

**KITEX****Kitex Garments Limited**

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Date:

Dept.of Corporate Services / Corporate Relationship Department Bombay Stock Exchange Limited Floor 25, P.J Towers Dalal Street, Mumbai-400023	National Stock Exchange of India Limited, Exchange Plaza, Plot No. C/1,'G' Block, Bandra Kurla Complex, Bandra (East), MUMBAI 400 051
Scrip Code : 521248	Scrip Code: KITEX

Dear Sir,

Sub: Submission of Annual Report for the year 2015-16

As per Regulation 34 read with Regulation 10 of SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015, we are forwarding herewith the Annual report of the company for the year 2015-16 as approved by the shareholders at their meeting held on 10th June, 2016.

This is for your information and doing the needful.

Thanking You,

Yours faithfully,
For KITEX GARENTS LIMITED**A.Babu
Company Secretary &
Compliance Officer****Encl : As above**

Kitex Garments Limited

The Next Level

Annual Report 2015-16





Mr. M.C.Jacob

(22.4.1933 – 5.6.2011)

Illustrious Founder – Chairman of Kitex Group of Companies

“....Caring is being conscious about what is good for the stakeholders and trying to deliver it as much as possible. At Kitex we would continue to believe that winning is by caring ...”

A caring legacy

At Kitex, enriching people through caring is inherent in our business model. Since the inception of the company our founder M.C Jacob made ‘caring’ the basic motto and today we believe that caring is the very winning formula of our company. Over the years we have realised that when our actions are filled with caring, business, employee & community relations are strengthened.

Our founder Late Mr.Mekkamkunnil Chacko Jacob (M.C.Jacob) was moved by the plight of the farmers who worked in his father's fields. That's when he decided to set up an aluminium-based unit in 1968 with an employee strength of eight. This was the first baby step to put Kizhakkambalam, then a remote village in Kerala into a hub of industrial activities.

The Anna-Kitex group of companies he founded, since then took wings and grew multifold. By the time he departed from this world in 2011, the group had become a diversified business conglomerate having interests in Aluminium, Spices, Textiles and Apparels. The group provided scores of people livelihood by giving employment as well as through its regular social interventions.



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Disclaimer

Statements in this report that describe the Company's objectives, projections, estimates, expectations or predictions of the future may be 'forward-looking statements' within the meaning of the applicable securities laws and regulations. The Company cautions that such statements involve risks and uncertainty and that actual results could differ materially from those expressed or implied. Important factors that could cause differences include raw materials' cost or availability, cyclical demand and pricing in the Company's principal markets, changes in government regulations, economic developments within the countries in which the Company conducts business, and other factors relating to the Company's operations, such as litigation, labour negotiations and fiscal regimes.

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Highlights FY15-16

The company has entered into a license agreement on September 10, 2015 through M/s. KITEX USA LLC, with LAMAZE INTERNATIONAL INC, USA for manufacture and supply of Infants garments in USA and CANADA

Our Performance

Revenue 56,563 Lakhs Y-o-Y + 8%	EBIDTA 20,608 Lakhs Y-o-Y + 13%	PAT 11,209 Lakhs Y-o-Y + 14%
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Awards Recognitions & Milestone

- KITEX USA LLC opened its office in New Jersey in October , 2015
- Kitex debuted on FORBES ASIA's 200 Best Under A Billion list in 2015
- Kitex MD, Sabu M. Jacob featured among the finalists for EY Entrepreneur Of The Year 2015
- Company has received the "JOCKEY Debra S Waller Award for Great Partnership 2015
- Received KSIDC Award 2015 for Excellence



About Kitex Garments Ltd

Established in 1992 Kitex Garments Ltd is into 100% exports of cotton garments especially infant wear. The company exports its products to US and European markets. In 1995 the company went public and the shares are currently listed on NSE & BSE. The vertically integrated manufacturing plant makes infant wear as well as fabrics.

Products

- Body suits
- Sleepwear
- Rompers
- Burps
- Bibs
- Training pants



Number of employees

4,119



Per day Capacity (Infant wear) units

2,70,000



Built up area sq.ft.

6 lakhs



Textile capacity per day

50 Tons



The Next Level

Dear Shareholder

The Next Level

Welcome to our annual report of FY2015-16 which comes with the theme “The Next Level”. Next Level is a depiction of our ambition and supporting strategies to achieve the next stage of growth. We intend to drive our next level of organic growth by expanding markets and online and offline marketing channels assisted by capacity expansion and by enhancing people & technological capabilities. Over the years we have become a company known for our capabilities to quickly adapt to the ever changing macro economic environment as well as a company in the forefront of adoption of cutting edge infant apparel technology.

Our key strategy is to continue leveraging on our leadership position in infantwear manufacturing as well as expand the market in USA by forward integration. While we are in the process of launching our own infantwear brand “Little Star” in US Market by October, 2016, we have also entered into a license agreement in September 2015 through M/s. KITEX USA LLC, with M/s. Lamaze International Inc, USA for manufacture and supply of Infants garments in USA and Canada.



The company aims to achieve and Y-o-Y growth of 20% in FY16-17 by expanding our customer base and increasing the business share with our existing customers

Performance

In FY 2015-16 our performance has been reasonable in terms of income. We achieved a total income of 566 Cr for the year as against 525 Cr in the previous year. On year on year basis our PBT & PAT increased by 20.7% and 13.8% respectively. Our EBIDTA for the year is 206 Cr which is an increase of 13.1% against the previous year. EBIDTA percentage was 34.73 in the previous year which we bettered to 36.43% during the year.

The Board of Directors of the company has proposed a final dividend of Rs.0.75 per Share of face value Re. 1/- (total dividend being 150% viz., Rs.1.50 per equity share of Re.1/- which includes 1st Interim Dividend of Rs.0.75 per equity shares of Re.1/- each declared at the Board meeting on October 19, 2015)

Outlook

As you may be aware we make infant garments for the age group 0-2 years and our key markets are USA & Europe. We are a leading global player in the global infantwear clothing market. Some of our esteemed clients are Carters, Gerber, Mothercare, Jockey & Toys R Us. As per the 2014 data, post recession, the birth rates in US has started to

ascend again. This is the first increase since 2007. While the data for 2015 is still awaited in 2014 the number of U.S. births rose 1.4% to 3.99 million from 3.93 million in 2013. As a reflection of the renewed consumer sentiment in USA, the speciality infant apparels segment has grown close to 8% in 2015.

Sustainability

We continue to focus on sustainability and consider Product Responsibility, People, Customer Experience, Environment & Society as the key components of our material matrix. We continue to channelize our efforts for the all round improvement of Kizakkambalam where our unit is located. Our social interventions include health, drinking water, education, livelihood and housing.

➤ [Refer Page 12 - 20 to read more on Sustainability](#)

Goals

The company aims to achieve and Y-o-Y growth of 20% in FY16-17 by expanding our customer base and increasing the business share with our existing customers. To achieve this goal we are in the process of increasing our manufacturing capacity. We plan to invest about Rs.1000

Lakhs during this year to upgrade our manufacturing & information technology backbone. We expect to maintain the same growth rate in FY17-18, FY18-19 and FY19-20. As we had stated in our previous year's annual report and during my various interactions, our aim is to become the No.1 Infant apparel manufacturer in the world.

Leadership

Mr. Christian Strahm who had an earlier stint with Kitex Garments Ltd. has joined as Vice President - Manufacturing, Strahm a swiss national comes with over 32 years of global experience in Textile and apparel industry Mr. Donnie Hodge having multiple years in the international apparel industry has joined us as Vice President and Chief Operating Officer, Kitex USA LLC.

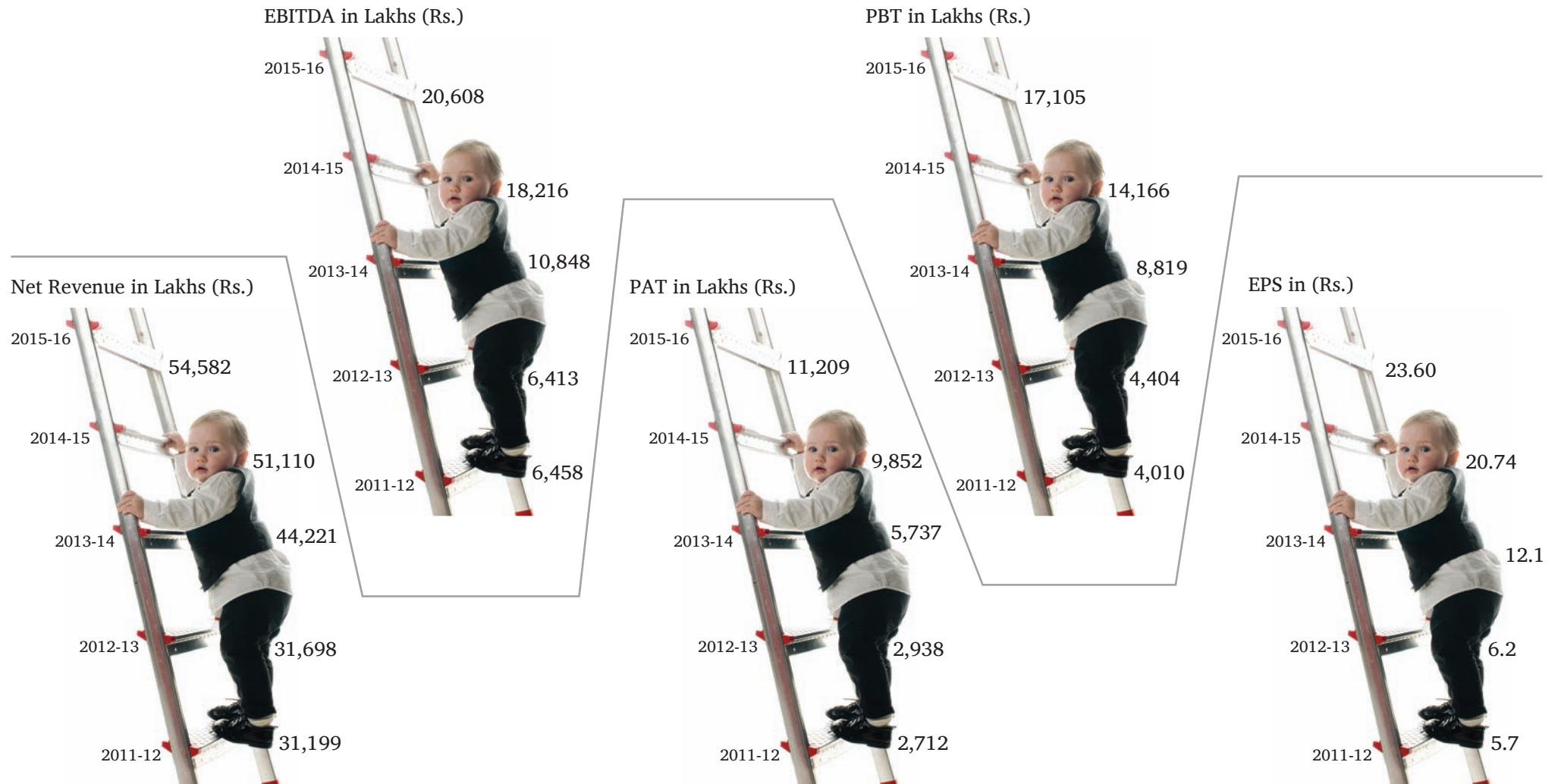
I take this opportunity to thank our employees, customers, bankers, investors suppliers and Government for reposing their trust in the management. We assure you our commitment for continued growth.

Regards

Sabu M. Jacob

Chairman & Managing Director

Financial Highlights



Financial Highlights

➤ Refer Page 98 for Standalone Balance Sheet

➤ Refer Page 99 for Standalone Statement of Profit and Loss

+8%
Revenue (Y-o-Y)

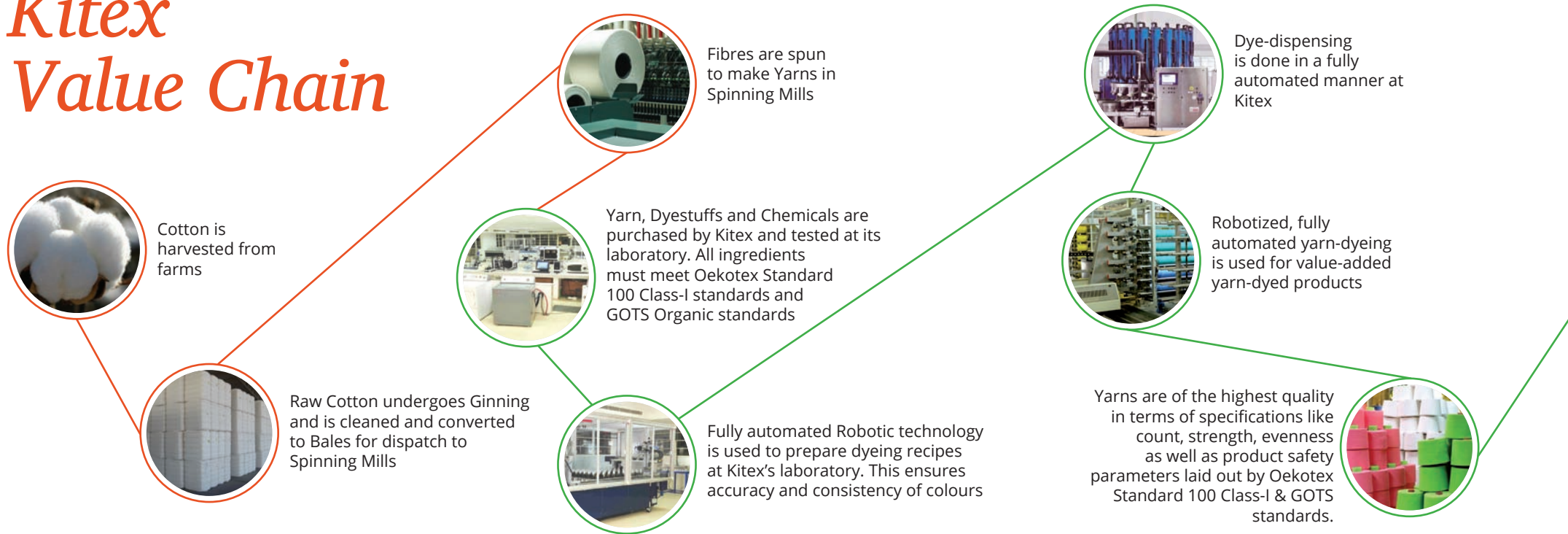
+13%
EBIDTA (Y-o-Y)

+21%
PBT (Y-o-Y)

+14%
EPS (Y-o-Y)

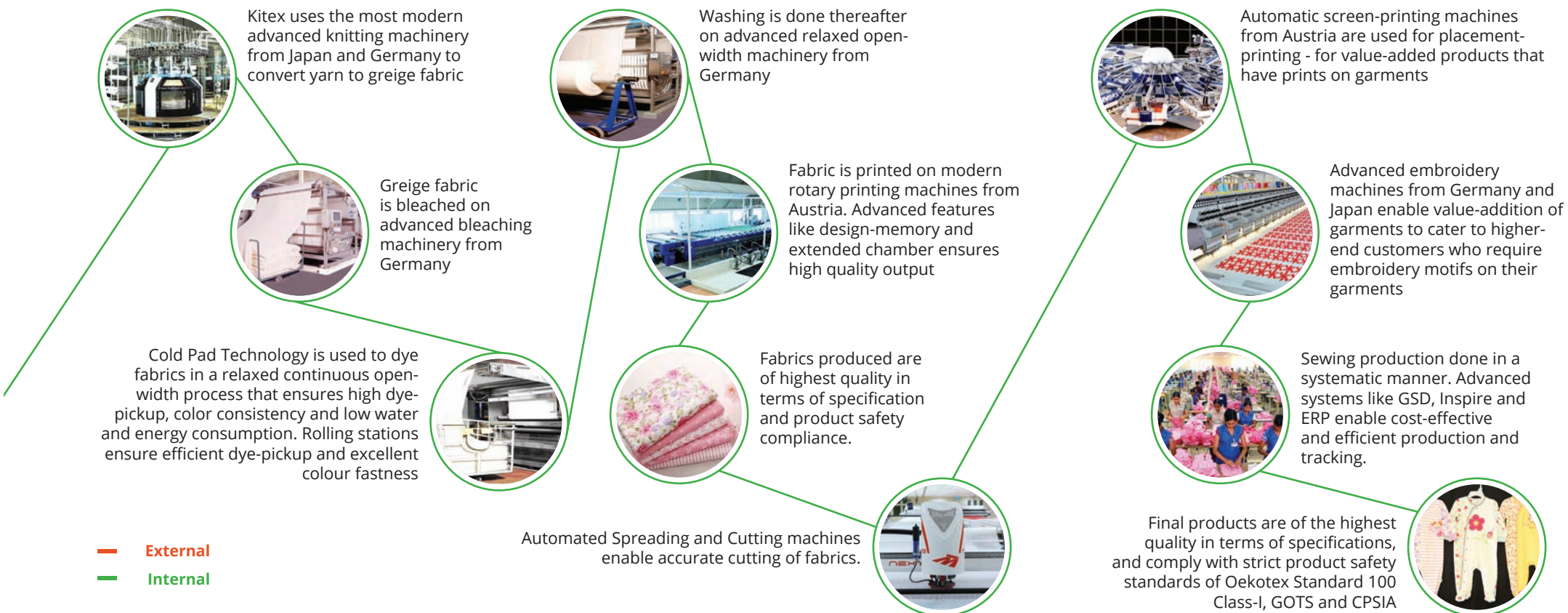
Particulars	2011-12	2012-13	2013-14	2014-15	2015-16
Income					
Sales	31,199.88	31,698.33	44,221.00	51,109.59	54,581.67
Other Income	634.82	402.51	1,334.36	1,342.34	1,981.66
Stock difference	265.83	(389.11)	(118.23)	21.54	(29.72)
Total	32,100.53	31,711.74	45,437.14	52,473.48	56,533.61
Expenditure					
Cost of Raw Materials Consumed	17,491.24	16,126.71	23,477.44	20,978.53	20,976.48
Employees Benefits Expense	3,780.74	4,376.44	5,697.16	7,450.07	8,361.72
Finance Costs	1,760.69	1,147.20	1,061.59	1,916.41	1,375.67
Depreciation and amortization expense	686.64	862.13	968.00	2,132.94	2,127.31
Other Expenses	4,370.40	4,795.17	5,414.40	5,828.78	6,586.93
Total	28,089.71	27,307.66	36,618.60	38,306.73	39,428.11
PBT	4,010.82	4,404.08	8,818.53	14,166.75	17,105.50
Current Tax	1,235.00	1,485.00	2,536.00	4,217.00	6,094.00
Deferred Tax	64.26	(18.60)	545.65	98.00	(198.00)
PAT	2,711.56	2,937.68	5,736.88	9,851.75	11,209.50
Capital	475.00	475.00	475.00	475.00	475.00
Earnings per equity share	5.71	6.18	12.08	20.74	23.60
2011-12					
Bank & Cash	3652	4118	10361	20326	24991
Trade Receivable	3183	5063	5306	6266	9601
Long Term Borrowing	686	252	2891	2684	829
Short Term Borrowing	8151	8927	9051	11391	8352

Kitex Value Chain



Our Business Model, KPIs and Goals

Our Business Model	Our Strategic Priorities	Achievements in 2015-16
Market Sales Growth	To Achieve Leading position in the Infantswear segment	Sales increased by 8% in volume. Introduced new value added products to existing buyers
Global Network	To expand into more private labels and more stores of existing buyers	Secured manufacturing and distribution license for "Lamaze" Brand for childrenswear in US & Canada. Design work for newly registered own brand – Little star New shades and colour mix introduced for existing buyers
Customer Experience	Buyer relationships and better servicing	Received Jockey's Best Vendor Award for 2015 Invited to attend various product development programs of buyers.
Strategic Investments	Industry specialistaion and product specialization	Investment in Eco-friendly manufacturing facilities. Process plant modernization. Introduced Training facilities for entry level appointments ISDS – Integrated Skill Development
Operational Excellence/ performance	Modernization, automation and cost effectiveness	Restructuring initiatives for streamlining business operations in process unit, quality control, fuel efficiency
People Development	Investing in people, clients, market research and overall development of the society/local area	Introduced evaluation of Board level appointees. Various training programs arranged for Board and below Board level appointees. Conducted various skill development program at shop floor level



— External
— Internal

Key Performance Indicators (KPIs)	Plans for 2016-17
Business Line growth, Increase in profits, Efficiency of use of capital	Further geographic expansion into new markets within USA and US E-Commerce Sales
Product Mix and Geographical expansion	Expanding and introducing more product mix Direct marketing of Little star through e-commerce Introducing new private labels
Buyer satisfaction, Lesser lead time, Prompt and timely deliveries	Enhancement of customer business intelligence tools and technologies
Increase in return on investments, Better returns to investors, Higher EPS value	Introducing new technologies in production line – Cotton to Garmenting process
Better cash flows from operations, Increase in revenue, Better operational returns	Improve cash flows, Increase turnover and profits
Increase in employee strength, Better Health and safety, Development of local area, Providing employment facilities, A Better living condition in and around factory	Programmes for skill enhancement

Review of Operations

The company aims to achieve and Y-o-Y growth of 20% in FY16-17 by expanding the customer base and increasing the business share with our existing customers. To achieve this goal the company is in the process of increasing the manufacturing capacity. The company plans to invest about Rs.1000 Lakhs during FY16-17 as part of its long term capex program to further upgrade the process automation and information technology backbone.



Information Technology :

Upgradation of Information Technology systems, including hardware and software. This also includes implementation of a world-class ERP software that would cater to the ever increasing growth-needs of the organization.



Production Process Automation :

The company plans further upgrade its automation of sewing production in 2016-17. The objective is to increase productivity and production capacity without increasing the manpower.

The company has been allotting regular capex for improvement of technology and infrastructure and aims to upgrade its current facilities so as to expand its capacity from 0.55mn units per day to 1.1mn units per day. It is a vertical set-up with knitting and processing of fabrics, until finished garments are done in-house.

☞ [Refer page 8-9 on our vertical value chain.](#)

The facility is a 240 meters long and 70 meters wide that

covers an area of 6 lakhs sq. ft, one of the largest in the world under one roof. The process line is equipped with digital dispenser system for error-free, automatic and computer-controlled preparation of color guidelines, high quality knitting machines, most modern dyeing, printing and finishing machines that use cutting-edge technology. Its garmenting unit uses latest machinery for pattern Computer-Aided-Design (CAD), plotting and grading. It has Automatic spreader machines which enhance the speed

of spreading and Automated cutting machines that enable faster & precision cutting. The factory is equipped with latest sewing machinery ensures stain-free, quality sewing and state-of-the-art spectrophotometer ensures electronic color reading & transmission.

The plant produces knitted fabrics that are of exceptional quality, and is well appreciated and recognized by reputed childrenwear apparel brands in the United States and Europe.

Product Responsibility

Parents across the globe take utmost care and are expressively involved while selecting garments for their infants. Apart from the design and brand the key factors in selection of infant garments are the safety and quality. Kitex over the years have adopted the most advanced quality and safety standards in infant garments manufacturing.



Product Safety Certifications

Worldwide Responsible Accredited Production (WRAP)

Manufacturers and Retailers worldwide are now extremely cautious, from a social responsibility standpoint, about placing their garment production contracts with factories in the East. On this front, Kitex Garments is certified at 'Platinum' level, the highest possible rating, by Worldwide Responsible Accredited Production (WRAP). This certification is recognized by all major retailers, manufacturers and importers in the US and worldwide, and gives them assurance that the apparel produced at the accredited factory is produced in a safe, lawful, humane and ethical manner.



Global Security Verification (GSV)

Kitex Garments is rated as 'Low Risk' by GSV for compliance to Customs Trade Partnership against Terrorism (C-TPAT) and Border Security requirements laid out by the government of United States. 'Low Risk' is GSV's highest possible rating and assures Governments, Manufacturers and Retailers that the supply chain operates in a secure and efficient manner.



Oeko-Tex Standard 100

The safety of products is a major concern among retailers worldwide. Governments worldwide have framed policies and standards that seek to ensure the safety of products sold in their countries. In the US, Consumer Product Safety Commission (CPSC) has laid down strict standards that must be adhered to by brands, retailers, manufacturers and importers. In the



EU, REACH standards have gained acceptance. Kitex Garments is certified 'Class-I' for compliance to Oeko-Tex Standard 100 standards. Class-I is the strictest standard for chemical product safety and is an assurance that products so produced are safe for infants.

Global Organic Textile Standard (GOTS)

Kitex Garments is certified for compliance to GOTS, the worldwide leading textile processing standard for organic fibres, including ecological and social criteria, backed up by independent certification. It ensures organic status of textiles, from harvesting of the raw materials, through environmentally and socially responsible manufacturing up to labelling in order to provide a credible assurance to the end consumer. This certification enables Kitex Garments to supply certified organic garments to customers worldwide.



Our People Responsibility

The Company's HR philosophy is to establish and build a high performing organization, where each individual is motivated to perform to the fullest capacity. The Company is giving direct employment to 4119 employees. The Company endeavours to be an 'Employer of Choice' by fostering an environment of aspirational goal setting, continuous improvement, in addition to health and safety, and corporate responsibility.



Our Highlights

(Gender Split across Kitex Garments Limited)



Staff Welfare Committees

Particulars	Canteen Committee	Health and Safety Committee	Grievance Committee	Works Committee	Prevention of Harassment and Abuse Committee
Composition	14-15 members (workers with a management who is in officer post heading HR/ welfare/ compliance)	14-15 members (workers with a management who is in officer post heading HR/ welfare/ compliance)	14-15 members (workers with a management who is in officer post heading HR/ welfare/ compliance)	14-15 members (workers with a management who is in officer post heading HR/ welfare/ compliance)	14-15 Female members with one NGO staff with the experience in social work.
Issue that are handled	Canteen related issues	Health and safety related issue	General issue: change in working day which are not acceptable, salary reduction, non acceptability of policy.	Work related issues like works overload, harassment from superior etc.....	Harassment and abuse to female workers.
Committee Meeting	Once in every month	Once in every month	Once in every month	Once in every month	Once in every month

Employee Welfare

Employee Accommodation

Company provides a well furnished and hygienic dormitory facility for the outstation female staff. Hostel has a qualified welfare officer and a female security personnel to ensure the welfare and safety of the inmates round the clock. The dormitory comes with all amenities.

Canteen

A well equipped and fully automated canteen facility with steam cooking and automated food processing facilities caters to the food requirements of the inmates round the clock. Regional cuisines are provided to the inmates as per their taste to make them feel at home.

Medical support

A well equipped specialty clinic has been set up inside our premises for instant medical support to the staff. In addition to this a special general physician and qualified nurses are available in the premises during working hours and on call on a 24x7 basis to cater to any medical emergencies. Immediate medical attention is given to the workers falling sick. In case of emergencies, ambulance is available to take the sick to the hospital.



Recreation

Each block is provided with two Plasma Televisions to cater to the varying linguistic needs of the inmates. Recreational activities are arranged for boosting the morale and mental health of employees. Workers can relax themselves by involving in indoor and outdoor games such as caroms, chess, shuttle, etc. We also provide prayer hall facility for the workers. A separate waiting room is arranged for the visitors.

On Sundays and holidays the hostel inmates are provided with facilities for shopping in nearest cities with transportation and support. To meet the religious needs of the inmates transports are being provided in the morning and evening to nearby places of worship.

Energy & Environment

The problem of climate change no longer needs an prologue. It is widely accepted as the most serious environmental challenge that the world faces. At the centre of climate change issue are the increasing concentrations of carbon dioxide (CO₂) and other greenhouse gases in the earth's atmosphere as a result of human activities. This has been shown to lead to increases in global atmospheric temperatures (global warming) and associated "changes in the earths climatic system" (climate change). Kitex management considers environment responsibility as one of the most important element our materiality matrix.



How we protect the environment



Our state of the art bleaching and dyeing machines use considerably less water than the conventional machines. Energy consumed by these machines is only half of what is consumed by normal machines



Effluent treatment is done through a biological treatment plant, ensuring that the environment is protected. Effluents are treated to international standards before they are discharged from the plant. Water so discharged, is used for internal horticulture purposes.



Biological wastes produced at the facility are utilized and converted to bio gas which is used at our hostel kitchens as fuel



Our facility is situated in a location that gets abundant rain. Rain water is harvested which in turn helps to save the water that can be utilised for various manufacturing & general purposes.

Energy & Water Conservation

Kitex Garments is committed to conducting its business in an environmentally responsible manner by continuously updating and implementing best technological solutions in terms of process, cost management, choice of equipment quality, process efficiency, and using advanced water purification mechanisms, the company is getting closer to its dream of 'zero-discharge' plants.



Heat Recovery Systems

The Company is investing in heat recovery systems with the objective of increasing its process efficiencies and thus decreasing its fuel and energy consumption. Reduction in thermal and air pollution, equipment sizes and thereby reduction in auxiliary energy consumption are indirect benefits. The company expects to gain in terms of decreased running costs & gain in energy savings.

Advanced Fully Automated Boiler

Company is in the process of setting up a highly advanced fully automated boiler. It is part of the company's commitment to conduct its business in a socially and environmentally responsible manner. This new type of

boiler is a single combustion source for steam and thermal oil, and requires less space compared to two separate systems. Since it is automated it will help in reducing the manpower. This new boiler once installed is expected to save energy on account of Furnace Oil to Biomass for Thermal Oil Boiler and also on account of higher Boiler efficiencies of 85%. Heat recovery systems on the boiler would ensure that energy is saved and operating costs reduced.

Fully Automated Advanced Effluent and Waste Treatment Plants

Company is setting up fully automated highly advanced Effluent Treatment Plant (ETP) and Sewage Treatment

Plant (STP). The objective is to ensure that treated water meets tough European standards, and can be reused. It is part of the company's commitment to conduct its business in an environmentally responsible manner.

Rainwater Harvesting

At Kitex, rainwater is collected, purified and used for various manufacturing processes. Rainwater collected from rooftops is directed to trenches located at all four corners of the factory. It is then made to pass through a water treatment plant, which filters, purifies and treats the water and made suitable for use.



Integrated Skill Development Scheme



With a view to address the manpower requirement of the diverse textile and related segments, the Ministry of Textiles introduced pilot phase of Integrated Skilled Development Scheme (ISDS) in the last two years of the 11th Five Year Plan Year 2010-11. Subsequently, the scheme has been scaled up during the 12th plan with a target of skilling 15 lakhs persons by the end of March 2017.

The Scheme is initiated to provide basic technical and managerial skills to rural youth from families below the poverty line to enable them to take up self-employment and wage employment in the broad fields of textile. Rural young women stand to benefit the most from the ISDS.

Kitex has aligned ISD scheme with its ongoing development social development activities for upgrading skills among rural youth and has been imparting training to rural youth.

Training Details

Training Venue	Kitex Garments Ltd
Training Hours/No of days	08.00 am to 05.00 pm (38 days)
Contents	General Awareness, Awareness about Company, Safety measures, Domain classes, soft skills and Practical session.
Attendance	Bio metric
Age Requirements	Between 18 to 35
Current Agencies	ITCOT and FIWE
Industrial Internship	OJT (Soon after training)
Training Certificates	Developed and Created by Ministry of Textiles, Govt. of INDIA

Corporate Social Responsibility



Our Corporate Social Commitments towards Society

For the Kitex Group, as already communicated reaching out to the under privileged is ingrained into our ethos and part of our heritage. These values transcend business interests and move into grappling with the “quality of Life” challenges that under-served communities face and work towards our Social Commitments to the Society.

The Board of Directors, Management and all the employees subscribe to the philosophy of ‘Compassionate Care’. We believe and act on the philosophy of generosity and compassion, characterized by a willingness to build a better society.

Kitex CSR-Twenty 20 Kizhakkambalam Association

In order to transform Kizhakkambalam Panchayath, the Company continues its CSR activities during this year. The following CSR initiatives at the grass root level undertaken that impacted many lives.

Amount of Kitex support for community services 2015-16

319.70 Lakhs

☞ Refer page 75-76 Annexure D to Directors Report for more details.

Agriculture

Participative and group farming was extended to 1167 acres of farmland (out of the 2233 acres of barren land) with the full co-operation of farmers in and near the Kitex factory. Out of this 480 acres were used for rice farming, 2,10,000 banana plants, 10,000 cocunuts and about 21000 other plants were planted. The farming was also extended to various seasonal vegetable cultivation. About 7,00,000 vegetable plants were distributed under Multi-crops harvesting during year also. More Farm development equipments and other mechanical devices were procured and put into operation for better yield and financial

improvements. A total of Rs. 2.70 crores have been spent cumulative upto this year end.

Drinking water

Continuing our effort in safe drinking water was provided to some of the backward colonies located in and near the Factory premises at Kizhakkambalam. Seven more bore wells were provided in more colonies with provision for water storage tanks the benefit of which is extended to another 1290 families in the target area.

Education

In continuation of our CSR policy, at the beginning of school calendar year 2015 also, the Kitex Group distributed 2300 bags to School children in the backward areas in Ernakulam District covering Nine schools located in Kizhakkambalam with an effort to provide primary education to financially backward students. Your company also spent another Rs. 2.6 lakhs during the year for extending better toilets through renovation in these schools on a priority basis.

Food Security Programme

Your company extended distribution of essential food materials including vegetables at very moderate subsidized prices (which is almost half the market prices) during both Onam and Christmas festival seasons to those poor and needy families. This benefit was extended to about 6000 families in Kizhakkambalam Panchayat area during the full year.

Health Care

Regular Health and Medical Check-up Camps were conducted in which about 5000 families participated. Free medicines were distributed and follow up medical facilities were extended on a regular basis to the needy members. The Company proposes to cover about 6000 poor and needy families under group medical insurance scheme the modalities of which are being worked out.

The company also introduced snacks and tea facility to about 200 patients who visit the Malayidam Thuruth Primary Health Centre at Kizhakkambalam on a daily basis for the full year under review.

**Housing**

During the year the Company introduced a housing scheme named "Ende Vedu Padhathi" for those family who own land but does not have a roof for their house. The company also extended providing hygienic toilets in as many as 225 houses during the year under this scheme.

Health

Continuing with the program of good health to all in Kizhakkambalam, the company extends its ambulance services to all needy on demand at the shortest time. This is basically for patients who has to undertake dialysis on a regular basis in the primary Health Centre. Further free/ subsidized medicines have been distributed to about 92 families with chronic ailments during the year.

As part of health program the company had upto date conducted about 1890 operations and supporting about 9890 patients upto the end of this year.

Infrastructural development.

The company as part of its CSR policy intents to develop the basic infrastructure in and around Kizhakkambalam by broadening the roads, regular upkeep and by providing regular maintenance through regular programs. During the year under review your company undertook repair of main roads, widening of NH ways and a scientific rain water harvesting methods in and around Kizhakkambalam.

The company also took up renovation work of worship places like temple, church and mosque.

For a Social Cause

The Company also volunteered into some of the public agitations which include stoping of some major drinking water projects, drugs usage, delay in road repair work and shutting of Beverages outlets etc against the local panchayath during the year which all culminated into the change in the Panchayath in Dec, 2015.

A new beginning for employment generation

The company continued to extend employment opportunities both direct and indirect to many locals in and around the factory at Kizhakkambalam. The company continued its support for self employment scheme by providing and supporting the entrepreneurs with both financial and non-financial support.

Management Discussion And Analysis

Key market facts about the Company

- **World's 3rd largest infant apparel manufacturer**
- **Make specialized infant apparels for 0-2 years**
- **Key Market is USA (90%) followed by Europe (10%)**
- **Major Clients : Gerber, Toys R Us, Jockey, Mothercare, Carters, Children's Place and Kohl's**
- **Kitex USA LLC takes care of the new forward integration initiatives in USA & Canada.**

Global Economy

In 2015, global economic remained subdued. Growth in emerging market and developing economies—while still accounting for over 70 percent of global growth—declined for the fifth consecutive year, while a modest recovery continued in advanced economies. Three key transitions continue to influence the global outlook: (1) the gradual slowdown and rebalancing of economic activity in

China away from investment and manufacturing toward consumption and services, (2) lower prices for energy and other commodities, and (3) a gradual tightening in monetary policy in the United States in the context of a resilient U.S. recovery as several other major advanced economy central banks continue to ease monetary policy.

IMF forecast for FY17

Global growth is projected at 3.4 percent in 2016 and 3.6 percent in 2017. Growth in advanced economies is projected to rise by 0.2 percentage point in 2016 to 2.1 percent, and hold steady in 2017. Overall activity remains resilient in the United States, supported by still-easy financial conditions and strengthening housing and labor markets, but with dollar strength weighing on manufacturing activity and lower oil prices curtailing investment in mining structures and equipment. In the euro area, stronger private consumption supported by lower oil prices and easy financial conditions is outweighing a weakening in net exports. Growth in Japan is also expected to firm in 2016, on the back of fiscal support, lower oil prices, accommodative financial conditions, and rising incomes.

Major developments in FY15-16

- Kitex USA LLC (50-50 Joint Investment between KCL and KGL) has signed a brand-licensing agreement with Lamaze International for the sale of infant wear in the US and Canada under the Lamaze brand. Kitex USA LLC will be the exclusive supplier for Lamaze infant wear (for children up to five years old) in US and Canada. The contract validity is till 31 December 2020, extendable for five years.
- Own Brand "Little Star" to be launched by Fall 2016: KGL plans to launch its own brand "Little Stars", owned by Kitex USA LLC by fall 2016. The management plans to target this brand as a mass

market product in US and Canada. It plans to launch the brand through the online route

About the Industry

The textile and apparel industry can be broadly divided into two segments - yarn and fibre, and processed fabrics and apparel. India accounts for 14 per cent of the world's production of textile fibres and yarns (largest producer of jute, second largest producer of silk and cotton, and third largest in cellulosic fibre). India has the highest loom capacity (including hand looms) with 63 per cent of the world's market share.

The domestic textile and apparel industry in India is estimated to reach US\$ 141 billion by 2021 from US\$ 67 billion in 2014. Increased penetration of organised retail, favourable demographics, and rising income levels are likely to drive demand for textiles. India is the world's second largest exporter of textiles and clothing.

Textile and apparel exports from India are expected to increase to US\$ 82 billion by 2021 from US\$ 40 billion in 2014. Readymade garments remain the largest contributor to total textile and apparel exports from India. In FY15-16 the segment had a share of 40 per cent of all textile and apparel exports. Cotton and man-made textiles were the other major contributors with shares of 31 per cent and 16 per cent, respectively.

Rising government focus and favourable policies is leading to growth in the textiles and clothing industry. Foreign direct investment (FDI) in textile sector increased to US\$ 1,587.8 million in FY15-16 from US\$ 1,424.9 million in FY14-15. The Ministry of Textiles is encouraging investments through increasing focus on schemes such as Technology Up-gradation Fund Scheme (TUFS). To promote apparel

exports, 12 locations have been approved by the government to set up apparel parks for exports. As per the 12th Five Year Plan, the Government plans to provide a budgetary support of US\$ 4.25 billion to textiles. Free trade with ASEAN countries and proposed agreement with European Union will also help boost exports.

In the near future, India's apparel exports to developed markets are expected to increase considerably. Total exports of textiles and apparel are expected to touch US\$ 65 billion by March 2017.

Review of Financial Performance

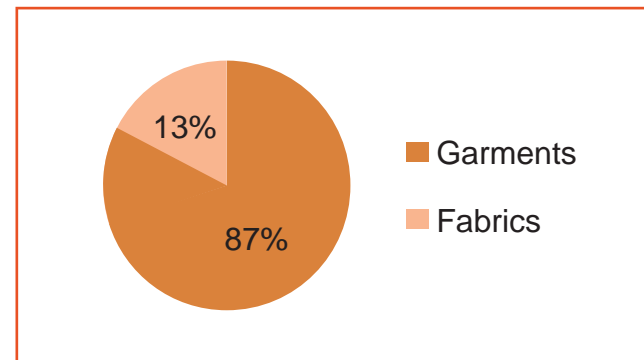
In FY 2015-16 the company achieved a total income of 566 Cr for the year as against 525 Cr in the previous year. On year on year basis our PBT & PAT increased by 20.7% and 13.8% respectively. Our EBIDTA for the year is 206 Cr which is an increase of 13.1% against the previous year. EBIDTA percentage was 34.73 in the previous year which we bettered to 36.43% during the year.

In Q1 (FY15-16) the company achieved a total income of 109 Corers as against 103 corers (YoY). In the Q2 Company's revenue stood at Rs.134.25 crore, registering growth of 4.71% yoy. However there was a dip in the Q3 performance. USA witnessed a delayed winter in 2015. Some of the clients wanted to hold their inventory due to the delayed winter as well as due to financial year closing. The company had to hold back 2-3 weeks of the December shipments which impacted revenue in Q3. Revenue growth also impacted due to one of the major client Jockey converting from cotton to synthetic. In the first week of December the delayed orders were shipped and the 4th quarter of the year the total income stood at Rs.184.3 crore as against Rs.158 Cr (YoY).

- ↩ Refer page 6 - 7 for financial highlights
- Refer page 98 for Balance Sheet
- Refer page 99 for Profit & Loss statement

Review of Business Segments

The Company has two segments, which include garments and fabric. In FY15-16 the garment segments contributed 87% of the sale and Fabric 13%.



- Refer Page 119 for segment information

Opportunity Spectrum

Children's wear market is one of the most profitable segments in the global apparel industry. This segment was not affected by the meltdown on the global economy. TechNavio's analysts forecast the Baby Clothing market in the US to grow at a CAGR of 2.67 percent during the period 2014-2019. The developed and developing markets of infant garments depends on three major buying factors – the number of babies born, and the purchasing power of parents and the safety and quality standards of the apparels. The key drivers of the infant wear market are as follows.

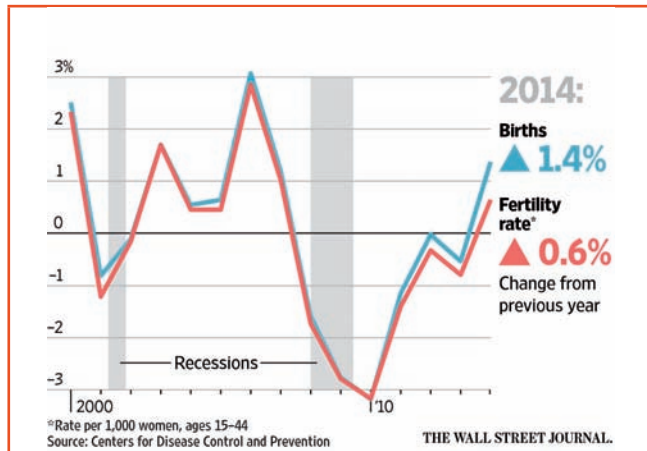
- Organised Retail Sector: In the key markets to which Kitex supplies its products such as USA and Europe organized retail accounts for 80% share of the total retail market. This makes the shopping convenient with the added benefits of quality and safety of the products available.
- Extension of Product Lines to Baby Clothing :Existing players in the apparel market, primarily branded manufactures, are extending their lines of products to baby clothing
- Demand for Comfort and Quality: The selection of clothing for babies is done judiciously by parents as they choose the best products for their newborn
- Growing popularity of online shopping: The internet is valuable source of information for parents. The number of parent who research, deliberate, discover, and compare children's products on the internet is increasing each day (courtesy : Technavio)

Birth Rates in US

Six years after the recession ended, the nation's birthrate has begun to climb again.

As per a report published by Wall Street Journal, for every 1,000 women of childbearing age last year, there were 62.9 births, up from 62.5 births in 2013, according to data released Wednesday by the Centers for Disease Control and Prevention. That is the first increase since 2007, when the recession began.

The nation's total fertility rate - a statistical measure of how many children each woman is likely to have over her lifetime - also rose slightly, to 1.862 children, from 1.858. That remains below the 2.1 children needed to keep the U.S. population stable, not counting immigration.



While the uptick in fertility and birthrates is modest and could reverse, it appears the country's improving economy is encouraging more couples to have children. The lingering financial toll of the recession prompted many young and less-educated Americans in particular to delay childbearing.

Demographers have forecast a recovery in births as the economy picks up and more young people have families.

Infant Apparels - Advantage India

As per the baby/infant garments import data published by Office of Textiles and Apparel (OTEXA), USA, China the largest exporter in this segment showed a subdued Y-o-Y growth of 0.90% year ended 2015. During the same year India had shown a growth of 9.11%.

The import data for the same category year to date as on March, 2016 shows China having a negative (-)13.11%. Even other Asian exporters also showed a negative growth, while **India showed a growth of 14.91% during the same period – a clear indication**

of growing acceptance for Indian made baby garments in USA. Various studies/private research reports shows that Kitex has a 70% market share in the import exports of baby garments.

Kitex Unique Advantages

The key advantage of Kitex is its trained manpower and vertical value chain consisting of state of the art process machines, international quality check systems and final delivery of customized items to the customers.

Refer page 8-9 on Kitex value chain

Sustainable Practices

Caring our employees, customers, society and environment is company's founding legacy. In alignment with our people approach, all our customers, mostly global leaders in infant apparels, strictly follow the Ethical Trading Initiative (ETI) while sourcing and hence the code of practice at Kitex is mostly based on the ETI's base Code, which outlines the labour standards expected at factories. Our customers follow third party as well as internal social audits to confirm that their suppliers like Kitex comply with the code. The code briefly covers the following

- Bribery and corruption is prohibited
- No forced labour
- Having employee welfare committees
- Safe and hygienic working conditions
- No child labour
- Wages are reasonable and fair
- Reasonable working hours
- No discrimination
- Regular employment
- No physical or verbal abuse
- Disciplinary and grievance
- Environmental impacts

Refer page 12-20 for more details on our sustainability practices

Risk Management Policy implementation

In today's economic environment, Risk Management is a very important part of business. The main aim of risk management is to identify, monitor and take precautionary measures in respect of the events that may pose risks for the business. Your Company's risk management is embedded in the business processes. Your company has identified the following risks:

Key Risk	Impact to Kitex Garments Ltd	Mitigation Plans
Commodity Price Risk	Risk of price fluctuation on basic raw materials like cotton, yarn, Chemicals, power as well as finished goods used in the process of manufacturing	The Company commands excellent business relationship with the buyers. In case of major fluctuation either upwards or downwards, the matter will be mutually discussed and compensated both ways. Also by focusing on new value added products helps in lowering the impact of price fluctuation in finished goods.
Uncertain global economic environment – slow growth in global economy	Impact on demand and realization of Exports of Childrenswear	Infant wear by its very nature is not effected by slow downs/ recessions, since parents compromise on the infants needs as a last resort only.

Interest Rate Risk	Any increase in interest rate can affect the finance cost	Dependence on debt is very minimum and we have surplus funds with Banks to settle the entire debt in case the need arises.
Foreign Exchange Risk	Your company exports all the products to USA and other European countries. Any volatility in the currency market can impact the overall profitability	The Company commands excellent business relationship with the buyers. In case of major fluctuation either upwards or downwards, the matter will be mutually discussed and compensated both ways.
Human Resources Risk	Your Company's ability to deliver value is dependent on its ability to attract, retain and nurture talent. Attrition and non-availability of the required talent resource can affect the overall performance of the Company	By continuously benchmarking of the best HR practices across the industry and carrying out necessary improvements to attract and retain the best talent. By putting in place production incentives on time bound basis and evaluating the performance at each stage of work. Also recruitment is across almost all states of India which helps to mitigate this risk and we do not anticipate any major issue for the coming five years.

Competition Risk	Your company is always exposed to competition Risk from Asian Countries like Sri Lanka, China, Taiwan, and other African Countries. The increase in competition can create pressure on margins, market share etc	By continuous efforts to enhance the brand image of the Company by focusing on R&D, quality, Cost, timely delivery and customer service. By introducing new product range commensurate with demands your company plans to mitigate the risks so involved.
Compliance Risk – Increasing regulatory requirements	Any default can attract penal provisions	By regularly monitoring and review of changes in regulatory framework. By monitoring of compliance through legal compliance Management tools and regular internal audit by E & Y.
Industrial Safety, Employee Health and Safety Risk	The Garmenting industry is labour intensive and are exposed to accidents, health and injury risk due to machinery breakdown, human negligence etc	By development and implementation of critical safety standards across the various departments of the factory, establishing training need identification at each level of employee. We are certified for Global safety and compliance Audits like WRAP,CTPAT etc.

Internal Control Systems and their Adequacy

The Company has a proper and adequate internal control system to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposition and those transactions are authorised, recorded and reported correctly.

The internal control is exercised through documented policies, guidelines and procedures. It is supplemented by an extensive program of internal audits conducted by in house trained personnel. The audit observations and corrective action taken thereon are periodically reviewed by the audit committee to ensure effectiveness of the internal control system. The internal control is designed to ensure that the financial and other records are reliable for preparing financial statements and other data, and for maintaining accountability of persons. Apart from the above the company has engaged M/s Ernst & Young LLP to conduct Internal Audit during the year 2015-16.

Human Resources/Industrial Relations

The Company's HR philosophy is to establish and build a high performing organization, where each individual is motivated to perform to the fullest capacity: to contribute to developing and achieving individual excellence and departmental objectives and continuously improve performance to realize the full potential of our personnel. The Company is giving direct employment to 4119 employees. Industrial relations are cordial and satisfactory.

Cautionary Statement

Statements made herein describing the Company's expectations or predictions are "forward-looking statements". The actual results may differ from those expected or predicted. Prime factors that may make a difference to the Company's performance include market conditions, input costs, govt. regulations, economic development within/outside country etc.

Notice

Notice is hereby given that the 24th Annual General Meeting of the Members of Kitex Garments Limited will be held on Friday, June 10, 2016 at the Factory Premises of the Company at Building No. 9/536A, Kizhakkambalam, Kochi – 683 562 at 10.00 A.M. to transact the following business:-

ORDINARY BUSINESS

1. To receive, consider and adopt
 - a) Audited Standalone Financial Statements of the Company for the year ended March 31, 2016 together with the Report of the Board of Directors and Independent Auditors report thereon; and
 - b) Audited Consolidated Financial Statements of the Company for the year ended March 31, 2016 together with Independent Auditors Report thereon.
2. To declare Dividend for the financial year ended March 31, 2016.
3. To appoint a Director in place of Mrs. Sindhu Chandrasekhar (holding DIN 06434415), who retires by rotation in terms of Section 152(6) of Companies Act, 2013 and Article 160 of Articles of Association, and being eligible offers herself for re-appointment.
4. To appoint M/s. Varma and Varma, Chartered Accountants, Kochi (Firm Registration No. 004532S) as Statutory Auditors who shall hold office for the financial year 2016-17 from the conclusion of this 24th Annual General Meeting till the conclusion of the 25th Annual General Meeting and to fix their remuneration. The Company has received a notice in writing from existing auditors expressing their unwillingness to be re-appointed.

“RESOLVED THAT pursuant to Section 139, 141 and other applicable provisions if any, of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014 as amended from time to time, M/s. Varma and Varma, Chartered Accountants, Kochi (Firm Registration No. 004532S), be and is hereby appointed as Statutory Auditors to hold office for the financial year 2016-17 from the conclusion of this 24th Annual General Meeting till the conclusion of the 25th Annual General Meeting on such terms and conditions, including remuneration to be finalised in consultation with the Board of Directors.”

SPECIAL BUSINESS

5. Appointment of Mr. C. P. Philipose (DIN No.01125157) as an Independent Director

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

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and Regulation 16, 17 and other applicable regulation of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, Mr. C. P. Philipose (DIN 01125157), who was appointed as an Additional Director of the Company with effect from July 20, 2015 and who holds office upto the date of this Annual General Meeting of the Company and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company with immediate effect and be also appointed as an Independent Director of the Company, not liable to retire by rotation and hold office for a period of 5 (five) consecutive years from June 10, 2016 to June 9, 2021.”

By Order of the Board of Directors of
Kitex Garments Limited

Kizhakkambalam
April 4, 2016

Sabu M Jacob
Chairman & Managing Director
(DIN: 00046016)

Notes:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL ONLY INSTEAD OF HIMSELF/ HERSELF AND SUCH A PROXY NEED NOT BE A MEMBER.

Proxies in order to be effective, should be duly stamped, completed, signed and deposited at the registered office of the Company not less than 48 hours before the commencement of the meeting. Revenue Stamp should be affixed on the Proxy Form. Forms which are not stamped are liable to be considered as invalid. It is advisable that the Proxy holder's signature may also be furnished in the Proxy Form, for identification purposes.

A person can act as a proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten 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 a proxy for any other person or shareholder.

2. The Statement pursuant to Section 102 of the Companies Act, 2013, in respect of the items of special business under Item No. 5 to the Notice is annexed hereto.
3. The Register of Members and Share Transfer Books of the Company will remain closed from June 4, 2016 to June 10, 2016 (both days inclusive).

4. None of the Directors seeking appointment/ re-appointment is related to any member of the Board of Directors or to any Key Managerial Personnel.
5. Relevant documents referred to in the accompanying Notice and the Explanatory Statement will be available for inspection by the members at the Registered Office of the Company between 11. 00 AM and 1.00 P.M. on all working days up to the date of the Annual General Meeting.
6. For the convenience of the Members and for proper conduct of the Meeting, entry to the place of the Meeting will be restricted by the Attendance Slip and photo id proof. Members are requested to write their Client ID and DP ID numbers/Folio Number (as applicable) on the Attendance slip, affix their signature and hand it over at the entrance hall. Transport facility will be provided to the shareholders from Kizhakkambalam to the Factory premises and back for attending the meeting.
7. In case of joint holders attending the meeting, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
8. Corporate members intending to send their authorised representatives to attend the meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Annual General Meeting.
9. Members holding shares in electronic form are advised to send their request for the change of address, Bank particulars, Residential status or request for transmission of shares etc to their Depository Participant. The Company or its Registrar and Share Transfer Agent cannot act on any such requests received directly from the members holding shares in electronic form. Members holding shares in physical form are advised to send such request to Registrar and Share Transfer Agent of the Company, M/s. Cameo Corporate Services Limited, Subramanian Building No. 1, Club House Road, Chennai 600002, Tamil Nadu, Tel: 044-28460390 Fax: 044-28460129.
10. Notice of the AGM along with Annual Report 2015-16 is being sent by electronic mode to those members whose email addresses are registered with the Company/ Depository Participants unless any member has requested for the physical copy of the same. For Members who have not registered their email addresses, physical copies are being sent by permitted mode. To support the Green Initiative, members (holding shares in electronic form) who have not registered their email addresses, are requested to register the same with their Depository Participants. Members holding shares in physical mode are requested to register their email ID with the Registrar and Share Transfer Agent of the Company.
11. A Final Dividend of ₹ 0.75 (75%) per share has been recommended by the Board of Directors of the year ended March 31, 2016, subject to the approval of shareholders. Dividend, if approved shall be paid on or before July 8, 2016 and to be completed within the statutory time limit.
12. Request for any clarification needed on the accounts should be lodged in writing at the Registered Office of the Company on or before 5 P.M. on June 8, 2016.
13. All documents, transfers, dematerialization requests and other communications in relation thereto should be addressed directly to the Company's Registrar & Transfer Agents.
14. Members may also note that the Notice of the 24th Annual General Meeting and the Annual Report for 2015-16 will also be available on the Company's website www.kitexgarments.com for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office in Kizhakkambalam, Aluva, Kochi between 11. 00 AM and 1.00 P.M. on all working days up to the date of the Annual General Meeting.
15. Members who have not encashed the dividend warrants for the financial year ended 2008-09 and/ or any subsequent years are requested to write to the Company giving necessary details along with claimant's proof of identity and address. In this connection the company has placed the names of such persons who has not claimed dividend since 2008-09 in the website of the company and the shareholders can view the details at www.kitexgarments.com
16. In order to enable payment of dividend by direct credit to the bank accounts of the shareholders through National Electronic Clearing Service (NECS) / National Electronic Fund Transfer (NEFT), those holding shares in physical form are requested to furnish their mandates for the same in the attached format along with the specified details / documents to M/s Cameo Corporate Services Limited. Those holding shares in De-mat form are requested to update their records with DPs in this respect.
17. As per provisions of Section 205A and 205B of Companies Act, 1956, the amount of dividends remaining unclaimed for a period of seven years is to be transferred to the Investor Education and Protection Fund. Accordingly, the dividend declared for all the financial years ended upto March 31, 2008 had been transferred to Investor Education and Protection Fund. The amount so transferred cannot be claimed either from the Company or from the Fund.
18. The Company shall provide/host the required details of unclaimed dividend amounts referred to under Section 205A and 205B of Companies Act, 1956, on its website and also Ministry of Corporate Affairs (MCA) website in the relevant form every year. For the financial year ended March 31, 2015, the information on unclaimed dividend for the years from 2008-09 to 2014-15 was filed with the Ministry of Corporate Affairs and hosted on the web site of the Company within the statutory time.

19. Details of dividend declared for the financial years from 2008-09 onwards are given below:

Financial year	Declared on	Dividend yield	Amount paid per equity share (₹)
2008-09	30.09.2009	25%	0.25
2009-10	30.12.2010	30%	0.30
2010-11	30.05.2011	40%	0.40
2011-12	30.05.2012	60%	0.60
2012-13	14.05.2013	80%	0.80
2013-14	15.05.2014	100%	1.00
2014-15	04.06.2015	125%	1.25
2015-16 (1 st Interim Dividend)	30.10.2015	75%	0.75

20. For any communication, the shareholders may also send requests to the Company's investor e-mail IDs: Investor@kitexgarments.com or sect@kitexgarments.com

21. Voting through electronic means:

a) In compliance with provisions of Section 108 of the Companies Act, 2013 and the Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended from time to time together with relevant clauses in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is please to provide Members facility to exercise their right to vote at the 24th Annual General Meeting by electronic means and the business may be transaction through e-voting services provided by the Central Depository Services (India) Limited (CDSL).

“Electronic voting system” means a secured voting system based process of display of electronic ballots, recording of votes of the Members and the number of votes polled in favour or against, in such a manner that the entire voting exercised by way of electronic means gets registered and counted in an electronic registry in a centralized server with adequate cyber security.

“Remote e-voting” means the facility of casting votes by a Member using an electronic voting system from a place other than venue of a general meeting.

“Cut-off date” for determining the eligibility for voting either through electronic voting system or ballot is fixed as June 3, 2016. A person who is not a Member as on the cut off date should treat this Notice for information purposes only.

b) Procedure for Remote E-Voting

- (i) Log on to the e-voting website www.evotingindia.com
- (ii) Click on “Shareholders” tab.
- (iii) 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.
- (iv) Next enter the Image Verification as displayed and Click on Login.
- (v) If you are holding shares in De-mat 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.

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

For Members holding shares in Demat Form and Physical Form	
PAN*	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both de-mat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> • 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 last 8 digits of the de-mat account/folio number in the PAN field. • In case the folio 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 folio number 100 then enter RA00000100 in the PAN field.
DOB#	<p>Enter the Date of Birth as recorded in your de-mat account or in the company records for the said de-mat account or folio in dd/mm/yyyy format.</p>
Dividend Bank Details#	<p>Enter the Dividend Bank Details as recorded in your de-mat account or in the company records for the said de-mat account or folio.</p> <ul style="list-style-type: none"> • Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the number of shares held by you as on the cut-off date in the Dividend Bank details field.

- (vii) After entering these details appropriately, click on "SUBMIT" tab.
- (viii) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in De-mat 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 de-mat 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.
- (ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (x) Click on the EVSN to choose **<KITEX GARMENTS LIMITED>** to vote.
- (xi) 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.
- (xii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiii) 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.
- (xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvi) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvii) Note for Non-Individual Shareholders & Custodians.
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporate and custodians respectively
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be e-mailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details they should create compliance user using the admin login and password. The Compliance user would be able to link the depository account(s)/ folio numbers on which they wish to vote.
- 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.

In case of members receiving the physical copy:

Please follow all the steps from Sl. No. : (i to xvii) above to cast vote.

General Information

- (A) The voting period begins on Tuesday, June 7, 2016 at 9.00 A.M and ends on Thursday, June 9, 2016 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 (record date) Friday, June 3, 2016, may cast their vote electronically. The Remote E-voting module shall be blocked by CDSL for voting thereafter.
- (B) Members have an option to vote either Remote e-voting (availing the services provided by CDSL) OR by using the poll slips to be distributed at the meeting. If members have cast their vote through remote e-voting, then they should not cast their vote at the meeting but they can attend meeting. However if a member has voted through Remote e-voting and has again voted at the meeting, then the voting done through Remote e-voting shall prevail and voting done at the meeting shall be treated as invalid.

(C) 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.co.in under help section or write an email to helpdesk.evoting@cdslindia.com or you may contact Helpdesk: 18002005533/ 022-22723333

22. The route map to the venue of AGM is provided in the Annual Report for easy location.
23. The Company has appointed Mr. P. D. Vincent (FCS 3067 and CP. 7940), Practising Company Secretary, Kochi, as the Scrutinizer for conducting the e-voting process (including remote e-voting) in a fair and transparent manner.
24. The Scrutinizer shall, immediately after the conclusion of voting at the Annual General Meeting, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least 2 (two) witnesses not in employment of the Company and make not later than 2 days of conclusion of the meeting, a consolidated Scrutinizer’s Report of the total votes cast in favour or against, if any, to the Chairman and/or Director or a person authorized by him in writing who shall counter sign the same.
25. The results shall be declared forthwith upon receipt of the Scrutinizer’s Report. The results declared along with the Scrutinizer’s Report shall be placed on the Company’s website www.kitexgarments.com, its Notice Board and on the website of CDSL and communicated to the stock exchanges where shares of the Company are listed.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF COMPANIES ACT, 2013

Item NO. 5

Pursuant to Section 161 (1) of the Companies Act, 2013 and Articles of Association of the Company, Mr. C. P. Philipose (DIN 01125157) was appointed as an Additional Director at the Board Meeting held on July 20, 2015. Mr. C. P. Philipose, a businessman by profession having more than 40 years in establishing and maintaining various production lines in his capacity as a director on the board of various companies in Sevana Group. The Board based on the experience/ expertise declared by Mr. Philipose is of the opinion that he has the requisite qualification to act as an Independent Director of the Company. In terms of Section 161(1) of the Companies Act, 2013, Mr. Philipose would hold office upto the date of the ensuing Annual General Meeting.

The Company has received a notice in writing from a member along with deposit of requisite amount under Section 160 of the Companies Act, 2013, proposing candidature of Mr. Philipose for the office of Independent Director of the Company.

Mr. Philipose is not disqualified from being appointed as director in terms of Section 164 of the Companies Act, 2013 and his consent to act as director has been received by the Company.

The Company has received a declaration from Mr. Philipose that he meets the criteria of Independence as prescribed both under sub-section (6) of Section 149 read with schedule IV of the Companies Act, 2013 and under Reg 16 (1) (b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. In the opinion of the Board, Mr. Philipose fulfills the conditions for his appointment as an Independent Director as specified in the Act and the SEBI regulation. Mr. Philipose is independent of the management and possesses appropriate skills, experience and knowledge.

Your Board of Directors deliberated and decided that owing to the rich and varied experience, Mr. Philipose association would be of immense benefit to the Company and it is desirable to avail services of Mr. Philipose as an Independent Director. Accordingly, on the recommendation received from the Nomination and Remuneration Committee, the Board recommends the resolution for the appointment of Mr. Philipose as an Independent Director for a term of 5 (five) years from 10.06.2016 to 09.06.2021 for the approval of the shareholder of the Company.

Mr. C. P Philipose does not hold by himself or for any other person on a beneficial basis, any shares in the company as per declaration given by him.

The copy of the draft letter for appointment of Mr. Philipose as Independent Director of the Company would be made available, for inspection by the members without payment of any fee, at the Registered Office of the Company between 11.00 AM and 1.00 P.M. on all working days up to the date of the Annual General Meeting.

This Statement may also be regarded as a disclosure under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

None of the Directors, Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in this resolution except Mr. C. P. Philipose.

The Board commends the Ordinary Resolution set out at Item No. 5 of the Notice for approval by the members.

By Order of the Board of Directors of
Kitex Garments Limited

Sd/-

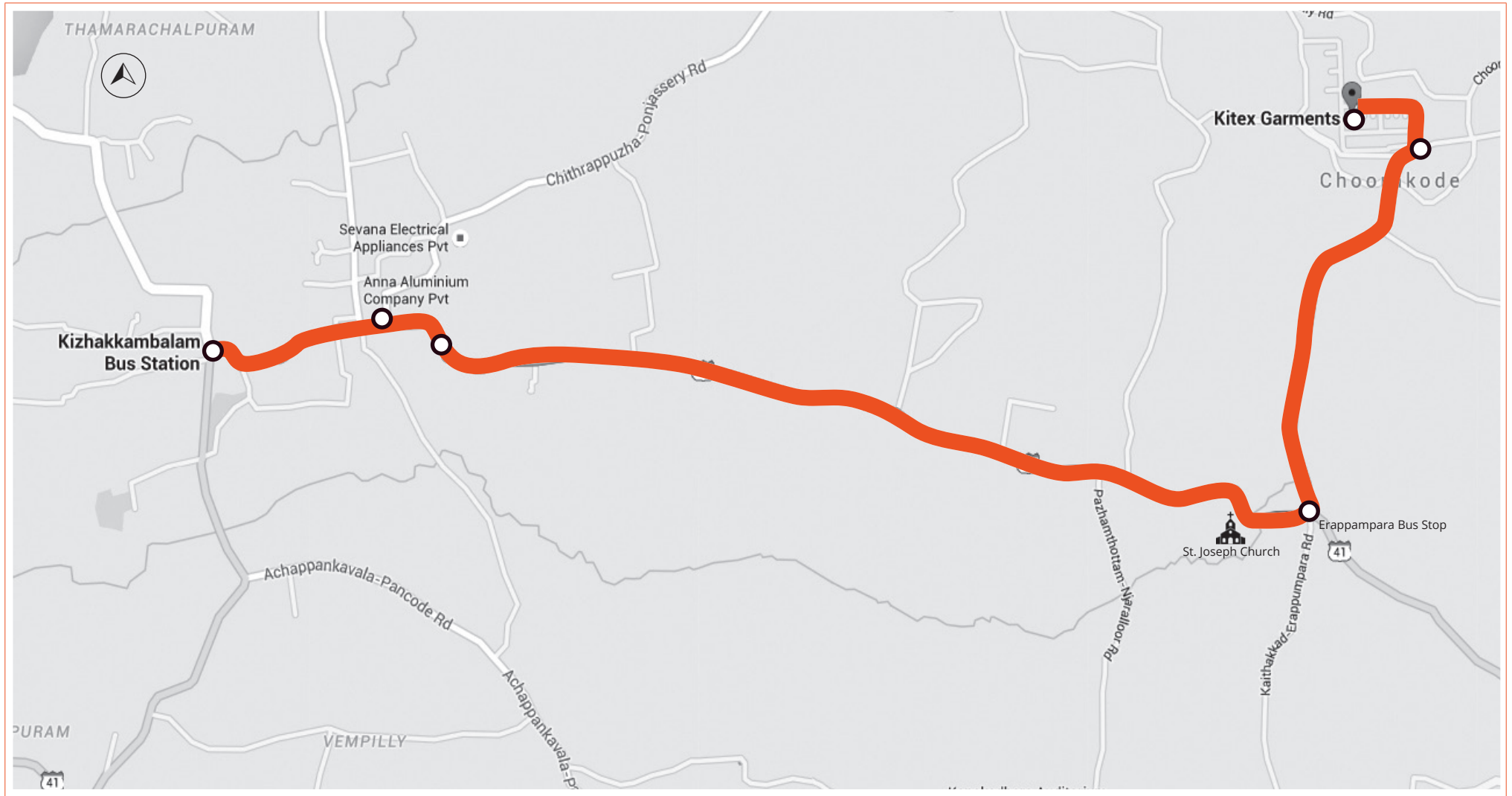
Sabu M. Jacob
Chairman & Managing Director
(DIN: 00046016)

Place: Kizhakkambalam
Date: April 4, 2016

Particulars of Directors who are proposed to be re-appointed/ appointed at the meeting are given below:

Details	Mrs. Sindhu Chandrasekhar	Mr. C.P. Philipose
Date of Birth	01.06.1969	11.04.1943
Qualification	Science Graduate	Bachelor of Arts
Expertise in specific functional areas	Mrs. Sindhu is an Executive Director of the Company, joined on 30.12.1999. She is holding the position Deputy Manager - Finance. Mrs. Sindhu has been handling the Treasury Management of the company for a quite long period. Mrs. Sindhu is instrumental in maintaining a perfect cash management system in the company during her tenure.	Mr. C. P. Philipose is a non executive director of the Company, joined the company on July 20, 2015. Mr. Philipose, a businessman by profession having more than 40 years in establishing and maintaining various production lines in his capacity as a director on the board of various companies in Sevana Group.
Directorship held in other Companies	<ul style="list-style-type: none"> • Kitex Herbals Limited • Kitex Infantswear Limited 	a) Sevana Engineering Research Centre Pvt. Ltd. b) Sevana Electrical Appliance Pvt. Ltd. c) Sevana Medineeds Pvt. Ltd.
Details of the remuneration last drawn	Refer Annexure A to the Directors Report	Refer Annexure A to the Directors Report
Date of first appointment on the Board	16.03.2015	20.07.2015
Relationship with other Directors, Manager and other Key Managerial Personnel of the company	Nil	Nil
Number of Meetings of the Board attended during the year and other Directorships	Refer Corporate Governance Report forming part of Annual Report	Refer Corporate Governance Report forming part of Annual Report
Chairman/member of the Committee of the Board of Directors of this Company	Refer Corporate Governance Report forming part of Annual Report	Refer Corporate Governance Report forming part of Annual Report
Committee Membership in other Companies	Nil	Nil
Shareholdings in the Company	Nil	Nil

Route Map to the 24th Annual General Meeting Venue



Corporate Information

Board of Directors

Mr. Sabu M Jacob – Chairman & Managing Director

Mrs. Sindhu Chandrasekhar- Woman Director

Prof. E.M Paulose – Director

Mr. Benni Joseph – Director

Mr. K L V Narayanan – Director

Mr. C P Philipose – Director *

Mr. C. Mohan – Director **

(* since 20.07.2015)

(** upto 08.02.2016)

Board Committees

Audit Committee

Mr. Benni Joseph, Chairman

Prof. E.M Paulose, Member

Mr. C P Philipose, Member

Nomination and Remuneration Committee

Prof. E.M Paulose – Chairman

Mr. Benni Joseph – Member

Mr. K L V Narayanan – Member

Stakeholders Relationship Committee

Mr. K L V Narayanan - Chairman

Mr. Sabu M Jacob - Member

Mrs. Sindhu Chandrasekhar - Member

CSR Committee

Mr. Sabu M Jacob - Chairman

Mr. Benni Joseph - Member

Mr. K L V Narayanan - Member

Mr. C P Philipose, Member

Risk Management Committee

Mr. Sabu M Jacob, Chairman

Mr. Benni Joseph, Member

Prof. E. M. Paulose, Member

Key Managerial Personnel

Mr. Sabu M Jacob - Chairman, Managing Director & CFO (Addl. charge)

Mr. A. Babu - Company Secretary

Independent Statutory Auditors

M/s. Kolath & Co., Chartered Accountants, Kochi #

M/s. Varma & Varma, Chartered Accountants, Kochi ##

(# upto 24th AGM)

(## w.e.f 24th AGM)

Secretarial Auditors

M/s. SVJS & Associates, Company Secretaries, Kochi

Legal Advisors

Joseph & Kurian , Advocates, Kochi

Income Tax Consultants

M/s. Varma & Varma, Chartered Accountants, Kochi

Banker

State Bank Of India

Share Transfer Agents

M/s. Cameo Corporate Services Limited

Subramanian Building No. 1, Club House Road, Chennai 600002, Tamil Nadu

Tel: 044-28460390, Fax: 044-28460129

E-mail: investor@cameoindia.com

Registered Office & Factory

Kitex Garments Limited

(CIN: L18101KL1992PLC006528)

P. B. No. 5, Kizhakkambalam - 683562,

Alwaye, Kochi, Kerala

Phone: 91 0484 4142000, Fax: 91 484 2680604

Website: www.kitexgarments.com,

E-mail: sect@kitexgarments.com

Listed in Stock Exchanges:

Bombay Stock Exchange, Mumbai

National Stock Exchange, Mumbai

1. FORMAT FOR REGISTERING EMAIL ID

DP/Client ID / Folio No:

Name of the sole / first holder:

Postal Address:

Email Address:

Contact Telephone No:

Signature

2. FORMAT OF MANDATE FOR PAYMENT OF DIVIDEND BY NECS / NEFT

Folio No:

Name of the sole / first holder:

Postal Address:

Email Address:

I hereby authorize M/s Kitex Garments Limited to make payment of dividend by direct credit to my bank account the details of which are furnished below:

Bank Name

Branch Name:

Branch Address:

MICR code:

IFSC code:

Account Type:

Account No:

I enclose herewith the following documents in proof of the above details:

Photocopy of Bank Pass Book / Bank Statement

Photocopy of a Blank cheque leaf of the account

Signature

3. FORMAT FOR CLAIMING UNPAID DIVIDENDS OF PREVIOUS YEARS

DP / Client ID / Folio No:

Name of the sole / first holder:

Postal Address:

Years for which dividend not received:

Email:

Contact Telephone No:

Signature

Directors' Report

Your Directors have pleasure in presenting the Twenty fourth Annual Report of the Company together with the Audited Statement of Accounts for the financial year ended March 31, 2016.

1. Financial Highlights

Highlights of financial Results for the year are as under:

(₹ in Lakhs)

Particulars	Standalone		Consolidated	
	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2016	For the year ended March 31, 2015
Gross Income	56,563.33	52,451.93	54,581.67	52,451.93
Profit Before Interest and Depreciation	20,608.48	18,216.10	20,608.48	18,216.10
Finance Charges	1,375.67	1,916.41	1,375.67	1,916.41
Profit before Depreciation	19,232.81	16,299.69	19,232.81	16,299.69
Provision for Depreciation	2,127.31	2,132.94	2,127.31	2,132.94
Net Profit Before Tax	17,105.50	14,166.75	17,105.50	14,166.75
Provision for Tax	5,896.00	4,315.00	5,896.00	4,315.00
Net Profit After Tax	11,209.50	9,851.75	11,209.50	9,851.75
Share Of Profit/ (Loss) Of Associates	-	-	(240.04)	-
Net Profit after share of profit of Associates	-	-	10,969.46	-
Balance of Profit brought forward	23,025.44	15,054.82	23,025.44	15,054.82
Balance available for appropriation	34,234.94	24740.76	33,994.90	24740.76
Dividend on Equity Shares (Interim and Final Proposed)	712.50	593.75	712.50	593.75
Tax on proposed Dividend	145.05	121.57	145.05	121.57
Carrying amounts debited to Retained earnings where useful life of assets was nil as on 01.04.2014	-	165.81	-	165.81
Transfer to General Reserve	2,000.00	1000.00	2,000.00	1000.00
Surplus carried to Balance Sheet	31,377.39	23025.44	31,137.35	23,025.44

2. Operations of the Company

Your Company is into 100% exports of cotton garments especially Infantswear. The Company exports its products to United States and European Markets.

a) Performance review

Your Company achieved a higher turnover of around 8% and the total gross revenues touched ₹ 56,563 lakhs and profit before depreciation and taxes recorded was ₹ 17,105.50 Lakhs which is also up by 20.74% as compared to previous years. With investment in high level of modernization and technology upgradation, the effort put in by 4119 dedicated employees and the management staff and with the support of Banks, suppliers and customers your company could attain these levels or performance. The earnings per equity share (of face value of ₹1/-) for the year increased from ₹20.74 to ₹23.68.

Your Directors are pleased to report that consistent efforts and policy to cut down the cost has resulted in reduction in per unit cost and consequently enabled the company to achieve better margins and face competitors more efficiently.

Kitex USA LLC opened its office in Delaware on October 5, 2015. The Company is yet to commence its operations. In the consolidated Accounts for the period ended 31st March, 2016, except for appropriation of ₹240.04 lakhs in the net profit after taxes, there has not been any significant changes for the investment made in Kitex USA LLC for the capitalization of \$7,00,210 as on 31st March, 2016 in their accounts.

No material changes and commitments have occurred after the close of the year till the date of this Report, which affect the financial position of the Company.

b) Dividend

As you are aware your Directors had recommended a 1st Interim dividend of ₹0.75 per equity share of ₹1/- each on October 19, 2015. The company has earned a net profit of ₹ 11,209.50 lakhs for the year ended March 31, 2016 and accordingly your Directors have recommended a final dividend of ₹0.75 per equity share of face value ₹ 1/- making it to a total of ₹ 1.50 per equity share of ₹ 1/- each which is 150% dividend against the previous years dividend of 125%. The proposed final dividend is subject to the approval of the members at the ensuing Annual General Meeting.

The total dividend appropriation (excluding dividend tax) for the current year is ₹ 712.50 lacs as against 593.75 lacs in the previous year. The Company has paid dividend distribution tax of ₹145.05 lacs for the current year.

c) Share Capital

During the year under review, there was no change in the Company's issued, subscribed and paid-up equity share capital. On March 31, 2016, it stood at ₹ 475 lacs divided into 4,75,00,000 equity of ₹ 1 each.

d) Transfer to Reserve

Your Company has earned a total profit after tax of ₹ 11,209.50 lakhs out of which a sum of ₹ 2000.00 lakhs (which include ₹ 10.00 Crores which had been provisioned during the declaration of 1st Interim Dividend on 19.10.2015) has been transferred to General Reserve for the purpose of future expansions and acquisitions.

e) Transfer of amount to Investors Education and Protection Fund

The Company has transferred unclaimed dividend of ₹ 4,51,897 for the financial year 2007-08 to Investors Education Protection Fund (IEPF) on 30.10.2015.

3. Capital Expenditure

As on 31st March, 2016, the gross Fixed Assets stood at ₹ 26,830.03 lakhs and net fixed assets ₹ 17,298.88 lakhs. Additions during the year amount to ₹ 642.08 lakhs.

Your Directors have approved an expenditure of a total of ₹ 642 lakhs for upgrading technology, modernization and infrastructural developments during the year under review.

4. Future Prospects

The US market trend shows a stabilization of its GDP at 2.50% for the year 2016. With better GDP growth, increase in capital formation, per capita income growth and lower unemployment data, your company expects the Consumer Sector to show more strength and hence there is further scope for improvement on the upswing with a chance for reduction in Federal deficit gap. With an anticipated CAGR of 4.1% on an average, the Childrenswear market in US is valued at about \$ 70.1 billion by 2018.

The Cotton consumption world over have deteriorated significantly from 116 million bales to under 109 million bales. In China, the consumption fell by about 5 million bales while outside China it fell by less than 1 million bales. This decline in production implies that despite worsening consumption, de-stocking has continued at an even faster rate than initially expected. This is expected to keep the input cost under check.

The Global growth, currently estimated at 3.1 percent in 2015 is projected at 3.4 percent in 2016. The pickup of global activity is projected to be more gradual during the current year, especially in emerging market and developing economics. The ongoing slowdown and rebalancing of the Chinese economy, lower commodity prices, and strains in some large emerging market economics will continue to weight on growth prospects in 2016-17. The risks to the global outlook remain tilted to the downside and relate to ongoing adjustments in global economy as a generalized slowdown in

emerging market economies with China trying to rebalance its internal economic conditions. While the growth in China and other Asian market is expected to slow to 6.3 percent in 2016, primarily reflecting weaker investment growth, India and the rest of emerging Asia are likely to grow at a robust pace, although with some countries are facing strong headwinds from China's economic rebalancing and global manufacturing weakness.

With stiff competition continuing, the international buyers show preference to your company's products due to its excellent quality, timely delivery and introduction of new designs based on new market trends and hence your Directors are confident of achieving better working results in the coming year. Consequent to incorporation of Kitex USA LLC by your company, the new entity has been able to introduce new private label LAMAZE during the year under review. The first shipment is likely to move off Indian Coast in July – Sept 2016. Your Directors are also pleased to inform you that a few more buyers in USA have evinced interest in your product range and are in the final stages of discussion, the sales to them is expected during the current financial year.

5. Awards and Recognition

a) Forbes Award

Your Directors are pleased to inform that your company was selected one among the “Best under A Billion” award by the Editors of Forbes Media LLC for the year 2015 from the 200 odd companies in Asia pacific region. Your Company received the award at a glittering function on November 2, 2015 at Kuala Lumpur, Malaysia.

b) EY Entrepreneur of the year 2015

Your Directors are pleased to inform that Mr. Sabu M Jacob, Chairman & Managing Director was among the 19 Entrepreneur selected for the EY Entrepreneur of the year 2015. Mr. Sabu M Jacob was facilitated at the function held on 28th December, 2015 in Mumbai.

c) Jockey Great Partnership 2015

Your Directors like to inform that in the Annual meeting of Vendors in Hong Kong in January, 2016, your company was selected and awarded the “JOCKEY Debra S Waller Award for great partnership 2015”.

6. Change in the Nature of Business

During the year under review, there was no change in the nature of the business.

7. Listing

The Equity Shares of the Company continue to remain listed on BSE Limited and National Stock Exchange of India Limited.

8. Fixed Deposit

The Company has not accepted any deposit within the meaning of Chapter V of the Companies Act, 2013 and the Rules framed there under.

9. Particulars of Loans, Guarantees or Investments

Particulars of investments made during the period under review, are provided in the standalone financial statement (Please refer to Note. 29 to the standalone financial statement). There were no Loan given, guarantees given and securities provided by the Company during the reporting period.

10. Extract of Annual Return

Details forming part of the extract of the Annual Return in form MGT 9 is annexed herewith as “Annexure A”.

11. Directors and Key Managerial Personnel

Mrs. Sindhu Chandrasekhar retires in the forthcoming Annual General Meeting and being eligible offers herself for reappointment. Brief particulars of Mrs. Sindhu, her expertise in various functional areas is given in the Notice convening the Annual General Meeting.

Mr. C. Mohan, Director resigned from the Board of the Company with effect from February 08, 2016. The Board places on record its deep sense of

appreciation for the valuable guidance and counsel provided by Mr. C. Mohan during his tenure as a Director of the Company.

During the year under review, Mr. Boby Micheal, General Manager – Finance & Chief Financial Officer who was appointed as Key Managerial Personnel, has resigned with effect from the closing hours on January 7, 2016. Mr. Sabu M Jacob who has been holding the post of Chairman & Managing Director is re-designated as Chairman & Managing Director and Chief Financial officer with effect from 25.01.2016 until such time as the Board may decide.

Mr. C.P. Philipose (DIN 01125157) was appointed as Additional Director of the Company with effect from July 20, 2015 and holds office upto the date of forthcoming Annual General Meeting. Pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder, read with Schedule IV to the Companies Act, 2013, your Directors recommended the appointment of Mr. C.P Philipose as Independent Director of the Company to hold office for a period of five years with effect from June 10, 2016, subject to approval by the members in the ensuing Annual General Meeting and his office as Independent Director shall not be subject to retirement by rotation. Details of the proposal for appointment of Mr. C. P. Philipose are mentioned in the Explanatory Statement under Section 102 of the Companies Act, 2013 of the Notice of the ensuing Annual General Meeting.

In compliance with Reg 36(3) of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, brief resume of all the Directors proposed to be appointed / re-appointed are attached along with the Notice to the ensuing Annual General Meeting.

During the year under review, 4 (Four) meetings of the Board of Directors, Board Committees were held, details of which are set out in the Corporate Governance Report which forms a part of this Report.

11.1. Declaration by Independent Directors and Familiarisation Programme

Pursuant to sub section (6) of Section 149 of the Companies Act, 2013 and Reg 16(1) (b) of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, the Independent Directors of the Company viz. Mr. Benni Joseph, Mr. E. M. Poulose, Mr. C. P. Philipose and Mr. K.L.V. Narayan have given declaration to the Company that they qualify the criteria of independence as required under the Act and the regulations.

11.2. Annual Board Evaluation and Familiarizing programme

The Board has carried out an annual evaluation of its own performance, the directors and also committees of the Board based on the guideline formulated by the Nomination & Remuneration Committee. Board composition, quality and timely flow of information, frequency of meetings, and level of participation in discussions were some of the parameters considered during the evaluation process.

A note on the familiarizing programme adopted by the Company for the orientation and training of the Directors and the Board evaluation process undertaken in compliance with the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is provided in the Corporate Governance Report which forms part of this Report.

Further, the Independent Directors of the Company met once during the year on January 25, 2016 to review the performance of the Non-executive directors, Chairman of the Company and performance of the Board as a whole.

11.3. Policy on Nomination and Remuneration and Performance evaluation of Directors, KMP and Senior Management Personnel

The Company believes that a diverse and inclusive culture is integral to its success. A diverse Board, among others, will enhance the quality of decisions by utilizing different skills, qualifications, professional experience and knowledge of the Board members necessary for achieving sustainable and balanced development. Accordingly, Board based on the recommendation of the Nomination and Remuneration Committee has formulated a policy on remuneration of Directors, Key Managerial Personnel and Senior Management of the Company. The policy covers the appointment, including criteria for determining qualification, positive attributes, independence and remuneration of its Directors, Key Managerial Personnel and Senior Management Personnel. The Nomination and Remuneration Policy is annexed as Annexure – B to this report.

12. Board Committees

Detailed composition of the mandatory Board committees namely Audit Committee, Nomination and Remuneration Committee, CSR Committee, Risk Management Committee, Stakeholders Relationship Committee, number of meetings held during the year under review and other related details are set out in the Corporate Governance Report which forms a part of this Report.

There have been no situations where the Board has not accepted any recommendation of the Audit Committee.

13. Directors' Responsibility Statement

The Directors confirm that –

- a) in the preparation of the annual accounts for the financial year ended March 31, 2016, the applicable accounting standards had been followed and there were no material departures;

- b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year as at March 31, 2016 and of the profit and loss of the company for that period;
- c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) the directors had prepared the annual accounts on a going concern basis;
- e) the directors, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

14. Employees' Stock Option Scheme

The Company has not granted any Employee Stock Option within the meaning of section 62 (1) (b) of the Companies Act, 2013 read with its Rules framed there under and respective SEBI regulations.

15. Subsidiary & Associate Company

As on March 31, 2016, the Company has a Associate Company, Kitex USA LLC, accounts of which shall be made available to the shareholders of the Company seeking such information at any point of time. The Consolidated Financial Statements of the Company along with its Associate prepared for the year 2015-16 in accordance with relevant Accounting Standard issued by Institute of Chartered Accountants of India forms part of this Annual Report. A report on the performance and financial position of each of the subsidiaries, associates and joint venture companies

as per the Companies Act, 2013 is provided as Annexure-C.

The Company does not have any subsidiary as on reporting date. During the year under review, companies does not have become or ceased to be Company's subsidiaries, joint ventures or associate companies.

16. Corporate Social Responsibility

The Company undertakes "Corporate Social Responsibility" initiatives directly to the public of Kizhakkambalam Panchayat in improving the quality of life. During the year 2015-16, the Company has undertaken many initiatives through a policy framework for expanding some of the present initiatives and undertaking newer CSR initiatives in the year to come.

The CSR Policy may be accessed on the Company's website at the link: <http://www.kitexgarments.com/wp-content/uploads/2015/11/CSR-POLICY.pdf>

Our vision on Corporate Social Responsibility, where we dream to make Kizhakkambalam Panchayat the best in the state among the total 978 Panchayaths.

The Annual Report on CSR Activities in prescribed format is enclosed with this as Annexure - D.

Detailed composition of the CSR Committee, number of meetings held during the year under review and other related details are set out in the Corporate Governance Report which forms a part of this Report.

17. Management's Discussion and Analysis Report

Management's Discussion and Analysis Report for the year under review, as stipulated under Reg 34 of SEBI (Listing Obligations & Disclosure Requirements) Reg 2015 with the Stock Exchanges in India, is presented in a separate section forming part of the Annual Report.

18. Corporate Governance

The report on Corporate Governance as stipulated under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 forms an integral part of this Report. The requisite certificate from the Secretarial Auditors of the Company confirming compliance with the conditions of corporate governance is attached to the report on Corporate Governance.

19. Business Risk Management

During the year under review, Board has constituted a Risk Management Committee with Mr. Sabu M. Jacob as the Chairman and Mr. Benni Joseph and Mr. E. M. Paulose as the members. The Committee has been entrusted with the responsibility to assist the Board in (a) Reviewing and approving the Company's enterprise wide risk management framework; and (b) Monitoring the risks which the Company faces such as Commodity Price Risks, Uncertain Global economic environment risk, Interest rate risk, Foreign Exchange Risk, Human Resource Risk, Competition Risk, Compliance Risk, Industrial Safety – Employee Health Risk and other risks have been identified and that procedure has been laid down to inform members of the Board of Directors about risk management plan for the minimization of risk. The Risk Management Policy has been adopted by the Committee.

The Company manages, monitors and reports on the principal risks and uncertainties that can impact its ability to achieve its strategic objectives.

A detailed report on Risk Management is included in Management Discussion and Analysis which forms part of this Report. The report clearly states development and implementation of a risk management policy for the company including identification therein of elements of risks along with risk mitigation plan.

20. Internal Financial Control

Details in respect of adequacy of internal financial controls with reference to the Financial Statements are stated in Management Discussion and Analysis which forms part of this Report.

21. Conservation of Energy, Technology Absorption and Foreign Exchange earnings and outgo

The particulars relating to conservation of energy, technology absorption, foreign exchange earnings and outgo, as required to be disclosed under the Act, are provided in Annexure - E to this Report.

22. Auditors:

22.1. Statutory Auditors

Messrs Kolath & Co, Chartered Accountants (Firm Regn No. 008926S), Statutory Auditors of the Company were appointed as the Statutory Auditors of the Company at the Annual General Meeting held on December 30, 2010. They have completed a period of seven years as on the date of this ensuing Annual General Meeting. M/s. Kolath & Co has informed the Board of Directors of your company that they are not seeking re-appointment. Hence Company has proposed the appointment of Messrs Varma & Varma, Chartered Accountants (Firm Registration No. 004532S) as the Independent Statutory Auditors of the Company. The Auditors if appointed shall hold office from the conclusion of this Annual General Meeting till the conclusion of next Annual General Meeting. The Company has received a letter from the M/s. Varma and Varma, Chartered Accountants to the effect that the approval of their appointment, if made at the forthcoming Annual General Meeting, would be in accordance with the limits prescribed under 141 (3) (g) of the Act.

There is no qualification, disclaimer, reservation or adverse remark made by the Statutory Auditors in Auditors' Report. Your Board of Directors recommend their appointment as Independent Auditors for the financial year 2016-17.

22.2. Secretarial Auditors

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of the Directors of the Company had appointed M/s. SVJS & Associates, Company Secretaries to undertake the Secretarial Audit of the Company for the year ended March 31, 2016. The Secretarial Auditors have submitted their report and the Board took note of the same. The Secretarial Audit Report is annexed as Annexure – F.

22.3. Internal Auditor

The Board had appointed Messrs. Ernst and Young LLP as Internal Auditors for the financial year 2015-16.

23. Related Party Transactions

All Transaction entered into with the Related Parties during the financial year under the review were on an arm's length basis and were in the ordinary course of business. There was no materially significant transaction with the Company's Promoters, Directors, Management or their relatives that could have had a potential conflict with the interests of the Company. All Related Party Transaction upto March 31, 2016 were placed before the Audit Committee as also the Board for approval. The policy on Materiality of and dealing with Related Party transactions as approved by the Board is uploaded on the Company's website on the below link: <http://www.kitexgarments.com/wp-content/uploads/2015/11/related-party-transaction.pdf>

None of the Directors has any pecuniary relationships or transactions except to the extent of remuneration drawn by the directors.

Since all related party transactions entered into by the Company were in ordinary course of business and were on an arm's length basis, form AOC - 2 is not applicable to the Company.

24. Significant and Material Order

There were no significant and material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and company's operations in future for the year under review.

25. Whistle Blower Policy (Vigil Mechanism)

Pursuant to Section 177 of the Companies Act, 2013 the rules made thereunder and the Regulation 22 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has established a Vigil Mechanism for directors and employees to report genuine concerns about any instance of any irregularity, unethical practice and/or misconduct. The Details of the Vigil policy is explained in the Corporate Governance Report.

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

Considering gender equality, the Company has zero tolerance for sexual harassment at workplace. The Company has an Anti Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. An Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

The following is a summary of sexual harassment complaints received and disposed off during the year 2015-16:

- No. of complaints received: Nil
- No. of complaints disposed off: Nil

The Company has filed Annual Report for the year ended December 31, 2015 under the Act with District officer.

27. Particulars of Employees

The Disclosure as required under Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed as Annexure – G and forms a part of this report.

Information relating to remuneration of Directors under Section 197 read with Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 has been given Annexure I to the Director's Report

28. General

- Neither the Managing Director nor the Whole-time Directors of the Company receive any remuneration or commission from any of its subsidiaries.
- During the period under review, there were no frauds reported by the auditors under provisions of the Companies Act, 2013

29. Acknowledgements

Your Directors thank various Central and State Government Departments, Organizations and Agencies for the continued help and co-operation extended by them. The Directors also gratefully acknowledge all stakeholders of the Company viz. customers, members, dealers, vendors, banks and other business partners for the excellent support received from them during the year. The Directors place on record their sincere appreciation to all employees of the Company for their unstinted commitment and continued contribution to the Company

For and on behalf of the Board of Directors
Kitex Garments Limited

Sd/-

Sabu M. Jacob

Chairman & Managing Director
(DIN: 00046016)

Place: Kizhakkambalam
Date: April 4, 2016

Annexure - A

To the Directors' Report

Extract of Annual Return

(Form No. MGT-9)

As on the financial year ended on March 31, 2016

[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	L18101KL1992PLC006528
ii)	Registration date	29.05.1992
iii)	Name of the Company	Kitex Garments Limited
iv)	Category/Sub category of the Company	Company Limited by Shares. Indian Non-Government Company
v)	Address of the Registered office and contact details	Building No. 9/536 A, Kizhakkambalam, Aluva, Kochi 683 562, Kerala Tel. No.: 0484- 4142000 Fax No.: 0484- 2680604 Email: sect@kitexgarments.com
vi)	Whether listed company	Yes
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	M/s. cameo Corporate Services Limited, Subramanian Building No. 1, Club House Road, Chennai 600 002, Tamil Nadu Tel: 044- 28460390 Fax:044 – 28460129 E-mail: murali@cameoindia.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	Garments	2650	87%
2	Fabrics	2650	13%

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	Kitex USA LLC, 70, Glenwood, N. J. 07 450, Bergen County, New Jersey	141389240	Associate	50%	2(6)

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

i) Category-wise Share Holding as of March 31, 2016

Category of Shareholders	No. of shares at the beginning of the year				No of shares 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	-	-	-	-	-	-	-	-	-
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt(s).	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	73,50,329	-	73,50,329	15.47	73,50,329	-	73,50,329	15.47	-
e) Banks/ FI	-	-	-	-	-	-	-	-	-
f) Any Other									
i. Directors and Relatives of Director	184,15,268	-	184,15,268	38.77	184,15,268	-	184,15,268	38.77	-
Sub-total (A) (1) :-	257,65,597	-	257,65,597	54.24	257,65,597	-	257,65,597	54.24	-

Category of Shareholders	No. of shares at the beginning of the year				No of shares at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(2) Foreign									
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Others - Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks/ FI	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
Sub- total (A) (2):-	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoter (A) = (A)(1) + (A)(2)	257,65,597	-	257,65,597	54.24	257,65,597	-	257,65,597	54.24	-
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	329	-	329	-	60,237	-	60,237	0.13	0.13
b) Banks/ FI	79,336	-	79,336	0.17	-	-	-	-	-0.17
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt(s).	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	141	-	141	-	-
f) Insurance Companies		-	-	-		-		-	-
g) FIs	9,64,982	-	9,64,982	2.03	9,32,990	-	9,32,990	1.96	-0.07
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Foreign Portfolio Investor (Corporate) category II	1,75,071	-	1,75,071	0.37	4,80,047	-	4,80,047	1.01	0.64
Foreign Portfolio Investor (Corporate) Category III		-	-	-	43,078	-	43,078	0.09	0.09
Sub -total (B) (1) :-	12,19,718	-	12,19,718	2.57	15,16,493	-	15,16,493	3.19	0.62

Category of Shareholders	No. of shares at the beginning of the year				No of shares at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
2. Non-Institutions									
a) Bodies Corp.									-
i) Indian	54,43,092	1,12,000	55,55,092	11.69	55,52,166	1,09,000	56,61,166	11.92	0.22
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual Shareholders holding nominal share Capital upto ₹ 1 lakh	60,48,633	19,34,762	79,83,395	16.81	66,78,517	16,43,752	83,22,269	17.52	0.71
ii) Individual shareholders holding nominal share Capital in excess of Rs 1 lakh	61,34,074	-	61,34,074	12.91	53,62,164	-	53,62,164	11.29	-1.63
c) Others (specify)									
Overseas Corporate Bodies	-	-	-	-	-	-	-	-	-
Clearing Member	48,158	-	48,158	0.10	1,07,078	-	1,07,078	0.23	0.12
Market Maker	-	-	-	-	-	-	-	-	-
Unclaimed Shares	-	-	-	-	-	-	-	-	-
Office Bearers	-	-	-	-	-	-	-	-	-
Non Resident Indian	4,42,115	-	4,42,115	0.93	5,05,092	-	5,05,092	1.06	0.13
HUF	3,41,951	-	3,41,951	0.72	2,50,241	-	2,50,241	0.53	-0.19
TRUSTS	9,900	-	9,900	0.02	9,900	-	9,900	0.02	-
									-
Sub -total (B) (2):-	184,67,923	20,46,762	205,14,685	43.19	184,65,158	17,52,752	202,17,910	42.56	-0.62
Total Public Shareholding (B) = (B)(1) + (B)(2)	196,87,641	20,46,762	217,34,403	45.76	199,81,651	17,52,752	217,34,403	45.76	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	454,53,238	20,46,762	475,00,000	100.00	457,47,248	17,52,752	475,00,000	100.00	-

ii) Shareholding of Promoters:

Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in the 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	
KITEX CHILDRENSWEAR LIMITED	73,50,329	15.47	-	73,50,329	15.47	-	-
BOBBY M JACOB JT1 : SABU M JACOB	69,10,750	14.55	-	69,10,750	14.55	-	-
SABU M JACOB JT1 : BOBBY M JACOB	38,46,950	8.10	-	38,46,950	8.10	-	-
SABU M JACOB	34,64,631	7.29	-	34,64,631	7.29	-	-
RENJITHA JOSEPH	30,91,500	6.51	-	30,91,500	6.51	-	-
M C JACOB	10,96,950	2.31	-	10,96,950	2.31	-	-
BOBY M JACOB	4,487	0.01	-	4,487	0.01	-	-
Total	257,65,597	54.24	-	257,65,597	54.24	-	-

iii) Change in Promoters' Shareholding:

	Shareholding at the beginning of the year 01.04.15 / end of the year 31.03.2016		Date	Increase / decrease in shareholding	Reason	Cumulative shareholding during the year	
	No. of shares	% of total shares of the Company				No. of shares	% of total shares of the Company
At the beginning of the year	257,65,597	54.24	01.04.2015	-	-	257,65,597	54.24
Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment/ transfer / bonus/ sweat equity etc.)	-	-	-	-	-	-	-
NIL							
At the end of the year	257,65,597	54.24	31.03.2016	-	-	257,65,597	54.24

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

For Each of the Top 10 Shareholders	Shareholding at the beginning of the year 1.4.2015 / end of the year 31.3.2016		Date	Increase / decrease in shareholding	Reason	Cumulative Shareholding during the year	
	No. of shares	% of total shares of the Company				No. of shares	% of total shares of the Company
C K G SUPER MARKET LIMITED							
At the beginning of the year 01-Apr-2015	30,00,000	6.31	01.04.2015			30,00,000	6.31
At the end of the Year 31-Mar-2016	30,00,000	6.31	31.03.2016			30,00,000	6.31
C K G SUPER MARKET LIMITED							
At the beginning of the year 01-Apr-2015	55,000	0.1157	01.04.2015			55,000	0.1157
Sale 03-Jul-2015	-17,355	0.0365	03.07.2015	Decrease	Market Sale	37,645	0.0792
Sale 10-Jul-2015	-3,000	0.0063	10.07.2015	Decrease	Market Sale	34,645	0.0729
Sale 17-Jul-2015	-10,763	0.0226	17.07.2015	Decrease	Market Sale	23,882	0.0502
At the end of the Year 31-Mar-2016	23,882	0.0502	31.03.2016			23,882	0.0502
GOPINATHAN C K .							
At the beginning of the year 01-Apr-2015	22,00,000	4.6315	01.04.2015			22,00,000	4.6315
At the end of the Year 31-Mar-2016	22,00,000	4.6315	31.03.2016			22,00,000	4.6315
GOPINATHAN C K .							
At the beginning of the year 01-Apr-2015	2,90,000	0.6105	01.04.2015			2,90,000	0.6105
Purchase 26-May-2015	2,758	0.0058	26.05.2015	Increase	Market Purchase	2,92,758	0.6163
Purchase 28-May-2015	6,000	0.0126	28.05.2015	Increase	Market Purchase	2,98,758	0.6289
Sale 05-Jun-2015	-1,654	0.0034	05.06.2015	Decrease	Market Sale	2,97,104	0.6254
Purchase 12-Jun-2015	2,896	0.0060	12.06.2015	Increase	Market Purchase	3,00,000	0.6315

For Each of the Top 10 Shareholders	Shareholding at the beginning of the year 1.4.2015 / end of the year 31.3.2016		Date	Increase / decrease in shareholding	Reason	Cumulative Shareholding during the year	
	No. of shares	% of total shares of the Company				No. of shares	% of total shares of the Company
Purchase 07-Aug-2015	24,836	0.0522	07.08.2015	Increase	Market Purchase	3,24,836	0.6838
Sale 21-Aug-2015	-4,448	0.0093	21.08.2015	Decrease	Market Sale	3,20,388	0.6745
Sale 04-Sep-2015	-26,362	0.0554	04.09.2015	Decrease	Market Sale	2,94,026	0.6190
Sale 11-Sep-2015	-7,217	0.0151	11.09.2015	Decrease	Market Sale	2,86,809	0.6038
Sale 18-Sep-2015	-1,010	0.0021	18.09.2015	Decrease	Market Sale	2,85,799	0.6016
Purchase 25-Sep-2015	95,265	0.2005	25.09.2015	Increase	Market Purchase	3,81,064	0.8022
Purchase 09-Oct-2015	3,732	0.0078	09.10.2015	Increase	Market Purchase	3,84,796	0.8100
Sale 16-Oct-2015	-895	0.0018	16.10.2015	Decrease	Market Sale	3,83,901	0.8082
Purchase 23-Oct-2015	16,961	0.0357	23.10.2015	Increase	Market Purchase	4,00,862	0.8439
Purchase 30-Oct-2015	14,443	0.0304	30.10.2015	Increase	Market Purchase	4,15,305	0.8743
Purchase 06-Nov-2015	3,373	0.0071	06.11.2015	Increase	Market Purchase	4,18,678	0.8814
Purchase 13-Nov-2015	9,421	0.0198	13.11.2015	Increase	Market Purchase	4,28,099	0.9012
Sale 18-Dec-2015	-384	0.0008	18.12.2015	Decrease	Market Sale	4,27,715	0.9004
Purchase 08-Jan-2016	1,13,748	0.2394	08.01.2016	Increase	Market Purchase	5,41,463	1.1399
Purchase 22-Jan-2016	17,037	0.0358	22.01.2016	Increase	Market Purchase	5,58,500	1.1757
Sale 29-Jan-2016	-9,137	0.0192	29.01.2016	Decrease	Market Sale	5,49,363	1.1565
Purchase 26-Feb-2016	60,698	0.1277	26.02.2016	Increase	Market Purchase	6,10,061	1.2843
Purchase 04-Mar-2016	45,738	0.0962	04.03.2016	Increase	Market Purchase	6,55,799	1.3806
Purchase 11-Mar-2016	17,187	0.0361	11.03.2016	Increase	Market Purchase	6,72,986	1.4168
Purchase 18-Mar-2016	10,331	0.0217	18.03.2016	Increase	Market Purchase	6,83,317	1.4385
Purchase 25-Mar-2016	5,995	0.0126	25.03.2016	Decrease	Market Sale	6,89,312	1.4511
Purchase 31-Mar-2016	1,361	0.0028	31.03.2016	Increase	Market Purchase	6,90,673	1.4540

For Each of the Top 10 Shareholders	Shareholding at the beginning of the year 1.4.2015 / end of the year 31.3.2016		Date	Increase / decrease in shareholding	Reason	Cumulative Shareholding during the year	
	No. of shares	% of total shares of the Company				No. of shares	% of total shares of the Company
At the end of the Year 31-Mar-2016	6,90,673	1.4540	31.03.2016			6,90,673	1.4540
JINSHA NATH C K							
At the beginning of the year 01-Apr-2015	1098413	2.3124	01.04.2015			1098413	2.3124
Sale 10-Apr-2015	-43413	0.0913	10.04.2015	Decrease	Market Sale	1055000	2.2210
Purchase 24-Apr-2015	19217	0.0404	24.04.2015	Increase	Market Purchase	1074217	2.2615
Sale 01-May-2015	-15149	0.0318	01.05.2015	Decrease	Market Sale	1059068	2.2296
Purchase 08-May-2015	1143	0.0024	08.05.2015	Increase	Market Purchase	1060211	2.2320
Sale 15-May-2015	-4247	0.0089	15.05.2015	Decrease	Market Sale	1055964	2.2230
Purchase 22-May-2015	1000	0.0021	22.05.2015	Increase	Market Purchase	1056964	2.2251
Purchase 26-May-2015	2206	0.0046	26.05.2015	Increase	Market Purchase	1059170	2.2298
Sale 05-Jun-2015	-3265	0.0068	05.06.2015	Decrease	Market Sale	1055905	2.2229
Sale 12-Jun-2015	-7446	0.0156	12.06.2015	Decrease	Market Sale	1048459	2.2072
Sale 19-Jun-2015	-44056	0.0927	19.06.2015	Decrease	Market Sale	1004403	2.1145
Purchase 26-Jun-2015	794	0.0016	26.06.2015	Increase	Market Purchase	1005197	2.1162
Sale 30-Jun-2015	-4000	0.0084	30.06.2015	Decrease	Market Sale	1001197	2.1077
Sale 03-Jul-2015	-1197	0.0025	03.07.2015	Decrease	Market Sale	1000000	2.1052
Sale 24-Jul-2015	-2350	0.0049	24.07.2015	Decrease	Market Sale	997650	2.1003
Purchase 14-Aug-2015	52350	0.1102	14.08.2015	Increase	Market Purchase	1050000	2.2105
Purchase 20-Nov-2015	195	0.0004	20.11.2015	Increase	Market Purchase	1050195	2.2109
Sale 25-Dec-2015	-7000	0.0147	25.12.2015	Decrease	Market Sale	1043195	2.1962
Sale 31-Dec-2015	-537	0.0011	31.12.2015	Decrease	Market Sale	1042658	2.1950

For Each of the Top 10 Shareholders	Shareholding at the beginning of the year 1.4.2015 / end of the year 31.3.2016		Date	Increase / decrease in shareholding	Reason	Cumulative Shareholding during the year	
	No. of shares	% of total shares of the Company				No. of shares	% of total shares of the Company
Purchase 08-Jan-2016	805	0.0016	08.01.2016	Decrease	Market Sale	1043463	2.1967
Purchase 22-Jan-2016	4415	0.0092	22.01.2016	Increase	Market Purchase	1047878	2.2060
Purchase 05-Feb-2016	122	0.0002	05.02.2016	Increase	Market Purchase	1048000	2.2063
At the end of the Year 31-Mar-2016	1048000	2.2063	31.03.2016			1048000	2.2063
ACUMEN CAPITAL MARKET(INDIA) LTD							
At the beginning of the year 01-Apr-2015	1023851	2.1554	01.04.2015			1023851	2.1554
Sale 03-Apr-2015	-2451	0.0051	03.04.2015	Decrease	Market Sale	1021400	2.1503
Sale 10-Apr-2015	-110950	0.2335	10.04.2015	Decrease	Market Sale	910450	1.9167
Purchase 17-Apr-2015	100000	0.2105	17.04.2015	Increase	Market Purchase	1010450	2.1272
Sale 01-May-2015	-5000	0.0105	01.05.2015	Decrease	Market Sale	1005450	2.1167
Sale 08-May-2015	-500000	1.0526	08.05.2015	Decrease	Market Sale	505450	1.0641
Sale 05-Jun-2015	-381100	0.8023	05.06.2015	Decrease	Market Sale	124350	0.2617
Sale 12-Jun-2015	-3350	0.0070	12.06.2015	Decrease	Market Sale	121000	0.2547
Purchase 26-Jun-2015	496468	1.0451	26.06.2015	Increase	Market Purchase	617468	1.2999
Sale 17-Jul-2015	-1400	0.0029	17.07.2015	Decrease	Market Sale	616068	1.2969
Purchase 24-Jul-2015	1000	0.0021	24.07.2015	Increase	Market Purchase	617068	1.2990
Sale 31-Jul-2015	-24000	0.0505	31.07.2015	Decrease	Market Sale	593068	1.2485
Sale 07-Aug-2015	-35000	0.0736	07.08.2015	Decrease	Market Sale	558068	1.1748
Purchase 14-Aug-2015	23000	0.0484	14.08.2015	Increase	Market Purchase	581068	1.2233
Sale 04-Sep-2015	-3300	0.0069	04.09.2015	Decrease	Market Sale	577768	1.2163
Purchase 11-Sep-2015	35110	0.0739	11.09.2015	Increase	Market Purchase	612878	1.2902

For Each of the Top 10 Shareholders	Shareholding at the beginning of the year 1.4.2015 / end of the year 31.3.2016		Date	Increase / decrease in shareholding	Reason	Cumulative Shareholding during the year	
	No. of shares	% of total shares of the Company				No. of shares	% of total shares of the Company
Purchase 18-Sep-2015	749	0.0015	18.09.2015	Increase	Market Purchase	613627	1.2918
Purchase 23-Oct-2015	500	0.0010	23.10.2015	Increase	Market Purchase	614127	1.2928
Sale 30-Oct-2015	-769	0.0016	30.10.2015	Decrease	Market Sale	613358	1.2912
Purchase 13-Nov-2015	1700	0.0035	13.11.2015	Increase	Market Purchase	615058	1.2948
Sale 20-Nov-2015	-1350	0.0028	20.11.2015	Decrease	Market Sale	613708	1.2920
Sale 04-Dec-2015	-1288	0.0027	04.12.2015	Decrease	Market Sale	612420	1.2893
Sale 11-Dec-2015	-1000	0.0021	11.12.2015	Decrease	Market Sale	611420	1.2872
Sale 18-Dec-2015	-2949	0.0062	18.12.2015	Decrease	Market Sale	608471	1.2809
Sale 31-Dec-2015	-1011	0.0021	31.12.2015	Decrease	Market Sale	607460	1.2788
Sale 01-Jan-2016	-900	0.0018	01.01.2016	Decrease	Market Sale	606560	1.2769
Sale 08-Jan-2016	-7526	0.0158	08.01.2016	Decrease	Market Sale	599034	1.2611
Sale 15-Jan-2016	-2404	0.0050	15.01.2016	Decrease	Market Sale	596630	1.2560
Sale 22-Jan-2016	-250	0.0005	22.01.2016	Decrease	Market Sale	596380	1.2555
Sale 29-Jan-2016	-356	0.0007	29.01.2016	Decrease	Market Sale	596024	1.2547
Sale 05-Feb-2016	-2000	0.0042	05.02.2016	Decrease	Market Sale	594024	1.2505
Sale 12-Feb-2016	-2624	0.0055	12.02.2016	Decrease	Market Sale	591400	1.2450
Sale 19-Feb-2016	-3705	0.0078	19.02.2016	Decrease	Market Sale	587695	1.2372
Sale 26-Feb-2016	-3708	0.0078	26.02.2016	Decrease	Market Sale	583987	1.2294
Purchase 04-Mar-2016	387311	0.8153	04.03.2016	Increase	Market Purchase	971298	2.0448
Sale 11-Mar-2016	-1253	0.0026	11.03.2016	Decrease	Market Sale	970045	2.0422
Sale 25-Mar-2016	-50	0.0001	25.03.2016	Increase	Market Purchase	969995	2.0420
Purchase 31-Mar-2016	11,700	0.0246	31.03.2016	Increase	Market Purchase	9,81,695	2.0667

For Each of the Top 10 Shareholders	Shareholding at the beginning of the year 1.4.2015 / end of the year 31.3.2016		Date	Increase / decrease in shareholding	Reason	Cumulative Shareholding during the year	
	No. of shares	% of total shares of the Company				No. of shares	% of total shares of the Company
At the end of the Year 31-Mar-2016	9,81,695	2.0667	31.03.2016			9,81,695	2.0667
ACUMEN CAPITAL MARKET (INDIA) LTD							
At the beginning of the year 01-Apr-2015	271078	0.5706	01.04.2015			271078	0.5706
Purchase 05-Jun-2015	380000	0.8000	05.06.2015	Increase	Market Purchase	651078	1.3706
Sale 04-Mar-2016	-400000	0.8421	04.03.2016	Decrease	Market Sale	251078	0.5285
At the end of the Year 31-Mar-2016	251078	0.5285	31.03.2016			251078	0.5285
ACUMEN CAPITAL MARKET (INDIA)LTD							
At the beginning of the year 01-Apr-2015	17035	0.0358	01.04.2015			17035	0.0358
Sale 03-Apr-2015	-2	0.0000	03.04.2015	Decrease	Market Sale	17033	0.0358
Purchase 10-Apr-2015	3261	0.0068	10.04.2015	Increase	Market Purchase	20294	0.0427
Sale 17-Apr-2015	-204	0.0004	17.04.2015	Decrease	Market Sale	20090	0.0422
Sale 24-Apr-2015	-19666	0.0414	24.04.2015	Decrease	Market Sale	424	0.0008
Purchase 01-May-2015	3310	0.0069	01.05.2015	Increase	Market Purchase	3734	0.0078
Purchase 08-May-2015	296487	0.6241	08.05.2015	Increase	Market Purchase	300221	0.6320
Sale 15-May-2015	-405	0.0008	15.05.2015	Decrease	Market Sale	299816	0.6311
Purchase 22-May-2015	309	0.0006	22.05.2015	Increase	Market Purchase	300125	0.6318
Purchase 26-May-2015	810	0.0017	26.05.2015	Increase	Market Purchase	300935	0.6335
Sale 28-May-2015	-15	0.0000	28.05.2015	Decrease	Market Sale	300920	0.6335
Purchase 05-Jun-2015	3957	0.0083	05.06.2015	Increase	Market Purchase	304877	0.6418
Sale 12-Jun-2015	-154	0.0003	12.06.2015	Decrease	Market Sale	304723	0.6415
Sale 19-Jun-2015	-4010	0.0084	19.06.2015	Decrease	Market Sale	300713	0.6330

For Each of the Top 10 Shareholders	Shareholding at the beginning of the year 1.4.2015 / end of the year 31.3.2016		Date	Increase / decrease in shareholding	Reason	Cumulative Shareholding during the year	
	No. of shares	% of total shares of the Company				No. of shares	% of total shares of the Company
Sale 26-Jun-2015	-300629	0.6329	26.11.2015	Increase	Market Purchase	84	0.0001
Sale 30-Jun-2015	-17	0.0000	30.06.2015	Decrease	Market Sale	67	0.0001
Purchase 03-Jul-2015	40	0.0000	03.07.2015	Increase	Market Purchase	107	0.0002
Purchase 10-Jul-2015	75	0.0001	10.07.2015	Increase	Market Purchase	182	0.0003
Sale 17-Jul-2015	-182	0.0003	17.07.2015	Decrease	Market Sale	0	0.0000
Purchase 24-Jul-2015	16524	0.0347	24.07.2015	Increase	Market Purchase	16524	0.0347
Purchase 31-Jul-2015	16267	0.0342	31.07.2015	Increase	Market Purchase	32791	0.0690
Sale 07-Aug-2015	-13864	0.0291	07.08.2015	Decrease	Market Sale	18927	0.0398
Purchase 14-Aug-2015	5017	0.0105	14.08.2015	Increase	Market Purchase	23944	0.0504
Purchase 21-Aug-2015	23375	0.0492	21.08.2015	Increase	Market Purchase	47319	0.0996
Purchase 28-Aug-2015	32965	0.0694	28.08.2015	Increase	Market Purchase	80284	0.1690
Purchase 04-Sep-2015	3370	0.0070	04.09.2015	Increase	Market Purchase	83654	0.1761
Purchase 11-Sep-2015	3278	0.0069	11.09.2015	Increase	Market Purchase	86932	0.1830
Sale 18-Sep-2015	-355	0.0007	18.09.2015	Decrease	Market Sale	86577	0.1822
Sale 25-Sep-2015	-85834	0.1807	25.09.2015	Decrease	Market Sale	743	0.0015
Sale 30-Sep-2015	-20	0.0000	30.09.2015	Decrease	Market Sale	723	0.0015
Purchase 09-Oct-2015	450	0.0009	09.10.2015	Increase	Market Purchase	1173	0.0024
Purchase 16-Oct-2015	89	0.0001	16.10.2015	Increase	Market Purchase	1262	0.0026
Purchase 23-Oct-2015	962	0.0020	23.10.2015	Increase	Market Purchase	2224	0.0046
Sale 30-Oct-2015	-88	0.0001	30.10.2015	Decrease	Market Sale	2136	0.0044
Purchase 06-Nov-2015	1839	0.0038	06.11.2015	Increase	Market Purchase	3975	0.0083
Purchase 13-Nov-2015	766	0.0016	13.11.2015	Increase	Market Purchase	4741	0.0099

For Each of the Top 10 Shareholders	Shareholding at the beginning of the year 1.4.2015 / end of the year 31.3.2016		Date	Increase / decrease in shareholding	Reason	Cumulative Shareholding during the year	
	No. of shares	% of total shares of the Company				No. of shares	% of total shares of the Company
Purchase 20-Nov-2015	13786	0.0290	20.11.2015	Increase	Market Purchase	18527	0.0390
Purchase 27-Nov-2015	19425	0.0408	27.11.2015	Increase	Market Purchase	37952	0.0798
Purchase 04-Dec-2015	34570	0.0727	04.12.2015	Increase	Market Purchase	72522	0.1526
Purchase 11-Dec-2015	8829	0.0185	11.12.2015	Increase	Market Purchase	81351	0.1712
Purchase 18-Dec-2015	1168	0.0024	18.12.2015	Increase	Market Purchase	82519	0.1737
Sale 25-Dec-2015	-11	0.0000	25.12.2015	Decrease	Market Sale	82508	0.1737
Sale 31-Dec-2015	-860	0.0018	31.12.2015	Decrease	Market Sale	81648	0.1718
Sale 08-Jan-2016	-80608	0.1697	08.01.2016	Decrease	Market Purchase	1040	0.0021
Purchase 15-Jan-2016	8977	0.0188	15.01.2016	Increase	Market Purchase	10017	0.0210
Sale 22-Jan-2016	-7080	0.0149	22.01.2016	Decrease	Market Sale	2937	0.0061
Purchase 29-Jan-2016	14811	0.0311	29.01.2016	Increase	Market Purchase	17748	0.0373
Purchase 05-Feb-2016	4582	0.0096	05.02.2016	Increase	Market Purchase	22330	0.0470
Purchase 12-Feb-2016	50532	0.1063	12.02.2016	Increase	Market Purchase	72862	0.1533
Sale 19-Feb-2016	-140	0.0002	19.02.2016	Decrease	Market Sale	72722	0.1530
Sale 26-Feb-2016	-53849	0.1133	26.02.2016	Decrease	Market Sale	18873	0.0397
Sale 04-Mar-2016	-2	0.0000	04.03.2016	Decrease	Market Sale	18871	0.0397
Sale 11-Mar-2016	-17783	0.0374	11.03.2016	Decrease	Market Sale	1088	0.0022
Sale 18-Mar-2016	-73	0.0001	18.03.2016	Decrease	Market Sale	1015	0.0021
Purchase 25-Mar-2016	3737	0.0078	25.03.2016	Increase	Market Purchase	4752	0.0100
Purchase 31-Mar-2016	5074	0.0106	31.03.2016	Increase	Market Purchase	9826	0.0206
At the end of the Year 31-Mar-2016	9826	0.0206	31.03.2016	Increase	Market Purchase	9826	0.0206

For Each of the Top 10 Shareholders	Shareholding at the beginning of the year 1.4.2015 / end of the year 31.3.2016		Date	Increase / decrease in shareholding	Reason	Cumulative Shareholding during the year	
	No. of shares	% of total shares of the Company				No. of shares	% of total shares of the Company
ACUMEN CAPITAL MARKET (INDIA) LIMITED							
At the beginning of the year 01-Apr-2015	11000	0.0231	01.04.2015			11000	0.0231
Purchase 31-Jul-2015	24000	0.0505	31.07.2015	Increase	Market Purchase	35000	0.0736
Sale 11-Sep-2015	-35000	0.0736	11.09.2015	Decrease	Market Sale	0	0.0000
At the end of the Year 31-Mar-2016	0	0.0000	31.03.2016			0	0.0000
ACUMEN CAPITAL MARKET (INDIA) LTD							
At the beginning of the year 01-Apr-2015	10000	0.0210	01.04.2015			10000	0.0210
Sale 24-Apr-2015	-6000	0.0126	24.04.2015	Decrease	Market Sale	4000	0.0084
Sale 01-May-2015	-2800	0.0058	01.05.2015	Decrease	Market Sale	1200	0.0025
Sale 24-Jul-2015	-500	0.0010	24.07.2015	Decrease	Market Sale	700	0.0014
Purchase 31-Jul-2015	35000	0.0736	31.07.2015	Increase	Market Purchase	35700	0.0751
Purchase 07-Aug-2015	35000	0.0736	07.08.2015	Increase	Market Purchase	70700	0.1488
Sale 14-Aug-2015	-58700	0.1235	14.08.2015	Decrease	Market Sale	12000	0.0252
Sale 31-Mar-2016	-8000	0.0168	31.03.2016	Decrease	Market Sale	4000	0.0084
At the end of the Year 31-Mar-2016	4000	0.0084	31.03.2016			4000	0.0084
ACUMEN CAPITAL MARKET INDIA LIMITED							
At the beginning of the year 01-Apr-2015	5376	0.0113	01.04.2015			5376	0.0113
Purchase 03-Apr-2015	7403	0.0155	03.04.2015	Increase	Market Purchase	12779	0.0269
Purchase 10-Apr-2015	42712	0.0899	10.04.2015	Increase	Market Purchase	55491	0.1168
Sale 17-Apr-2015	-55491	0.1168	17.04.2015	Decrease	Market Sale	0	0.0000

For Each of the Top 10 Shareholders	Shareholding at the beginning of the year 1.4.2015 / end of the year 31.3.2016		Date	Increase / decrease in shareholding	Reason	Cumulative Shareholding during the year	
	No. of shares	% of total shares of the Company				No. of shares	% of total shares of the Company
Purchase 24-Apr-2015	2192	0.0046	24.04.2015	Increase	Market Purchase	2192	0.0046
Purchase 01-May-2015	10793	0.0227	01.05.2015	Increase	Market Purchase	12985	0.0273
Purchase 08-May-2015	92914	0.1956	08.05.2015	Increase	Market Purchase	105899	0.2229
Sale 15-May-2015	-5889	0.0123	15.05.2015	Decrease	Market Sale	100010	0.2105
Purchase 22-May-2015	36	0.0000	22.05.2015	Increase	Market Purchase	100046	0.2106
Purchase 26-May-2015	4092	0.0086	26.05.2015	Increase	Market Purchase	104138	0.2192
Sale 28-May-2015	-3486	0.0073	28.05.2015	Decrease	Market Sale	100652	0.2118
Purchase 29-May-2015	15294	0.0321	29.05.2015	Increase	Market Purchase	115946	0.2440
Sale 05-Jun-2015	-11355	0.0239	05.06.2015	Decrease	Market Sale	104591	0.2201
Purchase 12-Jun-2015	1743	0.0036	12.06.2015	Increase	Market Purchase	106334	0.2238
Purchase 19-Jun-2015	39674	0.0835	19.06.2015	Increase	Market Purchase	146008	0.3073
Sale 26-Jun-2015	-146008	0.3073	26.06.2015	Decrease	Market Sale	0	0.0000
Purchase 30-Jun-2015	7770	0.0163	30.06.2015	Increase	Market Purchase	7770	0.0163
Purchase 03-Jul-2015	9817	0.0206	03.07.2015	Increase	Market Purchase	17587	0.0370
Sale 10-Jul-2015	-17587	0.0370	10.07.2015	Decrease	Market Sale	0	0.0000
Purchase 17-Jul-2015	1001	0.0021	17.07.2015	Increase	Market Purchase	1001	0.0021
Purchase 24-Jul-2015	1349	0.0028	24.07.2015	Increase	Market Purchase	2350	0.0049
Sale 31-Jul-2015	-2340	0.0049	31.07.2015	Decrease	Market Purchase	10	0.0000
Purchase 07-Aug-2015	529	0.0011	07.08.2015	Increase	Market Purchase	539	0.0011
Purchase 14-Aug-2015	1726	0.0036	14.08.2015	Increase	Market Purchase	2265	0.0047
Sale 21-Aug-2015	-2093	0.0044	21.08.2015	Decrease	Market Sale	172	0.0003
Sale 28-Aug-2015	-172	0.0003	28.08.2015	Decrease	Market Sale	0	0.0000

For Each of the Top 10 Shareholders	Shareholding at the beginning of the year 1.4.2015 / end of the year 31.3.2016		Date	Increase / decrease in shareholding	Reason	Cumulative Shareholding during the year	
	No. of shares	% of total shares of the Company				No. of shares	% of total shares of the Company
Purchase 04-Sep-2015	15996	0.0336	04.09.2015	Increase	Market Purchase	15996	0.0336
Sale 11-Sep-2015	-9706	0.0204	11.09.2015	Decrease	Market Sale	6290	0.0132
Sale 18-Sep-2015	-5600	0.0117	18.09.2015	Decrease	Market Sale	690	0.0014
Purchase 25-Sep-2015	253	0.0005	25.09.2015	Increase	Market Purchase	943	0.0019
Sale 30-Sep-2015	-177	0.0003	30.09.2015	Decrease	Market Sale	766	0.0016
Sale 09-Oct-2015	-651	0.0013	09.10.2015	Decrease	Market Sale	115	0.0002
Sale 16-Oct-2015	-28	0.0000	16.10.2015	Decrease	Market Sale	87	0.0001
Sale 23-Oct-2015	-2	0.0000	23.10.2015	Decrease	Market Sale	85	0.0001
Purchase 30-Oct-2015	115	0.0002	30.10.2015	Increase	Market Purchase	200	0.0004
Purchase 06-Nov-2015	950	0.0020	06.11.2015	Increase	Market Purchase	1150	0.0024
Sale 13-Nov-2015	-1017	0.0021	13.11.2015	Decrease	Market Sale	133	0.0002
Sale 20-Nov-2015	-133	0.0002	20.11.2015	Decrease	Market Sale	0	0.0000
Purchase 27-Nov-2015	46	0.0000	27.11.2015	Increase	Market Purchase	46	0.0000
Purchase 04-Dec-2015	2570	0.0054	04.12.2015	Increase	Market Purchase	2616	0.0055
Sale 11-Dec-2015	-1716	0.0036	11.12.2015	Decrease	Market Sale	900	0.0018
Purchase 18-Dec-2015	5128	0.0107	18.12.2015	Increase	Market Purchase	6028	0.0126
Purchase 25-Dec-2015	3826	0.0080	25.12.2015	Increase	Market Purchase	9854	0.0207
Sale 31-Dec-2015	-9354	0.0196	31.12.2015	Decrease	Market Sale	500	0.0010
Purchase 01-Jan-2016	46	0.0000	01.01.2016	Increase	Market Purchase	546	0.0011
Sale 08-Jan-2016	-216	0.0004	08.01.2016	Decrease	Market Sale	330	0.0006
Purchase 15-Jan-2016	8375	0.0176	15.01.2016	Increase	Market Purchase	8705	0.0183
Sale 22-Jan-2016	-6763	0.0142	22.01.2016	Decrease	Market Sale	1942	0.0040

For Each of the Top 10 Shareholders	Shareholding at the beginning of the year 1.4.2015 / end of the year 31.3.2016		Date	Increase / decrease in shareholding	Reason	Cumulative Shareholding during the year	
	No. of shares	% of total shares of the Company				No. of shares	% of total shares of the Company
Purchase 29-Jan-2016	4438	0.0093	29.01.2016	Increase	Market Purchase	6380	0.0134
Sale 05-Feb-2016	-4564	0.0096	05.02.2016	Decrease	Market Sale	1816	0.0038
Sale 12-Feb-2016	-1748	0.0036	12.02.2016	Decrease	Market Sale	68	0.0001
Purchase 19-Feb-2016	3274	0.0068	19.02.2016	Increase	Market Purchase	3342	0.0070
Sale 26-Feb-2016	-2256	0.0047	26.02.2016	Decrease	Market Sale	1086	0.0022
Purchase 04-Mar-2016	6824	0.0143	04.03.2016	Increase	Market Purchase	7910	0.0166
Sale 11-Mar-2016	-7017	0.0147	11.03.2016	Decrease	Market Sale	893	0.0018
Sale 18-Mar-2016	-255	0.0005	18.03.2016	Decrease	Market Sale	638	0.0013
Purchase 25-Mar-2016	1407	0.0029	25.03.2016	Increase	Market Purchase	2045	0.0043
Purchase 31-Mar-2016	4168	0.0087	31.03.2016	Increase	Market Purchase	6213	0.0130
At the end of the Year 31-Mar-2016	6213	0.0130	31.03.2016			6213	0.0130
ACUMEN CAPITAL MARKET INDIA LIMITED							
At the beginning of the year 01-Apr-2015	4664	0.0098	01.04.2015			4664	0.0098
Purchase 03-Apr-2015	3600	0.0075	03.04.2015	Increase	Market Purchase	8264	0.0173
Purchase 10-Apr-2015	45634	0.0960	10.04.2015	Increase	Market Purchase	53898	0.1134
Sale 17-Apr-2015	-53898	0.1134	17.04.2015	Decrease	Market Sale	0	0.0000
Purchase 24-Apr-2015	2457	0.0051	24.04.2015	Increase	Market Purchase	2457	0.0051
Purchase 01-May-2015	10829	0.0227	01.05.2015	Increase	Market Purchase	13286	0.0279
Purchase 08-May-2015	87207	0.1835	08.05.2015	Increase	Market Purchase	100493	0.2115
Sale 15-May-2015	-493	0.0010	15.05.2015	Decrease	Market Sale	100000	0.2105
Purchase 26-May-2015	1684	0.0035	26.05.2015	Increase	Market Purchase	101684	0.2140

For Each of the Top 10 Shareholders	Shareholding at the beginning of the year 1.4.2015 / end of the year 31.3.2016		Date	Increase / decrease in shareholding	Reason	Cumulative Shareholding during the year	
	No. of shares	% of total shares of the Company				No. of shares	% of total shares of the Company
Sale 28-May-2015	-684	0.0014	28.05.2015	Decrease	Market Sale	101000	0.2126
Purchase 29-May-2015	8200	0.0172	29.05.2015	Increase	Market Purchase	109200	0.2298
Sale 05-Jun-2015	-6737	0.0141	05.06.2015	Decrease	Market Sale	102463	0.2157
Sale 12-Jun-2015	-320	0.0006	12.06.2015	Decrease	Market Sale	102143	0.2150
Purchase 19-Jun-2015	19459	0.0409	19.06.2015	Increase	Market Purchase	121602	0.2560
Sale 26-Jun-2015	-121602	0.2560	26.06.2015	Decrease	Market Sale	0	0.0000
Purchase 30-Jun-2015	1964	0.0041	30.06.2015	Increase	Market Purchase	1964	0.0041
Purchase 03-Jul-2015	6452	0.0135	03.07.2015	Increase	Market Purchase	8416	0.0177
Sale 10-Jul-2015	-8416	0.0177	10.07.2015	Decrease	Market Sale	0	0.0000
Purchase 17-Jul-2015	134	0.0002	17.07.2015	Increase	Market Purchase	134	0.0002
Sale 24-Jul-2015	-134	0.0002	24.07.2015	Decrease	Market Sale	0	0.0000
Purchase 04-Sep-2015	17995	0.0378	04.09.2015	Increase	Market Purchase	17995	0.0378
Sale 11-Sep-2015	-17068	0.0359	11.09.2015	Decrease	Market Sale	927	0.0019
Sale 18-Sep-2015	-927	0.0019	18.09.2015	Decrease	Market Sale	0	0.0000
Purchase 25-Sep-2015	605	0.0012	25.09.2015	Increase	Market Purchase	605	0.0012
Sale 30-Sep-2015	-605	0.0012	30.09.2015	Decrease	Market Sale	0	0.0000
Purchase 13-Nov-2015	50	0.0001	13.11.2015	Increase	Market Purchase	50	0.0001
Sale 20-Nov-2015	-50	0.0001	20.11.2015	Decrease	Market Sale	0	0.0000
Purchase 04-Dec-2015	158	0.0003	04.12.2015	Increase	Market Purchase	158	0.0003
Sale 11-Dec-2015	-58	0.0001	11.12.2015	Decrease	Market Sale	100	0.0002
Purchase 18-Dec-2015	1815	0.0038	18.12.2015	Increase	Market Purchase	1915	0.0040
Purchase 25-Dec-2015	3603	0.0075	25.12.2015	Increase	Market Purchase	5518	0.0116

For Each of the Top 10 Shareholders	Shareholding at the beginning of the year 1.4.2015 / end of the year 31.3.2016		Date	Increase / decrease in shareholding	Reason	Cumulative Shareholding during the year	
	No. of shares	% of total shares of the Company				No. of shares	% of total shares of the Company
Sale 31-Dec-2015	-5007	0.0105	31.12.2015	Decrease	Market Sale	511	0.0010
Sale 01-Jan-2016	-50	0.0001	01.01.2016	Decrease	Market Sale	461	0.0009
Sale 08-Jan-2016	-461	0.0009	08.01.2016	Decrease	Market Sale	0	0.0000
Purchase 15-Jan-2016	610	0.0012	15.01.2016	Increase	Market Purchase	610	0.0012
Sale 22-Jan-2016	-610	0.0012	22.01.2016	Decrease	Market Sale	0	0.0000
Purchase 29-Jan-2016	2780	0.0058	29.01.2016	Increase	Market Purchase	2780	0.0058
Sale 05-Feb-2016	-1880	0.0039	05.02.2016	Decrease	Market Sale	900	0.0018
Sale 12-Feb-2016	-900	0.0018	12.02.2016	Decrease	Market Sale	0	0.0000
Purchase 19-Feb-2016	549	0.0011	19.02.2016	Increase	Market Purchase	549	0.0011
Purchase 26-Feb-2016	2007	0.0042	26.02.2016	Increase	Market Purchase	2556	0.0053
Purchase 04-Mar-2016	3788	0.0079	04.03.2016	Increase	Market Purchase	6344	0.0133
Sale 11-Mar-2016	-5331	0.0112	11.03.2016	Decrease	Market Sale	1013	0.0021
Sale 18-Mar-2016	-627	0.0013	18.03.2016	Decrease	Market Sale	386	0.0008
Purchase 25-Mar-2016	634	0.0013	25.03.2016	Increase	Market Purchase	1020	0.0021
Purchase 31-Mar-2016	5280	0.0111	31.03.2016	Increase	Market Purchase	6300	0.0132
At the end of the Year 31-Mar-2016	6300	0.0132	31.03.2016	Increase	Market Purchase	6300	0.0132
ACUMEN CAPITAL MARKET (INDIA) LTD							
At the beginning of the year 01-Apr-2015	4000	0.0084	01.04.2015			4000	0.0084
Sale 20-Nov-2015	-100	0.0002	20.11.2015	Decrease	Market Sale	3900	0.0082
Sale 31-Mar-2016	-3900	0.0082	31.03.2016	Decrease	Market Sale	0	0.0000
At the end of the Year 31-Mar-2016	0	0.0000	31.03.2016			0	0.0000

For Each of the Top 10 Shareholders	Shareholding at the beginning of the year 1.4.2015 / end of the year 31.3.2016		Date	Increase / decrease in shareholding	Reason	Cumulative Shareholding during the year	
	No. of shares	% of total shares of the Company				No. of shares	% of total shares of the Company
ACUMEN CAPITAL MARKET(INDIA) LTD							
At the beginning of the year 01-Apr-2015	100	0.0002	01.04.2015			100	0.0002
At the end of the Year 31-Mar-2016	100	0.0002	31.03.2016			100	0.0002
SETHUPARVATHY .							
At the beginning of the year 01-Apr-2015	518065	1.0906	01.04.2015			518065	1.0906
At the end of the Year 31-Mar-2016	518065	1.0906	31.03.2016			518065	1.0906
SETHU PARVATHY							
At the beginning of the year 01-Apr-2015	162865	0.3428	01.04.2015			162865	0.3428
Sale 03-Apr-2015	-2500	0.0052	03.04.2015	Decrease	Market Sale	160365	0.3376
Purchase 17-Apr-2015	200	0.0004	17.04.2015	Increase	Market Purchase	160565	0.3380
Sale 01-May-2015	-200	0.0004	01.05.2015	Decrease	Market Sale	160365	0.3376
Sale 08-May-2015	-3745	0.0078	08.05.2015	Decrease	Market Sale	156620	0.3297
Purchase 22-May-2015	100	0.0002	22.05.2015	Increase	Market Purchase	156720	0.3299
Sale 26-May-2015	-100	0.0002	26.05.2015	Decrease	Market Sale	156620	0.3297
Sale 28-May-2015	-1000	0.0021	28.05.2015	Decrease	Market Sale	155620	0.3276
Sale 29-May-2015	-8000	0.0168	29.05.2015	Decrease	Market Sale	147620	0.3107
Purchase 05-Jun-2015	2000	0.0042	05.06.2015	Increase	Market Purchase	149620	0.3149
Purchase 12-Jun-2015	1000	0.0021	12.06.2015	Increase	Market Purchase	150620	0.3170
Sale 19-Jun-2015	-8652	0.0182	19.06.2015	Decrease	Market Sale	141968	0.2988
Purchase 26-Jun-2015	500	0.0010	26.06.2015	Increase	Market Purchase	142468	0.2999

For Each of the Top 10 Shareholders	Shareholding at the beginning of the year 1.4.2015 / end of the year 31.3.2016		Date	Increase / decrease in shareholding	Reason	Cumulative Shareholding during the year	
	No. of shares	% of total shares of the Company				No. of shares	% of total shares of the Company
Sale 30-Jun-2015	-221	0.0004	30.06.2015	Decrease	Market Sale	142247	0.2994
Sale 03-Jul-2015	-779	0.0016	03.07.2015	Decrease	Market Sale	141468	0.2978
Purchase 10-Jul-2015	1000	0.0021	10.07.2015	Increase	Market Purchase	142468	0.2999
Sale 17-Jul-2015	-1000	0.0021	17.07.2015	Decrease	Market Sale	141468	0.2978
Purchase 24-Jul-2015	3500	0.0073	24.07.2015	Increase	Market Purchase	144968	0.3051
Purchase 31-Jul-2015	500	0.0010	31.07.2015	Increase	Market Purchase	145468	0.3062
Purchase 06-Nov-2015	1000	0.0021	06.11.2015	Increase	Market Purchase	146468	0.3083
Sale 04-Dec-2015	-3000	0.0063	04.12.2015	Decrease	Market Sale	143468	0.3020
Sale 18-Dec-2015	-4000	0.0084	18.12.2015	Decrease	Market Sale	139468	0.2936
Sale 25-Dec-2015	-4000	0.0084	25.12.2015	Decrease	Market Sale	135468	0.2851
Sale 05-Feb-2016	-500	0.0010	05.02.2016	Decrease	Market Sale	134968	0.2841
Purchase 19-Feb-2016	250	0.0005	19.02.2016	Increase	Market Purchase	135218	0.2846
Purchase 26-Feb-2016	250	0.0005	26.02.2016	Increase	Market Purchase	135468	0.2851
Sale 31-Mar-2016	-2,000	0.0042	31.03.2016	Decrease	Market Sale	1,33,468	0.2809
At the end of the Year 31-Mar-2016	1,33,468	0.2809	31.03.2016			1,33,468	0.2809
RAJALAKSHMI S							
At the beginning of the year 01-Apr-2015	5,18,064	1.0906	01.04.2015			5,18,064	1.0906
At the end of the Year 31-Mar-2016	5,18,064	1.0906	31.03.2016			5,18,064	1.0906
RAJALAKSHMI S							
At the beginning of the year 01-Apr-2015	53,882	0.1134	01.04.2015			53,882	0.1134

For Each of the Top 10 Shareholders	Shareholding at the beginning of the year 1.4.2015 / end of the year 31.3.2016		Date	Increase / decrease in shareholding	Reason	Cumulative Shareholding during the year	
	No. of shares	% of total shares of the Company				No. of shares	% of total shares of the Company
Sale 03-Apr-2015	-2000	0.0042	03.04.2015	Decrease	Market Sale	51882	0.1092
Sale 10-Apr-2015	-7000	0.0147	10.04.2015	Decrease	Market Sale	44882	0.0944
Purchase 17-Apr-2015	3124	0.0065	17.04.2015	Increase	Market Purchase	48006	0.1010
Sale 01-May-2015	-1124	0.0023	01.05.2015	Decrease	Market Sale	46882	0.0986
Purchase 08-May-2015	610	0.0012	08.05.2015	Increase	Market Purchase	47492	0.0999
Purchase 15-May-2015	550	0.0011	15.05.2015	Increase	Market Purchase	48042	0.1011
Purchase 22-May-2015	100	0.0002	22.05.2015	Increase	Market Purchase	48142	0.1013
Sale 26-May-2015	-600	0.0012	26.05.2015	Decrease	Market Sale	47542	0.1000
Sale 28-May-2015	-500	0.0010	28.05.2015	Decrease	Market Sale	47042	0.0990
Sale 29-May-2015	-8000	0.0168	29.05.2015	Decrease	Market Sale	39042	0.0821
Purchase 05-Jun-2015	1000	0.0021	05.06.2015	Increase	Market Purchase	40042	0.0842
Sale 19-Jun-2015	-7000	0.0147	19.06.2015	Decrease	Market Sale	33042	0.0695
Purchase 26-Jun-2015	1500	0.0031	26.06.2015	Increase	Market Purchase	34542	0.0727
Sale 30-Jun-2015	-1500	0.0031	30.06.2015	Decrease	Market Sale	33042	0.0695
Sale 03-Jul-2015	-1000	0.0021	03.07.2015	Decrease	Market Sale	32042	0.0674
Purchase 10-Jul-2015	1000	0.0021	10.07.2015	Increase	Market Purchase	33042	0.0695
Sale 17-Jul-2015	-1000	0.0021	17.07.2015	Decrease	Market Sale	32042	0.0674
Purchase 24-Jul-2015	5000	0.0105	24.07.2015	Increase	Market Purchase	37042	0.0779
Purchase 31-Jul-2015	2000	0.0042	31.07.2015	Increase	Market Purchase	39042	0.0821
Sale 18-Sep-2015	-1000	0.0021	18.09.2015	Decrease	Market Sale	38042	0.0800
Sale 25-Sep-2015	-1000	0.0021	25.09.2015	Decrease	Market Sale	37042	0.0779
Sale 30-Sep-2015	-1000	0.0021	30.09.2015	Decrease	Market Sale	36042	0.0758

For Each of the Top 10 Shareholders	Shareholding at the beginning of the year 1.4.2015 / end of the year 31.3.2016		Date	Increase / decrease in shareholding	Reason	Cumulative Shareholding during the year	
	No. of shares	% of total shares of the Company				No. of shares	% of total shares of the Company
Purchase 16-Oct-2015	522	0.0010	16.10.2015	Increase	Market Purchase	36564	0.0769
Purchase 23-Oct-2015	78	0.0001	23.10.2015	Increase	Market Purchase	36642	0.0771
Purchase 30-Oct-2015	500	0.0010	30.10.2015	Increase	Market Purchase	37142	0.0781
Purchase 06-Nov-2015	500	0.0010	06.11.2015	Increase	Market Purchase	37642	0.0792
Sale 18-Dec-2015	-915	0.0019	18.12.2015	Decrease	Market Sale	36727	0.0773
Purchase 01-Jan-2016	1000	0.0021	01.01.2016	Increase	Market Purchase	37727	0.0794
Sale 04-Mar-2016	-1000	0.0021	04.03.2016	Decrease	Market Sale	36727	0.0773
Sale 18-Mar-2016	-18000	0.0378	18.03.2016	Decrease	Market Sale	18727	0.0394
Sale 31-Mar-2016	-1000	0.0021	31.03.2016	Decrease	Market Sale	17727	0.0373
At the end of the Year 31-Mar-2016	17727	0.0373	31.03.2016			17727	0.0373
ASHISH KACHOLIA							
At the beginning of the year 01-Apr-2015	475000	1.0000	01.04.2015			475000	1.0000
Sale 26-Jun-2015	-25000	0.0526	26.06.2015	Decrease	Market Sale	450000	0.9473
Sale 10-Jul-2015	-15780	0.0332	10.07.2015	Decrease	Market Sale	434220	0.9141
Sale 17-Jul-2015	-9220	0.0194	17.07.2015	Decrease	Market Sale	425000	0.8947
Sale 24-Jul-2015	-25000	0.0526	24.07.2015	Decrease	Market Sale	400000	0.8421
Sale 28-Aug-2015	-86	0.0001	28.08.2015	Decrease	Market Sale	399914	0.8419
Sale 18-Dec-2015	-24914	0.0524	18.12.2015	Decrease	Market Sale	375000	0.7894
Sale 08-Jan-2016	-25000	0.0526	08.01.2016	Decrease	Market Sale	350000	0.7368
Sale 15-Jan-2016	-6000	0.0126	15.01.2016	Decrease	Market Sale	344000	0.7242
Sale 22-Jan-2016	-22259	0.0468	22.01.2016	Decrease	Market Sale	321741	0.6773

For Each of the Top 10 Shareholders	Shareholding at the beginning of the year 1.4.2015 / end of the year 31.3.2016		Date	Increase / decrease in shareholding	Reason	Cumulative Shareholding during the year	
	No. of shares	% of total shares of the Company				No. of shares	% of total shares of the Company
Sale 29-Jan-2016	-321741	0.6773	29.01.2016	Decrease	Market Sale	0	0.0000
At the end of the Year 31-Mar-2016	0	0.0000	31.03.2016			0	0.0000
INVESCO INDIA MAURITIUS LIMITED							
At the beginning of the year 01-Apr-2015	405000	0.8526	01.04.2015			388599	0.8181
Sale 26-Jun-2015	-16401	0.0345	26.06.2015	Decrease	Market Sale	375830	0.7912
Sale 30-Jun-2015	-12769	0.0268	30.06.2015	Decrease	Market Sale	367449	0.7735
Sale 03-Jul-2015	-8381	0.0176	03.07.2015	Decrease	Market Sale	355000	0.7473
Sale 10-Jul-2015	-12449	0.0262	10.07.2015	Decrease	Market Sale	355000	0.7473
At the end of the Year 31-Mar-2016	355000	0.7473	31.03.2015				
EM RESURGENT FUND							
At the beginning of the year 01-Apr-2015	237000	0.4989	01.04.2015			237000	0.4989
Purchase 24-Apr-2015	43000	0.0905	24.04.2015	Increase	Market Purchase	280000	0.5894
Purchase 01-May-2015	85000	0.1789	01.05.2015	Increase	Market Purchase	365000	0.7684
Sale 24-Jul-2015	-15671	0.0329	24.07.2015	Decrease	Market Sale	349329	0.7354
At the end of the Year 31-Mar-2016	349329	0.7354	31.03.2016			349329	0.7354
MATULYA NAVINCHANDRA SHAH							
At the beginning of the year 01-Apr-2015	236450	0.4977	01.04.2015			236450	0.4977
Sale 31-Mar-2016	-162000	0.3410	31.03.2016	Decrease	Market Sale	74450	0.1567
At the end of the Year 31-Mar-2016	74450	0.1567	31.03.2016			74450	0.1567

For Each of the Top 10 Shareholders	Shareholding at the beginning of the year 1.4.2015 / end of the year 31.3.2016		Date	Increase / decrease in shareholding	Reason	Cumulative Shareholding during the year	
	No. of shares	% of total shares of the Company				No. of shares	% of total shares of the Company
VALUEQUEST INDIA MOAT FUND LIMITED							
At the beginning of the year 01-Apr-2015	156519	0.3295	01.04.2015			156519	0.3295
Purchase 28-Aug-2015	42800	0.0901	28.08.2015	Increase	Market Purchase	199319	0.4196
Purchase 05-Feb-2016	80000	0.1684	05.02.2016	Increase	Market Purchase	279319	0.5880
At the end of the Year 31-Mar-2016	279319	0.5880	31.03.2016			279319	0.5880

v) Shareholding of Directors and Key Managerial Personnel:

For Each of the Directors and KMP	Shareholding		Date	increase/ decrease in shareholding	Reason	Cumulative shareholding during the year	
	No. of shares at beginning 1.4.15/end of the year 31.3.16	% of total shares of the Company				No. of shares	% of total shares of the Company
Shareholding of Director:							
Mr. Venkitanarayanan Kalpathy Lakshminarayanan	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
Mr. Benni Joseph	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
Mr. Erumala Mathew Paulose	100	0	01.04.2015	-	-	100	0
	100	0	31.03.2016	-	-	100	0
Mr. Chenakkott Philipose Philipose	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
Mr. Mohan Chakrapani	-	-	-	-	-	-	-
	-	-	-	-	-	-	-

Shareholding of Key Managerial Personnel:							
Mr. Sabu M. Jacob	34,64,631	7.29	01.04.2015	-	-	34,64,631	7.29
(Chairman and Managing Director)	34,64,631	7.29	31.03.2016	-	-	34,64,631	7.29
Mrs. Sindhu Chandrasekhar	-	-	-	-	-	-	-
(Whole Time Director)	-	-	-	-	-	-	-
Mr. Bobby Micheal*	-	-	-	-	-	-	-
(GM - Finance and CFO)	-	-	-	-	-	-	-
Babu A	-	-	-	-	-	-	-
(Company Secretary and Compliance officer)	-	-	-	-	-	-	-

* resigned on 07.01.2016

Apart from above no other Director and Key Managerial Personnel holds any shares at the beginning and end of the Financial year 2015-16 in the Company.

Further apart from above there was no increase / decrease in shareholding of any other Director and Key Managerial Personnel.

V. INDEBTEDNESS

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

(Amount in ₹)

Indebtedness at the beginning of the financial year 01.04.15	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
i) Principal Amount	1612267332	0	0	1612267332
ii) Interest due but not paid	5101378	0	0	5101378
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	1617368710	0	0	1617368710
Change in Indebtedness during the financial year				
* Addition	2967500000	0	0	2967500000
* Reduction	3484268435	0	0	3484268435
Net Change	6451768435	0	0	6451768435
Indebtedness at the end of the financial year 31.03.16				
i) Principal Amount	1095498897	0	0	1095498897
ii) Interest due but not paid	8203877	0	0	8203877
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	1103702774	0	0	1103702774

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(Amount in ₹)

Sl. No.	Particulars of Remuneration	Name of the Managing Director/ Whole Time Director/ Manger		Total Amount (₹)
		Mr. Sabu M. Jacob Chairman & Managing Director	Mrs. Sindhu Chandrasekhar Whole Time Director	
1	Gross salary			
	a. Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	94,50,000	6,73,039	101,23,039
	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	-	4,33,582	4,33,582
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission:			
	- As a % of Profit	789,39,349	-	789,39,349
	- Others, specify	-	-	-
5	Others, please specify			
	Contribution to PF	5,76,000	21,600	5,97,600
	Contribution to Gratuity	-	-	-
	Contribution to Superannuation Fund	-	-	-
	Consolidated Allowances	-	-	-
	Car Perquisite	-	-	-
	Total (A)	889,65,349	11,28,221	900,93,570
	Ceiling as per the Act			1801,87,133

B. Remuneration to other directors:

(Amount in ₹)

Sl. No.	Particulars of Remuneration	Mr. Benni Joseph	Prof. E. M. Paulose	Mr. K.L.V. Narayanan	Mr. C. Mohan **	Mr. C.P. Philipose *	Total
1	Independent Directors						
	- Fees for attending Board/ Committee Meetings	80,000	60,000	80,000	-	-	2,20,000
	- Commission	-	-	-	-	-	-
	- Others	-	-	-	-	-	-
	Total (1)	80,000	60,000	80,000	-	-	2,20,000
2	Other Non- Executive Directors						
	- Fees for attending Board/ Committee Meetings			-	17,500	35,000	
	- Commission	-	-	-	-	-	
	- Others	-	-	-	-	-	
	Total (2)	-	-	-	17,500	35,000	52,500
	Total (B) = (1+2)	80,000	60,000	80,000	17,500	35,000	2,72,500
	Total Managerial Remuneration #						9,00,93,570
	Overall Ceiling as per the Act @						18,01,87,133

Notes:

* appointed w.e.f. July 20, 2015

** resigned on February 8, 2016

@ Sitting fees paid have not been considered as a component for reckoning overall ceiling as per Companies Act, 2013

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

(Amount in ₹)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		Total
		Mr. Boby Micheal, Chief Financial Officer *	Mr. Babu A., Company Secretary	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	12,89,669	11,03,878	23,93,547
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	- As % of profit	-	-	-
	- Others, , specify	-	-	-
5	Others, , please specify	-	-	-
	Total	12,89,669	11,03,878	23,93,547

Note:

* resigned on 07.01.2016.

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty /Punishment/ Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give Details)
A. Company					
Penalty	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

Annexure - B

To the Director's Report

Nomination & Remuneration Policy

Introduction

Success of every business depends on its work force. This policy on nomination and remuneration of Directors, Key Managerial Personnel (KMPs) and other employees has been formulated in terms of the provisions of the Act and the listing agreement in order to pay equitable remuneration to the Directors, KMPs and employees of the Company and to harmonize the aspirations of human resources consistent with the goals of the Company.

Objective and purpose of this policy

1. To formulate the criteria for identification and selection of the suitable candidates for the various positions in senior management and also candidates who are qualified to be appointed as director on the Board of Directors of the Company.
2. To recommend a policy, relating to the remuneration for the directors, Key Managerial Personnel and other senior management personnel.
3. To make recommendations to the Board on appropriate performance criteria for the Directors and carry on the performance evaluation of the directors.
4. To identify ongoing training and education programs for the Board to ensure that Non-executive Directors are provided with the adequate information regarding the options of the business, the industry and their legal responsibilities and duties.
5. To assist the Board in ensuring Board nomination

process with the diversity of gender, thought, experience, knowledge and perspective in the Board, in accordance with the Board Diversity policy.

6. Establishing and reviewing Board and senior executive succession plans in order to ensure and maintain an appropriate balance of skills, experience and expertise on the Board and senior Management.
7. To carry out any other function as is mandated by the Board from time to time and/ or enforced by any statutory notification, amendment or modification, as may be applicable.
8. To perform such other functions as may be necessary or appropriate for the performance of its duties.

The Committee shall be guided by the broad principles as laid down below in respect of nominating persons to hold office of director, senior management including key managerial personnel and recommending the remuneration payable.

I. Criteria for selection of members on the Board of Directors and candidates for senior management.

The Committee has adopted the following criteria for selection of member on the Board of Directors of the Company and also candidates eligible to be appointed in the senior management of the Company.

A) Criteria for Selection of Directors

Before making any recommendation to the Board for appointment of any director, the Committee shall ensure that:

- a) the candidate possesses positive attributes/ qualities such as Leadership, Industrialist, Business Advisor or such other attributes which in the opinion of the Committee the candidate possess, and are in the interest of the Company;
- b) the candidate shall be free from any disqualifications as provided under Sections 164 and 167 of the Companies Act, 2013;

- c) the candidate meet the conditions of being independent as stipulated under the Companies Act, 2013 and Listing Agreement entered into with Stock Exchanges in case of appointment of an independent director;
- d) the candidate possesses appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance, technical operations, infrastructure, or such other areas or disciplines which are relevant for the Company's business.

Term / Tenure

a) Managing Director/Whole-time Director:

The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

b) Independent Director:

An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report. No Independent Director shall hold office for more than two consecutive terms of up to maximum of 5 years each, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director.

Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly. At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to

seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company or such other number as may be prescribed under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Removal

The Committee may recommend with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the Companies Act, 2013, rules and regulations and the policy of the Company.

Retirement

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

B) Criteria for Selection of Senior Management Personnel

The term Senior Management shall have the same meaning as provided under the explanation to Section 178 of the Companies Act, 2013.

The Committee shall, before making any recommendation to the Board for appointment, should ensure that the candidate has the attributes set forth below:

- a) The candidate should have a minimum experience of 10 years in any of the areas viz. banking, infrastructure, financial management, legal, sales, marketing, administration, research, corporate governance, technical operations, or such other areas or disciplines

which in the opinion of the management and Committee are relevant for the Company's business;

- b) The candidate should possess qualities that demonstrate leadership skills, decision making skills, effective communication, hard work, commitment and such other attributes which in the opinion of the Committee the candidate possess and are in the interest of the Company.

If the Committee thought fit and in its opinion finds that the candidate meets the above criteria for appointment (as director on the Board or in senior management), the Committee shall make its recommendation to the Board.

Any amendment to the above criteria for directors and senior management shall be subject to the prior approval of the Committee and any such amendment shall be informed to the Board of Directors.

II. Remuneration policy for directors, senior management and key managerial personnel

A) Remuneration of Managing Director, Whole Time Director and Manager:

The Committee while considering the remuneration of the Managing Director, the Whole Time Director and Manager (wherein there is no Managing Director), may take into consideration the performance of the Company, the experience of the person, his background, job-profile and suitability, his past remuneration, the comparative remuneration profile in the industry, size of the Company, responsibilities shouldered by the Managing Director / Whole Time Director etc., provided that any remuneration considered by the Committee shall be in accordance and within the limits stipulated under the Companies Act, 2013.

B) Remuneration of Non-Executive Director (NED)

- a) The remuneration to the NEDs may be restricted to the sitting fees for attending meetings of the Board of Directors and meetings of Audit Committee.
- b) The Independent Directors of the Company shall be entitled to remuneration restricted to the sitting fees for attending meetings of the Board of the Directors and meeting of the Audit Committees, provided that any sitting fees paid to the Independent Director shall not be less the sitting fees paid to non-executive directors.
- c) Independent Directors shall not be eligible for stock options of the Company, if any.

Any incidental expense incurred by the directors with relation to the participation in the meetings of the Board and the Audit Committee shall be reimbursed.

C) Remuneration of Senior Management Personnel, KMPs and other employees

The Remuneration of the Senior Management Personnel and KMPs shall be in accordance with the Policy of the Company which is applicable to the employees. The Committee may consider the remuneration of a Senior Management Personnel keeping in view of the performance of the Business/ Function under his control and also the contribution of the Business/ Function under his control towards the overall performance of the Company.

III. Evaluation of performance of directors

A) Evaluation of the performance of Managing Director / Whole Time Director

The performance of the Managing Director / Whole Time Director of the Company may be carried out taking into consideration the performance of the Company vis-à-vis

the budgets as well as performance of its competitors. Emphasis on achieving top line and bottom line targets, with no adverse qualification by the auditors in the accounts, may be made.

B) Evaluation of the performance of Non-Executive Directors and Independent Directors (NEDs and IDs)

The Committee while evaluating the performance of the NEDs and IDs may take into consideration various factors as mentioned below:

- a) Attendance at Meetings - attendance at Board Meetings, AGMs, Committee meetings.

- b) Other Directorships held by the NED – in listed or unlisted companies.
- c) Other companies in which NED is a Chairperson.
- d) Participation at Board/Committee meetings.
- e) Input in strategy decisions.
- f) Review of Financial Statements, risks and business performance.
- g) Time devoted towards discussion with Management.
- h) Review of Minutes – Board Minutes, Committee meeting minutes and AGM Minutes.

Marks may be assigned for each of the above criteria and based on the score achieved, the Committee may evaluate the performance of each non-executive director and independent director.

Further provided that, any amendment to any of the clauses in the aforesaid policy shall be subject to the prior approval of the Committee and such amendment shall be informed to the Board of Directors of the Company.

Annexure - C

To the Director's Report

Statement containing salient features of the financial statement of Subsidiaries/Associate Companies / Joint Ventures

(Form AOC-1)

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Part "A": Subsidiaries (Not Applicable)

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

1. Sl. No.:
2. Name of the subsidiary:
3. Reporting period for the subsidiary concerned, if different from the holding company's reporting period:
4. Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries:
5. Share capital:
6. Reserves & surplus:
7. Total assets:
8. Total Liabilities:
9. Investments:
10. Turnover:
11. Profit before taxation:
12. Provision for taxation:
13. Profit after taxation:
14. Proposed Dividend:
15. % of shareholding:

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

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

Part "B": Associates and Joint Ventures

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

(Amount in Lakhs)

Sl. No.	Name of Associates/Joint Ventures	KITEX USA LLC
1	Latest audited Balance Sheet Date (Un-audited)	31.03.2016
2	Shares of Associate/Joint Ventures held by the company on the year end	
	i. No.	700210 shares
	ii. Amount of Investment in Associates/Joint Venture	₹ 461.10
	iii. Extend of Holding %	50%
3	Description of how there is significant influence	More than 20% of total share capital held by the Company
4	Reason why the associate/ joint venture is not consolidated	Not applicable
5	Net-worth attributable to Shareholding as per latest audited Balance Sheet	₹ 221.06
6	Profit / Loss for the year	
	i. Considered in Consolidation	(₹ 240.04)
	ii. Not Considered in Consolidation	NA

1. Names of associates or joint ventures which are yet to commence operations: NIL
2. Names of associates or joint ventures which have been liquidated or sold during the year.

For Kitex Garments Limited

Sabu M. Jacob
Chairman & Managing Director and
CFO (Additional Charge)

Benni Joseph
Director

Babu A.
Company Secretary

April 4, 2016
Kizhakkambalam

Annexure - D

To Directors' Report

Annual Report on Corporate Social Responsibility (CSR) Activities – 2015-16

(As per Rule 8 (1) of Companies (Corporate Social Responsibility policy) Rules, 2014)

A. Brief outline of the company's CSR policy

For us in the Kitex Group, reaching out to underserved communities is part of our HERITAGE. We believe in the trusteeship concept. This entails transcending business interests and grappling with the "quality of life" challenges that underserved communities face, and working towards making a meaningful difference to them.

Our vision is - "to effectively contribute to the social and economic development of the communities in which we operate. In doing so we intend to build a better, sustainable way of life for the weaker sections of society and raise the country's human development index". **Our Vision converges on Corporate Social Responsibility for Kizhakkambalam, where we dream to make this Panchayath the best in the State among the total 978 Panchayaths.**

Our CSR policy includes:

1. To pursue a corporate strategy that enables realization of the twin goals of shareholder value enhancement and societal value creation in a mutually reinforcing and synergistic manner.
2. To implement Social Investments / CSR programmes primarily in the economic vicinity of your Company's operations with a view to ensuring the long term sustainability of such interventions.
3. To contribute to sustainable development in areas of strategic interest through initiatives designed in a manner that addresses the challenges faced by the Indian society especially in rural India.
4. To collaborate with communities and groups to contribute to the national mission of eradicating poverty and hunger, especially in rural areas, through superior farm and agri-extension practices, soil and moisture conservation and watershed management, conservation and development of forest resources, empowering women economically, supplementing primary education and participating in rural capacity building programmes and such other initiatives.
5. To sustain and continuously improve standards of Environment, Health and Safety through the collective endeavour of your Company and its employees at all levels towards attaining world class standards and support other programmes and initiatives, internal or external, for the prevention of illness and combating of diseases as may be considered appropriate from time to time.

6. To encourage the development of human capital by expanding human capabilities through skills development, vocational training etc. and by promoting excellence in identified cultural fields.

Details of CSR activities under taken in the current year are available in our weblink:///facebook.Twenty20Kizhakkambalam. Further details of Company's CSR policy is available in www.kitexgarments.com/investorcentre/CSRpolicy

B. Composition of the CSR Committee

Kitex Garments Limited has set up Corporate Social Responsibility Committee (CSR Committee) as per the requirement of the Companies Act, 2013. The members of the CSR Committee as on March 31, 2016 are:

- i. Mr. Sabu M. Jacob - Chairman
- ii. Mr. K.L.V. Narayanan - Member
- iii. Mr. Benni Joseph - Member
- iv. Mr. C. P. Philipose - Member

C. Average net profit of the company for last three financial years: ₹9129.10 Lakhs

D. Prescribed CSR Expenditure (two per cent of the amount as in Item C above): ₹ 182.58 Lakhs

E. Details of CSR Spend during the financial year

- i. Total amount spent for the financial year: ₹ 319.70 Lakhs
- ii. Amount Unspent, if any; None.
- iii. Manner in which the amount was spent during the financial year is detailed below.

(Amount in ₹ in lacs)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sr. No.	CSR project or activity identified	Sector in which the Project is covered	Projects or programs	Amount outlay (budget) project or Program wise	Amount spent on the projects or programs	Cumulative expenditure upto to the reporting period	Amount spent: Direct or through implementing agency
					Sub Heads		
			(1) Local area or other		(1) Direct expenditure on Projects or Programs		
			(2) Specify the State and district where projects or programs was Undertaken		(2) Overhead		
1	Fogging	Promoting Health	Local Area covered by Kizhakkambalam Panchayat in Ernakulam District in State of Kerala	0.12	0.19 (Direct expenditure on Programs)	0.19	Directly by the Company
2	Food Supply	Eradicating Hunger, Poverty and Malnutrition		16.63	26.58 (Direct expenditure on Programs)	26.58	
3	House construction	Environmental Sustainability		138.51	221.41 (Direct expenditure on Programs)	221.41	
4	Road Development	Environmental Sustainability		37.51	59.96 (Direct expenditure on Programs)	59.96	
5	Water Supply	Making available safe drinking water		7.23	11.56 (Direct expenditure on Programs)	11.56	
Total Spent				200.00	319.70	319.70	

G. 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. Not Applicable. The Company has spent the required amount.

Our Responsibility

The Responsibility Statement of the Corporate Social Responsibility (CSR) Committee of the Board of Directors of the Company, is reproduced below:

'The implementation and monitoring of Corporate Social Responsibility (CSR) Policy, is in compliance with CSR objectives and policy of the Company.'

April 4, 2016
Kizhakkambalam

Sabu M. Jacob
Managing Director
& Chairman of CSR Committee

Benni Joseph
Member
CSR Committee

Annexure - E

To Directors' Report

Particulars of Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo required under the Companies (Accounts) Rules, 2014.

A. Conservation of Energy

i. Steps taken for conservation of energy:

Your Company continually taking necessary steps to absorb and adopt the latest technologies and innovations in the Garment Industry. These initiatives enable the facilities to become more efficient and productive as the company expands, thereby helps in energy conservation. All machinery and equipment are continuously serviced, updated and overhauled in order to maintain them in good condition. This resulted in consumption of lesser energy consumption. Energy Conservation continues to receive increased emphasis at all the units of the Company. Energy audits and Inter unit studies are carried out on a regular basis for taking steps for reduction of the energy consumption. Hence your company has not opted for alternate energy sources. Additionally, constant efforts in continuing all previous conservation measures and increasing awareness of energy management amongst employees have continued which should enable further savings to transpire going forward.

ii. The steps taken by the Company for utilizing alternative source of energy.

Your company has taken steps for up-gradation and modernization of various machines in phased manner. The Company also replaces old plant and machinery in the processing unit and steps are taken to modernization of various operations including installation of robotic machines for handling very specialized work/activities.

iii. Capital investment on energy conversation equipment: NIL

iv. Total Energy consumption and energy consumption per unit of production

POWER & FUEL CONSUMPTION	Year Ended 31.03.2016	Year Ended 31.03.2015
Electricity		
a) Purchased		
Units (KWH)	14715743 units	13564640 units
Total Amount (₹)	8,75,36,013	7,83,44,805
Cost/Unit (₹/ KWH)	5.95	5.78
b) Own generation		
Through Diesel Generator		
Units (KWH)	68031 units	167277 units
Total Amount (₹)	9,05,669	22,75,599
Cost/Unit (₹ / KWH)	13.31	13.60

Fuel		
a) Furnace Oil		
Quantity (KL)	2268 KL	1868 KL
Total Amount (₹)	5,47,71,008	7,48,36,113
Cost/Unit (₹/KL)	24,151	40,069
b) Firewood		
Quantity (MT)	13533 MT	13,123 MT
Total Amount (₹)	3,10,05,414	3,24,45,502
Cost/Unit (₹/MT)	2,291	2,472
c) Diesel		
Quantity (KL)	23 KL	35 KL
Total Amount (₹)	12,11,062	19,81,639
Cost/Unit (₹/KL)	53,119	56,618

B. Technology Absorption

i. The efforts made towards technology absorption

In addition to product and raw material development which continues to be strengthened, Research and Development activities on fashion designing are carried out on on-going basis. Absorbing technologies with state of art machineries like automated cutting machine, automated fabric inspection machines, etc., the quality of the products and efficiency of the systems have been substantially improved. By applying those technologies, the cost of production was

under control. During the last three financial years, the Company has not imported any technology. The nature of activities of the Company does not warrant any exclusive R&D department.

ii. The benefits derived like product improvement, cost reduction, product development or import substitution

The benefits derived from automation are increase in production and capacity utilization. By delivering better and quality products, repeat orders have been placed by customers due to consistency in quality.

iii. In case of imported technology (imported during the last 3 years reckoned from the beginning of the financial year

The details of technology imported	The year of import	Whether the technology has been fully absorbed	If not fully absorbed, areas where absorption has not taken place and reasons
NIL			

iv. Expenditure incurred on research and development

No specific expenditure of recurring or capital nature is involved in technology absorption, adoption and innovation directly.

C. Foreign exchange Earnings and Outgo-

Sl. No.	Particulars	2015-16 (₹ in lakhs)	2014-15 (₹ in lakhs)
1	Earnings on account of Exports	43,261.40	41,694.37
2	Outgo on account of Imports & Expenditure	4,540.57	5,954.37

Annexure - F

To Directors' Report

Form No. MR-3 Secretarial Audit Report

For the financial year ended 31.03.2016

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

To

The Members
Kitex Garments Limited
P B No 5, Kizhakkambalam
Aluva, Ernakulam – 683562, Kerala

We, SVJS & Associates, Company Secretaries, have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. Kitex Garments Limited [CIN: L18101KL1992PLC006528] (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31.03.2016, 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.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31.03.2016 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:-
 - (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 (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client.
 - (d) The Securities and Exchange Board of India (Listing Obligations and disclosure Requirements) Regulations, 2015 (to the extent applicable)
- (vi) Other Laws specifically applicable to the Company as under:
 1. The Air (Prevention and Control of Pollution) Act, 1981
 2. The Water (Prevention and Control of Pollution) Act, 1974

3. The Environment (Protection) Act, 1986
4. The Factories Act, 1948
5. The Employees' Provident Funds and Miscellaneous Provisions Act, 1952
6. Employees' State Insurance Act, 1948
7. Equal Remuneration Act, 1976
8. The Minimum Wages Act, 1948
9. The Payment of Wages Act, 1936
10. The Payment of Bonus Act, 1965
11. The Legal Metrology Act, 2009
12. The Maternity Benefit Act, 1961 and
13. The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

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

- (i) Secretarial Standards 1 and 2 issued by The Institute of Company Secretaries of India;
- (ii) The Listing Agreements entered into by the Company with Bombay Stock Exchange Limited and National Stock Exchange of India Limited.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above except to the extent as mentioned below:

We have noted certain deficiencies with regard to disclosures in the Directors' Report for the Financial Year 2014-15. The management represented that the same were rectified during the year 2015-16.

We further report that:

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

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

There were no dissenting views on any decisions of the Board, as recorded in the Minutes of Board meetings.

We further report that there is scope to improve the systems and processes in the Company and operations of the Company to monitor and ensure compliance with applicable Laws, Rules, Regulations and Guidelines.

We further report that during the audit period there were no instances of:

- i. Public/Right/Preferential issue of shares / debentures/sweat equity;
- ii. Redemption / buy-back of securities;
- iii. Major decisions taken by the members in pursuance to Section 180 of the Companies Act, 2013;
- iv. Merger / amalgamation / reconstruction etc.;
- v. Foreign technical collaborations.

For SVJS & Associates
Company Secretaries

Sd/-

CS Sivakumar P.
Managing Partner
CP No : 2210, FCS : 3050

Kochi
April 4, 2016

Annexure to the Secretarial Audit Report of even date

To
The Members
Kitex Garments Limited
P B No 5, Kizhakkambalam
Aluva, Ernakulam - 683562, Kerala

Our Secretarial Audit Report of even date is to be read along with this letter.

1. Maintenance of the Secretarial records is the responsibility of the management of the Company. Our responsibility as Secretarial Auditors is to express an opinion on these records, based on our audit.
2. During the audit, we have followed the practices and process as were appropriate, to obtain reasonable assurance about the correctness of the contents of the Secretarial records. We believe that the process and practices we followed provide a reasonable basis for our report.
3. The correctness and appropriateness of financial records and Books of Accounts of the Company have not been verified.
4. We have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc., wherever required.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards etc. is the responsibility of management. Our examination was limited to the verification of the procedures and compliances on test basis.
6. While forming an opinion on compliance and issuing the Secretarial Audit Report, we have also taken into consideration the compliance related actions taken by the Company after 31st March 2016 but before issue of the Report.

7. We have considered actions carried out by the Company based on independent legal/professional opinion as being in compliance with law, wherever there was scope for multiple interpretations.

Kochi
April 4, 2016

For SVJS & Associates
Company Secretaries

Sd/-

CS. Sivakumar P.
Managing Partner
CP No:2210, FCS:3050

Annexure - G

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

1	The ratio of the remuneration of each director to the median remuneration of the employees of the company excluding Managing Director for the financial year	Mr. Sabu M. Jacob	797.44 : 1
		Mr. Benni Joseph, Independent Director	0.72 : 1
		Mr. Mohan C, Director	0.16 : 1
		Prof. E. M. Paulose, Independent Director	0.54 : 1
		Mr. K L V Narayanan, Director	0.72 : 1
		Mr. C. P. Phillipose, Director	0.47 : 1
		Mrs. Sindhu Chandrasekhar	10.11 : 1
2	The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;	Mr. Sabu M. Jacob	11.33%
		Mr. Benni Joseph	-14.33%
		Mr. Mohan C	-83.18%
		Prof. E. M. Paulose	-35.75%
		Mr. K L V Narayanan	-14.33%
		Mr. C. P. Phillipose	0.00%
		Mrs. Sindhu Chandrasekhar	39%
		Mr. Boby Micheal, Chief Financial Officer	-20.16%
Mr.A.Babu. Company Secretary	10.65%		
3	The percentage Increase/ Decrease in the median remuneration of employees	6.73%	
4	The number of permanent employees on the rolls of company	4119	
5	The explanation on the relationship between average increase in remuneration and company performance	Your Company achieved a higher turnover of 8% and the total gross revenues touched ₹ 56,563 lakhs and profit before depreciation and taxes recorded was ₹ 17,105.50 Lakhs which is also up by 20.74% as compared to previous years. The increments were also decided based on salaries prevailing in the industry in which company operates	

6	Comparison of the remuneration of the Key Managerial Personnel against the performance of the company	Average increase in remuneration of Key Managerial Personnel was based partly on the results of the Company for the year ended March 31, 2016 and partly on the individual employee's performance.		
7	Variations in the market capitalization of the company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer in case of listed companies, and in case of unlisted companies, the variations in the net worth of the company as at the close of the current financial year and previous financial year		March 31, 2016	March 31, 2015
		Market Capitalisation (₹ in lacs)	2071.00 Cr	2536.50 Cr
		PE ratio	23.60	20.74
		No public offer has been made since 1992		
8	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration		March 31, 2016	March 31, 2015
		Average increase in remuneration of employees excluding KMP	12.83%	10.21
		Average increase in remuneration of KMP	18.49%	
9	The key parameters for any variable component of remuneration availed by the directors	Not applicable		
10	The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year	Nil		
11	Affirmation that the remuneration is as per the remuneration policy of the company.	Remuneration paid during the year ended March 31, 2016 is as per the Remuneration policy of the Company		

Annexure - H

To the Director's Report

Statement of particulars of employees pursuant to provisions of section 197(12) of the companies act 2013 read with companies (appointment and remuneration of managerial personnel) rules, 2014

Sl. No.	Name	Age	Qualification	Nature of employment	Designation	Date of Commencement of employment	Experience (Years)	Gross Remuneration	Previous Employment/ Designation	the percentage of equity shares held in the Company	whether any such employee is a relative of any director or manager of the company
1	Mr. Sabu M Jacob	53	Graduate	Employee	Managing Director	16.08.1993	33	88,965,349	Executive Director - Kitex Limited	15.39%	No
2	Mr. Dan De Yoe #	64	Graduate	Employee	VP and Director of Operations USA	01.11.2010	44	78,16,016	Vice President - ToySRUs (USA)	Nil	No

upto 24.11.2015

Corporate Governance Report

1. Kitex Philosophy

The Market regulator Securities and Exchange Board of India (SEBI) has stipulated a set of Corporate Governance standard for the Listed Companies. The Corporate Governance standards demonstrate inalienable rights vested with various stakeholders and strong commitment to values, ethics and business conduct. Your Company is committed to good corporate governance, based on an effective independent Board, separation of supervisory role from the executive management and the constitution of committees to oversee critical areas thus upholding the standards practically at every sphere ranging from action plan to performance measurement and consumer satisfaction.

Kitex Corporate Governance philosophy is about intellectual honesty whereby the governance is not just about encompassing regulatory and legal requirements but also strives to enhance

stakeholders' value as a whole. Your Company belongs to a legacy where the visionary founders laid the stone for good governance through the philosophies of **"work with a social cause"** implying the duty to work diligently carries the responsibility that one should give something back to others in the society which enables one to build trust and confidence with one's stakeholders, including employees, customer and suppliers where a long term relationships could be developed for the benefit of everyone. Thus these standards of governance are guided by the principles of:

- Clear and ethical strategic direction and sound business decisions.
- Prudent financial management.
- Transparent, accountable and professional decision making methods.
- Excellence in Corporate Governance by setting the guidelines and continues assessment of Board processes and management systems for constant improvements.

Your company's philosophy includes protection and facilitation of shareholder's rights, provide adequate and timely information, opportunity to participate effectively in general meeting and ensure equitable treatment to all shareholders.

Your company also ensures timely and accurate disclosure on all material matters including the financial situation, performance, ownership and governance of the Company.

2. Board of Directors

2.1. Size and Composition of Board:

The Board comprises of Non-Executive and Independent Directors which is in conformity with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

2.2. Board Meetings:

The Board of Directors meets once in a quarter to consider among other business, the quarterly performance of the Company and financial results. Four (4) Board Meetings were held during the financial year 2015 - 2016 on April 4, 2015, July 20, 2015, October 19, 2015 and January 25, 2016.

2.3. Directors' Attendance Record and Directorships

Details of the Composition and the attendance record of the Board of Directors are given below. None of the Directors are member of more than 10 Board level Committees of public companies in which they are Directors, nor holds chairmanship in more than five such Committees.

Name of the Director	Category of Directors	No of Directorship and Committee membership/ Chairmanships in other Indian Public Companies			No. of shares held	Attendance Particulars		
		Director (1)	Member (2)	Chairman (2)		No. of Board Meetings held	No. of Board Meetings attended	Attendance at last AGM
Mr. Sabu M Jacob	Promoter, Chairman & Managing Director	4	-	-	34,64,631	4	4	Yes
Mr. Benni Joseph	Independent Director	1	1	-	-	4	4	Yes
Prof. E M Paulose	Independent Director	1	-	1	100	4	4	Yes
Mr. K L V Narayanan (3)	Non Executive	3	-	-	-	4	4	No
Ms. Sindhu Chandrasekhar	Executive Director	2	-	-	-	4	4	Yes
Mr. C P Philipose (3) (4)	Non Executive	3	-	-	-	4	2	N.A
Mr. C. Mohan (5)	Non Executive	2	-	-	-	4	1	No

(1) The Directorship held by Directors do not include alternate directorships and directorships of Foreign Companies, Section 8 Company, One Person Companies and Private Limited Companies.

(2) Only Audit Committee and Stakeholders' Relationship Committee are reckoned for this purpose.

(3) The said directors have submitted the declaration satisfying all criteria of Independent Director under the Companies Act, 2013 and SEBI Regulation

(4) Mr. C. P. Philipose was appointed as an Additional Director of the Company w.e.f. 20.07.2015.

(5) Mr. C. Mohan resigned from the Board on 08.02.2016

None of the above Directors are related to each other.

The Board evaluates the Company's strategic direction, management policies, performance objectives and effectiveness of Corporate Governance practices.

Further the Board fulfills the key functions as prescribed under Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 being part of the new Listing Agreement.

The Companies Act, 2013 read with relevant Rules made thereunder, facilitates the participation of the Director in the Board/ Committee meetings through video conferencing or other audio mode. However none of the Directors have availed such a facility.

2.4. Performance evaluation of Directors:

The Board of directors have approved and laid down the criteria for performance evaluation of all Directors by the Nomination and Remuneration committee. The performance evaluation has been done by the entire Board of Directors, except the Director concerned being evaluated at the separate meetings of Independent Directors and Non-Independent Directors held on 25th January, 2016. The criteria for performance evaluation are as follows:

- To understand the nature and role of Independent Director's position.

- Understand the risks associated with the business.
- Application of knowledge for rendering advice to the Management for resolution of business issues.
- Offer constructive challenge to management strategies and proposals.
- Non-partisan appraisal of issues.
- Give own recommendations professionally without tending to majority or popular views.
- Handling issues as Chairman of Board and other committees.
- Driving any function or initiative based on domain knowledge and experience.
- Level of commitment to roles and fiduciary responsibilities as a Board Member.
- Attendance and active participation.
- Ability to think proactive, strategic and laterally.

2.5. Appointment and Meeting Independent Directors

Terms and Conditions of Independent directors' appointment are available in Company's website. www.kitexgarments.com

During the year under review, the Independent Directors meeting was held on January 25, 2016 to review the performance of the Board as a whole on parameters of effectiveness and to assess the quality, quantity and timeliness of flow of information between the management and the Board.

2.6. Familiarisation Programme for Directors

Your company follows a structured familiarization programme through various reports and internal policies for all the

Directors with a view to update them on the Company's policies on a regular basis. A detailed familiarization program was conducted on January 25, 2016 for all directors who were present at the Board meeting by various departmental heads with the help of video and power point presentation. Mr. Sabu M Jacob, Chairman & Managing Director answered various queries raised by the Directors. The Details of familiarisation programmes imparted to the Independent Directors are made available in Company website: <http://www.kitexgarments.com/wp-content/uploads/2016/04/familiarisng-prog-2015-16.pdf>

2.7. Code of Conduct

The Board has laid down a Code of Conduct for all Board members and senior management which is posted on the website of the Company. All Board members have affirmed the compliance with the Code of Conduct. A declaration to this effect signed by one of the Directors, forms part of this Annual report. Code of conduct of Board of Directors and Senior Management Personnel are available in Company's website: http://www.kitexgarments.com/wp-content/uploads/2016/04/Kitex_code-of-Conduct_revised_250116.pdf

2.8. Qualified and Independent Audit Committee

The Audit Committee acts as a link between the Independent Auditors, Internal Auditors, the Management and the Board of Directors and oversees the financial reporting process. The Audit committee interacts with the Internal Auditors, Independent Auditors, Company Law Consultant, Legal Advisors and Secretarial Auditors and reviews and recommends their appointment and remuneration. The Audit Committee is provided with all necessary assistance and information for enabling them to carry out its function effectively.

3. Committee of the Board

3.1 Audit Committee:

The Audit Committee comprised of 3 Directors viz., Mr. Benni Joseph as Chairman, Prof. E. M Paulose and Mr. C Mohan as Members. During the period under review, Mr. C Mohan was replaced by Mr. C P Philipose, Director as a member of the Audit Committee consequent to latter's induction to the Board w.e.f. 20th July, 2015.

All members of the Audit Committee have accounting and financial management expertise. Four Audit Committee Meetings were held during the period under review viz., April 04, 2015, July 20, 2015, October 19, 2015 and January 25, 2016. The Company Secretary acts as the Secretary to the Audit Committee.

Composition	Mr. Benni Joseph	Prof. E .M Paulose	Mr. C P Philipose	Mr. C Mohan
No. of Meeting attended	4	4	2	1

The Company secretary is the Secretary to the Committee.

Terms of Reference of Audit Committee

- The recommendation of appointment, remuneration and terms of appointment of auditors of the Company.
- Review and monitor the auditors' independence and performance and effectiveness of audit process.
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- Reviewing with the management, the annual financial statements before submission to the Board for approval, with particular reference to:

- Matters required to be included in the Directors Responsibility Statement to be included in the Board Report in terms of Section 134 of the Act.
- Changes, if any, in accounting policies and practices and reason for the same.
- Major accounting entries involving estimates based on the exercise of judgment by management.
- Significant adjustments made in the financial statements arising out of audit findings.
- Compliance with listing and other legal requirements relating to financial statements.
- Disclosure of any related party transactions.
- Qualifications in the draft audit report.
- Reviewing, with the management, the quarterly financial statements before submission to the board for approval.
- Reviewing and monitoring the auditors independence and effectiveness of audit process.
- Approval or subsequent modification of transactions of the listed entity with related parties.
- Scrutiny of inter-corporate loans and investments.
- Valuation of undertakings or assets of the listed entity wherever it is necessary.
- Evaluation of internal financial controls and risk management systems.
- Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
- 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.

- Discussion with internal auditors of any significant findings and follow up there on.
- 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.
- 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.
- 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.
- To review the functioning of the whistle blower mechanism.
- Approval of appointment of Chief Financial officer after assessing the qualifications, experience and background etc.
- Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
- Oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.

Composition of the Committee is available on Company's website: <http://www.kitexgarments.com/board-of-directors/>

3.2 Stakeholders Relationship Committee:

The Stakeholders Relationship Committee oversees the redressal of Security holder's complaints relating to share transfers/ transmission, non-receipt of Annual reports, non receipt of declared dividend etc. This Committee consists of 3 Directors viz., Mr. K.L.V. Narayanan as Chairman, Mr. Sabu M. Jacob and Ms. Sindhu Chandrasekhar as the members.

Mr. A. Babu, Company Secretary is the Compliance Officer of the Stakeholders' Relationship Committee.

During the year, the Committee met on 4 times viz., April 04, 2015, July 20, 2015, October 19, 2015 and January 25, 2016. Attendance at Stakeholders' Relationship Committee meetings is as below:

Composition	Mr. K.L.V. Narayanan	Mr. Sabu M. Jacob	Ms. Sindhu Chandra sekhar#
No. of Meeting attended	4	4	1

Inducted to the Committee vide Board meeting dated 19.10.2015

In line with the Companies Act, 2013, Clause 49 of Old Listing Agreement, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and new Standard Listing Agreement requirements, the nomenclature of this committee has been changed to Stakeholder's Relationship Committee.

Status of investor complaints is as below:

No. of investor queries/ complaints received from April 01, 2015 to March 31, 2016	number of complaints not solved to the satisfaction of shareholders
16	0

As on March 31, 2016, there was no pending investor complaint.

Composition of the Committee is available on Company's website: <http://www.kitexgarments.com/board-of-directors/>

3.3 Nomination and Remuneration Committee:

The terms of reference of the Nomination and Remuneration Committee cover all applicable matters specified under new SEBI Listing regulation and Section 178 of the Companies Act, 2013.

The Committee comprises of 3 members, Prof. E. M. Paulose as Chairman, Mr. Benni Joseph and Mr. K. L. V. Narayanan as the members. Company Secretary acts as the Secretary and Compliance Officer to the Committee.

During the year, the Committee met 3 times, viz., April 04, 2015, July 20, 2015 and January 25, 2016. Attendance at Nomination and Remuneration Committee meetings are as below:

Composition	Prof. E. M. Paulose	Mr. Benni Joseph	Mr. K. L. V. Narayanan
No. of Meeting attended	3	3	3

The Board has approved Nomination and Remuneration Policy as recommended by Nomination and Remuneration Committee which forms part of Directors' Report.

Terms of Reference

Terms of reference of the Committee inter alia consists of

- Identify persons qualified to become directors or hold senior management positions and advise the Board for such appointments/ removals where necessary.
- Formulate criteria for determining qualifications, positive attributes and independence of director and recommend to the Board a policy relating to the remuneration of directors, Key Managerial Personnel and other employees.
- Evaluate the performance of every director.
- Devise a policy on Board diversity.
- Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.

Directors/ Manager's Remuneration:

Non-Executive Directors are paid sitting fees for attending the meetings of the Board/ Committee within the limits as prescribed under the Companies Act, 2013. The sitting fees are fixed from time to time by the Board on the recommendations of the Nomination and Remuneration Committee. These Directors are also reimbursed of any out of pocket expenses incurred by them for the purpose of the Company.

Non executive Directors don't have any pecuniary relationship or transactions with the Company.

Details of remuneration paid to the Managing Director, Executive Director and Key Managerial Personnel are given in Directors Report.

Composition of the Committee is available on Company's website: <http://www.kitexgarments.com/board-of-directors/>
Remuneration paid to the Chairman and Managing Director and Whole-time Director during 2015-16:

Name of the Director	Salary	Perquisites and allowances	Retiral benefits	Commission payable	Others: Contribution to PF	Performance Linked Incentive	Total	Stock options granted
Mr. Sabu M. Jacob	94,50,000	-	-	7,89,39,349	5,76,000		8,89,65,349	-
Mrs. Sindhu Chandra sekhar	6,73,039	-	-		21,600	4,33,582	11,28,221	-

3.4 Risk Management Committee

Risk Management Committee of the Board was constituted on October 19, 2015 consisting of Mr. Sabu M. Jacob as the Chairman, Mr. Benni Joseph and Mr. E. M. Paulose as its members. The roles and responsibilities of the Committee are as prescribed under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and includes monitoring and review of the risk management plan and reporting the same to the Board of Directors periodically as it may deem fit, in addition to any other terms as may be referred by the Board, from time to time.

During the year, the Committee met 1 time, viz., January 25, 2016. Attendance at Risk Management Committee meetings are as below:

Composition	Mr. Sabu M. Jacob	Mr. Benni Joseph	Prof. E. M. Paulose
No. of Meeting attended	1	1	1

3.5 Corporate Social Responsibility Committee (CSR Committee)

In compliance with the requirements of the Companies Act, 2013, the Company has constituted the Corporate Social Responsibility Committee. The Committee evaluates and recommend the CSR proposals to the Board for approval.

The Committee comprises Mr. Sabu M. Jacob as the Chairman, Mr. K.L.V. Narayanan, Mr. Benni Joseph, Mr. C. P. Philipose as the members. The Company Secretary acts as a Secretary to the Committee.

Key Responsibilities of the CSR Committee:

- Formulate, monitor and recommend to the Board CSR Policy and the activities to be undertaken by the Company.
- Recommend the amount of expenditure to be incurred on the activities undertaken.
- Review the Company's performance in the area of CSR.
- Evaluate the social impact of the Company's CSR activities.
- Review the Company's disclosure of CSR matters, including any annual social responsibility report.
- Review the CSR Report, with the Management, before submission to the Board for approval.
- Formulate and implement the BR policies in consultation with the respective stakeholders.
- Establish a monitoring mechanism to ensure that the funds contributed by the Company are spent for the intended purpose only.

The CSR Policy intends to strive for economic development that positively impacts the society at large with minimal resource footprints. The Policy is available on the Company's website at <http://www.kitexgarments.com>.

During the year, the Committee met 4 times viz., April 04, 2015, July 20, 2015, October 19, 2015 and January 25, 2016. Attendance at Nomination and Remuneration Committee meetings are as below:

Composition	Mr. Sabu M. Jacob	Mr. Benni Joseph	Mr. K. L. V. Narayanan	Mr. C. Mohan	Mr. C. P. Philipose
No. of Meeting attended	4	4	4	1	2

The CSR Committee was reconstituted to include Mr. C. P. Philipose as a member in place of Mr. C. Mohan.

Composition of the Committee is available on Company's website: <http://www.kitexgarments.com/board-of-directors/>

4. General Body Meetings

Location, date and time of the Annual General Meetings held in the last 3 years.

Sl. No.	AGM	Year	Date	Time	Location
1	23rd	2015	June 4, 2015	10.30 A.M.	Building No. 9/536A, Kizhakkambalam, Kochi - 683562, Kerala
2	22nd	2014	May 15, 2014	10.00 A.M.	
3	21st	2013	May 14, 2013	10.00 A.M.	

All resolutions as set out in the respective notices were duly passed by the shareholders in the meeting.

Details of Special Resolutions passed in the immediately preceding three AGMs:

AGM	Particulars of Special Resolutions passed thereat
23rd	adoption of new Articles of Association of the Company pursuant to applicability of new Companies Act, 2013

No special resolutions have been passed in the 21st and 22nd AGM. No postal Ballot was conducted during the last three years.

There is no immediate proposal for passing any resolution through Postal Ballot. None of the businesses proposed to be transacted at the ensuing Annual General Meeting require passing a resolution through Postal Ballot.

5. Means of Communication

The Un-audited Quarterly Results are announced within 45 days from the end of the quarter and the Annual Audited Results are announced within 60 days from the end of the financial year as per the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company provides the information to the stock exchange where shares of the Company are listed. The results are also published in one English newspaper having national circulation and one Malayalam Newspaper.

The Financial Results of the Company are normally published in the following newspapers:

- A. Business Line (English Language)
- B. Malayala Manorama (Malayalam Language)

The Financial Results of the Company are displayed on the Company's website www.kitexgarments.com. Official press releases are sent to Stock Exchanges and the same is hosted on the website of the Company.

Presentations to institutional investors / analysts:

No Detailed presentations made to institutional investors and financial analysts on the Company's un-audited quarterly as well as audited annual financial results during the period under review. However concall discussions were arranged through M/s Motilal Oswal Securities Ltd. during each quarter.

Green Initiative

The Company's philosophy focuses on making the environment greener for the benefit of prosperity. To support the Green Initiative, members (holding shares in electronic form) who have not registered their email addresses, are requested to register the same with their Depository Participants. Members holding shares in physical mode are requested to register their email ID with the Registrar and Share Transfer Agent of the Company.

6. General Shareholder information:

6.1. Annual General Meeting: Date, Time and Venue:

As indicated in the notice accompanying this Annual Report, the Twenty Fourth Annual General Meeting of the Company will be held Friday, June 10, 2016 at the Factory Premises of the Company at Building No. 9/536A, Kitex House, Kizhakkambalam, Kochi – 683 562 at 10.00 A.M.

6.2. Financial Year: the Company follows April 1 to March 31 as the financial year.

6.3. Financial Calendar:

Un-audited results Q1 ending 30.06.2016	3rd Week of July, 2016
Un-audited results Q2/half year ending 30.09.2016	3rd Week of October, 2016
Un-audited results Q3/Nine months ending 31.12.2016	3rd Week of January, 2017
Audited Results for the year ending 31.03.2017	1st/ 2nd week of April, 2017

6.4. Book Closure Date: From June 4, 2016 to June 10, 2016 (both days inclusive).

6.5. Dividend payment date: on or before July 8, 2016

6.6. Details of Stock Exchanges where listed

Stock Exchanges	Stock Code
BSE Ltd. (BSE) Corporate Relationship Dept, 1st Floor, New Trading Ring, Rotunda Building, PJ Towers, Dalal Street, Fort Mumbai –400001, Maharashtra	521248
National Stock Exchange of India Limited (NSE) Exchange Plaza, Bandra-Kurla Complex, Bandra (E), Mumbai - 400051, Maharashtra	KITEX

Listing fees have been paid for the Financial Year 2016-17.

6.7. Market Price Data

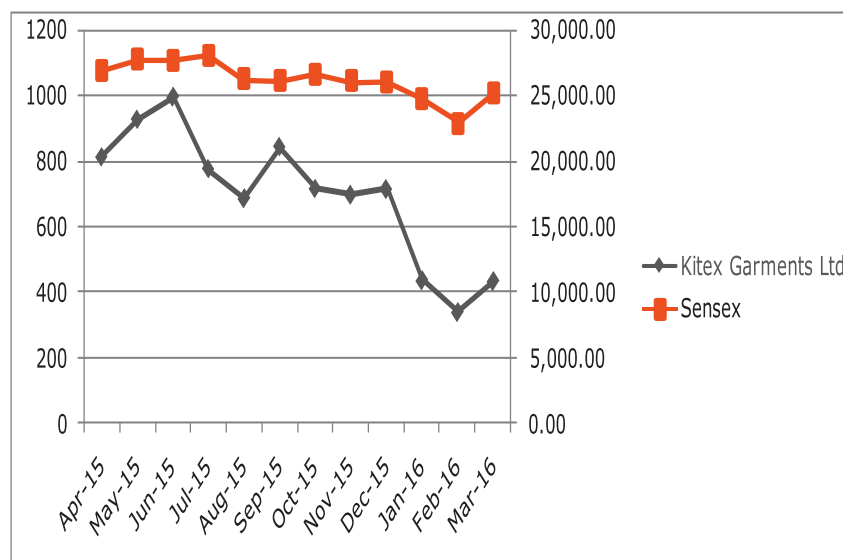
Market Price and Volume of the Company's Shares of face value of ₹ 1 each traded in the major stock exchanges where Company's shares are listed during the financial year 2015-16:

Year (2015-16)	BSE (Amount in ₹)		NSE (Amount in ₹)		Volume (nos.)	
	High	Low	High	Low	BSE	NSE
April	869.00	537.95	862.80	536.00	16,86,425	74,30,700
May	946.00	747.70	948.80	745.00	8,74,875	26,75,950
June	1,025.00	800.00	1,025.85	821.00	10,65,400	50,96,882
July	1,070.00	750.00	1,074.00	710.00	10,34,092	49,76,628
August	823.35	575.00	824.50	575.00	5,23,811	26,31,100
September	867.80	658.45	866.95	657.10	6,69,614	36,23,055
October	865.00	699.30	864.00	700.10	3,84,853	22,91,679
November	725.55	657.00	726.00	660.00	1,65,685	9,46,827
December	745.00	633.40	744.50	634.00	2,19,493	13,37,851
January	735.00	385.20	734.00	385.00	7,64,564	46,16,691
February	506.80	340.00	506.65	340.10	5,73,331	33,66,150
March	439.90	343.30	440.70	340.00	4,29,388	21,14,843

Source – Websites: BSE Ltd. (www.bseindia.com) and The National Stock Exchange of India Ltd. (www.nseindia.com)

6.8. A performance chart showing Share Price of the Company in comparison with BSE SENSEX during the year 2015-16 is as below:

Year (2015-16)	KITEX	Sensex
April	816.00	27011.31
May	927.95	27828.44
June	997.80	27780.83
July	777.80	28114.56
August	688.85	26283.09
September	845.15	26154.83
October	719.75	26656.83
November	699.65	26145.67
December	716.85	26117.54
January	439.15	24870.69
February	342.65	23002.00
March	436.70	25341.86



6.9. Share Transfer Process

Share Transfer, Transmission and Duplicate issue of Shares in physical form are normally effected within a period of 15 days, 21 days (7 days if the transmission is in de-mat form) and 30 days respectively if receipt of documents complete in all respects. All share transfers are approved by the Share Transfer Committee with Mr. Sabu M Jacob as Chairman, Ms. Sindhu Chandrasekhar, Woman Director and Mr. C P Philipose, Director as members, which meets at least once in a week, thus ensuring smooth processing and completion of dispatch of the share certificates within the aforesaid period from the lodgment of the documents.

6.10. Distribution of Shareholding as on March 31, 2016

Range	No. of Share holders	No. of Shares held	% of share holding
1 and 1000	27527	3927450	8.27
1001 and 5000	951	2266131	4.77
5001 and 10000	135	984379	2.07
10001 and 20000	62	868162	1.83
20001 and 30000	19	455290	0.96
30001 and 40000	10	365797	0.77
40001 and 50000	11	491225	1.03
50001 and 100000	19	1464249	3.08
> 100000	23	36677317	77.22
Total	28757	47500000	100.00

6.11. De-materialization of Shares

The Company has entered into a tripartite agreement with the National Securities Depository Limited (NSDL) and Central Depository Services Limited (CDSL) to provide trading of shares in dematerialized form. International Securities Identification Number (ISIN) allotted to the equity shares of the Company is INE602G01020. As on March 31, 2016, 4,57,47,248 shares of the company, constituting 96.31% were in dematerialized form.

6.12. Outstanding GDRs/ ADRs/ Warrants or any Convertible instruments:

As of March 31, 2016, the Company does not have any outstanding convertible instruments, which are likely to have an impact on the equity of the Company.

6.13. Commodity Risk or Foreign Exchange Risk and Hedging activities

Disclosure on risks are forming part of Management Discussion and Analysis Report during the period under review.

6.14. Plant Location: Kizhakkambalam, Aluva, Kochi 683 562

6.15. Address for correspondence

Registered Office

Kitex Garments Limited
(CIN: L18101KL1992PLC006528)
9/536 A, Kizhakkambalam,
Aluva, Kochi – 683562,
Kerala

Tel: 0484 4142310,
Fax: 0484 2680604

E-mails: sect@kitexgaments.com
Website: www.kitexgarments.com

Registrar and Share Transfer Agent

M/s. Cameo Corporate Services Ltd.
Subramanian Building No. 1,
Club House Road, Chennai 600 002,
Tamil Nadu

Tel No.044-28460390

Fax No.044-28460129

Email: cameo@cameoindia.com

website: www.cameoindia.com

7. Disclosures:

7.1. Related Party Transactions:

All Related Party Transactions are placed before the Audit Committee. The Board has approved a ‘Policy on Related Party Transactions’ web link of which forms part of Directors’ Report. Since all related party transactions entered into by the Company were in ordinary course of business and were on an arm’s length basis, form AOC - 2 is not applicable to the Company.

There are no materially significant related party transactions that may have potential conflict with the interests of the Company at large.

7.2. Statutory Compliance, Penalties and Strictures:

There were no instances of material non-compliance and no strictures or penalties were imposed on the Company either by SEBI, Stock Exchanges or any statutory authorities on any matter related to capital markets during the last three years.

7.3. Vigil Policy (Whistle Blower Policy)

The Board of Directors has adopted Whistle Blower Policy to enable Stakeholders (including Directors and Employees) to report concerns about unethical behaviour, actual or suspected fraud or violation of Company’s Code of Governance and Ethics and also provide for direct access to the chairman of Audit Committee in exceptional cases. The policy provide adequate safeguard against victimization of Director(s)/employee(s). The Protected Disclosures, if any reported under this policy would be appropriately and expeditiously investigated by Mr. Benni Joseph, Independent Director, being Chairman of the Audit Committee without interference from any Board Members. Your company hereby affirms that no Director/employee has been denied access to the Chairman of the Audit Committee and that no complaints were received during the year. The Vigil policy has been disclosed on the Company’s website <http://www.kitexgarments.com/vigil-policy/>.

7.4. Policy for determining Material Subsidiaries

As the Company doesn’t have any subsidiaries under the provisions of the Companies Act, 2013 read with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the requirement for adopting the Policy for determining ‘material’ subsidiaries doesn’t applicable in the case of the Company. Hence we have not shown the web link of the policy in this report.

7.5. Disclosure of Accounting Treatment

The Company has followed the Accounting Standards specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 to the extent applicable, in the preparation of the financial statements.

7.6. Code of Conduct for prohibition of Insider trading

Your company had adopted a Code of conduct as per SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time. All Directors, Designated Employees who could have access to the Unpublished Price Sensitive Information of the Company are governed by this Code. During the year under review, the Company had made due compliance with SEBI (Prohibition of Insider trade) Regulations, 2015.

7.7. Details of compliance with mandatory requirements

The Company has complied with all mandatory requirements laid down under the provision of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

7.8. Adoption of the Discretionary Requirements.

SEBI new listing regulations states that the non mandatory requirements may be implemented as per the discretion of the Company. Details of compliance of non-mandatory requirements are listed below:

7.8.1. Shareholders Rights - Furnishing of quarterly results

Details of the shareholders' rights in this regard are given in the section 'General Shareholder information'.

7.8.2. Audit qualifications

During the current financial year, there are no audit qualifications in the financial statements of the Company. The Company continues to adopt appropriate best practices in order to ensure unqualified financial statements.

8. Certificate from CEO/CFO

The CEO certification of the financial statements for the year has been submitted to the Board of Directors, in its meeting held on April 4, 2016 as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations.

9. Observance of the Secretarial Standards issued by the Institute of Company Secretaries of India.

The Institute of Company Secretaries of India (ICSI), one of the India's premier professional bodies has issued Secretarial Standards on important aspects like Board Meetings, and General Meetings under series SS-1 and SS-2 which came into force from 1st July, 2015 upon endorsement of the same by Ministry of Corporate Affairs by notification

and your company adheres to these standards where ever applicable. The other standards like Payment of Dividend, Maintenance of Registers an Records, Transmission of Shares, Passing of resolutions by Circulation, Affixing of Common Seal and Board's report which are as on date of report Recommendatory in nature are also adhered to voluntarily.

DECLARATION - CODE OF CONDUCT

I, Sabu M. Jacob, Managing Director of Kitex Garments Limited, declare that all the members of the Board of Directors and Senior Management have, for the year ended March 31, 2016 affirmed compliance with the Code of Conduct laid down by the Board of Directors and Senior Management in terms of Regulation 26(3) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

For Kitex Garments Limited

April 4, 2016
Kizhakkambalam

Sabu M. Jacob
Managing Director
(DIN: 00046016)

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To the members of **Kitex Garments Limited**

1. We have examined the compliance of conditions of Corporate Governance by **Kitex Garments Limited** for the year ended **March 31, 2016** as stipulated in Regulation 17 to 27 and clause (b) to (i) of Regulation 46 (2), Schedule V and Schedule II of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
2. The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to a review of the procedures and implementation thereof adopted by the Company for ensuring compliance with the conditions of Corporate Governance as stipulated above. It is neither an audit nor an expression of opinion on the financial statements of the Company.
3. In our opinion and to the best of our information and according to the explanations given to us, and based on the representations made by the Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulation 17 to 27 and clause (b) to (i) of Regulation 46 (2), Schedule V and Schedule II of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
4. We further state that such compliance is neither as assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Kochi
April 4, 2016

For SVJS & Associates
Company Secretaries

CS. Sivakumar P.
Managing Partner
CP No: 2210, FCS: 3050

Independent Auditor's Report

To the members of Kitex Garments Limited

Report on the Financial Statements

We have audited the accompanying financial statements of KITEX GARMENTS LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March, 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2016, and its profit and its cash flows for the

year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 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 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, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) On the basis of the information and explanation of the Company provided to us, the internal financial control, framework the report of the internal auditors and in our opinion, the Company has adequate internal financial controls systems in place and the

operating effectiveness of such controls.

- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 30 to the financial statements;
 - ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses – Refer Note 40 to the financial statements;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For KOLATH & CO
Chartered Accountants
Firm's Registration No.008926S

Sd/-

CA Liju V Rajan Kolath
Partner
Membership No.209309

Kizhakkambalam
April 4, 2016

Annexure to Auditors' Report

Referred to in Paragraph 1 of Report on Other Legal and Regulatory Requirements of our Report of even date

- (i)
- (a) The Company has maintained proper records showing full particulars including quantitative details and situation of Fixed Assets.
 - (b) As explained to us, all the fixed assets have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. According to the information and explanations given to us, no material discrepancies were noticed on such physical verification.
 - (c) According to the information and explanation given to us, the title deeds of immovable properties of the Company are held in the name of the Company.
 - (ii) The inventories have been physically verified during the year by the management and in our opinion, the frequency of verification is reasonable.

As explained to us, no material discrepancies were noticed on physical verification of inventories as compared to the book records.
 - (iii) The Company has not granted any loans, secured or unsecured, to Companies, firms, Limited Liability Partnerships or other parities covered in the Register maintained under Section 189 of the Companies Act, 2013.
 - (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees and security.

- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits during the year. Therefore, the provisions of clause 3 (v) of the Companies (Auditor's Report) Order, 2016, are not applicable to the Company.

- (vi) According to the information and explanations given to us, the Central Government has prescribed maintenance of cost records under Section 148(1) of the Companies Act, 2013 in respect of manufacturing activities of the Company. We have broadly reviewed the accounts and records of the Company in this connection and are of the opinion, that prima facie, the prescribed accounts and records have been made and maintained. We have not, however, carried out a detailed examination of the same.

(vii)

- (a) The Company is generally regular in depositing with the appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales tax, service tax, customs duty, excise duty, value added tax, cess and any other material statutory dues applicable to the Company.

According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were in arrears, as at 31.03.2016 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, there are no dues of income-tax, sales tax, service tax, customs duty, excise duty and value added tax which have not been deposited on account of any dispute, except the following:

Name of Statute	Nature of Dues	Amount	Period to which it Relates	Forum where Dispute is Pending
Customs Act	Customs Duty	Rs.2,20,61,171 with simple interest of 10% on Rs.99,31,229 as per Settlement Commission Order (out of which Rs.2,20,61,171/- has been paid)	FY 1997-98	Honourable Supreme Court of India
Income Tax Act	Income tax	Rs.6,29,406/-	AY 2003-04 & 2004-05	Honourable High Court of Kerala
Income Tax Act	Income tax	Rs.21,29,567/-	AY 2005-06	Commissioner of Income Tax (Appeals)
Income Tax Act	Fringe Benefit tax	Rs.9,07,553/-	AY 2006-07	Commissioner of Income Tax (Appeals)
Income Tax Act	Income tax Penalty	Rs.5,26,632/-	AY 2010-11	Commissioner of Income Tax (Appeals)
Income Tax Act	Income tax	Rs.48,72,980/-	AY 2011-12	Commissioner of Income Tax (Appeals)
Income Tax Act	Income tax Penalty	Rs.33,91,894/-	AY 2011-12	Commissioner of Income Tax (Appeals)
Income Tax Act	Income tax	Rs.19,48,040/-	AY 2012-13	Commissioner of Income Tax (Appeals)
Provident Fund Act	Provident Fund	Rs.1,31,86,588/- (Out of which Rs.55,75,087/- has been deposited)	FY 2001-02 to 2005-06	Honourable High Court of Kerala
Provident fund Act	Provident Fund	Rs.31,24,050/-(Out of which Rs.12,49,620/- has been paid)	For the Period August 2011 to March 2012	Employees Provident Fund Appellate Tribunal
Provident Fund Act	Provident Fund – 3 cases	Rs.89,84,848/-	For the various periods from April 2012 to April 2014	Regional Provident Fund Commissioner, Kochi
Provident Fund Act	Provident Fund	Rs.66,67,450/-	For the Period June 2007 to October 2012	Regional Provident Fund Commissioner, Kochi
Provident fund Act	Provident Fund	Rs.14,78,145/- (Out of which Rs.4,43,444 has been paid)	For the period November 2012 to April 2014	The Regional Provident fund Commissioner.
Employees State Insurance Act	Employee State Insurance	Rs.2,03,687/-(Out of which Rs.1,25,000/- has been deposited)	FY 1996-1997 and 1997-98	The Director, ESI Regional Office, Ernakulam
Employees State Insurance Act	Employee State Insurance	Rs.26,01,275/ (Out of which the company has Deposited Rs.3,00,000/-)	FY 2008-09	Honourable ESI Court, Alappuzha
Employees State Insurance Act	Employee State Insurance	Rs.2,79,558/ and related Interest of Rs.9,466 (Out of which the company has Deposited Rs.50,000)	FY 2008-09	Honourable ESI Court, Alappuzha
Employees State Insurance Act	Employee State Insurance	Rs.8,63,348/ (Out of which the company has Deposited Rs.1,00,000)	FY 2008-09	Honourable ESI Court, Alappuzha
Employees State Insurance Act	Employees State Insurance	Rs.3,36,461/-(Out of which the Company has deposited Rs.84,115/-)	For the period June 2005 2012 to January 2009	The Director Sub Regional Office , ESI Corporation

Employees State Insurance Act	Employees State Insurance	Rs.12,11,248/-(Out of which the Company has deposited Rs.3,02,812/-)	For the period April 2003 to March 2004	The Director Sub Regional Office , ESI Corporation
Employees State Insurance Act	Employees State Insurance	Rs.30,18,037/-(Out of which the Company has deposited Rs.7,54,510/-)	For the period April 2009 to November 2009	The Director Sub Regional Office , ESI Corporation
Kerala Municipality Act, 1994 read with Kerala Building Rules, 1999	One Time Building Tax	Rs.3,08,945/-	1997	Honourable High Court of Kerala

- (viii) Based on our audit procedures and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to a financial institution, bank, Government or dues to debenture holders. There were no debenture holders at any time during the year.
- (ix) In our opinion, the term loans have been applied for the purposes for which they were raised. During the year, there were no moneys raised by way of initial public offer or further public offer.
- (x) To the best of our knowledge and belief and according to the information and explanations given to us, no material fraud on or by the Company by its officers or employees during the year was noticed or reported, nor have we been informed of such case by the management.
- (xi) In our opinion, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Companies Act, 2013.
- (xii) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of the Companies (Auditor's Report) Order, 2016, are not applicable to the Company.
- (xiii) In our opinion, all transactions with the related parties are in compliance with Section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and therefore, the provisions of clause 3 (xiv) of the Companies (Auditor's Report) Order, 2016, are not applicable to the Company.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non - cash transactions with directors or persons connected with the Directors.
- (xvi) In our opinion and according to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For KOLATH & CO
Chartered Accountants
Firm Regn. No. 008926S

Sd/-

CA. Liju V.Rajan Kolath
Partner
Membership No.209309

Kizhakkambalam
04.04.2016

Balance Sheet as at March 31, 2016

Particulars	Note No.	31st March 2016 (₹)	31st March 2015 (₹)
I. EQUITY AND LIABILITIES			
(1) Shareholders' Fund			
a) Share Capital	3	47,500,000	47,500,000
b) Reserves and Surplus	4	3,626,448,922	2,591,253,797
Sub-Total		3,673,948,922	2,638,753,797
(2) Non-Current Liabilities			
a) Long-term borrowings	5	82,928,326	268,374,074
b) Deferred tax liabilities (Net)	6	206,064,695	225,864,695
c) Other Long term liabilities		-	-
d) Long-term provisions	7	45,692,937	32,825,754
Sub-Total		334,685,958	527,064,523
(3) Current Liabilities			
a) Short-term borrowings	8	835,248,182	1,139,126,808
b) Trade Payables	9		
i) Outstanding dues of micro enterprises and small enterprises		4,355,163	6,068,508
ii) Outstanding dues of creditors other than micro enterprises and small enterprises		249,427,960	191,170,382
c) Other current liabilities	10	433,872,348	351,015,851
d) Short-term provisions	7	657,723,492	499,647,505
Sub-Total		2,180,627,145	2,187,029,054
TOTAL		6,189,262,025	5,352,847,374
II. ASSETS			
(1) Non-current assets			
(a) Fixed assets	11		
i) Tangible assets		1,728,354,999	1,878,685,129
ii) Intangible assets		1,532,980	3,582,539
iii) Capital Work-in-Progress		12,429,988	2,922,747
(b) Non-current investments	12	46,153,718	43,400
(c) Long term loans and advances	13	31,178,058	35,681,531
(d) Other non-current assets	14	20,465,817	20,022,373
Sub-Total		1,840,115,560	1,940,937,719
(2) Current assets			
a) Current investments		-	-
b) Inventories	15	130,231,927	112,034,450
c) Trade receivables	14	960,064,467	626,598,653
d) Cash and cash equivalents	16	2,499,127,677	2,032,576,686
e) Short-term loans and advances	13	567,221,910	462,005,163
f) Other current assets	14	192,500,484	178,694,703
Sub-Total		4,349,146,465	3,411,909,655
TOTAL		6,189,262,025	5,352,847,374
Summary of Significant Accounting Policies	2.2		

The accompanying Notes are an integral part of the financial statements.

As per our Report of even date
For KOLATH & CO
Chartered Accountants
Firm Regn. No. 008926S

Sd/-

CA Liju V Rajan Kolath
Partner
Membership No. 209309

Kizhakkambalam
April 4, 2016

For and on behalf of the Board of Directors of
Kitex Garments Limited

Sd/-

Sabu M Jacob
Managing Director &
Chief Financial Officer

Sd/-

CA Benni Joseph
Director

Sd/-

A Babu
Company Secretary

Statement of Profit and Loss for the year ended March 31, 2016

Particulars	Note No.	31st March 2016 (₹)	31st March 2015 (₹)
Revenue			
I. Revenue from operations	17	5,458,166,796	5,110,959,298
II. Other income	18	198,166,178	134,234,233
III Total Revenue (I+II)		5,656,332,974	5,245,193,531
IV Expenses			
Cost of Raw Materials Consumed	19	2,097,647,689	2,097,852,873
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	20	2,971,775	(2,154,142)
Employees Benefits Expense	21	836,172,488	745,006,764
Finance Costs	24	137,566,638	191,640,753
Depreciation and amortization expense	23	212,731,264	213,294,388
Other Expenses	22	658,693,170	582,878,121
Total Expenses		3,945,783,024	3,828,518,757
V. Profit before exceptional and extraordinary items and tax		1,710,549,950	1,416,674,774
VI. Exceptional Items		-	-
VII. Profit before extraordinary items and tax (V-VI)		1,710,549,950	1,416,674,774
VIII. Extra ordinary items		-	-
IX. Profit before tax (VII-VIII)		1,710,549,950	1,416,674,774
X. Tax Expense			
(1) Current Tax		609,400,000	421,700,000
(2) Deferred Tax		(19,800,000)	9,800,000
XI. Profit/ (Loss) for the year from continuing operations		1,120,949,950	985,174,774
XII. Profit/(Loss) from discontinuing operations		-	-
XIII. Tax expense of discontinuing operations		-	-
XIV. Profit/(Loss) from Discontinuing operations (after tax) (XII-XIII)		-	-
XV. Profit/(Loss) for the year (XI + XIV)		1,120,949,950	985,174,774
XVI. Earnings per equity share	25		
(1) Basic		23.60	20.74
(2) Diluted		23.60	20.74
Summary of Significant Accounting Policies	2.2		

The accompanying Notes are an integral part of the financial statements.

As per our Report of even date
For KOLATH & CO
Chartered Accountants
Firm Regn. No. 008926S

Sd/-

CA Liju V Rajan Kolath
Partner
Membership No. 209309

Kizhakkambalam
April 4, 2016

For and on behalf of the Board of Directors of
Kitex Garments Limited

Sd/-

Sabu M Jacob
Managing Director &
Chief Financial Officer

Sd/-

CA Benni Joseph
Director

Sd/-

A Babu
Company Secretary

Notes to Financial Statements

for the year ended March 31, 2016

1. Corporate Information

Kitex Garments Limited is a Public Company incorporated in India. Its shares are listed on the Bombay Stock Exchange and the National Stock Exchange. The Company is engaged in the manufacture of fabric and readymade garments. The readymade garments manufactured are exported.

2. Basis of Preparation

2.1. The financial statements of the company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP). The company has prepared these financial statements to comply in all material respects with the Companies (Accounts) Rules, 2014, and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared on an accrual basis and under the historical cost convention. The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

2.2 Summary of Significant accounting policies

2.2.1 Basis of Accounting

The financial statements are prepared under the historical cost convention in accordance with the Generally Accepted Accounting Principles in India and the provisions of the Companies Act, 2013.

2.2.2 Use of Estimates

The preparation of financial statements requires the management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) as on the date of the financial statements and the reported income and expenses during the reporting period. The estimates and assumptions used in the financial statements are based upon the Management's evaluation of the relevant facts and circumstances as on the date of financial statements. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Future results may vary from these estimates.

2.2.3 Inventories

Inventories are valued at cost or net realisable value, whichever is lower. Cost of Inventory comprises of Cost of Purchase, Cost of Conversion and other Costs incurred to bring them to their respective present location and condition. Costs of Raw Materials and Packing Materials are determined on FIFO basis.

2.2.4 Revenue Recognition

Revenue is recognized when the significant risks and rewards of ownership of goods have been passed to the buyer. Sales are recognized on in warding of goods at customer's end, where

applicable as per terms of sale (for domestic) and on the date of bill of lading (for exports). Export incentives under various schemes notified by the Government are recognized when confirmation of the right to receive the income is established.

2.2.5 Own Fixed Assets

Fixed Assets are stated at cost less accumulated depreciation. The cost includes purchase consideration, financing costs till commencement of commercial production and other directly attributable costs incurred to bring an Asset to its working condition for its intended use. Subsidy towards specific assets is reduced from the cost of fixed assets. Fixed assets taken on Finance Lease are capitalized.

The costs of Assets not ready for use as at the Balance Sheet date are disclosed under Capital Work-In-Progress.

2.2.6 Leased Assets

Operating Leases: Rentals are recognised as an expense with reference to lease terms and other considerations.

Finance Leases: The lower of the fair value of the leased assets at the inception of the lease and present value of the minimum lease rentals is capitalised as fixed assets with corresponding amount shown as lease liability. The principal component in the lease rental is adjusted against the lease liability and the interest component is charged to the Statement of Profit and Loss.

2.2.7 Depreciation and Amortisation

Depreciation on Fixed Assets is provided based on the useful life of the asset in the manner prescribed in Schedule II of the Companies Act, 2013. Capitalised Software costs is amortised over a period of three years.

2.2.8 Foreign Currency Transactions

Transactions denominated in foreign currency are recorded at the rate of exchange prevailing on the date of transaction.

Monetary assets and liabilities denominated in foreign currencies outstanding at the year end are re-stated at the rate of exchange prevailing at the year-end and the gain or loss, is recognized in the Statement of Profit and Loss.

Exchange differences arising on actual payments/realizations and year-end restatements are recognized in the Statement of Profit and Loss.

2.2.9 Forward Contracts

The Company enters into foreign exchange forward contracts to hedge its exposure to movements in foreign exchange rates. The company does not use the foreign exchange forward contracts for trading or speculation purposes.

Premium or discount arising at the inception of a forward exchange contract is amortised as expense or income over the life of the contract. Exchange differences on such contracts are recognised in the Statement of Profit and Loss in the reporting period in which the exchange rates change.

2.2.10 Government Grants

Government Grants are recognized where there is reasonable assurance that the Company has complied with the conditions attached to them and that the Grant will be received. Grant relating to depreciable fixed assets is reduced from the gross value of Fixed Assets. Revenue Grants are recognized in the Statement of Profit and Loss and are shown under Other Income.

2.2.11 Investments

Long-term Investments made by the Company are stated at cost and provision for diminution in the value of long-term investments is made only if such a decline is other than temporary.

2.2.12 Employee Benefits

Short term employee benefits are recognised as an expense at the undiscounted amount in the Statement of Profit and Loss of the year in which the related service is rendered.

The contributions remitted to government administered Provident and Pension Fund on behalf of its employees in accordance with the relevant statute are charged to the Statement of Profit and Loss as and when due. The Company has no further obligations for future Provident/Pension fund benefits other than its monthly contributions.

Post employment and other long term employee benefits are recognised as an expense in the Statement of Profit and Loss for the year in which the employee has rendered services. The expenses are recognised at the present value of the amount payable determined using actuarial valuation techniques.

2.2.13 Borrowing Costs

Borrowing Costs directly attributable to the acquisition, construction and production of qualifying assets are capitalised as part of the Cost of such assets. All other borrowing costs are charged to the Statement of Profit and Loss.

2.2.14 Taxation

Provision for taxation is made for both current and deferred taxes.

Current tax is provided on the basis of estimated taxable income in accordance with the Income Tax Act, 1961 using the applicable tax rates and tax laws.

Deferred tax assets and liabilities arising on account of timing difference and which are capable of reversal in subsequent periods, are recognized using the tax rates and tax laws that have been enacted or substantively enacted as on the Balance Sheet date.

Deferred Tax Assets are recognized and carried forward only if there is a virtual certainty that they will be realised and are reviewed for the appropriateness of their respective carrying values at each Balance Sheet date.

2.2.15 Provisions, Contingent Liabilities and Contingent Assets.

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognised but are disclosed in the Notes. Contingent Assets are neither recognised nor disclosed in the financial statements.

3. SHARE CAPITAL

Sl No.	Particulars	31st March 2016 (₹)		31st March 2015 (₹)	
a	Authorized Shares 250,000,000 Equity shares of ₹ 1 each (31 March 2015: 50,000,000)	250,000,000		50,000,000	
b	Issued, Subscribed and fully paid up shares 47,500,000 Equity shares of ₹ 1 each (31 March 2015: 47,500,000)	47,500,000		47,500,000	
c	Reconciliation of shares outstanding at the beginning and at the end of the reporting period.				
Particulars	31st March 2016		31st March 2015		
	No. of shares	Amount (₹)	No. of shares	Amount (₹)	
At the beginning of the period	47,500,000	47,500,000	47,500,000	47,500,000	
Add: Shares Issued during the year	NIL	NIL	NIL	NIL	
Less: Shares bought back during the year	NIL	NIL	NIL	NIL	
Add: Other movements during the year	NIL	NIL	NIL	NIL	
Outstanding at the end of the period	47,500,000	47,500,000	47,500,000	47,500,000	
d	<p>Terms/rights attached to equity shares.</p> <p>The company has only one class of equity shares having par value of ₹ 1 per share. Each holder of equity share is entitled to one vote per share. The company declares and pays dividend in Indian rupees.</p> <p>The dividend proposed is as recommended by the Board of Directors and subject to the approval of the shareholders in the ensuing Annual General Meeting.</p> <p>For the year ended 31.03.2016, the amount of dividend per share recognised as distributions to equity shareholders is ₹1.50 comprising of Interim Dividend of Rs 0.75 and Final Dividend of Rs 0.75 (31 March 2015: ₹1.25).</p> <p>In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the realised value of the assets of the Company, remaining after payment of all preferential dues. The distribution will be in proportion to the number of equity shares held by the shareholders.</p>				
Particulars	31st March 2016 (₹)		31st March 2015 (₹)		
e	Shares held by holding/ ultimate holding company/ or their subsidiaries/ associates		NIL		

f	Details of shareholders holding more than 5% shares in the Company	31st March 2016		31st March 2015	
		No. of shares	% of holding in the class	No. of shares	% of holding in the class
	Equity Shares of ₹ 1 each fully paid				
	Kitex Childrenswear Limited	7,350,329	15.4744%	7,350,329	15.4744%
	Sabu M Jacob	3,464,631	7.2940%	3,464,631	7.2940%
	Bobby M Jacob	4,487	0.0094%	4,487	0.0094%
	Sabu M Jacob and Bobby M Jacob	3,846,950	8.0988%	3,846,950	8.0988%
	Bobby M Jacob and Sabu M Jacob	6,910,750	14.5489%	6,910,750	14.5489%
	Renjitha Joseph	3,091,500	6.5084%	3,091,500	6.5084%
	Gopinathan C K	2,890,673	6.0856%	2,490,000	5.2421%
	C K G Super Market Limited	3,023,882	6.3661%	3,055,000	6.4316%
	As per records of the Company, including its Register of Members and other declarations received from them regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.				
	Particulars	31st March 2016 (₹)		31st March 2015 (₹)	
g	Aggregate number of shares issued as fully paid up for consideration other than cash, bonus shares issued and shares bought back during the period of 5 years immediately preceding the reporting date.	NIL		NIL	
	Particulars	31st March 2016 (₹)		31st March 2015 (₹)	
h	Shares reserved for issue under options and contracts/commitments for the sale of shares/disinvestment, including the terms and amounts.	NIL		NIL	

4. RESERVES AND SURPLUS

Sl No.	Particulars	31st March 2016 (₹)	31st March 2015 (₹)
a	Capital Reserve Investment Subsidy	2,210,000	2,210,000
b	General Reserve Balance as per last Financial Statements Add: Amount transferred from surplus in the Statement of Profit and Loss Closing balance	286,500,000 200,000,000 486,500,000	186,500,000 100,000,000 286,500,000
c	Surplus/(Deficit) in the Statement of Profit and Loss Balance as per last Financial Statements Less : Carrying amounts of Fixed Assets debited to retained earnings where remaining useful life of the asset is NIL as on 01.04.2014 Profit for the year Less: Appropriations Interim equity dividend paid ₹0.75 per share Proposed final equity dividend ₹0.75 per share Total Dividend per share ₹1.50 (31 March 2015: ₹1.25) Tax on proposed equity dividend and Interim Dividend paid Transfer to General Reserve Total Appropriations	2,302,543,797 - 1,120,949,950 3,423,493,747 35,625,000 35,625,000 14,504,825 200,000,000 285,754,825	1,505,482,247 16,581,389 985,174,774 2,474,075,632 - 59,375,000 12,156,835 100,000,000 171,531,835
	Net Surplus in the Statement of Profit and Loss	3,137,738,922	2,302,543,797
	Total Reserves and Surplus	3,626,448,922	2,591,253,797

5. LONG TERM BORROWINGS

SI No.	Particulars	Non-Current Portion		Current Maturities	
		31st March 2016 (₹)	31st March 2015 (₹)	31st March 2016 (₹)	31st March 2015 (₹)
a	Term Loans				
	Indian Rupee Loan From Banks (Secured)	82,928,326	268,374,074	182,706,461	204,766,450
		82,928,326	268,374,074	182,706,461	204,766,450
	The above amount includes				
	Secured borrowings	82,928,326	268,374,074	182,706,461	204,766,450
	Unsecured borrowings	-	-	-	-
	Amount disclosed under the head Other Current Liabilities See Note No. 10	-	-	(182,706,461)	(204,766,450)
		82,928,326	268,374,074	-	-
I	Terms of Repayments of Indian Rupee Term Loans				
	Name of the Bank	State Bank of India	State Bank of India	State Bank of India	State Bank of India
	Type of Loan	Term Loan	Term Loan	Term Loan	Term Loan
	Loan Account No.	32331339891	33852503931	34019272745	34040990858
	Amount sanctioned/availed (₹)	Sanctioned ₹82,00,00,000/- (Availed : ₹52,10,94,096/-)	Sanctioned ₹2,50,00,000/- (Availed ₹2,46,68,462/-)	Sanctioned ₹17,35,00,000/- (Availed ₹10,85,34,611/-)	Sanctioned ₹8,00,00,000/- (Availed ₹5,76,64,538)
	Sanction Date	28.03.2012	26.03.2014	23.07.2014	26.03.2014
	Current Interest rate	11.80%	11.70%	11.70%	11.70%
	Total No. of Instalments	60	57	60	60
	No. of instalments paid	31	22	9	20
	No. of balance instalments to be paid	29	35	51	40
	Amount of instalment	First 22 months : ₹ 1,20,00,000/- Next 26 months : ₹1,40,00,000/- Next 12 months : ₹1,60,00,000/-	First 35 months : ₹ 4,00,000/- Next 22 months : ₹5,00,000/-	First 40 months : ₹ 25,00,000/- Next 15 months ₹35,00,000/- Next 5 months ₹42,00,000/-	First 50 months : ₹ 13,00,000/- Next 10 months : ₹15,00,000/-
	Repayment type	Monthly	Monthly	Monthly	Monthly
	Interest payment type	Monthly	Monthly	Monthly	Monthly

Name of the Bank	Axis Bank	Axis Bank	Axis Bank	Axis Bank
Type of Loan	Vehicle Loan	Vehicle Loan	Vehicle Loan	Vehicle Loan
Loan Account No.	CVR008100863031	CVR008100863216	CVR008100862999	CVR008100863032
Amount sanctioned/availed (₹)	13,50,000	13,50,000	12,28,000	8,90,000
Sanction Date	27-09-2013	27-09-2013	16-08-2013	06-11-2013
Current Interest rate	11.01%	11.01%	11.01%	11.01%
Total No. of Instalments	36	36	36	36
No. of instalments paid	28	28	28	28
No. of balance instalments to be paid	8	8	8	8
Amount of EMI	44,205	44,205	40,210	29,143
Repayment type	Monthly	Monthly	Monthly	Monthly
II				
1	Indian Rupee Term loans from Banks (Other than Vehicle loans) are Secured by:			
i	Primary Security:			
	State Bank of India Term Loan Account no 32331339891, 33852503931, 34019272745 and 34040990858 - First charge in favour of State bank of India on the entire fixed assets, present and future, of the Company and including:			
	(i) Equitable Mortgage over 19.24 acres of Land , Building and Plant and Machinery of the Backward integeation project in Re.Sy no. 122/9/4 , 112/5 , 112/1 , 108/2/2, 108/10/2 , 108/2 , 108/10 , 112/4 , 122/9/3 , 108/1/2 , 122/7 ,121/1/1 in Block 27 of Pattimattom Village , Kunnathunadu taluk , Puthencruz sub district, Ernakulam belonging to the Company.			
	(ii) Equitable Mortgage over 244.629 cents of Land in Re Sy No 76/3 in Block no 27 of Kizhakkambalam, Puthencruz sub district, Ernakulam belonging to the Company.			
	(iii) Equitable Mortgage over 3.75 Acres of Land and Building in Re Sy No 81/1 at Pattimattom village in Kunnathunadu taluk (Kizhakkambalam), Puthencruz sub district, Ernakulam belonging to the Company.			
ii	Collateral Security:			
	For State Bank of India Term Loan Account no 32331339891, 33852503931, 34019272745 and 34040990858 - Second charge in favour of State Bank of India, on the entire current assets of the Company, both present and future.			
iii	Personal Guarantee of Mr. Sabu M Jacob, Managing Director.			
2	Vehicle loans are secured by hypothecation of the concerned vehicles.			

6. DEFERRED TAX LIABILITY (Net)

SI No.	Particulars	31st March 2016 (₹)	31st March 2015 (₹)
a	Deferred Tax Liability		
	Fixed Assets: Impact of difference between tax depreciation and depreciation/amortization charged for the financial reporting	222,991,833	237,891,833
	Gross Deferred Tax Liability	222,991,833	237,891,833
b	Deferred Tax Asset		
	Impact of Expenditure charged (Gratuity) to Statement of Profit and Loss in the current year but allowed for tax purpose on payment basis	16,927,138	12,027,138
	Gross Deferred Tax Asset	16,927,138	12,027,138
	Net Deferred Tax Liability	206,064,695	225,864,695

7. PROVISIONS

SI No.	Particulars	Long Term		Short Term	
		31st March 2016 (₹)	31st March 2015 (₹)	31st March 2016 (₹)	31st March 2015 (₹)
a	Provision for Employee Benefits				
	Provision for Gratuity	45,692,937	32,825,754	3,316,513	2,548,923
	(a)	45,692,937	32,825,754	3,316,513	2,548,923
b	Other Provisions				
	Provision for Taxation	NIL	NIL	611,529,567	425,566,747
	Proposed Equity Dividend	NIL	NIL	35,625,000	59,375,000
	Provision for Tax on proposed equity dividend	NIL	NIL	7,252,412	12,156,835
	(b)	NIL	NIL	654,406,979	497,098,582
	(a+b)	45,692,937	32,825,754	657,723,492	499,647,505

8. SHORT TERM BORROWINGS

SI No.	Particulars	31st March 2016 (₹)	31st March 2015 (₹)
a	Loans Repayable on demand Packing Credit Loan From banks (Secured)	835,248,182	1,139,126,808
		835,248,182	1,139,126,808
1	Terms of repayment of Packing Credits: Packing credit from Bank is repayable on demand and carries interest @ 6.75%.(Current rate for State Bank of India including 3% Interest Equalisation)		
2	Working capital Limits from Bank is secured by		
(i)	Primary Security: First charge in favour of State bank of India over the entire Current Assets of the Company, both present and future.		
(ii)	Collateral Security: Second charge, in favour of State bank of India on the entire Fixed Assets of the Company (excluding vehicles purchased under the Hire Purchase), of which includes:		
	1. Equitable Mortgage on 3.75 Acres of land & building in Re. Sy No. 81/1 at Pattimattom Village, Kunnathunadu Taluk (Kizhakkambalam), Puthencruz Sub-district, Ernakulam belonging to the Company.		
	2. Equitable Mortgage on 19.24 acres of land, building and plant & machinery of the fabric processing plant at Kizhakkambalam.		
	3. EM on 244.629 cents of Land in Re Sy No 76/3 in Block no 27 of Kizhakkambalam, Puthencruz sub district, Ernakulam belonging to the Company.		
(iii)	Personal Guarantee of Mr. Sabu M Jacob, Managing Director.		

9. TRADE PAYABLES

SI No.	Particulars	31st March 2016 (₹)	31st March 2015 (₹)
a	Trade Payables		
i	Outstanding dues of micro enterprises and small enterprises;	4,355,163	6,068,508
ii	Outstanding dues of creditors other than micro enterprises and small enterprises	249,427,960	191,170,382
	Sub Total	253,783,123	197,238,890
b	Others	-	-
		253,783,123	197,238,890

10. OTHER CURRENT LIABILITIES

Sl No.	Particulars	31st March 2016 (₹)	31st March 2015 (₹)
a	Current maturities of long term borrowings	182,706,461	204,766,450
b	Interest accrued and due on borrowings	2,819,805	5,101,378
c	Income Received in advance	4,275,256	3,524,117
d	Unpaid dividends	7,356,078	4,845,930
e	Other payables		
	ESIC Payable	1,636,508	1,640,912
	PF Payable	7,485,488	6,669,574
	TDS payable	32,777,075	24,950,981
	Fringe Benefit Tax Payable	907,553	907,553
	Work Contract Tax Payable	187,972	529,012
	Service Tax Payable	-	186,999
	Wealth Tax Payable	-	101,773
	Expenses Payable	162,013,417	94,979,968
	Payable to Vendors - Non Trade	10,706,760	2,811,204
	ISDS Project Expenses Payable (Net)	20,999,975	-
		433,872,348	351,015,851

11 FIXED ASSETS

(Amount in ₹)

SI No	NATURE OF ASSET	GROSS BLOCK				DEPRECIATION			NET BLOCK		
		As at 01.04.2015	Additions during the year	Sale/ Deletions/ Capital Subsidy during the year	As at 31.03.2016	As at 01.04.2015	Accumulated Depreciation Reversed / Adjusted	During the Year	As at 31.03.2016	As at 31.03.2016	As at 31.03.2015
A	TANGIBLE ASSETS										
1	Freehold Land	48,982,919	-	-	48,982,919	-	-	-	-	48,982,919	48,982,919
2	Building	634,085,287	1,207,959	-	635,293,246	155,605,897	-	20,870,313	176,476,210	458,817,036	478,479,390
3	Plant & Equipments	1,692,745,234	48,927,049	6,434,736	1,735,237,547	437,029,399	2,578,167	162,860,891	597,312,123	1,137,925,424	1,255,715,835
4	Furniture & Fixtures	43,841,572	1,778,593	-	45,620,165	24,888,835	-	4,393,331	29,282,166	16,337,999	18,952,737
5	Vehicles	55,299,186	1,057,700	-	56,356,886	24,144,711	-	5,964,803	30,109,514	26,247,372	31,154,475
6	Office Equipments	27,726,341	2,582,846	-	30,309,187	22,901,018	-	2,664,879	25,565,897	4,743,290	4,825,323
7	Other assets	88,942,059	8,446,772	-	97,388,831	48,367,609	-	13,720,263	62,087,872	35,300,959	40,574,450
	Total (A)	2,591,622,598	64,000,919	6,434,736	2,649,188,781	712,937,469	2,578,167	210,474,480	920,833,782	1,728,354,999	1,878,685,129
B	INTANGIBLE ASSETS										
SI No	NATURE OF ASSET	GROSS BLOCK				AMORTIZATION			NET BLOCK		
		As at 01.04.2015	Additions during the year	Sale/ Deletions/ Capital Subsidy during the year	As at 31.03.2016	As at 01.04.2015	Amortisation Reversed/ Adjusted	During the Year	As at 31.03.2016	As at 31.03.2016	As at 31.03.2015
1	Computer software	33,607,680	207,225	-	33,814,905	30,025,141	-	2,256,784	32,281,925	1,532,980	3,582,539
	Total (B)	33,607,680	207,225	-	33,814,905	30,025,141	-	2,256,784	32,281,925	1,532,980	3,582,539
	GRAND TOTAL (A)+(B)	2,625,230,278	64,208,144	6,434,736	2,683,003,686	742,962,610	2,578,167	212,731,264	953,115,707	1,729,887,979	1,882,267,668
	Previous Year	2,373,963,814	321,630,113	70,363,649	2,625,230,278	561,902,888	(32,234,666)	213,294,388	742,962,610	1,882,267,668	1,812,060,926

12. NON CURRENT INVESTMENTS

SI No.	Particulars	31st March 2016 (₹)	31st March 2015 (₹)
a	Trade Investments (Valued at Cost) Investment in Equity Instruments of Associates (Unquoted) -Kitex USA LLC - USD 7,00,210.09 (700210.09 Membership units at face value USD 1)	46,110,318	Nil
b	Non Trade Investments (Valued at cost) Investment in Equity Instruments (Quoted) - Punjab National Bank Limited 7000 Equity Shares of Face value ₹2/- (Market value of 7000 Equity Shares of Face value ₹2/- as on 31st March, 2016 is ₹5,92,900/- (As on 31 March 2015, Market Value of 7000 Equity Shares of ₹2/- - ₹10,10,800/-))	43,400	43,400
		46,153,718	43,400

13. LOANS AND ADVANCES

SI No.	Particulars	Non-Current		Current	
		31st March 2016 (₹)	31st March 2015 (₹)	31st March 2016 (₹)	31st March 2015 (₹)
a	Capital advances Unsecured, considered good	15,395,339	20,672,825	NIL	NIL
	(a)	15,395,339	20,672,825	NIL	NIL
b	Security Deposit Unsecured, considered good	15,782,719	15,008,706	NIL	NIL
	(b)	15,782,719	15,008,706	NIL	NIL
c	Advance Recoverable in cash or kind Unsecured, considered good Advance to Vendors - Trade	NIL	NIL	22,790,380	20,069,390
	(c)	NIL	NIL	22,790,380	20,069,390

d	Other Loans and advances Unsecured, considered good				
(i)	Advance to Employees	NIL	NIL	1,470,160	1,106,552
(ii)	Advance Income tax	NIL	NIL	434,971,637	341,324,137
(iii)	Prepaid Expenses	NIL	NIL	4,437,498	4,294,137
(iv)	KVAT Refund Receivable	NIL	NIL	103,552,235	95,210,947
	(d)	NIL	NIL	544,431,530	441,935,773
	TOTAL	(a)+(b)+(c)+(d)	31,178,058	35,681,531	567,221,910

14. TRADE RECEIVABLES AND OTHER ASSETS

SI No.	Particulars	Non-Current		Current	
		31st March 2016 (₹)	31st March 2015 (₹)	31st March 2016 (₹)	31st March 2015 (₹)
1	Trade Receivables				
a	Outstanding for a period Exceeding six months from the date they are due for payment Unsecured, Considered Good (A)	NIL	NIL	9,67,396	5,72,348
b	Other Receivables Unsecured, considered good (B)	NIL	NIL	959,097,071	626,026,305
	Total (A)+(B)	NIL	NIL	960,064,467	626,598,653
2	Other Assets Unsecured, considered good				
(i)	Export Incentives Receivable	NIL	NIL	30,457,278	85,133,915
(ii)	Interest accrued on fixed deposits	NIL	NIL	1,310,391	1,371,856
(iii)	Subsidy Receivable - TUFS	NIL	NIL	87,668,951	80,530,588
(v)	Other Deposits	20,465,817	20,022,373	NIL	NIL
(vi)	Others	NIL	NIL	73,063,864	11,658,344
		20,465,817	20,022,373	192,500,484	178,694,703

15. INVENTORIES (Valued at lower of cost or net realizable value)

SI No.	Particulars	31st March 2016 (₹)	31st March 2015 (₹)
a	Raw- Materials	125,110,494	103,941,242
b	Finished goods	5,121,433	8,093,208
		130,231,927	112,034,450

16. CASH AND BANK BALANCES

SI No.	Particulars	Non Current		Current	
		31st March 2016 (₹)	31st March 2015 (₹)	31st March 2016 (₹)	31st March 2015 (₹)
1	Cash and Cash equivalents				
a	Cash on hand	NIL	NIL	239,649	1,013,323
b	Balance with banks:				
	On current accounts	NIL	NIL	2,454,841,471	1,992,909,257
	(A)	NIL	NIL	24550,81,120	1,993,922,580
2	Other Bank balances				
a	Ear marked balance with Banks				
	On unpaid dividend accounts	NIL	NIL	7,356,079	4,845,930
b	Margin money Deposit	NIL	NIL	36,690,478	33,808,176
	(B)	NIL	NIL	44,046,557	38,654,106
	(A)+(B)	NIL	NIL	2,499,127,677	2,032,576,686
Margin money deposits with carrying amount of ₹3,66,90,478/- (31 March 2015: ₹3,38,08,176/-) are held to secure the Company's Non Fund based limits availed from Bank.					

17. REVENUE FROM OPERATIONS

SI No.	Particulars	31st March 2016 (₹)	31st March 2015 (₹)
a	Sale of Products		
	Sales - Export	4,312,737,291	4,156,192,734
	Less:Sales Returns	-	-
	(A)	4,312,737,291	4,156,192,734
	Sales - Domestic	685,768,136	643,410,190
	Less:Sales Returns	5,952,284	5,481,133
	(B)	679,815,852	637,929,057
	Total (A)+(B)	4,992,553,143	4,794,121,791
b	Other Operating Revenues		
(i)	Export Incentives	422,865,117	298,416,579
(ii)	Job work Charges	31,007,537	6,933,283
(iii)	Sale of manufacturing Scrap	2,362,281	6,595,026
(iv)	Others	9,378,718	4,892,619
	(C)	465,613,653	316,837,507
	Total	(A)+(B)+(C)	5,458,166,796

18. OTHER INCOME

SI No.	Particulars	31st March 2016 (₹)	31st March 2015 (₹)
a	Interest Income		
	(i) Bank Deposits	2,989,117	3,231,540
	(ii) Other Deposits	526,486	761,362
b	Dividend Income on Long Term investments	23,100	-
c	Subsidy Income - TUFs	7,138,363	11,906,904
d	Foreign exchange gains (Net)	163,944,386	107,373,960
e	Rent received	1,583,067	1,428,183
f	Other non-operating income	21,961,659	9,532,284
		198,166,178	134,234,233

19. COST OF RAW MATERIALS CONSUMED

Particulars	31st March 2016 (₹)	31st March 2015 (₹)
Inventory at the beginning of the year	103,941,242	102,062,240
Add: Purchases during the year	2,118,816,941	2,099,731,875
Less: Inventory at the end of the year	125,110,494	103,941,242
Cost of raw material consumed.	2,097,647,689	2,097,852,873

20. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK IN TRADE

Particulars	31st March 2016 (₹)	31st March 2015 (₹)
Inventories at the end of the year Finished goods	5,121,433	8,093,208
Inventories at the beginning of the year Finished goods	8,093,208	5,939,066
Change in inventories of finished goods	2,971,775	(2,154,142)

21. EMPLOYEE BENEFITS EXPENSE

SI No.	Particulars	31st March 2016 (₹)	31st March 2015 (₹)
a	Salaries, Wages and Bonus	705,696,976	617,038,697
b	Contribution to Provident Fund	44,135,664	37,282,995
c	Staff Welfare Expenses	86,339,848	90,685,072
		836,172,488	745,006,764

22. OTHER EXPENSES

Sl No.	Particulars	31st March 2016 (₹)	31st March 2015 (₹)
1	Freight and Clearing charges -Inward	14,300,843	12,553,521
2	Power and Fuel	175,429,165	189,883,658
3	Repairs and Maintenance -Building	26,665,966	27,996,403
4	Repairs and Maintenance -Plant and Machinery	26,156,313	21,989,264
5	Repairs and Maintenance -Others	35,166,858	20,767,048
6	Stores and Spares consumed	86,868,167	63,918,831
7	Insurance	6,129,778	5,714,307
8	Processing charges	116,767,590	54,270,162
9	Testing Charges	12,445,291	23,736,340
10	Other Production expenses	5,133,853	2,078,371
11	Sitting fee to Directors	311,379	404,496
12	Travelling and Conveyance	10,282,814	9,271,339
13	Postage, Courier and Telephone	5,569,160	4,189,603
14	Rent	3,852,152	3,276,341
15	Audit fees	1,952,635	2,443,830
16	Legal and professional Charges	7,833,911	5,998,014
17	Rates & Taxes excluding taxes on Income	17,007,571	8,483,016
18	Printing and Stationery	4,922,541	4,747,703
19	General Expenses	4,423,619	7,508,979
20	Freight and Forwarding charges -Outward	19,645,947	34,437,203
21	Advertisement and Sales Promotion	19,740,735	28,386,776
22	Sales Commission	701,287	7,477,042
23	Interest (Other than on borrowings)	19,154,912	11,891,254
24	Bank charges	4,801,744	7,750,034
25	Loss on Sale of Fixed assets	1,227,811	5,904,262
26	Duty drawback written off	-	1,024,385
27	Prior period expenses	231,522	1,608,557
28	Vendor Balances Written off	-	353,165
29	Expenditure towards Corporate Social Responsibility activities	31,969,606	14,814,217
		658,693,170	582,878,121

23. DEPRECIATION AND AMORTIZATION EXPENSES

SI No.	Particulars	31st March 2016 (₹)	31st March 2015 (₹)
a	Depreciation of Tangible Assets	210,474,480	211,564,620
b	Amortization of Intangible Assets	2,256,784	1,729,768
		212,731,264	213,294,388

24. FINANCE COSTS

SI No.	Particulars	31st March 2016 (₹)	31st March 2015 (₹)
a	Interest Expenses	134,606,832	190,234,510
b	Other Borrowing costs	2,959,806	1,406,243
		137,566,638	191,640,753

25. EARNING PER SHARE

SI No.	Particulars	31st March 2016 (₹)	31st March 2015 (₹)
a	Net profit as per Statement of Profit and Loss	1,120,949,950	985,174,774
b	Net profit available to Equity Share holders	1,120,949,950	985,174,774
c	No. of equity shares at year end	47,500,000	47,500,000
d	Weighted average number of Equity shares used as denominator for calculating EPS	47,500,000	47,500,000
e	Basic and Diluted Earning per Share	23.60	20.74
f	Face value per Equity Share	1.00	1.00

26. GRATUITY

The following table summarizes the components of expense recognized in the Statement of Profit and Loss and the amounts recognized in the Balance Sheet.

SI No.	Particulars	31st March 2016 (₹)	31st March 2015 (₹)
1	Expense Recognized in Statement of Profit and Loss		
a	Current Service Cost	10,954,875	7,466,875
b	Interest on Defined Benefit Obligation	3,581,880	2,911,171
c	Net Actuarial Losses/ (Gains) Recognized in Year	2,752,668	3,620,459
d	Past Service Cost		-
	Total amount included in "Employee Benefit Expense" (Note 21)	17,289,423	13,998,505
2	Amount Recognized in Balance Sheet		
a	Present Value of Unfunded Obligations	49,009,450	35,374,677
	Net Liability	49,009,450	35,374,677
b	Net Liability is bifurcated as follows:		
	Current	33,16,513	25,48,923
	Non Current	456,92,937	328,25,754
	Net Liability	490,09,450	353,74,677
3	Change in Defined Benefit Obligation		
a	Opening Defined Benefit Obligation	35,374,677	25,382,535
b	Current Service Cost	10,954,875	7,466,875
c	Interest Cost	3,581,880	2,911,171
d	Actuarial Losses/ (Gain)	2,752,668	3,620,459
e	Past Service Cost		-
f	Benefits Paid	(3,654,650)	(4,006,363)
g	Closing Defined Benefit Obligation	49,009,450	35,374,677
h	Contributions by Employer	3,654,650	4,006,363
i	Benefits Paid	(3,654,650)	(4,006,363)
j	Expected Employer's Contribution Next Year	3,316,513	2,548,923

SI No.	Particulars	31st March 2016 (₹)	31st March 2015 (₹)
4	Financial Assumptions at the Valuation Date:		
a	Discount Rate (p.a.)	7.80%	7.95%
b	Expected Rate of Return on Assets (p.a.)	0.00%	0.00%
c	Salary Escalation Rate (p.a.)	7.00%	7.00%

27 LEASES

SI No.	Particulars	31st March 2016 (₹)	31st March 2015 (₹)
A	Operating Lease: Company as Lessor Future minimum rentals receivable under operating lease is as follows: Within one year	544,132	494,800
B	Operating Lease: Company as Lessee The Company has taken various residential and office premises under operating lease agreements. These agreements are generally for a period of 11 months. The Company has also taken equipments on rent for shorter duration during the year. Minimum lease payments charged during the year to the Statement of Profit and Loss aggregated to ₹38,52,152/- (Previous year ₹32,76,341/-)		

28. SEGMENT INFORMATION

SI No.	Particulars	31st March 2016 (₹)	31st March 2015 (₹)
I	BUSINESS SEGMENTS:		
1	Segment Revenue		
	a. Garments	4,760,781,105	4,460,130,019
	b. Fabric	2,039,217,620	2,100,786,943
	Total	6,799,998,725	6,560,916,962
	Less : Inter Segment Revenue	1,341,831,928	1,449,957,664
		5,458,166,797	5,110,959,298

SI No.	Particulars	31st March 2016 (₹)	31st March 2015 (₹)
2	Segment Results		
a.	Garments	1,848,831,273	1,622,595,435
b.	Fabric	35,548,995	26,182,826
	Total	1,884,380,268	1,648,778,261
	Less: Interest	121,742,769	168,252,871
	Unallocable Expenses	221,595,953	176,787,492
	Unallocable Income	169,508,404	112,936,875
	Profit before tax	1,710,549,950	1,416,674,773
	Segment Assets		
1	Garments	1,210,012,468	1,132,318,306
2	Fabrics	1,541,526,673	1,442,808,021
3	Unallocated	3,437,722,884	2,777,721,046
	Total	6,189,262,025	5,352,847,373
	Segment Liabilities		
1	Garments	279,511,368	111,035,062
2	Fabrics	343,668,791	154,860,855
3	Unallocated	1,892,132,943	2,448,197,659
	Total	2,515,313,103	2,714,093,576
3	Capital Employed		
a	Garments	930,501,099	1,021,283,244
b	Fabric	1,197,857,879	1,287,947,166
c	Unallocable	1,545,589,939	329,523,387
		3,673,948,918	2,638,753,797

SI No.	Particulars	31st March 2016 (₹)	31st March 2015 (₹)
4	Depreciation		
a	Garments	31,046,105	34,786,210
b	Fabric	148,711,005	145,192,134
c	Unallocable	32,974,154	33,316,042
		212,731,264	213,294,386
II	Geographical Segments:		
	Sales - Export	4,312,737,291	4,156,192,734
	Sales - Domestic	679,815,852	634,029,467
		4,992,553,143	4,790,222,201

29. RELATED PARTY DISCLOSURE

Related parties with whom transactions have taken place during the year:

- a Key Managerial Personnel:
 - i Sabu M Jacob, Managing Director
 - ii C Mohan, Director (upto 08.02.2016)
 - iii E M Paulose, Director
 - iv Benni Joseph, Director
 - v K L V Narayanan, Director
 - vi C P Philipose, Director (w.e.f 20.07.2015)
 - vii Sindhu Chandrasekhar
 - viii A.Babu, Company Secretary
 - ix Boby Michael, General Manager Finance and Chief Financial Officer (Upto 07.01.2016)
- b Enterprise owned or significantly influenced by key management personnel or their relatives:
 - i Kitex Childrenswear Limited
 - ii Kitex Limited
 - iii Anna Aluminium Company Private Limited
 - ix Kitex USA LLC

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year:

Name of Related Party	Nature of Transaction	Transaction Value for the year (₹)	
a. Enterprises owned or significantly influenced by key management personnel or their relatives:			
		31st March 2016 (₹)	31st March 2015 (₹)
i. Kitex Childrenswear Limited	Fabric Sale	475,609,839	577,680,783
	Fabric Sale Return	5,952,284	5,481,133
	Rent Received	1,808,778	1,604,706
	Rent Paid	109,979	99,285
	Job work charge paid	100,209,407	-
	Purchase of MLFPS License	7,840,287	-
	Others (Net)	34,241	34,694
ii. Kitex Limited	Sale of Fabric	131,374,399	61,829,818
	Yarn Sales	6,370,081	-
	Fabric Purchase	96,132,658	92,927,062
	Yarn Purchase	4,697,015	43,608
	Accessories Purchased	1,857,811	-
	Job Work Charges Paid	1,564,244	3,250,764
	Job Work Charges Received	33,194,428	7,435,946
	Sale of Ready Made Garments	12,595,105	-
	Sale of Old Machinery	-	2,907,694
	License Others (Net)	-	2,085,998
iii. Anna Aluminium Company (P) Ltd.	Spices Purchase	3,193,617	2,702,299
	Utensil Purchase	6,484	307,094
	Others (Net)	-	3,437
iv. Kitex USA LLC	Investment	46,110,318	-
b. Key Management Personnel:			

i. Sabu M Jacob, Managing Director	Remuneration	88,965,349	74,874,250
ii. C Mohan	Sitting fee	17,500	97,500
iii. E M Paulose	Sitting fee	60,000	87,500
iv. Benni Joseph	Sitting fee	80,000	87,500
v. K L V Narayanan	Sitting fee	80,000	87,500
vi. C P Philipose	Sitting fee	35,000	-
vii. Sindhu Chandrasekhar	Remuneration	1,128,221	31,661
viii.A.Babu, Company Secretary	Salaries and Allowances	1,103,878	997,660
ix. Boby Michael, General Manager Finance and Chief Financial Officer	Salaries and Allowances	1,289,669	2,153,756
Name of Related Party		Outstanding amounts carried in the Balance Sheet (₹)	
a. Enterprises owned or significantly influenced by key management personnel or their relatives:			
		31st March 2016 (₹)	31st March 2015 (₹)
i. Kitex Childrenswear Limited		67,453,792 (Cr)	Nil
ii. Kitex Limited		25,859,629 (Dr)	761,321 (Dr)
iii. Anna Aluminium Company (P) Ltd.		447,899 (Cr)	531,139 (Cr)
b. Key Management Personnel:			
i. Sabu M Jacob Managing Director		61,139,993 (Cr)	10,213,795 (Cr)
ii. C Mohan		-	87,750 (Cr)
iii. E M Paulose		54,000 (Cr)	78,750 (Cr)
iv. Benni Joseph		72,000 (Cr)	78,750 (Cr)
v. K L V Narayanan		72,000 (Cr)	78,750 (Cr)
vi. C P Philipose		31,500 (Cr)	-
vii. Sindhu Chandrasekhar		55,200 (Cr)	23,213 (Cr)
viii.A.Babu, Company Secretary		75,854 (Cr)	70,890 (Cr)
ix. Boby Michael, General Manager Finance and Chief Financial Officer		Nil	67,107 (Cr)

30. CONTINGENT LIABILITIES AND COMMITMENTS

1	Contingent Liabilities (to the extent not provided for)
i	Counter Guarantees issued by the Company for the guarantees issued by Banks amounts to ₹10,87,28,462/- (Previous year- ₹7,26,77,157/-).
ii	Letters of Credit Outstanding amounts to ₹8,52,65,876.35/- (Previous year -Rs 11,26,88,850/-)
iii	Bills discounted - ₹ Nil (Previous year - Nil.)
iv	Customs, Income Tax, Provident Fund and Employee State Insurance Claims
a	Commissioner of Customs issued Show Cause Notice directing the company to remit ₹3,25,20,531/- (inclusive of interest @ 24% as applicable) for the financial year 1997-98 towards non-fulfillment of export obligation. Company approached the Settlement Commission and remitted admitted liability of ₹1,21,29,942/- during the financial year 2001-2002. Settlement Commission, issued final order on 03.07.2003 fixing total duty liability of ₹2,20,61,171/- and directed the company to remit balance amount of ₹99,31,229/- with simple interest at the rate 10% per annum. Aggrieved by the order of the Settlement Commission, the company filed a writ petition before Honourable High Court of Kerala, which was dismissed and the Company preferred an appeal against the same with the Hon Supreme Court. The Honourable Supreme court stayed the demand and instructed the Company to remit ₹99,31,229/- and stayed the interest claimed. The company has remitted ₹99,31,229/-. The Company has furnished Bank Guarantee for ₹101.74 lakhs to the Office of the Commissioner of Customs.
b	The Deputy Commissioner of Income Tax, Aluva has raised a demand for ₹6,29,406/- while completing the assessment for the years 2003-04 and 2004-05. The demand was dismissed by the CIT (Appeals). The Tribunal has dismissed the appeal filed by the Revenue. However, the department has preferred an appeal before Hon. High Court of Kerala. The Company has received a refund of ₹3,61,732/- with regard to assessment years 2003-04 and 2004-05.
c	The Asst Commissioner of Income Tax, Kochi had raised a demand of ₹3,16,22,680 while completing the assessment for the Assessment Year 2008-09. The company had gone on appeal and obtained favorable orders from the CIT(Appeals) and Income Tax Appellate Tribunal. The Department has filed an appeal before the Honourable High court of Kerala.
d	The Addl Commissioner of Income Tax, Kochi had raised a demand of ₹5,26,632 as penalty u/s 271C for the AY 2010-11, The company has filed an appeal before CIT(A) against the order and the same is pending disposal
e	The Additional Commissioner of Income Tax, Kochi had raised a demand of ₹48,72,980/- while completing the assessment for the Assessment Year 2011-12. The company has filed an appeal before the Commissioner of Income Tax (Appeals) against the order.
f	The Addl Commissioner of Income Tax, Kochi had raised a demand of Rs 33,91,894/- as penalty u/s 271C for the AY 2011-12, The company has filed an appeal before CIT(A) against the order and the same is pending disposal
g	Asst. Provident Fund Commissioner (Enforcement) has determined a sum of ₹1,31,86,588/- towards contributions payable for the period 2001 to 2006 as per the schemes framed under the Provident Fund Act. The company preferred an appeal before the Employees Provident Fund Appellate Tribunal against the order of the Asst. Provident Fund Commissioner. The Employees Provident Fund Appellate Tribunal directed the Company to remit ₹52,74,636/- for staying the proceedings and subsequently upheld the orders of the Asst. Provident fund Commissioner (Enforcement). The Company deposited the amount since the Tribunal order was not in its favour. The Company filed an appeal with the Hon High Court of Kerala and the same was partially allowed in favor of the company. The balance amount of Rs 3,00,451/- has been further paid and total liability settled as per the order. The company has filed an appeal before the before Division bench of the Hon. High court for the disallowed portion 55,75,087/-.
h	The Regional Provident Fund Commissioner, Kochi vide his order dated 21.05.2014 has demanded a sum of ₹31,24,050/- towards EPF dues for the period 08/11 to 03/12. The company has filed appeal before The Employees Provident Fund Appellate Tribunal and also the obtained stay of demand. An amount of Rs 1249620/- has been deposited towards the same.

i	The Regional Provident Fund Commissioner, Kochi vide his review order dated 07.11.2014 has demanded a sum of ₹20,44,752/- towards EPF dues for the period 04/12 to 08/12. The company has filed appeal before The Employees Provident Fund Appellate Tribunal and also obtained an interim stay of recovery from the Hon. High Court of Kerala.
j	The Regional Provident Fund Commissioner, Kochi vide his order dated 07.11.2014 has demanded a sum of ₹59,88,655/- towards EPF dues for the period 09/12 to 01/14. The company has filed appeal before The Employees Provident Fund Appellate Tribunal and also obtained an interim stay of recovery from the Hon. High Court of Kerala.
k	The Regional Provident Fund Commissioner, Kochi vide his order dated 07.11.2014 has demanded a sum of ₹9,51,441/- towards EPF dues for the period 02/14 to 04/14. The company has filed appeal before The Employees Provident Fund Appellate Tribunal and also obtained an interim stay of recovery from the Hon. High Court of Kerala.
l	The Regional Provident Fund Commissioner, Kochi vide his order dated 21.05.2014 has demanded a sum of ₹66,67,450/- towards EPF dues of Processing unit for the period 06/2007 to 10/2012. The company has filed an appeal before The Employees Provident Fund Appellate Tribunal.
m	The Regional Provident Fund Commissioner, Kochi vide his order dated 27.02.2015 has demanded a sum of ₹14,78,145/- towards EPF dues of Processing Unit for the period 11/2012 to 04/2014. The company has deposited an amount of ₹ 4,43,444/-.The company has filed an appeal before The Employees Provident Fund Appellate Tribunal.
n	The Deputy Director, Sub-Regional Office Ernakulam of the ESI Corporation had raised a demand of ₹8,63,348/- against the company for the year 2008-09 vide order dated 30.09.2013.The Company has disputed the claim and appealed before the ESI Court and deposited Rs 1,00,000/-.
o	The Deputy Director, Regional Office Ernakulam of the ESI Corporation has raised a demand for ₹2,03,687/- against the Company for the years 1996-97 and 1997-98 vide revised order dated 30.09.2013. The Company had deposited ₹1,25,000/- and has preferred an appeal before the ESI Court against the order.
p	The Deputy Director, Sub-Regional Office Ernakulam of the ESI Corporation has raised a demand of ₹26,01,275/- against the company for the year 2008-09 vide order dated 22.11.2013. The Company has disputed the claim and appealed before the ESI Court and deposited ₹3,00,000/-.
q	The Deputy Director, Sub-Regional Office Ernakulam of the ESI Corporation has raised a demand of ₹3,36,461/- against the company for the period 06/2005 to 01/2009 vide order dated 13.11.2014. The Company has disputed the claim and filed appeal before the Director, Sub-Regional Office Ernakulam and deposited ₹84,115/-.
r	The Deputy Director, Sub-Regional Office Ernakulam of the ESI Corporation has raised a demand of ₹12,11,248/- against the company for the period 04/2003 to 03/2004 vide order dated 13.11.2014. The Company has disputed the claim and filed appeal before the Director, Sub-Regional Office Ernakulam and deposited ₹3,02,812/-.
s	The Deputy Director, Sub-Regional Office Ernakulam of the ESI Corporation has raised a demand of ₹30,18,037/- against the company for the period 04/2009 to 11/2009 vide order dated 13.11.2014. The Company has disputed the claim and filed appeal before the Director, Sub-Regional Office Ernakulam and deposited ₹7,54,510/-.
t	The Deputy Director, Sub-Regional Office, Ernakulam of the ESI Corporation initiated recovery proceeding towards ESI dues of ₹2,79,558/-, and related interest of ₹9,466/- vide two orders dated 23.10.2013. The Company disputed the demand and approached the ESI Court and obtained stay and deposited ₹50,000/-.
u	During the year 1997 the Thahasildar Kunnathunadu Taluk had demanded a sum of ₹ 3,08,945/- towards one time building tax. The Company had disputed the applicability of tax on a particular portion of the building. The matter is pending before the Hon High Court of Kerala.
2	Commitments - Nil

31. DETAILS OF DUES TO MICRO AND SMALL ENTERPRISE AS DEFINED UNDER THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006

Based on and to the extent of information received from the Suppliers regarding their status under the Micro, Small and Medium Enterprise Development Act, 2006 as identified by Management and relied upon by the Auditors, the relevant particulars as at 31st March 2016 are furnished below:

SL No.	Particulars	31st March 2016 (₹)	31st March 2015 (₹)
1	Dues remaining unpaid to Micro, Small and Medium Enterprises as at the end of the accounting year	4,355,163	6,068,508
2	Dues outstanding as at the end of the year for more than 45 days	NIL	NIL

32. VALUE OF IMPORTS ON CIF BASIS

SI No.	Particulars	31st March 2016 (₹)	31st March 2015 (₹)
a	Raw-materials	376,246,301	346,684,834
b	Components and Spare parts	31,755,152	18,341,817
c	Capital Goods	20,353,822	193,740,900
		428,355,275	558,767,551

33. EXPENDITURE IN FOREIGN CURRENCY

SI No.	Particulars	31st March 2016 (₹)	31st March 2015 (₹)
a	Salary	8,096,288	11,648,254
b	Fees for Technical/ Professional Services	3,448,236	1,201,260
c	Rebate and Discounts	12,398,510	18,893,440
d	Others	1,758,392	4,927,093
		25,701,426	36,670,047

34. IMPORTED AND INDIGENOUS RAW MATERIALS, COMPONENTS AND SPARE PARTS CONSUMED

Sl No	Particulars	% of total Consumption as on 31.03.2016	Value on 31.03.2016 (₹)	% of total Consumption as on 31.03.2015	Value on 31.03.2015 (₹)
a	Raw-materials				
	For Fabric Manufacture - Imported	5.89%	128,751,038	6.02%	130,234,071
	For Fabric Manufacture - Indigenous	62.75%	1,370,888,998	66.67%	1,441,318,986
	Total (A)	68.65%	1,499,640,036	72.70%	1,571,553,057
b	Other Raw-material				
	Imported	12.67%	276,779,412	10.43%	225,419,134
	Indigenous	14.70%	321,228,240	13.92%	300,880,682
	Total (B)	27.37%	598,007,652	24.35%	526,299,816
c	Stores and Spares				
	Imported	1.90%	41,571,299	1.27%	27,439,456
	Indigenous	2.07%	45,296,869	1.69%	36,479,375
	Total (C)	3.98%	86,868,168	2.96%	63,918,831
	Grand Total (A)+(B)+(C)	100.00%	2,184,515,856	100.00%	2,161,771,704

35. SALES AND STOCK PARTICULARS OF FINISHED GOODS

		Sales Value (₹)	Closing Inventory (₹)	Opening Inventory (₹)
	Garments			
	Current Year	4,992,553,143	5,121,433	8,093,208
	Previous Year	4,794,121,791	8,093,208	5,939,066

36. EARNINGS IN FOREIGN CURRENCY

SI No.	Particulars	31st March 2016 (₹)	31st March 2015 (₹)
a	Export of goods calculated on FOB Basis	4,312,737,291	4,156,192,734
b	Others	13,402,754	13,244,203
		4,326,140,045	4,169,436,937

37. COMPUTATION OF NET PROFIT AS PER SECTION 198 OF COMPANIES ACT, 2013

Particulars	31st March 2016 (₹)	31st March 2015 (₹)
Profit before tax as per Statement of Profit and Loss	1,710,549,950	1,416,674,774
Add: Remuneration to Directors	90,093,570	74,905,911
Add: Loss on Sale of Assets	1,227,811	5,904,262
Net profit under Section 198 of Companies Act, 2013	1,801,871,331	1,497,484,947
Total Remuneration payable to Directors @ 5% of Net profit	90,093,570	74,874,250

38. EMPLOYEES REMUNERATION AND BENEFITS INCLUDES DIRECTORS REMUNERATION OF ₹90093570/- COMPRISING:

SI No.	Particulars	Sabu M Jacob, Managing Director		Mrs.Sindhu Chandrasekhar, Whole Time Director (w.e.f 16.03.2015)	
		31st March 2016 (₹)	31st March 2015 (₹)	31st March 2016 (₹)	31st March 2015 (₹)
1	Salaries and Allowances	9,450,000	7,200,000	673,039	30,692
2	Contribution to Provident Fund	576,000	288,000	21,600	969
3	Commission	78,939,349	67,386,250		-
4	Bonus	-	-	433,582	-
		88,965,349	74,874,250.00	1,128,221	31,661

39. PAYMENT TO AUDITORS

Sl No.	Particulars	31st March 2016 (₹)	31st March 2015 (₹)
a	As Auditor:		
	Statutory Audit fees	520,000	520,000
	Limited Review Fees	150,000	150,000
	Tax Audit fees	210,000	60,000
	KVAT audit fees	15,000	15,000
	Internal Audit Fees	800,000	1,400,000
b	In other capacity :		
	Taxation Matters	-	-
	Company Law matters	-	-
	Management Services	-	-
	Other Services	-	30,000
c	Service Tax	257,635	268,830
		1,952,635	2,443,830

40. LONG TERM CONTRACTS

There are no long term contracts as on 31.03.2016 including derivative contracts for which there are any material foreseeable losses.

41. IMPAIRMENT OF ASSETS

No material Impairment of Assets has been identified by the Company and as such no provision is required as per Accounting Standard 28 issued by the Institute of Chartered Accountants of India.

42. DONATIONS

Donations include payments of ₹10,00,000/- (31 March 2015: ₹2,60,000/-) made to BJP.

43. Transfer of Unclaimed Dividend to Investor Education and Protection Fund

During the year, the company has transferred the unclaimed dividend for the year 2007-08 amounting to ₹4,51,897/- (31 March 2015: ₹ 2,86,232/-) to the Investor Education and Protection Fund.

44. PREVIOUS YEAR FIGURES

Previous year figures have been reworked, regrouped, rearranged and reclassified, wherever necessary. As per our Report of even date

As per our Report of even date

For KOLATH & CO

Chartered Accountants
Firm Regn. No. 008926S

Sd/-

CA Liju V Rajan Kolath

Partner
Membership No. 209309

Kizhakkambalam

April 4, 2016

For and on behalf of the Board of Directors of
Kitex Garments Limited

Sd/-

Sabu M Jacob

Managing Director &
Chief Financial Officer

Sd/-

CA Benni Joseph

Director

Sd/-

A Babu

Company Secretary

Cash Flow Statement for the period ended 31.03.2016

		For the year ended 31st March, 2016	For the year ended 31st March, 2015
		₹	₹
A)	Cash flow from Operating activities		
	Net Profit/(Loss) before tax and extra ordinary items	1,710,549,950	1,416,674,774
	Adjustment for :		
	Depreciation	212,731,264	213,294,388
	Excess Depreciation reversed relating to prior years	-	-
	Interest paid	137,566,638	191,640,753
	Profit/Loss on sale of Fixed Assets	1,227,811	5,904,262
	Tax paid	(517,084,680)	(363,825,549)
	Dividend Received	(23,100)	-
	Interest received	(3,515,603)	(3,992,902)
	Operating Profit before working capital changes	1,541,452,280	1,459,695,726
	Adjustment for :		
	Trade & other receivable	(359,284,286)	(128,760,616)
	Long term loans and advances	4,503,473	(7,673,790)
	Margin Money Deposit	(5,392,451)	12,807,753
	Inventories	(18,197,477)	(4,033,144)
	Trade Payables	177,377,065	(48,408,270)
	Cash generation from operation	(200,993,676)	(176,068,067)
	Net cash from operating activities	1,340,458,604	1,283,627,659
B)	Cash flow from investing activities		
	Dividend Received	23,100	-
	Interest Received	3,515,603	3,992,902
	Sale of Fixed Assets	2,628,758	15,643,332
	Investment activities	(46,110,318)	
	Payment for Fixed Assets	(73,715,385)	(317,888,352)
	Net cash used in investing activities	(113,658,242)	(298,252,118)
C)	Cash flow from financing activities		
	Interest paid	(137,566,638)	(191,640,753)
	Dividend Paid including Dividend Distribution tax	(114,409,248)	(55,572,625)
	Proceeds from Long term borrowings	(209,787,310)	37,126,006
	Proceeds from Working Capital borrowing	(303,878,626)	234,011,783
	Net cash from financing activities	(765,641,822)	23,924,411
	Net change in cash & cash equivalents (A+B+C)	461,158,540	1,009,299,952
	Opening Cash and Cash equivalents	1,993,922,580	984,622,628
	Closing Cash and Cash equivalents	2,455,081,120	1,993,922,580
1	Componentes of Cash and Cash Equivalents		
a	Cash on hand	239,649	1,013,323
b	Balance with Banks		
	On current accounts	2,454,841,471	1,992,909,257
		(A)	2,455,081,120
2	Other Bank Balances		
a	Ear marked balances with banks		
	On unpaid dividend accounts	7,356,079	4,845,930
b	Margin money deposit	36,690,478	33,808,176
		(B)	38,654,106
	Cash and bank Balances as per Balance sheet (Note 16)	(A)+(B)	2,493,735,226

This is the cash flow statement referred to in our report of even date.

For KOLATH & CO
Chartered Accountants
Firm Regn. No. 008926S

Sd/-

CA Liju V Rajan Kolath
Partner
Membership No. 209309

Kizhakkambalam
April 4, 2016

For and on behalf of the Board of Directors of

Kitex Garments Limited

Sd/-

Sabu M Jacob
Managing Director &
Chief Financial Officer

Sd/-

CA Benni Joseph
Director

Sd/-

A Babu
Company Secretary

Independent Auditor's Report

On Consolidated Financial Statements

To the members of Kitex Garments Limited

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **KITEX GARMENTS LIMITED** ("the Company") and consolidated with the unaudited financial statements of its associate (Kitex USA LLC) (the Company and its associate constitute 'the Group'), which comprise the Consolidated Balance Sheet as at 31st March, 2016, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Kitex USA LLC is a body corporate incorporated in the United States of America (USA). The Company has prepared the Consolidated Financial Statements using the unaudited financial statement of Kitex USA LLC.

Management's Responsibility for the Consolidated Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Consolidated financial statements that give a true and fair

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Consolidated financial statements, whether due

to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Board of Directors of the respective Companies, as well as evaluating the overall presentation of the Consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the Consolidated state of affairs of the Group as at 31st March, 2016, and its Consolidated profit and its Consolidated cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. 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, is not applicable to the auditor's report on Consolidated Financial Statements.
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 of the Consolidated Financial Statements.

- (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 Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid Consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on 31st March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) On the basis of the information and explanation of the Company provided to us, the internal financial control framework, the report of the internal auditors and in our opinion, the Company has adequate internal financial controls systems in place and the operating effectiveness of such controls.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements—Refer Note 30 to the financial statements;
 - ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses – Refer Note 40 to the financial statements;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For KOLATH & CO
Chartered Accountants
Firm's Registration No.008926S

Sd/-

CA Liju V Rajan Kolath
Partner
Membership No.209309

Kizhakkambalam
04.04.2016

Consolidated Balance Sheet as at March 31, 2016

Particulars	Note No.	31st March 2016 (₹)	31st March 2015 (₹)
I. EQUITY AND LIABILITIES			
(1) Shareholders' Fund			
a) Share Capital	3	47,500,000	47,500,000
b) Reserves and Surplus	4	3,602,445,034	2,591,253,797
Sub-Total		3,649,945,034	2,638,753,797
(2) Non-Current Liabilities			
a) Long-term borrowings	5	82,928,326	268,374,074
b) Deferred tax liabilities (Net)	6	206,064,695	225,864,695
c) Other Long term liabilities		-	-
d) Long-term provisions	7	45,692,937	32,825,754
Sub-Total		334,685,958	527,064,523
(3) Current Liabilities			
a) Short-term borrowings	8	835,248,182	1,139,126,808
b) Trade Payables	9		
i) Outstanding dues of micro enterprises and small enterprises		4,355,163	6,068,508
ii) Outstanding dues of creditors other than micro enterprises and small enterprises		249,427,960	191,170,382
c) Other current liabilities	10	433,872,348	351,015,851
d) Short-term provisions	7	657,723,492	499,647,505
Sub-Total		2,180,627,145	2,187,029,054
TOTAL		6,165,258,137	5,352,847,374
II. ASSETS			
(1) Non-current assets			
(a) Fixed assets	11		
i) Tangible assets		1,728,354,999	1,878,685,129
ii) Intangible assets		1,532,980	3,582,539
iii) Capital Work-in-Progress		12,429,988	2,922,747
(b) Non-current investments	12	22,149,830	43,400
(c) Long term loans and advances	13	31,178,058	35,681,531
(d) Other non-current assets	14	20,465,817	20,022,373
Sub-Total		1,816,111,672	1,940,937,719
(2) Current assets			
a) Current investments		-	-
b) Inventories	15	130,231,927	112,034,450
c) Trade receivables	14	960,064,467	626,598,653
d) Cash and cash equivalents	16	2,499,127,677	2,032,576,686
e) Short-term loans and advances	13	567,221,910	462,005,163
f) Other current assets	14	192,500,484	178,694,703
Sub-Total		4,349,146,465	3,411,909,655
TOTAL		6,165,258,137	5,352,847,374
Summary of Significant Accounting Policies	2.2		

The accompanying Notes are an integral part of the financial statements.

As per our Report of even date
For KOLATH & CO
Chartered Accountants
Firm Regn. No. 008926S

Sd/-

CA Liju V Rajan Kolath
Partner
Membership No. 209309

Kizhakkambalam
April 4, 2016

For and on behalf of the Board of Directors of
Kitex Garments Limited

Sd/-

Sabu M Jacob
Managing Director &
Chief Financial Officer

Sd/-

CA Benni Joseph
Director

Sd/-

A Babu
Company Secretary

Consolidated Statement of Profit and Loss for the year ended March 31, 2016

Particulars	Note No.	31st March 2016 (₹)	31st March 2015 (₹)
Revenue			
I. Revenue from operations	17	5,458,166,796	5,110,959,298
II. Other income	18	198,166,178	134,234,233
III Total Revenue (I+II)		5,656,332,974	5,245,193,531
IV Expenses			
Cost of Raw Materials Consumed	19	2,097,647,689	2,097,852,873
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	20	2,971,775	(2,154,142)
Employees Benefits Expense	21	836,172,488	745,006,764
Finance Costs	24	137,566,638	191,640,753
Depreciation and amortization expense	23	212,731,264	213,294,388
Other Expenses	22	658,693,170	582,878,121
Total Expenses		3,945,783,024	3,828,518,757
V. Profit before exceptional and extraordinary items and tax		1,710,549,950	1,416,674,774
VI. Exceptional Items		-	-
VII. Profit before extraordinary items and tax (V-VI)		1,710,549,950	1,416,674,774
VIII. Extra ordinary items		-	-
IX. Profit before tax (VII-VIII)		1,710,549,950	1,416,674,774
X. Tax Expense			
(1) Current Tax		609,400,000	421,700,000
(2) Deferred Tax		(19,800,000)	9,800,000
XI. Profit/ (Loss) for the year from continuing operations		1,120,949,950	985,174,774
XII. Profit/(Loss) from discontinuing operations		-	-
XIII. Tax expense of discontinuing operations		-	-
XIV. Profit/(Loss) from Discontinuing operations (after tax) (XII-XIII)		-	-
XV. Share of Profit/(Loss) from Associates		(24,003,888)	
XVI. Profit/(Loss) for the year (XI + XIV + XV)		1,096,946,062	985,174,774
XVII. Earnings per equity share	25		
(1) Basic		23.09	20.74
(2) Diluted		23.09	20.74
Summary of Significant Accounting Policies	2.2		

The accompanying Notes are an integral part of the financial statements.

As per our Report of even date
For KOLATH & CO
Chartered Accountants
Firm Regn. No. 0089265

Sd/-

CA Liju V Rajan Kolath
Partner
Membership No. 209309

Kizhakkambalam
April 4, 2016

For and on behalf of the Board of Directors of
Kitex Garments Limited

Sd/-

Sabu M Jacob
Managing Director &
Chief Financial Officer

Sd/-

CA Benni Joseph
Director

Sd/-

A Babu
Company Secretary

Notes to Consolidated Financial Statements

For the year ended March 31, 2016

1. Corporate Information

Kitex Garments Limited is a Public Company incorporated in India. Its shares are listed on the Bombay Stock Exchange and the National Stock Exchange. The Company is engaged in the manufacture of fabric and readymade garments. The readymade garments manufactured are exported. Kitex USA LLC is a corporation registered in Delaware, USA with 50% equity participation each from Kitex Garments Limited and Kitex Childrenswear Limited.

2. Basis of Preparation

2.1. The Consolidated financial statements of the company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP). The company has prepared these financial statements to comply in all material respects with the Companies (Accounts) Rules, 2014, and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared on an accrual basis and under the historical cost convention. The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

2.2. Associates are entities over which the company has significant influence but not control. Investments in the associate KITEX USA LLC is accounted for using the equity method of accounting as laid down under Accounting standard 23, "Accounting for Investments in Associates in Consolidated Financial Statements". The investment is initially recognized at cost, and the carrying amount is increased or decreased to recognize the investor's share of the profit or loss of the investee after the acquisition date. Kitex USA LLC prepares Financial Statements for reporting period ended 31st December. For the period ended 31st December, 2015, Audit has not been conducted as the same is not required under the statutes of that country.

2.2 Summary of Significant accounting policies

2.2.1 Basis of Accounting

The financial statements are prepared under the historical cost convention in accordance with the Generally Accepted Accounting Principles in India and the provisions of the Companies Act, 2013.

2.2.2 Use of Estimates

The preparation of financial statements requires the management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) as on the date of the financial statements and the reported income and expenses during the reporting period. The estimates and assumptions used in the financial statements are based upon the Management's evaluation of the relevant facts and circumstances as on the date of financial statements. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Future results may vary from these estimates.

2.2.3 Inventories

Inventories are valued at cost or net realisable value, whichever is lower. Cost of Inventory comprises of Cost of Purchase, Cost of Conversion and other Costs incurred to bring them to their respective present location and condition. Costs

of Raw Materials and Packing Materials are determined on FIFO basis.

2.2.4 Revenue Recognition

Revenue is recognized when the significant risks and rewards of ownership of goods have been passed to the buyer. Sales are recognized on in warding of goods at customer's end, where applicable as per terms of sale (for domestic) and on the date of bill of lading (for exports). Export incentives under various schemes notified by the Government are recognized when confirmation of the right to receive the income is established.

2.2.5 Own Fixed Assets

Fixed Assets are stated at cost less accumulated depreciation. The cost includes purchase consideration, financing costs till commencement of commercial production and other directly attributable costs incurred to bring an Asset to its working condition for its intended use. Subsidy towards specific assets is reduced from the cost of fixed assets. Fixed assets taken on Finance Lease are capitalized.

The costs of Assets not ready for use as at the Balance Sheet date are disclosed under Capital Work-In-Progress.

2.2.6 Leased Assets

Operating Leases: Rentals are recognised as an expense with reference to lease terms and other considerations.

Finance Leases: The lower of the fair value of the leased assets at the inception of the lease and present value of the minimum lease rentals is capitalised as fixed assets with corresponding amount shown as lease liability. The principal component in the lease rental is adjusted against the lease liability and the interest component is charged to the Statement of Profit and Loss.

2.2.7 Depreciation and Amortisation

Depreciation on Fixed Assets is provided based on the useful life of the asset in the manner

prescribed in Schedule II of the Companies Act, 2013. Capitalised Software costs is amortised over a period of three years.

2.2.8 Foreign Currency Transactions

Transactions denominated in foreign currency are recorded at the rate of exchange prevailing on the date of transaction.

Monetary assets and liabilities denominated in foreign currencies outstanding at the year end are re-stated at the rate of exchange prevailing at the year-end and the gain or loss, is recognized in the Statement of Profit and Loss.

Exchange differences arising on actual payments/realizations and year-end restatements are recognized in the Statement of Profit and Loss.

2.2.9 Forward Contracts

The Company enters into foreign exchange forward contracts to hedge its exposure to movements in foreign exchange rates. The company does not use the foreign exchange forward contracts for trading or speculation purposes.

Premium or discount arising at the inception of a forward exchange contract is amortised as expense or income over the life of the contract. Exchange differences on such contracts are recognised in the Statement of Profit and Loss in the reporting period in which the exchange rates change.

2.2.10 Government Grants

Government Grants are recognized where there is reasonable assurance that the Company has complied with the conditions attached to them and that the Grant will be received. Grant relating to depreciable fixed assets is reduced from the gross value of Fixed Assets. Revenue Grants are recognized in the Statement of Profit and Loss and are shown under Other Income.

2.2.11 Investments

Long-term Investments made by the Company are stated at cost and provision for diminution in the value of long-term investments is made only if such a decline is other than temporary.

The Equity investment in Associates where company has significant influence but not control is initially recognized at cost, and the carrying amount is increased or decreased to recognize the investor's share of the profit or loss of the investee after the acquisition date.

2.2.12 Employee Benefits

Short term employee benefits are recognised as an expense at the undiscounted amount in the Statement of Profit and Loss of the year in which the related service is rendered.

The contributions remitted to government administered Provident and Pension Fund on behalf of its employees in accordance with the relevant statute are charged to the Statement of Profit and Loss as and when due. The Company has no further obligations for future Provident/Pension fund benefits other than its monthly contributions.

Post employment and other long term employee benefits are recognised as an expense in the Statement of Profit and Loss for the year in which the employee has rendered services. The expenses are recognised at the present value of the amount payable determined using actuarial valuation techniques.

2.2.13 Borrowing Costs

Borrowing Costs directly attributable to the acquisition, construction and production of qualifying assets are capitalised as part of the Cost of such assets. All other borrowing costs are charged to the Statement of Profit and Loss.

2.2.14 Taxation

Provision for taxation is made for both current and deferred taxes.

Current tax is provided on the basis of estimated taxable income in accordance with the Income Tax Act, 1961 using the applicable tax rates and tax laws.

Deferred tax assets and liabilities arising on account of timing difference and which are capable of reversal in subsequent periods, are recognized using the tax rates and tax laws that have been enacted or substantively enacted as on the Balance Sheet date.

Deferred Tax Assets are recognized and carried forward only if there is a virtual certainty that they will be realised and are reviewed for the appropriateness of their respective carrying values at each Balance Sheet date.

2.2.15 Provisions, Contingent Liabilities and Contingent Assets.

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognised but are disclosed in the Notes. Contingent Assets are neither recognised nor disclosed in the financial statements.

3. SHARE CAPITAL

Sl No.	Particulars	31st March 2016 (₹)		31st March 2015 (₹)	
a	Authorized Shares 250,000,000 Equity shares of ₹ 1 each (31 March 2015: 50,000,000)	250,000,000		50,000,000	
b	Issued, Subscribed and fully paid up shares 47,500,000 Equity shares of ₹ 1 each (31 March 2015: 47,500,000)	47,500,000		47,500,000	
c	Reconciliation of shares outstanding at the beginning and at the end of the reporting period.				
Particulars	31st March 2016		31st March 2015		
	No. of shares	Amount (₹)	No. of shares	Amount (₹)	
At the beginning of the period	47,500,000	47,500,000	47,500,000	47,500,000	
Add: Shares Issued during the year	NIL	NIL	NIL	NIL	
Less: Shares bought back during the year	NIL	NIL	NIL	NIL	
Add: Other movements during the year	NIL	NIL	NIL	NIL	
Outstanding at the end of the period	47,500,000	47,500,000	47,500,000	47,500,000	
d	<p>Terms/rights attached to equity shares.</p> <p>The company has only one class of equity shares having par value of ₹ 1 per share. Each holder of equity share is entitled to one vote per share. The company declares and pays dividend in Indian rupees.</p> <p>The dividend proposed is as recommended by the Board of Directors and subject to the approval of the shareholders in the ensuing Annual General Meeting.</p> <p>For the year ended 31.03.2016, the amount of dividend per share recognised as distributions to equity shareholders is ₹1.50 comprising of Interim Dividend of Rs 0.75 and Final Dividend of Rs 0.75 (31 March 2015: ₹1.25).</p> <p>In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the realised value of the assets of the Company, remaining after payment of all preferential dues. The distribution will be in proportion to the number of equity shares held by the shareholders.</p>				
Particulars	31st March 2016 (₹)		31st March 2015 (₹)		
e	Shares held by holding/ ultimate holding company/ or their subsidiaries/ associates		NIL		

f Details of shareholders holding more than 5% shares in the Company				
Particulars	31st March 2016		31st March 2015	
	No. of shares	% of holding in the class	No. of shares	% of holding in the class
Equity Shares of ₹ 1 each fully paid				
Kitex Childrenswear Limited	7,350,329	15.4744%	7,350,329	15.4744%
Sabu M Jacob	3,464,631	7.2940%	3,464,631	7.2940%
Bobby M Jacob	4,487	0.0094%	4,487	0.0094%
Sabu M Jacob and Bobby M Jacob	3,846,950	8.0988%	3,846,950	8.0988%
Bobby M Jacob and Sabu M Jacob	6,910,750	14.5489%	6,910,750	14.5489%
Renjitha Joseph	3,091,500	6.5084%	3,091,500	6.5084%
Gopinathan C K	2,890,673	6.0856%	2,490,000	5.2421%
C K G Super Market Limited	3,023,882	6.3661%	3,055,000	6.4316%
As per records of the Company, including its Register of Members and other declarations received from them regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.				
Particulars	31st March 2016 (₹)		31st March 2015 (₹)	
g Aggregate number of shares issued as fully paid up for consideration other than cash, bonus shares issued and shares bought back during the period of 5 years immediately preceding the reporting date.	NIL		NIL	
Particulars	31st March 2016 (₹)		31st March 2015 (₹)	
h Shares reserved for issue under options and contracts/commitments for the sale of shares/disinvestment, including the terms and amounts.	NIL		NIL	

4. RESERVES AND SURPLUS

Sl No.	Particulars	31st March 2016 (₹)	31st March 2015 (₹)
a	Capital Reserve Investment Subsidy	2,210,000	2,210,000
b	General Reserve Balance as per last Financial Statements Add: Amount transferred from surplus in the Statement of Profit and Loss Closing balance	286,500,000 200,000,000 486,500,000	186,500,000 100,000,000 286,500,000
c	Surplus/(Deficit) in the Statement of Profit and Loss Balance as per last Financial Statements Less : Carrying amounts of Fixed Assets debited to retained earnings where remaining useful life of the asset is NIL as on 01.04.2014 Profit for the year Less: Appropriations Interim equity dividend paid ₹0.75 per share Proposed final equity dividend ₹0.75 per share Total Dividend per share ₹1.50 (31 March 2015: ₹1.25) Tax on proposed equity dividend and Interim Dividend paid Transfer to General Reserve Total Appropriations	2,302,543,797 - 1,096,946,062 3,399,489,859 35,625,000 35,625,000 14,504,825 200,000,000 285,754,825	1,505,482,247 16,581,389 985,174,774 2,474,075,632 - 59,375,000 12,156,835 100,000,000 171,531,835
	Net Surplus in the Statement of Profit and Loss	3,113,735,034	2,302,543,797
	Total Reserves and Surplus	3,602,445,034	2,591,253,797

5. LONG TERM BORROWINGS

SI No.	Particulars	Non-Current Portion		Current Maturities	
		31st March 2016 (₹)	31st March 2015 (₹)	31st March 2016 (₹)	31st March 2015 (₹)
a	Term Loans				
	Indian Rupee Loan From Banks (Secured)	82,928,326	268,374,074	182,706,461	204,766,450
		82,928,326	268,374,074	182,706,461	204,766,450
	The above amount includes				
	Secured borrowings	82,928,326	268,374,074	182,706,461	204,766,450
	Unsecured borrowings	-	-	-	-
	Amount disclosed under the head Other Current Liabilities See Note No. 10	-	-	(182,706,461)	(204,766,450)
		82,928,326	268,374,074	-	-
I	Terms of Repayments of Indian Rupee Term Loans				
	Name of the Bank	State Bank of India	State Bank of India	State Bank of India	State Bank of India
	Type of Loan	Term Loan	Term Loan	Term Loan	Term Loan
	Loan Account No.	32331339891	33852503931	34019272745	34040990858
	Amount sanctioned/availed (₹)	Sanctioned ₹82,00,00,000/- (Availed : ₹52,10,94,096/-)	Sanctioned ₹2,50,00,000/- (Availed ₹2,46,68,462/-)	Sanctioned ₹17,35,00,000/- (Availed ₹10,85,34,611/-)	Sanctioned ₹8,00,00,000/- (Availed ₹5,76,64,538)
	Sanction Date	28.03.2012	26.03.2014	23.07.2014	26.03.2014
	Current Interest rate	11.80%	11.70%	11.70%	11.70%
	Total No. of Instalments	60	57	60	60
	No. of instalments paid	31	22	9	20
	No. of balance instalments to be paid	29	35	51	40
	Amount of instalment	First 22 months : ₹ 1,20,00,000/- Next 26 months : ₹1,40,00,000/- Next 12 months : ₹1,60,00,000/-	First 35 months : ₹ 4,00,000/- Next 22 months : ₹5,00,000/-	First 40 months : ₹ 25,00,000/- Next 15 months ₹35,00,000/- Next 5 months ₹42,00,000/-	First 50 months : ₹ 13,00,000/- Next 10 months : ₹15,00,000/-
	Repayment type	Monthly	Monthly	Monthly	Monthly
	Interest payment type	Monthly	Monthly	Monthly	Monthly

Name of the Bank	Axis Bank	Axis Bank	Axis Bank	Axis Bank
Type of Loan	Vehicle Loan	Vehicle Loan	Vehicle Loan	Vehicle Loan
Loan Account No.	CVR008100863031	CVR008100863216	CVR008100862999	CVR008100863032
Amount sanctioned/availed (₹)	13,50,000	13,50,000	12,28,000	8,90,000
Sanction Date	27-09-2013	27-09-2013	16-08-2013	06-11-2013
Current Interest rate	11.01%	11.01%	11.01%	11.01%
Total No. of Instalments	36	36	36	36
No. of instalments paid	28	28	28	28
No. of balance instalments to be paid	8	8	8	8
Amount of EMI	44,205	44,205	40,210	29,143
Repayment type	Monthly	Monthly	Monthly	Monthly
II				
1	Indian Rupee Term loans from Banks (Other than Vehicle loans) are Secured by:			
i	Primary Security:			
	State Bank of India Term Loan Account no 32331339891, 33852503931, 34019272745 and 34040990858 - First charge in favour of State bank of India on the entire fixed assets, present and future, of the Company and including:			
	(i) Equitable Mortgage over 19.24 acres of Land , Building and Plant and Machinery of the Backward integeation project in Re.Sy no. 122/9/4 , 112/5 , 112/1 , 108/2/2, 108/10/2 , 108/2 , 108/10 , 112/4 , 122/9/3 , 108/1/2 , 122/7 ,121/1/1 in Block 27 of Pattimattom Village , Kunnathunadu taluk , Puthencruz sub district, Ernakulam belonging to the Company.			
	(ii) Equitable Mortgage over 244.629 cents of Land in Re Sy No 76/3 in Block no 27 of Kizhakkambalam, Puthencruz sub district, Ernakulam belonging to the Company.			
	(iii) Equitable Mortgage over 3.75 Acres of Land and Building in Re Sy No 81/1 at Pattimattom village in Kunnathunadu taluk (Kizhakkambalam), Puthencruz sub district, Ernakulam belonging to the Company.			
ii	Collateral Security:			
	For State Bank of India Term Loan Account no 32331339891, 33852503931, 34019272745 and 34040990858 - Second charge in favour of State Bank of India, on the entire current assets of the Company, both present and future.			
iii	Personal Guarantee of Mr. Sabu M Jacob, Managing Director.			
2	Vehicle loans are secured by hypothecation of the concerned vehicles.			

6. DEFERRED TAX LIABILITY (Net)

SI No.	Particulars	31st March 2016 (₹)	31st March 2015 (₹)
a	Deferred Tax Liability		
	Fixed Assets: Impact of difference between tax depreciation and depreciation/amortization charged for the financial reporting	222,991,833	237,891,833
	Gross Deferred Tax Liability	222,991,833	237,891,833
b	Deferred Tax Asset		
	Impact of Expenditure charged (Gratuity) to Statement of Profit and Loss in the current year but allowed for tax purpose on payment basis	16,927,138	12,027,138
	Gross Deferred Tax Asset	16,927,138	12,027,138
	Net Deferred Tax Liability	206,064,695	225,864,695

7. PROVISIONS

SI No.	Particulars	Long Term		Short Term	
		31st March 2016 (₹)	31st March 2015 (₹)	31st March 2016 (₹)	31st March 2015 (₹)
a	Provision for Employee Benefits				
	Provision for Gratuity	45,692,937	32,825,754	3,316,513	2,548,923
	(a)	45,692,937	32,825,754	3,316,513	2,548,923
b	Other Provisions				
	Provision for Taxation	NIL	NIL	611,529,567	425,566,747
	Proposed Equity Dividend	NIL	NIL	35,625,000	59,375,000
	Provision for Tax on proposed equity dividend	NIL	NIL	7,252,412	12,156,835
	(b)	NIL	NIL	654,406,979	497,098,582
	(a+b)	45,692,937	32,825,754	657,723,492	499,647,505

8. SHORT TERM BORROWINGS

SI No.	Particulars	31st March 2016 (₹)	31st March 2015 (₹)
a	Loans Repayable on demand Packing Credit Loan From banks (Secured)	835,248,182	1,139,126,808
		835,248,182	1,139,126,808
1	Terms of repayment of Packing Credits: Packing credit from Bank is repayable on demand and carries interest @ 6.75%.(Current rate for State Bank of India including 3% Interest Equalisation)		
2	Working capital Limits from Bank is secured by		
(i)	Primary Security: First charge in favour of State bank of India over the entire Current Assets of the Company, both present and future.		
(ii)	Collateral Security: Second charge, in favour of State bank of India on the entire Fixed Assets of the Company (excluding vehicles purchased under the Hire Purchase), of which includes:		
	1. Equitable Mortgage on 3.75 Acres of land & building in Re. Sy No. 81/1 at Pattimattom Village, Kunnathunadu Taluk (Kizhakkambalam), Puthencruz Sub-district, Ernakulam belonging to the Company.		
	2. Equitable Mortgage on 19.24 acres of land, building and plant & machinery of the fabric processing plant at Kizhakkambalam.		
	3. EM on 244.629 cents of Land in Re Sy No 76/3 in Block no 27 of Kizhakkambalam, Puthencruz sub district, Ernakulam belonging to the Company.		
(iii)	Personal Guarantee of Mr. Sabu M Jacob, Managing Director.		

9. TRADE PAYABLES

SI No.	Particulars	31st March 2016 (₹)	31st March 2015 (₹)
a	Trade Payables		
i	Outstanding dues of micro enterprises and small enterprises;	4,355,163	6,068,508
ii	Outstanding dues of creditors other than micro enterprises and small enterprises	249,427,960	191,170,382
	Sub Total	253,783,123	197,238,890
b	Others	-	-
		253,783,123	197,238,890

10. OTHER CURRENT LIABILITIES

Sl No.	Particulars	31st March 2016 (₹)	31st March 2015 (₹)
a	Current maturities of long term borrowings	182,706,461	204,766,450
b	Interest accrued and due on borrowings	2,819,805	5,101,378
c	Income Received in advance	4,275,256	3,524,117
d	Unpaid dividends	7,356,078	4,845,930
e	Other payables		
	ESIC Payable	1,636,508	1,640,912
	PF Payable	7,485,488	6,669,574
	TDS payable	32,777,075	24,950,981
	Fringe Benefit Tax Payable	907,553	907,553
	Work Contract Tax Payable	187,972	529,012
	Service Tax Payable	-	186,999
	Wealth Tax Payable	-	101,773
	Expenses Payable	162,013,417	94,979,968
	Payable to Vendors - Non Trade	10,706,760	2,811,204
	ISDS Project Expenses Payable (Net)	20,999,975	-
		433,872,348	351,015,851

11 FIXED ASSETS

(Amount in ₹)

SI No	NATURE OF ASSET	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		As at 01.04.2015	Additions during the year	Sale/ Deletions/ Capital Subsidy during the year	As at 31.03.2016	As at 01.04.2015	Accumulated Depreciation Reversed / Adjusted	During the Year	As at 31.03.2016	As at 31.03.2016	As at 31.03.2015
A	TANGIBLE ASSETS										
1	Freehold Land	48,982,919	-	-	48,982,919	-	-	-	-	48,982,919	48,982,919
2	Building	634,085,287	1,207,959	-	635,293,246	155,605,897	-	20,870,313	176,476,210	458,817,036	478,479,390
3	Plant & Equipments	1,692,745,234	48,927,049	6,434,736	1,735,237,547	437,029,399	2,578,167	162,860,891	597,312,123	1,137,925,424	1,255,715,835
4	Furniture & Fixtures	43,841,572	1,778,593	-	45,620,165	24,888,835	-	4,393,331	29,282,166	16,337,999	18,952,737
5	Vehicles	55,299,186	1,057,700	-	56,356,886	24,144,711	-	5,964,803	30,109,514	26,247,372	31,154,475
6	Office Equipments	27,726,341	2,582,846	-	30,309,187	22,901,018	-	2,664,879	25,565,897	4,743,290	4,825,323
7	Other assets	88,942,059	8,446,772	-	97,388,831	48,367,609	-	13,720,263	62,087,872	35,300,959	40,574,450
	Total (A)	2,591,622,598	64,000,919	6,434,736	2,649,188,781	712,937,469	2,578,167	210,474,480	920,833,782	1,728,354,999	1,878,685,129
B	INTANGIBLE ASSETS										
SI No	NATURE OF ASSET	GROSS BLOCK				AMORTIZATION				NET BLOCK	
		As at 01.04.2015	Additions during the year	Sale/ Deletions/ Capital Subsidy during the year	As at 31.03.2016	As at 01.04.2015	Amortisation Reversed/ Adjusted	During the Year	As at 31.03.2016	As at 31.03.2016	As at 31.03.2015
1	Computer software	33,607,680	207,225	-	33,814,905	30,025,141	-	2,256,784	32,281,925	1,532,980	3,582,539
	Total (B)	33,607,680	207,225	-	33,814,905	30,025,141	-	2,256,784	32,281,925	1,532,980	3,582,539
	GRAND TOTAL (A)+(B)	2,625,230,278	64,208,144	6,434,736	2,683,003,686	742,962,610	2,578,167	212,731,264	953,115,707	1,729,887,979	1,882,267,668
	Previous Year	2,373,963,814	321,630,113	70,363,649	2,625,230,278	561,902,888	(32,234,666)	213,294,388	742,962,610	1,882,267,668	1,812,060,926

12. NON CURRENT INVESTMENTS

SI No.	Particulars	31st March 2016 (₹)	31st March 2015 (₹)
a	Trade Investments (Valued at Cost)		
	Investment in Equity Instruments of Associates (Unquoted) -Kitex USA LLC - USD 7,00,210.09 (700210.09 Membership units at face value USD 1)	46,110,318	Nil
	Less: Share of Loss of Kitex USA LLC up to 31.03.2016	(24,003,888)	Nil
	(A)	22,106,430	Nil
b	Non Trade Investments (Valued at cost)		
	Investment in Equity Instruments (Quoted) - Punjab National Bank Limited	43,400	43,400
	7000 Equity Shares of Face value ₹2/- (Market value of 7000 Equity Shares of Face value ₹2/- as on 31st March, 2016 is ₹5,92,900/- (As on 31 March 2015, Market Value of 7000 Equity Shares of ₹2/- - ₹10,10,800/-))		
	(B)	43,400	43,400
	(A+B)	46,153,718	43,400

13. LOANS AND ADVANCES

SI No.	Particulars	Non-Current		Current	
		31st March 2016 (₹)	31st March 2015 (₹)	31st March 2016 (₹)	31st March 2015 (₹)
a	Capital advances				
	Unsecured, considered good	15,395,339	20,672,825	NIL	NIL
	(a)	15,395,339	20,672,825	NIL	NIL
b	Security Deposit				
	Unsecured, considered good	15,782,719	15,008,706	NIL	NIL
	(b)	15,782,719	15,008,706	NIL	NIL
c	Advance Recoverable in cash or kind				
	Unsecured, considered good				
	Advance to Vendors - Trade	NIL	NIL	22,790,380	20,069,390
	(c)	NIL	NIL	22,790,380	20,069,390

d	Other Loans and advances Unsecured, considered good				
(i)	Advance to Employees	NIL	NIL	1,470,160	1,106,552
(ii)	Advance Income tax	NIL	NIL	434,971,637	341,324,137
(iii)	Prepaid Expenses	NIL	NIL	4,437,498	4,294,137
(iv)	KVAT Refund Receivable	NIL	NIL	103,552,235	95,210,947
	(d)	NIL	NIL	544,431,530	441,935,773
	TOTAL	(a)+(b)+(c)+(d)	31,178,058	35,681,531	567,221,910

14. TRADE RECEIVABLES AND OTHER ASSETS

Sl No.	Particulars	Non-Current		Current	
		31st March 2016 (₹)	31st March 2015 (₹)	31st March 2016 (₹)	31st March 2015 (₹)
1	Trade Receivables				
a	Outstanding for a period exceeding six months from the date they are due for payment Unsecured, Considered Good (A)	NIL	NIL	9,67,396	5,72,348
b	Other Receivables Unsecured, considered good (B)	NIL	NIL	959,097,071	626,026,305
	Total (A)+(B)	NIL	NIL	960,064,467	626,598,653
2	Other Assets Unsecured, considered good				
(i)	Export Incentives Receivable	NIL	NIL	30,457,278	85,133,915
(ii)	Interest accrued on fixed deposits	NIL	NIL	1,310,391	1,371,856
(iii)	Subsidy Receivable - TUFs	NIL	NIL	87,668,951	80,530,588
(v)	Other Deposits	20,465,817	20,022,373	NIL	NIL
(vi)	Others	NIL	NIL	73,063,864	11,658,344
		20,465,817	20,022,373	192,500,484	178,694,703

15. INVENTORIES (Valued at lower of cost or net realizable value)

SI No.	Particulars	31st March 2016 (₹)	31st March 2015 (₹)
a	Raw- Materials	125,110,494	103,941,242
b	Finished goods	5,121,433	8,093,208
		130,231,927	112,034,450

16. CASH AND BANK BALANCES

SI No.	Particulars	Non Current		Current	
		31st March 2016 (₹)	31st March 2015 (₹)	31st March 2016 (₹)	31st March 2015 (₹)
1	Cash and Cash equivalents				
a	Cash on hand	NIL	NIL	239,649	1,013,323
b	Balance with banks:				
	On current accounts	NIL	NIL	2,454,841,471	1,992,909,257
	(A)	NIL	NIL	24550,81,120	1,993,922,580
2	Other Bank balances				
a	Ear marked balance with Banks				
	On unpaid dividend accounts	NIL	NIL	7,356,079	4,845,930
b	Margin money Deposit	NIL	NIL	36,690,478	33,808,176
	(B)	NIL	NIL	44,046,557	38,654,106
	(A)+(B)	NIL	NIL	2,499,127,677	2,032,576,686
Margin money deposits with carrying amount of ₹3,66,90,478/- (31 March 2015: ₹3,38,08,176/-) are held to secure the Company's Non Fund based limits availed from Bank.					

17. REVENUE FROM OPERATIONS

SI No.	Particulars	31st March 2016 (₹)	31st March 2015 (₹)
a	Sale of Products		
	Sales - Export	4,312,737,291	4,156,192,734
	Less:Sales Returns	-	-
	(A)	4,312,737,291	4,156,192,734
	Sales - Domestic	685,768,136	643,410,190
	Less:Sales Returns	5,952,284	5,481,133
	(B)	679,815,852	637,929,057
	Total (A)+(B)	4,992,553,143	4,794,121,791
b	Other Operating Revenues		
(i)	Export Incentives	422,865,117	298,416,579
(ii)	Job work Charges	31,007,537	6,933,283
(iii)	Sale of manufacturing Scrap	2,362,281	6,595,026
(iv)	Others	9,378,718	4,892,619
	(C)	465,613,653	316,837,507
	Total	(A)+(B)+(C)	5,458,166,796

18. OTHER INCOME

SI No.	Particulars	31st March 2016 (₹)	31st March 2015 (₹)
a	Interest Income		
	(i) Bank Deposits	2,989,117	3,231,540
	(ii) Other Deposits	526,486	761,362
b	Dividend Income on Long Term investments	23,100	-
c	Subsidy Income - TUFs	7,138,363	11,906,904
d	Foreign exchange gains (Net)	163,944,386	107,373,960
e	Rent received	1,583,067	1,428,183
f	Other non-operating income	21,961,659	9,532,284
		198,166,178	134,234,233

19. COST OF RAW MATERIALS CONSUMED

Particulars	31st March 2016 (₹)	31st March 2015 (₹)
Inventory at the beginning of the year	103,941,242	102,062,240
Add: Purchases during the year	2,118,816,941	2,099,731,875
Less: Inventory at the end of the year	125,110,494	103,941,242
Cost of raw material consumed.	2,097,647,689	2,097,852,873

20. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK IN TRADE

Particulars	31st March 2016 (₹)	31st March 2015 (₹)
Inventories at the end of the year Finished goods	5,121,433	8,093,208
Inventories at the beginning of the year Finished goods	8,093,208	5,939,066
Change in inventories of finished goods	2,971,775	(2,154,142)

21. EMPLOYEE BENEFITS EXPENSE

SI No.	Particulars	31st March 2016 (₹)	31st March 2015 (₹)
a	Salaries, Wages and Bonus	705,696,976	617,038,697
b	Contribution to Provident Fund	44,135,664	37,282,995
c	Staff Welfare Expenses	86,339,848	90,685,072
		836,172,488	745,006,764

22. OTHER EXPENSES

Sl No.	Particulars	31st March 2016 (₹)	31st March 2015 (₹)
1	Freight and Clearing charges -Inward	14,300,843	12,553,521
2	Power and Fuel	175,429,165	189,883,658
3	Repairs and Maintenance -Building	26,665,966	27,996,403
4	Repairs and Maintenance -Plant and Machinery	26,156,313	21,989,264
5	Repairs and Maintenance -Others	35,166,858	20,767,048
6	Stores and Spares consumed	86,868,167	63,918,831
7	Insurance	6,129,778	5,714,307
8	Processing charges	116,767,590	54,270,162
9	Testing Charges	12,445,291	23,736,340
10	Other Production expenses	5,133,853	2,078,371
11	Sitting fee to Directors	311,379	404,496
12	Travelling and Conveyance	10,282,814	9,271,339
13	Postage, Courier and Telephone	5,569,160	4,189,603
14	Rent	3,852,152	3,276,341
15	Audit fees	1,952,635	2,443,830
16	Legal and professional Charges	7,833,911	5,998,014
17	Rates & Taxes excluding taxes on Income	17,007,571	8,483,016
18	Printing and Stationery	4,922,541	4,747,703
19	General Expenses	4,423,619	7,508,979
20	Freight and Forwarding charges -Outward	19,645,947	34,437,203
21	Advertisement and Sales Promotion	19,740,735	28,386,776
22	Sales Commission	701,287	7,477,042
23	Interest (Other than on borrowings)	19,154,912	11,891,254
24	Bank charges	4,801,744	7,750,034
25	Loss on Sale of Fixed assets	1,227,811	5,904,262
26	Duty drawback written off	-	1,024,385
27	Prior period expenses	231,522	1,608,557
28	Vendor Balances Written off	-	353,165
29	Expenditure towards Corporate Social Responsibility activities	31,969,606	14,814,217
		658,693,170	582,878,121

23. DEPRECIATION AND AMORTIZATION EXPENSES

SI No.	Particulars	31st March 2016 (₹)	31st March 2015 (₹)
a	Depreciation of Tangible Assets	210,474,480	211,564,620
b	Amortization of Intangible Assets	2,256,784	1,729,768
		212,731,264	213,294,388

24. FINANCE COSTS

SI No.	Particulars	31st March 2016 (₹)	31st March 2015 (₹)
a	Interest Expenses	134,606,832	190,234,510
b	Other Borrowing costs	2,959,806	1,406,243
		137,566,638	191,640,753

25. EARNING PER SHARE

SI No.	Particulars	31st March 2016 (₹)	31st March 2015 (₹)
a	Net profit as per Statement of Profit and Loss	1,120,949,950	985,174,774
b	Net profit available to Equity Share holders	1,120,949,950	985,174,774
c	No. of equity shares at year end	47,500,000	47,500,000
d	Weighted average number of Equity shares used as denominator for calculating EPS	47,500,000	47,500,000
e	Basic and Diluted Earning per Share	23.60	20.74
f	Face value per Equity Share	1.00	1.00

26. GRATUITY

The following table summarizes the components of expense recognized in the Statement of Profit and Loss and the amounts recognized in the Balance Sheet.

SI No.	Particulars	31st March 2016 (₹)	31st March 2015 (₹)
1	Expense Recognized in Statement of Profit and Loss		
a	Current Service Cost	10,954,875	7,466,875
b	Interest on Defined Benefit Obligation	3,581,880	2,911,171
c	Net Actuarial Losses/ (Gains) Recognized in Year	2,752,668	3,620,459
d	Past Service Cost		-
	Total amount included in "Employee Benefit Expense" (Note 21)	17,289,423	13,998,505
2	Amount Recognized in Balance Sheet		
a	Present Value of Unfunded Obligations	49,009,450	35,374,677
	Net Liability	49,009,450	35,374,677
b	Net Liability is bifurcated as follows:		
	Current	33,16,513	25,48,923
	Non Current	456,92,937	328,25,754
	Net Liability	490,09,450	353,74,677
3	Change in Defined Benefit Obligation		
a	Opening Defined Benefit Obligation	35,374,677	25,382,535
b	Current Service Cost	10,954,875	7,466,875
c	Interest Cost	3,581,880	2,911,171
d	Actuarial Losses/ (Gain)	2,752,668	3,620,459
e	Past Service Cost		-
f	Benefits Paid	(3,654,650)	(4,006,363)
g	Closing Defined Benefit Obligation	49,009,450	35,374,677
h	Contributions by Employer	3,654,650	4,006,363
i	Benefits Paid	(3,654,650)	(4,006,363)
j	Expected Employer's Contribution Next Year	3,316,513	2,548,923

SI No.	Particulars	31st March 2016 (₹)	31st March 2015 (₹)
4	Financial Assumptions at the Valuation Date:		
a	Discount Rate (p.a.)	7.80%	7.95%
b	Expected Rate of Return on Assets (p.a.)	0.00%	0.00%
c	Salary Escalation Rate (p.a.)	7.00%	7.00%

27 LEASES

SI No.	Particulars	31st March 2016 (₹)	31st March 2015 (₹)
A	Operating Lease: Company as Lessor Future minimum rentals receivable under operating lease is as follows: Within one year	544,132	494,800
B	Operating Lease: Company as Lessee The Company has taken various residential and office premises under operating lease agreements. These agreements are generally for a period of 11 months. The Company has also taken equipments on rent for shorter duration during the year. Minimum lease payments charged during the year to the Statement of Profit and Loss aggregated to ₹38,52,152/- (Previous year ₹32,76,341/-)		

28. SEGMENT INFORMATION

SI No.	Particulars	31st March 2016 (₹)	31st March 2015 (₹)
I	BUSINESS SEGMENTS:		
1	Segment Revenue		
	a. Garments	4,760,781,105	4,460,130,019
	b. Fabric	2,039,217,620	2,100,786,943
	Total	6,799,998,725	6,560,916,962
	Less : Inter Segment Revenue	1,341,831,928	1,449,957,664
		5,458,166,797	5,110,959,298

SI No.	Particulars	31st March 2016 (₹)	31st March 2015 (₹)
2	Segment Results		
a.	Garments	1,848,831,273	1,622,595,435
b.	Fabric	35,548,995	26,182,826
	Total	1,884,380,268	1,648,778,261
	Less: Interest	121,742,769	168,252,871
	Unallocable Expenses	221,595,953	176,787,492
	Unallocable Income	169,508,404	112,936,875
	Profit before tax	1,710,549,950	1,416,674,773
	Segment Assets		
1	Garments	1,210,012,468	1,132,318,306
2	Fabrics	1,541,526,673	1,442,808,021
3	Unallocated	3,437,722,884	2,777,721,046
	Total	6,189,262,025	5,352,847,373
	Segment Liabilities		
1	Garments	279,511,368	111,035,062
2	Fabrics	343,668,791	154,860,855
3	Unallocated	1,892,132,943	2,448,197,659
	Total	2,515,313,103	2,714,093,576
3	Capital Employed		
a	Garments	930,501,099	1,021,283,244
b	Fabric	1,197,857,879	1,287,947,166
c	Unallocable	1,545,589,939	329,523,387
		3,673,948,918	2,638,753,797

SI No.	Particulars	31st March 2016 (₹)	31st March 2015 (₹)
4	Depreciation		
a	Garments	31,046,105	34,786,210
b	Fabric	148,711,005	145,192,134
c	Unallocable	32,974,154	33,316,042
		212,731,264	213,294,386
II	Geographical Segments:		
	Sales - Export	4,312,737,291	4,156,192,734
	Sales - Domestic	679,815,852	634,029,467
		4,992,553,143	4,790,222,201

29. RELATED PARTY DISCLOSURE

Related parties with whom transactions have taken place during the year:

- a Key Managerial Personnel:
 - i Sabu M Jacob, Managing Director
 - ii C Mohan, Director (upto 08.02.2016)
 - iii E M Paulose, Director
 - iv Benni Joseph, Director
 - v K L V Narayanan, Director
 - vi C P Philipose, Director (w.e.f 20.07.2015)
 - vii Sindhu Chandrasekhar
 - viii A.Babu, Company Secretary
 - ix Boby Michael, General Manager Finance and Chief Financial Officer (Upto 07.01.2016)
- b Enterprise owned or significantly influenced by key management personnel or their relatives:
 - i Kitex Childrenswear Limited
 - ii Kitex Limited
 - iii Anna Aluminium Company Private Limited

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year:

Name of Related Party	Nature of Transaction	Transaction Value for the year (₹)	
a. Enterprises owned or significantly influenced by key management personnel or their relatives:			
		31st March 2016 (₹)	31st March 2015 (₹)
i. Kitex Childrenswear Limited	Fabric Sale	475,609,839	577,680,783
	Fabric Sale Return	5,952,284	5,481,133
	Rent Received	1,808,778	1,604,706
	Rent Paid	109,979	99,285
	Job work charge paid	100,209,407	-
	Purchase of MLFPS License	7,840,287	-
	Others (Net)	34,241	34,694
ii. Kitex Limited	Sale of Fabric	131,374,399	61,829,818
	Yarn Sales	6,370,081	-
	Fabric Purchase	96,132,658	92,927,062
	Yarn Purchase	4,697,015	43,608
	Accessories Purchased	1,857,811	-
	Job Work Charges Paid	1,564,244	3,250,764
	Job Work Charges Received	33,194,428	7,435,946
	Sale of Ready Made Garments	12,595,105	-
	Sale of Old Machinery	-	2,907,694
	Others (Net)	-	2,085,998
iii. Anna Aluminium Company (P) Ltd.	Spices Purchase	3,193,617	2,702,299
	Utensil Purchase	6,484	307,094
	Others (Net)	-	3,437

b. Key Management Personnel:			
Name of Related Party		Outstanding amounts carried in the Balance Sheet (₹)	
i. Sabu M Jacob, Managing Director	Remuneration	88,965,349	74,874,250
ii. C Mohan	Sitting fee	17,500	97,500
iii. E M Paulose	Sitting fee	60,000	87,500
iv. Benni Joseph	Sitting fee	80,000	87,500
v. K L V Narayanan	Sitting fee	80,000	87,500
vi. C P Philipose	Sitting fee	35,000	-
vii. Sindhu Chandrasekhar	Remuneration	1,128,221	31,661
viii.A.Babu, Company Secretary	Salaries and Allowances	1,103,878	997,660
ix. Bobby Michael, General Manager Finance and Chief Financial Officer	Salaries and Allowances	1,289,669	2,153,756
Name of Related Party		Outstanding amounts carried in the Balance Sheet (₹)	
a. Enterprises owned or significantly influenced by key management personnel or their relatives:			
		31st March 2016 (₹)	31st March 2015 (₹)
i. Kitex Childrenswear Limited		67,453,792 (Cr)	Nil
ii. Kitex Limited		25,859,629 (Dr)	761,321 (Dr)
iii. Anna Aluminium Company (P) Ltd.		447,899 (Cr)	531,139 (Cr)
b. Key Management Personnel:			
i. Sabu M Jacob Managing Director		61,139,993 (Cr)	10,213,795 (Cr)
ii. C Mohan		-	87,750 (Cr)
iii. E M Paulose		54,000 (Cr)	78,750 (Cr)
iv. Benni Joseph		72,000 (Cr)	78,750 (Cr)
v. K L V Narayanan		72,000 (Cr)	78,750 (Cr)
vi. C P Philipose		31,500 (Cr)	-
vii. Sindhu Chandrasekhar		55,200 (Cr)	23,213 (Cr)
viii.A.Babu, Company Secretary		75,854 (Cr)	70,890 (Cr)
ix. Bobby Michael, General Manager Finance and Chief Financial Officer		Nil	67,107 (Cr)

30. CONTINGENT LIABILITIES AND COMMITMENTS

1	Contingent Liabilities (to the extent not provided for)
i	Counter Guarantees issued by the Company for the guarantees issued by Banks amounts to ₹10,87,28,462/- (Previous year- ₹7,26,77,157/-).
ii	Letters of Credit Outstanding amounts to ₹8,52,65,876.35/- (Previous year -Rs 11,26,88,850/-)
iii	Bills discounted - ₹ Nil (Previous year - Nil.)
iv	Customs, Income Tax, Provident Fund and Employee State Insurance Claims
a	Commissioner of Customs issued Show Cause Notice directing the company to remit ₹3,25,20,531/- (inclusive of interest @ 24% as applicable) for the financial year 1997-98 towards non-fulfillment of export obligation. Company approached the Settlement Commission and remitted admitted liability of ₹1,21,29,942/- during the financial year 2001-2002. Settlement Commission, issued final order on 03.07.2003 fixing total duty liability of ₹2,20,61,171/- and directed the company to remit balance amount of ₹99,31,229/- with simple interest at the rate 10% per annum. Aggrieved by the order of the Settlement Commission, the company filed a writ petition before Honourable High Court of Kerala, which was dismissed and the Company preferred an appeal against the same with the Hon Supreme Court. The Honourable Supreme court stayed the demand and instructed the Company to remit ₹99,31,229/- and stayed the interest claimed. The company has remitted ₹99,31,229/-. The Company has furnished Bank Guarantee for ₹101.74 lakhs to the Office of the Commissioner of Customs.
b	The Deputy Commissioner of Income Tax, Aluva has raised a demand for ₹6,29,406/- while completing the assessment for the years 2003-04 and 2004-05. The demand was dismissed by the CIT (Appeals). The Tribunal has dismissed the appeal filed by the Revenue. However, the department has preferred an appeal before Hon. High Court of Kerala. The Company has received a refund of ₹3,61,732/- with regard to assessment years 2003-04 and 2004-05.
c	The Asst Commissioner of Income Tax, Kochi had raised a demand of ₹3,16,22,680 while completing the assessment for the Assessment Year 2008-09. The company had gone on appeal and obtained favorable orders from the CIT(Appeals) and Income Tax Appellate Tribunal. The Department has filed an appeal before the Honourable High court of Kerala.
d	The Addl Commissioner of Income Tax, Kochi had raised a demand of ₹5,26,632 as penalty u/s 271C for the AY 2010-11, The company has filed an appeal before CIT(A) against the order and the same is pending disposal
e	The Additional Commissioner of Income Tax, Kochi had raised a demand of ₹48,72,980/- while completing the assessment for the Assessment Year 2011-12. The company has filed an appeal before the Commissioner of Income Tax (Appeals) against the order.
f	The Addl Commissioner of Income Tax, Kochi had raised a demand of Rs 33,91,894/- as penalty u/s 271C for the AY 2011-12, The company has filed an appeal before CIT(A) against the order and the same is pending disposal
g	Asst. Provident Fund Commissioner (Enforcement) has determined a sum of ₹1,31,86,588/- towards contributions payable for the period 2001 to 2006 as per the schemes framed under the Provident Fund Act. The company preferred an appeal before the Employees Provident Fund Appellate Tribunal against the order of the Asst. Provident Fund Commissioner. The Employees Provident Fund Appellate Tribunal directed the Company to remit ₹52,74,636/- for staying the proceedings and subsequently upheld the orders of the Asst. Provident fund Commissioner (Enforcement). The Company deposited the amount since the Tribunal order was not in its favour. The Company filed an appeal with the Hon High Court of Kerala and the same was partially allowed in favor of the company. The balance amount of Rs 3,00,451/- has been further paid and total liability settled as per the order. The company has filed an appeal before the before Division bench of the Hon. High court for the disallowed portion 55,75,087/-.
h	The Regional Provident Fund Commissioner, Kochi vide his order dated 21.05.2014 has demanded a sum of ₹31,24,050/- towards EPF dues for the period 08/11 to 03/12. The company has filed appeal before The Employees Provident Fund Appellate Tribunal and also the obtained stay of demand. An amount of Rs 1249620/- has been deposited towards the same.

i	The Regional Provident Fund Commissioner, Kochi vide his review order dated 07.11.2014 has demanded a sum of ₹20,44,752/- towards EPF dues for the period 04/12 to 08/12. The company has filed appeal before The Employees Provident Fund Appellate Tribunal and also obtained an interim stay of recovery from the Hon. High Court of Kerala.
j	The Regional Provident Fund Commissioner, Kochi vide his order dated 07.11.2014 has demanded a sum of ₹59,88,655/- towards EPF dues for the period 09/12 to 01/14. The company has filed appeal before The Employees Provident Fund Appellate Tribunal and also obtained an interim stay of recovery from the Hon. High Court of Kerala.
k	The Regional Provident Fund Commissioner, Kochi vide his order dated 07.11.2014 has demanded a sum of ₹9,51,441/- towards EPF dues for the period 02/14 to 04/14. The company has filed appeal before The Employees Provident Fund Appellate Tribunal and also obtained an interim stay of recovery from the Hon. High Court of Kerala.
l	The Regional Provident Fund Commissioner, Kochi vide his order dated 21.05.2014 has demanded a sum of ₹66,67,450/- towards EPF dues of Processing unit for the period 06/2007 to 10/2012. The company has filed an appeal before The Employees Provident Fund Appellate Tribunal.
m	The Regional Provident Fund Commissioner, Kochi vide his order dated 27.02.2015 has demanded a sum of ₹14,78,145/- towards EPF dues of Processing Unit for the period 11/2012 to 04/2014. The company has deposited an amount of ₹ 4,43,444/-.The company has filed an appeal before The Employees Provident Fund Appellate Tribunal.
n	The Deputy Director, Sub-Regional Office Ernakulam of the ESI Corporation had raised a demand of ₹8,63,348/- against the company for the year 2008-09 vide order dated 30.09.2013.The Company has disputed the claim and appealed before the ESI Court and deposited Rs 1,00,000/-.
o	The Deputy Director, Regional Office Ernakulam of the ESI Corporation has raised a demand for ₹2,03,687/- against the Company for the years 1996-97 and 1997-98 vide revised order dated 30.09.2013. The Company had deposited ₹1,25,000/- and has preferred an appeal before the ESI Court against the order.
p	The Deputy Director, Sub-Regional Office Ernakulam of the ESI Corporation has raised a demand of ₹26,01,275/- against the company for the year 2008-09 vide order dated 22.11.2013. The Company has disputed the claim and appealed before the ESI Court and deposited ₹3,00,000/-.
q	The Deputy Director, Sub-Regional Office Ernakulam of the ESI Corporation has raised a demand of ₹3,36,461/- against the company for the period 06/2005 to 01/2009 vide order dated 13.11.2014. The Company has disputed the claim and filed appeal before the Director, Sub-Regional Office Ernakulam and deposited ₹84,115/-.
r	The Deputy Director, Sub-Regional Office Ernakulam of the ESI Corporation has raised a demand of ₹12,11,248/- against the company for the period 04/2003 to 03/2004 vide order dated 13.11.2014. The Company has disputed the claim and filed appeal before the Director, Sub-Regional Office Ernakulam and deposited ₹3,02,812/-.
s	The Deputy Director, Sub-Regional Office Ernakulam of the ESI Corporation has raised a demand of ₹30,18,037/- against the company for the period 04/2009 to 11/2009 vide order dated 13.11.2014. The Company has disputed the claim and filed appeal before the Director, Sub-Regional Office Ernakulam and deposited ₹7,54,510/-.
t	The Deputy Director, Sub-Regional Office, Ernakulam of the ESI Corporation initiated recovery proceeding towards ESI dues of ₹2,79,558/-, and related interest of ₹9,466/- vide two orders dated 23.10.2013. The Company disputed the demand and approached the ESI Court and obtained stay and deposited ₹50,000/-.
u	During the year 1997 the Thahasildar Kunnathunadu Taluk had demanded a sum of ₹ 3,08,945/- towards one time building tax. The Company had disputed the applicability of tax on a particular portion of the building. The matter is pending before the Hon High Court of Kerala.
2	Commitments - Nil

31. DETAILS OF DUES TO MICRO AND SMALL ENTERPRISE AS DEFINED UNDER THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006

Based on and to the extent of information received from the Suppliers regarding their status under the Micro, Small and Medium Enterprise Development Act, 2006 as identified by Management and relied upon by the Auditors, the relevant particulars as at 31st March 2016 are furnished below:

SL No.	Particulars	31st March 2016 (₹)	31st March 2015 (₹)
1	Dues remaining unpaid to Micro, Small and Medium Enterprises as at the end of the accounting year	4,355,163	6,068,508
2	Dues outstanding as at the end of the year for more than 45 days	NIL	NIL

32. VALUE OF IMPORTS ON CIF BASIS

SI No.	Particulars	31st March 2016 (₹)	31st March 2015 (₹)
a	Raw-materials	376,246,301	346,684,834
b	Components and Spare parts	31,755,152	18,341,817
c	Capital Goods	20,353,822	193,740,900
		428,355,275	558,767,551

33. EXPENDITURE IN FOREIGN CURRENCY

SI No.	Particulars	31st March 2016 (₹)	31st March 2015 (₹)
a	Salary	8,096,288	11,648,254
b	Fees for Technical/ Professional Services	3,448,236	1,201,260
c	Rebate and Discounts	12,398,510	18,893,440
d	Others	1,758,392	4,927,093
		25,701,426	36,670,047

34. IMPORTED AND INDIGENOUS RAW MATERIALS, COMPONENTS AND SPARE PARTS CONSUMED

Sl No	Particulars	% of total Consumption as on 31.03.2016	Value on 31.03.2016 (₹)	% of total Consumption as on 31.03.2015	Value on 31.03.2015 (₹)
a	Raw-materials				
	For Fabric Manufacture - Imported	5.89%	128,751,038	6.02%	130,234,071
	For Fabric Manufacture - Indigenous	62.75%	1,370,888,998	66.67%	1,441,318,986
	Total (A)	68.65%	1,499,640,036	72.70%	1,571,553,057
b	Other Raw-material				
	Imported	12.67%	276,779,412	10.43%	225,419,134
	Indigenous	14.70%	321,228,241	13.92%	300,880,682
	Total (B)	27.37%	598,007,653	24.35%	526,299,816
c	Stores and Spares				
	Imported	1.90%	41,571,299	1.27%	27,439,456
	Indigenous	2.07%	45,296,869	1.69%	36,479,375
	Total (C)	3.98%	86,868,168	2.96%	63,918,831
	Grand Total (A)+(B)+(C)	100.00%	2,184,515,857	100.00%	2,161,771,704

35. SALES AND STOCK PARTICULARS OF FINISHED GOODS

	Sales Value (₹)	Closing Inventory (₹)	Opening Inventory (₹)
Garments			
Current Year	4,992,553,143	5,121,433	8,093,208
Previous Year	4,794,121,791	8,093,208	5,939,066

36. EARNINGS IN FOREIGN CURRENCY

SI No.	Particulars	31st March 2016 (₹)	31st March 2015 (₹)
a	Export of goods calculated on FOB Basis	4,312,737,291	4,156,192,734
b	Others	13,402,754	13,244,203
		4,326,140,045	4,169,436,937

37. COMPUTATION OF NET PROFIT AS PER SECTION 198 OF COMPANIES ACT, 2013

Particulars	31st March 2016 (₹)	31st March 2015 (₹)
Profit before tax as per Statement of Profit and Loss	1,710,549,950	1,416,674,774
Add: Remuneration to Directors	90,093,570	74,905,911
Add: Loss on Sale of Assets	1,227,811	5,904,262
Net profit under Section 198 of Companies Act, 2013	1,801,871,331	1,497,484,947
Total Remuneration payable to Directors @ 5% of Net profit	90,093,570	74,874,250

38. EMPLOYEES REMUNERATION AND BENEFITS INCLUDES DIRECTORS REMUNERATION OF ₹90093570/- COMPRISING:

SI No.	Particulars	Sabu M Jacob, Managing Director		Mrs.Sindhu Chandrasekhar, Whole Time Director (w.e.f 16.03.2015)	
		31st March 2016 (₹)	31st March 2015 (₹)	31st March 2016 (₹)	31st March 2015 (₹)
1	Salaries and Allowances	9,450,000	7,200,000	673,039	30,692
2	Contribution to Provident Fund	576,000	288,000	21,600	969
3	Commission	78,939,349	67,386,250		-
4	Bonus	-	-	433,582	-
		88,965,349	74,874,250.00	1,128,221	31,661

39. PAYMENT TO AUDITORS

Sl No.	Particulars	31st March 2016 (₹)	31st March 2015 (₹)
a	As Auditor:		
	Statutory Audit fees	520,000	520,000
	Limited Review Fees	150,000	150,000
	Tax Audit fees	210,000	60,000
	KVAT audit fees	15,000	15,000
	Internal Audit Fees	800,000	1,400,000
b	In other capacity :		
	Taxation Matters	-	-
	Company Law matters	-	-
	Management Services	-	-
	Other Services	-	30,000
c	Service Tax	257,635	268,830
		1,952,635	2,443,830

40. LONG TERM CONTRACTS

There are no long term contracts as on 31.03.2016 including derivative contracts for which there are any material foreseeable losses.

41. IMPAIRMENT OF ASSETS

No material Impairment of Assets has been identified by the Company and as such no provision is required as per Accounting Standard 28 issued by the Institute of Chartered Accountants of India.

42. DONATIONS

Donations include payments of ₹10,00,000/- (31 March 2015: ₹2,60,000/-) made to BJP.

43. Transfer of Unclaimed Dividend to Investor Education and Protection Fund

During the year, the company has transferred the unclaimed dividend for the year 2007-08 amounting to ₹4,51,897/- (31 March 2015: ₹ 2,86,232/-) to the Investor Education and Protection Fund.

44. PREVIOUS YEAR FIGURES

Previous year figures have been reworked, regrouped, rearranged and reclassified, wherever necessary. As per our Report of even date

As per our Report of even date

For KOLATH & CO

Chartered Accountants
Firm Regn. No. 008926S

Sd/-

CA Liju V Rajan Kolath

Partner
Membership No. 209309

Kizhakkambalam
April 4, 2016

For and on behalf of the Board of Directors of
Kitex Garments Limited

Sd/-

Sabu M Jacob
Managing Director &
Chief Financial Officer

Sd/-

CA Benni Joseph
Director

Sd/-

A Babu
Company Secretary

Consolidated Cash Flow Statement for the period ended 31.03.2016

		For the year ended 31st March, 2016	For the year ended 31st March, 2015
		₹	₹
A)	Cash flow from Operating activities		
	Net Profit/(Loss) before tax and extra ordinary items	1,710,549,950	1,416,674,774
	Adjustment for :		
	Depreciation	212,731,264	213,294,388
	Loss Kitex USA LLC	(24,003,888)	-
	Interest paid	137,566,638	191,640,753
	Profit/Loss on sale of Fixed Assets	1,227,811	5,904,262
	Tax paid	(517,084,680)	(363,825,549)
	Dividend Received	(23,100)	-
	Interest received	(3,515,603)	(3,992,902)
	Operating Profit before working capital changes	1,541,452,280	1,459,695,726
	Adjustment for :		
	Trade & other receivable	(359,284,286)	(128,760,616)
	Long term loans and advances	4,503,473	(7,673,790)
	Margin Money Deposit	(5,392,451)	12,807,753
	Inventories	(18,197,477)	(4,033,144)
	Trade Payables	177,377,065	(48,408,270)
	Cash generation from operation	(200,993,676)	(176,068,067)
	Net cash from operating activities	1,340,458,604	1,283,627,659
B)	Cash flow from investing activities		
	Dividend Received	23,100	-
	Interest Received	3,515,603	3,992,902
	Sale of Fixed Assets	2,628,758	15,643,332
	Investment activities	(22,106,430)	
	Payment for Fixed Assets	(73,715,385)	(317,888,352)
	Net cash used in investing activities	(89,654,354)	(298,252,118)
C)	Cash flow from financing activities		
	Interest paid	(137,566,638)	(191,640,753)
	Dividend Paid including Dividend Distribution tax	(114,409,248)	(55,572,625)
	Proceeds from Long term borrowings	(209,787,310)	37,126,006
	Proceeds from Working Capital borrowing	(303,878,626)	234,011,783
	Net cash from financing activities	(765,641,822)	23,924,411
	Net change in cash & cash equivalents (A+B+C)	461,158,540	1,009,299,952
	Opening Cash and Cash equivalents	1,993,922,580	984,622,628
	Closing Cash and Cash equivalents	2,455,081,120	1,993,922,580
1	Componentes of Cash and Cash Equivalents		
a	Cash on hand	239,649	1,013,323
b	Balance with Banks		
	On current accounts	2,454,841,471	1,992,909,257
		(A)	2,455,081,120
2	Other Bank Balances		
a	Ear marked balances with banks		
	On unpaid dividend accounts	7,356,079	4,845,930
b	Margin money deposit	36,690,478	33,808,176
		(B)	44,046,557
	Cash and bank Balances as per Balance sheet (Note 16)	(A)+(B)	2,499,127,677
			2,032,576,686

This is the cash flow statement referred to in our report of even date.

For KOLATH & CO
Chartered Accountants
Firm Regn. No. 008926S

Sd/-

CA Liju V Rajan Kolath
Partner
Membership No. 209309

Kizhakkambalam
April 4, 2016

For and on behalf of the Board of Directors of

Kitex Garments Limited

Sd/-

Sabu M Jacob
Managing Director &
Chief Financial Officer

Sd/-

CA Benni Joseph
Director

Sd/-

A Babu
Company Secretary

**KITEX GARMENTS LIMITED**

(CIN: L18101KL1992PLC006528)
P. B. No. 5, Kizhakkambalam - 683562, Alwaye, Kochi, Kerala,
Phone: 91 0484 4142000, Fax: 91 484 2680604,
Website: www.kitexgarments.com, E-mail: sect@kitexgarments.com

Proxy Form

(Form No. MGT - 11)

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

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 the above named Company, hereby appoint

(1) Name:..... Address.....
.....
Email-Id Signature(or failing him)
Name Address.....
.....
Email-Id Signature(or failing him)
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 24th Annual General Meeting of the Company on Friday, June 10, 2016 at Factory Premises of the Company at Building No. 9/536A, Kizhakkambalam, Kochi - 683562 at 10.00A.M. and at any adjournment thereof in respect of such resolutions as are indicated below:

No.	RESOLUTIONS
Ordinary Business	
1	1. To receive, consider and adopt a) Audited Financial Statements of the Company for the year ended March 31, 2016 together with the Report of the Board of Directors and Independent Auditors report thereon; and b) Audited Consolidated Financial Statements of the Company for the year ended March 31, 2016 together with Independent Auditors Report thereon.
2	To declare a Dividend for the financial year ended March 31, 2016
3	To appoint a Director in place of Mrs. Sindhu Chandrasekhar (holding DIN. 06434415), who retires by rotation in terms of Section 152(6) of Companies Act, 2013 and Article 160 of Articles of Association, and being eligible offers herself for re-appointment.
4	To appoint M/s. Varma and Varma, Chartered Accountants, Kochi (Firm Registration No. 004532S) who shall hold office for the financial year 2016-17 from the conclusion of this 24 th Annual General Meeting till the conclusion of the 25 th Annual General Meeting and to fix their remuneration. The Company has received a notice in writing from existing auditors expressing their unwillingness to be re-appointed.
Special Business	
5	Appointment of Mr. C. P. Philipose (DIN No.01125157) as an Independent Director

Signed this _____ day of June 2016.

Signature of shareholder(s).....

Signature of Proxy holder(s).....

Affix Revenue Stamp

Notes:

1. This form of proxy in order to be effective should be completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. For the resolutions, Explanatory statement and Notes, please refer to the Notice of the Twenty Fourth Annual General Meeting.
3. A holder may vote either for or against each resolution





KITEX GARMENTS LIMITED

(CIN: L18101KL1992PLC006528)

P. B. No. 5, Kizhakkambalam - 683562, Alwaye, Kochi, Kerala

Phone: 91 0484 4142000, Fax: 91 484 2680604

Website: www.kitexgarments.com, E-mail: sect@kitexgarments.com

Attendance Slip

24th Annual General Meeting

Folio No. /DP ID – Client ID:

Name and Address of the shareholder(s):

I certify that I am a registered Shareholder/Proxy for the registered shareholder of the Company. I hereby record my presence at the 24th Annual General Meeting of the Company on Friday, June 10, 2016 at the Factory Premises of the Company at Building No.9/536 A, Kizhakkambalam, Kochi – 683562 at 10.00 AM

Member's Folio/DPID- Client ID No.

Member's/ Proxy's name in Block Letters

Member's/ Proxy's Signature

CUT HERE

Electronic Voting Particulars

If desirous of E-voting, please read the instructions given in the AGM Notice before exercising.

EVSN (Electronic Voting Sequence Number)	* Default PAN/ Sequence No.

* Those who have not registered their PAN may use default PAN





Registered Office

Kitex Garments Limited

(CIN: L18101KL1992PLC006528)

P. B. No. 5, Kizhakkambalam - 683562, Alwaye, Kochi, Kerala

Phone: 91 0484 4142000, Fax: 91 484 2680604

Website: www.kitexgarments.com, E-mail: sect@kitexgarments.com