the Committee are given in the Corporate Governance Report, attached as Annexure to this Board's Report.

iv) Extracts of Annual Return:

The details forming part of the copy of the Annual Return of the Company as provided under Section 92(3) of the Companies Act, 2013 in Form MGT-9 is attached to this report as **Annexure-K**. and is also available at the website of the Company at https://www.dollarglobal.in/assets/upload/news/a6530d647b66fa4ff97cce66ce08a021.pdf.

v) Risk Analysis:

The Company has in place a mechanism to inform the Board members about the Risk assessment and mitigation plans and periodical reviews to ensure that the critical risks are controlled by the executive management.

vi) Internal Financial Control :

The Company has in place adequate internal financial control as required under Section 134(5)(e) of the Act. During the year such controls were tested with reference to financial statements and no reportable material weakness in the formulation or operations were observed.

vii) Loans, Guarantees and Investments:

During the year under review, your Company has invested and deployed its surplus funds in securities which were within the overall limit of the amount and within the powers of the Board as applicable to the Company in terms of Section 179 and 186 of the Companies Act, 2013. The particulars of all such loans, guarantees and investments are entered in the register maintained by the Company for the purpose.

viii) Post Balance Sheet events:

There are no material changes and commitments affecting the financial position of the Company occurred post closure of the financial year 2018-19. However,

(a) Mr. Rakesh Gopikishan Biyani (DIN: 00005806), Non-Executive Independent Director has resigned from the office of Directors w.e.f. 10 April, 2019.

(b) Shri. Din Dayal Gupta (DIN: 00885582), Chairman (Non-Executive Director) has resigned from the office of Non- Executive Director and Chairman of the Company w.e.f. 11 April, 2019.

ix) Subsidiaries, Associates or Joint Ventures:

Your Company's Joint Venture Company viz. M/s. Pepe Jeans Innerfashion Private Limited (PJIPL) commenced its operations during the reporting period and has launched its products in Indian market. It has started selling its products through various distributors, Exclusive Brand Outlets (EBO) of Pepe Jeans, LFS and various e-commerce channels on pan India basis. After commencement of commercial production of fashion Inner-wear, PJIPL has achieved a turnover of ₹569.57 lacs in the financial year 2018-19. The sales (under the product brand "PEPE Jeans London") are being channelled through various distributors and online portals (like Amazon, Myntra, Flipkart).

The consolidated financial statements presented by the Company includes financial information of its Joint Venture Company prepared in compliance with applicable Accounting Standards.

Pursuant to Section 129(3) of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014, a statement containing salient features of the financial statements of Joint Venture is given in Form AOC-1 forms part of the consolidated financial statement and is attached to this report as **Annexure- L**.

x) Evaluation of the Board's Performance:

The Nomination and Remuneration Committee of the Board of Directors had laid down the criteria for evaluation of its own performance, the Directors individually as well as the evaluation of working of its various Committee(s).

Evaluation Criteria :

Authority For Evaluation	Target Person For Evaluation
Nomination and Remuneration Committee (NRC)	All Directors (Individually), Board and Committees
Independent Directors' Meeting (IDs)	a. Non – Independent Directors (Non- IDs); b. Chairperson (taking into account the views of Executive & Non-Executive Directors); c. Board as a Whole ; and d. Committees of Board.
Board of Directors (BOD)	Independent Directors (excluding participation of the ID being evaluated)

During the year under review, the Board, in compliance with the Companies Act, 2013 and applicable Regulations of Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, has continued to adopt formal mechanism for evaluating its performance and as well as that of its Committees and individual Directors, including the Chairman of the Board. The exercise was carried out through a structured evaluation process covering various aspects of the Boards functioning such as composition of the Board & Committees, experience & competencies, performance of specific duties & obligations, governance issues etc. A separate exercise was carried out to evaluate the performance of individual directors including the Board, as a whole and the Chairman, who were evaluated on parameters such as their participation, contribution at the meetings and otherwise, independent judgements, safeguarding of minority shareholders interest, etc.

The evaluation of the Independent Directors was carried out by the entire Board and that of the Chairman and the Non-Independent Directors were carried out by the Independent Directors in their separate meeting held on 12 February, 2019.

The Directors were satisfied with the evaluation results, which reflected the overall engagement of the Board and its Committees with the Company.

xi) Nomination, Remuneration and Evaluation Policy:

The Company on recommendation of its Nomination & Remuneration Committee has laid down a Nomination, Remuneration and Evaluation Policy in compliance with the provisions of the Companies Act, 2013 read with the Rules made therein and applicable Regulations of Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Listing Agreement entered with the Stock Exchanges(as amended from time to time). This Policy is formulated to provide a framework and to set standards in relation to the following and details of the same are given in the Corporate Governance Report, attached as Annexure to this Board's Report:

a. Criteria for appointment and removal of Directors, Key Managerial Personnel (KMP) and Senior Management Executives of the Company.

b. Remuneration payable to the Directors, KMPs and Senior Management Executives.

c. Evaluation of the performance of the Directors.

d. Criteria for determining qualifications, positive attributes and independence of a Director.

xii) Vigil Mechanism (Whistle Blower Policy):

As per the requirement of the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015, your Company has framed its Whistle Blower Policy to enable all the employees and the directors to report any violation of the Code of Ethics as stipulated in the said policy. By virtue of Whistle Blower Policy, the directors and employees of the Company are encouraged to escalate to the level of the Audit Committee, any issue or concerns impacting and compromising with the interest of the Company and its stakeholders in any way. The Company is committed to adhere to highest possible standards of ethical, moral and legal business conduct and to open communication and to provide necessary safeguards for protection of directors or employees or any other person who avails the mechanism from reprisals or victimization, for whistle blowing in good faith.

Details of establishment of the Vigil Mechanism has been uploaded on the Company's website and is available at https://www.dollarglobal.in/assets/upload/corporate-policy/vigil.pdf and also set out in the Corporate Governance Report attached as Annexure to this Board's Report.

xiii) Cost Records:

The Company has maintained cost records as specified by the Central Government under Section 148(1) of the Companies Act, 2013 and accordingly such accounts and records are maintained.

xiv) Internal Complaint Committee:

The Company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Secretarial Standards

Secretarial Standards, i.e. SS-1, SS-2 and SS-3, relating to 'Meetings of the Board of Directors', 'General Meetings' and 'Dividend' respectively, to the extent as applicable have been duly followed by the Company.

Industrial Relations

The industrial relation during the year 2018-19 had been cordial. The Directors take on record the dedicated services and significant efforts made by the Officers, Staff and Workers towards overall progress of the Company.

Significant & Material Orders passed by the Regulators or Courts or Tribunals impacting the going concern status and Company's Operations in future

There have been no significant & material orders passed by Regulators / Courts / Tribunals impacting going concern status and Company's operations in future.

Acknowledgement

Your Directors would like to express their grateful appreciation for the assistance and co-operation received from the Financial Institutions, Banks, Government Authorities and Shareholders during the year under review. Your Directors wish to place on record their deep sense of appreciation to all the employees for their commendable teamwork, exemplary professionalism and enthusiastic contribution during the year.

Registered Office:
Om Tower, 15th floor,
32 J. L. Nehru Road,
Kolkata - 700 071

Date: 27 May, 2019

For and on behalf of the Board of Directors

Sd/
Vinod Kumar Gupta
Managing Director
(DIN: 00877949)

Sd/-
Krishan Kumar Gupta
Whole-time Director
(DIN: 01982914)

ANNEXURE-A TO THE DIRECTORS' REPORT

DIVIDEND DISTRIBUTION POLICY

The Company is consistent in paying dividend over the years except in some of the years, when the Company decided to retain its entire profit to meet up the capital expenditure and working capital requirements.

The Company proposes to adhere basic philosophy of rewarding the shareholders with the surplus fund of the Company by means of dividend and/or issue of bonus shares out of the retained profit. To meet this requirement the Company voluntarily, undertake Dividend Distribution Policy in the line with the Regulation 43A of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015.

1. Dividend Distribution

The Board of Directors will take into account the Company's profitability and requirement of funds to meet up its short term and long term capital requirements and sustainable growth. The Company will also maintain reasonable and predictable return to the Shareholders of the Company on their investment in the Company.

2. Factors Considered

The Board of Directors will consider the following internal and external factors in deciding quantum of dividend to be paid in each of the financial year -

- **Internal Factors:** Profit After Tax, Fund Flow position of the Company, Current and Future capital requirements e.g. Business Modernization / Expansion, Mergers and Acquisitions, Investment in Subsidiaries/ Associates/ Joint Ventures, Working Capital requirements and any other related factors.

- **External Factors:** Taxation including Dividend Distribution Tax, Finance Cost, Government regulations, Industry Outlook, Domestic Demand Conditions, Consumer behavior, etc.

3. Utilization of Retained Earnings

The Company will strive to pay dividend out of retained profits in case of any shortfall to meet the adequacy of the quantum dividend or in case of lower profit or no profit situation of the Company in any of the financial years. Otherwise the Company will reward the shareholders by way of bonus shares as and when the Board of Directors deem desirable. The Company will also utilize its retained earnings for growth of the Company by venturing into new markets / geographies/ verticals, utilization of money for research and development activities to meet the change in taste of the consumers, Capital Expenditure, Mergers and Acquisitions, Investment in Subsidiaries/ Associates/ Joint Ventures, Working Capital requirements and any other related factors.

4. Circumstances for Non- Payment of Dividend

The Shareholders may or may not expect a dividend in case of adverse market conditions and business uncertainty, inadequacy of profits earned during the fiscal year , inadequacy of cash balance, large forthcoming capital requirements which are funded through internal accruals, changing government regulations, etc.

Even under such circumstances, the Board may at its own discretion, and subject to applicable rules, choose to recommend a dividend out of the Company's free reserves.

5. Multiple Classes of Shares

Presently, the Company has only one class of shares i.e. Equity Shares. In the future, if the Company issues multiple classes of shares, the parameters of the dividend distribution policy will be addressed appropriately.

6. Policy Review

The Board of Directors may review this policy periodically, by taking into account the domestic and global economic conditions, Company's growth and investment plans and financial position, etc. and in accordance with any regulatory amendments.

7. Website

The policy shall be disclosed on the website of the Company.

ANNEXURE-B TO THE DIRECTORS' REPORT

Particulars pursuant to the provisions of Section 134(3) (m) of the Companies Act, 2013 read with the Rule 8(3) of Companies (Accounts) Rules, 2014:

A) CONSERVATION OF ENERGY -

(i) Steps taken or impact on conservation of energy

The Company is fully utilizing the power units generated in its own windmills. However, the manufacturing process of the products of the Company is not power intensive except its spinning, elastic and process divisions. The Company always put its endeavors to save energy, wherever possible.

(ii) Steps taken by the Company for utilizing alternate sources of energy

The Company`s all the 4 (Four) wind mills are fully operational during this year.

(iii) Capital investment on energy conservation equipment

Not ascertainable.

B) TECHNOLOGY ABSORPTION -

(i) Efforts made towards technology absorption : N.A.

(ii) Benefits derived like product improvement, cost reduction, product development or import substitution : N.A.

(iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year) -

a) Details of technology imported : N.A.

b) Year of import : N.A.

c) Whether the technology been fully absorbed : N.A.

d) If not fully absorbed, areas where absorption has not taken place, reasons thereof : N.A.

(iv) The expenditure incurred on Research and Development

The Company itself is not carrying out any R & D. However, the Hosiery Research Association has undertaken such activities.

C) FOREIGN EXCHANGE EARNINGS AND OUTGO -

The Foreign exchange earned in terms of actual cash inflows during the year and the Foreign Exchange Outgo during the year in terms of actual outflows are as follows –

(₹ in Lacs)

Particulars	2018-19	2017-18
Total Foreign Exchange Used and Earned:		
Earned (F.O.B.)	5,655.08	6,099.43
Used	846.72	1,260.99

Registered Office:

Om Tower, 15th floor,
32 J. L. Nehru Road,
Kolkata - 700 071

Date: 27 May, 2019

For and on behalf of the Board of Directors

Sd/
Vinod Kumar Gupta
Managing Director
(DIN: 00877949)

Sd/-
Krishan Kumar Gupta
Whole-time Director
(DIN: 01982914)

ANNEXURE-C TO THE DIRECTORS' REPORT

Corporate Governance

(1) COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE :

Corporate Governance is the combination of practices and compliance with laws and regulations leading to effective control and management of the Organization. We consider stakeholders as our partners in our success and remain committed to maximizing stakeholder value.

Your Company is committed towards augmenting the value of the Company among its stakeholders and the society as a whole. The Company in terms of applicable Regulations of Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 has adopted practice of Corporate Governance for ensuring and protecting the rights of its shareholders by means of transparency, integrity, accountability and checks at different levels of the management of the Company.

Your Company is in compliance with the requirements of Corporate Governance as stipulated in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

(2) BOARD OF DIRECTORS :

(a) The Composition of the Board comprises of optimum combination of Executive and Non-Executive Directors including one Woman Director as per the applicable provisions of the Companies Act, 2013 and the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.The composition and category of Directors is detailed as follows:

Category		Name of the Directors
Non – Executive Director	- Promoter - Chairman	Shri. Din Dayal Gupta*
Executive – Managing Director	- Promoter	Mr. Vinod Kumar Gupta
Executive – Managing Director	- Promoter	Mr. Binay Kumar Gupta
Executive – Whole-time Director	- Promoter	Mr. Krishan Kumar Gupta
Executive – Whole-time Director	- Promoter	Mr. Bajrang Kumar Gupta
Executive – Whole-time Director	- Non- Promoter	Mr. Gopalakrishnan Sarankapani
Non-Executive Director	- Non-Promoter	Mr. Sanjay Jhunjhunwalla**
Non – Executive Director	- Independent	Mr. Pawan Kumar Agarwal#
Non – Executive Director	- Independent	Mr. Rakesh Gopikishan Biyani##
Non – Executive Director	- Independent	Mr. Binay Kumar Agarwal
Non – Executive Director	- Independent	Mr. Sunil Mitra
Non – Executive Director	- Independent	Mr. Rajesh Kumar Bubna
Non – Executive Director	- Independent	Mrs. Divyaa Newatia
Non – Executive Director	- Independent	Mr. Anil Kumar Saboo$
Non – Executive Director	- Independent	Mr. Srikumar Bandyopadhyay$

*Shri Din Dayal Gupta (DIN: 00885582), Chairman (Non-Executive Director), resigned from the office of Directors and Chairman of the Company w.e.f. 11 April, 2019.

**Mr. Sanjay Jhunjhunwalla (DIN:00233225) was appointed as Non-Executive Director w.e.f. 10 August, 2018.

Mr. Pawan Kumar Agarwal (DIN: 01978322), Non-Executive Independent Director, resigned from the office of Directors of the Company w.e.f. 10 August, 2018.

##Mr. Rakesh Gopikishan Biyani (DIN: 00005806), Non-Executive Independent Director, resigned from the office of Directors of the Company w.e.f. 10 April, 2019.

$Mr. Anil Kumar Saboo (DIN: 00621325) and Mr. Srikumar Bandyopadhyay (DIN: 03504452) were appointed as Additional Directors (Non-Executive Independent Directors) of the Company w.e.f. 10 November, 2018 by the Board, subject to approval of shareholders in the ensuing Annual General Meeting of the Company.

The aforesaid Directors meet all the criteria as provided in the Companies Act, 2013 and applicable Regulations of Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The appointment letters issued to the above Independent Directors sets out their roles, responsibilities, fiduciary duties in the Company and the expectation of the Board from them along with other terms of their appointment.

All the members of the Board have taken active part at the Board and Committee Meetings by providing valuable guidance to the Management on various aspects of business, policy direction, governance, compliance etc. and play critical role on strategic issues, which enhances the transparency and add value in the decision making process of the Board of Directors.

The Company in accordance with applicable Regulations of Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, has taken initiatives to familiarize its Independent Directors (IDs) with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc., through familiarization programme as posted on the website of the Company at https://www.dollarglobal.in/assets/upload/corporate-policy/familiarization-programme-for-independent-directors.pdf

None of the Directors held Directorship in more than 10 Public Limited Companies and/or were members of more than 10 Committees or acted as Chairperson of more than 5 Committees across all Public Limited Companies in which they are Directors.

In terms of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 as amended w.e.f 1 April, 2019, none of the Directors of the Company held Directorships in more than 8 (eight) Listed Entities and none of the Independent Directors of the Company held Directorship in 7 (seven) Listed Entities.

The Managing Director does not serve as Independent Director in any other listed Company.

The Board has carried out performance evaluation of Independent Directors and recommended to continue the term of their appointment.

(b) Attendance of each Director at the Board Meeting /Annual General Meeting and Number of other Directorship and Chairmanship/ Membership of Committee of each Director in various Companies:

Name of the Director	Attendance Particulars		Number of other Directorship and Committee Membership/Chairmanship		
	Board Meetings	Last AGM	Other Directorship*	Committee Membership**	Committee Chairmanship**
Shri. Din Dayal Gupta***	4	Present	1	-	-
Mr. Vinod Kumar Gupta	4	Present	1	-	-
Mr. Binay Kumar Gupta	1	Present	-	-	-
Mr. Krishan Kumar Gupta	4	Present	-	-	-
Mr. Bajrang Kumar Gupta	1	Present	-	-	-
Mr. Gopalakrishnan Sarankapani	1	Present	-	-	-
Mr. Pawan Kumar Agarwal[#]	1	NA	-	-	-
Mr. Sanjay Jhunjhunwalla[##]	2	Present	1	-	-
Mr. Binay Kumar Agarwal	2	Present	4	2	2
Mr. Anil Kumar Saboo[$]	2	NA	1	1	-
Mr. Srikumar Bandyopadhyay[$]	1	NA	3	1	-
Mr. Rajesh Kumar Bubna	4	Present	-	-	-
Mr. Rakesh Gopikishan Biyani[$$]	1	Absent	6	3	-
Mr. Sunil Mitra	4	Present	8	4	1
Mrs. Divyaa Newatia	4	Present	-	-	-

*Excludes Directorships in Private Limited Companies, Foreign Companies and Companies under Section 8 of the Companies Act, 2013.

**Only two Committees viz. the Audit Committee and the Stakeholder Relationship Committee are considered for this purpose.

***Resigned from the Office of Directors w.e.f. 11 April, 2019.

#Resigned from the Office of Directors w.e.f. 10 August, 2018.

##Appointed as a Director (Non-Executive Director) w.e.f. 10 August, 2018.

$Appointed as Additional Directors (Non-Executive Independent Directors) w.e.f. 10 November, 2018.

$$Resigned from the Office of Directors w.e.f. 10 April, 2019.

(c) The list of Companies where the persons are Directors and the category of Directorship are as follows:

Name of the Director	Name of the Listed Entity where the person is a Director	Category of Directorship
Shri. Din Dayal Gupta*	NIL	N.A.
Mr. Vinod Kumar Gupta	NIL	N.A.
Mr. Binay Kumar Gupta	NIL	N.A.
Mr. Krishan Kumar Gupta	NIL	N.A.
Mr. Bajrang Kumar Gupta	NIL	N.A.
Mr.Gopalakrishnan Sarankapani	NIL	N.A.
Mr. Sanjay Jhunjhunwalla	NIL	N.A.
Mr. Pawan Kumar Agarwal**	NIL	N.A.
Mrs. Divyaa Newatia	NIL	N.A.
Mr. Rajesh Kumar Bubna	NIL	N.A.
Mr. Binay Kumar Agarwal	Hindcon Chemicals Limited	Non-Executive, Independent Director
Mr. Sunil Mitra	1. Texmaco Rail & Engineering Limited 2. NICCO Parks & Resorts Ltd. 3. Century Plyboards (India) Limited	Non-Executive, Independent Director
Mr. Anil Kumar Saboo	BKM Industries Limited	Non-Executive, Independent Director
Mr. Srikumar Bandyopadhyay	Beekay Steel Industries Limited	Non-Executive, Independent Director
Mr. Rakesh Gopikishan Biyani***	1.Future Lifestyle Fashions Limited	Non-Executive Director
	2.Future Supply Chain Solutions Limited	Non-Executive Director- Chairman
	3.Future Retail Limited	Executive- Managing Director

*Resigned from the Office of Directors w.e.f. 11 April, 2019

**Resigned from the Office of Directors w.e.f. 10 August, 2018.

***Resigned from the Office of Directors w.e.f. 10 April, 2019.

(d) During the year 2018-19, 4 (four) Board Meetings were held on 29.05.2018, 10.08.2018, 10.11.2018 and 12.02.2019. The gap between any two consecutive meetings did not exceed one hundred and twenty days as required under of Regulation 17(2) of Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Expertise & Skills of the Board of Directors

The Board of Directors of the Company are required to uphold ethical standards of integrity and probity and are required to have expertise, experience and core knowledge in the sectors relevant for the growth of the Company.

The Board members of the Company are holding such skills, expertise and competencies that allow them to make effective contribution to the Board and its Committees.

The Board has identified the following skills/expertise/competencies fundamental for the effective functioning of the Company which are currently available with the Board:

Finance	Leadership in Corporate/ business finance is an important and inevitable function and efficient financial management is crucial for success and sustenance. It results in proficiency in financial management, procurement and utilisation of funds and controlling the financial activities and management of financial resources.
Strategy & Planning	Appreciation of long-term trends, strategic choices and experience in guiding and leading management teams to make decisions in uncertain environments.
Global Business	Understanding of global business dynamics, across various geographical markets with an understanding of industry verticals, regulatory jurisdictions, economic conditions, cultures and a broad perspective on global market opportunities.
Leadership	Leadership experience leads to maximize efficiency and to achieve Company goals by understanding the opportunities and threats, processes, strategic planning and risk management and discussing the financial performance and long-term growth.
Procurement, Sales & Marketing	Experience in procurement of raw materials, production aspects, marketing technical aspect of production, quality control, purchase management and developing strategies to grow sales and market share, build brand awareness and enhance Company reputation.
Governance	Experience in developing governance practices, serving the best interests of all stakeholders, maintaining board and management accountability, building long-term effective stakeholder engagements, driving corporate ethics and values and observing appropriate governance practices.
Administration	Leadership in administration of a Company, results in long-term growth by planning, organising, directing and controlling the operations, creating rules and regulations and making decisions towards achieving a common goal or objective of the Company.

Separate Meeting of the Independent Directors:

As stipulated by the Code of Independent Directors under the Companies Act, 2013 and in terms of Regulation 25(3) of the Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has facilitated holding of a separate meeting of the Independent Directors, which was held on 12 February, 2019 and inter alia has reviewed : -

i. the performance of Non-Independent Directors and the Board as a whole ;

ii. the performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-Executive Directors ; and

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

The Independent Directors also reviewed the quality, content and timeliness of the flow of information between the Management and the Board and its Committees which is necessary to effectively and reasonably perform and discharge their duties.

Details of Directors Seeking Appointment / Re-Appointment :

The Details of Directors seeking appointment / re-appointment as required under Regulation 36(3) of Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is given in annexure to the notice which forms part of this Report.

Relationship between the Directors inter se :

The disclosure of relationships between Directors inter se as required under Regulation 34(3) and Schedule V of Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchanges is as follows:

Name of Directors	Name of Other Director	Nature of Relationship
Shri. Din Dayal Gupta	Mr. Vinod Kumar Gupta	Son
	Mr. Binay Kumar Gupta	Son
	Mr. Bajrang Kumar Gupta	Son
	Mr. Krishan Kumar Gupta	Son
Mr. Vinod Kumar Gupta	Shri. Din Dayal Gupta	Father
	Mr. Binay Kumar Gupta	Brother
	Mr. Bajrang Kumar Gupta	Brother
	Mr. Krishan Kumar Gupta	Brother
Mr. Binay Kumar Gupta	Shri. Din Dayal Gupta	Father
	Mr. Vinod Kumar Gupta	Brother
	Mr. Bajrang Kumar Gupta	Brother
	Mr. Krishan Kumar Gupta	Brother
Mr. Krishan Kumar Gupta	Shri. Din Dayal Gupta	Father
	Mr. Vinod Kumar Gupta	Brother
	Mr. Binay Kumar Gupta	Brother
	Mr. Bajrang Kumar Gupta	Brother
Mr. Bajrang Kumar Gupta	Shri. Din Dayal Gupta	Father
	Mr. Vinod Kumar Gupta	Brother
	Mr. Binay Kumar Gupta	Brother
	Mr. Krishan Kumar Gupta	Brother

Note: No Other Directors in the Board are inter-se related to each other.

Shares held by Non – Executive Directors as on 31.03.2019

Sl. No	Name	No. of Shares
1	Shri Din Dayal Gupta	1422470*
2	Mr. Anil Kumar Saboo	NIL
3	Mr. Srikumar Bandyopadhyay	NIL
4	Mr. Rakesh Gopikishan Biyani	NIL
5	Mr. Binay Kumar Agarwal	5000
6	Mr. Sunil Mitra	NIL
7	Mr. Rajesh Kumar Bubna	NIL
8	Mrs. Divyaa Newatia	NIL
9	Mr. Sanjay Jhunjhunwalla	NIL

* including holdings as Karta of HUF.

Familiarisation Programme imparted to Independent Directors

Familiarisation Programme intends to provide insights into the Company so that the Independent Directors can understand the Company's business in depth and the roles, rights, responsibility that they are expected to perform/enjoy in the Company to keep them updated on the operations and business of the Company thereby facilitating their active participation in managing the affairs of the Company.

As required under Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company held various familiarisation programmes for the Independent Directors throughout the year on an ongoing and continuous basis with a view to familiarising the independent Directors with the Company's operations. The familiarisation programmes carried out during the year include:-

1. Presentations made by business and functional heads of the Company from time to time on different functions and areas.
2. Presentations made and deliberations held from time to time on major changes and developments in the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The familiarization programme of the Company for its Independent Directors has been disclosed on the

Company's website at https://www.dollarglobal.in/assets/upload/corporate-policy/familiarization-programme-for-independent-directors.pdf.

(3) AUDIT COMMITTEE :

The Audit Committee has been entrusted with review of quarterly and annual financial statements before submission to the Board, review of observations of auditors and to ensure compliance of internal control systems authority for investigation and access for full information and external professional advice for discharge of the functions delegated to the Committee by the Board. Mr. Binay Kumar Agarwal (Non-Executive Independent Director) acts as the Chairman of the Committee.

The Chairman of the Audit Committee was present at the Annual General Meeting of the Company held on 12 September, 2018.

The Committee was reconstituted during the year as:-

Mr. Pawan Kumar Agarwal (Non-Executive Independent Director) ceased to be the member of the Committee w.e.f. 29 May, 2018 and Mrs. Divyaa Newatia (Non-Executive Independent Director) was inducted as the member of the Committee in his place.

Mr. Vinod Kumar Gupta and Mr. Rajesh Kumar Bubna continued to be the Members of the Committee during the year.

All the members of the Committee are financially literate.

The scope of the Audit Committee, inter alia, includes:

a) Review of the Company's financial reporting process, the financial statements and financial/risk management policies ;

b) Review of the adequacy of the internal control systems and finance of the internal audit team ;

c) Discussions with the management and the external auditors, the audit plan for the financial year and joint post-audit and review of the same.

d) Recommendation for appointment, remuneration & terms of appointment of Auditors, etc.

(a) Terms of reference :

The present terms of reference / scope and function of the Audit Committee are as follows:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
   a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013;
   b. Changes, if any, in accounting policies and practices and reasons for the same ;
   c. Major accounting entries involving estimates based on the exercise of judgement by management;
   d. Significant adjustments made in the financial statements arising out of audit findings ;
   e. Compliance with listing and other legal requirements relating to financial statements ;
   f. Disclosure of any related party transactions ;
   g. Qualifications in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval ;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue and making appropriate recommendations to the Board to take up steps in this matter;
7. Review and monitor the auditor's independence and performance and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the Company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the Company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;

12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

14. Discussion with internal auditors of any significant findings and follow up there on;

15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;

16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

18. To review the functioning of the Whistle Blower Mechanism;

19. Approval of appointment of Chief Financial Officer (i.e. the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;

20. Reviewing the utilization of loans/or advances from/ investment by the holding Company in the subsidiary exceeding ₹100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/advances/investments. Examining the financial statement and the auditor's report thereon;

21. Monitoring the end use of funds raised through public offers and related matters;

22. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

23. To review -

    - Management discussion and analysis of financial condition and results of operations;
    - Statement of significant related party transactions, submitted by the management;
    - Management letters/letters of internal control weaknesses issued by the Statutory Auditors;
    - Internal Audit Report relating to internal control weaknesses, etc.
    - Secretarial Audit Report relating to suspected fraud or irregularity or a failure of compliance of any legislation.
    - Review the appointment, removal and terms of remuneration of the chief internal auditor.

The Audit Committee is empowered to investigate any activities within its terms of reference, seek information from employees, obtain outside legal or other professional advice or secure attendance of outside experts of relevant field as and when necessitated. The Audit Committee also reviews such matters as referred to it by the Board.

(b) During the period under review 4 (four) Audit Committee Meetings were held on 29.05.2018, 10.08.2018, 10.11.2018 and 11.02.2019. The composition of the Audit Committee and attendance of its meetings are given below:

Constitution	No. of Meetings	
	Held	Attended
Mr. Binay Kumar Agarwal – Non-Executive – Independent –Chairman	4	3
Mr. Vinod Kumar Gupta - Executive – Promoter- Member	4	4
Mr. Pawan Kumar Agarwal - Non-Executive – Independent- Member*	1	1
Mr. Rajesh Kumar Bubna- Non-Executive – Independent- Member	4	4
Mrs. Divyaa Newatia-Non-Executive-Independent-Member**	3	3

* ceased to be a Member of the Committee w.e.f. 29 May, 2018.

**inducted as Member of the Committee w.e.f. 29 May, 2018.

The Audit Committee Meetings are usually held at Company's Registered Office and attended by members of the Committee, other Accounts Heads and Unit Heads. Representative of the Statutory Auditors and Internal Auditors are also invited for discussions and when required.

(4) NOMINATION & REMUNERATION COMMITTEE :

(a) Terms of reference :

The terms of reference of the Nomination & Remuneration Committee are as follows:

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

ii. To formulate a criteria for determining the qualification, positive attributes, independence of a Director and evaluation of Independent Directors and the Board;

iii. To evaluate every Directors performance;

iv. To recommend to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees;

v. To ensure that the level of composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;

vi. To ensure that the relationship of remuneration to performance is clear and meets the appropriate performance benchmarks;

vii. To ensure that the remuneration to Directors, Key Managerial Personnel and senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals;

viii. To devise a policy on Board diversity.

ix. To recommend to the Board, all remuneration, in whatever form, payable to senior management;

x. To Carry out any other function as is mandated by the Board of Directors of the Company or prescribed by the Listing Agreement / applicable regulations of SEBI (LODR) Regulations, 2015 as amended from time to time ;

xi. To invite any employee or such document as it may deem fit for exercising of its functions;

xii. To obtain such outside or professional advice as it may consider necessary to carry out its duties.

(b) During the year under review, 4 (four) meetings of the Nomination & Remuneration Committee were held on 29.05.2018, 10.08.2018, 10.11.2018 and 12.02.2019. The composition of the Nomination & Remuneration Committee and attendance of its meetings are given below:

Constitution	No. of Meetings	
	Held	Attended
Mr. Rajesh Kumar Bubna- Non-Executive- Independent– Chairman	4	4
Mr. Binay Kumar Agarwal – Non-Executive – Independent-Member	4	3
Mr. Pawan Kumar Agarwal – Non-Executive – Independent-Member*	4	1
Mrs. Divyaa Newatia- Non-Executive- Independent-Member**	4	3

*ceased to be a Member of the Committee w.e.f. 29 May, 2018.

**inducted as Member of the Committee w.e.f. 29 May, 2018

The Chairman of the Nomination & Remuneration Committee was present at the Annual General Meeting of the Company held on 12 September, 2018.

The Committee was reconstituted during the year as:-

Mr. Pawan Kumar Agarwal (Non-Executive Independent Director) ceased to be the member of the Committee and Mrs. Divyaa Newatia (Non-Executive Independent Director) was inducted in his place w.e.f. 29 May, 2018.

Mr. Binay Kumar Agarwal and Mr. Rajesh Kumar Bubna continued to be the members of the Committee during the year.

(c) Board Evaluation

During the year, the Board has carried out an annual evaluation of its own performance, performance of the Directors, as well as the evaluation of the working of its Committees. The objective of the board evaluation includes improvement in the effectiveness of board, Committees and individual Directors, to enhance their strengths and to overcome the short comings, the evaluation process focuses on various issues facing the Company and their prioritization, quality of deliberations at Board and Committee meetings, review of specific issues of importance dealt during the evaluation period.

The process of Board Evaluation broadly comprises of following:

- The board evaluates the performance of the Independent Directors excluding the Directors being evaluated.
- The Nomination and Remuneration Committee evaluates the performance of each Director with respect to the responsibility as entrusted on him/her.
- The Independent Directors evaluates the performance of the Non- Independent Directors including the Chairperson of the Company taking into account the views of the Executive and Non-Executive Directors and the Board as a whole.
- Performance Evaluation of the various Committee of the Board.

Performance evaluation criteria for Independent Directors:

The following criteria may assist in determining how effective the performances of the Independent Directors have been:

- Leadership & Managerial abilities.
- Contribution to the corporate objectives & plans.
- Communication of expectations & concerns clearly with subordinates.
- Obtaining adequate, relevant & timely information from external sources.
- Review & approval of strategic & operational plans of the Company, its objectives and budgets.
- Regular monitoring of corporate results against projection.
- Identification, monitoring & mitigation of significant corporate risks.
- Assessment of policies, structures & procedures followed in the Company and their significant contribution to the same.
- Direct, monitor & evaluate KMPs, senior officials.
- Regularity in attending meetings of the Company and inputs therein.
- Review & Maintenance of corporation's ethical conduct.
- Ability to work effectively with rest of the Board of Directors.
- Commitment to the promotion of equal opportunities, health and safety in the workplace.

(5) REMUNERATION OF DIRECTORS :

(a) Remuneration Policy /Criteria

i. **Executive Directors:** The Company follows the policy to fix remuneration of Managing Director & Whole-time Directors by taking into account the financial position of the Company, trend in the Industry, qualification, experience, past performance and past remuneration of the respective Directors in the manner to strike a balance between the interest of the Company and the Shareholders.

ii. **Non-Executive Directors:** The Non-Executive Directors (including Independent Directors) be paid sitting fees on a uniform basis.

iii. **KMPs & Senior Management Personnel:** The motive of determining policy for payment of remuneration to the KMPs and Senior Management Personnel are to motivate and retain them for longer term for the better perspective and growth of the Company. The criteria also oversees the industry trend, quality and experience of the personnel. These factors not only contributes to the Company but makes their job satisfaction.

(b) Sitting Fees:

The sitting fees paid to the Non-Executive Directors for attending the board and the Committee meetings for the financial year under review were duly recommended by the Board and were within the limits as specified in the Companies Act, 2013 and rules framed thereunder.

Remuneration to Directors:

The statement of the remuneration paid /payable to the Managing /Whole-time /Executive Directors and Sitting Fees paid/ payable to Non-Executive Directors is given below:-

Name of Directors	Remuneration paid/payable for 2018-19				Service Contract	
	Salary (₹ in Lacs)	Benefits (₹ in Lacs)	Sitting Fees (₹ in Lacs)	Pay per month	Period	Effective from
Shri. Din Dayal Gupta	-	-	-	-	-	-
Mr. Vinod Kumar Gupta	97.00	12.00	-	₹6.00 lacs for the month of April'18 & May'18 and ₹ 8.50 lacs from June'18 till March'19	5 years	01.09.2016
Mr. Binay Kumar Gupta	97.00	9.00	-	₹6.00 lacs for the month of April'18 & May'18 and ₹8.50 lacs from June'18 till March'19	5 years	01.09.2016
Mr. Bajrang Kumar Gupta	68.00	9.00	-	₹4.00 lacs for the month of April'18 & May'18 and ₹6.00 lacs from June'18 till March'19	5 years	01.09.2016
Mr. Krishan Kumar Gupta	68.00	12.00	-	₹4.00 lacs for the month of April'18 & May'18 and ₹6.00 lacs from June'18 till March'19	5 years	01.09.2016
Mr. Gopalakrishnan Sarankapani	8.00	-	-	₹0.25 lacs from April'18 till November'18 & ₹1.50 lacs from December'18 till March'19	5 years	14.08.2015
Mr. Pawan Kumar Agarwal*	-	-	0.28	-	-	-
Mr. Rakesh Gopikishan Biyani	-	-	0.10	-	-	-
Mr. Binay Kumar Agarwal	-	-	0.62	-	-	-
Mr. Sunil Mitra	-	-	0.40	-	-	-
Mr. Rajesh Kumar Bubna	-	-	1.48	-	-	-
Mrs. Divyaa Newatia	-	-	0.94	-	-	-
Mr. Anil Kumar Saboo**	-	-	0.20	-	-	-
Mr. Srikumar Bandyopadhyay**	-	-	0.10	-	-	-
Mr. Sanjay Jhunjhunwalla#	-	-	0.20	-	-	-

*Mr. Pawan Kumar Agarwal resigned from the office of Directors w.e.f. 10 August, 2018.

**Mr. Anil Kumar Saboo and Mr. Srikumar Bandyopadhyay were appointed as Additional Directors (Non-Executive Independent Director) w.e.f. 10 November, 2018.

#Mr. Sanjay Jhunjhunwalla was appointed as Additional Director (Non-Executive) w.e.f. 10 August, 2018.

Notes:
1. The appointment/ agreement of all Managing /Executive /Whole-time Directors can be terminated by giving three months notice by either party.
2. The Company has not entered into any other pecuniary relationship or transactions with the Non-Executive Directors.

(6) SHARE TRANSFER COMMITTEE :

The Share Transfer Committee comprised of Mr. Krishan Kumar Gupta, Mr. Rajesh Kumar Bubna and Shri Din Dayal Gupta. However Shri Din Dayal Gupta ceased to be the member of the Committee in view of his resignation from the office of Directors of the Company w.e.f. 11 April, 2019 and Mr. Krishan Kumar Gupta continues to be the Chairman of the Committee.

The Share Transfer Committee meet as and when required and is entrusted with Transfer / Transmission of shares, issue of duplicate share certificates, change of name / status, transposition of names, sub-division / consolidation of share certificates, dematerialisation / rematerialisation of shares, etc.

(7) STAKEHOLDERS RELATIONSHIP COMMITTEE :

Stakeholders Relationship Committee comprised of Mrs. Divyaa Newatia, Mr. Vinod Kumar Gupta and Mr. Rajesh Kumar Bubna. The Committee was reconstituted during the year as Mr. Pawan Kumar Agarwal (Non-Executive Independent Director) ceased to be the member and Chairman of the Committee and Mrs. Divyaa Newatia (Non-Executive Independent Director) was inducted in his place as a Chairperson w.e.f. 29 May, 2018.

Mr. Vinod Kumar Gupta and Mr. Rajesh Kumar Bubna continued to be the members of the Committee during the year. The Chairperson of the Stakeholders Relationship Committee was present at the Annual General Meeting of the Company held on 12 September, 2018.

Stakeholders Relationship Committee looks into redressing of shareholders' and investors grievances like transfer of Shares, non-receipt of Balance Sheet, etc.

Mr. Abhishek Mishra, Company Secretary and Compliance Officer of the Company acts as the Secretary of the Committee.

Shareholders' Complaints

The numbers of shareholders'/ investors' complaints received, resolved/ replied and pending during the year under review are as under:

Nature of complaints	Received	Resolved/ Replied	Pending
Non-receipt of share certificates	6	2	4
Non-receipt of dividend	Nil	Nil	Nil
Non-receipt of annual reports	Nil	Nil	Nil
Others	Nil	Nil	Nil
Total	**6**	**2**	**4***

*Two complaints were disposed by SEBI on 1 April, 2019.
* One Complaint was disposed by SEBI on 18 June, 2019.
* One Complaint was disposed by SEBI on 20 June, 2019.

(8) CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE:

The CSR Committee is responsible for compliance of its scope mentioned in its term of reference in relation to CSR affairs and shall monitor the implementation of approved CSR policy and shall meet periodically, to review & ensure orderly and efficient execution of the CSR project, programs or activities and issue necessary direction pertaining to it. The CSR Committee comprised of Shri Din Dayal Gupta, Mr. Vinod Kumar Gupta and Mr. Binay Kumar Agarwal. However, Shri Din Dayal Gupta ceased to be the member and Chairman of the Committee in view of his resignation from the office of Directors of the Company w.e.f. 11 April, 2019. Mr. Krishan Kumar Gupta was inducted as a Member in the Committee by the Board in its meeting held on 27 May, 2019.

Mr. Abhishek Mishra, Company Secretary and Compliance Officer of the Company acts as the Secretary of the Committee.

(a) Terms of reference :

1. To formulate and recommend to the Board, a Corporate Social Responsibility (CSR) Policy related to the CSR activities to be undertaken by the Company as provided in the Schedule VII and any other related provisions, if any, of the Companies Act, 2013 and the rules made there under.
2. To institute a transparent monitoring mechanism for implementation of the CSR projects or programs or activities undertaken by the Company.
3. To monitor the implementation of the framed CSR Policy.
4. To recommend the amount of expenditure to be incurred on the CSR activities as per the requirement of the Companies Act, 2013 and the rules made there under.

5. To carry out such other functions as may from time to time, be authorized by the Board and/or required by any Statutory Authority, by the way of amendment and/or otherwise, as the case maybe, to be attended by this Committee.

(9) GENERAL BODY MEETINGS :

Location and time of Annual General Meetings held in the last three years:

Year	Date	Venue	Time
2017-18	12 September, 2018	Rotary Sadan, S.S. Hall, 94/2, Chowringhee Road, Kolkata- 700 020	12:30 p.m.
2016-17	8 August, 2017	Rotary Sadan, S.S. Hall, 94/2, Chowringhee Road, Kolkata- 700 020	12:30 p.m.
2015-16	19 August, 2016	Om Tower, 15th Floor, 32, J.L. Nehru Road, Kolkata – 700 071	12:30 p.m.

(10) MEANS OF COMMUNICATION:

The quarterly and the half yearly un-audited financial results, published in the format prescribed by the Listing Regulations read with the circular(s) issued from time to time. The aforesaid financial results were approved and taken on record by the Board of Directors of the Company within forty five days of the close of the relevant quarter. The approved results were forthwith uploaded on the designated portals of the Stock Exchanges where the Company's shares are listed, viz. NSE Electronic Application Processing System (NEAPS) of the National Stock Exchange of India Ltd. (NSE) and BSE Online Portal of BSE Ltd. (BSE). The results were also published within 48 hours in the relevant newspapers and also displayed on the Company's website at https://www.dollarglobal.in/quarterly-financial-report.

The Company publishes the audited annual financial results within the stipulated period of sixty days from the close of the financial year as required by the Listing Regulations. The annual audited financial results were also uploaded on NEAPS and BSE Online Portal of NSE and BSE respectively, published in the newspapers and displayed on the Company's website.

The Company's website display official news releases as and when they occur. The Company presentations made to institutional investors or to the analysts are disseminated to Stock Exchanges and are available on the website of the Company at www.dollarglobal.in.

(11) GENERAL INFORMATIONS FOR MEMBERS:

(a) Annual General Meeting (Date, Time & Venue):

Friday, 30 August, 2019 at 12:30 p.m.
at Rotary Sadan, 'S.S. Hall', 94/2, Chowringhee Road, Kolkata – 700 020

(b) Financial Year:

April'18 – March'19.

(c) Dividend payment date:

Within 30 days from the date of declaration in AGM.

(d) Date of Book Closure:

24 August, 2019 to 30 August, 2019 (both days inclusive).

(e) Listing:

Shares of your Company are listed on The National Stock Exchange of India Ltd. (NSE). The shares of the Company further got listed on The BSE Ltd. (BSE) on 7 June, 2018. The name and address of the Stock Exchanges and the Company's Stock Code are given below:

- The National Stock Exchange of India Ltd. (NSE)

Exchange Plaza, 5th Floor, Plot No. C/1,
'G' Block, Bandra-Kurla Complex, Bandra (E),
Mumbai- 400 051
(Scrip Code – DOLLAR)

- BSE Ltd. (BSE)
Phiroz Jeejeebhoy Towers, Dalal Street,
Mumbai- 400 001
(Scrip Code – 541403)

The shares of Company were de-listed from Calcutta Stock Exchange Ltd. w.e.f. 22 May, 2018.

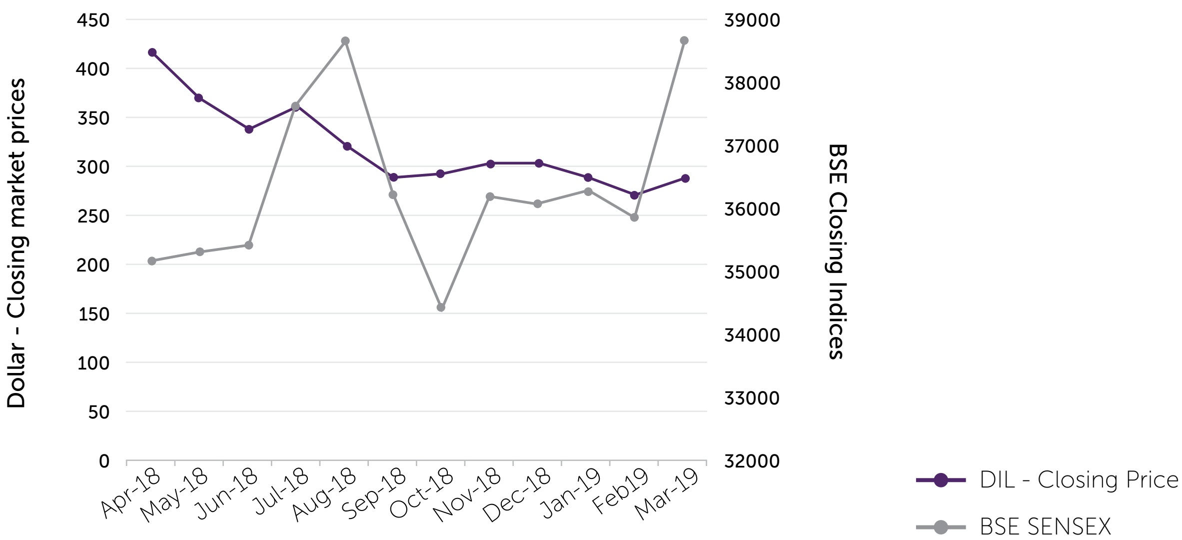
No listing fees are due as on date to the aforesaid Stock Exchanges.

(f) **Stock Market price Data:**

Monthly High/ Low price during the last Financial Year at The National Stock Exchange of India Ltd. depicting liquidity of the Equity Shares is given hereunder :

Month	Share Price (₹)	
	High Price	Low Price
April,2018	448.00	390.20
May, 2018	436.50	353.70
June, 2018	374.95	315.00
July, 2018	364.00	265.35
August, 2018	360.05	284.70
September, 2018	329.30	275.30
October, 2018	304.95	252.60
November, 2018	328.70	287.30
December, 2018	319.50	265.20
January, 2019	334.50	276.00
February, 2019	300.80	268.90
March, 2019	304.00	272.55

(g) **Performance in comparison:**Share price performance in comparison to broad based indices - BSE Sensex is presented below:-



(h) **Registrar and Transfer Agent :**

Niche Technologies Pvt. Ltd.
(SEBI Registration No. INR 000003290)
3A, Auckland Place, 7th Floor,
Room No 7A & 7B, Kolkata – 700 001
Phone Nos. 033-2234 3576 / 033- 2235 7270 / 7271.
Fax – 033-2215 6823
e-mail: sabbas@nichetechpl.com
website: www.nichetechpl.com
Contact Person: Mr. Shoab Abbas

(i) **Shares Transfer System:**

Share Transfer System is entrusted to the Registrar and Share Transfer Agents. Share Transfer Committee Meeting is held as and when required to approve the share transfer, issue of duplicate certificate etc. and are endorsed by Directors/ Executives/Officers as may be authorised by the said Committee. Request for transfers received from members and miscellaneous correspondence are processed/resolved by the Registrars within the stipulated time.

(j) Unclaimed Dividends:

The Company is required to transfer dividend(s) which have remained unpaid/ unclaimed for a period of seven years to the Investor Education & Protection Fund (IEPF) established by the Central Government. During financial year 2019-20, final dividend for the year 2011-12 declared at the Annual General Meeting of the Company held on 29 September, 2012 if remained unpaid/ unclaimed on date i.e. 4 November, 2019 will be required to transfer to the IEPF Authority. However, there is no unpaid / unclaimed dividend for the year 2011-12.

(k) Transfer of Shares to Investor Education & Protection Fund (IEPF) (in case where Unclaimed Dividend(s) have been transferred to IEPF for a consecutive period of seven years:

In terms of Section 124 and 125 of the Companies Act, 2013 read with Investor Education & Protection Fund (IEPF) Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, all shares in respect of which dividends has remained unpaid/ unclaimed for a consecutive period of 7 (seven) years or more from the date they became due for payment are required to be transferred by the Company to the Investor Education and Protection Fund (IEPF) administered by the Central Government.

As required under the said Rules, the Company will publish notices in the newspapers inviting the members attention to the aforesaid Rules. The Company will also send out individual communication to the concerned Members whose shares are liable to be transferred to IEPF Account, pursuant to the said Rules to take immediate action in the matter.

Further, it may also be noted that in terms of Section 124(6) and 125(3) of the Companies Act, 2013 read with Rule 7 of the IEPF Rules, shares and dividends which have been transferred to the IEPF Authority may be claimed by making an online application in Form No. IEPF-5, which is available at www.iepf.gov.in.

However, since there is no unpaid / unclaimed dividend for the year 2011-12, there is no need to transfer the shares to IEPF Account.

(l) Details of outstanding shares in the Unclaimed Suspense Account:

In terms of Regulation 39(4) read with Schedule VI of the Listing Regulations, there is no equity shares lying in the suspense account which was issued in either demat form and physical form.

(m) Distribution of Shareholding as on 31.03.2019:

Share Limit		No. of Live A/c's	% to Live A/cs	Total No. of Shares	% to Total Shares
From	To				
1	500	6860	85.78	686149	1.22
501	1000	443	5.54	335947	0.59
1001	5000	435	5.44	965012	1.70
5001	10000	68	0.85	490433	0.86
10001	50000	151	1.89	3668963	6.47
50001	100000	13	0.16	953829	1.68
100001	And Above	27	0.34	49615787	87.48
Total		**7997**	**100.00**	**56716120**	**100.00**

(n) Share Holding Pattern as on 31.03.2019:

Sl No	Category	No. of Shares	% of holding
1	Promoters & Associates	34036701	60.00
2	Mutual Funds & UTI	4603335	8.12
3	Banks, Financial Institutions, Insurance Companies (Central/ State Govt., Institutions)	7496	0.02
4	Alternate Investment Funds	46595	0.08
5	FIIs	172075	0.30
6	Private Corporate Bodies	11108766	19.59
7	Indian Public	6316393	11.14
8	NRI's / OCBs	100119	0.18
9	Trusts	1400	0.00
10	Cleating Members	323240	0.57
	Total	**56716120**	**100.00**

(o) Dematerialisation of Shares :

ISIN: **INE325C01035**

99.85% of the total equity share capital is held in dematerialised form with National Securities Depository Ltd. & Central Depository Services Limited as on 31.03.2019.

(p) Outstanding Instruments:

The Company has not issued any GDRs / ADRs / Warrants or any convertible Instrument. As such, there is no impact on Equity of the Company.

(q) Commodity Price Risk/ Foreign Exchange Risk and with hedging activities:

Not applicable to the Company as Company is not associated Hedging Activities.

(r) Plant Locations:

Units	Addresses
1. West Bengal	i. 28, B. T. Road, Kolkata – 700 002 ii. F-190, Salpata Bagan, Agarpara, 24 Paraganas(N), Kolkata-700 109
2. Delhi	Gali Towerwali, Khasra No. – 642/2, Near Metro Pillar No. – 504, Delhi – 110 041.
3. Punjab	Village Bhattian, Opposite Sacred Heart Convent School, Backside Metro Mall, Ludhiana – 141 008.
4. Tamil Nadu	i No. 11, Murugananthapuram East Road, M.S. Nagar, Kongu Main Road, Tirupur – 641 607. ii. S.F. No. – 440, N.H.7, V. Pudukkottai – Village, Minukkampatti – P.O., Vedasandur – 624 711. iii. 8/624, Angeripalayam Road, Tirupur – 641 603. iv. S. F. No. H-17, 18, 24, 25, 26, SIPCOT Industrial Growth Centre, Perundurai, Erode Dist. Pin-638 052

(s) Address for Correspondence:

Dollar Industries Ltd.
'Om Tower', 15th Floor,
32 J. L. Nehru Road, Kolkata – 700 071
Phone Nos. 033-2288 4064/4065/4066
Fax – 033-2288 4063
e-mail: investors@dollarglobal.in

(t) Credit Ratings:

Your Company has obtained A+ and A1+ credit ratings for its Long-term and Short-term bank facilities, respectively, issued by Care Ratings Limited (A Credit Rating Company)

(12) Other Disclosures:

a. **Disclosures on materially significant related party transactions i.e. transactions of the Company of material nature, with its promoters, Directors or the management, their subsidiaries or relatives, etc. that may have potential conflict with the interests of listed entity at large :**

None of the transactions with any of the related parties were in conflict with the interest of the Company.

b. **Details of non-compliance by the listed entity, penalties, strictures imposed on the listed entity by Stock Exchange(s) or Securities and Exchange Board of India or any Statutory Authority, on any matter related to the capital markets, during the last three years :**

No penalty or strictures have been imposed on the Company by any of the aforesaid authorities during the last 3 years.

c. **Vigil Mechanism / Whistle Blower Policy :**

The Whistle Blower policy of the Company is in place. No personnel has been denied to access the Audit Committee.

d. **Policy for determining 'material' subsidiaries :**

The Company does not have any material non-listed Indian Subsidiary as defined in Regulation 24 of Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

e. **Web link where policy on dealing with related party transactions :**

Policy on dealing with related party transaction is displayed at https://www.dollarglobal.in/assets/upload/corporate-policy/policy-on-related-party-transactions.pdf.

f. **Disclosures of commodity price risks and commodity hedging activities :**

The Company is not associated with any hedging activities.

g. **Certificate from Company Secretary in practice:**

As required under the provisions of Schedule V of Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, a certificate from a Company Secretary in Practice have been received stating that none of the Directors on the board of the Company have been debarred or disqualified from being appointed or continuing as Directors of companies by the Board/ Ministry of Corporate Affairs or any such statutory authority.

h. **Fees of statutory auditors on a consolidated basis paid by the Company and its subsidiaries:**

The total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditor M/s Singhi & Co (Firm Registration No. 302049E), Chartered Accountants was ₹30.00 lacs (Rupees Thirty Lacs only). M/s Singhi & Co is not a part of any entity/firm which are in the same network of the Company.

i. **Accounting Treatment in preparation of financial statement :**

The Company has prepared its financial Statement in accordance with the recognition and measurement principles laid down in Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Companies Act, 2013 and rules framed thereunder.

j. **Risk Management :**

The Company has identified risk involved in respect to its products, quality, cost, location and finance. It has also adopted the procedures / policies to minimize the risk and the same are reviewed and revised as per the needs to minimize and control the risk.

k. **CEO / CFO certification :**

The CEO / CFO certification as required under Regulation 17(8) of Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed hereto which forms part of this report.

l. **Management Discussion and Analysis Report :**

The Management Discussion and Analysis Report as required under Regulation 34(2)(e) of Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed hereto which forms part of this report.

(13) Details of compliance with mandatory requirements and adoption of non-mandatory requirements of the Corporate Governance :

The Company has complied with all the applicable mandatory Regulations of SEBI (LODR) Regulations, 2015 and has adopted the following non-mandatory requirements of the aforesaid Regulations :-

Reporting of Internal Auditor: The Internal Auditors reports directly to the Audit Committee.

The Company has taken cognizance of other non - mandatory requirements as set out in applicable Regulations of SEBI (LODR) Regulations, 2015 and shall consider adopting the same at an appropriate time.

(14) Disclosure of Non-Compliance of any requirement of Corporate Governance Report of sub-paras (2) to (12) above, with reasons thereof:

There is no non-compliance of any requirement of Corporate Governance Report of sub-paras (2) to (12) above, thus no explanations need to be given.

(15) Disclosure of the extent to which the discretionary requirements as specified in part E Of Schedule II have been adopted:

a. Office to Non-Executive Chairperson: There is no need to maintain separate office by Chairperson of the Company since it has already provided office to the Chairperson at the Registered Office of the Company.

b. The financial statement of your Company is continued to be with unmodified audit opinion.

c. Separate posts of Chairperson & CEO: The Company had already appointed separate persons as Chairperson and CEO during the period under review. However, Shri. Din Dayal Gupta resigned from the office of Directors and Chairman of the Company w.e.f. 11th April, 2019 and Mr. Vinod Kumar Gupta continues to be the Managing Director and CEO of the Company.

d. The Internal Auditors report directly to the Audit Committee.

(16) Whistle Blower (Vigil Mechanism) Policy:

As per the requirements of the Companies Act, 2013 and applicable Regulations of Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company had established a mechanism for employees to report concerns for unethical behavior, actual or suspected fraud, or violation of the code of conduct or ethics. It also provides for adequate safeguards against the victimization of employees who avail the said mechanism. This policy also allows the direct access to the Chairperson of the Audit Committee. The Audit Committee is committed to ensure the flawless work environment by providing a platform to report any suspected or confirmed incident of fraud/ misconduct.

(17) Securities and Exchange Board of India ('SEBI') Complaints Redress System ("SCORES") :

As per the SEBI directive, the investors desirous of making complaints pertaining to the listed Companies has to be made electronically and sent through SCORES and the Companies or their appointed Registrar & Share Transfer Agent (RTA) are required to view the pending complaints and submit 'Action Taken Report' (ATR) along with necessary documents electronically in SCORES. Further, there is no need to file any physical ATR with SEBI. The Company is already registered under SCORES to efficiently and effectively redress the investors/shareholders complaints in time.

(18) Disclosures of the Compliance with Corporate Governance Requirements specified in Regulation 17 to 27 and clauses (b) to (i) Of Sub – Regulation (2) of Regulation (46)

The Company is in compliance with the requirements of aforesaid Regulations.

ANNEXURE-D TO THE DIRECTORS' REPORT

CERTIFICATE OF COMPLIANCE OF CORPORATE GOVERNANCE AS REQUIRED UNDER REGULATION 34(3) READ WITH SCHEDULE V OF SEBI (LISTING OBLIGATIONS & DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To
The Members of
Dollar Industries Limited
Om Tower, 15th Floor,
32 J.L. Nehru Road,
Kolkata- 700071

I have examined the Compliance of Corporate Governance of M/s. Dollar Industries Limited for the financial year 2018-19, as stipulated under applicable regulations of Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Listing Agreement entered into by the said Company with the Stock Exchanges.

The Compliance of conditions of Corporate Governance is responsibility of the Management. My examination was limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring compliance with conditions of the Corporate Governances. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of my information and according to the explanation given to me, I certify that the Company has generally complied with the condition of Corporate Governance as stipulated under applicable Regulations of Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

I 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.

Place: Kolkata
Date: 27 May, 2019

Sd/-
Santosh Kumar Tibrewalla
Practising Company Secretary
Membership No. : 3811
Certificate of Practice No. : 3982.

ANNEXURE-E TO THE DIRECTORS' REPORT

Certification by Managing Director – Chief Executive Officer (CEO) and Chief Financial Officer of the Company (CFO)

To,
The Board of Directors,
Dollar Industries Limited,
'Om Tower', 15th Floor,
32, J.L. Nehru Road,
Kolkata – 700 071

Dear Sirs,

Sub: Certification by Managing Director (CEO) and CFO of the Company

In terms of Regulation 17(8) of Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we, Vinod Kumar Gupta, Managing Director (CEO) and Lalit Chand Sharma, Chief Financial Officer (CFO), certify that:

A. We have reviewed financial statements and the cash flow statement for the financial year 2018-19(hereinafter referred to as 'Year') and to the best of our knowledge and belief–

   a. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

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

B. There are, 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.

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

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

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

   ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements ; and

   iii) that we have not come across any instances of significant fraud and the involvement therein of the management or an employee having significant role in the Company's internal control system over financial reporting.

For Dollar Industries Limited

Sd/-	Sd/-
Vinod Kumar Gupta	**Lalit Chand Sharma**
Managing Director (CEO)	*Chief Financial Officer*
DIN: 00877949	

Place: Kolkata
Date: 27 May, 2019

ANNEXURE-F

Declaration for Compliance with the Code of Conduct of the Regulation 26(3) read with Schedule V of Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

I, Vinod Kumar Gupta, Managing Director (CEO) of M/s. Dollar Industries Limited declare that as of 31 March, 2019 all the Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct of the Company.

For Dollar Industries Limited

Sd/-
Vinod Kumar Gupta
Managing Director (CEO)
DIN: 00877949

Place: Kolkata
Date: 27 May, 2019

Management Discussion and Analysis

Overview

The operating and financial review in this discussion pertains to the management's perspective on the financial condition as well as the operating performance of the Company for the FY2018-19. The following discussion of the Company's financial performance result and operating results should be read in conjunction with the Company's Financial Statements and Notes thereto and other information included elsewhere in the Annual Report. The Company's Financial Statements (Consolidated and Standalone) were prepared in compliance with the requirements of the Companies Act, 2013.

Indian economic overview

India emerged as the sixth-largest economy and retained its position as the fastest-growing trillion-dollar economy. However, after growing 7.2% in 2017-18, the Indian economy is estimated to grow at 6.8% in 2018-19 as per the provisional estimates of the Central Statistics Office released in May 2019.

The principal developments during the year under review comprised a sustained increase in per capita income, decline in national inflation, steadying interest rates and weakened consumer sentiment starting from the second half of the financial year. The weaker sentiment was on account of a large non-banking financial company announcing its inability to address liabilities. This affected credit expansion, financial markets and consumer sentiment.

In 2018, the country attracted ~US$ 42 billion in FDI inflows as per the World Investment Report, 2019. Driven by strong policy reforms, India witnessed a 23-notch jump to a record 77th position in the World Bank's latest report on the ease of doing business that captured the performance of 190 countries. Inflation (including food and energy prices) was pegged at 2.6% on an annual basis, one of the lowest in years and well below the Reserve Bank of India's medium-term target of 4%. The rupee rebounded after touching a low of ₹74.45 to a dollar to close the financial year at ₹69.44. During the fiscal under review, the Indian Government invested deeper in digitization, renewable energy capacity generation and infrastructure building. *(Source: CSO provisional estimate, May 2019, Hindustan Times, The Economic Times)*

Outlook

India's markets are expected to remain sluggish in 2019 before reporting a recovery in line with its attarctive long-term potential.

(Source: CSO provisional estimate, May 2019, Fitch, Economic Times, Business Standard, IBEF, Business Today, India Today)

Indian textile and apparel industry overview

India enjoys the position of being the third largest producer of cotton, the second largest producer of cellulosic fibres and the fifth largest in synthetic fibres/yarns. Owing to the growing demand of textiles from domestic and international markets, the textile industry shows long-term promise.

(Source: IBEF)

Advantage India

Economic growth	Rising incomes	Increasing urbanisation	Change in fashion trends	Increased working population
Demographic mix	Growing middle-class	Emergence of technology	Increased government support	Growing millennial

Budgetary provisions, 2018-19

- The Government of India allocated ~₹7,148 crore (US$ 1 billion) for the textile industry. The Central Government allocated ₹30 crore (US$ 4 million) for the Scheme for Integrated Textile Parks, under which there are 47 ongoing projects
- ₹2,300 crore (US$ 355.27 million) were allocated for the Technology Up-gradation Fund Scheme
- The allocation for Rebate of State Levies (ROSL) stood at ₹2,163.85 crore (US$ 334.24 million), which is expected to be beneficial for exporters of made-ups and apparels, as the backlog will be cleared and working capital released.
- The Government of India proposed to contribute 12% of the new employees' wages towards EPF over the next three years, which is expected to boost hiring in the apparel segment and extend fixed-term employment to all sectors.
- The Government of India allocated ₹112.15 crore (US$ 17.32 million) towards schemes for power-loom units.
- ₹700 crore was allocated towards ATUFS for the next fiscal compared to ₹622.63 crore for 2018-19.

(Source: Economic Times, Financial Express, Union Budget 2018-19)

Growth through innovation

The wave of technology is responsible for the paradigm shift to 'Industry 4.0' or 'Fourth Industrial Revolution'. The manufacturing company is not left behind. To derived a competitive advantage through improved quality, lower operational cost and reduced time-to-market, companies are now rethinking processes. Manufacturers are embracing the emergence of the cutting-edge technologies like artificial intelligence, big data analysis, the internet of things and robotics.

Scope of Internet of Things (IoT) in Textiles

- **E-textile**
  E-textiles like e-clothes and e-fabrics use various types of sensors depending on the type of application. These innovative products will provide companies with market competitiveness.
- **Automation of monitoring in factory operations**
  Multiple external factors like temperature and humidity directly affect fabric quality. These can be measured by suitable sensors placed in the department covering all areas and can be shared by cloud data. The collected data can be used to control factory appliances like as plant air-conditioning and de-humidifiers etc.
- **Maintenance of equipment**
  The cloud data synced in real time can detect critical information like, vibrations, operating hours and temperature, informing operators proactively of conditional maintenance and preventive maintenance.
- **Automation of supply chain management**
  Improvement in supply chain management, seamless end-to-end visibility of the supply chain and effective warehouse management could be achieved with increased use of IoT. *(Source: Textiles Apparels Cio Review India)*

The Millennial effect

From a narrow perspective, the word 'millennial' refers to all individuals who are on the right side of 30. Millennials are the most powerful consumers globally, transforming global realities faster than one may realize. They are tech-savy individuals and more knowledge-driven than their predecessors. Millennials are the largest demographic group in India. Nearly 80% of the country's millennials are connected with a digital device of some kind.

Three inflection points kickstarted by millennials

Premiumisation: Millennials seek products around the best price-value proposition unlike consumers in the past. This may sound like a small shift in consumer preference; it has, in reality, kick-started a large number of superior products and services towards unprecedented growth.

Differentiation: Millennials prefer buying differentiated products and services. Most of them opt to buy a good branded piece of clothing, which is not only fashionable, but high in quality as well.

Digitalisation: The world is going through a major digital revolution. Money has evolved from paper to virtual. Stores are now opened round-the-clock stocking a variety of products. This has made stores 'commute' to consumers.

Outlook

The Indian textile industry is labour-intensive and fragmented. The abundance in raw materials, coupled with factors like increased demand from domestic and international markets are likely to be major reasons for growth. The textile industry is projected to reach US$ 223 billion by 2021. India's textile and apparel exports grew 1.66% to US$ 35.969 billion in FY 2018-19 compared to US$ 35.381 billion in FY 2017-18. *(Source: IBEF, Financial Express)*

Indian innerwear segment overview

Urban India has catalysed the evolution of India's innerwear market growth. The demand for occasions and outfit-based innerwear has been the major driver of innovative products.

The market is dominated by a large number of small-scale players, accounting for ~60-65% of the organized market. However, the segment is evolving towards organised retail. Lately, the premium innerwear market in India has been experiencing the increasing entry of global brands through partnerships and alliances with home-grown brands.

The Indian innerwear market was dominated by women's innerwear, accounting for 60% of the total innerwear market. The contribution of branded innerwear was 38-42% of the women's innerwear market and this share is expected to grow to 45-48% by 2022.
(Source: Technopak, India Retailing)

Emerging trends in innerwear industry

Changes in consumer's innerwear consumption	Qualitative excellence	New fabrics	Custom-fit	Growing consciousness among parents for kids' innerwear	Deeper integration of fashion with technology

SWOT ANALYSIS

Strengths

Upgradation in fabrics and technologies	Availability of raw materials such as cotton, wool, synthetic yarn etc.	Comparative advantage in terms of skilled professionals	On-going research to produce new products
Increasing global demand	Increasing presence in organised e-commerce and online retailers	Innerwear challenging the outerwear trend	

Weakness

Cheaper imports	Ever-changing upgradation in manufacturing technologies, increasing capital costs	Inefficient supply chain management	Sub-optimal economies of scale

Opportunities

Emerging markets through acquisition of global brands	Expansion through franchising	Growth potential in existing markets	Increased awareness of hygiene, quality and comfort in innerwear products	Unlimited market access	Continuous innovation and technology up-gradation

Threats

Changing consumer behaviour with inflation	Raw material headwinds (sharp rise in raw material prices)	Increasing employee costs, matching advanced countries	Advent of international brands in Indian markets	Rise of cheaper imports from other countries	Stringent environmental standards

The Company's overview

With a footprint across 29 states in India and parts of the world, Dollar Industries has emerged as one of the leaders in the lifestyle innerwear market. It is known for a good share of India's innerwear exports. The Company's iconic brand is respected for affordability, accessibility, comfort, and quality consistency.

Dollar's financial performance

Basis of preparation

The Company had prepared its financial statements based on Indian Accounting Standard (Ind AS).The financial statements were prepared under the historical cost convention on an accrual basis. Figures of the previous years were reclassified/ regrouped to confirm the presentation requirements under Ind AS and the requirements laid down under Schedule III of the Companies Act, 2013.

Analysis of Statement of Profit and Loss

Total income

Total income of the Company stood at ₹1,028.75 cr in FY2018-19, increasing by 11.15% compared to ₹925.55 cr in FY2017-18. Revenues from domestic market stood at ₹957.75 cr and ₹71.00 cr from exports.

Operating profit

Operating profit or EBITDA increased by 9.53% during FY2018-19 to ₹137.87 cr from ₹125.87 cr in FY2017-18, due to increased sales and low finance cost.

Depreciation

Depreciation for the year under review stood at ₹11.09 cr as compared to ₹12.17 cr in the previous year, down by ₹1.08 cr.

Finance costs

Finance costs for the year under review reduced marginally by 12.02% from ₹17.88 cr to ₹15.73 cr due to reduced interest rates from banks.

Other Income

Other Income for the year under review stood at ₹2.20 cr as against ₹2.00 cr in FY2017-18.

Net profit

Net profit for the year under review stood at ₹75.25 cr compared to ₹64.01 cr in FY2017-18, an increase of 17.55% compare to previous year.

Analysis of Balance Sheet

Net worth

The net worth of the Company stood at ₹417.69 cr as on 31 March, 2019, compared to ₹352.74 cr as on 31 March, 2018. The net worth comprised paid-up equity share capital amounting to ₹11.34 cr as on 31 March, 2019 (5.67 cr equity shares of ₹2.00, each fully paid up). The Company's Other Equity for the year stood at ₹406.35 cr.

Loan profile

The total debt of the Company stood at ₹223.33 cr, out of which the Company has ₹12.17 cr payable in the current fiscal. The working capital borrowings of the Company stood at ₹207.67 cr outstanding in the cash credit accounts.

Total assets

Total assets of the Company increased to ₹809.98 cr in FY2018-19 compared with ₹673.47 cr in FY2017-18, an increase of 20.27%.

Inventories

Inventories increased by 14.72% to ₹324.56 cr during the year under review from ₹282.90 cr in FY2018-19. Inventories comprised raw materials worth ₹53.77 cr, finished goods and work-in-progress worth ₹270.80 cr and stock-in-transit inventory worth ₹1.30 cr.

Total loans and deposits

Total loans and deposits amounted to ₹1.45 cr.

Current liabilities

Current liabilities stood at ₹386.62 cr, comprising short-term borrowings of ₹207.67 cr and trade payables of ₹147.48 cr.

Key financial measures

	FY 2017-18	FY 2018-19
Financial Stability Ratio		
Total Debt/Equity (x)	0.52	0.53
Current Ratio (x)	2.19	1.88
Quick Ratio (x)	1.07	0.96
Interest cover (x)	7.04	8.76
Performance Ratios		
Return on Assets (%)	10.62	10.15
RoCE (%)	31.44	32.57
Asset Turnover (%)	153.62	138.70
Working Capital/Sales (x)	0.33	0.31
Return on Equity (%)	18.15	18.02
Profitability Ratios		
EBITDA (%)	13.60	13.40
PBT (%)	10.35	10.79
PAT (%)	6.92	7.32
Efficiency Ratios		
Receivables in days	101.63	112.61
Inventory in days	99.46	110.46
Payables in days	48.96	55.25
Working capital cycle in days	152.14	167.82
Growth Ratios (Y-O-Y)		
Net revenue growth (%)	4.45	11.15
Net sales growth (%)	4.37	12.14
EBIDTA growth (%)	24.24	9.53
PBT growth (%)	43.52	15.89
PAT growth (%)	47.20	17.55

Risks and mitigations

FLUCTUATION IN RAW MATERIAL PRICES

The cost of raw materials fluctuates often and might affect the Company's business.

Mitigation: The Company tracks macro and micro-economic data as well as market realities to forecast trends.

HIGH COMPETITION

Competition might increase marked by the presence of number of market players.

Mitigation: The Company emphasises increased productivity and quality. Improved marketing helped the Company strengthen competitiveness.

TECHNOLOGY OBSOLESCENCE

The technology used by the Company could get obsolete due to advancements in technology.

Mitigation: The Company is constantly working and updating its operational and networking models based on the latest advances. During the year under review, the Company invested ₹12.96 cr in technology upgradation.

ECONOMY AND MARKET RISKS

The inability to foresee demand patterns and inability of profitably pricing products could affect the Company's competitiveness.

Mitigation: The Company carries out an analysis of individual components built into the product cost along with proper demand forecasting to protect viability.

REGULATIONS

Changes in government policies and regulations could impact the business.

Mitigation: Government policies are constantly monitored by the Company.

LOGISTICS AND SUPPLY CHAIN RISK

Overstocking could lead to higher carrying costs and obsolescence of materials, affecting the business.

Mitigation: The Company monitors inventories, backed by strong IT systems. Targets in terms of sales, days and consumption are determined at each stage.

PRODUCTION RISK

High rejection of materials could lead to a loss in business.

Mitigation: The Company follows stringent quality norms and standards with proper controls in manufacturing products.

HUMAN RESOURCES AND INDUSTRIAL RELATIONS

The Company's prudent HR practices have helped reinforced its leadership. Dollar's workforce stood at 977 as at 31 March 2019. The male workforce was 921, women workforce 56 and no differently- abled employees. Dollar invested in extensive formal and informal training as well as on the- job learning programmes. Dollar reinforced engagements with employees across all levels by providing an enriched workplace, invigorating job profile and an on-going dialogue.

CORPORATE SOCIAL RESPONSIBILITY

The Company is a responsible corporate citizen, committed to contribute to communities and society. The Company contributes to society in line with its vision by delivering economic, social and environmental benefits across stakeholders. Dollar delivers sustainable development through CSR activities with a predominating focus on education, healthcare and other causes that represent the building blocks of society.

HEALTH AND SAFETY

Dollar treats employees as assets. Hence, the health and safety of employees is important. The Company provides an accident-free environment. It believes that proper attention to employee safety and well-being enhance employee morale, boosting productivity and reducing people turnover, resulting in world-class health and safety standards.

OUTLOOK

The Company is optimistic of prospects based on the growing traction of its brand, superior price-value proposition, increased aspirations, penetrated distribution network and the integration of cutting-edge technologies into systems and processes, resulting in a nimbler responsiveness to marketplace developments.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has effective and adequate internal audit and control systems, commensurate with the business size to safeguard assets and protect against loss from any un-authorized use or disposition. Regular internal audit visits to the operations are undertaken to ensure that high standards of internal controls are maintained at each level of the organization. The Company's internal controls are supplemented by an extensive programme of internal audits, reviewed by management and documented policies, guidelines and procedures.

CAUTIONARY STATEMENT

The Management Discussion and Analysis Report containing your Company's objectives, projections, estimates and expectation may constitute certain statements, which are forward looking within the meaning of applicable laws and regulations. The statements in this Management Discussion and Analysis Report could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operation include raw material availability and prices, cyclical demand and pricing in the Company's principal markets, changes in the governmental regulations, tax regimes, forex markets, economic developments within India and the countries with which the Company conducts business and other incidental factors.

ANNEXURE-H TO THE DIRECTORS' REPORT

SECRETARIAL AUDIT REPORT (MR-3)

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

FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2019

To,
The Members,
Dollar Industries Limited
'Om Tower', 15th Floor,
32 J. L. Nehru Road,
Kolkata - 700 071

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Dollar Industries Limited (hereinafter called 'the Company') bearing CIN: L17299WB1993PLC058969. Secretarial Audit was conducted in a 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 Dollar Industries 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 secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31 March, 2019, has 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 Dollar Industries Limited ('the Company') for the financial year ended on 31 March, 2019, **to the extent Acts / provisions of the Acts applicable**, 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'), to the extent applicable:-

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

(d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;

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

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; and

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

vi. I further report that, having regards to compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test check basis and on representation made by the Company and its officers for compliances under other applicable acts, laws and regulations to the Company, the Company has complied with the laws applicable to the Company.

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

(ii) The Listing Agreement entered into by the Company with the National Stock Exchange Ltd and BSE Ltd.

During the period under review, the Company has complied with the provisions of the act, rules, regulations, guidelines, standards, etc. mentioned above.

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 the 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.

None of the Directors in any meeting dissented on any resolution and hence there was no instance of recording any dissenting member's view in the minutes.

The Equity Shares of the Company got listed on BSE Ltd. w.e.f. 7 June, 2018.

I further report that subject to our observation 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 except certain delays in compliance in other applicable laws to the Company

I further report that during the audit period, the Company has no reportable specific events, actions having a major bearing on the Company's affairs in pursuance of the laws, rules, regulations, guidelines, standards, etc. referred to above.

Sd/-
Santosh Kumar Tibrewalla
Practising Company Secretary
Membership No. : 3811
Certificate of Practice No. : 3982.

Place: Kolkata
Date: 27 May, 2019

ANNEXURE-I TO THE DIRECTORS' REPORT

ANNUAL RETURN ON CSR ACTIVITIES

1. A brief outline of the Company's Corporate Social Responsibility (CSR) policy, including overview of projects or programs proposed to be undertaken and a reference to the weblink to the CSR policy and projects or programs.

   The CSR Policy of the Company primarily focuses on following areas:-

   1. Health care including preventive health care;
   2. Sanitizing of Public places;
   3. Promoting education, infrastructural support to schools, providing scholarships;
   4. Ensuring environmental sustainability;
   5. Rural development projects;
   6. Contribution towards recognized Trusts;
   7. Any other activities as per decision of the CSR Committee.

   The details of the policy are available at Company's website at https://www.dollarglobal.in/assets/upload/corporate-policy/corporate-social-responsibility-policy.pdf.

2. The composition of the CSR Committee.

   CSR Committee comprised of following members:-

Sl. No	Name	Designation
1	Shri Din Dayal Gupta*	Chairman
2	Mr. Vinod Kumar Gupta	Member
3	Mr. Binay Kumar Agarwal	Member

*Shri Din Dayal Gupta ceased to be the Member and Chairman of the Committee in view of his resignation from the office of Directors of the Company w.e.f. 11th April, 2019.

In the board meeting held on 27 May, 2019, the CSR Committee of the board of directors of your Company was re-constituted as follows:-

Sl. No	Name	Designation
1	Mr. Vinod Kumar Gupta	Chairman
2	Mr. Krishan Kumar Gupta	Member
3	Mr. Binay Kumar Agarwal	Member

3. Average net profit of the Company for the last three financial years: Average net profit for the FY16, FY17 and FY18 is **₹6780.22 lacs.**
4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above): 2% of **₹6780.22 lacs.**
5. Details of CSR spent for the financial year:
   (a) Total amount to be spent for the financial year: **₹135.60 lacs**
   (b) Amount unspent, if any: NIL
   (c) Manner in which the amount spent during the financial year is detailed below:

(₹ in Lacs)

(1) Sl. No.	(2) CSR project or activity identified	(3) Sector in which the project is covered	(4) Projects or programs (1) Local area or other area (2) Specify the State and district where projects or Programs was undertaken	(5) Amount outlay (budget) project or programs - wise	(6) Amount spent on the projects or programs Sub – Heads: (1) Direct expenditure on projects or programs (2) overheads	(7) Cumulative expenditure upto the reporting period	(8) Amount spent: Direct or through implementing agency
i.	Promoting Education	Education	Local Area, Kolkata, West Bengal & Other States	48.00	44.18	44.18	Through Dollar Foundation
ii.	Eradicating Hunger, Poverty & Malnutrition	Reducing inequalities among socially & economically backward groups	Local Area, Kolkata, West Bengal & Other States	10.00	8.76 1.00	8.76 1.00	Through Dollar Foundation Direct

(₹ in Lacs)

(1) Sl. No.	(2) CSR project or activity identified	(3) Sector in which the project is covered	(4) Projects or programs (1) Local area or other area (2) Specify the State and district where projects or Programs was undertaken	(5) Amount outlay (budget) project or programs - wise	(6) Amount spent on the projects or programs Sub – Heads: (1) Direct expenditure on projects or programs (2) overheads	(7) Cumulative expenditure upto the reporting period	(8) Amount spent: Direct or through implementing agency
iii.	Protection of National Heritage, Art & Culture	Art & Culture	Local Area, Kolkata, West Bengal	1.00	0.51	0.51	Through Dollar Foundation
iv.	Goshala (protection & welfare to cows)	Animal Welfare	Local Area, Kolkata, West Bengal & Other States	12.00	11.75 0.26	11.75 0.26	Through Dollar Foundation Direct
v.	Healthcare including preventive healthcare	Healthcare	Local Area, Kolkata, West Bengal	20.00	21.12 0.25	21.12 0.25	Through Dollar Foundation Direct
vi.	Socio Economic Development and relief & welfare	Relief & Welfare of Tribes	Local Area, Kolkata, West Bengal	3.00	4.00	4.00	Through Dollar Foundation
vii.	Providing Clean Drinking Water	Making available safe drinking water	Local Area, Kolkata, West Bengal	42.00	39.68	39.68	Through Dollar Foundation
viii.	Armed forces veterans, war widows and their dependents	Social Welfare	Other Area, Delhi, Haryana	0.00	5.00	5.00	Direct
	TOTAL			**136.00**	**136.51**	**136.51**	

6. **In case the Company has failed to spend the two percent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board Report:** The Company has spent more than the prescribed expenditure as ascertained above; hence the amount unspent was NIL.

7. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.

For Dollar Industries Limited

Sd/-
Krishan Kumar Gupta
(Member, CSR Committee)
DIN: 01982914

For Dollar Industries Limited

Sd/-
Vinod Kumar Gupta
(Chairman, CSR Committee)
DIN : 00877949

Place:Kolkata
Date:27 May, 2019

ANNEXURE-J TO THE DIRECTORS' REPORT

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

The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2018-19 and the ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2018-19 are as under:

Sl No.	Name of Director/ KMP and Designation	Remuneration of Director / KMP for financial year 2018-19 (₹ in Lacs)	% increase in Remuneration in the financial year 2018-19	Ratio of remuneration of each Director/ to median remuneration of employees
1	Mr. Vinod Kumar Gupta, Managing Director	109.00	32.12	83:1
2	Mr. Binay Kumar Gupta, Managing Director	106.00	30.86	81:1
3	Mr. Krishan Kumar Gupta, Whole-time Director	80.00	36.75	61:1
4	Mr. Bajrang Kumar Gupta, Whole-time Director	77.00	35.09	59:1
5	Mr. Gopalakrishnan Sarankapani, Whole-time Director	8.00	166.66	6:1
6	Ms. Shashi Agarwal, Chief Financial Officer*	3.92	N.A.	N.A.
7	Mr. Lalit Chand Sharma, Chief Financial Officer**	16.51	N.A.	N.A.
8	Mr. Abhishek Mishra, Company Secretary	6.00	NIL	N.A.

*Remuneration details of Ms. Shashi Agarwal in the capacity of Chief Financial Officer of the Company for the period from 1 April, 2018 till 29 May, 2018.

**Appointed as Chief Financial Officer w.e.f. 29 May, 2018.

Note:

i) No other Director other than the Managing Director and Whole-time Director received any remuneration during the financial year 2018-19.

ii) The median remuneration of employees of the Company during the financial year was ₹1.31 lacs;

iii) In the financial year, there was an increase of 4.80% in the median remuneration of employees;

iv) There were 977 permanent employees on the rolls of Company as on 31 March, 2019;

v) Average percentage increase made in the salaries of the employees other than the managerial personnel in the financial year 2018-19 was 37.60% whereas the increase in the managerial remuneration for the same financial year was 47.90%;

vi) It is hereby affirmed that the remuneration paid during the year ended 31 March, 2019 is as per the Remuneration Policy of the Company.

Statement pursuant to Rule 5(2) & 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

A. LIST OF TOP TEN EMPLOYEES IN TERMS OF REMUNERATION DRAWN :

Sl No.	Name of Employees	Designation of the employee	Remuneration drawn during the financial year 2018-19 (₹ in Lacs)	Nature of employment, whether contractual or otherwise	Qualifications and experience	Date of commencement of employment	Age	Last employment held before joining the Company	% of equity shares held in the Company	Whether relative of any Director or Manager of the Company and if so, name of such Director or Manager
1	Shashi Agarwal	Senior Vice President - Corporate Strategy & Investor Relations of the Company	23.78	Permanent	FCA, 22 yrs	02.11.2016	46	Visa Suncoke Ltd.	N.A.	No
2	Lalit Chand Sharma	Chief Financial Officer	16.51	Permanent	ACA, ACS, 21 yrs	29.05.2018	50	Mody University	N.A.	No
3	Rakesh Mohanlal Modi	Head – E-Commerce	12.00	Permanent	MBA, 17 yrs	19.05.2016	43	Modern Retails.	N.A.	No
4	Ankit Gupta	Vice-President	9.00	Permanent	MBA, 3 yrs	01.04.2015	27	None	0.12%	Yes, son of Mr. Vinod Kumar Gupta, Managing Director.
5	Gaurav Gupta	Vice-President	9.00	Permanent	MBA, 3 yrs	01.04.2015	27	None	0.09%	Yes, son of Mr. Binay Kumar Gupta, Managing Director.
6	Aayush Gupta	Vice-President	9.00	Permanent	B.Com, 3 yrs	01.04.2015	25	None	N.A.	Yes, son of Mr. Vinod Kumar Gupta, Managing Director.
7	Tania Dasgupta	Manager-Advertisement	8.86	Permanent	POL.SC (Hons), 8 yrs	23.04.2018	35	Asymmetrique Pvt Ltd.	N.A.	No
8	Sanjay Srivastava	General Manager-Marketing	8.04	Permanent	MBA, 15 yrs	11.01.2007	53	None	N.A.	No
9	Mamta Jain	Manager Finance and Accounts	8.00	Permanent	ACS, ACWA, 7 yrs	20.03.2017	42	Visa Steel Limited	N.A.	No
10	Ankur Bubna	AGM- Finance and Accounts	7.68	Permanent	ACA, 8 yrs	09.05.2016	31	Monotona Tyres Limited	0.0003	No

B. **List of employees drawing a remuneration not less than ₹102.00 lacs per annum or ₹8.50 lacs per month, if employed for part of the year :**

No employee in the Company has drawn remuneration falling under this category.

C. There is no employee in employment throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the Managing Director or Whole-time Director or Manager and holds by himself or along with his spouse and dependent children, not less than two per cent of the equity shares of the Company.

ANNEXURE- K

MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31 March, 2019

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

I. REGISTRATION AND OTHER DETAILS

i.	CIN	L17299WB1993PLC058969
ii	Registration Date	26.05.1993
iii	Name of the Company	Dollar Industries Limited
iv	Category / Sub-Category of the Company	Public Company limited by Shares
v	Address of the Registered office of the Company and contact details	'Om Tower', 15th Floor, 32, J.L. Nehru Road, Kolkata– 700 071 e-mail: investors@dollarglobal.in Phone No: 033-22884064-66
vi	Whether listed Company - Yes/No	Yes
vii	Name, Address and Contact details of Registrar and transfer Agent, if any	Niche Technologies Pvt. Ltd. Address: 3A, Auckland Place, 7th Floor, Room No 7A & 7B, Kolkata– 700 001 Phone No: 033-22343576/ 033-2235 7270 / 7271 Fax: 033-2215 6823 e-mail: sabbas@nichetechpl.com website: www.nichetechpl.com

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	Manufacture of other knitted and crochted apparel including hosiery	14309	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

Sl. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1.	M/s Pepe Jeans Innerfashion Private Limited. 'Om Tower', 15th Floor, 32, J.L. Nehru Road, Kolkata– 700 071	U18209WB2017PTC223633	Associate Company (Joint Venture)	50	2(6)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

	Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A.	PROMOTERS									
1	Indian									
	a) Individual / HUF	8476930	-	8476930	14.95	8476930	-	8476930	14.95	-
	b) Central Government	-	-	-	-	-	-	-	-	-
	c) State Government	-	-	-	-	-	-	-	-	-
	d) Bodies Corporate	23762640	-	23762640	41.90	25559771	-	25559771	45.07	3.17
	e) Banks / Financial Institutions	-	-	-	-	-	-	-	-	-
	f) Any Other	-	-	-	-	-	-	-	-	-
	Sub-total (A)(1)	**32239570**	**-**	**32239570**	**56.84**	**34036701**	**-**	**34036701**	**60.01**	**3.17**
2	Foreign									
	a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
	b) Other - Individuals	-	-	-	-	-	-	-	-	-
	c) Bodies Corporate	-	-	-	-	-	-	-	-	-
	d) Banks / Financial Institutions	-	-	-	-	-	-	-	-	-
	e) Any Other	-	-	-	-	-	-	-	-	-
	Sub-total (A)(2)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	Total Shareholding of Promoter (A) = (A)(1)+(A)(2)	**32239570**	**-**	**32239570**	**56.84**	**34036701**	**-**	**34036701**	**60.01**	**3.17**
B.	PUBLIC SHAREHOLDING									
1	Institutions									
	a) Mutual Funds	4675920	-	4675920	8.24	4603335	-	4603335	8.12	(0.13)
	b) Banks / Financial Institutions	100830	-	100830	0.18	7496	-	7496	0.01	(0.17)
	c) Central Governments	-	-	-	-	-	-	-	-	-
	d) State Governments	-	-	-	-	-	-	-	-	-
	e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
	f) Insurance Companies	-	-	-	-	-	-	-	-	-
	g) Foreign Institutional Investors (FII)	-	-	-	-	-	-	-	-	-
	h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
	i) Others (Specify)									
	I) FPI - Corporate Cat-II	880870	-	880870	1.55	172075	-	172075	0.30	(1.25)
	II) Alternate Investment Funds	-	-	-	-	46595	-	46595	0.08	0.08
	Sub-total (B)(1)	**5657620**	**-**	**5657620**	**9.98**	**4829501**	**-**	**4829501**	**8.52**	**(1.46)**
2	Non-Institutions									
	a) Bodies Corporate									
	i) Indian	12330192	137500	12467692	21.98	11108766	-	11108766	19.59	(2.40)
	ii) Overseas	-	-	-	-	-	-	-	-	-
	b) Individuals									
	i) Individual shareholders holding nominal share capital upto ₹1 lac	4101112	100787	4201899	7.41	4502654	83759	4586413	8.09	0.68
	ii) Individual shareholders holding nominal share capital in excess of ₹1 lac	1680024	-	1680024	2.96	1729980	-	1729980	3.05	0.09
	c) Others Specify									
	1. NRI	74153	-	74153	0.13	100119	-	100119	0.18	0.05
	2. Overseas Corporate Bodies	-	-	-	-	-	-	-	-	-
	3. Foreign Nationals	-	-	-	-	-	-	-	-	-
	4. Clearing Members	395162	-	395162	0.70	323240	-	323240	0.57	(0.13)

Category of Shareholders		No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
	5. Trusts	-	-	-	-	1400	-	1400	0.00	0.00
	6. Foreign Bodies - D.R.									
	Sub-total (B)(2)	18580643	238287	18818930	33.18	17766159	83759	17849918	31.47	(1.71)
	Total Public Shareholding (B) = (B)(1)+(B)(2)	24238263	238287	24476550	43.16	22595660	83759	22679419	39.99	(3.17)
C.	Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
	GRAND TOTAL (A+B+C)	56477833	238287	56716120	100	56632361	83759	56716120	100	-

ii) Shareholding of Promoters

Sl No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% of change in shareholding during the year
		No. of Shares	% of total shares of the Company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total shares of the Company	% of Shares Pledged/ encumbered to total shares	
1	Anita Gupta	34510	0.06	-	34510	0.06	-	-
2	Ankit Gupta	66430	0.12	-	66430	0.12	-	-
3	Bajrang Kumar Gupta	1661450	2.93	-	1661450	2.93	-	-
4	Binay Kumar Gupta	18480	0.03	-	18480	0.03	-	-
5	Binay Kumar Gupta	1570170	2.77	-	1570170	2.77	-	-
6	Chandrakala Gupta	372470	0.66	-	372470	0.66	-	-
7	Din Dayal Gupta	20160	0.04	-	20160	0.04	-	-
8	Din Dayal Gupta	928200	1.64	-	928200	1.64	-	-
9	Din Dayal Gupta	18480	0.03	-	18480	0.03	-	-
10	Din Dayal Gupta	18480	0.03	-	18480	0.03	-	-
11	Din Dayal Gupta	437150	0.77	-	437150	0.77	-	-
12	Gaurav Gupta	52920	0.09	-	52920	0.09	-	-
13	Krishan Kumar Gupta	20580	0.04	-	20580	0.04	-	-
14	Krishan Kumar Gupta	1632750	2.88	-	1632750	2.88	-	-
15	Nitu Gupta	25620	0.05	-	25620	0.05	-	-
16	Pramod Kumar Gupta	31500	0.06	-	31500	0.06	-	-
17	Ruchi Gupta	23100	0.04	-	23100	0.04	-	-
18	Seema Gupta	1750	0.00	-	1750	0.00	-	-
19	Simplex Impex Private Limited	23762640	41.90	-	25559771	45.07	-	3.17
20	Vinod Kumar Gupta	7140	0.01	-	7140	0.01	-	-
21	Vinod Kumar Gupta	1535590	2.71	-	1535590	2.71	-	-
	Total	**32239570**	**56.84**	**-**	**34036701**	**60.01**	**-**	**3.17**

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

Sl No.	Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	**Anita Gupta**				
	a) At the Beginning of the Year	34510	0.06		
	b) Changes during the year		No changes during the year		
	c) At the End of the Year			34510	0.06
2	**Ankit Gupta**				
	a) At the Beginning of the Year	66430	0.12		
	b) Changes during the year		No changes during the year		
	c) At the End of the Year			66430	0.12

Sl No.	Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
3	**Bajrang Kumar Gupta**				
	a) At the Beginning of the Year	1661450	2.93		
	b) Changes during the year		No changes during the year		
	c) At the End of the Year			1661450	2.93
4	**Binay Kumar Gupta**				
	a) At the Beginning of the Year	18480	0.03		
	b) Changes during the year		No changes during the year		
	c) At the End of the Year			18480	0.03
5	**Binay Kumar Gupta**				
	a) At the Beginning of the Year	1570170	2.77		
	b) Changes during the year		No changes during the year		
	c) At the End of the Year			1570170	2.77
6	**Chandrakala Gupta**				
	a) At the Beginning of the Year	372470	0.66		
	b) Changes during the year		No changes during the year		
	c) At the End of the Year			372470	0.66
7	**Din Dayal Gupta**				
	a) At the Beginning of the Year	20160	0.04		
	b) Changes during the year		No changes during the year		
	c) At the End of the Year			20160	0.04
8	**Din Dayal Gupta**				
	a) At the Beginning of the Year	928200	1.64		
	b) Changes during the year		No changes during the year		
	c) At the End of the Year			928200	1.64
9	**Din Dayal Gupta**				
	a) At the Beginning of the Year	18480	0.03		
	b) Changes during the year		No changes during the year		
	c) At the End of the Year			18480	0.03
10	**Din Dayal Gupta**				
	a) At the Beginning of the Year	18480	0.03		
	b) Changes during the year		No changes during the year		
	c) At the End of the Year			18480	0.03
11	**Din Dayal Gupta**				
	a) At the Beginning of the Year	437150	0.77		
	b) Changes during the year		No changes during the year		
	c) At the End of the Year			437150	0.77
12	**Gaurav Gupta**				
	a) At the Beginning of the Year	52920	0.09		
	b) Changes during the year		No changes during the year		
	c) At the End of the Year			52920	0.09
13	**Krishan Kumar Gupta**				
	a) At the Beginning of the Year	20580	0.04		
	b) Changes during the year		No changes during the year		
	c) At the End of the Year			20580	0.04
14	**Krishan Kumar Gupta**				
	a) At the Beginning of the Year	1632750	2.88		
	b) Changes during the year		No changes during the year		
	c) At the End of the Year			1632750	2.88
15	**Nitu Gupta**				
	a) At the Beginning of the Year	25620	0.05		
	b) Changes during the year		No changes during the year		
	c) At the End of the Year			25620	0.05

Sl No.	Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
16	**Pramod Kumar Gupta**				
	a) At the Beginning of the Year	31500	0.06		
	b) Changes during the year		No changes during the year		
	c) At the End of the Year			31500	0.06
17	**Ruchi Gupta**				
	a) At the Beginning of the Year	23100	0.04		
	b) Changes during the year		No changes during the year		
	c) At the End of the Year			23100	0.04
18	**Seema Gupta**				
	a) At the Beginning of the Year	1750	0.00		
	b) Changes during the year		No changes during the year		
	c) At the End of the Year			1750	0.00
19	**Simplex Impex Private Limited**				
	a) At the Beginning of the Year	23762640	41.90		
	b) Changes during the year				
	Date Reason				
	24/08/2018 Transfer	100000	0.09	23862640	42.07
	23/11/2018 Transfer	92631	0.08	23955271	42.24
	30/11/2018 Transfer	50000	0.04	24005271	42.33
	11/01/2019 Transfer	10000	0.01	24015271	42.34
	18/01/2019 Transfer	1544500	1.36	25559771	45.07
	c) At the End of the Year			25559771	45.07
20	**Vinod Kumar Gupta**				
	a) At the Beginning of the Year	7140	0.01		
	b) Changes during the year		No changes during the year		
	c) At the End of the Year			7140	0.01
21	**Vinod Kumar Gupta**				
	a) At the Beginning of the Year	1535590	2.71		
	b) Changes during the year		No changes during the year		
	c) At the End of the Year			1535590	2.71
	Total	**32239570**	**56.84**	**34036701**	**60.01**

iv) 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		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	**L And T Mutual Fund Trustee Limited - L**				
	a) At the Beginning of the Year	2772673	4.89		
	b) Changes during the year				
	Date Reason				
	06/04/2018 Transfer	50918	0.09	2823591	4.98
	20/04/2018 Transfer	(75000)	(0.13)	2748591	4.85
	01/06/2018 Transfer	33300	0.06	2781891	4.90
	04/01/2019 Transfer	(27854)	(0.05)	2754037	4.86
	c) At the End of the Year			2754037	4.86
2	**Artex Merchants Private Limited**				
	a) At the Beginning of the Year	2624300	4.63		
	b) Changes during the year		No changes during the year		
	c) At the End of the Year			2624300	4.63
3	**New View Holdings Private Limited**				
	a) At the Beginning of the Year	2454900	4.33		
	b) Changes during the year		No changes during the year		
	c) At the End of the Year			2454900	4.33

Sl No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
4	**P G Capital Market Pvt Ltd**				
	a) At the Beginning of the Year	1752800	3.09		
	b) Changes during the year		No changes during the year		
	c) At the End of the Year			1752800	3.09
5	**Orelon Enterprises Private Limited**				
	a) At the Beginning of the Year	1375000	2.42		
	b) Changes during the year		No changes during the year		
	c) At the End of the Year			1375000	2.42
6	**IDFC Focused Equity Fund**				
	a) At the Beginning of the Year	1475841	2.60		
	b) Changes during the year				
	Date Reason				
	06/04/2018 Transfer	10444	0.02	1486285	2.62
	04/05/2018 Transfer	10000	0.02	1496285	2.64
	22/06/2018 Transfer	(20346)	(0.04)	1475939	2.60
	30/06/2018 Transfer	(8454)	(0.01)	1467485	2.59
	13/07/2018 Transfer	327	0.00	1467812	2.59
	03/08/2018 Transfer	(5690)	(0.01)	1462122	2.58
	10/08/2018 Transfer	(104596)	(0.18)	1357526	2.39
	17/08/2018 Transfer	(15005)	(0.01)	1342521	2.37
	24/08/2018 Transfer	(41274)	(0.07)	1301247	2.29
	14/09/2018 Transfer	(35)	(0.00)	1301212	2.29
	05/10/2018 Transfer	5600	0.01	1306812	2.30
	19/10/2018 Transfer	(2019)	(0.00)	1304793	2.30
	02/11/2018 Transfer	7433	0.01	1312226	2.31
	09/11/2018 Transfer	5461	0.01	1317687	2.32
	30/11/2018 Transfer	3020	0.00	1320707	2.33
	07/12/2018 Transfer	3293	0.00	1324000	2.33
	21/12/2018 Transfer	4000	0.01	1328000	2.34
	28/12/2018 Transfer	2800	0.01	1330800	2.35
	04/01/2019 Transfer	2000	0.00	1332800	2.35
	25/01/2019 Transfer	2000	0.00	1334800	2.35
	08/02/2019 Transfer	1000	0.00	1335800	2.36
	08/03/2019 Transfer	31249	0.06	1367049	2.41
	15/03/2019 Transfer	4016	0.01	1371065	2.42
	22/03/2019 Transfer	1190	0.00	1372255	2.42
	29/03/2019 Transfer	1745	0.00	1374000	2.42
	c) At the End of the Year			1374000	2.42
7	**Salasarji Mercantile Pvt Ltd**				
	a) At the Beginning of the Year	1328400	2.34		
	b) Changes during the year		No changes during the year		
	c) At the End of the Year			1328400	2.34
8	**Sundaram Mutual Fund A/C Sundaram Emergi**				
	a) At the Beginning of the Year	427406	0.75		
	b) Changes during the year				
	Date Reason				
	18/05/2018 Transfer	47702	0.08	475108	0.84
	31/08/2018 Transfer	190	0.00	475298	0.84
	c) At the End of the Year			475298	0.84
9	**Bina Khetan**				
	a) At the Beginning of the Year	219450	0.39		
	b) Changes during the year		No changes during the year		
	c) At the End of the Year			219450	0.39

Sl No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
10	Greshma Finvest Private Limited				
	a) At the Beginning of the Year	56500	0.10		
	b) Changes during the year				
	Date Reason				
	13/04/2018 Transfer	8500	0.02	65000	0.12
	20/04/2018 Transfer	(10000)	(0.02)	55000	0.10
	25/05/2018 Transfer	(1250)	(0.00)	53750	0.10
	15/06/2018 Transfer	550	0.00	54300	0.10
	30/06/2018 Transfer	75750	0.13	130050	0.23
	13/07/2018 Transfer	10000	0.02	140050	0.25
	20/07/2018 Transfer	(140050)	(0.25)	0	0.00
	10/08/2018 Transfer	184500	0.33	184500	0.33
	21/09/2018 Transfer	2698	0.00	187198	0.33
	05/10/2018 Transfer	(2500)	(0.00)	184698	0.33
	04/01/2019 Transfer	(198)	(0.00)	184500	0.33
	29/03/2019 Transfer	23300	0.04	207800	0.37
	c) At the End of the Year			207800	0.37
	Total	**14487270**	**25.54**	**14565985**	**25.68**

v) Shareholding of Directors and Key Managerial Personnel* :

Sl No.	Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	Bajrang Kumar Gupta				
	a) At the Beginning of the Year	1661450	2.93		
	b) Changes during the year		No Changes during the year		
	c) At the End of the Year			1661450	2.93
2	Binay Kumar Agarwal				
	a) At the Beginning of the Year	5000	0.01		
	b) Changes during the year		No Changes during the year		
	c) At the End of the Year			5000	0.01
2	Binay Kumar Gupta				
	a) At the Beginning of the Year	1570170	2.77		
	b) Changes during the year		No Changes during the year		
	c) At the End of the Year			1570170	2.77
3	Binay Kumar Gupta (Karta of HUF)				
	a) At the Beginning of the Year	18480	0.03		
	b) Changes during the year		No Changes during the year		
	c) At the End of the Year			18480	0.03
4	Din Dayal Gupta				
	a) At the Beginning of the Year	437150	0.77		
	b) Changes during the year		No Changes during the year		
	c) At the End of the Year			437150	0.77
5	Din Dayal Gupta (Karta of HUF)				
	a) At the Beginning of the Year	985320	1.74		
	b) Changes during the year		No Changes during the year		
	c) At the End of the Year			985320	1.74
6	Krishan Kumar Gupta				
	a) At the Beginning of the Year	1632750	2.88		
	b) Changes during the year		No Changes during the year		
	c) At the End of the Year			1632750	2.88

Sl No.	Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
7	Krishan Kumar Gupta (Karta of HUF)				
	a) At the Beginning of the Year	20580	0.04		
	b) Changes during the year		No Changes during the year		
	c) At the End of the Year			20580	0.04
8	Gopalakrishnan Sarankapani				
	a) At the Beginning of the Year	1750	0.00		
	b) Changes during the year		No Changes during the year		
	c) At the End of the Year			1750	0.00
9	Vinod Kumar Gupta				
	a) At the Beginning of the Year	1535590	2.71		
	b) Changes during the year		No Changes during the year		
	c) At the End of the Year			1535590	2.71
10	Vinod Kumar Gupta (Karta of HUF)				
	a) At the Beginning of the Year	7140	0.01		
	b) Changes during the year		No Changes during the year		
	c) At the End of the Year			7140	0.01
	Total	**7875380**	**13.89**	**7875380**	**13.89**

* Directors and KMP holding shares have been considered only.

V. INDEBTEDNESS

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

(₹ in Lacs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposit	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	14,164.18	4,246.97	-	18,411.15
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	19.27	30.29	-	49.56
Total (i+ii+iii)	**14,183.45**	**4,277.26**	**-**	**18,460.71**
Change in Indebtedness during the financial year				
• Addition	7,615.97	-	-	7,615.97
• Reduction	-	(3,724.26)	-	(3724.26)
Net Change	**7,615.97**	**(3724.26)**	**-**	**3,891.71**
Indebtedness at the end of the financial year				
i) Principal Amount	21,780.16	553.00	-	22,333.16
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	35.61	-	-	35.61
Total (i+ii+iii)	**21,815.77**	**553.00**	**-**	**22368.77**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(₹ in Lacs)

Sl No.	Particulars of Remuneration	Names of MD/WTD/Manager					Total Amount
		Mr. Vinod Kumar Gupta, Managing Director	Mr. Binay Kumar Gupta, Managing Director	Mr. Bajrang Kumar Gupta, Whole- time Director	Mr. Krishan Kumar Gupta, Whole- time Director	Mr. Gopalakrishnan Sarankapani, Whole-time Director	
1	Gross Salary						
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	97.00	97.00	68.00	68.00	8.00	**338.00**
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	12.00	9.00	9.00	12.00	-	**42.00**
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-	-	-
2	Stock Option	-	-	-	-	-	-
3	Sweat Equity	-	-	-	-	-	-
4	Commission - as % of profit - Others, specify	-	-	-	-	-	-
5	Others, please specify	-	-	-	-	-	-
	Total (A)	109.00	106.00	77.00	80.00	8.00	380.00
	Ceiling as per the Act	10% of the Net Profit as calculated u/s. 198 of the Companies Act, 2013					

B. Remuneration to other Directors:

(₹ in Lacs)

Sl No.	Particulars of Remuneration	Name of Directors								Total Amount
1	Independent Directors	Mr. Pawan Kumar Agarwal*	Mr. Rakesh Gopikishan Biyani**	Mr. Binay Kumar Agarwal	Mr. Sunil Mitra	Mrs. Divyaa Newatia	Mr. Rajesh Kumar Bubna	Mr. Anil Kumar Saboo$	Mr. Srikumar Bandyopadhyay$	
	• Fee for attending board / Committee	0.28	0.10	0.62	0.40	0.94	1.48	0.20	0.10	**4.12**
	• Commission	-	-	-	-	-	-	-	-	-
	• Others, please specify	-	-	-	-	-	-	-	-	-
	Total (1)	0.28	0.10	0.62	0.40	0.94	1.48	0.20	0.10	4.12
2	Other Non-Executive Directors	Shri. Din Dayal Gupta$$	Mr. Sanjay Jhunjhunwala#							
	• Fee for attending board / Committee	-	0.20							0.20
	• Commission	-	-							-
	• Others, please specify	-	-							-
	Total (2)	-	0.20							0.20
	Total (B)=(1+2)	0.28	0.30	0.62	0.40	0.94	1.48	0.20	0.10	4.32
	Total Managerial Remuneration									
	Overall Ceiling as per the Act	₹1,00,000 per meeting.								

*Resigned from the Office of Directors w.e.f. 10 August, 2018.

** Resigned from the Office of Directors w.e.f. 10 April, 2019.

$ Appointed as Additional Directors (Non-Executive Independent Directors) w.e.f. 10 November, 2018.

$$ Resigned from the Office of Directors w.e.f. 11 April, 2019.

Appointed as Additional Directors (Non-Executive Director) w.e.f. 10 August, 2018.

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

(₹ in Lacs)

Sl No.	Particulars of Remuneration	Key Managerial Personnel			Total Amount
		Ms. Shashi Agarwal (CFO)*	Mr. Lalit Chand Sharma (CFO)**	Mr. Abhishek Mishra (CS)	
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (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	3.92 - -	16.51 -	6.00 - -	26.43 - -
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission - as % of profit - others, specify	-	-	-	-
5	Others, please specify	-	-	-	-
	Total	3.92	16.51	6.00	26.43

*Resigned as Chief Financial Officer of the Compnay w.e.f. 29 May, 2018.

** Appointed as Chief Financial Officer of the Compnay w.e.f. 29 May, 2018.

VII. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
B. DIRECTORS					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
C. OTHER OFFICERS IN DEFAULT					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL

Sd/-
Vinod Kumar Gupta
Managing Director
DIN: 00877949

Sd/-
Krishan Kumar Gupta
Whole-Time Director
DIN: 01982914

Place:Kolkata
Date:27 May, 2019

ANNEXURE-L TO THE DIRECTOR'S 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 or associate companies or joint ventures

Part-A: Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in [₹])

1. Sl. No.	N.A.
2. Name of the Subsidiary	N.A.
3. The date since when Subsidiary was acquired	N.A.
4. Reporting period for the Subsidiary concerned, if different from the holding Company's reporting period	N.A.
5. Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	N.A.
6. Share capital	N.A.
7. Reserves and surplus	N.A.
8. Total assets	N.A.
9. Total Liabilities	N.A.
10. Investments	N.A.
11. Turnover	N.A.
12. Profit before taxation	N.A.
13. Provision for taxation	N.A.
14. Profit after taxation	N.A.
15. Proposed Dividend	N.A.
16. Extent of shareholding (in percentage)	N.A.

Part-B: Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of Associates or Joint Ventures	Pepe Jeans Innerfashion Private Limited (Joint Venture Company)
1. Latest audited Balance Sheet Date	31.03.2019
2. Date on which the Associate or Joint Venture was associated or acquired	29.11.2017
3. Shares of Associate or Joint Ventures held by the Company as on 31 March, 2019	
No. of shares	70,00,000
Amount of Investment in Associates or Joint Venture	₹700.00 lacs
Extent of Holding (in percentage)	50%
4. Description of how there is significant influence	Significant influence i.e. 50% by virtue of shareholding
5. Reason why the associate/joint venture is not consolidated	N.A.
6. Net worth attributable to shareholding as per latest audited Balance Sheet	₹498.83 lacs
7. Profit or Loss for the year	
i. Considered in Consolidation	₹(163.05) lacs
ii. Not Considered in Consolidation	-

Date: 27 May, 2019
Place: Kolkata

Sd/-
Vinod Kumar Gupta
Managing Director
DIN: 00877949

Sd/-
Krishan Kumar Gupta
Whole-time Director
DIN: 01982914

Sd/-
Abhishek Mishra
Company Secretary

Sd/-
Lalit Chand Sharma
Chief Financial Officer

INDEPENDENT AUDITOR'S REPORT

To the Members of
Dollar Industries Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **Dollar Industries Limited** (hereinafter referred to as "the Company") and its joint-venture which comprise the consolidated Balance sheet as at March 31 2019, the consolidated Statement of Profit and Loss, (including Other Comprehensive Income), the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Company and its joint-venture as at March 31, 2019, its consolidated profit (financial performance, including other comprehensive income), its consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

Description of Key audit matter	How we addressed the matter in our audit
<u>Estimation of rebates, discounts and sales returns</u> (Refer Note 3.10 to the consolidated financial statements) The Company sells its products through various channels like distributors, retailers, e-commerce etc. and recognizes liabilities related to rebates, discounts and sales returns. As per the accounting policy of the Company, the revenue is recognised upon transfer of control of goods to the customer and thus requires an estimation of the revenue taking into consideration the rebates, discounts and sales returns as per the terms of the contracts. With regard to the	Our procedures included, but was not limited to the following: • Obtained a detailed understanding from the management with regard to controls relating to recording of rebates, discounts, sales returns and period end provisions relating to estimation of revenue, and tested the operating effectiveness of such controls; • Tested the inputs used in the estimation of revenue in context of rebates, discounts and sales returns to source data;

Description of Key audit matter	How we addressed the matter in our audit
determination of revenue, the management is required to make significant estimates in respect of following: • the rebates/ discounts linked to sales, which will be given to the customers pursuant to schemes offered by the Company; • provision for sales returns, where the customer has the right to return the goods to the Company; and • compensation (discounts) offered by the customers to the ultimate consumers at the behest of the Company. The matter has been determined to be a key audit matter in view of the involvement of significant estimates by the management.	• Assessed the underlying assumptions used for determination of rebates, discounts and sales returns; • Ensured the completeness of liabilities recognised by evaluating the parameters for sample schemes; • Performed look-back analysis for past trends by comparing recent actuals with the estimates of earlier periods and assessed subsequent events; • Tested credit notes issued to customers and payments made to them during the year and subsequent to the yearend along with the terms of the related schemes. **Our Conclusion :** Based on the above procedures, we did not identify any significant deviation to the assessment made by management in respect estimation of rebates, discounts and sales returns.
<u>**Recoverability of trade receivables**</u> (Refer Note 3.4.a and 15 to the Consolidated financial statements) The Company has trade receivables amounting to ₹34,761.76 Lakhs as at March 31, 2019 as detailed in Notes 15 to the consolidated financial statements. Due to the inherent subjectivity that is involved in making judgments in relation to credit risk exposures to determine the recoverability of trade receivables and significant estimates and judgments made by the management for provision for loss allowance under expected credit loss model. Based on above, the matter has been considered to be a key audit matter.	Our procedures included, but was not limited to the following: • Evaluated and tested the controls relating to credit control and approval process and assessing the recoverability of overdue receivables by comparing management's views of recoverability of overdue receivables to historical patterns of receipts, in conjunction with reviewing receipts subsequent to the financial year end for its effect in reducing overdue receivables at the financial year end • Checked on sample basis balance confirmations from customers to test whether trade receivables as per books are acknowledged by them. • Reviewed at the adequacy of the management judgements and estimates on the sufficiency of provision for doubtful debts through detailed analyses of ageing of receivables and assessing the adequacy of disclosures in respect of credit risk. **Our Conclusion :** Based on the above procedures, we did not identify any significant deviation to the assessment made by management in respect recoverability of trade receivables.
<u>**Inventories valuation and existence:**</u> (Refer Note 3.7 and 14 to the consolidated financial statements) The Company has Inventories of ₹32,456.71 Lakhs as at March 31, 2019 as detailed in Notes 14 to the consolidated financial statements. Inventories valuation and existence has been determined to be a key audit matter as inventories may be held for long periods of time before being sold making it vulnerable to obsolescence. This could result in an overstatement of the value of the inventories if the cost is higher than the net realisable value. Furthermore, the assessment and application of inventories provisions are subject to significant management judgment.	Our procedures included, but was not limited to the following: • Obtained a detailed understanding and evaluated the design and implementation of controls that the Company has established in relation to inventory valuation and existence. • Observed the physical verification of inventories count at the financial year end and assessed the adequacy of controls over the existence of inventories. • Obtained assurance over the appropriateness of management's assumptions applied in calculating the gross profit margin and discounts to be deducted from sales price to arrive at cost of goods. • Evaluated management judgment with regards to the application of provisions to the inventories. **Our Conclusion :** Based on the above procedures, we did not identify any significant deviation to the assessment made by management in respect Inventories valuation and existence.

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Responsibility of Management and Those Charged with Governance for the Consolidated Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and its joint-venture 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 controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of the Consolidated Financial Statement by the Directors of the Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included of the Company and its joint venture is responsible for assessing the Company and its joint venture's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company and its joint venture or to cease operations, or has no realistic alternative but to do so. The respective Board of Directors of the Company and its joint venture are responsible for overseeing the financial reporting process of the Company and its joint-venture.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company and its Joint venture's ability to continue as a going concern. If we conclude that a material uncertainty exists, we

are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company and its joint venture to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the Company or business activities of the Company and its Joint Venture to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such Company or business activities included in the Consolidated Financial Statements of which we are the independent auditors. For the Joint Venture business activities included in the Consolidated Financial Statements, which have been audited by other auditor, such other auditor remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

The statement includes the Company's share of net loss of ₹163.05 Lakhs for the year ended 31st March, 2019, in respect of one joint venture, whose financial statements / financial information have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the Consolidated Ind AS financial statement, in so far as it related to the amounts and disclosure included in respect of the joint venture and our report in terms of sub section 2 of section 143 of the Act, in so far as it relates the aforesaid joint venture, is based solely on the reports of the other auditors.

Our opinion above on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, 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.

Report on Other Legal and Regulatory Requirements

1. As required by section 143 (3) of the Act, based on our audit and on the consideration of the report of the other auditors on the separate financial statements of the subsidiaries referred to in the other matter paragraph above, we report, to the extent applicable that:

    (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

    (b) In our opinion, proper books of account as required by law relating to the preparation of aforesaid Consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors.

    (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of accounts maintained for the purpose of preparation of the Consolidated Ind AS financial statements.

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

(e) On the basis of the written representations received from the directors of the Company as on 31st March, 2019 taken on record by the Board of Directors of the Company and the reports of statutory auditors of its joint venture, none of the directors of the Company and its joint-venture are disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164(2) of the Act.;

(f) With respect to the adequacy of the internal financial controls with reference to consolidated financial statement of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A", which is based on the audit report of the company. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting. The joint venture has been exempted from the requirement of its auditor reporting on whether the Company has adequate internal financial controls in place and operating effectiveness of such controls (clause (i) of section 143(3));

(g) In our opinion, the managerial remuneration for the year ended 31st March, 2019 has been paid/ provided by the Company and its joint venture to its directors in accordance with the provisions of section 197 read with Schedule V to the Act; and

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

(i) The Consolidated Ind AS financial statements has disclosed the impact of pending litigations on its Consolidated financial position of the Company and its joint venture in its Consolidated financial statement-Refer Note 40;

(ii) The Company and its joint venture did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

(iii) There was no amount which was required to be transferred to the Investor Education and Protection Fund by the Company and its Joint Venture.

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

(SHRENIK MEHTA)
Partner
Membership No. 063769

Place: Kolkata
Dated: 27 May, 2019

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of **Dollar Industries Limited** of even date)

Report on the Internal Financial Controls with reference to financial statement under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

1. We have audited the internal financial controls over financial reporting of Dollar Industries Limited ("the Company") as of March 31, 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date. The joint venture has been exempted from the requirement of its auditor reporting on whether the Company has adequate internal financial controls in place and operating effectiveness of such controls (clause (i) of section 143(3));

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

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

AUDITOR'S RESPONSIBILITY

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

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

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

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

OPINION

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

(SHRENIK MEHTA)
Partner
Membership No. 063769

Place: Kolkata
Dated: 27 May, 2019

Consolidated Balance Sheet as at 31 March, 2019

₹ in Lacs

Particulars	Note	As at 31 March, 2019		As at 31 March, 2018	
ASSETS					
NON-CURRENT ASSETS					
a) Property, plant and equipment	5	7,009.27		6,834.40	
b) Capital work-in-progress	6	202.59		213.02	
c) Intangible assets	7	10.89		6.27	
d) Investment in joint venture	8	498.82		261.87	
e) Financial assets					
i) Investments	9	85.28		75.28	
ii) Loans	10	55.07		57.46	
iii) Other financial assets	11	68.00		67.71	
f) Other assets	12	4.41		9.32	
g) Non-current tax assets (net)	13	285.18		25.31	
Total non-current assets			8,219.51		7,550.64
CURRENT ASSETS					
a) Inventories	14	32,456.71		28,289.55	
b) Financial assets					
i) Trade receivables	15	34,761.76		27,170.70	
ii) Cash and cash equivalents	16	2,073.47		1,935.71	
iii) Bank balances (other than Note 16 above)	17	79.91		25.70	
iv) Loans	10	22.25		66.93	
v) Other financial assets	11	142.74		175.99	
c) Other assets	12	3,040.15		2,094.01	
Total current assets			72,576.99		59,758.59
TOTAL ASSETS			80,796.50		67,309.23
EQUITY AND LIABILITIES					
EQUITY					
a) Equity share capital	18	1,134.32		1,134.32	
b) Other equity	19	40,433.69		34,102.02	
TOTAL EQUITY			41,568.01		35,236.34
LIABILITIES					
NON-CURRENT LIABILITIES					
a) Financial liabilities					
i) Borrowings	20	349.30		4,498.19	
b) Provisions	21	208.90		222.08	
c) Deferred tax liabilities (net)	22	7.93		42.51	
d) Other liabilities	23	-		2.93	
Total non-current liabilities			566.13		4,765.71
CURRENT LIABILITIES					
a) Financial liabilities					
i) Borrowings	20	20,767.13		12,498.38	
ii) Trade payables					
(a) Total outstanding dues of micro and small enterprises	24	10.60		-	
(b) Total outstanding dues of creditors other than micro and small enterprises	24	14,737.93		11,271.68	
iii) Other financial liabilities	25	2,636.47		2,592.98	
b) Other liabilities	23	377.40		259.93	
c) Provisions	21	1.81		6.13	
d) Current tax liabilities (net)	26	131.02		678.08	
Total current liabilities			38,662.36		27,307.18
TOTAL LIABILITIES			39,228.49		32,072.89
TOTAL EQUITY AND LIABILITIES			80,796.50		67,309.23
NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS	1-51				

As per our report of even date attached

For Singhi & Co.
Chartered Accountants
FRN: 302049E

Sd/-
Shrenik Mehta
Partner
M. No: 063769
Kolkata | 27 May, 2019

For and on behalf of the Board of Directors

Sd/-
Vinod Kumar Gupta
Managing Director
DIN: 00877949

Sd/-
Krishan Kumar Gupta
Whole Time Director
DIN: 01982914

Sd/-
Lalit Chand Sharma
Chief Financial Officer

Sd/-
Abhishek Mishra
Company Secretary

Consolidated Statement of Profit and Loss for the year ended 31 March, 2019

₹ in Lacs

Particulars	Note	For the year ended 31 March, 2019	For the year ended 31 March, 2018
INCOME			
Revenue from operations	27	1,02,875.52	92,555.34
Other income	28	220.96	200.54
TOTAL INCOME		**1,03,096.48**	**92,755.88**
EXPENSES			
Cost of materials consumed	29	47,461.14	46,870.02
Changes in inventories of finished goods and work-in-progress	30	(4,107.42)	(6,276.74)
Employee benefits expense	31	3,362.58	2,642.20
Finance costs	32	1,573.94	1,788.80
Depreciation and amortization	33	1,109.57	1,217.37
Other expenses	34	42,593.13	36,933.40
TOTAL EXPENSES		**91,992.94**	**83,175.05**
SHARE OF LOSS OF JOINT VENTURE		**(163.05)**	**(38.13)**
PROFIT BEFORE TAX		**10,940.49**	**9,542.70**
Tax Expenses	35		
Current Tax (including tax for earlier years)		3,645.73	3,386.32
Deferred Tax		(67.61)	(207.12)
Total Tax Expenses		**3,578.12**	**3,179.20**
PROFIT FOR THE YEAR		**7,362.37**	**6,363.50**
OTHER COMPREHENSIVE INCOME (OCI)	36		
Items that will not be reclassified to profit or loss			
Re-measurement gain/(loss) on defined benefit plans		94.54	36.03
Income tax relating to item above		(33.04)	(12.59)
TOTAL OTHER COMPREHENSIVE INCOME (OCI)		**61.50**	**23.44**
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**7,423.87**	**6,386.94**
Earnings per share (FV ₹2 each)	37		
Basic (₹)		12.98	11.53
Diluted (₹)		12.98	11.53
NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS	1-51		

As per our report of even date attached

For Singhi & Co.
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Kolkata | 27 May, 2019

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Whole Time Director
DIN: 01982914

Sd/-
Lalit Chand Sharma
Chief Financial Officer

Sd/-
Abhishek Mishra
Company Secretary

Consolidated Statement of Changes in Equity for the year ended 31 March, 2019

a) Equity Share Capital

₹ in Lacs

Balance as at 1 April, 2017	1,084.32
Add/(Less): Changes in equity share capital during the year	50.00
Balance at 31 March, 2018	1,134.32
Add/(Less): Changes in equity share capital during the year	-
Balance at 31 March, 2019	**1,134.32**

b) Other Equity

₹ in Lacs

Particulars	Reserves and Surplus			Total
	Securities Premium	General Reserve	Retained Earnings	
Balance at 1 April, 2017	**1,090.19**	**2,258.63**	**14,318.78**	**17,667.60**
Profit for the year	-	-	6,363.50	6,363.50
Remeasurement gain/(loss)	-	-	36.03	36.03
Impact of tax	-	-	(12.59)	(12.59)
Total comprehensive income	**-**	**-**	**6,386.94**	**6,386.94**
Dividend (i)	-	-	(542.16)	(542.16)
Tax on dividend (i)	-	-	(110.37)	(110.37)
Issue of equity shares	10,700.00	-	-	10,700.00
Balance at 31 March, 2018	**11,790.19**	**2,258.63**	**20,053.19**	**34,102.02**
Profit for the year	-	-	7,362.37	7,362.37
Remeasurement gain/(loss)	-	-	94.54	94.54
Impact of tax	-	-	(33.04)	(33.04)
Total comprehensive income	**-**	**-**	**7,423.87**	**7,423.87**
Dividend (i)	-	-	(907.45)	(907.45)
Tax on dividend (i)	-	-	(184.74)	(184.74)
Balance at 31 March, 2019	**11,790.19**	**2,258.63**	**26,384.87**	**40,433.69**

(i) Dividend paid during the year ended 31 March, 2019 for the Financial Year 2017-18 is ₹1.60 per equity share of face value ₹2.00 each, fully paid up (31 March, 2018: for the Financial Year 2016-17 : ₹5.00 per equity share of face value ₹10.00 each, fully paid up).

c) The accompanying notes form an integral part of the consolidated financial statements 1-51

As per our report of even date attached

For Singhi & Co.
Chartered Accountants
FRN: 302049E

Sd/-
Shrenik Mehta
Partner
M. No: 063769
Kolkata | 27 May, 2019

For and on behalf of the Board of Directors

Sd/-
Vinod Kumar Gupta
Managing Director
DIN: 00877949

Sd/-
Krishan Kumar Gupta
Whole Time Director
DIN: 01982914

Sd/-
Lalit Chand Sharma
Chief Financial Officer

Sd/-
Abhishek Mishra
Company Secretary

Consolidated Statement of Cash Flows for the year ended 31 March, 2019

₹ in Lacs

Particulars		For the year ended 31 March, 2019	For the year ended 31 March, 2018
	Profit before tax	**10,940.49**	**9,542.70**
	Adjustments for :		
	Depreciation and amortisation	1,109.57	1,217.37
	Provision for doubtful debts	62.72	31.85
	Receivable written off	(100.25)	-
	Provision / Liability written back	54.57	-
	(Profit)/Loss on sale of property, plant and equipment (net)	0.15	(2.72)
	Deferred revenue	(8.84)	(8.84)
	Unrealised foreign exchange fluctuations	(74.02)	13.74
	Interest income	(20.14)	(50.45)
	Provision for gratuity	77.89	74.84
	Finance costs	1,573.94	1,788.80
	Share of loss of joint venture	163.05	38.13
	Operating profit before working capital changes	**13,779.13**	**12,645.42**
	Adjustments for :		
	(Increase)/ Decrease in trade receivables	(7,553.53)	(4,545.19)
	(Increase)/ Decrease in inventories	(4,167.16)	(7,802.28)
	(Increase)/ Decrease in loans, financial assets and other assets	(945.89)	(1,018.53)
	Increase/ (Decrease) in trade payables	3,476.85	1,743.84
	Increase/ (Decrease) in liabilities and provisions	(53.00)	(537.47)
	Cash generated from Operating Activities	**4,536.40**	**485.79**
	Income Tax paid (net of refund)	(4,452.66)	(3,593.76)
A.	**Net cash generated/(used in) from Operating Activities**	**83.74**	**(3,107.97)**
	Cash flow from Investing Activities		
	Purchase of property, plant and equipment including Capital WIP	(1,272.10)	(790.51)
	Purchase of intangible assets	(13.52)	(1.86)
	Sale of property, plant and equipment	6.85	10.04
	Investments in joint venture	(400.00)	(300.00)
	Purchase of investments in others	(10.00)	(45.00)
	Interest received	105.16	50.45
B.	**Net cash generated/(used in) Investing Activities**	**(1,583.61)**	**(1,076.88)**
	Cash flow from Financing Activities		
	Proceeds from issue of shares	-	10,750.00
	Proceeds from long term borrowings	299.96	230.66
	Repayments of long term borrowings	(4,448.85)	(3,027.42)
	(Repayments)/Proceeds from short term borrowings (net)	8,466.60	(392.37)
	Dividend paid	(907.45)	(541.84)
	Tax on dividend paid	(184.74)	(110.37)
	Interest paid	(1,587.89)	(1,788.80)

Consolidated Statement of Cash Flows for the year ended 31 March, 2019

₹ in Lacs

Particulars	For the year ended 31 March, 2019	For the year ended 31 March, 2018
C. Net cash generated/(used in) in Financing Activities	**1,637.63**	**5,119.86**
D. Net Increase in Cash and Cash Equivalents (A+B+C)	**137.76**	**935.01**
Cash and Cash Equivalents (Opening Balance)	**1,935.71**	**1,000.70**
Cash and Cash Equivalents (Closing Balance) (Refer Note 16)	**2,073.47**	**1,935.71**

Notes

a) The above Statement of Cash Flow has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows'.

b) The composition of Cash and Cash Equivalent has been determined based on the Accounting Policy No. 3

c) Direct Taxes paid are treated as arising from operating activities and are not bifurcated between investing and financing activities.

d) The accompanying notes form an integral part of the consolidated financial statements 1-51

As per our report of even date attached

For Singhi & Co.
Chartered Accountants
FRN: 302049E

Sd/-
Shrenik Mehta
Partner
M. No: 063769
Kolkata | 27 May, 2019

For and on behalf of the Board of Directors

Sd/-
Vinod Kumar Gupta
Managing Director
DIN: 00877949

Sd/-
Krishan Kumar Gupta
Whole Time Director
DIN: 01982914

Sd/-
Lalit Chand Sharma
Chief Financial Officer

Sd/-
Abhishek Mishra
Company Secretary

Notes to the Consolidated Financial Statements for the year ended 31 March, 2019

1 CORPORATE AND GENERAL INFORMATION

Dollar Industries Limited (the Company), was incorporated in India in the year 1993. The Company is domiciled in India, and has its registered office in Om Tower, 15th Floor, 32, J.L Nehru Road, Kolkata - 700 071.

The Company is a Public Limited Company incorporated as per the provision of Companies Act applicable in India. The Company is primarily engaged in manufacture of hosiery products in knitted inner wears, casual wears and thermal wears. It also has a Power Generation Unit sourced from Windmill. The shares of the Company are listed on National Stock Exchange of India Limited and Bombay Stock Exchange.

1.1 BASIS OF CONSOLIDATION

JOINT VENTURE

Interest in joint venture are accounted for using the equity method, after initially being recognised at cost. The carrying amount of the investment is adjusted thereafter for the post acquisition change in the share of net assets of the investee, adjusted where necessary to ensure consistency with the accounting policies of the Company. The consolidated statement of profit and loss includes the Company's share of the results of the operations of the investee. Dividends received or receivable from joint ventures are recognised as a reduction in the carrying amount of the investment. Unrealized gains on transactions between the Company and joint ventures are eliminated to the extent of the Company's interest in these entities.

Details of significant investments in joint venture

Name of Joint Venture	Pepe Jeans Innerfashion Private Limited
Country of incorporation	India
% of holding	50%

2 BASIS OF ACCOUNTING

2.1 Statement of compliance

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

The consolidated financial statements of the Company for the year ended 31 March, 2019 have been approved by the Board of Directors in their meeting held on 27 May, 2019.

2.2 Basis of measurement

The consolidated financial statements have been prepared on historical cost basis, except certain financial assets and liabilities (including derivative instruments) that is measured at fair value/amortised cost.

2.3 Functional and presentation currency

The consolidated financial statements have been presented in Indian Rupee (₹), which is also the Company's functional currency. All financial information presented in ₹ has been rounded off to the nearest lacs as per the requirements of Schedule III, unless otherwise stated.

2.4 Current/Non-current classification

The Company presents assets and liabilities in the consolidated balance sheet based on current/ non-current classification.

The asset/liability is classified as current if it satisfies any of the following conditions:

- the asset/liability is expected to be realized/settled in the Company's normal operating cycle;
- the asset is intended for sale or consumption;
- the asset/liability is held primarily for the purpose of trading;
- the asset/liability is expected to be realized/settled within twelve months after the reporting period;

- the asset is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date;
- in the case of a liability, the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

The Company classifies all other assets and liabilities as non-current.

For the purpose of current/non-current classification of assets and liabilities, the Company has ascertained its normal operating cycle as twelve months. This is based on the nature of services and the time between the acquisition of assets or inventories for processing and their realization in cash and cash equivalents.

2.5 Use of estimates and judgements

The preparation of consolidated financial statements require judgements, estimates and assumptions to be made that affect the reported amount of assets and liabilities including contingent liabilities on the date of the consolidated financial statements and the reported amount of revenues and expenses during the reporting period. Difference between actual results and estimates are recognized in the period prospectively in which the results are known/ materialized.

3 SIGNIFICANT ACCOUNTING POLICIES

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

3.1 Property, Plant and Equipment

a) Recognition and Measurement

Property, plant and equipment held for use in the production or/and supply of goods or services, or for administrative purposes, are stated in the consolidated balance sheet at cost, less any accumulated depreciation and accumulated impairment losses (if any).

Cost of an item of property, plant and equipment acquired comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting any trade discounts and rebates, any directly attributable costs of bringing the assets to its working condition and location for its intended use and present value of any estimated cost of dismantling and removing the item and restoring the site on which it is located.

In case of self-constructed assets, cost includes the costs of all materials used in construction, direct labour, allocation of directly attributable overheads, directly attributable borrowing costs incurred in bringing the item to working condition for its intended use, and estimated cost of dismantling and removing the item and restoring the site on which it is located. The costs of testing whether the asset is functioning properly, after deducting the net proceeds from selling items produced while bringing the asset to that location and condition are also added to the cost of self-constructed assets.

If significant parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

b) Subsequent Expenditure

Subsequent costs are included in the asset's carrying amount, only when it is probable that future economic benefits associated with the cost incurred will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced.

Major Inspection/ Repairs/ Overhauling expenses are recognized in the carrying amount of the item of property, plant and equipment as a replacement if the recognition criteria are satisfied. Any unamortized part of the previously recognized expenses of similar nature is derecognized.

Advances paid towards the acquisition of property, plant and equipment outstanding at each consolidated balance sheet date is classified as Capital Advances under other non-current assets.

c) **Depreciation and Amortization**

Depreciation is provided on written down method at the rates determined based on the useful lives of respective assets as prescribed in the Schedule II of the Act.

Depreciation on additions (disposals) during the year is provided on a pro-rata basis i.e., from (up to) the date on which asset is ready for use (disposed of).

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

d) **Disposal of Assets**

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

e) **Capital Work in Progress**

Capital work-in-progress is stated at cost which includes expenses incurred during construction period, interest on amount borrowed for acquisition of qualifying assets and other expenses incurred in connection with project implementation in so far as such expenses relate to the period prior to the commencement of commercial production.

3.2 Intangible Assets

Software which is not an integral part of related hardware is treated as intangible asset and are stated at cost on initial recognition and subsequently measured at cost less accumulated amortization and accumulated impairment loss, if any.

a) **Subsequent Expenditure**

Subsequent costs are included in the asset's carrying amount, only when it is probable that future economic benefits associated with the cost incurred will flow to the Company and the cost of the item can be measured reliably. All other expenditure is recognized in the Statement of Profit & Loss.

b) **Amortization**

- Intangible assets are amortized over a period of 3 years.
- The amortization period and the amortization method are reviewed at least at the end of each financial year. If the expected useful life of the assets is significantly different from previous estimates, the amortization period is revised accordingly.

3.3 Investment in Joint Ventures

Investments in joint venture is carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of investment is assessed and an impairment provision is recognised, if required immediately, to its recoverable amount. On disposal of such investments, difference between the net disposal proceeds and carrying amount is recognised in the consolidated statement of profit and loss.

3.4 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

a) **Financial Assets**

- Recognition and Initial Measurement:

  All financial assets are initially recognized when the Company becomes a party to the contractual provisions of the instruments. A financial asset is initially measured at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

- Classification and Subsequent Measurement:

For purposes of subsequent measurement, financial assets are classified in four categories:

- Measured at Amortized Cost;
- Measured at Fair Value Through Other Comprehensive Income (FVTOCI);
- Measured at Fair Value Through Profit or Loss (FVTPL); and
- Equity Instruments measured at Fair Value through Other Comprehensive Income (FVTOCI).

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

Measured at Amortized Cost: A debt instrument is measured at the amortized cost if both the following conditions are met:

(i) The asset is held within a business model whose objective is achieved by both collecting contractual cash flows; and

(ii) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method.

Measured at FVTOCI: A debt instrument is measured at the FVTOCI if both the following conditions are met:

- The objective of the business model is achieved by both collecting contractual cash flows and selling the financial assets; and
- The asset's contractual cash flows represent SPPI.

Debt instruments meeting these criteria are measured initially at fair value plus transaction costs. They are subsequently measured at fair value with any gains or losses arising on remeasurement recognized in other comprehensive income, except for impairment gains or losses and foreign exchange gains or losses. Interest calculated using the effective interest method is recognized in the consolidated statement of profit and loss in investment income.

Measured at FVTPL: FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as amortized cost or as FVTOCI, is classified as FVTPL. In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the consolidated statement of profit and loss.

Equity Instruments measured at FVTOCI: All equity investments in scope of Ind AS – 109 are measured at fair value. Equity instruments which are, held for trading are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable. In case the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment.

- Derecognition

  The Company derecognizes a financial asset on trade date only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

- Impairment of Financial Assets

  The Company assesses at each date of consolidated balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognizes lifetime expected losses for all contract assets and/ or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

b) Financial Liabilities

- Recognition and Initial Measurement

  Financial liabilities are classified, at initial recognition, as fair value through profit or loss, loans and borrowings, payables or as derivatives, as appropriate. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

- Subsequent Measurement:

  Financial liabilities are measured subsequently at amortized cost or FVTPL. A financial liability is classified as FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest rate method. Interest expense and foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on de-recognition is also recognized in profit or loss.

- De-recognition

  A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

- Offsetting financial instruments

  Financial assets and liabilities are offset and the net amount reported in the consolidated balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the counterparty.

c) Derivative financial instruments

The Company enters into derivative financial instruments viz. foreign exchange forward contracts to manage its exposure to interest rate and foreign exchange rate risks. The Company does not hold derivative financial instruments for speculative purposes.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognized in profit or loss immediately.

3.5 Impairment of Non-Financial Assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. An asset is treated as impaired when the carrying cost of the asset exceeds its recoverable value being higher of value in use and net selling price. Value in use is computed at net present value of cash flow expected over the balance useful lives of the assets. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or group of assets (Cash Generating Units – CGU).

An impairment loss is recognized as an expense in the consolidated statement of profit and loss in the year in which an asset is identified as impaired. The impairment loss recognized in earlier accounting period is reversed if there has been an improvement in recoverable amount.

3.6 Income Tax

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

a) Current Tax

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

b) Deferred Tax

Deferred Tax assets and liabilities shall be measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes (i.e., tax base). Deferred tax is also recognized for carry forward of unused tax losses and unused tax credits.

Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period. The Company reduces the carrying amount of a deferred tax asset to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or that entire deferred tax asset to be utilized. Any such reduction is reversed to the extent that it becomes probable that sufficient taxable profit will be available.

Deferred tax relating to items recognized outside the consolidated statement of profit and loss is recognized either in other comprehensive income or in equity. Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

3.7 Inventories

Inventories are valued at Cost or Net Realizable Value, whichever is lower. Costs incurred in bringing each product to its present location and condition are as follows:

Raw materials, consumables, and packing materials: Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on a weighted average.

Work-in-progress and Finished goods: Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost of work-in-progress, (measured in Kgs) is determined on weighted average basis and cost of work-in-progress (measured in Pieces) is determined on retail sales price method. Cost of finished goods is determined on retail sales price method.

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

3.8 Cash and Cash Equivalents

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

3.9 Provisions, Contingent Liabilities and Contingent Assets

a) Provisions

Provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the consolidated balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized as finance cost.

b) **Contingent Liabilities**

Contingent liability is a possible obligation arising from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events but is not recognized because it is not possible that an outflow of resources embodying economic benefit will be required to settle the obligations or reliable estimate of the amount of the obligations cannot be made. The Company discloses the existence of contingent liabilities in Other Notes to consolidated financial statements.

c) **Contingent Assets**

Contingent assets usually arise from unplanned or other unexpected events that give rise to the possibility of an inflow of economic benefits. Contingent Assets are not recognized though are disclosed, where an inflow of economic benefits is probable.

3.10 Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the Government.

a) **Sale of Goods**

Sale of goods is recognised at the point in time when control of the goods is transferred to the customer. The revenue is measured on the basis of the consideration defined in the contract with a customer, including variable consideration, such as discounts, volume rebates, or other contractual reductions. As the period between the date on which the Company transfers the promised goods to the customer and the date on which the customer pays for these goods is generally one year or less, no financing components are taken into account.

Certain contracts provide a customer with a right to return the goods within a specified period. The company uses the expected value method to estimate the goods that will not be returned because this method best predicts the amount of variable consideration to which the company will be entitled. The requirements in Ind AS 115 on constraining estimates of variable considerationare also applied in order to determine the amount of variable consideration that can be included in the transaction price for goods that are expected to be returned instead of revenue the Company recognises a refund liability. A right of return asset and corresponding adjustment to change in inventory is also recognised for the right to recover products from a customer.

b) **Sale of Services**

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

c) **Sale of Power**

Revenue from sale of Energy (Power) is recognised on the basis of Electrical Units generated net of transmission loss as applicable when no significant uncertainty as to measurability & collectability exists.

d) **Other Operating Revenue**

Export incentive and subsidies are recognized when there is reasonable assurance that the Company will comply with the conditions and the incentive will be received. Insurance & other claims, where quantum of accruals cannot be ascertained with reasonable certainty are recognized as income only when revenue is virtually certain which generally coincides with receipt/acceptance.

e) Interest Income

For all financial instruments measured at amortized cost, Interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash receipts over the expected lift of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset.

f) Dividend Income

Dividend Income from investments is recognized when the Company's right to receive payment has been established.

3.11 Government Grants

Government grants are recognized at their fair values when there is reasonable assurance that the grants will be received and the Company will comply with all the attached conditions. When the grant relates to an expense item, it is recognized as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. Grants related to purchase of property, plant and equipment are included in non-financial liabilities as deferred income and are credited to the Statement Profit and Loss on a straight line basis over the expected useful life of the related asset and presented within other operating revenue.

3.12 Leases

a) Determining whether an arrangement contains a lease

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

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

b) Company as lessor

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

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

c) Company as lessee

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

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

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

3.13 Foreign Currency Transactions

The consolidated financial statements of the Company are presented in Indian Rupees (₹) which is the functional currency of the Company and the presentation currency of the consolidated financial statements.

Foreign currency transactions are translated into the functional currency using the spot rates of exchanges at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rate of exchanges at the reporting date.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities are generally recognized in profit or loss in the year in which they arise except for exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those qualifying assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings, the balance is presented in the consolidated statement of profit and loss within finance costs.

Non-monetary items are not retranslated at period end and are measured at historical cost (translated using the exchange rate at the transaction date).

3.14 Employee Benefits

a) Short Term Benefits

Short term employee benefit obligations are measured on an undiscounted basis and are expensed as the related services are provided. Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period.

b) Post-Employment Benefits

The Company operates the following post-employment schemes:

Defined Benefit Plans

The liability or asset recognized in the consolidated balance sheet in respect of defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods. The defined benefit obligation is calculated annually by Actuaries using the projected unit credit method.

The liability recognized for defined benefit plans is the present value of the defined benefit obligation at the reporting date less the fair value of plan assets, together with adjustments for unrecognized actuarial gains or losses and past service costs. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. The benefits are discounted using the government securities (G-Sec) at the end of the reporting period that have terms approximating to the terms of related obligation.

Remeasurement of the net defined benefit obligation, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling, are recognized in other comprehensive income. Remeasurement recognized in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to the consolidated statement of profit and loss.

Defined Contribution Plan

Defined contribution plans such as provident fund, ESI etc. are charged to the consolidated statement of profit and loss as and when incurred.

3.15 Borrowing Cost

Borrowing Costs consists of interest and other costs that an entity incurs in connection with the borrowings of funds. Borrowing costs also include exchange difference to the extent regarded as an adjustment to the borrowing costs.

Borrowing costs directly attributable to the acquisition or construction of a qualifying asset are capitalized as a part of the cost of that asset that necessarily takes a substantial period of time to complete and prepare the asset for its intended use or sale. The Company considers a period of twelve months or more as a substantial period of time.

Transaction costs in respect of long term borrowing are amortized over the tenure of respective loans using Effective Interest Rate (EIR) method. All other borrowing costs are recognized in the consolidated statement of profit and loss in the period in which they are incurred.

3.16 Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

3.17 Measurement of Fair Values

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorised within the fair value hierarchy, described as follows, based on the input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Inputs other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 — Inputs which are unobservable inputs for the asset or liability.

External valuers are involved for valuation of significant assets & liabilities. Involvement of external valuers is decided by the management of the Company considering the requirements of Ind As and selection criteria include market knowledge, reputation, independence and whether professional standards are maintained.

3.18 Operating Segment

The Company's business activity falls within a single significant primary business segment i.e. 'hosiery and related service'. They are reviewed regularly by the chief operating decision maker to make decisions about resources to be allocated to the segments and assess their performance.

3.19 New Standards / Amendments to Existing Standard issued but not yet effective upto the date of issuance of the Company's consolidated financial statement:

Ministry of Corporate Affairs ("MCA"), through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified the following new and amendments to Ind ASs which the Company has not applied as they are effective from 1 April, 2019: The Company will adopt new standard and amendment to existing standards with effect from 1 April, 2019.

a) **Ind AS 116- Leases:** Ind AS 116 will supersede the existing Ind AS 17. The new standard provides a comprehensive model to identify lease-arrangements and the treatment thereof in the consolidated financial statements of both the lessee and lessor. The new standard requires entities to make more judgments and estimates (e.g., determining when a customer has the right to direct the use of an identified asset, estimating the incremental rate of borrowing) and make more disclosures (e.g., discount rate, weighted average lease term, other qualitative and quantitative information).

   Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. A lessee is required to recognise a right-of-use asset representing its right to use the underlying leased asset and a lease liability representing its obligation to make lease payments. Ind AS 17 required classifying leases as finance lease and operating lease, the same in not required under Ind AS 116. Under Ind AS 116, a lessee measures right-of-use assets similarly to other non-financial assets (such as property, plant and equipment) and lease liabilities similarly to other financial liabilities.

   On initial application the Company will recognise new assets and liabilities for its operating leases of premises and other assets. The nature of expenses related to those leases will change from lease rent in previous periods to a) amortization change for the right-to-use asset, and b) interest accrued on lease liability.

   Requirements with regard to lessor accounting are substantially similar to accounting requirements contained in Ind AS 17. Accordingly, a lessor will continue to classify its leases as operating leases or finance leases, and to account for those two types of leases differently.

   The Company is proposing to use the 'Modified Retrospective Approach' for transitioning to Ind AS 116 without adjusting the Comparatives.

   The Company is in the process of evaluating the impact of changes, if any, on the consolidated financial statements for FY 2019-2020 onwards.

b) **Ind AS 12 Appendix C – Uncertainty over Income Tax Treatments:** Ministry of Corporate Affairs has notified Ind AS 12 Appendix 'C' Uncertainty over Income Tax Treatments on 30 March, 2019. According to the appendix, the company need to determine the probability of the relevant tax authority accepting each tax treatment, or the Company of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates. The Company has decided to adjust the cumulative effect in equity on the date of initial application without adjusting comparatives. The Company is in the process of evaluating the impact of changes, if any, on the consolidated financial statements for FY 2019-2020 onwards.

c) **Amendment to Ind AS 12 – Income taxes:** Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 12, 'Income Taxes', in connection with accounting for dividend distribution taxes accordingly an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. It is relevant to note that the amendment does not amend situations where the entity pays a tax on dividend which is effectively a portion of dividends paid to taxation authorities on behalf of shareholders. Such amount paid or payable to taxation authorities continues to be charged to equity as part of dividend, in accordance with Ind AS 12.The Company is in the process of evaluating the impact of changes, if any, on the consolidated financial statements for FY 2019-2020 onwards.

d) **Amendment to Ind AS 19 – Plan amendment, curtailment or settlement:** Ministry of Corporate Affairs issued amendments to Ind AS 19, 'Employee Benefits', On 30 March, 2019, in connection with accounting for plan amendments, curtailments and settlements. The Company is in the process of evaluating the impact of changes, if any, on the consolidated financial statements for FY 2019-2020 onwards.

e) **Ind AS 23 – Borrowing Costs:** The amendments clarify that if any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that an entity borrows generally when calculating the capitalisation rate on general borrowings. The Company is in the process of evaluating the impact of changes, if any, on the consolidated financial statements for FY 2019-2020 onwards.

4 SIGNIFICANT JUDGEMENTS AND KEY SOURCES OF ESTIMATION IN APPLYING ACCOUNTING POLICIES

Information about significant judgements and key sources of estimation made in applying accounting policies that have the most significant effects on the amounts recognized in the consolidated financial statements is included in the following notes:

a) **Revenue recognition:** Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services. Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, price concessions and incentives, if any, as specified in the contract with the customer. The Company exercises judgment in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Company considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.

b) **Recognition of Deferred Tax Assets:** The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the Company's future taxable income against which the deferred tax assets can be utilized. In addition, significant judgement is required in assessing the impact of any legal or economic limits.

c) **Useful lives of depreciable/ amortisable assets (tangible and intangible):** Management reviews its estimate of the useful lives of depreciable/ amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to actual normal wear and tear that may change the utility of plant and equipment.

d) **Classification of Leases:** The Company enters into leasing arrangements for various assets. The classification of the leasing arrangement as a finance lease or operating lease is based on an assessment of several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to purchase and estimated certainty of exercise of such option, proportion of lease term to the asset's economic life, proportion of present value of minimum lease payments to fair value of leased asset and extent of specialized nature of the leased asset.

e) **Defined Benefit Obligation (DBO):** Employee benefit obligations are measured on the basis of actuarial assumptions which include mortality and withdrawal rates as well as assumptions concerning future developments in discount rates, medical cost trends, anticipation of future salary increases and the inflation rate. The Company considers that the assumptions used to measure its obligations are appropriate. However, any changes in these assumptions may have a material impact on the resulting calculations.

f) **Provisions and Contingencies:** The assessments undertaken in recognising provisions and contingencies have been made in accordance with Indian Accounting Standards (Ind AS) 37, 'Provisions, Contingent Liabilities and Contingent Assets'. The evaluation of the likelihood of the contingent events is applied best judgement by management regarding the probability of exposure to potential loss.

g) **Impairment of Financial Assets:** The Company reviews its carrying value of investments carried at amortized cost annually, or more frequently when there is indication of impairment. If recoverable amount is less than its carrying amount, the impairment loss is accounted for.

h) **Allowances for Doubtful Debts:** The Company makes allowances for doubtful debts through appropriate estimations of irrecoverable amount. The identification of doubtful debts requires use of judgment and estimates. Where the expectation is different from the original estimate, such difference will impact the carrying value of the trade and other receivables and doubtful debts expenses in the period in which such estimate has been changed.

i) **Fair value measurement of financial Instruments:** When the fair values of financial assets and financial liabilities recorded in the consolidated balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The input to these models are taken from observable markets where possible, but where this not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility.

5 Property, plant and equipment

The changes in the carrying value of property, plant and equipment for the year ended 31 March, 2019 were as follows:

₹ in Lacs

Particulars	Gross carrying amount				Accumulated depreciation				Net carrying amount as at 31 March, 2019
	As at 1 April, 2018	Addition/ Adjustment	Deletion/ Adjustment	As at 31 March, 2019	As at 1 April, 2018	Charge for the year	Deduction/ Adjustment	As at 31 March, 2019	
Freehold land	471.92	-	-	471.92	-	-	-	-	471.92
Buildings	2,421.82	22.00	-	2,443.82	433.51	189.94	-	623.45	1,820.37
Plant and machinery	4,447.00	1,178.17	(3.32)	5,621.85	1,571.77	617.01	(1.48)	2,187.30	3,434.55
Electrical installations and equipment	222.20	19.87	-	242.07	98.94	32.71	-	131.65	110.42
Furniture and fittings	352.10	41.73	(0.21)	393.62	123.08	62.49	(0.01)	185.56	208.06
Motor vehicles	297.93	2.76	(14.91)	285.78	116.33	56.49	(9.95)	162.87	122.91
Windmill	1,181.67	-	-	1,181.67	267.36	116.44	-	383.80	797.87
Laboratory equipment	44.21	0.40	-	44.61	17.79	6.85	-	24.64	19.97
Computers	65.15	17.60	-	82.75	40.81	18.74	-	59.55	23.20
Total	**9,504.00**	**1,282.53**	**(18.44)**	**10,768.09**	**2,669.59**	**1,100.67**	**(11.44)**	**3,758.82**	**7,009.27**

The changes in the carrying value of property, plant and equipment for the year ended 31 March, 2018 were as follows:

₹ in Lacs

Particulars	Gross carrying amount				Accumulated depreciation				Net carrying amount as at 31 March, 2018
	As at 1 April, 2017	Addition/ Adjustment	Deletion/ Adjustment	As at 31 March, 2018	As at 1 April, 2017	Charge for the year	Deduction/ Adjustment	As at 31 March, 2018	
Freehold land	471.92	-	-	471.92	-	-	-	-	471.92
Buildings	2,415.13	6.69	-	2,421.82	224.96	208.55	-	433.51	1,988.31
Plant and machinery	4,056.99	400.31	(10.30)	4,447.00	896.10	680.23	(4.56)	1,571.77	2,875.22
Electrical installations and equipment	216.98	5.95	(0.73)	222.20	56.63	42.46	(0.15)	98.94	123.26
Furniture and fittings	265.86	81.29	4.95	352.10	61.26	59.47	2.35	123.08	229.02
Motor vehicles	250.16	64.61	(16.84)	297.93	64.87	65.06	(13.60)	116.33	181.60
Windmill	1,181.67	-	-	1,181.67	142.22	124.95	0.19	267.36	914.31
Laboratory equipment	38.42	5.79	-	44.21	9.68	8.11	-	17.79	26.42
Computers	50.97	14.38	(0.20)	65.15	20.48	20.36	(0.03)	40.81	24.34
Total	**8,948.10**	**579.02**	**(23.12)**	**9,504.00**	**1,476.20**	**1,209.19**	**(15.80)**	**2,669.59**	**6,834.40**

Refer Note 20 for hypothecation of property, plant and equipment against borrowing.

6 Capital work-in-progress

₹ in Lacs

	As at 31 March, 2019	As at 31 March, 2018
Capital work-in-progress	202.59	213.02

7 Intangible assets

The changes in the carrying value of acquired intangible assets for the year ended 31 March, 2019 were as follows:

₹ in Lacs

Particulars	Gross carrying amount				Accumulated depreciation				Net carrying amount as at 31 March, 2019
	As at 1 April, 2018	Addition/ Adjustment	Deletion/ Adjustment	As at 31 March, 2019	As at 1 April, 2018	Charge for the year	Deduction/ Adjustment	As at 31 March, 2019	
Software	20.46	13.52	-	33.98	14.19	8.90	-	23.09	10.89
Total	**20.46**	**13.52**	**-**	**33.98**	**14.19**	**8.90**	**-**	**23.09**	**10.89**

The changes in the carrying value of acquired intangible assets for the year ended 31 March, 2018 were as follows:

₹ in Lacs

Particulars	Gross carrying amount				Accumulated depreciation				Net carrying amount as at 31 March, 2018
	As at 1 April, 2017	Addition/ Adjustment	Deletion/ Adjustment	As at 31 March, 2018	As at 1 April, 2017	Charge for the year	Deduction/ Adjustment	As at 31 March, 2018	
Software	18.60	1.86	-	20.46	6.01	8.18	-	14.19	6.27
Total	**18.60**	**1.86**	**-**	**20.46**	**6.01**	**8.18**	**-**	**14.19**	**6.27**

8 Investment in joint venture

₹ in Lacs

	As at 31 March, 2019	As at 31 March, 2018
Investment in equity shares at cost (unquoted)		
(1) PEPE Jeans Innerfashion Private Limited (70,00,000 equity shares (31 March, 2018: 30,00,000 equity shares) of FV ₹10 each)	498.82	261.87
	498.82	**261.87**
Aggregate amount of unquoted investments	498.82	261.87

(i) During the year, the Company has further invested, by way of rights issue, into the joint venture company, Pepe Jeans Innerfashion Private Limited. The Company holds 50% of the share capital in the Joint Venture Company.

(ii) The Company has no material joint venture as at 31 March, 2019. The aggregate summarised financial information in respect of the Company's immaterial joint venture is accounted for using the equity method.

(iii) Share of profit/(loss) of joint venture

₹ in Lacs

	As at 31 March, 2019	As at 31 March, 2018
Company's share in loss	(201.18)	(38.13)
Company's share in other comprehensive income	-	-
Company's share in total comprehensive income	**(201.18)**	**(38.13)**

9 Investments

₹ in Lacs

	As at 31 March, 2019	As at 31 March, 2018
Investment in equity shares (unquoted)		
(1) Ind-Barath Power Gencom Limited		
(2,99,364 shares (31 March, 2018: 2,99,364 shares) of FV ₹10 each)	29.94	29.94
(2) Suryadev Alloys and Power Private Limited		
(1,50,250 shares (31 March, 2018: 1,50,250 shares) of FV ₹10 each)	45.34	45.34
(3) Bahadurgarh Footwear Development Services Private Limited		
(20 shares (31 March, 2018: Nil) of FV ₹50,000 each)	10.00	-
	85.28	**75.28**
Aggregate amount of unquoted investments	85.28	75.28

(i) The Company had invested in shares of Ind-Barath Power Gencom Limited and Suryadev Alloys and Power Private Limited for procurement of power towards captive consumption in Tirupur unit. The management anticipates that the termination of contract in future (if any) would be at cost i.e. the amount invested. Since the investment has been made only for consuming the power and not for any financial reasons, hence the same is valued at cost, deemed to be fair value.

(ii) During the year, the Company has invested in shares of Bahadurgarh Footwear Development Services Private Limited. The investment was initially made to procure land.

10 Loans

₹ in Lacs

	As at 31 March, 2019	As at 31 March, 2018
Non-current		
(Unsecured, considered good)		
Security deposits	55.07	57.46
	55.07	**57.46**
Current		
(Unsecured, considered good)		
Security deposits	22.25	16.93
Other loans and advances	-	50.00
	22.25	**66.93**

(i) There are no outstanding debts from directors or officers of the Company.

11 Other financial assets

₹ in Lacs

	As at 31 March, 2019	As at 31 March, 2018
Non-current		
(Unsecured, considered good)		
Utility deposits	68.00	60.82
Bank deposits having maturity of more than 1 year from reporting date	-	6.89
	68.00	**67.71**
Current		
(Unsecured, considered good)		
Interest accrued on deposits and loans	-	85.02
Other financial assets	142.74	90.97
	142.74	**175.99**

(i) Other financial assets include advances paid to employees and provision for Mark to Market income on forward booking of contracts.

Notes to the Consolidated Financial Statements for the year ended 31 March, 2019

12 Other assets

₹ in Lacs

	As at 31 March, 2019	As at 31 March, 2018
Non-current		
Prepaid expenses	4.41	9.32
	4.41	**9.32**
Current		
Balances with Government and statutory authorities	2,342.49	1,594.40
Incentives and subsidies receivable	313.00	144.42
Advances against supply of goods and services	232.34	228.14
Prepaid expenses	106.39	95.59
Others (Unsecured, considered good)	45.93	31.46
	3,040.15	**2,094.01**

(i) Balances with Government and statutory authorities include input credit entitlements and other indirect taxes receivable.

(ii) Others include amounts claimed from parties on account of business obligations.

13 Tax assets (net)

₹ in Lacs

	As at 31 March, 2019	As at 31 March, 2018
Income tax	285.18	25.31
	285.18	**25.31**

(i) Income tax relate to income tax receivables and amounts paid under protest in respect of demands and claims from regulatory authorities.

14 Inventories (as at cost or net realisable value, whichever is lower)

₹ in Lacs

	As at 31 March, 2019	As at 31 March, 2018
Raw materials	5,376.77	5,317.03
Work-in-progress	10,380.06	10,016.77
Finished goods	16,699.88	12,955.75
	32,456.71	**28,289.55**
Included above, goods-in-transit		
Raw materials	130.93	23.93
	130.93	**23.93**

(i) Refer Note 20 for hypothecation of inventories against borrowing.

15 Trade receivables

₹ in Lacs

	As at 31 March, 2019	As at 31 March, 2018
Secured, considered good	762.59	587.70
Unsecured, considered good	33,999.17	26,583.00
Credit impaired	94.57	31.85
	34,856.33	**27,202.55**
Less: Allowance for credit losses	(94.57)	(31.85)
	34,761.76	**27,170.70**

15 Trade receivables (contd.)

(i) In determining allowance for credit losses of trade receivables, the Company has used the practical expedient by computing the expected credit loss allowance based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on ageing of the receivables and rates used in the provision matrix.

(ii) The Company considers its maximum exposure to credit risk with respect to customers as at 31 March, 2019 to be ₹34,761.76 lacs (31 March, 2018: ₹27,170.70 lacs), which is the carrying value of trade receivables after allowance for credit losses.

The Company's exposure to customers is diversified and no single customer contributes more than 10% of the outstanding receivables as at 31 March, 2019 and 31 March, 2018.

(iii) There are no outstanding receivables due from directors or other officers of the Company.

16 Cash and cash equivalents

₹ in Lacs

	As at 31 March, 2019	As at 31 March, 2018
Balances with bank		
- in current accounts	2,057.54	1,787.08
- in deposit accounts with original maturity of 3 months or less	-	138.77
Cash on hand	15.93	9.86
	2,073.47	**1,935.71**

17 Bank balances (other than Note 16 above)

₹ in Lacs

	As at 31 March, 2019	As at 31 March, 2018
Earmarked balances with banks	77.58	25.70
Unclaimed Dividend	2.33	-
	79.91	**25.70**

(i) Earmarked balances with banks relate to balances held as security against borrowings and other trade commitments.

18 Equity share capital

₹ in Lacs

	As at 31 March, 2019	As at 31 March, 2018
Authorized		
5,75,00,000 equity shares (31 March, 2018: 5,75,00,000 equity shares) of FV ₹2 each	1,150.00	1,150.00
Issued, Subscribed and Paid-up		
5,67,16,120 equity shares (31 March, 2018: 5,67,16,120 equity shares) of FV ₹2 each fully paid-up	1,134.32	1,134.32
	1,134.32	**1,134.32**

18 Equity share capital (contd.)

(i) Reconciliation of equity shares outstanding at the beginning and at the end of the year

	As at 31 March, 2019		As at 31 March, 2018	
	No of Shares	₹ in Lacs	No of Shares	₹ in Lacs
Equity shares at the beginning of the year	5,67,16,120	1,134.32	1,08,43,224	1,084.32
Add: Shares split	-	-	4,33,72,896	-
	5,67,16,120	**1,134.32**	**5,42,16,120**	**1,084.32**
Add: Preferential allotment	-	-	25,00,000	50.00
Equity shares at the end of the year	**5,67,16,120**	**1,134.32**	**5,67,16,120**	**1,134.32**

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

Name of Shareholders	As at 31 March, 2019		As at 31 March, 2018	
	No of Shares	₹ in Lacs	No of Shares	₹ in Lacs
Simplex Impex Private Limited	2,55,59,771	45.07%	2,37,62,640	41.90%

(iii) The Company has one class of issued shares i.e. equity shares having par value of ₹2 per share. Each holder of ordinary shares is entitled to one vote per share. The dividend proposed by Board of Directors is subject to approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the remaining assets of the Company in proportion to the number of equity shares held.

(iv) The Company does not have any holding Company or ultimate holding Company.

(v) No shares have been reserved for issue under options and contracts/ commitments for the sale of shares/disinvestment as at the balance sheet date.

(vi) No convertible securities has been issued by the Company during the year.

(vii) No calls are unpaid by any Director and officer of the Company during the year.

(viii) The equity shares of the Company were split from FV ₹10 each to ₹2 each. The Company had fixed its record date as 1 September, 2017 and accordingly the changes have been made in the NSE.

(ix) The Company had issued and allotted 25,00,000 equity shares of ₹2 each, for cash, at a premium of ₹428 per share aggregating to ₹10,750.00 lacs on preferential basis to the Promoter/ Promoter group on 7 November, 2017.

19 Other equity

₹ in Lacs

		As at 31 March, 2019	As at 31 March, 2018
Securities premium	19.1	11,790.19	11,790.19
General reserve	19.2	2,258.63	2,258.63
Retained earnings	19.3	26,384.87	20,053.19
		40,433.69	**34,102.02**

19 Other equity (contd.)

(i) The details of movement in components of Other equity is mentioned below:

19.1 Securities premium

₹ in Lacs

	As at 31 March, 2019	As at 31 March, 2018
Balance at the beginning of the year	11,790.19	1,090.19
Add/(Less): Changes during the year	-	10,700.00
Balance at the end of the year	**11,790.19**	**11,790.19**

19.2 General reserve*

₹ in Lacs

	As at 31 March, 2019	As at 31 March, 2018
Balance at the beginning of the year	2,258.63	2,258.63
Add/(Less): Changes during the year	-	-
Balance at the end of the year	**2,258.63**	**2,258.63**

* includes ₹1,253.63 lacs arising on amalgamation

19.3 Retained earnings

₹ in Lacs

	As at 31 March, 2019	As at 31 March, 2018
Balance at the beginning of the year	20,032.30	14,321.33
Add: Profit for the year	7,362.37	6,363.50
Add: Actuarial gain based on the valuation	94.54	36.03
Less: Tax on the above	(33.04)	(12.59)
	27,477.06	20,705.72
Less: Appropriation		
Dividend	(907.45)	(542.16)
Tax on dividend	(184.74)	(110.37)
Balance at the end of the year	**26,384.87**	**20,053.19**

(ii) Nature and purpose of other reserves

(a) General reserve

General reserve is created out of the profits transferred from the earnings during the year. It is available for distribution to the shareholders.

(b) Securities premium

Securities premium represents premium received on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

20 Borrowings

₹ in Lacs

Name of Shareholders	As at 31 March, 2019		As at 31 March, 2018	
	Non-current	Current	Non-current	Current
Secured				
Term loan from banks	349.30	1,216.73	251.22	1,414.58
Repayable on demand from banks	-	17,214.13	-	12498.38
Unsecured				
Loan from banks	-	3,000.00	-	-
Loan from body corporate	-	553.00	4,246.97	-
Less: Amount disclosed under 'Other financial liabilities' (Refer Note 25)	-	(1,216.73)	-	(1,414.58)
	349.30	**20,767.13**	**4,498.19**	**12,498.38**

(i) **Nature of security**

a) Term loan from Yes Bank and ICICI Bank are secured by exclusive charge on the capital assets procured out of the proceeds of the respective loan.

b) Term loan from Allahabad Bank are secured by exclusive first charge over the assets acquired out of the proceeds of the respective loan and situated at NH 7, V. Paddukottal, Tamilnadu.

c) Working capital loan from banks are secured by way of hypothecation charge over entire current assets viz. raw materials, stock-in-trade and book debts both present and future ranking pari passu with other consortium member banks.

(ii) **Repayment terms of loans outstanding as at 31 March, 2019**

a) Allahabad Bank term loan V amounting ₹431.65 lacs (31 March, 2018: ₹131.69 lacs) is repayable in 19 equal quarterly instalments commencing from June, 2019.

b) ICICI Bank term loan IV amounting ₹70.32 lacs (31 March, 2018: ₹80.37 lacs) is repayable in 16 equal quarterly instalments beginning from October, 2018, the next instalment is due in May, 2019.

c) Allahabad Bank term loan IV amounting ₹16.28 lacs (31 March, 2018: ₹18.60 lacs) is repayable in 16 equal quarterly instalments beginning from November, 2018, the next instalment is due in May, 2019.

d) Yes Bank term loan amounting ₹33.43 lacs (31 March, 2018: ₹166.80 lacs) is repayable in 15 equal quarterly instalments beginning from September, 2015, the next instalment is due in June, 2019.

e) Allahabad Bank term loan III amounting ₹14.26 lacs (31 March, 2018: ₹270.55 lacs) is repayable in 16 equal quarterly instalments beginning from June, 2015, the next instalment is due in April, 2019.

f) Allahabad Bank corporate loan amounting ₹1,000.09 lacs (31 March, 2018: ₹997.98 lacs) is repayable in 2 equal annual instalments beginning from March, 2018, the next instalment is due in May, 2019.

g) Working capital loans from banks amounting to ₹20,214.13 lacs (31 March, 2018: ₹12,498.38) is repayable on demand.

h) The loan from body corporate amounting to ₹553.00 lacs (31 March, 2018: ₹4,246.97) is repayable on demand.

(iii) **Interest rates on the above loans from banks and body corporate range between 8.25% to 10.50%.**

21 Provisions

₹ in Lacs

	As at 31 March, 2019	As at 31 March, 2018
Non-current		
Provision for gratuity (Refer Note 38)	208.90	222.08
	208.90	**222.08**
Current		
Provision for gratuity (Refer Note 38)	1.81	6.13
	1.81	**6.13**

22 Deferred tax liabilities (net)

₹ in Lacs

	As at 31 March, 2019	As at 31 March, 2018
Deferred tax liabilities		
Depreciation and amortization	44.07	47.04
Others	6.81	1.82
	50.88	**48.86**
Deferred tax assets		
Retirement benefits	(3.80)	2.31
Others	46.75	4.04
	42.95	**6.35**
Deferred tax liabilities (net)	**7.93**	**42.51**

(i) Movement in deferred tax assets and liabilities during the year ended 31 March, 2019 and 31 March, 2018

₹ in Lacs

	As at 1 April, 2018	Recognised In Statement of Profit and Loss during the year	Recognised In Other Comprehensive Income during the year	As at 31 March, 2019
Deferred tax liabilities				
- Depreciation and amortization	47.04	(2.97)	-	44.07
- Others	1.82	4.99	-	6.81
	48.86	**2.02**	**-**	**50.88**
Deferred tax assets				
- Retirement benefits	2.31	26.93	(33.04)	(3.80)
- Others	4.04	42.70	-	46.75
	6.35	**69.63**	**(33.04)**	**42.95**

₹ in Lacs

	As at 1 April, 2017	Recognised In Statement of Profit and Loss during the year	Recognised In Other Comprehensive Income during the year	As at 31 March, 2018
Deferred tax liabilities				
- Depreciation and amortization	234.60	(187.56)	-	47.04
- Others	10.91	(9.09)	-	1.82
	245.51	**(196.65)**	**-**	**48.86**
Deferred tax assets				
- Retirement benefits	1.35	13.55	(12.59)	2.31
- Others	7.13	(3.09)	-	4.04
	8.48	**10.46**	**(12.59)**	**6.35**

(ii) During the year ended 31 March, 2019, the Company re-measured deferred tax balances expected to reverse in future periods based on changes in statutory tax rate made by The Finance Act, 2018.

Notes to the Consolidated Financial Statements for the year ended 31 March, 2019

23 Other liabilities

₹ in Lacs

	As at 31 March, 2019	As at 31 March, 2018
Non-current		
Deferred revenue	-	2.93
	-	**2.93**
Current		
Advance from customers	208.08	84.72
Statutory dues	166.39	166.37
Deferred revenue	2.93	8.84
	377.40	**259.93**

(i) Statutory dues primarily relate to payables in respect of GST, provident funds and tax deducted at source.

(ii) Movement of deferred revenue

₹ in Lacs

	2018-19	2017-18
Opening balance	11.77	29.45
Less: Debited to Statement of Profit and Loss	(8.84)	(8.84)
Less: Current portion of the deferred revenue income	(2.93)	(8.84)
Closing balance	**-**	**11.77**

24 Trade payables

₹ in Lacs

	As at 31 March, 2019	As at 31 March, 2018
Total outstanding dues of micro and small enterprises		
Dues of micro, small and medium enterprises	10.60	-
Total outstanding dues of creditors other than micro and small enterprises		
Creditors for supply of goods and services	14,737.93	11,271.68
	14,748.53	**11,271.68**

(i) Amount due to micro and small enterprises as defined in the "The Micro, Small and Medium Enterprises Development Act, 2006" has been determined to the extent such parties have been identified on the basis of information available with the Company. The disclosures relating to micro and small enterprises is as below:

₹ in Lacs

	2018-19	2017-18
(a) Principal amount remaining unpaid to supplier at the end of the year.	10.60	-
(b) Interest due thereon remaining unpaid to supplier at the end of the year.	-	-
(c) The amount of interest paid by the buyer in terms of section 16 of The MSMED Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year.		
(d) 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 this Act.	-	-
(e) Amount of interest accrued and remaining unpaid at the end of the year.	-	-
(f) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprises, for the purpose of disallowance of a deductible expenditure under section 23 of The MSMED Act, 2006.	-	-

25 Other financial liabilities

₹ in Lacs

	As at 31 March, 2019	As at 31 March, 2018
Current maturities of long term debt	1,216.73	1,414.58
Book overdraft	1.40	-
Unclaimed dividend	2.33	0.44
Trade and security deposits	1,020.43	886.54
Interest accrued but not due on borrowings	35.61	49.56
Employee related liabilities	354.71	205.42
Other payables	5.26	36.44
	2,636.47	**2,592.98**

(i) Book overdraft relate to overdraft balances of current bank accounts.

26 Current tax liabilities (net)

₹ in Lacs

	As at 31 March, 2019	As at 31 March, 2018
Provision for income tax (net of Advance Tax ₹3,757.95 lacs; 31 March, 2018: ₹2,708.24 lacs)	131.02	678.08
	131.02	**678.08**

The Company is subject to income tax in India on the basis of its standalone financial statements. The Company can claim tax exemptions/deductions under specific sections of the Income-tax Act, 1961 subject to fulfilment of prescribed conditions, as may be applicable.

As per the Income-tax Act, 1961, the Company is liable to pay income tax based on higher of regular income tax payable or the amount payable based on the provisions applicable for Minimum Alternate Tax.

27 Revenue from operations

₹ in Lacs

	For the year ended 31 March, 2019	For the year ended 31 March, 2018
Sale of products	1,00,365.63	89,498.26
Other operating revenue		
Job work charges	454.60	948.87
Sale of by-products/cotton waste	1,009.60	845.93
Duty drawback, incentives and others	382.99	645.69
Sale of import licence	171.00	111.52
Sale of power	222.21	268.16
Claims and discounts	269.49	236.91
	1,02,875.52	**92,555.34**

(i) Nature of goods and services

The Company is engaged in the manufacturing of garments and hosiery products and generates revenue from the sale of the same. It is also the only reportable segment of the Company.

(ii) Disaggregation of revenue for the year ended 31 March, 2019

In the following table, revenue is disaggregated by primary geographical market, major products lines and timing of revenue recognition etc.

27 Revenue from operations (contd.)

Disaggregation of revenue for the year ended 31 March, 2019

₹ in Lacs

	For the year ended 31 March, 2019
- based on major products	
Garments and hosiery products	1,00,365.63
Others	-
	1,00,365.63
- based on geographical region	
India	93,265.08
Outside India	7,100.55
	1,00,365.63
- based on timing of revenue	
At a point in time	1,00,365.63
Over time	-
	1,00,365.63
- based on contract duration	
Long term	-
Short term	1,00,365.63
	1,00,365.63

(iii) Contract balances

The following table provides information about receivables, contract assets and contract liabilities from contracts with customers.

Contract balances as at 31 March, 2019

Receivables, which are included in 'Trade receivables'	34,761.76
Contract assets	-
Contract liabilities	208.08
	34,969.84

(iv) Other information

Transaction price allocated to the remaining performance obligations	Nil
The amount of revenue recognised in the current period that was included in the opening contract liability balance.	Nil

Performance obligations- The Company satisfies the performance obligation on shipment/ dispatch, as the case may be.

(v) Reconciliation of amount of revenue recognised in the Statement of Profit and Loss with contracted price

₹ in Lacs

	For the year ended 31 March, 2019	For the year ended 31 March, 2018
Revenue as per contracted price	1,04,300.74	95,195.21
Less: Dealers' incentives, schemes and discounts	3,935.11	5,696.95
Revenue from contract with customers	1,00,365.63	89,498.26

The Company has adopted Ind AS-115 "Revenue from Contract with Customers" which is mandatory for the reporting periods on or after 1 April, 2018. In terms of the requirement of Ind AS-115, revenue is recognised net of dealer's schemes and incentive payables. Revenue for comparative periods have been adjusted to conform to current period classification.

28 Other income

₹ in Lacs

	For the year ended 31 March, 2019	For the year ended 31 March, 2018
Interest income		
On bank deposits	3.30	2.65
On others	16.84	47.80
	20.14	**50.45**
Other non-operating income		
Insurance claim	16.91	10.81
Net gain on foreign currency transaction and translation	105.82	122.68
Government grant	8.84	8.84
Provisions/liabilities written back	54.57	-
Others	14.68	7.76
	200.82	**150.09**
	220.96	**200.54**

29 Cost of materials consumed

₹ in Lacs

	For the year ended 31 March, 2019	For the year ended 31 March, 2018
Raw material at the beginning of the year	5,293.10	3,778.98
Add:Purchases (including in-transit purchases)	47,544.81	48,384.14
Less:Raw material at the end of the year	5,376.77	5,293.10
	47,461.14	**46,870.02**

30 Changes in inventories of finished goods and work-in-progress

₹ in Lacs

	For the year ended 31 March, 2019	For the year ended 31 March, 2018
Inventories at the end of the year		
Finished goods	16,699.88	12,955.75
Work-in-progress	10,380.06	10,016.77
	27,079.94	**22,972.52**
Inventories at the beginning of the year		
Finished goods	12,955.75	10,311.04
Work-in-progress	10,016.77	6,384.74
	22,972.52	**16,695.78**
Increase/(decrease)	**(4,107.42)**	**(6,276.74)**

31 Employee benefits expense

₹ in Lacs

	For the year ended 31 March, 2019	For the year ended 31 March, 2018
Salary and wages	3,099.00	2,379.09
Contribution to provident and other funds	185.92	175.34
Staff welfare expenses	77.66	87.77
	3,362.58	**2,642.20**

(i) During the year, the Company recognised an amount of ₹338.00 lacs (Previous Year 2017-18: ₹282.00 lacs) as remuneration to key managerial personnel on account of short-term employee benefits.

32 Finance costs

₹ in Lacs

	For the year ended 31 March, 2019	For the year ended 31 March, 2018
Interest on borrowings from banks	1,313.28	1,190.80
Interest on others	260.66	598.00
	1,573.94	**1,788.80**

(i) Interest on others include interest on income tax ₹81.76 lacs (Previous year 2017-18 ₹164.54 lacs)

33 Depreciation and amortization

₹ in Lacs

	For the year ended 31 March, 2019	For the year ended 31 March, 2018
Depreciation on Property, plant and equipment	1,100.67	1,209.19
Amortization on Intangible assets	8.90	8.18
	1,109.57	**1,217.37**

34 Other expenses

₹ in Lacs

	For the year ended 31 March, 2019	For the year ended 31 March, 2018
Manufacturing expenses		
Sub-contract expenses	21,107.20	19,116.00
Power and fuel	1,448.61	811.74
Carriage inward	328.55	351.89
Material testing charges	-	245.91
Repairs to machinery	448.52	41.14
	23,332.88	**20,566.68**
Selling and administration expenses		
Advertisement expenses	10,179.96	8,695.21
Freight and forwarding expenses	1,835.72	1,697.40
Commission and brokerage	1,155.27	942.81
Sales promotion expenses	1,170.27	1,051.39
Other selling and distribution expenses	2,835.61	2,051.77
Rent	373.36	273.80
Communication costs	89.25	78.19
Printing and stationery	49.80	36.81
Electricity expenses	101.15	288.32
Royalty	47.84	43.23
Legal and professional fees	273.83	196.00
Insurance charges	52.90	66.49
Directors' sitting fees	4.32	2.74
Travelling and conveyance expenses	125.05	145.40
Allowances for credit losses	62.72	31.85
Receivables written off	100.25	-
Vehicle expenses	84.61	83.03
Contribution for CSR activities (Refer Note 39)	136.51	93.00
Repairs to others	170.56	261.69
Rates and taxes	55.72	10.87

34 Other expenses (contd.)

₹ in Lacs

	For the year ended 31 March, 2019	For the year ended 31 March, 2018
Bank charges	73.64	49.85
Payment to auditors (Refer (i) below)	31.74	27.16
Miscellaneous expenses	250.17	239.71
	19,260.25	**16,366.72**
	42,593.13	**36,933.40**

(i) Details of auditor's remuneration and out-of-pocket expenses is as below:

(a) Statutory auditors

Statutory audit fees	16.25	13.00
Tax audit fees	2.75	2.75
Other services	11.00	9.25
Reimbursement of expenses	0.24	0.66
	30.24	**25.66**

(b) Cost auditors

Cost audit fees	**1.50**	**1.50**
	31.74	**27.16**

35 Tax expenses

₹ in Lacs

	As at 31 March, 2019	As at 31 March, 2018
Income tax recognised in Statement of Profit and Loss		
Current tax	3,888.97	3,386.32
Tax for earlier years	(243.24)	-
Deferred tax	(67.61)	(207.12)
	3,578.12	**3,179.20**

(i) Reconciliation of estimated Income tax expense at Indian statutory Income tax rate to income tax expense reported in Statement of Profit and Loss

Accounting profit before income tax	10,940.49	9,542.70
Indian statutory income tax rate	34.944%	34.608%
Estimated income tax expenses	3,823.04	3,302.54
Tax effect on:		
Temporary items non-deductible	58.61	(79.48)
Permanent items non-deductible	52.48	33.64
Additional tax benefit for income from power generation	(112.77)	(79.49)
Impact of change in tax rate	-	1.99
Total	**3,888.97**	**3,386.32**
Adjustment in respect of income tax of previous years	(243.24)	-
Income tax expenses in the Statement of Profit and Loss	**3,578.12**	**3,179.20**

36 Other comprehensive income

₹ in Lacs

	As at 31 March, 2019	As at 31 March, 2018
Items that will not be reclassified to profit or loss		
Remeasurement of the defined benefit plans	94.54	36.03
Tax expense on the above	(33.04)	(12.59)
	61.50	**23.44**

37 Earnings per share

₹ in Lacs

	As at 31 March, 2019	As at 31 March, 2018
Profit for the year	7,362.37	6,363.50
Weighted average number of equity shares (FV ₹2 per share)	5,67,16,120	5,52,02,421
Earnings per share:		
Basic (₹)	12.98	11.53
Diluted (₹)	12.98	11.53

38 Disclosure pursuant to Indian Accounting Standard - 19 'Employee Benefits' as notified u/s 133 of the Companies Act, 2013.

a) **Defined Contribution Plan**

The amount recognized as an expense for the Defined Contribution Plans are as under:

₹ in Lacs

	For the year ended 31 March, 2019	For the year ended 31 March, 2018
Provident Fund	56.53	58.97

b) **Defined Benefit Plan**

The following are the types of Defined Benefit Plans:

(i) **Gratuity Plan**

Every employee who has completed five years or more of service is entitled to gratuity on terms not less favourable than the provisions of The Payment of Gratuity Act, 1972. The present value of defined obligation and related current cost are measured using the Projected Unit Credit Method with actuarial valuation being carried out at Balance Sheet date.

(ii) **Provident Fund**

Provident Fund (other than government administered) as per the provisions of the Employees Provident Funds and Miscellaneous Provisions Act, 1952.

c) **Risk Exposure**

Defined Benefit Plans

Defined benefit plans expose the Company to actuarial risks such as: Interest rate risk, Salary risk and Demographic risk.

a) **Interest rate risk:** The defined benefit obligation calculated uses a discount rate based on government bonds. If the bond yield falls, the defined benefit obligation will tend to increase.

b) **Salary risk:** Higher than expected increases in salary will increase the defined benefit obligation.

c) **Demographic risk:** This is the risk of variability of results due to unsystematic nature of decrements that includes mortality withdrawal disability and retirement. The effect of these decrements on the defined benefits obligations is not straight forward and depends on the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of the short career employee typically costs less per year as compared to a long service employee.

38 Disclosure pursuant to Indian Accounting Standard - 19 'Employee Benefits' as notified u/s 133 of the Companies Act, 2013. (contd.)

d) Reconciliation of the net defined benefit (asset)/ liability

The following table shows a reconciliation from the opening balances to the closing balances for the net defined benefit (asset)/ liability and its components:

₹ in Lacs

	Gratuity (Unfunded)	
	2018-19	**2017-18**
Balance at the beginning of the year	228.21	189.40
Current service cost	60.30	60.82
Past service cost	-	5.79
Interest cost on Defined Benefit Obligation	17.58	14.35
Actuarial gain and losses arising		
Due to change in financial assumptions	(41.24)	(8.93)
Due to unexpected experience adjustments	(53.29)	(27.10)
Benefits paid	(0.85)	(6.12)
Balance at the end of the year	**210.71**	**228.21**

e) Amount recognized in Balance Sheet

₹ in Lacs

	Gratuity (Unfunded)	
	2018-19	**2017-18**
Present value of Defined Benefit Obligation	210.71	228.21
Net Assets/ (Liability) recognised in the Balance Sheet	**210.71**	**228.21**

f) Expenses recognized in Statement of Profit or Loss

₹ in Lacs

	Gratuity (Unfunded)	
	2018-19	**2017-18**
Current service cost	60.31	60.82
Past service cost	-	5.79
Interest cost	17.58	14.35
Total	**77.89**	**80.96**

g) Remeasurement recognized in Other Comprehensive Income

₹ in Lacs

	Gratuity (Unfunded)	
	2018-19	**2017-18**
Actuarial (gain)/ loss on Defined Benefit Obligation	(94.54)	(36.03)

h) Actuarial Assumptions

	Gratuity (Unfunded)	
	2018-19	**2017-18**
Financial Assumptions		
Discount rate	7.72%	7.70%
Salary escalation rate	9.00%	10.00%
Demographic Assumptions		
Mortality rate	IALM 2006-2008 Ultimate	
Withdrawal rate	20.00%	20.00%

38 Disclosure pursuant to Indian Accounting Standard - 19 'Employee Benefits' as notified u/s 133 of the Companies Act, 2013. (contd.)

i) **Maturity Analysis**

At 31 March, 2019, the weighted average duration of the defined benefit obligation was 26 years (previous year 25 years).

The distribution of the timing of benefits payment i.e., the maturity analysis of the benefit payments is as follows:

Expected benefits payment for the year ending	Gratuity (Unfunded)
31 March, 2020	1.88
31 March, 2021	2.05
31 March, 2022	3.25
31 March, 2023	2.61
31 March, 2024	2.88
31 March, 2025 to 31 March, 2029	38.29
31 March, 2030 and beyond	1,033.75

j) **Sensitivity Analysis**

The sensitivity analysis below have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period. Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

Variable	Sensitivity Level	Effect on Defined Benefit Obligations			
		31 March, 2019		31 March, 2018	
		Increase	Decrease	Increase	Decrease
Discount rate	+/- 0.5%	192.92	230.63	207.66	251.39
Salary escalation rate	+/- 0.5%	230.05	193.12	249.76	208.46
Attrition rate	+/- 0.5%	209.41	212.04	229.28	227.13
Mortality rate	+/- 10%	210.56	210.88	230.05	226.37

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

39 Corporate social responsibility

In accordance with the Guidance Note on Accounting for expenditure on Corporate Social Responsibility Activities, the requisite disclosure are as follows:

₹ in Lacs

a)

	For the year ended 31 March, 2019	For the year ended 31 March, 2018
Gross amount required to be spent by the Company during the year	135.60	92.24
CSR expenditure incurred during the year	136.51	93.00
Related party transactions as per Ind AS 24 in relation to CSR expenditure	130.00	93.00
Provision made in relation to CSR expenditure	-	-

40 Contingent liabilities

₹ in Lacs

(i)

	For the year ended 31 March, 2019	For the year ended 31 March, 2018
(i) Bank guarantee	6.67	6.67
(ii) Excise duty	3.06	3.06
(iii) Income tax*	111.60	111.60

*Amount paid under protest ₹12.99 lacs (31 March, 2018: ₹12.99 lacs) included in Income tax (Refer Note 13).

40 Contingent liabilities (contd.)

(ii) The Hon'ble Supreme Court of India ("SC") by their order dated 28 February, 2019, in the case of Surya Roshani Limited v/s EPFO, set out the principles based on which allowances paid to the employees should be identified for inclusion in basic wages for the purposes of computation of Provident Fund contribution. Subsequently, a review petition against this decision has been filed and is pending before the SC for disposal.

The Company is awaiting the outcome of the review petition, and also directions from EPFO, if any, to assess any potential impact on the Company and consequently no adjustments have been made in the books of account.

41 The Board of Directors at its meeting held on 27 May, 2019 have recommended a payment of final dividend of ₹1.70 per equity share of FV ₹2 each for the financial year ended 31 March, 2019. The same amounts to ₹1,162.36 lacs (including dividend distribution tax of ₹198.19 lacs).

The above is subject to approval at the ensuing Annual General Meeting of the Company and hence is not recognized as a liability.

42 Assets pledged as security

The carrying amounts of assets pledged as security for current and non-current borrowings are: ₹ in Lacs

	Note	As at 31 March, 2019	As at 31 March, 2018
Non current assets			
Non financial assets			
Land and buildings	5	2,292.29	2,460.23
Plant and machinery	5	3,434.55	2,875.22
Other tangible assets	5	1,282.43	1,498.95
Intangible assets	7	10.89	6.27
Financial assets			
Loans	10	55.07	57.46
Other financial assets	11	68.00	67.71
Other assets	12	4.41	9.32
Total Non current assets pledged as security		**7,147.64**	**6,975.16**
Current assets			
Non financial assets			
Inventories	14	32,456.71	28,289.55
Financial assets			
Trade receivables	15	34,761.76	27,170.70
Loans	10	22.25	66.93
Other financial assets	11	142.74	175.99
Total Current assets pledged as security		**67,383.46**	**55,703.17**
Total assets pledged as security		**74,531.10**	**62,678.33**

43 Operating leases

As Lessee

The Company's significant leasing arrangements are in respect of operating leases for premises (residential, office, stores, godown) etc. These leasing arrangements which are cancellable range between 11 months and 8 years generally, or longer, and are usually renewable by mutual consent on mutually agreeable terms. The aggregate lease rentals payable are charged as rent in the Statement of Profit and Loss.

44 Fair value of financial assets and financial liabilities

(i) The Company has measured its financial asset and financial liabilities at amortised cost, except as stated below:

₹ in Lacs

	As at 31 March, 2019	As at 31 March, 2018
Foreign exchange forward contract (MTM) - Profit/(Loss) (Level 1- Quoted price in active markets)	60.29	(13.74)

(ii) The management has assessed that the fair values of cash and cash equivalents, trade receivables, trade payables, short term borrowings, and other current financial liabilities approximates their carrying amounts largely due to the short-term maturities of these instruments. The management has assessed that the fair value of floating rate instruments approximates their carrying value.

(iii) The fair values of non-current borrowings are based on the discounted cash flows using a current borrowing rate. They are classified as Level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including own credit risks, which was assessed as on the balance sheet date to be insignificant.

45 Fair value hierarchy

The fair value of financial instruments are classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements). The categories used are as follows:

- **Level 1:** Quoted prices for identical instruments in an active market;
- **Level 2:** Directly or indirectly observable market inputs, other than Level 1 inputs; and
- **Level 3:** Inputs which are not based on observable market data.

(i) The following are the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognized and measured at fair value and (b) measured at amortized cost and for which fair value are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels of fair value measurement as prescribed under the Ind AS 113 "Fair Value Measurement".

(ii) There are no transfers between levels during the year.

46 Financial risk management objectives and policies

The Company's activities expose it to the following risks:

a) Credit risk

b) Liquidity risk

c) Market risk

a) Credit risk

Credit risk is the risk that counter party will not meet its obligations under a financial instruments or customer contract leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities including deposits with banks and financial institutions, investments, foreign exchange transactions and other financial instruments.

Trade receivables

Customer credit risk is managed by the Company subject to the Company's established policy, procedures and control relating to customer credit risk management. Concentration of credit risk with respect to trade receivables are limited, due to the Company's customer base being large and diverse. All trade receivables are reviewed and assessed for default on a quarterly basis. Our historical experience of collecting receivables is that credit risk is low. Outstanding customer receivables are regularly monitored and major customers are generally secured by obtaining security deposits/bank guarantee or other forms of credit insurance. The maximum exposure to credit risk at the reporting date is the carrying value of trade receivable as disclosed in Note 15.

46 Financial risk management objectives and policies (contd.)

₹ in Lacs

Reconciliation of loss allowance provision	As at 31 March, 2019	As at 31 March, 2018
Opening balance of loss allowance	31.85	-
Charge/(release) during the year	62.72	31.85
Closing balance of loss allowance	**94.57**	**31.85**

b) **Liquidity risk**

It is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. Typically the Company ensures that it has sufficient cash on demand to meet expected short term operational expenses. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank loans/internal accruals. The table below provides details regarding the remaining contractual maturities of significant financial liabilities at the reporting date.

₹ in Lacs

	On Demand	Less than 1 year	1 year to 5 years	Total
Year ended 31 March, 2019				
Borrowings	20,767.13	1,216.73	349.30	22,333.16
Interest accrued but not due on borrowings	-	35.61	-	35.61
Trade and security deposits	1,020.43	-	-	1,020.43
Trade payables	-	14,748.53	-	14,748.53
Other financial liabilities	2.33	361.37		363.70
Year ended 31 March, 2018				
Borrowings	12,498.38	1,414.58	4,498.19	18,411.15
Interest accrued but not due on borrowings	-	49.56	-	49.56
Trade and security deposits	886.54	-	-	886.54
Trade payables	-	11,271.68	-	11,271.68
Other financial liabilities	0.44	241.86	-	242.30

c) **Market risk** is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three type of risks:

Commodity price risk, Foreign exchange risk, and Interest rate risk.

1) **Commodity price risk**

The Company primarily imports cotton and rubber. It is exposed to commodity price risk arising out of movement in prices of such commodities. Such risks are monitored by tracking of the prices and are managed by entering into fixed price contracts, where considered necessary.

2) **Foreign currency risk**

The Company has Foreign Currency Exchange Risk on imports of input materials, Capital Equipment(s) in foreign currency for its business. The Company evaluates the impact of foreign exchange rate fluctuations by assessing its exposure to exchange rate risks. Certain transactions of the Company act as a natural hedge as a portion of both assets and liabilities are denominated in similar foreign currencies. For the remaining exposure to foreign exchange risk, the Company adopts a policy of selective hedging based on risk perception of the management using derivative, wherever required, to mitigate or eliminate the risk.

The Company's exposure to foreign currency risk at the end of the reporting period are as follows:

46 Financial risk management objectives and policies (contd.)

(I) **Unhedged foreign currency exposure as at reporting date**

	As at 31 March, 2019		As at 31 March, 2018	
	USD	₹ in Lacs	USD	₹ in Lacs
Financial assets				
Trade receivables	14,96,584	1,034.96	6,71,908	437.92
Financial liabilities				
Trade payables and others	-	-	-	-
Net exposure in foreign currency	**14,96,584**	**1,034.96**	**6,71,908**	**437.92**

II) **Derivatives contract outstanding as at reporting date**

	As at 31 March, 2019		As at 31 March, 2018	
	USD	₹ in Lacs	USD	₹ in Lacs
Derivative assets				
Forward contract against firm commitments	12,00,000	829.86	18,00,000	1,173.15
Derivative liabilities				
Forward contract against firm commitments	-	-	-	-
Net exposure in foreign currency	**12,00,000**	**829.86**	**18,00,000**	**1,173.15**

Sensitivity analysis

The analysis is based on assumption that the increase/decrease in foreign currency by 5% with all other variables held constant, on the unhedged foreign currency exposure.

Variable	Change	As at 31 March, 2019		As at 31 March, 2018	
		Impact on		Impact on	
		Profit before tax	Other equity	Profit before tax	Other equity
USD sensitivity (Increase)	+ 5%	51.75	33.67	21.90	14.32
USD sensitivity (Decrease)	- 5%	(51.75)	(33.67)	(21.90)	(14.32)

3) **Interest rate risk**

The Company is exposed to risk due to interest rate fluctuation on long term borrowings. Such borrowings are based on fixed as well as floating interest rate. Interest rate risk is determined by current market interest rates, projected debt servicing capability and view on future interest rate. Such interest rate risk is actively evaluated and is managed through portfolio diversification and exercise of prepayment/refinancing options where considered necessary.

₹ in Lacs

	As at 31 March, 2019	As at 31 March, 2018
Financial assets		
Fixed rate instruments	-	50.00
Financial liabilities		
Fixed rate instruments	3,553.00	4,246.97
Variable rate instruments	18,780.16	14,164.18

46 Financial risk management objectives and policies (contd.)

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

	Change	Effect on profit before tax
As at 31 March, 2019	+50 basis points	(93.90)
	-50 basis points	93.90
As at 31 March, 2018	+50 basis points	(70.82)
	-50 basis points	70.82

47 Capital management

The Company's objective to manage its capital is to ensure continuity of business while at the same time provide reasonable returns to its various stakeholders but keep associated costs under control. In order to achieve this, requirement of capital is reviewed periodically with reference to operating and business plans that take into account capital expenditure and strategic investments. Apart from internal accrual, sourcing of capital is done through judicious combination of equity and borrowing, both short term and long term.

	As at 31 March, 2019	As at 31 March, 2018
Debt Equity Ratio	0.54	0.52

48 Certain Trade Receivables, Loans & Advances and Trade Payables are subject to confirmation. In the opinion of the management, the value of Trade Receivables and Loans & Advances on realisation in the ordinary course of business, will not be less than the value at which these are stated in the Balance Sheet.

49 Segment Reporting

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

Secondary information is reported geographically.

Geographical segments

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

₹ in Lacs

	As at 31 March, 2019		As at 31 March, 2018	
	India	Overseas	India	Overseas
Revenue from operations	95,774.97	7,100.55	85,836.47	6,718.87

50 Information on Related Party Transactions as required by Ind AS 24 - Related Party Disclosures

a)	**Joint Venture**	Pepe Jeans Innerfashion Private Limited	
b)	**Key Managerial Personnel**		
	Chairman	Shri Din Dayal Gupta*	
	Managing Director	Mr Vinod Kumar Gupta	
		Mr Binay Kumar Gupta	
	Whole-time Director	Mr Krishan Kumar Gupta	
		Mr Bajrang Kumar Gupta	
		Mr Gopalakrishnan Sarankapani	
	Independent Director	Mrs Divyaa Newatia	
		Mr Binay Kumar Agarwal	
		Mr Pawan Kumar Agarwal	
		Mr Rajesh Kumar Bubna	
		Mr Sunil Mitra	
		Mr Rakesh Biyani*	
		Mr Anil Kumar Saboo	(w.e.f. 10 November, 2018)
		Mr Srikumar Bandyopadhyay	(w.e.f. 10 November, 2018)
		Mr Pawan Kumar Agarwal	(till 10 August, 2018)
	Non- executive Director	Mr Sanjay Jhunjhunwalla	(w.e.f. 10 August, 2018)
	Chief Financial Officer	Mr Lalit Chand Sharma	(w.e.f. 29 May, 2018)
		Ms Shashi Agarwal	(till 29 May, 2018)
	Company Secretary	Mr Abhishek Mishra	

* Shri Din Dayal Gupta resigned from the Chairmanship of the Company with effect from 11 April, 2019 and Mr Rakesh Biyani resigned from the directorship of the Company with effect from 10 April, 2019.

c)	**Relatives of Key Managerial Personnel**	Mr Ramesh Kumar Gupta	Mr Pramod Kumar Gupta
		Mrs Chandrakala Gupta	Mrs Anita Gupta
		Mrs Ruchi Gupta	Mrs Nitu Gupta
		Mrs Seema Gupta	Mr Ankit Gupta
		Mr Ayush Gupta	Mr Gaurav Gupta
		Ms Pallavi Gupta	
d)	**Close family members of Key Managerial Personnel who are under the employment of the Company**	Mr Ankit Gupta	(son of Mr Vinod Kumar Gupta, Managing Director)
		Mr Gaurav Gupta	(son of Mr Binay Kumar Gupta, Managing Director)
		Mr Ayush Gupta	(son of Mr Vinod Kumar Gupta, Managing Director)
		Ms Pallavi Gupta	(daughter of Mr Binay Kumar Gupta, Managing Director)
e)	**Entities where Directors/ Relatives of Directors have control/significant influence**	Goldman Trading Private Limited	Amicable Properties Private Limited
		Simplex Impex Private Limited	PHPL Stock Broking Private Limited
		Zest Merchants Private Limited	Adds Projects Private Limited
		VA Infraprojects Private Limited	BS Infraproperties Private Limited
		KN Infraproperties Private Limited	BR Infraprojects Private Limited
		KPS Distributors Private Limited	VHR Solutions Private Limited
		Bhawani Yarns Private Limited	Dindayal Texpro Private Limited
		Sri Venkateswara Knitting	Vichaar Television Network Limited
		Sree Krishna Enterprise	Dhaksh Knitfab
		Bhawani Textiles	Force Marketing
		Baker Fashioning	Dollar Foundation
		Sujata Enterprises	Atul Agencies
		Erode Textile Process	

Notes to the Consolidated Financial Statements for the year ended 31 March, 2019

50 Information on Related Party Transactions as required by Ind AS 24 - Related Party Disclosures (contd.)

e) Details of related party transactions during the year ended 31 March, 2019 ₹ in Lacs

Nature of Transaction	Joint Venture		Key Managerial Personnel		Relatives of Key Managerial Personnel		Entities where Directors/ Relatives of Directors have control/ significant influence	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
Income								
Sale of goods	320.22	-	-	-	-	-	59.04	630.25
Rent received	-	-	-	-	-	-	5.04	5.72
Expenditure								
Purchase of goods	-	-	-	-	-	-	816.50	1,366.13
Services received	-	-	-	-	1.66	13.27	1,460.15	1,270.19
Remuneration and perquisites	-	-	406.43	305.48	30.00	27.70	-	-
Directors' sitting fees	-	-	4.32	2.74	-	-	-	-
Interest paid	-	-	-	-	-	-	152.73	405.42
Rent paid	-	-	5.71	3.31	-	-	58.56	46.58
Royalty	-	-	-	-	-	-	47.84	51.01
Commission paid	-	-	-	-	21.92	18.90	25.11	8.30
Paid to Trust for CSR activities	-	-	-	-	-	-	130.00	93.00
Reimbursement of expenses paid	-	55.33	(0.50)	1.60	1.32	0.06	20.65	0.10
Selling expenses	-	-	-	-	11.02	-	-	-
Others								
Dividend paid	-	-	125.90	78.69	9.73	6.08	381.80	212.63
Investment	400	-	-	-	-	-	-	-
Preferential issue of shares	-	-	-	-	-	-	-	10,750.00
Loan taken	-	-	-	-	-	-	1,654.00	11,710.30
Repayment of loan	-	-	-	-	-	-	5,378.26	13,047.41
Advances given	-	-	-	-	-	-	-	10.62

Notes to the Consolidated Financial Statements for the year ended 31 March, 2019

50 Information on Related Party Transactions as required by Ind AS 24 - Related Party Disclosures (contd.)

f) Details of closing balances of related party as at 31 March, 2019 ₹ in Lacs

Nature of Transaction	Joint Venture		Key Managerial Personnel		Relatives of Key Managerial Personnel		Entities where Directors/ Relatives of Directors have control/ significant influence	
	31/03/19	31/03/18	31/03/19	31/03/18	31/03/19	31/03/18	31/03/19	31/03/18
Outstanding payable								
Loan	-	-	-	-	-	-	553.00	4,278.06
Trade and other payables	-	-	3.99	6.23	26.29	20.33	438.08	235.58
Outstanding receivable								
Trade and other receivables	31.98	-	0.73	0.06	-	0.08	-	129.64

i) Detils of investments made by the Company in equity shares of its joint venture is disclosed in Note 8.

ii) The sale to and purchase from Related Party are made in the normal course of business and on terms equivalent to those that prevail in arm's length transactions. The Loans and Advances issued to Related Parties are on terms equivalent to those that prevail in arm's length transactions. Outstanding Balances at the year end are unsecured and settlement occurs in cash for the year ended 31 March, 2019, the Company has recorded the receivable relating to amount due from Related Parties net of impairment. This assessment is undertaken each Financial Year through examining the Financial position of the Related Parties and the market in which the Related Party operates.

51 Previous year figures have been recasted/restated wherever necessary.

As per our report of even date attached

For Singhi & Co.
Chartered Accountants
FRN: 302049E

Sd/-
Shrenik Mehta
Partner
M. No: 063769
Kolkata | 27 May, 2019

For and on behalf of the Board of Directors

Sd/-
Vinod Kumar Gupta
Managing Director
DIN: 00877949

Sd/-
Krishan Kumar Gupta
Whole Time Director
DIN: 01982914

Sd/-
Lalit Chand Sharma
Chief Financial Officer

Sd/-
Abhishek Mishra
Company Secretary

INDEPENDENT AUDITOR'S REPORT

To the Members of
Dollar Industries Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Dollar Industries Limited ("the Company"), which comprise the Balance sheet as at March 31 2019, the Statement of Profit and Loss, (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.(hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India, of the state of affairs (financial position) of the Company as at March 31, 2019, its profit (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants (ICAI) of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. 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.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

Key audit matter	How our audit addressed the key audit matter
<u>Estimation of rebates, discounts and sales returns</u> (Refer Note 3.10 to the standalone financial statements) The Company sells its products through various channels like distributors, retailers, e-commerce etc. and recognizes liabilities related to rebates, discounts and sales returns. As per the accounting policy of the Company, the revenue is recognised upon transfer of control of goods to the customer and thus requires an estimation of the revenue taking into consideration the rebates, discounts and sales returns as per the terms of the contracts. With regard to the determination of revenue, the management is required to make significant estimates in respect of following: • the rebates/ discounts linked to sales, which will be given to the customers pursuant to schemes offered by the Company;	Our procedures included, but was not limited to the following: • Obtained a detailed understanding from the management with regard to controls relating to recording of rebates, discounts, sales returns and period end provisions relating to estimation of revenue, and tested the operating effectiveness of such controls; • Tested the inputs used in the estimation of revenue in context of rebates, discounts and sales returns to source data; • Assessed the underlying assumptions used for determination of rebates, discounts and sales returns; • Ensured the completeness of liabilities recognised by evaluating the parameters for sample schemes;

Key audit matter	How our audit addressed the key audit matter
• provision for sales returns, where the customer has the right to return the goods to the Company; and • compensation (discounts) offered by the customers to the ultimate consumers at the behest of the Company. The matter has been determined to be a key audit matter in view of the involvement of significant estimates by the management.	• Performed look-back analysis for past trends by comparing recent actuals with the estimates of earlier periods and assessed subsequent events; • Tested credit notes issued to customers and payments made to them during the year and subsequent to the year end along with the terms of the related schemes. **Our Conclusion :** Based on the above procedures, we did not identify any significant deviation to the assessment made by management in respect of estimation of rebates, discounts and sales returns.
Recoverability of trade receivables (Refer Note 3.4.a and 15 to the Standalone financial statements) The Company has trade receivables amounting to ₹34,761.76 lakhs as at March 31, 2019 as detailed in Notes 15 to the standalone financial statements. Due to the inherent subjectivity that is involved in making judgments in relation to credit risk exposures to determine the recoverability of trade receivables and significant estimates and judgments made by the management for provision for loss allowance under expected credit loss model. Based on above, the matter has been considered to be a key audit matter.	Our procedures included, but was not limited to the following: • Evaluated and tested the controls relating to credit control and approval process and assessing the recoverability of overdue receivables by comparing management's views of recoverability of overdue receivables to historical patterns of receipts, in conjunction with reviewing receipts subsequent to the financial year end for its effect in reducing overdue receivables at the financial year end • Checked on sample basis balance confirmations from customers to test whether trade receivables as per books are acknowledged by them. • Reviewed at the adequacy of the management judgements and estimates on the sufficiency of provision for doubtful debts through detailed analyses of ageing of receivables and assessing the adequacy of disclosures in respect of credit risk. **Our Conclusion :** Based on the above procedures, we did not identify any significant deviation to the assessment made by management in respect recoverability of trade receivables.
Inventories valuation and existence: (Refer Note 3.7 and 14 to the standalone financial statements) The Company has Inventories of ₹32,456.71 lakhs as at March 31, 2019 as detailed in Notes 14 to the standalone financial statements. Inventories valuation and existence has been determined to be a key audit matter as inventories may be held for long periods of time before being sold making it vulnerable to obsolescence. This could result in an overstatement of the value of the inventories if the cost is higher than the net realisable value. Furthermore, the assessment and application of inventories provisions are subject to significant management judgment.	Our procedures included, but was not limited to the following: • Obtained a detailed understanding and evaluated the design and implementation of controls that the Company has established in relation to inventory valuation and existence. • Observed the physical verification of inventories count at the financial year end and assessed the adequacy of controls over the existence of inventories. • Obtained assurance over the appropriateness of management's assumptions applied in calculating the gross profit margin and discounts to be deducted from sales price to arrive at cost of goods. • Evaluated management judgment with regards to the application of provisions to the inventories. **Our Conclusion :** Based on the above procedures, we did not identify any significant deviation to the assessment made by management in respect Inventories valuation and existence.

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Responsibility of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those charged with governance are also responsible for overseeing the Company's financial reporting process.

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

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

As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" 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 that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

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

   (c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the 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 Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time;

   (e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164(2) of the Act;

   (f) With respect to the adequacy of the internal financial controls with reference to standalone financial statement of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

   (g) In our opinion, the managerial remuneration for the year ended March 31, 2019 has been paid/

provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act; and

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

I. The Company has disclosed the impact of pending litigations on its financial position in its Standalone financial statements – Refer Note 40;

II. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

III. There was no amount which was required to be transferred to the Investor Education and Protection Fund by the Company.

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

(SHRENIK MEHTA)
Partner
Membership No. 063769

Place: Kolkata
Dated: 27 May, 2019

ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Dollar Industries Limited of even date)

We report that:

I. In respect of its Fixed Assets:

(a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets, which is in the process of further updation.

(b) The Company has a program of verification of property, plant and equipment to cover all the items in a phased manner over a period of three years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain property, plant and equipment were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

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

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

III. The Company has not granted any loan to parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, paragraph 3(iii) of the Order is not applicable.

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

V. According to information and explanations given to us, the Company has not accepted any deposits from public during the year. Accordingly, paragraph 3(v) of the Order is not applicable.

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

VII. According to the information and explanations given to us and on the basis of our examination of the records of the Company:

a. The Company is regular in depositing undisputed statutory dues including provident fund, employee's state insurance, income tax, sales tax, service tax, duty of customs, value added tax, cess, Goods and Service tax and other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance income tax, sales tax, service tax, duty of customs, value added tax, Goods and Service tax, cess, and other material statutory dues were in arrears as at March 31, 2019 for a period of more than six months from the date they became payable.

b. According to the information and explanations given to us, the details of disputed dues of sales tax, income tax, customs duty, Goods & Service Tax, service tax, and Cess, as at 31st March, 2019, are as follows:

Name of the Statute	Nature of Dues	Amount (₹ in lakhs)	Period to which the Amount relates Assessment Year	Forum where dispute is pending
Income Tax Act, 1961	Tax and Interest	1.49	2009-10	DCIT
Income Tax Act, 1961	Tax and Interest	4.54	2010-11	CIT(A)
Income Tax Act, 1961	Tax and Interest	78.02	2012-13	CIT(A)
Income Tax Act, 1961	Tax and Interest	4.05	2014-15	CIT(A)
Income Tax Act, 1961	Tax and Interest	23.50	2015-16	CPC
Central Excise Act, 1944	Tax and Interest	3.06	1st April, 2003 to July, 2004	CESTAT

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

IX. In our opinion and according to the information and explanations given to us, the company did not raise any money by way of initial public offer or further public offer (including debt instruments), however term loans raised during the year have been utilised for the purposes for which they were raised.

X. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.

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

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

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

XIV. According to the information and explanations given to us, the Company has not made any preferential allotment during the year and hence the provisions of section 42 of the Companies Act, 2013 is not applicable.

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

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

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

(SHRENIK MEHTA)
Partner
Membership No. 063769

Place: Kolkata
Dated: 27 May, 2019

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of **Dollar Industries Limited** of even date)

Report on the Internal Financial Controls with reference to financial statement under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

1. We have audited the internal financial controls over financial reporting of Dollar Industries Limited ("the Company") as of March 31, 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

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

AUDITOR'S RESPONSIBILITY

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

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

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

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

OPINION

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

(SHRENIK MEHTA)
Partner
Membership No. 063769

Place: Kolkata
Dated: 27 May, 2019

Balance Sheet as at 31 March, 2019

₹ in Lacs

Particulars	Note	As at 31 March, 2019		As at 31 March, 2018	
ASSETS					
NON-CURRENT ASSETS					
a) Property, plant and equipment	5	7,009.27		6,834.40	
b) Capital work-in-progress	6	202.59		213.02	
c) Intangible assets	7	10.89		6.27	
d) Investment in joint venture	8	700.00		300.00	
e) Financial assets					
i) Investments	9	85.28		75.28	
ii) Loans	10	55.07		57.46	
iii) Other financial assets	11	68.00		67.71	
f) Other assets	12	4.41		9.32	
g) Non-current tax assets (net)	13	285.18		25.31	
Total non-current assets			8,420.69		7,588.77
CURRENT ASSETS					
a) Inventories	14	32,456.71		28,289.55	
b) Financial assets					
i) Trade receivables	15	34,761.76		27,170.70	
ii) Cash and cash equivalents	16	2,073.47		1,935.71	
iii) Bank balances (other than Note 16 above)	17	79.91		25.70	
iv) Loans	10	22.25		66.93	
v) Other financial assets	11	142.74		175.99	
c) Other assets	12	3,040.15		2,094.01	
Total current assets			72,576.99		59,758.59
TOTAL ASSETS			80,997.68		67,347.36
EQUITY AND LIABILITIES					
EQUITY					
a) Equity share capital	18	1,134.32		1,134.32	
b) Other equity	19	40,634.87		34,140.15	
TOTAL EQUITY			41,769.19		35,274.47
LIABILITIES					
NON-CURRENT LIABILITIES					
a) Financial liabilities					
i) Borrowings	20	349.30		4,498.19	
b) Provisions	21	208.90		222.08	
c) Deferred tax liabilities (net)	22	7.93		42.51	
d) Other liabilities	23	-		2.93	
Total non-current liabilities			566.13		4,765.71
CURRENT LIABILITIES					
a) Financial liabilities					
i) Borrowings	20	20,767.13		12,498.38	
ii) Trade payables					
(a) Total outstanding dues of micro and small enterprises	24	10.60		-	
(b) Total outstanding dues of creditors other than micro and small enterprises	24	14,737.93		11,271.68	
iii) Other financial liabilities	25	2,636.47		2,592.98	
b) Other liabilities	23	377.40		259.93	
c) Provisions	21	1.81		6.13	
d) Current tax liabilities (net)	26	131.02		678.08	
Total current liabilities			38,662.36		27,307.18
TOTAL LIABILITIES			39,228.49		32,072.89
TOTAL EQUITY AND LIABILITIES			80,997.68		67,347.36
NOTES FORMING PART OF THE FINANCIAL STATEMENTS	1-51				

As per our report of even date attached

For Singhi & Co.
Chartered Accountants
FRN: 302049E

Sd/-
Shrenik Mehta
Partner
M. No: 063769
Kolkata | 27 May, 2019

For and on behalf of the Board of Directors

Sd/-
Vinod Kumar Gupta
Managing Director
DIN: 00877949

Sd/-
Krishan Kumar Gupta
Whole Time Director
DIN: 01982914

Sd/-
Lalit Chand Sharma
Chief Financial Officer

Sd/-
Abhishek Mishra
Company Secretary

Statement of Profit and Loss for the year ended 31 March, 2019

₹ in Lacs

Particulars	Note	For the year ended 31 March, 2019	For the year ended 31 March, 2018
INCOME			
Revenue from operations	27	1,02,875.52	92,555.34
Other income	28	220.96	200.54
TOTAL INCOME		**1,03,096.48**	**92,755.88**
EXPENSES			
Cost of materials consumed	29	47,461.14	46,870.02
Changes in inventories of finished goods and work-in-progress	30	(4,107.42)	(6,276.74)
Employee benefits expense	31	3,362.58	2,642.20
Finance costs	32	1,573.94	1,788.80
Depreciation and amortization	33	1,109.57	1,217.37
Other expenses	34	42,593.13	36,933.40
TOTAL EXPENSES		**91,992.94**	**83,175.05**
PROFIT BEFORE TAX		**11,103.54**	**9,580.83**
Tax Expenses	35		
Current Tax (including tax for earlier years)		3,645.73	3,386.32
Deferred Tax		(67.61)	(207.12)
Total Tax Expenses		**3,578.12**	**3,179.20**
PROFIT FOR THE YEAR		**7,525.42**	**6,401.63**
OTHER COMPREHENSIVE INCOME (OCI)	36		
Items that will not be reclassified to profit or loss			
Re-measurement gain/(loss) on defined benefit plans		94.54	36.03
Income tax relating to item above		(33.04)	(12.59)
TOTAL OTHER COMPREHENSIVE INCOME (OCI)		**61.50**	**23.44**
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**7,586.92**	**6,425.07**
Earnings per share (FV ₹ 2 each)	37		
Basic (₹)		13.27	11.60
Diluted (₹)		13.27	11.60
NOTES FORMING PART OF THE FINANCIAL STATEMENTS	1-51		

As per our report of even date attached

For Singhi & Co.
Chartered Accountants
FRN: 302049E

Sd/-
Shrenik Mehta
Partner
M. No: 063769
Kolkata | 27 May, 2019

For and on behalf of the Board of Directors

Sd/-
Vinod Kumar Gupta
Managing Director
DIN: 00877949

Sd/-
Krishan Kumar Gupta
Whole Time Director
DIN: 01982914

Sd/-
Lalit Chand Sharma
Chief Financial Officer

Sd/-
Abhishek Mishra
Company Secretary

Statement of Changes in Equity for the year ended 31 March, 2019

a) Equity Share Capital

₹ in Lacs

Balance as at 1 April, 2017	1,084.32
Add/(Less): Changes in equity share capital during the year	50.00
Balance at 31 March, 2018	1,134.32
Add/(Less): Changes in equity share capital during the year	-
Balance at 31 March, 2019	**1,134.32**

b) Other Equity

₹ in Lacs

Particulars	Reserves and Surplus			Total
	Securities Premium	General Reserve	Retained Earnings	
Balance at 1 April, 2017	**1,090.19**	**2,258.63**	**14,318.78**	**17,667.60**
Profit for the year	-	-	6,401.63	6,401.63
Remeasurement gain/(loss)	-	-	36.03	36.03
Impact of tax	-	-	(12.59)	(12.59)
Total comprehensive income	**-**	**-**	**6,425.07**	**6,425.07**
Dividend (i)	-	-	(542.16)	(542.16)
Tax on dividend (i)	-	-	(110.37)	(110.37)
Issue of equity shares	10,700.00	-	-	10,700.00
Balance at 31 March, 2018	**11,790.19**	**2,258.63**	**20,091.32**	**34,140.14**
Profit for the year	-	-	7,525.42	7,525.42
Remeasurement gain/(loss)	-	-	94.54	94.54
Impact of tax	-	-	(33.04)	(33.04)
Total comprehensive income	**-**	**-**	**7,586.92**	**7,586.92**
Dividend (i)	-	-	(907.45)	(907.45)
Tax on dividend (i)	-	-	(184.74)	(184.74)
Balance at 31 March, 2019	**11,790.19**	**2,258.63**	**26,586.05**	**40,634.87**

(i) Dividend paid during the year ended 31 March, 2019 for the Financial Year 2017-18 is ₹1.60 per equity share of face value ₹2.00 each, fully paid up (31 March, 2018: for the Financial Year 2016-17 : ₹5.00 per equity share of face value ₹10.00 each, fully paid up).

c) The accompanying notes form an integral part of the financial statements 1-51

As per our report of even date attached

For Singhi & Co.
Chartered Accountants
FRN: 302049E

Sd/-
Shrenik Mehta
Partner
M. No: 063769
Kolkata | 27 May, 2019

For and on behalf of the Board of Directors

Sd/-
Vinod Kumar Gupta
Managing Director
DIN: 00877949

Sd/-
Krishan Kumar Gupta
Whole Time Director
DIN: 01982914

Sd/-
Lalit Chand Sharma
Chief Financial Officer

Sd/-
Abhishek Mishra
Company Secretary

Statement of Cash Flows for the year ended 31 March, 2019

₹ in Lacs

	Particulars	For the year ended 31 March, 2019	For the year ended 31 March, 2018
	Profit before tax	**11,103.54**	**9,580.83**
	Adjustments for :		
	Depreciation and amortisation	1,109.57	1,217.37
	Provision for doubtful debts	62.72	31.85
	Receivable written off	(100.25)	-
	Provision / Liability written back	54.57	-
	(Profit)/Loss on sale of property, plant and equipment (net)	0.15	(2.72)
	Deferred revenue	(8.84)	(8.84)
	Unrealised foreign exchange fluctuations	(74.02)	13.74
	Interest income	(20.14)	(50.45)
	Provision for gratuity	77.89	74.84
	Finance costs	1,573.94	1,788.80
	Operating profit before working capital changes	**13,779.13**	**12,645.42**
	Adjustments for :		
	(Increase)/ Decrease in trade receivables	(7,553.53)	(4,545.19)
	(Increase)/ Decrease in inventories	(4,167.16)	(7,802.28)
	(Increase)/ Decrease in loans, financial assets and other assets	(945.89)	(1,018.53)
	Increase/ (Decrease) in trade payables	3,476.85	1,743.84
	Increase/ (Decrease) in liabilities and provisions	(53.00)	(537.47)
	Cash generated from Operating Activities	**4,536.40**	**485.79**
	Income Tax paid (net of refund)	(4,452.66)	(3,593.76)
A.	**Net cash generated/(used in) from Operating Activities**	**83.74**	**(3,107.97)**
	Cash flow from Investing Activities		
	Purchase of property, plant and equipment including Capital WIP	(1,272.10)	(790.51)
	Purchase of intangible assets	(13.52)	(1.86)
	Sale of property, plant and equipment	6.85	10.04
	Investments in joint venture	(400.00)	(300.00)
	Purchase of investments in others	(10.00)	(45.00)
	Interest received	105.16	50.45
B.	**Net cash generated/(used in) Investing Activities**	**(1,583.61)**	**(1,076.88)**
	Cash flow from Financing Activities		
	Proceeds from issue of shares	-	10,750.00
	Proceeds from long term borrowings	299.96	230.66
	Repayments of long term borrowings	(4,448.85)	(3,027.42)
	(Repayments)/Proceeds from short term borrowings (net)	8,466.60	(392.37)
	Dividend paid	(907.45)	(541.84)
	Tax on dividend paid	(184.74)	(110.37)
	Interest paid	(1,587.89)	(1,788.80)
C.	**Net cash generated/(used in) in Financing Activities**	**1,637.63**	**5,119.86**

Statement of Cash Flows for the year ended 31 March, 2019

₹ in Lacs

Particulars	For the year ended 31 March, 2019	For the year ended 31 March, 2018
D. Net Increase in Cash and Cash Equivalents (A+B+C)	137.76	935.01
Cash and Cash Equivalents (Opening Balance)	1,935.71	1,000.70
Cash and Cash Equivalents (Closing Balance) (Refer Note 16)	2,073.47	1,935.71

Notes

a) The above Statement of Cash Flow has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows'.

b) The composition of Cash and Cash Equivalent has been determined based on the Accounting Policy No. 3

c) Direct Taxes paid are treated as arising from operating activities and are not bifurcated between investing and financing activities.

d) The accompanying notes form an integral part of the financial statements 1-51

As per our report of even date attached

For Singhi & Co.
Chartered Accountants
FRN: 302049E

Sd/-
Shrenik Mehta
Partner
M. No: 063769
Kolkata | 27 May, 2019

For and on behalf of the Board of Directors

Sd/-
Vinod Kumar Gupta
Managing Director
DIN: 00877949

Sd/-
Krishan Kumar Gupta
Whole Time Director
DIN: 01982914

Sd/-
Lalit Chand Sharma
Chief Financial Officer

Sd/-
Abhishek Mishra
Company Secretary

Notes to the Financial Statements for the year ended 31 March, 2019

1 CORPORATE AND GENERAL INFORMATION

Dollar Industries Limited (the Company), was incorporated in India in the year 1993. The Company is domiciled in India, and has its registered office in Om Tower, 15th Floor, 32, J.L Nehru Road, Kolkata - 700 071.

The Company is a Public Limited Company incorporated as per the provision of Companies Act applicable in India. The Company is primarily engaged in manufacture of hosiery products in knitted inner wears, casual wears and thermal wears. It also has a Power Generation Unit sourced from Windmill. The shares of the Company are listed on National Stock Exchange of India Limited and Bombay Stock Exchange.

2 BASIS OF ACCOUNTING

2.1 Statement of compliance

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

The financial statements of the Company for the year ended 31 March, 2019 have been approved by the Board of Directors in their meeting held on 27 May, 2019.

2.2 Basis of measurement

The financial statements have been prepared on historical cost basis, except certain financial assets and liabilities (including derivative instruments) that is measured at fair value/amortised cost.

2.3 Functional and presentation currency

The financial statements have been presented in Indian Rupee (₹), which is also the Company's functional currency. All financial information presented in ₹ has been rounded off to the nearest lacs as per the requirements of Schedule III, unless otherwise stated.

2.4 Current/Non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

The asset/liability is classified as current if it satisfies any of the following conditions:

- the asset/liability is expected to be realized/settled in the Company's normal operating cycle;
- the asset is intended for sale or consumption;
- the asset/liability is held primarily for the purpose of trading;
- the asset/liability is expected to be realized/settled within twelve months after the reporting period;
- the asset is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date;
- in the case of a liability, the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

The Company classifies all other assets and liabilities as non-current.

For the purpose of current/non-current classification of assets and liabilities, the Company has ascertained its normal operating cycle as twelve months. This is based on the nature of services and the time between the acquisition of assets or inventories for processing and their realization in cash and cash equivalents.

2.5 Use of estimates and judgements

The preparation of financial statements require judgements, estimates and assumptions to be made that affect the reported amount of assets and liabilities including contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between actual results and estimates are recognized in the period prospectively in which the results are known/materialized.

3 SIGNIFICANT ACCOUNTING POLICIES

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

3.1 Property, Plant and Equipment

a) Recognition and Measurement

Property, plant and equipment held for use in the production or/and supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost, less any accumulated depreciation and accumulated impairment losses (if any).

Cost of an item of property, plant and equipment acquired comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting any trade discounts and rebates, any directly attributable costs of bringing the assets to its working condition and location for its intended use and present value of any estimated cost of dismantling and removing the item and restoring the site on which it is located.

In case of self-constructed assets, cost includes the costs of all materials used in construction, direct labour, allocation of directly attributable overheads, directly attributable borrowing costs incurred in bringing the item to working condition for its intended use, and estimated cost of dismantling and removing the item and restoring the site on which it is located. The costs of testing whether the asset is functioning properly, after deducting the net proceeds from selling items produced while bringing the asset to that location and condition are also added to the cost of self-constructed assets.

If significant parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

b) Subsequent Expenditure

Subsequent costs are included in the asset's carrying amount, only when it is probable that future economic benefits associated with the cost incurred will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced.

Major Inspection/ Repairs/ Overhauling expenses are recognized in the carrying amount of the item of property, plant and equipment as a replacement if the recognition criteria are satisfied. Any unamortized part of the previously recognized expenses of similar nature is derecognized.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as Capital Advances under other non-current assets.

c) Depreciation and Amortization

Depreciation is provided on written down method at the rates determined based on the useful lives of respective assets as prescribed in the Schedule II of the Act.

Depreciation on additions (disposals) during the year is provided on a pro-rata basis i.e., from (up to) the date on which asset is ready for use (disposed of).

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

d) Disposal of Assets

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

e) **Capital Work in Progress**

Capital work-in-progress is stated at cost which includes expenses incurred during construction period, interest on amount borrowed for acquisition of qualifying assets and other expenses incurred in connection with project implementation in so far as such expenses relate to the period prior to the commencement of commercial production.

3.2 Intangible Assets

Software which is not an integral part of related hardware is treated as intangible asset and are stated at cost on initial recognition and subsequently measured at cost less accumulated amortization and accumulated impairment loss, if any.

a) **Subsequent Expenditure**

Subsequent costs are included in the asset's carrying amount, only when it is probable that future economic benefits associated with the cost incurred will flow to the Company and the cost of the item can be measured reliably. All other expenditure is recognized in the Statement of Profit & Loss.

b) **Amortization**

- Intangible assets are amortized over a period of 3 years.
- The amortization period and the amortization method are reviewed at least at the end of each financial year. If the expected useful life of the assets is significantly different from previous estimates, the amortization period is revised accordingly.

3.3 Investment in Joint Ventures

Investments in joint venture is carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of investment is assessed and an impairment provision is recognised, if required immediately, to its recoverable amount. On disposal of such investments, difference between the net disposal proceeds and carrying amount is recognised in the statement of profit and loss.

3.4 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

a) **Financial Assets**

- **Recognition and Initial Measurement:**

  All financial assets are initially recognized when the Company becomes a party to the contractual provisions of the instruments. A financial asset is initially measured at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

- **Classification and Subsequent Measurement:**

  For purposes of subsequent measurement, financial assets are classified in four categories:

  - Measured at Amortized Cost;
  - Measured at Fair Value Through Other Comprehensive Income (FVTOCI);
  - Measured at Fair Value Through Profit or Loss (FVTPL); and
  - Equity Instruments measured at Fair Value through Other Comprehensive Income (FVTOCI).

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

Measured at Amortized Cost: A debt instrument is measured at the amortized cost if both the following conditions are met:

(i) The asset is held within a business model whose objective is achieved by both collecting contractual cash flows; and

(ii) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method.

Measured at FVTOCI: A debt instrument is measured at the FVTOCI if both the following conditions are met:

- The objective of the business model is achieved by both collecting contractual cash flows and selling the financial assets; and
- The asset's contractual cash flows represent SPPI.

Debt instruments meeting these criteria are measured initially at fair value plus transaction costs. They are subsequently measured at fair value with any gains or losses arising on remeasurement recognized in other comprehensive income, except for impairment gains or losses and foreign exchange gains or losses. Interest calculated using the effective interest method is recognized in the statement of profit and loss in investment income.

Measured at FVTPL: FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as amortized cost or as FVTOCI, is classified as FVTPL. In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

Equity Instruments measured at FVTOCI: All equity investments in scope of Ind AS – 109 are measured at fair value. Equity instruments which are, held for trading are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable. In case the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment.

- Derecognition

  The Company derecognizes a financial asset on trade date only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

- Impairment of Financial Assets

  The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognizes lifetime expected losses for all contract assets and/ or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

b) Financial Liabilities

- Recognition and Initial Measurement

  Financial liabilities are classified, at initial recognition, as fair value through profit or loss, loans and borrowings, payables or as derivatives, as appropriate. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

- Subsequent Measurement:

  Financial liabilities are measured subsequently at amortized cost or FVTPL. A financial liability is classified as FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest rate method. Interest expense and foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on de-recognition is also recognized in profit or loss.

- De-recognition

  A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

- Offsetting financial instruments

  Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the counterparty.

c) Derivative financial instruments

The Company enters into derivative financial instruments viz. foreign exchange forward contracts to manage its exposure to interest rate and foreign exchange rate risks. The Company does not hold derivative financial instruments for speculative purposes.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognized in profit or loss immediately.

3.5 Impairment of Non-Financial Assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. An asset is treated as impaired when the carrying cost of the asset exceeds its recoverable value being higher of value in use and net selling price. Value in use is computed at net present value of cash flow expected over the balance useful lives of the assets. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or group of assets (Cash Generating Units – CGU).

An impairment loss is recognized as an expense in the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognized in earlier accounting period is reversed if there has been an improvement in recoverable amount.

3.6 Income Tax

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

a) Current Tax

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

b) Deferred Tax

Deferred Tax assets and liabilities shall be measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes (i.e., tax base). Deferred tax is also recognized for carry forward of unused tax losses and unused tax credits.

Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period. The Company reduces the carrying amount of a deferred tax asset to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or that entire deferred tax asset to be utilized. Any such reduction is reversed to the extent that it becomes probable that sufficient taxable profit will be available.

Deferred tax relating to items recognized outside the Statement of Profit and Loss is recognized either in other comprehensive income or in equity. Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

3.7 Inventories

Inventories are valued at Cost or Net Realizable Value, whichever is lower. Costs incurred in bringing each product to its present location and condition are as follows:

Raw materials, consumables, and packing materials: Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on a weighted average.

Work-in-progress and Finished goods: Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost of work-in-progress, (measured in Kgs) is determined on weighted average basis and cost of work-in-progress (measured in Pieces) is determined on retail sales price method. Cost of finished goods is determined on retail sales price method.

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

3.8 Cash and Cash Equivalents

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

3.9 Provisions, Contingent Liabilities and Contingent Assets

a) Provisions

Provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized as finance cost.

b) Contingent Liabilities

Contingent liability is a possible obligation arising from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events but is not recognized because it is not possible that an outflow of resources embodying economic benefit will be required to settle the obligations or reliable estimate of the amount of the obligations cannot be made. The Company discloses the existence of contingent liabilities in Other Notes to Financial Statements.

c) Contingent Assets

Contingent assets usually arise from unplanned or other unexpected events that give rise to the possibility of an inflow of economic benefits. Contingent Assets are not recognized though are disclosed, where an inflow of economic benefits is probable.

3.10 Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the Government.

a) Sale of Goods

Sale of goods is recognised at the point in time when control of the goods is transferred to the customer. The revenue is measured on the basis of the consideration defined in the contract with a customer, including variable consideration, such as discounts, volume rebates, or other contractual reductions. As the period between the date on which the Company transfers the promised goods to the customer and the date on which the customer pays for these goods is generally one year or less, no financing components are taken into account.

Certain contracts provide a customer with a right to return the goods within a specified period. The company uses the expected value method to estimate the goods that will not be returned because this method best predicts the amount of variable consideration to which the company will be entitled. The requirements in Ind AS 115 on constraining estimates of variable considerationare also applied in order to determine the amount of variable consideration that can be included in the transaction price for goods that are expected to be returned instead of revenue the Company recognises a refund liability. A right of return asset and corresponding adjustment to change in inventory is also recognised for the right to recover products from a customer.

b) Sale of Services

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

c) Sale of Power

Revenue from sale of Energy (Power) is recognised on the basis of Electrical Units generated net of transmission loss as applicable when no significant uncertainty as to measurability & collectability exists.

d) Other Operating Revenue

Export incentive and subsidies are recognized when there is reasonable assurance that the Company will comply with the conditions and the incentive will be received. Insurance & other claims, where quantum of accruals cannot be ascertained with reasonable certainty are recognized as income only when revenue is virtually certain which generally coincides with receipt/acceptance.

e) Interest Income

For all financial instruments measured at amortized cost, Interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash receipts over the expected lift of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset.

f) Dividend Income

Dividend Income from investments is recognized when the Company's right to receive payment has been established.

3.11 Government Grants

Government grants are recognized at their fair values when there is reasonable assurance that the grants will be received and the Company will comply with all the attached conditions. When the grant relates to an expense item, it is recognized as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. Grants related to purchase of property, plant and equipment are included in non-financial liabilities as deferred income and are credited to the Statement Profit and Loss on a straight line basis over the expected useful life of the related asset and presented within other operating revenue.

Notes to the Financial Statements for the year ended 31 March, 2019

3.12 Leases

a) Determining whether an arrangement contains a lease

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

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

b) Company as lessor

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

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

c) Company as lessee

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

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

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

3.13 Foreign Currency Transactions

The financial statements of the Company are presented in Indian Rupees (₹) which is the functional currency of the Company and the presentation currency of the financial statements.

Foreign currency transactions are translated into the functional currency using the spot rates of exchanges at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rate of exchanges at the reporting date.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities are generally recognized in profit or loss in the year in which they arise except for exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those qualifying assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings, the balance is presented in the Statement of Profit and Loss within finance costs.

Non-monetary items are not retranslated at period end and are measured at historical cost (translated using the exchange rate at the transaction date).

3.14 Employee Benefits

a) Short Term Benefits

Short term employee benefit obligations are measured on an undiscounted basis and are expensed as the related services are provided. Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period.

b) Post-Employment Benefits

The Company operates the following post-employment schemes:

Defined Benefit Plans

The liability or asset recognized in the Balance Sheet in respect of defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods. The defined benefit obligation is calculated annually by Actuaries using the projected unit credit method.

The liability recognized for defined benefit plans is the present value of the defined benefit obligation at the reporting date less the fair value of plan assets, together with adjustments for unrecognized actuarial gains or losses and past service costs. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. The benefits are discounted using the government securities (G-Sec) at the end of the reporting period that have terms approximating to the terms of related obligation.

Remeasurement of the net defined benefit obligation, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling, are recognized in other comprehensive income. Remeasurement recognized in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to the statement of profit and loss.

Defined Contribution Plan

Defined contribution plans such as provident fund, ESI etc. are charged to the statement of profit and loss as and when incurred.

3.15 Borrowing Cost

Borrowing Costs consists of interest and other costs that an entity incurs in connection with the borrowings of funds. Borrowing costs also include exchange difference to the extent regarded as an adjustment to the borrowing costs.

Borrowing costs directly attributable to the acquisition or construction of a qualifying asset are capitalized as a part of the cost of that asset that necessarily takes a substantial period of time to complete and prepare the asset for its intended use or sale. The Company considers a period of twelve months or more as a substantial period of time.

Transaction costs in respect of long term borrowing are amortized over the tenure of respective loans using Effective Interest Rate (EIR) method. All other borrowing costs are recognized in the statement of profit and loss in the period in which they are incurred.

3.16 Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

3.17 Measurement of Fair Values

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Inputs other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 — Inputs which are unobservable inputs for the asset or liability.

External valuers are involved for valuation of significant assets & liabilities. Involvement of external valuers is decided by the management of the Company considering the requirements of Ind As and selection criteria include market knowledge, reputation, independence and whether professional standards are maintained.

3.18 Operating Segment

The Company's business activity falls within a single significant primary business segment i.e. 'hosiery and related service'. They are reviewed regularly by the chief operating decision maker to make decisions about resources to be allocated to the segments and assess their performance.

3.19 New Standards / Amendments to Existing Standard issued but not yet effective upto the date of issuance of the Company's Financial Statement:

Ministry of Corporate Affairs ("MCA"), through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified the following new and amendments to Ind ASs which the Company has not applied as they are effective from 1 April, 2019: The Company will adopt new standard and amendment to existing standards with effect from 1 April, 2019.

a) **Ind AS 116: Leases -** Ind AS 116 will supersede the existing Ind AS 17. The new standard provides a comprehensive model to identify lease-arrangements and the treatment thereof in the financial statements of both the lessee and lessor. The new standard requires entities to make more judgments and estimates (e.g., determining when a customer has the right to direct the use of an identified asset, estimating the incremental rate of borrowing) and make more disclosures (e.g., discount rate, weighted average lease term, other qualitative and quantitative information).

   Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. A lessee is required to recognise a right-of-use asset representing its right to use the underlying leased asset and a lease liability representing its obligation to make lease payments. Ind AS 17 required classifying leases as finance lease and operating lease, the same in not required under Ind AS 116. Under Ind AS 116, a lessee measures right-of-use assets similarly to other non-financial assets (such as property, plant and equipment) and lease liabilities similarly to other financial liabilities.

On initial application the Company will recognise new assets and liabilities for its operating leases of premises and other assets. The nature of expenses related to those leases will change from lease rent in previous periods to a) amortization change for the right-to-use asset, and b) interest accrued on lease liability.

Requirements with regard to lessor accounting are substantially similar to accounting requirements contained in Ind AS 17. Accordingly, a lessor will continue to classify its leases as operating leases or finance leases, and to account for those two types of leases differently.

The Company is proposing to use the 'Modified Retrospective Approach' for transitioning to Ind AS 116 without adjusting the Comparatives.

The Company is in the process of evaluating the impact of changes, if any, on the financial statements for FY 2019-2020 onwards.

b) **Ind AS 12 Appendix C – Uncertainty over Income Tax Treatments:** Ministry of Corporate Affairs has notified Ind AS 12 Appendix 'C' Uncertainty over Income Tax Treatments on 30 March, 2019. According to the appendix, the company need to determine the probability of the relevant tax authority accepting each tax treatment, or the Company of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates. The Company has decided to adjust the cumulative effect in equity on the date of initial application without adjusting comparatives. The Company is in the process of evaluating the impact of changes, if any, on the financial statements for FY 2019-2020 onwards.

c) **Amendment to Ind AS 12 – Income taxes:** Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 12, 'Income Taxes', in connection with accounting for dividend distribution taxes accordingly an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. It is relevant to note that the amendment does not amend situations where the entity pays a tax on dividend which is effectively a portion of dividends paid to taxation authorities on behalf of shareholders. Such amount paid or payable to taxation authorities continues to be charged to equity as part of dividend, in accordance with Ind AS 12.The Company is in the process of evaluating the impact of changes, if any, on the financial statements for FY 2019-2020 onwards.

d) **Amendment to Ind AS 19 –** plan amendment, curtailment or settlement- Ministry of Corporate Affairs issued amendments to Ind AS 19, 'Employee Benefits', On 30 March, 2019, in connection with accounting for plan amendments, curtailments and settlements. The Company is in the process of evaluating the impact of changes, if any, on the financial statements for FY 2019-2020 onwards

e) **Ind AS 23 – Borrowing Costs:** The amendments clarify that if any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that an entity borrows generally when calculating the capitalisation rate on general borrowings. The Company is in the process of evaluating the impact of changes, if any, on the financial statements for FY 2019-2020 onwards

4 SIGNIFICANT JUDGEMENTS AND KEY SOURCES OF ESTIMATION IN APPLYING ACCOUNTING POLICIES

Information about significant judgements and key sources of estimation made in applying accounting policies that have the most significant effects on the amounts recognized in the financial statements is included in the following notes:

a) **Revenue recognition:** Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services. Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, price concessions and incentives, if any, as specified in the contract with the customer. The Company exercises judgment in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Company considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.

b) **Recognition of Deferred Tax Assets:** The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the Company's future taxable income against which the deferred tax assets can be utilized. In addition, significant judgement is required in assessing the impact of any legal or economic limits.

c) **Useful lives of depreciable/ amortisable assets (tangible and intangible):** Management reviews its estimate of the useful lives of depreciable/ amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to actual normal wear and tear that may change the utility of plant and equipment.

d) **Classification of Leases:** The Company enters into leasing arrangements for various assets. The classification of the leasing arrangement as a finance lease or operating lease is based on an assessment of several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to purchase and estimated certainty of exercise of such option, proportion of lease term to the asset's economic life, proportion of present value of minimum lease payments to fair value of leased asset and extent of specialized nature of the leased asset.

e) **Defined Benefit Obligation (DBO):** Employee benefit obligations are measured on the basis of actuarial assumptions which include mortality and withdrawal rates as well as assumptions concerning future developments in discount rates, medical cost trends, anticipation of future salary increases and the inflation rate. The Company considers that the assumptions used to measure its obligations are appropriate. However, any changes in these assumptions may have a material impact on the resulting calculations.

f) **Provisions and Contingencies:** The assessments undertaken in recognising provisions and contingencies have been made in accordance with Indian Accounting Standards (Ind AS) 37, 'Provisions, Contingent Liabilities and Contingent Assets'. The evaluation of the likelihood of the contingent events is applied best judgement by management regarding the probability of exposure to potential loss.

g) **Impairment of Financial Assets:** The Company reviews its carrying value of investments carried at amortized cost annually, or more frequently when there is indication of impairment. If recoverable amount is less than its carrying amount, the impairment loss is accounted for.

h) **Allowances for Doubtful Debts:** The Company makes allowances for doubtful debts through appropriate estimations of irrecoverable amount. The identification of doubtful debts requires use of judgment and estimates. Where the expectation is different from the original estimate, such difference will impact the carrying value of the trade and other receivables and doubtful debts expenses in the period in which such estimate has been changed.

i) **Fair value measurement of financial Instruments:** When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The input to these models are taken from observable markets where possible, but where this not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility.

5 Property, plant and equipment

The changes in the carrying value of property, plant and equipment for the year ended 31 March, 2019 were as follows:

₹ in Lacs

Particulars	Gross carrying amount				Accumulated depreciation				Net carrying amount as at 31 March, 2019
	As at 1 April, 2018	Addition/ Adjustment	Deletion/ Adjustment	As at 31 March, 2019	As at 1 April, 2018	Charge for the year	Deduction/ Adjustment	As at 31 March, 2019	
Freehold land	471.92	-	-	471.92	-	-	-	-	471.92
Buildings	2,421.82	22.00	-	2,443.82	433.51	189.94	-	623.45	1,820.37
Plant and machinery	4,447.00	1,178.17	(3.32)	5,621.85	1,571.77	617.01	(1.48)	2,187.30	3,434.55
Electrical installations and equipment	222.20	19.87	-	242.07	98.94	32.71	-	131.65	110.42
Furniture and fittings	352.10	41.73	(0.21)	393.62	123.08	62.49	(0.01)	185.56	208.06
Motor vehicles	297.93	2.76	(14.91)	285.78	116.33	56.49	(9.95)	162.87	122.91
Windmill	1,181.67	-	-	1,181.67	267.36	116.44	-	383.80	797.87
Laboratory equipment	44.21	0.40	-	44.61	17.79	6.85	-	24.64	19.97
Computers	65.15	17.60	-	82.75	40.81	18.74	-	59.55	23.20
Total	**9,504.00**	**1,282.53**	**(18.44)**	**10,768.09**	**2,669.59**	**1,100.67**	**(11.44)**	**3,758.82**	**7,009.27**

The changes in the carrying value of property, plant and equipment for the year ended 31 March, 2018 were as follows:

₹ in Lacs

Particulars	Gross carrying amount				Accumulated depreciation				Net carrying amount as at 31 March, 2018
	As at 1 April, 2017	Addition/ Adjustment	Deletion/ Adjustment	As at 31 March, 2018	As at 1 April, 2017	Charge for the year	Deduction/ Adjustment	As at 31 March, 2018	
Freehold land	471.92	-	-	471.92	-	-	-	-	471.92
Buildings	2,415.13	6.69	-	2,421.82	224.96	208.55	-	433.51	1,988.31
Plant and machinery	4,056.99	400.31	(10.30)	4,447.00	896.10	680.23	(4.56)	1,571.77	2,875.22
Electrical installations and equipment	216.98	5.95	(0.73)	222.20	56.63	42.46	(0.15)	98.94	123.26
Furniture and fittings	265.86	81.29	4.95	352.10	61.26	59.47	2.35	123.08	229.02
Motor vehicles	250.16	64.61	(16.84)	297.93	64.87	65.06	(13.60)	116.33	181.60
Windmill	1,181.67	-	-	1,181.67	142.22	124.95	0.19	267.36	914.31
Laboratory equipment	38.42	5.79	-	44.21	9.68	8.11	-	17.79	26.42
Computers	50.97	14.38	(0.20)	65.15	20.48	20.36	(0.03)	40.81	24.34
Total	**8,948.10**	**579.02**	**(23.12)**	**9,504.00**	**1,476.20**	**1,209.19**	**(15.80)**	**2,669.59**	**6,834.40**

Refer Note 20 for hypothecation of property, plant and equipment against borrowing.

6 Capital work-in-progress

₹ in Lacs

	As at 31 March, 2019	As at 31 March, 2018
Capital work-in-progress	202.59	213.02

Notes to the Financial Statements for the year ended 31 March, 2019

7 Intangible assets

The changes in the carrying value of acquired intangible assets for the year ended 31 March, 2019 were as follows:

₹ in Lacs

Particulars	Gross carrying amount				Accumulated depreciation				Net carrying amount as at 31 March, 2019
	As at 1 April, 2018	Addition/ Adjustment	Deletion/ Adjustment	As at 31 March, 2019	As at 1 April, 2018	Charge for the year	Deduction/ Adjustment	As at 31 March, 2019	
Software	20.46	13.52	-	33.98	14.19	8.90	-	23.09	10.89
Total	**20.46**	**13.52**	**-**	**33.98**	**14.19**	**8.90**	**-**	**23.09**	**10.89**

The changes in the carrying value of acquired intangible assets for the year ended 31 March, 2018 were as follows:

₹ in Lacs

Particulars	Gross carrying amount				Accumulated depreciation				Net carrying amount as at 31 March, 2018
	As at 1 April, 2017	Addition/ Adjustment	Deletion/ Adjustment	As at 31 March, 2018	As at 1 April, 2017	Charge for the year	Deduction/ Adjustment	As at 31 March, 2018	
Software	18.60	1.86	-	20.46	6.01	8.18	-	14.19	6.27
Total	**18.60**	**1.86**	**-**	**20.46**	**6.01**	**8.18**	**-**	**14.19**	**6.27**

8 Investment in joint venture

₹ in Lacs

	As at 31 March, 2019	As at 31 March, 2018
Investment in equity shares at cost (unquoted)		
(1) PEPE Jeans Innerfashion Private Limited (70,00,000 equity shares (31 March, 2018: 30,00,000 equity shares) of FV ₹10 each)	700.00	300.00
	700.00	**300.00**
Aggregate amount of unquoted investments	700.00	300.00

(i) During the year, the Company has further invested, by way of rights issue, into the joint venture company, Pepe Jeans Innerfashion Private Limited. The Company holds 50% of the share capital in the Joint Venture Company.

9 Investments

₹ in Lacs

	As at 31 March, 2019	As at 31 March, 2018
Investment in equity shares (unquoted)		
(1) Ind-Barath Power Gencom Limited		
(2,99,364 shares (31 March, 2018: 2,99,364 shares) of FV ₹10 each)	29.94	29.94
(2) Suryadev Alloys and Power Private Limited		
(1,50,250 shares (31 March, 2018: 1,50,250 shares) of FV ₹10 each)	45.34	45.34
(3) Bahadurgarh Footwear Development Services Private Limited		
(20 shares (31 March, 2018: Nil) of FV ₹50,000 each)	10.00	-
	85.28	**75.28**
Aggregate amount of unquoted investments	85.28	75.28

(i) The Company had invested in shares of Ind-Barath Power Gencom Limited and Suryadev Alloys and Power Private Limited for procurement of power towards captive consumption in Tirupur unit. The management anticipates that the termination of contract in future (if any) would be at cost i.e. the amount invested. Since the investment has been made only for consuming the power and not for any financial reasons, hence the same is valued at cost, deemed to be fair value.

(ii) During the year, the Company has invested in shares of Bahadurgarh Footwear Development Services Private Limited. The investment was initially made to procure land.

10 Loans

₹ in Lacs

	As at 31 March, 2019	As at 31 March, 2018
Non-current		
(Unsecured, considered good)		
Security deposits	55.07	57.46
	55.07	**57.46**
Current		
(Unsecured, considered good)		
Security deposits	22.25	16.93
Other loans and advances	-	50.00
	22.25	**66.93**

(i) There are no outstanding debts from directors or officers of the Company.

11 Other financial assets

₹ in Lacs

	As at 31 March, 2019	As at 31 March, 2018
Non-current		
(Unsecured, considered good)		
Utility deposits	68.00	60.82
Bank deposits having maturity of more than 1 year from reporting date	-	6.89
	68.00	**67.71**
Current		
(Unsecured, considered good)		
Interest accrued on deposits and loans	-	85.02
Other financial assets	142.74	90.97
	142.74	**175.99**

(i) Other financial assets include advances paid to employees and provision for Mark to Market income on forward booking of contracts.

12 Other assets

₹ in Lacs

	As at 31 March, 2019	As at 31 March, 2018
Non-current		
Prepaid expenses	4.41	9.32
	4.41	**9.32**
Current		
Balances with Government and statutory authorities	2,342.49	1,594.40
Incentives and subsidies receivable	313.00	144.42
Advances against supply of goods and services	232.34	228.14
Prepaid expenses	106.39	95.59
Others (Unsecured, considered good)	45.93	31.46
	3,040.15	**2,094.01**

(i) Balances with Government and statutory authorities include input credit entitlements and other indirect taxes receivable.

(ii) Others include amounts claimed from parties on account of business obligations.

Notes to the Financial Statements for the year ended 31 March, 2019

13 Tax assets (net)

₹ in Lacs

	As at 31 March, 2019	As at 31 March, 2018
Income tax	285.18	25.31
	285.18	**25.31**

(i) Income tax relate to income tax receivables and amounts paid under protest in respect of demands and claims from regulatory authorities.

14 Inventories (as at cost or net realisable value, whichever is lower)

₹ in Lacs

	As at 31 March, 2019	As at 31 March, 2018
Raw materials	5,376.77	5,317.03
Work-in-progress	10,380.06	10,016.77
Finished goods	16,699.88	12,955.75
	32,456.71	**28,289.55**
Included above, goods-in-transit		
Raw materials	130.93	23.93
	130.93	**23.93**

(i) Refer Note 20 for hypothecation of inventories against borrowing.

15 Trade receivables

₹ in Lacs

	As at 31 March, 2019	As at 31 March, 2018
Secured, considered good	762.59	587.70
Unsecured, considered good	33,999.17	26,583.00
Credit impaired	94.57	31.85
	34,856.33	**27,202.55**
Less: Allowance for credit losses	(94.57)	(31.85)
	34,761.76	**27,170.70**

(i) In determining allowance for credit losses of trade receivables, the Company has used the practical expedient by computing the expected credit loss allowance based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on ageing of the receivables and rates used in the provision matrix.

(ii) The Company considers its maximum exposure to credit risk with respect to customers as at 31 March, 2019 to be ₹34,761.76 lacs (31 March, 2018: ₹27,170.70 lacs), which is the carrying value of trade receivables after allowance for credit losses.

The Company's exposure to customers is diversified and no single customer contributes more than 10% of the outstanding receivables as at 31 March, 2019 and 31 March, 2018.

(iii) There are no outstanding receivables due from directors or other officers of the Company.

16 Cash and cash equivalents

₹ in Lacs

	As at 31 March, 2019	As at 31 March, 2018
Balances with bank		
- in current accounts	2,057.54	1,787.08
- in deposit accounts with original maturity of 3 months or less	-	138.77
Cash on hand	15.93	9.86
	2,073.47	**1,935.71**

Notes to the Financial Statements for the year ended 31 March, 2019

17 Bank balances (other than Note 16 above)

₹ in Lacs

	As at 31 March, 2019	As at 31 March, 2018
Earmarked balances with banks	77.58	25.70
Unclaimed Dividend	2.33	-
	79.91	**25.70**

(i) Earmarked balances with banks relate to balances held as security against borrowings and other trade commitments.

18 Equity share capital

₹ in Lacs

	As at 31 March, 2019	As at 31 March, 2018
Authorized		
5,75,00,000 equity shares (31 March, 2018: 5,75,00,000 equity shares) of FV ₹2 each	1,150.00	1,150.00
Issued, Subscribed and Paid-up		
5,67,16,120 equity shares (31 March, 2018: 5,67,16,120 equity shares) of FV ₹2 each fully paid-up	1,134.32	1,134.32
	1,134.32	**1,134.32**

(i) Reconciliation of equity shares outstanding at the beginning and at the end of the year

	As at 31 March, 2019		As at 31 March, 2018	
	No of Shares	₹ in Lacs	No of Shares	₹ in Lacs
Equity shares at the beginning of the year	5,67,16,120	1,134.32	1,08,43,224	1,084.32
Add: Shares split	-	-	4,33,72,896	-
	5,67,16,120	**1,134.32**	**5,42,16,120**	**1,084.32**
Add: Preferential allotment	-	-	25,00,000	50.00
Equity shares at the end of the year	**5,67,16,120**	**1,134.32**	**5,67,16,120**	**1,134.32**

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

Name of Shareholders	As at 31 March, 2019		As at 31 March, 2018	
	No of Shares	₹ in Lacs	No of Shares	₹ in Lacs
Simplex Impex Private Limited	2,55,59,771	45.07%	2,37,62,640	41.90%

(iii) The Company has one class of issued shares i.e. equity shares having par value of ₹2 per share. Each holder of ordinary shares is entitled to one vote per share. The dividend proposed by Board of Directors is subject to approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the remaining assets of the Company in proportion to the number of equity shares held.

(iv) The Company does not have any holding Company or ultimate holding Company.

(v) No shares have been reserved for issue under options and contracts/ commitments for the sale of shares/disinvestment as at the balance sheet date.

(vi) No convertible securities has been issued by the Company during the year.

(vii) No calls are unpaid by any Director and officer of the Company during the year.

(viii) The equity shares of the Company were split from FV ₹10 each to ₹2 each. The Company had fixed its record date as 1 September, 2017 and accordingly the changes have been made in the NSE.

(ix) The Company had issued and allotted 25,00,000 equity shares of ₹2 each, for cash, at a premium of ₹428 per share aggregating to ₹10,750.00 lacs on preferential basis to the Promoter/ Promoter group on 7 November, 2017.

Notes to the Financial Statements for the year ended 31 March, 2019

19 Other equity

₹ in Lacs

		As at 31 March, 2019	As at 31 March, 2018
Securities premium	19.1	11,790.19	11,790.19
General reserve	19.2	2,258.63	2,258.63
Retained earnings	19.3	26,586.05	20,091.32
		40,634.87	**34,140.14**

(i) The details of movement in components of Other equity is mentioned below:

19.1 Securities premium

₹ in Lacs

	As at 31 March, 2019	As at 31 March, 2018
Balance at the beginning of the year	11,790.19	1,090.19
Add/(Less): Changes during the year	-	10,700.00
Balance at the end of the year	**11,790.19**	**11,790.19**

19.2 General reserve*

₹ in Lacs

	As at 31 March, 2019	As at 31 March, 2018
Balance at the beginning of the year	2,258.63	2,258.63
Add/(Less): Changes during the year	-	-
Balance at the end of the year	**2,258.63**	**2,258.63**

* includes ₹1,253.63 lacs arising on amalgamation

19.3 Retained earnings

₹ in Lacs

	As at 31 March, 2019	As at 31 March, 2018
Balance at the beginning of the year	20,070.43	14,321.33
Add: Profit for the year	7,525.42	6,401.63
Add: Actuarial gain based on the valuation	94.54	36.03
Less: Tax on the above	(33.04)	(12.59)
	27,678.24	**20,743.85**
Less: Appropriation		
Dividend	(907.45)	(542.16)
Tax on dividend	(184.74)	(110.37)
Balance at the end of the year	**26,586.05**	**20,091.32**

(ii) Nature and purpose of other reserves

(a) General reserve

General reserve is created out of the profits transferred from the earnings during the year. It is available for distribution to the shareholders.

(b) Securities premium

Securities premium represents premium received on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

Notes to the Financial Statements for the year ended 31 March, 2019

20 Borrowings

₹ in Lacs

	As at 31 March, 2019		As at 31 March, 2018	
	Non-current	Current	Non-current	Current
Secured				
Term loan from banks	349.30	1,216.73	251.22	1,414.58
Repayable on demand from banks	-	17,214.13	-	12,498.38
Unsecured				
Loan from banks	-	3,000.00	-	-
Loan from body corporate	-	553.00	4,246.97	-
Less: Amount disclosed under 'Other financial liabilities' (Refer Note 25)	-	(1,216.73)	-	(1,414.58)
	349.30	**20,767.13**	**4,498.19**	**12,498.38**

(i) Nature of security

a) Term loan from Yes Bank and ICICI Bank are secured by exclusive charge on the capital assets procured out of the proceeds of the respective loan.

b) Term loan from Allahabad Bank are secured by exclusive first charge over the assets acquired out of the proceeds of the respective loan and situated at NH 7, V. Paddukottal, Tamilnadu.

c) Working capital loan from banks are secured by way of hypothecation charge over entire current assets viz. raw materials, stock-in-trade and book debts both present and future ranking pari passu with other consortium member banks.

(ii) Repayment terms of loans outstanding as at 31 March, 2019

a) Allahabad Bank term loan V amounting ₹431.65 lacs (31 March, 2018: ₹131.69 lacs) is repayable in 19 equal quarterly instalments commencing from June, 2019.

b) ICICI Bank term loan IV amounting ₹70.32 lacs (31 March, 2018: ₹80.37 lacs) is repayable in 16 equal quarterly instalments beginning from October, 2018, the next instalment is due in May, 2019.

c) Allahabad Bank term loan IV amounting ₹16.28 lacs (31 March, 2018: ₹18.60 lacs) is repayable in 16 equal quarterly instalments beginning from November, 2018, the next instalment is due in May, 2019.

d) Yes Bank term loan amounting ₹33.43 lacs (31 March, 2018: ₹166.80 lacs) is repayable in 15 equal quarterly instalments beginning from September, 2015, the next instalment is due in June, 2019.

e) Allahabad Bank term loan III amounting ₹14.26 lacs (31 March, 2018: ₹270.55 lacs) is repayable in 16 equal quarterly instalments beginning from June, 2015, the next instalment is due in April, 2019.

f) Allahabad Bank corporate loan amounting ₹1,000.09 lacs (31 March, 2018: ₹997.98 lacs) is repayable in 2 equal annual instalments beginning from March, 2018, the next instalment is due in May, 2019.

g) Working capital loans from banks amounting to ₹20,214.13lacs (31 March, 2018: ₹12,498.38) is repayable on demand.

h) The loan from body corporate amounting to ₹553.00 lacs (31 March, 2018: ₹4,246.97) is repayable on demand.

(iii) Interest rates on the above loans from banks and body corporate range between 8.25% to 10.50%.

Notes to the Financial Statements for the year ended 31 March, 2019

21 Provisions

₹ in Lacs

	As at 31 March, 2019	As at 31 March, 2018
Non-current		
Provision for gratuity (Refer Note 38)	208.90	222.08
	208.90	**222.08**
Current		
Provision for gratuity (Refer Note 38)	1.81	6.13
	1.81	**6.13**

22 Deferred tax liabilities (net)

₹ in Lacs

	As at 31 March, 2019	As at 31 March, 2018
Deferred tax liabilities		
Depreciation and amortization	44.07	47.04
Others	6.81	1.82
	50.88	**48.86**
Deferred tax assets		
Retirement benefits	(3.80)	2.31
Others	46.75	4.04
	42.95	**6.35**
Deferred tax liabilities (net)	**7.93**	**42.51**

(i) Movement in deferred tax assets and liabilities during the year ended 31 March, 2019 and 31 March, 2018

₹ in Lacs

	As at 1 April, 2018	Recognised In Statement of Profit and Loss during the year	Recognised In Other Comprehensive Income during the year	As at 31 March, 2019
Deferred tax liabilities				
- Depreciation and amortization	47.04	(2.97)	-	44.07
- Others	1.82	4.99	-	6.81
	48.86	**2.02**	**-**	**50.88**
Deferred tax assets				
- Retirement benefits	2.31	26.93	(33.04)	(3.80)
- Others	4.04	42.70	-	46.75
	6.35	**69.63**	**(33.04)**	**42.95**

₹ in Lacs

	As at 1 April, 2017	Recognised In Statement of Profit and Loss during the year	Recognised In Other Comprehensive Income during the year	As at 31 March, 2018
Deferred tax liabilities				
- Depreciation and amortization	234.60	(187.56)	-	47.04
- Others	10.91	(9.09)	-	1.82
	245.51	**(196.65)**	**-**	**48.86**

22 Deferred tax liabilities (net) (contd.)

₹ in Lacs

	As at 1 April, 2017	Recognised In Statement of Profit and Loss during the year	Recognised In Other Comprehensive Income during the year	As at 31 March, 2018
Deferred tax assets				
- Retirement benefits	1.35	13.55	(12.59)	2.31
- Others	7.13	(3.09)	-	4.04
	8.48	**10.46**	**(12.59)**	**6.35**

(ii) During the year ended 31 March, 2019, the Company re-measured deferred tax balances expected to reverse in future periods based on changes in statutory tax rate made by The Finance Act, 2018.

23 Other liabilities

₹ in Lacs

	As at 31 March, 2019	As at 31 March, 2018
Non-current		
Deferred revenue	-	2.93
	-	**2.93**
Current		
Advance from customers	208.08	84.72
Statutory dues	166.39	166.37
Deferred revenue	2.93	8.84
	377.40	**259.93**

(i) Statutory dues primarily relate to payables in respect of GST, provident funds and tax deducted at source.

(ii) Movement of deferred revenue

₹ in Lacs

	2018-19	2017-18
Opening balance	11.77	29.45
Less: Debited to Statement of Profit and Loss	(8.84)	(8.84)
Less: Current portion of the deferred revenue income	(2.93)	(8.84)
Closing balance	**-**	**11.77**

24 Trade payables

₹ in Lacs

	As at 31 March, 2019	As at 31 March, 2018
Total outstanding dues of micro and small enterprises		
Dues of micro, small and medium enterprises	10.60	-
Total outstanding dues of creditors other than micro and small enterprises		
Creditors for supply of goods and services	14,737.93	11,271.68
	14,748.53	**11,271.68**

(i) Amount due to micro and small enterprises as defined in the "The Micro, Small and Medium Enterprises Development Act, 2006" has been determined to the extent such parties have been identified on the basis of information available with the Company. The disclosures relating to micro and small enterprises is as below:

Notes to the Financial Statements for the year ended 31 March, 2019

24 Trade payables (contd.)

₹ in Lacs

		2018-19	2017-18
(a)	Principal amount remaining unpaid to supplier at the end of the year.	10.60	-
(b)	Interest due thereon remaining unpaid to supplier at the end of the year.	-	-
(c)	The amount of interest paid by the buyer in terms of section 16 of The MSMED Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year.		
(d)	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 this Act.	-	-
(e)	Amount of interest accrued and remaining unpaid at the end of the year.	-	-
(f)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprises, for the purpose of disallowance of a deductible expenditure under section 23 of The MSMED Act, 2006.	-	-

25 Other financial liabilities

₹ in Lacs

	As at 31 March, 2019	As at 31 March, 2018
Current maturities of long term debt	1,216.73	1,414.58
Book overdraft	1.40	-
Unclaimed dividend	2.33	0.44
Trade and security deposits	1,020.43	886.54
Interest accrued but not due on borrowings	35.61	49.56
Employee related liabilities	354.71	205.42
Other payables	5.26	36.44
	2,636.47	**2,592.98**

(i) Book overdraft relate to overdraft balances of current bank accounts.

26 Current tax liabilities (net)

₹ in Lacs

	As at 31 March, 2019	As at 31 March, 2018
Provision for income tax (net of Advance Tax ₹3,757.95 lacs; 31 March, 2018: ₹2,708.24 lacs)	131.02	678.08
	131.02	**678.08**

The Company is subject to income tax in India on the basis of its standalone financial statements. The Company can claim tax exemptions/deductions under specific sections of the Income-tax Act, 1961 subject to fulfilment of prescribed conditions, as may be applicable.

As per the Income-tax Act, 1961, the Company is liable to pay income tax based on higher of regular income tax payable or the amount payable based on the provisions applicable for Minimum Alternate Tax.

Notes to the Financial Statements for the year ended 31 March, 2019

27 Revenue from operations

₹ in Lacs

	For the year ended 31 March, 2019	For the year ended 31 March, 2018
Sale of products	1,00,365.63	89,498.26
Other operating revenue		
Job work charges	454.60	948.87
Sale of by-products/cotton waste	1,009.60	845.93
Duty drawback, incentives and others	382.99	645.69
Sale of import licence	171.00	111.52
Sale of power	222.21	268.16
Claims and discounts	269.49	236.91
	1,02,875.52	**92,555.34**

(i) Nature of goods and services

The Company is engaged in the manufacturing of garments and hosiery products and generates revenue from the sale of the same. It is also the only reportable segment of the Company.

(ii) Disaggregation of revenue for the year ended 31 March, 2019

In the following table, revenue is disaggregated by primary geographical market, major products lines and timing of revenue recognition etc.

Disaggregation of revenue for the year ended 31 March, 2019

₹ in Lacs

	For the year ended 31 March, 2019
- based on major products	
Garments and hosiery products	1,00,365.63
Others	-
	1,00,365.63
- based on geographical region	
India	93,265.08
Outside India	7,100.55
	1,00,365.63
- based on timing of revenue	
At a point in time	1,00,365.63
Over time	-
	1,00,365.63
- based on contract duration	
Long term	-
Short term	1,00,365.63
	1,00,365.63

(iii) Contract balances

The following table provides information about receivables, contract assets and contract liabilities from contracts with customers.

Contract balances as at 31 March, 2019

Receivables, which are included in 'Trade receivables'	34,761.76
Contract assets	-
Contract liabilities	208.08
	34,969.84

27 Revenue from operations (contd.)

(iv) Other information

Transaction price allocated to the remaining performance obligations	Nil
The amount of revenue recognised in the current period that was included in the opening contract liability balance.	Nil

Performance obligations- The Company satisfies the performance obligation on shipment/ dispatch, as the case may be.

(v) Reconciliation of amount of revenue recognised in the Statement of Profit and Loss with contracted price

₹ in Lacs

	For the year ended 31 March, 2019	For the year ended 31 March, 2018
Revenue as per contracted price	1,04,300.74	95,195.21
Less: Dealers' incentives, schemes and discounts	3,935.11	5,696.95
Revenue from contract with customers	1,00,365.63	89,498.26

The Company has adopted Ind AS-115 "Revenue from Contract with Customers" which is mandatory for the reporting periods on or after 1 April, 2018. In terms of the requirement of Ind AS-115, revenue is recognised net of dealer's schemes and incentive payables. Revenue for comparative periods have been adjusted to conform to current period classification.

28 Other income

₹ in Lacs

	For the year ended 31 March, 2019	For the year ended 31 March, 2018
Interest income		
On bank deposits	3.30	2.65
On others	16.84	47.80
	20.14	**50.45**
Other non-operating income		
Insurance claim	16.91	10.81
Net gain on foreign currency transaction and translation	105.82	122.68
Government grant	8.84	8.84
Provisions/liabilities written back	54.57	-
Others	14.68	7.76
	200.82	**150.09**
	220.96	**200.54**

29 Cost of materials consumed

₹ in Lacs

	For the year ended 31 March, 2019	For the year ended 31 March, 2018
Raw material at the beginning of the year	5,293.10	3,778.98
Add:Purchases (including in-transit purchases)	47,544.81	48,384.14
Less:Raw material at the end of the year	5,376.77	5,293.10
	47,461.14	**46,870.02**

Notes to the Financial Statements for the year ended 31 March, 2019

30 Changes in inventories of finished goods and work-in-progress

₹ in Lacs

	For the year ended 31 March, 2019	For the year ended 31 March, 2018
Inventories at the end of the year		
Finished goods	16,699.88	12,955.75
Work-in-progress	10,380.06	10,016.77
	27,079.94	**22,972.52**
Inventories at the beginning of the year		
Finished goods	12,955.75	10,311.04
Work-in-progress	10,016.77	6,384.74
	22,972.52	**16,695.78**
Increase/(decrease)	**(4,107.42)**	**(6,276.74)**

31 Employee benefits expense

₹ in Lacs

	For the year ended 31 March, 2019	For the year ended 31 March, 2018
Salary and wages	3,099.00	2,379.09
Contribution to provident and other funds	185.92	175.34
Staff welfare expenses	77.66	87.77
	3,362.58	**2,642.20**

(i) During the year, the Company recognised an amount of ₹338.00 lacs (Previous Year 2017-18: ₹282.00 lacs) as remuneration to key managerial personnel on account of short-term employee benefits.

32 Finance costs

₹ in Lacs

	For the year ended 31 March, 2019	For the year ended 31 March, 2018
Interest on borrowings from banks	1,313.28	1,190.80
Interest on others	260.66	598.00
	1,573.94	**1,788.80**

(i) Interest on others include interest on income tax ₹81.76 lacs (Previous year 2017-18 ₹164.54 lacs)

33 Depreciation and amortization

₹ in Lacs

	For the year ended 31 March, 2019	For the year ended 31 March, 2018
Depreciation on Property, plant and equipment	1,100.67	1,209.19
Amortization on Intangible assets	8.90	8.18
	1,109.57	**1,217.37**

34 Other expenses

₹ in Lacs

	For the year ended 31 March, 2019	For the year ended 31 March, 2018
Manufacturing expenses		
Sub-contract expenses	21,107.20	19,116.00
Power and fuel	1,448.61	811.74
Carriage inward	328.55	351.89

Notes to the Financial Statements for the year ended 31 March, 2019

34 Other expenses (contd.)

₹ in Lacs

	For the year ended 31 March, 2019	For the year ended 31 March, 2018
Material testing charges	-	245.91
Repairs to machinery	448.52	41.14
	23,332.88	**20,566.68**
Selling and administration expenses		
Advertisement expenses	10,179.96	8,695.21
Freight and forwarding expenses	1,835.72	1,697.40
Commission and brokerage	1,155.27	942.81
Sales promotion expenses	1,170.27	1,051.39
Other selling and distribution expenses	2,835.61	2,051.77
Rent	373.36	273.80
Communication costs	89.25	78.19
Printing and stationery	49.80	36.81
Electricity expenses	101.15	288.32
Royalty	47.84	43.23
Legal and professional fees	273.83	196.00
Insurance charges	52.90	66.49
Directors' sitting fees	4.32	2.74
Travelling and conveyance expenses	125.05	145.40
Allowances for credit losses	62.72	31.85
Receivables written off	100.25	-
Vehicle expenses	84.61	83.03
Contribution for CSR activities (Refer Note 39)	136.51	93.00
Repairs to others	170.56	261.69
Rates and taxes	55.72	10.87
Bank charges	73.64	49.85
Payment to auditors (Refer (i) below)	31.74	27.16
Miscellaneous expenses	250.17	239.71
	19,260.25	**16,366.72**
	42,593.13	**36,933.40**

(i) Details of auditor's remuneration and out-of-pocket expenses is as below:

(a) Statutory auditors		
Statutory audit fees	16.25	13.00
Tax audit fees	2.75	2.75
Other services	11.00	9.25
Reimbursement of expenses	0.24	0.66
	30.24	**25.66**
(b) Cost auditors		
Cost audit fees	**1.50**	**1.50**
	31.74	**27.16**

35 Tax expenses

₹ in Lacs

	As at 31 March, 2019	As at 31 March, 2018
Income tax recognised in Statement of Profit and Loss		
Current tax	3,888.97	3,386.32
Tax for earlier years	(243.24)	-
Deferred tax	(67.61)	(207.12)
	3,578.12	**3,179.20**

(i) Reconciliation of estimated Income tax expense at Indian statutory Income tax rate to income tax expense reported in Statement of Profit and Loss

Accounting profit before income tax	11,103.54	9,580.83
Indian statutory income tax rate	34.944%	34.608%
Estimated income tax expenses	3,880.02	3,315.73
Tax effect on:		
Temporary items non-deductible	1.63	(92.67)
Permanent items non-deductible	52.48	33.64
Additional tax benefit for income from power generation	(112.77)	(79.49)
Impact of change in tax rate	-	1.99
Total	**3,888.97**	**3,386.32**
Adjustment in respect of income tax of previous year	(243.24)	-
Income tax expenses in the Statement of Profit and Loss	**3,578.12**	**3,179.20**

36 Other comprehensive income

₹ in Lacs

	As at 31 March, 2019	As at 31 March, 2018
Items that will not be reclassified to profit or loss		
Remeasurement of the defined benefit plans	94.54	36.03
Tax expense on the above	(33.04)	(12.59)
	61.50	**23.44**

37 Earnings per share

₹ in Lacs

	As at 31 March, 2019	As at 31 March, 2018
Profit for the year	7,525.42	6,401.63
Weighted average number of equity shares (FV ₹2 per share)	5,67,16,120	5,52,02,421
Earnings per share:		
Basic (₹)	13.27	11.60
Diluted (₹)	13.27	11.60

38 Disclosure pursuant to Indian Accounting Standard - 19 'Employee Benefits' as notified u/s 133 of the Companies Act, 2013.

a) **Defined Contribution Plan**

The amount recognized as an expense for the Defined Contribution Plans are as under: ₹ in Lacs

	For the year ended 31 March, 2019	For the year ended 31 March, 2018
Provident Fund	56.53	58.97

b) **Defined Benefit Plan**

The following are the types of Defined Benefit Plans:

(i) **Gratuity Plan**

Every employee who has completed five years or more of service is entitled to gratuity on terms not less favourable than the provisions of The Payment of Gratuity Act, 1972. The present value of defined obligation and related current cost are measured using the Projected Unit Credit Method with actuarial valuation being carried out at Balance Sheet date.

(ii) **Provident Fund**

Provident Fund (other than government administered) as per the provisions of the Employees Provident Funds and Miscellaneous Provisions Act, 1952.

c) **Risk Exposure**

Defined Benefit Plans

Defined benefit plans expose the Company to actuarial risks such as: Interest rate risk, Salary risk and Demographic risk.

a) **Interest rate risk:** The defined benefit obligation calculated uses a discount rate based on government bonds. If the bond yield falls, the defined benefit obligation will tend to increase.

b) **Salary risk:** Higher than expected increases in salary will increase the defined benefit obligation.

c) **Demographic risk:** This is the risk of variability of results due to unsystematic nature of decrements that includes mortality withdrawal disability and retirement. The effect of these decrements on the defined benefits obligations is not straight forward and depends on the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of the short career employee typically costs less per year as compared to a long service employee.

d) **Reconciliation of the net defined benefit (asset)/ liability**

The following table shows a reconciliation from the opening balances to the closing balances for the net defined benefit (asset)/ liability and its components:

₹ in Lacs

	Gratuity (Unfunded)	
	2018-19	**2017-18**
Balance at the beginning of the year	228.21	189.40
Current service cost	60.30	60.82
Past service cost	-	5.79
Interest cost on Defined Benefit Obligation	17.58	14.35
Actuarial gain and losses arising		
Due to change in financial assumptions	(41.24)	(8.93)
Due to unexpected experience adjustments	(53.29)	(27.10)
Benefits paid	(0.85)	(6.12)
Balance at the end of the year	**210.71**	**228.21**

Notes to the Financial Statements for the year ended 31 March, 2019

38 Disclosure pursuant to Indian Accounting Standard - 19 'Employee Benefits' as notified u/s 133 of the Companies Act, 2013. (contd.)

e) Amount recognized in Balance Sheet

₹ in Lacs

	Gratuity (Unfunded)	
	2018-19	2017-18
Present value of Defined Benefit Obligation	210.71	228.21
Net Assets/ (Liability) recognised in the Balance Sheet	**210.71**	**228.21**

f) Expenses recognized in Statement of Profit or Loss

₹ in Lacs

	Gratuity (Unfunded)	
	2018-19	2017-18
Current service cost	60.31	60.82
Past service cost	-	5.79
Interest cost	17.58	14.35
Total	**77.89**	**80.96**

g) Remeasurement recognized in Other Comprehensive Income

₹ in Lacs

	Gratuity (Unfunded)	
	2018-19	2017-18
Actuarial (gain)/ loss on Defined Benefit Obligation	(94.54)	(36.03)

h) Actuarial Assumptions

	Gratuity (Unfunded)	
	2018-19	2017-18
Financial Assumptions		
Discount rate	7.72%	7.70%
Salary escalation rate	9.00%	10.00%
Demographic Assumptions		
Mortality rate	IALM 2006-2008 Ultimate	
Withdrawal rate	20.00%	20.00%

i) Maturity Analysis

At 31 March, 2019, the weighted average duration of the defined benefit obligation was 26 years (previous year 25 years).

The distribution of the timing of benefits payment i.e., the maturity analysis of the benefit payments is as follows:

Expected benefits payment for the year ending	Gratuity (Unfunded)
31 March, 2020	1.88
31 March, 2021	2.05
31 March, 2022	3.25
31 March, 2023	2.61
31 March, 2024	2.88
31 March, 2025 to 31 March, 2029	38.29
31 March, 2030 and beyond	1,033.75

Notes to the Financial Statements for the year ended 31 March, 2019

38 Disclosure pursuant to Indian Accounting Standard - 19 'Employee Benefits' as notified u/s 133 of the Companies Act, 2013. (contd.)

j) **Sensitivity Analysis**

The sensitivity analysis below have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period. Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

Variable	Sensitivity Level	Effect on Defined Benefit Obligations			
		31 March, 2019		31 March, 2018	
		Increase	Decrease	Increase	Decrease
Discount rate	+/- 0.5%	192.92	230.63	207.66	251.39
Salary escalation rate	+/- 0.5%	230.05	193.12	249.76	208.46
Attrition rate	+/- 0.5%	209.41	212.04	229.28	227.13
Mortality rate	+/- 10%	210.56	210.88	230.05	226.37

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

39 Corporate social responsibility

In accordance with the Guidance Note on Accounting for expenditure on Corporate Social Responsibility Activities, the requisite disclosure are as follows:

₹ in Lacs

a)

	For the year ended 31 March, 2019	For the year ended 31 March, 2018
Gross amount required to be spent by the Company during the year	135.60	92.24
CSR expenditure incurred during the year	136.51	93.00
Related party transactions as per Ind AS 24 in relation to CSR expenditure	130.00	93.00
Provision made in relation to CSR expenditure	-	-

40 Contingent liabilities

₹ in Lacs

(i)

	For the year ended 31 March, 2019	For the year ended 31 March, 2018
(i) Bank guarantee	6.67	6.67
(ii) Excise duty	3.06	3.06
(iii) Income tax*	111.60	111.60

*Amount paid under protest ₹12.99 lacs (31 March, 2018: ₹12.99 lacs) included in Income tax (Refer Note 13).

(ii) The Hon'ble Supreme Court of India ("SC") by their order dated 28 February, 2019, in the case of Surya Roshani Limited v/s EPFO, set out the principles based on which allowances paid to the employees should be identified for inclusion in basic wages for the purposes of computation of Provident Fund contribution. Subsequently, a review petition against this decision has been filed and is pending before the SC for disposal.

The Company is awaiting the outcome of the review petition, and also directions from EPFO, if any, to assess any potential impact on the Company and consequently no adjustments have been made in the books of account.

41 The Board of Directors at its meeting held on 27 May, 2019 have recommended a payment of final dividend of ₹1.70 per equity share of FV ₹2 each for the financial year ended 31 March, 2019. The same amounts to ₹1,162.36 lacs (including dividend distribution tax of ₹198.19 lacs). The above is subject to approval at the ensuing Annual General Meeting of the Company and hence is not recognized as a liability.

42 Assets pledged as security

The carrying amounts of assets pledged as security for current and non-current borrowings are: ₹ in Lacs

	Note	As at 31 March, 2019	As at 31 March, 2018
Non current assets			
Non financial assets			
Land and buildings	5	2,292.29	2,460.23
Plant and machinery	5	3,434.55	2,875.22
Other tangible assets	5	1,282.43	1,498.95
Intangible assets	7	10.89	6.27
Financial assets			
Loans	10	55.07	57.46
Other financial assets	11	68.00	67.71
Other assets	12	4.41	9.32
Total Non current assets pledged as security		**7,147.64**	**6,975.16**
Current assets			
Non financial assets			
Inventories	14	32,456.71	28,289.55
Financial assets			
Trade receivables	15	34,761.76	27,170.70
Loans	10	22.25	66.93
Other financial assets	11	142.74	175.99
Total Current assets pledged as security		**67,383.46**	**55,703.17**
Total assets pledged as security		**74,531.10**	**62,678.33**

43 Operating leases

As Lessee

The Company's significant leasing arrangements are in respect of operating leases for premises (residential, office, stores, godown) etc. These leasing arrangements which are cancellable range between 11 months and 8 years generally, or longer, and are usually renewable by mutual consent on mutually agreeable terms. The aggregate lease rentals payable are charged as rent in the Statement of Profit and Loss.

44 Fair value of financial assets and financial liabilities

(i) The Company has measured its financial asset and financial liabilities at amortised cost, except as stated below:

₹ in Lacs

	As at 31 March, 2019	As at 31 March, 2018
Foreign exchange forward contract (MTM) - Profit/(Loss) (Level 1- Quoted price in active markets)	60.29	(13.74)

(ii) The management has assessed that the fair values of cash and cash equivalents, trade receivables, trade payables, short term borrowings, and other current financial liabilities approximates their carrying amounts largely due to the short-term maturities of these instruments. The management has assessed that the fair value of floating rate instruments approximates their carrying value.

(iii) The fair values of non-current borrowings are based on the discounted cash flows using a current borrowing rate. They are classified as Level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including own credit risks, which was assessed as on the balance sheet date to be insignificant.

45 Fair value hierarchy

The fair value of financial instruments are classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements). The categories used are as follows:

- **Level 1:** Quoted prices for identical instruments in an active market;
- **Level 2:** Directly or indirectly observable market inputs, other than Level 1 inputs; and
- **Level 3:** Inputs which are not based on observable market data.

(i) The following are the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognized and measured at fair value and (b) measured at amortized cost and for which fair value are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels of fair value measurement as prescribed under the Ind AS 113 "Fair Value Measurement".

(ii) There are no transfers between levels during the year.

46 Financial risk management objectives and policies

The Company's activities expose it to the following risks:

a) Credit risk

b) Liquidity risk

c) Market risk

a) Credit risk

Credit risk is the risk that counter party will not meet its obligations under a financial instruments or customer contract leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities including deposits with banks and financial institutions, investments, foreign exchange transactions and other financial instruments.

Trade receivables

Customer credit risk is managed by the Company subject to the Company's established policy, procedures and control relating to customer credit risk management. Concentration of credit risk with respect to trade receivables are limited, due to the Company's customer base being large and diverse. All trade receivables are reviewed and assessed for default on a quarterly basis. Our historical experience of collecting receivables is that credit risk is low. Outstanding customer receivables are regularly monitored and major customers are generally secured by obtaining security deposits/bank guarantee or other forms of credit insurance. The maximum exposure to credit risk at the reporting date is the carrying value of trade receivable as disclosed in Note 15.

₹ in Lacs

Reconciliation of loss allowance provision	As at 31 March, 2019	As at 31 March, 2018
Opening balance of loss allowance	31.85	-
Charge/(release) during the year	62.72	31.85
Closing balance of loss allowance	**94.57**	**31.85**

b) Liquidity risk

It is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. Typically the Company ensures that it has sufficient cash on demand to meet expected short term operational expenses. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank loans/internal accruals. The table below provides details regarding the remaining contractual maturities of significant financial liabilities at the reporting date.

46 Financial risk management objectives and policies (contd.)

₹ in Lacs

	On Demand	Less than 1 year	1 year to 5 years	Total
Year ended 31 March, 2019				
Borrowings	20,767.13	1,216.73	349.30	22,333.16
Interest accrued but not due on borrowings	-	35.61	-	35.61
Trade and security deposits	1,020.43	-	-	1,020.43
Trade payables	-	14,748.53	-	14,748.53
Other financial liabilities	2.33	361.37		363.70
Year ended 31 March, 2018				
Borrowings	12,498.38	1,414.58	4,498.19	18,411.15
Interest accrued but not due on borrowings	-	49.56	-	49.56
Trade and security deposits	886.54	-	-	886.54
Trade payables	-	11,271.68	-	11,271.68
Other financial liabilities	0.44	241.86	-	242.30

c) **Market risk** is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three type of risks:

Commodity price risk, Foreign exchange risk, and Interest rate risk.

1) **Commodity price risk**

The Company primarily imports cotton and rubber. It is exposed to commodity price risk arising out of movement in prices of such commodities. Such risks are monitored by tracking of the prices and are managed by entering into fixed price contracts, where considered necessary.

2) **Foreign currency risk**

The Company has Foreign Currency Exchange Risk on imports of input materials, Capital Equipment(s) in foreign currency for its business. The Company evaluates the impact of foreign exchange rate fluctuations by assessing its exposure to exchange rate risks. Certain transactions of the Company act as a natural hedge as a portion of both assets and liabilities are denominated in similar foreign currencies. For the remaining exposure to foreign exchange risk, the Company adopts a policy of selective hedging based on risk perception of the management using derivative, wherever required, to mitigate or eliminate the risk.

The Company's exposure to foreign currency risk at the end of the reporting period are as follows:

(I) **Unhedged foreign currency exposure as at reporting date**

	As at 31 March, 2019		As at 31 March, 2018	
	USD	₹ in Lacs	USD	₹ in Lacs
Financial assets				
Trade receivables	14,96,584	1,034.96	6,71,908	437.92
Financial liabilities				
Trade payables and others	-	-	-	-
Net exposure in foreign currency	**14,96,584**	**1,034.96**	**6,71,908**	**437.92**

II) **Derivatives contract outstanding as at reporting date**

	As at 31 March, 2019		As at 31 March, 2018	
	USD	₹ in Lacs	USD	₹ in Lacs
Derivative assets				
Forward contract against firm commitments	12,00,000	829.86	18,00,000	1,173.15
Derivative liabilities				
Forward contract against firm commitments	-	-	-	-
Net exposure in foreign currency	**12,00,000**	**829.86**	**18,00,000**	**1,173.15**

46 Financial risk management objectives and policies (contd.)

Sensitivity analysis

The analysis is based on assumption that the increase/decrease in foreign currency by 5% with all other variables held constant, on the unhedged foreign currency exposure.

Variable	Change	As at 31 March, 2019		As at 31 March, 2018	
		Impact on		Impact on	
		Profit before tax	Other equity	Profit before tax	Other equity
USD sensitivity (Increase)	+ 5%	51.75	33.67	21.90	14.32
USD sensitivity (Decrease)	- 5%	(51.75)	(33.67)	(21.90)	(14.32)

3) **Interest rate risk**

The Company is exposed to risk due to interest rate fluctuation on long term borrowings. Such borrowings are based on fixed as well as floating interest rate. Interest rate risk is determined by current market interest rates, projected debt servicing capability and view on future interest rate. Such interest rate risk is actively evaluated and is managed through portfolio diversification and exercise of prepayment/refinancing options where considered necessary.

₹ in Lacs

	As at 31 March, 2019	As at 31 March, 2018
Financial assets		
Fixed rate instruments	-	50.00
Financial liabilities		
Fixed rate instruments	3,553.00	4,246.97
Variable rate instruments	18,780.16	14,164.18

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

	Change	Effect on profit before tax
As at 31 March, 2019	+50 basis points	(93.90)
	-50 basis points	93.90
As at 31 March, 2018	+50 basis points	(70.82)
	-50 basis points	70.82

47 Capital management

The Company's objective to manage its capital is to ensure continuity of business while at the same time provide reasonable returns to its various stakeholders but keep associated costs under control. In order to achieve this, requirement of capital is reviewed periodically with reference to operating and business plans that take into account capital expenditure and strategic investments. Apart from internal accrual, sourcing of capital is done through judicious combination of equity and borrowing, both short term and long term.

	As at 31 March, 2019	As at 31 March, 2018
Debt Equity Ratio	0.54	0.52

48 Certain Trade Receivables, Loans & Advances and Trade Payables are subject to confirmation. In the opinion of the management, the value of Trade Receivables and Loans & Advances on realisation in the ordinary course of business, will not be less than the value at which these are stated in the Balance Sheet.

49 Segment Reporting

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

Secondary information is reported geographically.

Geographical segments

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

₹ in Lacs

	As at 31 March, 2019		As at 31 March, 2018	
	India	Overseas	India	Overseas
Revenue from operations	95,774.97	7,100.55	85,836.47	6,718.87

50 Information on Related Party Transactions as required by Ind AS 24 - Related Party Disclosures

a) **Joint Venture** Pepe Jeans Innerfashion Private Limited

b) **Key Managerial Personnel**

Chairman	Shri Din Dayal Gupta*	
Managing Director	Mr Vinod Kumar Gupta	
	Mr Binay Kumar Gupta	
Whole-time Director	Mr Krishan Kumar Gupta	
	Mr Bajrang Kumar Gupta	
	Mr Gopalakrishnan Sarankapani	
Independent Director	Mrs Divyaa Newatia	
	Mr Binay Kumar Agarwal	
	Mr Pawan Kumar Agarwal	
	Mr Rajesh Kumar Bubna	
	Mr Sunil Mitra	
	Mr Rakesh Biyani*	
	Mr Anil Kumar Saboo	(w.e.f. 10 November, 2018)
	Mr Srikumar Bandyopadhyay	(w.e.f. 10 November, 2018)
	Mr Pawan Kumar Agarwal	(till 10 August, 2018)
Non- executive Director	Mr Sanjay Jhunjhunwalla	(w.e.f. 10 August, 2018)
Chief Financial Officer	Mr Lalit Chand Sharma	(w.e.f. 29 May, 2018)
	Ms Shashi Agarwal	(till 29 May, 2018)
Company Secretary	Mr Abhishek Mishra	

* Shri Din Dayal Gupta resigned from the Chairmanship of the Company with effect from 11 April, 2019 and Mr Rakesh Biyani resigned from the directorship of the Company with effect from 10 April, 2019.

c) **Relatives of Key Managerial Personnel**

Relatives of Key Managerial Personnel	Mr Ramesh Kumar Gupta	Mr Pramod Kumar Gupta
	Mrs Chandrakala Gupta	Mrs Anita Gupta
	Mrs Ruchi Gupta	Mrs Nitu Gupta
	Mrs Seema Gupta	Mr Ankit Gupta
	Mr Ayush Gupta	Mr Gaurav Gupta
	Ms Pallavi Gupta	

50 Information on Related Party Transactions as required by Ind AS 24 - Related Party Disclosures (contd.)

d) Close family members of Key Managerial Personnel who are under the employment of the Company

Mr Ankit Gupta	(son of Mr Vinod Kumar Gupta, Managing Director)
Mr Gaurav Gupta	(son of Mr Binay Kumar Gupta, Managing Director)
Mr Ayush Gupta	(son of Mr Vinod Kumar Gupta, Managing Director)
Ms Pallavi Gupta	(daughter of Mr Binay Kumar Gupta, Managing Director)

d) Entities where Directors/ Relatives of Directors have control/significant influence

Goldman Trading Private Limited	Amicable Properties Private Limited
Simplex Impex Private Limited	PHPL Stock Broking Private Limited
Zest Merchants Private Limited	Adds Projects Private Limited
VA Infraprojects Private Limited	BS Infraproperties Private Limited
KN Infraproperties Private Limited	BR Infraprojects Private Limited
KPS Distributors Private Limited	VHR Solutions Private Limited
Bhawani Yarns Private Limited	Dindayal Texpro Private Limited
Sri Venkateswara Knitting	Vichaar Television Network Limited
Sree Krishna Enterprise	Dhaksh Knitfab
Bhawani Textiles	Force Marketing
Baker Fashioning	Dollar Foundation
Sujata Enterprises	Atul Agencies
Erode Textile Process	

e) Details of related party transactions during the year ended 31 March, 2019

₹ in Lacs

Nature of Transaction	Joint Venture		Key Managerial Personnel		Relatives of Key Managerial Personnel		Entities where Directors/ Relatives of Directors have control/ significant influence	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
Income								
Sale of goods	320.22	-	-	-	-	-	59.04	630.25
Rent received	-	-	-	-	-	-	5.04	5.72
Expenditure								
Purchase of goods	-	-	-	-	-	-	816.50	1,366.13
Services received	-	-	-	-	1.66	13.27	1,460.15	1,270.19
Remuneration and perquisites	-	-	406.43	305.48	30.00	27.70	-	-
Directors' sitting fees	-	-	4.32	2.74	-	-	-	-
Interest paid	-	-	-	-	-	-	152.73	405.42
Rent paid	-	-	5.71	3.31	-	-	58.56	46.58
Royalty	-	-	-	-	-	-	47.84	51.01
Commission paid	-	-	-	-	21.92	18.90	25.11	8.30
Paid to Trust for CSR activities	-	-	-	-	-	-	130.00	93.00
Reimbursement of expenses paid	-	55.33	(0.50)	1.60	1.32	0.06	20.65	0.10
Selling expenses	-	-	-	-	11.02	-	-	-
Others								
Dividend paid	-	-	125.90	78.69	9.73	6.08	381.80	212.63
Investment	400	-	-	-	-	-	-	-

Notes to the Financial Statements for the year ended 31 March, 2019

50 Information on Related Party Transactions as required by Ind AS 24 - Related Party Disclosures (contd.)

Nature of Transaction	Joint Venture		Key Managerial Personnel		Relatives of Key Managerial Personnel		Entities where Directors/ Relatives of Directors have control/ significant influence	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
Preferential issue of shares	-	-	-	-	-	-	-	10,750.00
Loan taken	-	-	-	-	-	-	1,654.00	11,710.30
Repayment of loan	-	-	-	-	-	-	5,378.26	13,047.41
Advances given	-	-	-	-	-	-	-	10.62

f) Details of closing balances of related party as at 31 March, 2019

₹ in Lacs

Nature of Transaction	Joint Venture		Key Managerial Personnel		Relatives of Key Managerial Personnel		Entities where Directors/ Relatives of Directors have control/ significant influence	
	31/03/19	31/03/18	31/03/19	31/03/18	31/03/19	31/03/18	31/03/19	31/03/18
Outstanding payable								
Loan	-	-	-	-	-	-	553.00	4,278.06
Trade and other payables	-	-	3.99	6.23	26.29	20.33	438.08	235.58
Outstanding receivable								
Trade and other receivables	31.98	-	0.73	0.06	-	0.08	-	129.64

i) Detils of investments made by the Company in equity shares of its joint venture is disclosed in Note 8.

ii) The sale to and purchase from Related Party are made in the normal course of business and on terms equivalent to those that prevail in arm's length transactions. The Loans and Advances issued to Related Parties are on terms equivalent to those that prevail in arm's length transactions. Outstanding Balances at the year end are unsecured and settlement occurs in cash for the year ended 31 March, 2019, the Company has recorded the receivable relating to amount due from Related Parties net of impairment. This assessment is undertaken each Financial Year through examining the Financial position of the Related Parties and the market in which the Related Party operates.

51 Previous year figures have been recasted/restated wherever necessary.

As per our report of even date attached

For Singhi & Co.
Chartered Accountants
FRN: 302049E

Sd/-
Shrenik Mehta
Partner
M. No: 063769
Kolkata | 27 May, 2019

For and on behalf of the Board of Directors

Sd/-
Vinod Kumar Gupta
Managing Director
DIN: 00877949

Sd/-
Krishan Kumar Gupta
Whole Time Director
DIN: 01982914

Sd/-
Lalit Chand Sharma
Chief Financial Officer

Sd/-
Abhishek Mishra
Company Secretary

FORM NO: MGT – 11
PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN : L17299WB1993PLC058969
Name of the Company : Dollar Industries Limited
Registered office : 'Om Tower', 15th Floor, 32, J. L. Nehru Road, Kolkata – 700 071.

Name of the member(s) :

Registered Address :

E-mail Id :

Folio No/ Client Id :

DP ID :

I/We, being the member(s) of ____________________ shares of Dollar Industries Limited, hereby appoint;

1. Name:

   Address:

   E-mail Id:

   Signature:_________________________________, or failing him

2. Name:

   Address:

   E-mail Id:

   Signature:_________________________________, or failing him

3. Name:

   Address:

   E-mail Id:

   Signature:_________________________________

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Annual General Meeting of the Company, to be held on Friday, the 30th day of August, 2019 at Rotary Sadan, 'S.S. Hall', 94/2, Chowringhee Road, Kolkata – 700 020 at 12:30 p.m. and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolution Proposed
1	Adoption of Standalone & Consolidated Financial Statement of the Company including Audited Balance Sheet as at 31 March, 2019, Audited statement of Profit & Loss and the Cash Flow Statement together with the Notes to Accounts for the year ended on that date along with Report of Directors' and Auditor's thereon.
2	Declaration of Dividend on Equity Shares.
3	Approval for re-appointment of Mr. Krishan Kumar Gupta, Director retiring by rotation.
4	Appointment of Mr. Anil Kumar Saboo as an Independent Director
5	Appointment of Mr. Srikumar Bandyopadhyay as an Independent Director
6	Approval of Remuneration of Cost Auditor for the financial year 2019-20

Signed this _____________ day of _________________, 2019

Signature of Shareholder :__________________________________

Signature of Proxy holder(s) :__________________________________

Affix Revenue Stamp of Re. 1/-

Note:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. For the full text of the aforesaid resolutions, statements and notes, please refer to the Notice including the explanatory statement, convening this Annual General Meeting of the Company.

DOLLAR INDUSTRIES LIMITED
CIN:- L17299WB1993PLC058969
Regd. Office: 'Om Tower', 15th Floor, 32, J. L. Nehru Road, Kolkata - 700 071
Phone: (+91) 33 2288 4064-66, Fax: (+91) 33 2288 4063
E-mail: investors@dollarglobal.in | Website: www.dollarglobal.in

ATTENDANCE SLIP

Name & Address of the Shareholder	
Joint-holder(s) (if any)	
Regd. Folio/DP ID & Client ID	
No. of Shares Held	

1. I hereby record my presence at the Annual General Meeting of the Company, to be held on Friday, the 30th day of August, 2019 at Rotary Sadan, 'S.S. Hall', 94/2, Chowringhee Road, Kolkata – 700 020 at 12:30 p.m.
2. Signature of the Shareholder/Proxy Present.
3. Shareholder/Proxy holder wishing to attend the meeting must bring the Attendance Slip to the meeting and handover at the entrance duly signed.
4. Shareholder/Proxy holder desiring to attend the meeting may bring his/her copy of Annual Report for reference at the meeting.
4. Please read the instructions carefully before exercising your vote.

ELECTRONIC VOTING PARTICULARS

EVSN (E-Voting Sequence Number)	USER – ID	PAN/ SEQUENCE NO.

5. E-Voting Facility is available during the following voting period:

Commencement of E-Voting	End of E-Voting
Tuesday, 27 August, 2019 from 09.00 a.m (IST)	Thursday, 29 August, 2019 till 05.00 p.m. (IST)

E-MAIL ID REGISTRATION FORM

To
Dollar Industries Ltd.,
'Om Tower', 15th Floor,
32 J. L. Nehru Road,
Kolkata – 700 071

Dear Sirs,

I hereby give my consent to receive all future communications from Dollar Industries Limited at my below e-mail id and/or at my e-mail registered with my/our depository:-

DP ID		CLIENT ID		FOLIO NO.	

E-mail id .... Alternative e-mail id :..

Thanking You,

Yours faithfully,

....
Signature of Sole / 1st Holder

....
Name

....
Date

Note : For the shareholders who have not provided their e-mail id in the demat account or not registered their e-mail id against the folio for the shares held in Physical mode.

Form SH-13
NOMINATION FORM

[Pursuant to section 72 of the Companies Act, 2013 and rule 19(1) of the Companies (Share Capital and Debentures) Rules 2014]

To
The Company Secretary,
Dollar Industries Limited.,
'Om Tower', 15th Floor,
32 J. L. Nehru Road,
Kolkata – 700 071

I/We .... (name of the shareholder) and .... (name of the joint shareholder, if any) the holder(s) of the securities particulars of which are given hereunder wish to make nomination and do hereby nominate the following persons in whom shall vest, all the rights in respect of such securities in the event of my/our death.

1. **PARTICULARS OF THE SECURITIES** (in respect of which nomination is being made)

Nature of Securities	Folio No.	No. of Securities	Certificate No.	Distinctive No.	
				From	To
Equity Shares					

2. **PARTICULARS OF NOMINEE/S —**
   a. Name :
   b. Date of Birth :
   c. Father's/Mother's/Spouse's name :
   d. Occupation :
   e. Nationality :
   f. Address :
   g. E-mail id :
   h. Relationship with the security holder :

3. **IN CASE NOMINEE IS A MINOR —**
   a. Date of birth :
   b. Date of attaining majority :
   c. Name of guardian :
   d. Address of guardian :

Signature of Shareholder(s)

1. Signature (1st holder) :
   Name :
   Address :
   Date :

2. Signature (2nd holder) :
   Name :
   Address :
   Date :

Signature of two witnesses
Name, Address and Signature with date

1.

2.

Instructions:

1. To be filled in by physical shareholders holding shares of the Company, either singly or jointly. If held jointly by more than two, then to be filled only by 1st and 2nd joint holders.

ECS FORM

To,
The Company Secretary,
Dollar Industries Limited,
'Om Tower', 15th Floor,
32 J. L. Nehru Road,
Kolkata – 700 071

Re: Payment of Dividend Through NECS

I wish to participate in the National Electronics Clearing Service (NECS) introduced by the Reserve Bank of India.
I do not wish to Participle in the NECS. However, kindly print the bank particulars given below on the Dividend Warrant being issued to me.

1. Name of the Shareholder(s) : ____

2. Regd. Folio No. : ____

3. Particulars of Bank Accounts

   a. Name of the Bank : ____

   b. Name of the Branch : ____

      Address : ____

      Telephone No. : ____

   c. 9 digit code Number of the Bank and Branch as appearing on the MICR Cheque issued by the bank :

   d. Type of the account (Please tick) :

      Savings : ( )

      Current : ( )

      Cash credit : ( )

   e. Ledger and Ledger folio Number (if any) of your bank account : ____________________________

   f. Account number (as appearing on the Cheque Book) : ________________________________

(In lieu of the bank certificate to be obtain as under, please attach a blank cancelled cheque or photocopy of a cheque or front page of your saving/current bank passbook issued by your bank for verification of the above particulars).

I hereby declared that the particulars given above are correct and complete. I undertake to inform any subsequent changes in the above particulars before the relevant book closure date(s). if the payment is delayed or not effected at all for any reason(s), beyond the control of the Company, I would not hold the Company responsible.

Date: ________________

____
Signature of the first holder

Certified that the particulars furnished above are correct as per our records.

Bank's Stamp)

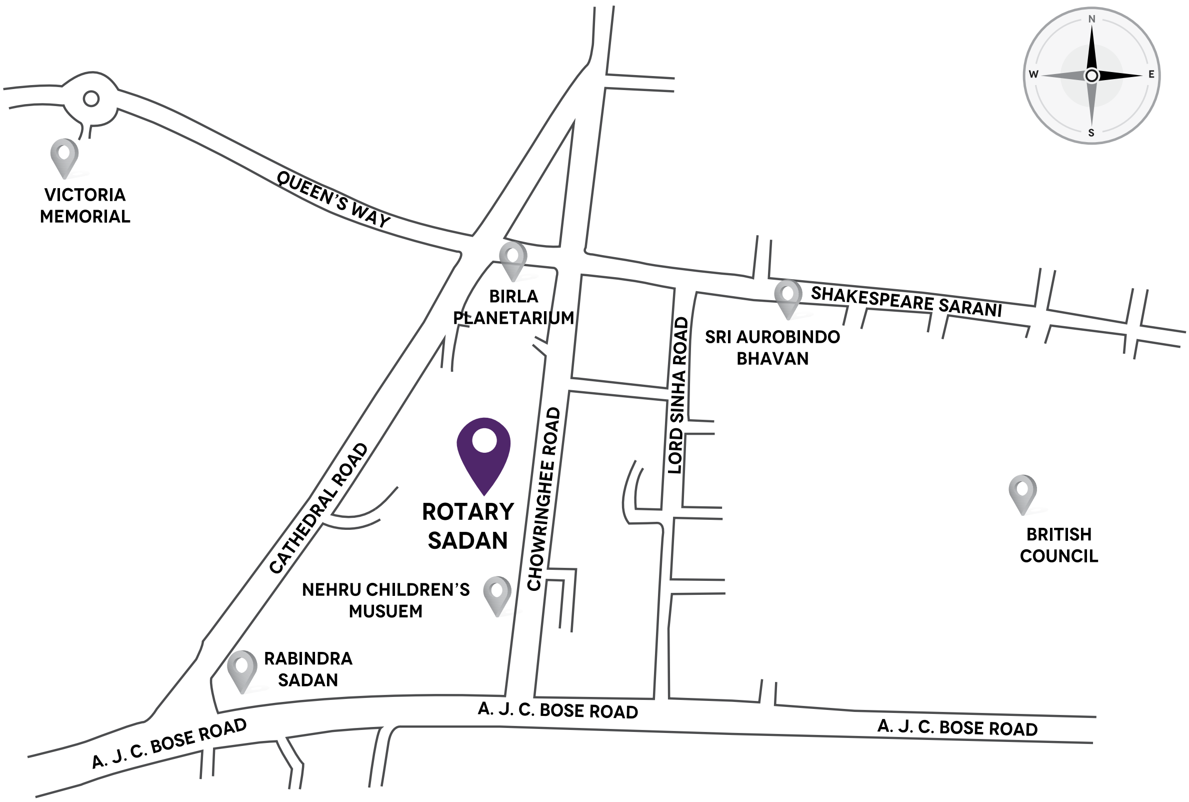
Date & Signature of the
authorized official of the Bank)

 # Delete whichever is not applicable.

** The nine digit code number of your bank and branch is mentioned on the MICR band next to the cheque number.*

** In case the amount of Dividend is failed to be transmitted in the aforesaid process and on confirmation by our Bankers, the Company shall issue Dividend Warrant in physical mode to the respective shareholders.*

ROUTE MAP FOR AGM ON 30TH AUGUST,2019
AT ROTARY SADAN,"S.S.HALL",94/2, CHOWRINGEE ROAD, KOLKATA -700020



Corporate Information
(as on 27 May, 2019)

Board of Directors

Mr. Vinod Kumar Gupta	*Managing Director*
Mr. Binay Kumar Gupta	*Managing Director*
Mr. Krishan Kumar Gupta	*Whole-time Director*
Mr. Bajrang Kumar Gupta	*Whole-time Director*
Mr. Gopalakrishnan Sarankapani	*Whole-time Director*
Mr. Sanjay Jhunjhunwalla	*Non-Executive Director*
Mr. Binay Kumar Agarwal	*Independent Director*
Mr. Rajesh Kumar Bubna	*Independent Director*
Mr. Sunil Mitra	*Independent Director*
Mrs. Divyaa Newatia	*Independent Director*
Mr. Anil Kumar Saboo	*Independent Director*
Mr. Srikumar Bandyopadhyay	*Independent Director*

Company Secretary

Mr. Abhishek Mishra

Chief Financial Officer

Mr. Lalit Chand Sharma

Main Bankers

State Bank of India
ICICI Bank Ltd
HDFC Bank Ltd
Allahabad Bank
Induslnd Bank Ltd

Auditors

M/s Singhi & Co.
Chartered Accountants
161, Sarat Bose Road
Kolkata - 700 026

Secretarial Auditor & Legal Advisor

Mr. Santosh Kumar Tibrewalla
Practising Company Secretary
5A, N.C. Dutta Sarani, 3rd Floor,
Kolkata-700 001

Registrar & Share Transfer Agents

Niche Technologies Pvt. Ltd.
3A, Auckland Place, 7th Floor,
Room No. 7A & 7B, Kolkata-700 001

Registered Office

Om Tower, 15th Floor, 32 J.L. Nehru Road, Kolkata- 700 071

Manufacturing Facilities

Tirupur I Delhi I Ludhiana I Kolkata

Branches

Tirupur/ Delhi/ Jaipur/ Patna/ Bhagalpur/ Ranchi/ Indore/ Cuttack/ Vadodara/ Mumbai/ Nagpur/ Banglore/ Agra/ Varanasi/ Kanpur/ Ludhiana

A TRISYS PRODUCT
info@trisyscom.com

Dollar Industries Limited
Om Tower, 15th Floor,
32 J.L. Nehru Road,
Kolkata - 700 071
West Bengal