



August 11, 2016

The Secretary  
Corporate Relationship Dept.  
The Bombay Stock Exchange  
1<sup>st</sup> Floor, New Trading Ring  
Rotunda Building  
Phiroze Jeejeebhoy Towers  
Dalal Street, Mumbai - 400 001

The Secretary  
National Stock Exchange of India  
Limited  
Exchange Plaza  
Bandra Kurla Complex  
Mumbai - 400 051

Dear Sir,

**Sub: Submission of Annual Report- reg**

Annual Report for the financial year 2015-16 was adopted by the Shareholders at the Annual General Meeting held on 11<sup>th</sup> August 2016.

We herewith enclose the adopted Annual report in compliance with regulation 34(1) of SEBI LODR Regulation 2015.

This is for your information and records.

Thanking you,

Yours truly,

For Page Industries Limited

Murugesh C  
Company Secretary



PAGE INDUSTRIES LIMITED

Head Office : Cessna Business Park, 3rd Floor, Umiya Business Bay, Tower-1, Varthur Hobli, Outer Ring Road, Bengaluru - 560 103. Ph: 91-80-4946 4646.

Corporate & Registered Office : Cessna Business Park, 7th Floor, Umiya Business Bay, Tower-1, Varthur Hobli, Outer Ring Road, Bengaluru - 560 103.

Ph: 91-80-4945 4545 | [www.jockeyindia.com](http://www.jockeyindia.com) | [info@jockeyindia.com](mailto:info@jockeyindia.com) | CIN # L18101KA1994PLC016554

 PAGE INDUSTRIES LIMITED

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# ANNUAL REPORT

## 2015-16

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*speedo*<sup>®</sup> 

 JOCKEY<sup>™</sup>

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## BEST CEO (TEXTILES)



Our MD Mr. Sunder Genomal was felicitated with the award for the Best CEO (Textiles) at the Business Today Best CEO Awards, 2015. This prestigious award is based on a survey of the past three-year mid-term performances of companies under the leadership of their respective CEOs. The award is a celebration of the leadership abilities, vision, organizational transformation through technological interventions and innovations that India's top 20 CEOs have achieved for their companies.

## Best CFO



Mr. Pius Thomas, our Executive Director-Finance, has been honoured with the award for the Best CFO for Sustained Wealth Creation at the Yes Bank-Business World CFO Awards, 2016. The award is an initiative to identify, recognise and nurture financial leaders of India who have demonstrated outstanding capabilities and achievements by combining the imperatives of business leadership and excellence with those of integrity and sustainability.

## International Award: Growth and Expansion of Jockey Retail Stores



Page Industries has been honoured by Jockey International Inc., for the 'Outstanding Growth and Expansion of Jockey Retail Stores'. This is the second consecutive award for the company on an international platform and it speaks volumes of the consistent pace with which we have pursued our retail expansion plans across the country. Jockey Exclusive Brand Outlets showcase the range and depth of all our products and allow the brand to connect with its ardent and aspiring customers.

## Jockey Exclusive Brand Stores in the New International Retail Format



Our Jockey Exclusive Brand Outlets in the new international retail format are present in prime locations across shopping malls with high footfalls. Each of these outlets are state-of-the-art and their interiors, ambience, design, lighting and product displays have revolutionised our brand imagery.

These stores have dedicated sections for the Women's range and the Men's range of Innerwear, Leisurewear, Activewear and Sleepwear.

The company plans to take rapid strides in opening many more exclusive brand outlets in the new international retail format, going forward.



## **New Product Launches**

### **POP Colour for Women**

Jockey launched POP Colour innerwear for Women. This range is a celebration of the confidence, positivity and enthusiasm that we associate with the young women of today. POP Colour compliments the young lady's bold attitude, her experimental nature and her trendsetter mindset. The collection has super combed cotton elastane stretch fabric with trendy neon trims and fashionable prints that fire the imagination of our young fashionistas.



### **USA Originals for Men**

USA Originals loungewear collection for Men is a tribute to the Wild West American heritage of Texas and takes inspiration from textures, monograms, and motifs of iconic sports teams. The collection has half sleeve Polo T Shirts in solids and stripes, crew neck graphic tees and slim fit lounge pants which are all made of super combed cotton rich fabric, oxford tape reinforcements and the authentic Jockey USA Originals label and graphics. The range identifies itself with the casual yet confident, ambitious yet unpretentious young men who are trendy, upwardly mobile and keen to project their confident personalities before the world.



## USA Originals for Boys

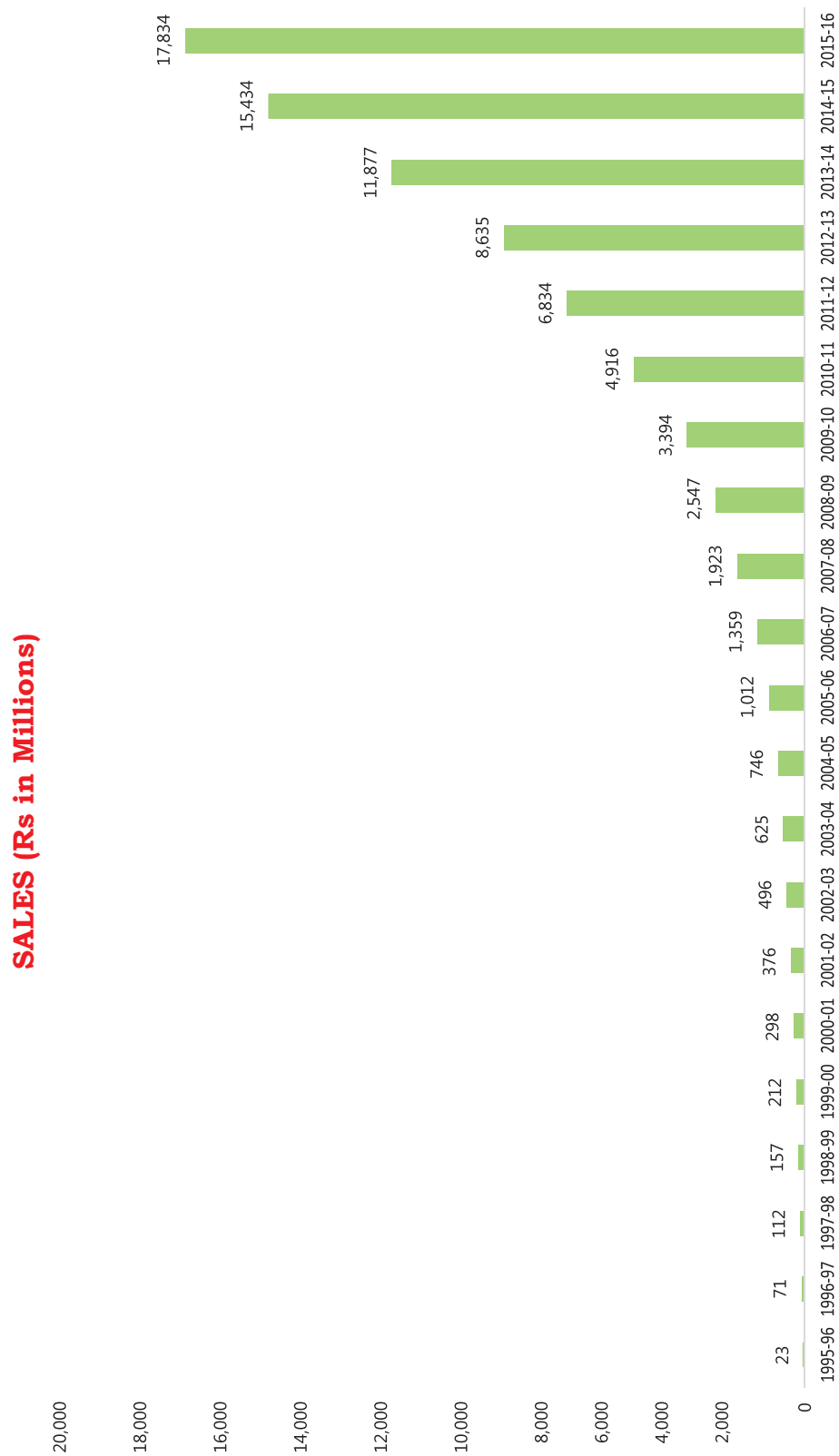
Jockey launched the USA Originals collection for boys in the age group of 7 to 8 years, 9 to 10 years and 11 to 12 years. Made with 100% super combed cotton soft fabric, the collection showcases briefs, trunks and vests for innerwear and boxer shorts, knit shorts and T-shirts in solids and prints for loungewear or leisurewear. All the silhouettes flaunt the authentic Jockey USA Originals design. This collection has revolutionized the boys range and has made Americana inspired clothing a rage among brand Jockey's youngest fans.



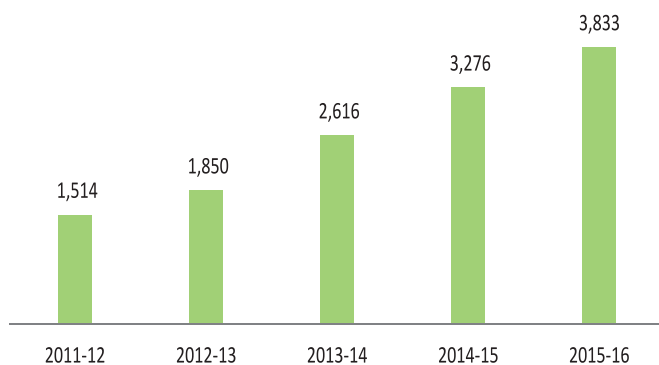
## International Collection for Men

Jockey introduced International Collection innerwear for men in Tactel and Pima Cotton. The silhouettes in Tactel are made of soft, premium, luxurious, elastane fabric with an ultrasoft, metallic looking waistband. These garments are light and breathable, eco sensitive, and three times stronger than fabrics made with other fibres. They are reputed for their soft and quick dry qualities. The silhouettes in Pima Cotton possess the supersoft hand feel and ultrasoft engineered waistband, characteristic of the world renowned extra-long staple (EPS) cotton grown in very limited production in very few countries. They are better and finer than normal cotton, have more strength than normal cotton fibre, with elastane stretch that improves fit and comfort. International Collection innerwear in Tactel and Pima Cotton compliments the confident, fashion forward, technology driven, eco-conscious man of today.

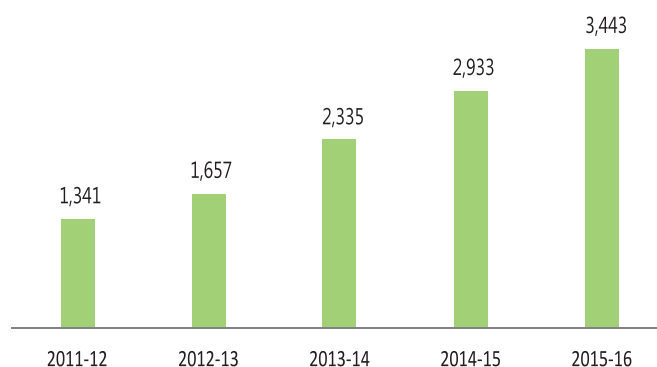
## PERFORMANCE HIGHLIGHTS



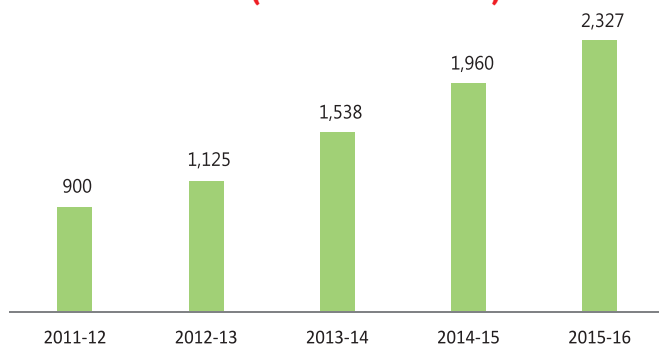
### EBIDTA (Rs in Millions)



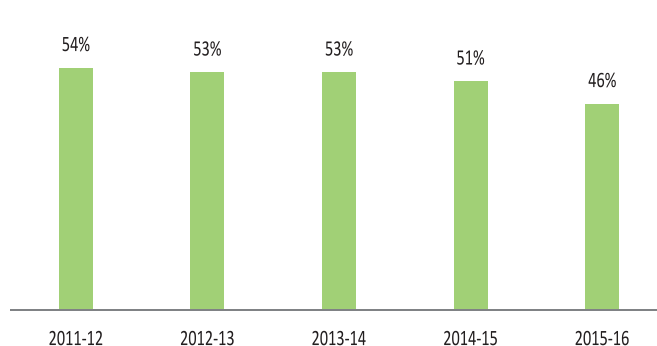
### PBT (Rs in Millions)



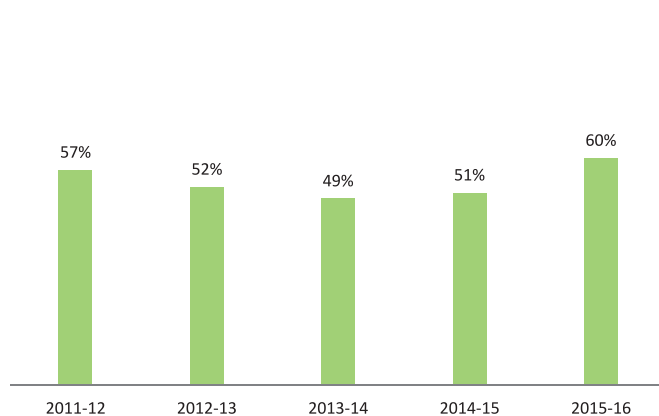
### PAT (Rs in Millions)



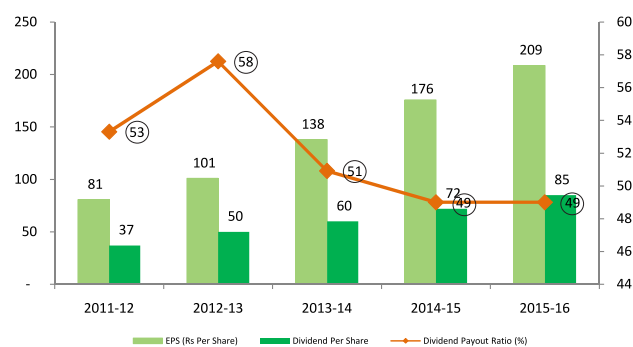
### RETURN ON NET WORTH



### RETURN ON CAPITAL EMPLOYED



### EPS & DIVIDEND



**Corporate & Registered Office:**

Cessna Business Park, Tower-1, 7th Floor, Umiya Business Bay, Varthur Hobli,  
Outer Ring Road, Bangalore - 560103. Ph: 080- 4945 4545  
www.jockeyindia.com | info@jockeyindia.com | CIN#: L18101KA1994PLC016554

**Board of Directors**

Mr. Pradeep Jaipuria, Chairman  
Mr. Sunder Genomal, Managing Director  
Mr. Pius Thomas, Executive Director - Finance  
Mr. Shamir Genomal, Executive Director- Chief Strategy Officer  
Mr. Nari Genomal, Director  
Mr. P V Menon, Alternate Director  
Mr. Ramesh Genomal, Director  
Mr. V Sivadas, Alternate Director  
Mr. Timothy Ralph Wheeler, Director  
Mr. G P Albal, Independent Director  
Mr. B C Prabhakar, Independent Director  
Mrs. Rukmani Menon, Independent Director  
Mr. Sandeep Kumar Maini, Independent Director  
Mr. Vikram Gamanlal Shah, Independent Director

**Management Team**

Mr. Vedji Ticku, Chief Executive Officer  
Mr. V S Ganesh, Sr. VP - Manufacturing & Operations  
Mrs. Shelagh Margaret Commons, Head – Product Development  
Mr. Minor Ganesan, VP - Human Resources

**Company Secretary & Compliance Officer**

Mr. C Muruges

**Registrar & Share Transfer Agent**

Link Intime India Pvt Ltd.  
C-13 Pannalal Silk Mills Compound,  
L.B.S Marg, Bhandup (west),  
Mumbai – 400 078.  
Phone :- 022 25946970  
Fax :- 022 25946969  
e-mail: rnt.helpdesk@linkintime.co.in

**Auditors**

M/s Haribhakti & Co. LLP  
Chartered Accountants  
No. 45, 1<sup>st</sup> Floor, 2<sup>nd</sup> Main,  
Sankey Road, Lower Palace Orchards,  
Bangalore - 560003.

## DIRECTORS' REPORT

Your Directors take pleasure in presenting the 21<sup>st</sup> Annual Report of the Company together with its audited accounts for the year ended 31<sup>st</sup> March 2016.



Jockey Cup : Our Champions celebrate their victory with our MD Mr. Sunder Genomal and the leadership team



Jockey Cup : The Player is felicitated by our CEO Mr. Vedji Ticku



Jockey Cup : The Player is felicitated by our Chief Strategy Officer Mr. Shamir Genomal

## FINANCIAL RESULTS

Financial results for the year under review are summarised below:

(Rupees in Millions)

Particulars	2015-16	2014-15
Revenue from operations (Net)	17,834	15,434
Other Income	62	82
Profit before Interest, Depreciation and Tax	3,834	3,276
(Less): Financial Charges	153	167
(Less): Depreciation	238	176
Profit Before Tax	3,443	2,933
(Less): Provision for		
- Current taxes	1,120	940
- Prior Year taxes	0	1
- Deferred taxes	(4)	32
Profit After Tax	2,327	1,960
Add: Opening Balance B/F	2,604	1,823
(Less): Carrying amounts of Fixed Assets debited to retained earnings where remaining useful life of the asset	0	24
Appropriation		
Less: Interim Dividends	680	580
Proposed Dividend	268	223
Dividend Distribution Tax	194	155
Transferred to General Reserve	0	197
Surplus carried to Balance Sheet	3,789	2,604

## FINANCIAL HIGHLIGHTS & PERFORMANCE

Your Directors wish to inform that during the financial year ended 31<sup>st</sup> March, 2016 the revenue from operations of the Company increased from Rs. 15,434 million to Rs. 17,834 million registering a growth of 15.55%. The profit before tax for the year under review has increased to Rs. 3,443 million from Rs. 2,933 million of last year, which is an increase of 17.39%. The net profit stood at Rs. 2,327 million as against Rs. 1,960 million of the previous year representing a growth of 18.72%.

## DIVIDEND

During the year 2015-16, your Directors have declared three interim dividends on 28<sup>th</sup> May, 2015 (Rs. 19 per share), 9<sup>th</sup> November, 2015 (Rs. 21 per





*Jockey Exclusive Brand Stores in the New International Retail Format*



*Womens Section – A colourful representation of a delectable ensemble*



*265 Exclusive Jockey Stores at the end of 2015-16 .....and growing*

share) and 11<sup>th</sup> February, 2016 (Rs. 21 per share) on an equity share value of Rs. 10 each and are also pleased to recommend a final dividend of Rs. 24 per share aggregating to a total dividend of Rs. 85 per share of an equity share value of Rs. 10 each amounting to Rs. 948.08 Million for the year ended 31<sup>st</sup> March, 2016.

## **BRAND BUILDING**

### **JOCKEY**

Jockey brand is available in 1400+ cities and towns. The products are sold through Exclusive Brand Outlets (EBO), Large Format Stores (LFS), Multi Brand Outlets (MBO), Traditional hosiery stores and Multi-purpose stores spread across India.

During the year 2015-16, the Company through its authorised franchisees opened 82 EBOs including 7 Jockey EBOs catering exclusively to our women customers, taking the total number of EBOs to 265. These outlets are spread throughout India even covering Tier II and Tier III cities. This is an indicator of the growth potential of the Jockey brand in such cities.

Presently, the company has 4 EBOs in UAE and 1 EBO in Sri Lanka. While these markets are still in a nascent stage, your company is confident of promising opportunities in these new regions for the brand.

The Company has launched its own B2C e-commerce channel and further tied up with various leading online retailers to increase reach of our products.

### **SPEEDO**

The Speedo brand has achieved a turnover of Rs. 295 Million as against previous year sales of Rs. 235 Million, which is an increase of 26%. During the year under review, the Company has opened one more EBO taking the total number to nine. Speedo brand is available in 1060 stores including 146 large format stores across 106 cities and nine EBOs.

Studies on the swimming market in India by AC Nielsen, commissioned by the Company, show a promising and fast evolving market for both swimwear and swim equipment. Your Directors



*Hassan : Outside View of the New Finished Goods Warehouse*



*Hassan New Warehouse : Spacious and Contemporary*



*Tiptur Unit : State-of-the Art Sewing Section*

are confident that the Speedo business would experience healthy growth in the years to come as Speedo becomes a dominant brand in the premium swimwear market.

### **EXPANSION AND NEW INVESTMENTS**

In order to meet growing market demand, the company has geared up to augment its production capacity. During the period under review, we have expanded our installed capacity across our various units spread over 1.97 Million square feet in 13 locations in the state of Karnataka.

During the year under review, the Company has started commercial production at the Tiptur Unit.

A further expansion has been planned in KIADB Industrial Area, Hassan, where five acres of land was allotted by KIADB on 99 years lease. During the current financial year, the Company commenced the civil works and the commercial production is expected to be commenced during the next financial year.

### **PROSPECTS**

Your company is highly encouraged by the enduring strong brand equity, image and leadership of the Jockey brand and the rising strength of the Speedo brand in the respective markets. Your company will continue its unrelenting endeavour to satisfy consumers with the finest products in terms of style, design, comfort, fit and quality in all verticals; Jockey Men's and Women's Innerwear, Leisurewear and Active wear, as well as Speedo Swimwear and Swimwear related equipment.

The Jockey brand continues to live up to the results of an independent 'brand health' study carried out by Nielsen Research Agency in a previous year that has rated the Jockey brand health in India among the most powerful brands in their research experience across all categories. The research involved fourteen cities in all four zones across the nation. The Jockey brand scored a Brand Equity Index of 4.6 on a scale of ten in the Men's Innerwear category and 2.9 in the Women's innerwear category. To put things in perspective, worldwide only 23% of brands across all product categories score a Brand Equity Index of 3.0 or over on a scale of ten and only 8% of brands





*Tiptur Unit – Where Quality meets Precision*



*To the honour of our country, our company and her people – employees take the pledge.*

**SAFETY AND HEALTH PLEDGE**

“On this Day, I solemnly affirm that I will rededicate myself to the cause of safety, health and protection of environment and will do my best to observe rules, regulations and procedures and develop attitudes and habits conducive for achieving these objectives.

I fully realise that accidents and diseases are a drain on the national economy and may lead to disablements deaths, harm to health and damage to property, social suffering and general degradation of environment.

I will do everything possible for the prevention of accidents and occupational diseases and protection of environment in the interest of self, family, community, organisation and the nation at large.”

score 5.0 and above. Jockey India’s Brand Equity Index scores were way above all other brands in both the Men’s and Women’s Innerwear categories.

With the continued support from Jockey International, USA, and access to ideas, trends and innovations from forty other Jockey International licensees throughout the world, your company’s long term commitment to newness and innovation will never waver, be it product, technology up-gradation, back end processes or marketing. With the Company’s strong in-house product development and back end capabilities, manufacturing expertise and state of the art technology that is continuously evolving, combined with a very strong distribution network, your Directors remain optimistic about the future prospects of the Company and expect continued healthy sales growth and profitability in the coming years, further consolidating its position in the premium market for Innerwear, Leisurewear and Active wear.

### **HUMAN RESOURCES/INDUSTRIAL RELATIONS**

A detailed section on Human Resources/Industrial Relations is provided in the Management Discussion and Analysis Report, which is part of this Annual Report.

### **ENVIRONMENT, HEALTH AND SAFETY:**

The Company strictly adheres to the internal policies and best practices related to EHS in all the units and has a dedicated compliance team to ensure the same. Your Company’s commitment to ensuring implementation of Safety, Health and Environment standards, has resulted in adoption of a customized software tool ‘Compliance Mantra’. This tool helps us capture and monitor compliance status across all our facilities on an ongoing basis, in a systematic and transparent manner.

In order to strengthen our focus, bring clarity and better communication on EHS, the Company has formulated an EHS Policy that outlines its philosophy, commitment, guidelines and intended purposes. EHS policy is provided in Annexure - I

**Environment:** Your Company is an environment friendly organization as the manufacturing units are not generating any pollution and effluent.



World Environment Day was celebrated across all our units, based on the theme of 'Global Warming'. Competitions like Miniature Garden, 3R (Reduce, Recycle, Reuse), slogan writing, sapling at the manufacturing units and spread awareness on utilizing naturally available resources in our surroundings. Rain water harvesting model was another commendable project that educated us on water recycling, which is essential in cities like Bangalore, where water availability is constrained.

**Health:** Though the manufacturing units of the Company are non-hazardous in nature, the Directors are committed to ensure health of employees. Each unit is established with a medical centre equipped with required medical facilities along with competent Doctors, Nurses and supporting staff to achieve "Zero Harm" to employees, staff and visitors. We have established best in class crèche facilities at all our units. In addition to nutritious snacks, we provide the children with learning tools and exercises to support their cognitive development. We provide monthly health check-ups, vitamin supplements and de-worming medicines periodically, in addition to, celebration of Children's Birthday, Mother's Monthly Meeting, etc.

Few of our other best practices include, (i) special attention to pregnant workers, (ii) Periodical medical check-up for caterers and house-keepers, (iii) Half-yearly TT immunization to employees at Maintenance Department and (iv) Conducting periodical health awareness programmes.

**Safety:** Safety at workplace for all employees, contractors and visitors is one of the prime objectives of the organization. Your Company conducts periodical Internal and External Safety & Electrical Audit to assess the Workplace Condition at every unit. Each unit is equipped with Fire Hydrants, Fire Extinguishers and such other firefighting / preventing equipment. Identified personnel at the respective units are well trained by competent outside agencies to handle fire-fighting and first-aid activities at regular intervals.

As part of the periodic assessment and audit, potential risk factors are identified and action plans



Model for Rain Water harvesting from Team Accounts



Model showing miniature garden created out of waste plastic bottles





are drawn up, to ensure 'emergency readiness'. Mock drills and safety awareness programmes are conducted at regular intervals. Safety team has been strengthened, keeping in mind the increasing complexity and spread of our operations, and ensuring that employee well-being remains a top priority.

The Company has constituted an internal complaints committee in compliance with the Sexual Harassment of Women at Work Place (Prevention, Prohibition and Redressal) Act 2013.

We actively celebrate the National Safety Day every year. This initiative creates awareness among employees on maintaining a safe and conducive work place.

### **BOARD OF DIRECTORS AND KEY MANAGEMENT PERSONNEL**

During the year under review, four Board Meetings and four Audit Committee Meetings were convened and held; the details of which are given in the Corporate Governance Report.

The composition, category, date of Board meeting, attendance and other details are provided in Corporate Governance Section to this Annual Report.

The Board of Directors consists of a balanced profile of members specializing in different fields that enables it to address the various business needs of the company, while placing very strong emphasis on corporate governance.

#### *Directors:*

Mr. Pradeep Jaipuria has been re-appointed as an Independent director of the Company for the further period of 5 years with effect from 11<sup>th</sup> February 2016; his appointment was approved by the shareholders through postal ballot by special resolution.

During the year under review the following directors have been appointed:

At the last AGM held on 13<sup>th</sup> August 2015, Mr. Sandeep Kumar Maini and Mr. Vikram Gamanlal Shah have been appointed as Independent Directors for a period of 5 years.



*Children's Day : Tiny tots flaunt the Indian tricolours*



*Role models of tomorrow pose cheerfully on Children's Day*

#### *Re-appointment of Managing Director:*

At the 15<sup>th</sup> AGM of the Company, the members of the Company appointed Mr. Sunder Genomal as Managing Director for a period of 5 years up to 31<sup>st</sup> July 2016. Considering his valuable contribution to the growth of the Company, the Nomination and Remuneration Committee and Board of Directors at their meeting held on 24<sup>th</sup> May 2016 have recommended to re-appoint Mr. Sunder Genomal as Managing Director of the Company for another term of 5 years commencing from 1<sup>st</sup> August 2016 to 31<sup>st</sup> July 2021.

#### *Retirement by Rotation:*

As per the provisions of the Companies Act 2013 and the Articles of Association of the Company, Mr. Pius Thomas and Mr. Shamir Genomal, Directors of the Company will be retiring by rotation at the ensuing AGM and being eligible have offered themselves for re-appointment.

The details pursuant to Regulation 36(3) of SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015 relating to appointment and re-appointment of directors at the AGM are provided in the Notice to the members.

#### *Key Managerial Personnel:*

In Compliance with Section 203 of the Companies Act 2013, the Board of Directors of Company has appointed the following Key Managerial Personnel:

1. Mr. Sunder Genomal – Managing Director,
2. Mr. Vedji Ticku – Chief Executive Officer,
3. Mr. Pius Thomas – Chief Financial Officer and
4. Mr. C Murugesh – Company Secretary.

As per the succession plan of the Company and considering the contribution of Mr. Vedji Ticku, the Board of Directors at their meeting held on 11<sup>th</sup> February, 2016 elevated him as Chief Executive Officer with effect from 12<sup>th</sup> February, 2016.

#### *Committees of the Board of Directors:*

The Company has constituted the following committees in compliance with the Companies Act 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015:

1. Audit Committee,
2. Nomination and Remuneration Committee,
3. Stakeholders Relationship Committee and
4. Corporate Social Responsibility Committee.

The Board has accepted all the recommendations of the above committee.

The brief description, composition and other required details of the above committees are provided in Corporate Governance Section to this Annual Report.

#### *Nomination and Remuneration Policy:*

The Board has, on the recommendation of the Nomination and Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and to fix their remuneration. The Nomination and Remuneration Policy is given in the Corporate Governance Report and is also available on the Company's website at [www.jockeyindia.com/page/investor-relationship](http://www.jockeyindia.com/page/investor-relationship)

#### *Corporate Social Responsibility:*

Annual Report on Corporate Social Responsibility (CSR) containing composition of CSR Committee and its terms of policy is provided in Annexure-II.

As said in the last year's Directors report, the Company has identified and partnered with Grassroots Research and Advocacy Movement (GRAAM) to identify and spend the CSR wisely and effectively towards good cause in a sustainable fashion. GRAAM has been assigned with the followings tasks:

- I. Review of policy document
- II. Assessment report on Community needs
- III. Strategy document and
- IV. Detailed plan document

Accordingly, GRAAM has submitted the above documents for the review of the CSR committee. The CSR Committee thoroughly perused the above documents and approved the same.

In the year under review, GRAAM has conducted assessment study in and around the existing units by making series of visits and submitted the following documents to the Committee:

1. Strategy document on CSR projects and
2. Detailed plan document on CSR project implementation

The Committee deliberated on the GRAAM's documents and selected few CSR projects and recommended to the Company.

During the year under review, considerable amount of time was spent in the *community need assessment* and *CSR plan execution strategy*. Hence, during the year, the Company was not able to spend prescribed amount in the CSR projects. In the subsequent years the Company would increase its contribution towards the CSR projects.

During the year under review, the Company has spent an amount of INR 8.00 Million against a prescribed amount of INR 46.07 Million.

#### *Evaluation of Board of Directors, Committees and Directors:*

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17(10) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015, the Board has carried out an annual performance evaluation of its own performance, directors individually and working of the Board Committees. The manner in which the evaluation has been carried out is explained in the Corporate Governance Report. Further, pursuant to regulation 25(4) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015, Independent Directors met separately to evaluate the Non Independent Directors and Chairman of the Board.

#### *Vigil Mechanism / Whistle Blower Policy:*

The Company has constituted a Vigil mechanism / Whistle Blower mechanism to report genuine concerns about unethical behaviour, actual or suspected fraud. The details are explained in the Corporate Governance Report. The Policy is available on the Website of the Company.

#### *Related party transactions:*

All related party transactions that were entered into during the financial year were at arm's length basis and were in the ordinary course of business. There were no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large.

All Related Party Transactions were placed before the Audit Committee and the Board for approval. Prior omnibus approval of the Audit Committee has been obtained for the transactions which are of a foreseen and repetitive nature. The transactions entered into, pursuant to the omnibus approval granted, are placed before the Audit Committee and the Board of Directors for their approval on a quarterly basis.

The Company has framed a Related Party Transactions policy for the purpose of identification and monitoring of such transactions. The policy on Related Party Transactions as approved by the Board is available in the Company's website at [www.jockeyindia.com/page/investor-relationship](http://www.jockeyindia.com/page/investor-relationship)

#### *Risk Management:*

Risk Management is an ongoing process within the Organization. The Company has a robust risk management framework to identify, monitor and minimize risks. The Board has a policy to oversee the risk mitigation performed by the executive management, which includes identification, assessment, monitoring and reporting of risks. The major risk and mitigation plans have been explained in the Management Discussion and Analysis Report.

#### *Ratio of remuneration:*

Details / Disclosures of Ratio of Remuneration to each Director to the median employee's remuneration and particular of employees pursuant to Section 197(12) of the Companies Act 2013, read with rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are provided in Annexure-III.



*Fixed Deposits:*

The Company has not accepted any fixed deposits during the year under review.

*Particulars of Loans, Guarantees or Investments:*

Disclosure on particulars of loans and guarantees are provided in the schedule 14 to the financial statements. The Company has not made any investment in other entity.

*Significant and Material Orders Passed by the Regulators or Courts:*

There have been no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's future operations.

*Extract of the annual return:*

The Extract of Annual return is provided in the Annexure- IV.

*Listing:*

Shares of the Company are listed in the Bombay Stock Exchange Limited, Mumbai (BSE) and National Stock Exchange of India Limited, Mumbai (NSE) and the listing fees have been duly paid.

*Unclaimed Shares Suspense Account:*

There are no shares remaining unclaimed and are lying in the escrow account.

**AUDITORS:**

**Statutory Auditors:-** At the 19<sup>th</sup> AGM, M/s Haribhakti & Co LLP., Chartered Accountants, has been re-appointed as auditors of the Company to hold office from the conclusion of 19<sup>th</sup> AGM to the conclusion of 22<sup>nd</sup> AGM subject to ratification of the appointment at every AGM held.

Due to their internal reasons, the Auditors have tendered their resignation. The Audit Committee discussed the resignation in detail and took note of the same.

The Audit Committee, after having a detailed discussion, identified M/s S.R. Batliboi & Associates LLP, Chartered Accountants, Bangalore (Firm Registration No. 101049W/E300004) as Statutory Auditor of the Company for a term of 5 years commencing from the conclusion of 21<sup>st</sup> AGM to the conclusion 26<sup>th</sup> AGM (both inclusive) and proposed their appointment for Board's consideration. The Board of Directors at their meeting held on 24<sup>th</sup> May 2016, considered the proposal and accordingly it recommends the appointment of M/s S.R. Batliboi & Associates LLP, Chartered Accountants, Bangalore (Firm No. 101049W/E300004) to the shareholders for their approval.

The proposed Auditors have confirmed their eligibility under Section 141 of the Companies Act, 2013 and the Rules framed thereunder for their appointment as Auditors of the Company. Further, as required under Regulation 33(1)(d) of SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015, the auditors have also confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India.

The Auditors report to the shareholders for the year under review does not contain any qualification, reservation, adverse remark or disclaimer.

**Secretarial Auditor:-** Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors has appointed Mr. R Vijayakumar, Company Secretary in Practice [FCS-6418; COP-8667] to undertake the Secretarial Audit of the Company.

The Report of the Secretarial Audit Report forms part of this Annual report, marked as Annexure- V. The Auditors report to the shareholders for the year under review does not contain any qualification, reservation, adverse remark or disclaimer.

**Cost Audit Report:-** For the year under review the cost auditing is not applicable pursuant to Notification G.S.R.01(E) dated 31<sup>st</sup> December 2014.

**CORPORATE GOVERNANCE:**

The Company is committed to maintaining the highest standards of corporate governance. The report on corporate governance as stipulated in the SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015 forms part of the annual report. A certificate from the Practicing Company Secretary regarding compliance of conditions of Corporate Governance is also annexed to the report on Corporate Governance.

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT :**

Management Discussion and Analysis Report is enclosed as part of this Annual Report.

**Internal Control System and Adequacy:**

The details are stated in the Management Discussion Analysis.

**ENERGY, TECHNOLOGY AND FOREIGN EXCHANGE**

Information on conservation of energy, technology absorption, foreign exchange earnings and outgo, pursuant to Section 134(3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014:

**a. Conservation of Energy**

The Company continually takes steps to absorb and adopt the latest technologies and innovations in the Garment Industry. These initiatives should enable the facilities to become more efficient and productive as the company expands, thus helping conserve energy.

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.

Conservation of Energy 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.

**b. Technology Absorption, Adaptation and Innovation****Research and Development**

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.

**c. Foreign Exchange Earnings and Outgo**

Foreign exchange earnings during the year were Rs.90 Million from exports. Outflow on account of import of raw materials, machinery, spares etc amounted to Rs. 1,702 Million.

**DIRECTORS' RESPONSIBILITY STATEMENT**

In compliance of Section 134(5) of the Companies Act, 2013, the Directors of your Company confirm that:

- In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- They 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 and of the profit of the company for that period;
- They 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;



- They had prepared the annual accounts on a going concern basis;
- They had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively;
- They had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### **DECLARATION OF INDEPENDENT DIRECTOR**

The Company has received declaration from Independent Directors of the Company that they meet with the criteria of their Independence laid down in Section 149 of the Companies Act, 2013 and SEBI (LODR) Regulation, 2015.

### **INDUSTRIAL RELATIONS**

Industrial relations are cordial at all levels and your Directors sincerely acknowledge the exemplary dedication of all its employees.

### **AWARDS AND ACCOLADES**

1. Mr. Sunder Genomal, Managing Director, received the award for INDIA'S BEST CEO (Textiles) 2015 during the fourth edition of the Business Today Best CEO Awards held in December 2015 at New Delhi.
2. Mr. Pius Thomas, Executive Director – Finance has been chosen by an eminent Jury– as the winner in the “Sustained Wealth Creation”- Medium Category at the YES Bank Business World Best CFO Award 2015-16. Honorable Minister of Railways Suresh Prabhu and Chairman of TERI, Shri Ashok Chawla presented the award on 8<sup>th</sup> April 2016.
3. It is a matter of great pride that in recognition of the Company's effort Business Standard has selected your Company as the best performer in the SME Sector for 2012. The award was

handed over to Mr. Sunder Genomal, Managing Director by the Honourable President of India in a function held at Mumbai on 23<sup>rd</sup> March, 2013.

4. The Company has been awarded the International licensee of the year award by Jockey International Inc (USA) for the year 2005, 2009 and 2013.
5. The “Licensee of Decade” award was granted to the Company by Jockey International Inc (USA) in 2010 in recognition of the Company's record growth year after year, offering world class products and maintaining global quality standards across all operations.
6. As a recognition of our corporate best practices, we are certified by the USA based WRAP (Worldwide Responsible Apparel Production) and
7. The company has received the award for the ‘Outstanding Growth and Expansion Jockey Retail Store by Jockey International in 2016.

### **GENERAL**

The Directors acknowledge the support given by the Licensors, M/s Jockey International Inc., USA, and Speedo International Limited as well as all our business associates. The Board also wishes to place on record their sincere thanks and appreciation to the Government of Karnataka, our bankers, suppliers, distributors, all other stakeholders and the wholehearted dedication and cooperation extended by the employees at all levels.

By Order of the Board  
For and on behalf of the Board of Directors

Pradeep Jaipuria  
Chairman  
(DIN: 00121685)

Sunder Genomal  
Managing Director  
(DIN: 00109720)

Bangalore  
24<sup>th</sup> May, 2016

## ANNEXURE - I : ENVIRONMENTAL HEALTH AND SAFETY POLICY

Page Industries Limited is committed to protecting the Environment, Health and Safety of its employees, customers and the communities in which it operates. Our philosophy is to safeguard, conserve and sustainably utilize social and environmental resources, in our pursuit of economic objectives.

### Guiding Principles:

- i. We will meet or exceed all applicable environmental, health and safety laws and regulations.

### Environment:

- ii. We shall endeavor to reduce waste, and control pollution.
- iii. We will efficiently use raw materials, water and energy, and explore opportunities to reuse, reduce and recycle.
- iv. We will minimize adverse impact on the environment and risks to the community

across our value chain, during the production, transport, storage and distribution of our goods and services.

### Health & Safety:

- v. We shall conduct all our operations in a manner that ensures the safety of our employees, consumers, contractors, visitors and all other stakeholders.
- vi. We shall strive to ensure that all employees are trained, informed and motivated to act safely, and with respect to the environment.
- vii. We shall continuously monitor and improve our EHS systems and practices, in line with benchmarked standards.

All employees of Page Industries Limited are expected to adhere to the EHS Policy and standards.

Sunder Genomal  
Managing Director  
(DIN: 00109720)

## ANNEXURE – II: REPORT ON CORPORATE SOCIAL RESPONSIBILITY

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

The Company has constituted a Corporate Social Responsibility committee, pursuant to Section 135 of the Companies Act 2013, relevant schedule and rules thereon. The following are members of the Committee:

1. Mr. Sunder Genomal, Chairman
2. Mr. Pius Thomas
3. Mr. G P Albal
4. Mr. B C Prabhakar and
5. Mr. Sandeep Maini

The terms of reference of the Corporate Social Responsibility Committee (CSR) broadly comprises:

- The Committee shall formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall also indicate the activities to be undertaken by the company as specified in Schedule VII of the Companies Act, 2013;
- The Committee shall recommend the amount of expenditure to be incurred on the CSR activities; and
- The Committee shall monitor the Corporate Social Responsibility Policy of the company from time to time.

The policy on Corporate Social Responsibility is uploaded on the Company's website at [www.jockeyindia.com/page/investor-relationship](http://www.jockeyindia.com/page/investor-relationship)

During the year a meeting was held on 18<sup>th</sup> May 2015.

Your Company on the recommendation of CSR Committee has done the following CSR Activities during the year under review:

1. Financial assistance for surgeries and
2. Contributed to Prime Minister National Relief Fund

### **Have a Heart Foundation**

Your company made donations to 'Have a Heart' Foundation that saves lives by providing heart surgeries to poor children, young mothers, youth and breadwinners. The company's donations helped provide surgeries to 37 individuals who desperately needed surgical treatment but simply could not afford this one time life saving expenditure.

'Have a Heart' surgeries have made a lasting difference to the lives of thousands of needy people in India. The foundation has tie ups with Bangalore's leading hospitals such as Narayana Hrudayalaya, Jayadeva Institute of Cardiac Sciences, Fortis, and Sakra Hospital to sponsor subsidized surgeries for the poor.

### **Contents of the CSR Policy**

It is the Company's intent to make a positive difference to the society. The Company has adopted CSR as a strategic tool for sustainable growth. For Page Industries in the present context, CSR means not only investment of funds for Social Activity but also Integration of Business processes with Social processes.

- Eradicating hunger, poverty and malnutrition;
- Promoting and providing preventive health care, sanitation and medical assistance by providing the safe drinking water for weaker community;
- Promoting and providing education especially for under privileged children, differently able children and weaker sections of the economy;
- Contributing funds for ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro forestry, conservation of natural resources and maintaining quality of soil, air and water;
- Providing financial assistance like grants/donations/sponsorship to reputed NGOs and well established trusts which are involved in the upliftment of society;
- Promoting gender equality;
- Protection of national heritage;
- Training to promote rural sports, nationally recognized sports, Paralympic sports and Olympic sports;
- Contribution to Prime Minister's National Relief Fund or any other fund set up by the Central Government for socio-economic development;
- Conducting rural development programs;
- Arranging relief activities for victims of natural calamities in any part of the country;
- Measures for the benefit of armed forces veterans, war widows and their dependents;

### Disclosure pursuant to Section 135 of the Companies Act, 2013

Average net profit of the company for last three financial years	Rs.2303.41 Million
Prescribed CSR Expenditure (2%)	Rs. 46.07 Million
Details of CSR spent during the financial year	
Total amount to be spent for the financial year	Rs. 8.00 Million
Amount unspent, if any	Rs. 38.07 Million

Manner in which the amount spent during the financial year:

S. No	CSR project or Activity identified	Sector in which the Project is covered	Projects or programs (1)Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise (Rs in Million)	Amount spent on the projects or Programs Subheads: (1) Direct expenditure on projects or programs. (2) Overheads: (Rs. in Million)	Cumulative expenditure upto to the reporting period	Amount spent: Direct or through implementing agency
1	Save the lives of underprivileged children having heart diseases	Medical	Karnataka	1.00	Direct expenditure : 1.00	NA	Implementing agency: Have A Heart Foundation
2	Contribution to Prime Minister's National Relief Fund	Prime Minister's National Relief Fund	NA	7.00	Direct expenditure : 7.00	NA	Direct
					TOTAL : 8.00		

During the year under review the Company has spent Rs.8.00 Million out of Rs. 46.07 Million. The Reasons for not spending are provided in the Board's report.

The CSR committee confirms that the implementation and monitoring of the CSR Policy is in compliance with the CSR objectives and Policy of the Company.

Sunder Genomal,  
Managing Director &  
Chairman CSR Committee  
(DIN: 00109720)

### ANNEXURE – III: Ratio of Remuneration and particulars of Employees

#### Details / Disclosures of Ratio of Remuneration to each Director to the median employee's remuneration:

Information in accordance with the provisions of Section 197(12) of the Companies Act 2013, read with rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

- Ratio of the remuneration of each Director to the median remuneration of the Employees of the

Company (Ratio) for the financial year 2015-16 and the percentage increase in remuneration of Directors, CEO and Company Secretary (%) during the financial year 2015-16:

#### Executive Directors Remuneration as per terms of their appointment

Name	Ratio	%
Sunder Genomal, Managing Director	1:99	0.24%
Pius Thomas , Executive Director (CFO)	1:110	18.22%
Shamir Genomal, ED - CSO	1:74	35.85%

#### Non Executive Director remuneration under section 197(1)(ii) of Companies Act, 2013

Pradeep Jaipuria	1 : 4	10.23%
P V Menon	1 : 3	9.09%
V Sivadas	1 : 3	9.09%
Timothy R Wheeler	1 : 3	9.09%
G P Albal	1 : 3	9.09%
B C Prabhakar	1 : 3	9.09%
Rukmani Menon	1 : 1.5	_*
Sandeep Kumar Maini	_**	_**
Vikram Gamanlal Shah	_**	_**

#### Key Management Personnel

Vedji Ticku, CEO	-	_**
C Murugesh, Company Secretary	-	26.88%

\* Not received remuneration during the previous year.

\*\*Appointed during the year

- The percentage increase in the median remuneration of employees in the financial year : 8.02%
- The number of permanent employees on the rolls of company : 19,332
- The explanation on the relationship between average increase in remuneration and company performance;

The philosophy of the remuneration policy of the Company is to attract and retain the talent with better emoluments than prevailing market competitiveness. Performance of the company and contribution of the employee are prime factors for annual increments which have always been better than peers. In line with the remuneration policy of the Company, during the year the increase in the remuneration of employees was @ 12.50% compare to 15.55% growth in the revenue from operations.

- Comparison of the remuneration of the Key Managerial Personnel against the performance of the company;

During the year the average increase in the remuneration of KMP was at 9.67% as against 15.55% growth in the revenue from operations of the Company.

#### 6. Market Capitalization :

31<sup>st</sup> March 2016 : Rs. 135.15 Billion  
31<sup>st</sup> March 2015 : Rs. 153.15 Billion

#### Price Earning Ratio

31<sup>st</sup> March 2016 : Rs. 58.09

31<sup>st</sup> March 2015 : Rs. 78.13

IPO issue price : Rs. 360 in 2007

Closing price : Rs. 12116.90 per share (31<sup>st</sup> March 2016)

Percentage of increase compare to IPO issue price: 3266%

- Average percentage increase already made in the salaries of employees other than the managerial personnel in the last financial year: 12.46%

Average percentage increase in the managerial remuneration : 15.27 %

There was no exceptional circumstance for increase in the managerial remuneration during the year under report.

- Comparison of each remuneration of the Key Managerial Personnel against the performance of the company

Name of KMP	Remuneration (Rs Million)	Ratio of Remuneration	
		Revenue	PAT
Sunder Genomal, MD	11.97	Negligible	
Vedji Ticku, CEO*	2.65	Negligible	
Pius Thomas, CFO	13.21	Negligible	
Murugesh C, CS	1.26	Negligible	

\*Elevated as CEO w.e.f 12<sup>th</sup> February, 2016

- The key parameters for any variable component of remuneration availed by the directors;

Variable compensation is an integral part of our total reward package for identified Employees, ED-Finance and ED-Chief Strategy Officer which are payable annually on achieving key targets assigned to their respective functions.

Key parameters are (i) Business Performance, (ii) Effective Costing, (iii) Tax Savings, (iv) Implementing efficient procurement system and (v) Such other specific assignments from time to time.

- 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: 1: 2.25
- It is hereby affirmed that the remuneration paid during the year is as per the Remuneration Policy of the Company

### Particulars of Employees

Name	Sunder Genomal	Vedji Ticku	Pius Thomas	Shamir Genomal	Ganesh V S	Shelagh Margaret Commons	Cariappa M C
Designation	Managing Director	Chief Executive Officer*	Executive Director- Finance	Executive Director- Chief Strategy Officer	Senior Vice President – Manufacturing and Operations	Head – Product Development	Vice President- Sales & Marketing**
Remuneration received during 2015-16	Rs. 11,979,360	Rs. 29,757,870	Rs. 13,212,815	Rs. 8,912,402	Rs. 12,125,038	Rs. 11,540,173	Rs. 9,464,386
Nature of employment, whether contractual or otherwise	Liable to retire by rotation.	Permanent	Liable to retire by rotation.	Liable to retire by rotation	Permanent	Contract – 3Yrs.	Permanent
Nature of duties	Overall control of the affairs of the company	Heading Overall Operations	Heading finance, accounts and purchase	Strategy planning for entire operations of the Company	Heading Manufacturing and Operations	Heading Product Development	Heading Sales & Marketing
Qualification	M. Tech (Industrial Engineering)	B.E(Mech)	MBA,FCMA, M.Com	BBA	B.Sc. Maths; Course Completed ACS (ICSI);	B.A. (Hons) Fashion	B.Com
Experience	Three decades of experience in various facets of the textile industry	20 years of experience in various facets of textile industry.	35 years of experience in finance, accounts, costing ,taxation and purchase	Eight years experience in various facets of textile industry.	25 years	20 years experience in designing and development of intimate apparel	20 years of experience in Sales & Marketing
Age	62 years	49 years	61 years	32 years	45 years	45 years	46 years
Last Employment	P.T.Velveteens (Indonesia)	Eureka Forbes	Sartorius Biotech (India) Pvt Ltd	Page Garments Exports Pvt Ltd	CEO, Seeds Intimate Apparels (India) Private Limited.	NOi Solutions	Trident United Products Pvt. Ltd
Date of commencement of employment	01-04-1996 as Managing Director	07-05-1997	02-11-1995	01-06-2014	09-06-2014	03-03-2014	01-07-2009
No of shares	1821480	49	131	200	-	-	-
% of paid up share capital	16.33%	-	-	-	NA	NA	NA
Relationship with other Directors	Brother of Mr Ramesh Genomal and Mr Nari Genomal. Father of Mr. Shamir Genomal	Nil	Nil	Son of Mr. Sunder Genomal.	Nil	Nil	Nil

\* Elevated as CEO w.e.f 12<sup>th</sup> February, 2016

\*\*upto 30<sup>th</sup> November 2015.

No other persons during the year 2015-16 were drawing remuneration in excess of the limit prescribed.

By Order of the Board  
For and on behalf of the Board of Directors

Pradeep Jaipuria  
Chairman  
(DIN: 00121685)

Sunder Genomal  
Managing Director  
(DIN: 00109720)

Bangalore  
24<sup>th</sup> May, 2016



**ANNEXURE IV : Extract of Annual Return as on the financial year ended on 31<sup>st</sup> March 2016**  
**FORM MGT-9**

[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  | : | L18101KA1994PLC016554  |
| (ii) Registration Date   | : | 15 <sup>th</sup> November 1994   |
| (iii) Name of the Company  | : | Page Industries Limited  |
| (iv) Category / Sub-Category of the Company  | : | Company Limited by shares/<br>Non-Government Company   |
| (v) Address of the Registered office and contact details                           | : | Cessna Business Park, Tower-1,<br>7 <sup>th</sup> Floor, Umiya Business Bay,<br>Varthur Hobli, Outer Ring Road,<br>Bangalore - 560103.<br>Ph: 080- 49454545  |
| (vi) Whether listed company  | : | Yes  |
| (vii) Name, Address and Contact details of<br>Registrar and Transfer Agent, if any | : | Link Intime India Pvt Ltd.<br>C-13 Pannalal Silk Mills Compound,<br>L.B.S Marg, Bhandup (west),<br>Mumbai – 400 078.<br>Phone :- 022 25946970<br>Fax :- 25946969<br>e-mail: <a href="mailto:rnt.helpdesk@linkintime.co.in">rnt.helpdesk@linkintime.co.in</a> |

**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:-

S. No	Name and Description of main products / services	NIC Code of the Product/ service	% to the Total turnover of the company
1	KNITTED GARMENTS	6107	36.07%
2	KNITTED GARMENTS	6108	12.47%
3	KNITTED GARMENTS	6109	23.61%

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES : NIL**



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

##### i) Category-wise Share Holding:

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% of Change during the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(A) Promoters									
(1) Indian									
(a) Individual/HUF	0	0	0	0.00	0	0	0	0.00	0.00
(b) Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
(c) State Govt (s)	0	0	0	0.00	0	0	0	0.00	0.00
(d) Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0.00
(e) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
(f) Any Other....	0	0	0	0.00	0	0	0	0.00	0.00
Sub-Total (A) (1)	0	0	0	0.00	0	0	0	0.00	0.00
(2) Foreign									
(a) NRIs - Individuals	5688789	0	5688789	51.00	5466289	0	5466289	49.01	-1.99
(b) Other - Individuals	0	0	0	0.00	0	0	0	0.00	0.00
(c) Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0.00
(d) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
(e) Any Other....	0	0	0	0.00	0	0	0	0.00	0.00
Sub-Total (A) (2)	5688789	0	5688789	51.00	5466289	0	5466289	49.01	-1.99
Total Shareholding of Promoter (A) = (A) (1) + (A) (2)	5688789	0	5688789	51.00	5466289	0	5466289	49.01	-1.99
(B) Public Shareholding									
(1) Institutions									
(a) Mutual Funds	725523	0	725523	6.50	521828	0	521828	4.68	-1.83
(b) Banks/FI	2036	0	2036	0.02	7823	0	7823	0.07	0.05
(c) Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
(d) State Govt (s)	0	0	0	0.00	0	0	0	0.00	0.00
(e) Venture Capital funds	0	0	0	0.00	0	0	0	0.00	0.00
(f) Insurance Companies	0	0	0	0.00	1186	0	1186	0.01	0.01
(g) FIIs	3604858	0	3604858	32.32	4147751	0	4147751	37.19	4.87
(h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
(i) Others (Specify)	0	0	0	0.00	0	0	0	0.00	0.00
Sub-Total (B)(1)	4332417	0	4332417	38.84	4678588	0	4678588	41.95	3.10
(2) Non- Institutions									
(a) Bodies Corp									
i. Indian	213567	0	213567	1.92	179961	0	179961	1.61	-0.31
ii. Overseas	0	0	0	0.00	0	0	0	0.00	0.00
(b) individuals									
i. Individual shareholders holding nominal share capital up to Rs. 1 lakh	739854	48	739902	6.64	695791	38	695829	6.24	-0.40
ii. Individual shareholders holding nominal share capital in excess of Rs 1 lakh	86035	0	86035	0.77	56914	0	56914	0.51	-0.26
(C) Others (Specify)									
i. Non-Resident Indian	92761	0	92761	0.83	74817	0	74817	0.67	-0.16
ii. Trust	403	0	403	0.00	812	0	812	0.01	0.00
Sub-Total (B)(2)	1132620	48	1132668	10.16	1008959	38	1008997	9.05	-1.12
Total Shareholding of Public = (B) (1) + (B) (2)	5465037	48	5465085	49.00	5687547	38	5687585	50.99	1.98
C. Shares held by custodian for GDRs & ADRs	0	0	0	0.00	0	0	0	0.00	0.00
Grand Total (A+B+C)	11153826	48	11153874	100.00	11153836	38	11153874	100.00	0.00

**(ii) Shareholding of Promoters:**

Sl. No.	Shareholders' Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% of Change during the Year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Nari Genomal	1896503	17.00	0.00	1822336	16.34	0.00	-0.66
2	Ramesh Genomal	1895920	17.00	0.00	1821753	16.33	0.00	-0.66
3	Sunder Genomal	1895646	17.00	0.00	1821480	16.33	0.00	-0.66
4	Shamir Genomal	200	0.00	0.00	200	0.00	0.00	0.00
5	Shahendar Genomal	200	0.00	0.00	200	0.00	0.00	0.00
6	Sanjeev Genomal	200	0.00	0.00	200	0.00	0.00	0.00
7	Madhuri Genomal	120	0.00	0.00	120	0.00	0.00	0.00
<b>Total</b>		<b>5688789</b>	<b>51.00</b>	<b>0.00</b>	<b>5466289</b>	<b>49.01</b>	<b>0.00</b>	<b>-1.99</b>

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

S. No	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
<b>1</b>	Nari Genomal	1896503	17.00	1896503	17.00
	Less : Market sale on 11.03.2016	-20000	-0.18	1876503	16.82
	Less : Market sale on 18.03.2016	-54167	-0.48	1822336	16.34
	At the End of the year			1822336	16.34
<b>2</b>	Ramesh Genomal	1895920	17.00	1895920	17.00
	Less : Market sale on 11.03.2016	-20000	-0.18	1875920	16.82
	Less : Market sale on 18.03.2016	-54167	-0.49	1821753	16.33
	At the End of the year			1821753	16.33
<b>3</b>	Sunder Genomal	1895646	17.00	1895646	17.00
	Less : Market sale on 11.03.2016	-20000	-0.18	1875646	16.82
	Less : Market sale on 18.03.2016	-54166	-0.48	1821480	16.33
	At the End of the year			1821480	16.33
<b>4</b>	Shamir Genomal	200	0.00	200	0.00
	Date wise Increase / Decrease in Promoters Share holding during the year	<b>No change during the year</b>			
	At the End of the year			200	0.00
<b>5</b>	Shahendar Genomal	200	0.00	200	0.00
	Date wise Increase / Decrease in Promoters Share holding during the year	<b>No change during the year</b>			
	At the End of the year			200	0.00
<b>6</b>	Sanjeev Genomal	200	0.00	200	0.00
	Date wise Increase / Decrease in Promoters Share holding during the year	<b>No change during the year</b>			
	At the End of the year			200	0.00
<b>7</b>	Madhuri Genomal	120	0.00	120	0.00
	Date wise Increase / Decrease in Promoters Share holding during the year	<b>No change during the year</b>			
	At the End of the year			120	0.00

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

Sl. No	For Each of the Top 10 Shareholders	Shareholding		Cumulative Shareholding	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
<b>1</b>	<b>Nalanda India Fund Limited</b>				
	At the beginning of the Year	1110735	9.96	1110735	9.96
	Date wise Increase / Decrease with reasons	-	-	-	-
	At the End of the year			1110735	9.96
<b>2</b>	<b>Cartica Capital Ltd</b>				
	At the beginning of the Year	855618	7.67	855618	7.67
	Date wise Increase / Decrease with reasons				
	Add : Market purchase on 24.04.2015	3809	0.03	859427	7.71
	Add : Market purchase on 01.05.2015	4223	0.04	863650	7.74
	Add : Market purchase on 09.10.2015	5815	0.05	869465	7.80
	At the End of the year			869465	7.80
<b>3</b>	<b>Steadview Capital Mauritius Limited</b>				
	At the beginning of the Year	260638	2.34	260638	2.34
	Date wise Increase / Decrease with reasons				
	Add : Market purchase on 07.08.2015	6975	0.06	267613	2.40
	Add : Market purchase on 14.08.2015	4026	0.04	271639	2.44
	Add : Market purchase on 21.08.2015	24665	0.22	296304	2.66
	Add : Market purchase on 28.08.2015	12810	0.11	309114	2.77
	Add : Market purchase on 04.09.2015	2000	0.02	311114	2.79
	Add : Market purchase on 11.09.2015	4500	0.04	315614	2.83
	Add : Market purchase on 18.09.2015	4000	0.04	319614	2.87
	Add : Market purchase on 25.09.2015	7854	0.07	327468	2.94
	Add : Market purchase on 09.10.2015	1094	0.01	328562	2.95
	Add : Market purchase on 16.10.2015	986	0.01	329548	2.95
	Add : Market purchase on 06.11.2015	1000	0.01	330548	2.96
	Add : Market purchase on 20.11.2015	6648	0.06	337196	3.02
	Add : Market purchase on 27.11.2015	3929	0.04	341125	3.06
	Add : Market purchase on 11.03.2016	4119	0.04	345244	3.10
	Add : Market purchase on 18.03.2016	70784	0.63	416028	3.73
	At the End of the year			416028	3.73
<b>4</b>	<b>ABG Capital</b>				
	At the beginning of the Year	174038	1.56	174038	1.56
	Date wise Increase / Decrease with reasons				
	Less : Market sale on 10.04.2015	-172	0.00	173866	1.56
	Less : Market sale on 22.05.2015	-944	-0.01	172922	1.55
	Add : Market purchase on 07.08.2015	31281	0.28	204203	1.83
	Add : Market purchase on 14.08.2015	6067	0.05	210270	1.89
	Add : Market purchase on 21.08.2015	25076	0.22	235346	2.11
	Add : Market purchase on 28.08.2015	21288	0.19	256634	2.30
	Add : Market purchase on 25.09.2015	1000	0.01	257634	2.31
	Add : Market purchase on 09.10.2015	1651	0.01	259285	2.32
	Add : Market purchase on 20.11.2015	2204	0.02	261489	2.34
	Add : Market purchase on 27.11.2015	6581	0.06	268070	2.40
	At the End of the year			268070	2.40

Sl. No	For Each of the Top 10 Shareholders	Shareholding		Cumulative Shareholding	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
<b>5</b>	<b>LTR Focus Fund</b>				
	At the beginning of the Year	138874	1.25	138874	1.25
	Date wise Increase / Decrease with reasons				
	Less : Market sale on 10.04.2015	-269	0.00	138605	1.24
	Less : Market sale on 22.05.2015	-1057	-0.01	137548	1.23
	Add : Market purchase on 07.08.2015	13952	0.13	151500	1.36
	Add : Market purchase on 14.08.2015	2241	0.02	153741	1.38
	Add : Market purchase on 21.08.2015	12706	0.11	166447	1.49
	Add : Market purchase on 28.08.2015	3000	0.03	169447	1.52
	Add : Market purchase on 04.09.2015	2000	0.02	171447	1.54
	Add : Market purchase on 25.09.2015	3800	0.03	175247	1.57
	Add : Market purchase on 09.10.2015	3543	0.03	178790	1.60
	Add : Market purchase on 06.11.2015	2000	0.02	180790	1.62
	Add : Market purchase on 20.11.2015	4822	0.04	185612	1.66
	Add : Market purchase on 27.11.2015	144	0.00	185756	1.67
	Add : Market purchase on 04.03.2016	59848	0.54	245604	2.20
	At the End of the year			245604	2.20
<b>6</b>	<b>Smallcap World Fund, INC</b>				
	At the beginning of the Year	0	0.00	0	0.00
	Date wise Increase / Decrease with reasons				
	Add : Market purchase on 25.03.2016	162500	1.46	162500	1.46
	At the End of the year			162500	1.46
<b>7</b>	<b>Matthews India Fund</b>				
	At the beginning of the Year	92600	0.83	92600	0.83
	Date wise Increase / Decrease with reasons				
	Add : Market purchase on 17.04.2015	5000	0.04	97600	0.88
	Add : Market purchase on 07.08.2015	3119	0.03	100719	0.90
	Add : Market purchase on 28.08.2015	2461	0.02	103180	0.93
	Add : Market purchase on 11.09.2015	3920	0.04	107100	0.96
	At the End of the year			107100	0.96
<b>8</b>	<b>IDFC Premier Equity Fund</b>				
	At the beginning of the Year	348950	3.13	348950	3.13
	Date wise Increase / Decrease with reasons				
	Less : Market sale on 26.06.2015	-13965	-0.13	334985	3.00
	Less : Market sale on 30.06.2015	-3106	-0.03	331879	2.98
	Less : Market sale on 10.07.2015	-29724	-0.27	302155	2.71
	Less : Market sale on 17.07.2015	-608	-0.01	301547	2.70
	Less : Market sale on 24.07.2015	-16425	-0.15	285122	2.56
	Less : Market sale on 31.07.2015	-94	0.00	285028	2.56
	Less : Market sale on 07.08.2015	-36078	-0.32	248950	2.23
	Less : Market sale on 30.09.2015	-6000	-0.05	242950	2.18
	Less : Market sale on 06.11.2015	-5000	-0.04	237950	2.13
	Less : Market sale on 27.11.2015	-1000	-0.01	236950	2.12
	Less : Market sale on 11.12.2015	-3000	-0.03	233950	2.10
	Less : Market sale on 15.01.2016	-5000	-0.04	228950	2.05
	Less : Market sale on 22.01.2016	-4131	-0.04	224819	2.02
	Less : Market sale on 29.01.2016	-15213	-0.14	209606	1.88
	Less : Market sale on 05.02.2016	-5267	-0.05	204339	1.83
	Less : Market sale on 12.02.2016	-6736	-0.06	197603	1.77
	Less : Market sale on 19.02.2016	-20000	-0.18	177603	1.59
	Less : Market sale on 04.03.2016	-65186	-0.58	112417	1.01
	Less : Market sale on 18.03.2016	-9942	-0.09	102475	0.92
	At the End of the year			102475	0.92

Sl. No	For Each of the Top 10 Shareholders	Shareholding		Cumulative Shareholding	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
<b>9</b>	<b>Mondrian Emerging Markets Small Cap Equity Fund, L.P.</b>				
	At the beginning of the Year	78640	0.71	78640	0.71
	Date wise Increase / Decrease with reasons				
	Less : Market sale on 17.04.2015	-8324	-0.07	70316	0.63
	Less : Market sale on 10.07.2015	-5239	-0.05	65077	0.58
	Add : Market purchase on 18.12.2015	5473	0.05	70550	0.63
	Add : Market purchase on 08.01.2016	1427	0.01	71977	0.65
	Add : Market purchase on 04.03.2016	1320	0.01	73297	0.66
	Add : Market purchase on 11.03.2016	5913	0.05	79210	0.71
	Add : Market purchase on 18.03.2016	4927	0.04	84137	0.75
	At the End of the year			84137	0.75
<b>10</b>	<b>SBI Magnum Tax gain Scheme</b>				
	At the beginning of the Year	92736	0.83	92736	0.83
	Date wise Increase / Decrease with reasons				
	Less : Market sale on 10.04.2015	-9327	-0.08	83409	0.75
	Less : Market sale on 17.04.2015	-1063	-0.01	82346	0.74
	Less : Market sale on 24.04.2015	-920	-0.01	81426	0.73
	Less : Market sale on 01.05.2015	-1426	-0.01	80000	0.72
	Less : Market sale on 04.03.2016	-1	0.00	79999	0.72
	At the End of the year			79999	0.72

**(v) Shareholding of Directors and Key Managerial Personnel:**

Sl. No	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
<b>1</b>	<b>Sunder Genomal</b>	1895646	17.00	1895646	17.00
	Less : Market sale on 11.03.2016	-20000	-0.18	1875646	16.82
	Less : Market sale on 18.03.2016	-54166	-0.48	1821480	16.33
	At the End of the year			1821480	16.33
<b>2</b>	<b>Nari Genomal</b>	1896503	17.00	1896503	17.00
	Less : Market sale on 11.03.2016	-20000	-0.18	1876503	16.82
	Less : Market sale on 18.03.2016	-54167	-0.48	1822336	16.34
	At the End of the year			1822336	16.34
<b>3</b>	<b>Mr. Ramesh Genomal</b>	1895920	17.00	1895920	17.00
	Less : Market sale on 11.03.2016	-20000	-0.18	1875920	16.82
	Less : Market sale on 18.03.2016	-54167	-0.49	1821753	16.33
	At the End of the year			1821753	16.33
<b>4</b>	<b>Mr. Shamir Genomal</b>	200	0.00	200	0.00
	Date wise Increase / Decrease with reasons	No Transaction during the year			
	At the End of the year			200	0.00
<b>5</b>	<b>Mr. Pius Thomas</b>	171	0.00	171	0.00
	Less : Market sale on 24.07.2015	-20	0.00	151	0.00
	Less : Market sale on 11.09.2015	-20	0.00	131	0.00
	At the End of the year			131	0.00
<b>6</b>	<b>Mr. V Sivadas</b>	78	0.00	78	0.00
	Date wise Increase / Decrease with reasons	No Transaction during the year			
	At the End of the year			78	0.00
<b>7</b>	<b>Mr. Vedji Ticku</b>	0	0.00	0	0.00
	Add : Market purchase on 09.10.2015	46	0.00	46	0.00
	Add : Market purchase on 16.10.2015	3	0.00	49	0.00
	At the End of the year			49	0.00

Other directors, Mr. Pradeep Jaipuria, Mr. Timothy Ralph Wheeler, Mr. G P Albal, Mr. B C Prabhakar, Mrs. Rukmani Menon, Mr. P V Menon, Mr. Sandeep Kumar Maini, Mr. Vikram Gamanlal Shah and Company Secretary, Mr. Murugesh C do not hold any shares in the Company as at the beginning of the year and as at the end of the year and further they have not done any transactions in the shares of the Company during the year.

## V. INDEBTEDNESS:

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

	Secured Loans excluding deposits (Rs.)	Unsecured Loans	Deposits	Total Indebtedness (Rs.)
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	1,572,799,309	NIL	NIL	<b>1,572,799,309</b>
ii) Interest due but not paid	-	NIL	NIL	-
iii) Interest accrued but not due	-	NIL	NIL	-
<b>Total (i+ii+iii)</b>	<b>1,572,799,309</b>	<b>NIL</b>	<b>NIL</b>	<b>1,572,799,309</b>
<b>Change in Indebtedness during the financial year</b>				
Addition	55,123,020,366	NIL	NIL	<b>55,123,020,366</b>
Reduction	55,746,875,664	NIL	NIL	<b>55,746,875,664</b>
<b>Net Change</b>	<b>(623,855,298)</b>	<b>NIL</b>	<b>NIL</b>	<b>(623,855,298)</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	948,944,011	NIL	NIL	<b>948,944,011</b>
ii) Interest due but not paid	-	NIL	NIL	-
iii) Interest accrued but not due	-	NIL	NIL	-
<b>Total (i+ii+iii)</b>	<b>948,944,011</b>	<b>NIL</b>	<b>NIL</b>	<b>948,944,011</b>

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

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

Sl. No	Particulars of Remuneration	Name of MD/WTD/Manager			Total Amount (Rs.)
		Mr. Sunder Genomal	Mr. Pius Thomas	Mr. Shamir Genomal	
1.	Gross salary				
(a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (Rs.)	11,941,200	12,394,365	8,390,702	<b>32,726,267</b>
(b)	Value of perquisites u/s 17(2) Income-tax Act, 1961 (Rs.)	28,800	345,662	43,200	<b>417,662</b>
(c)	Profits in lieu of salary under section 17(3) Income-tax Act, 1961 (Rs.)	0	0	0	<b>0</b>
2.	Stock Option	0	0	0	<b>0</b>
3.	Sweat Equity	0	0	0	<b>0</b>
4.	Commission - as % of profit - others, specify...	0	0	0	<b>0</b>
5.	Others, please specify	0	0	0	<b>0</b>
<b>Total (A) (Rs.)</b>		<b>11,970,000</b>	<b>12,740,027</b>	<b>8,433,902</b>	<b>33,143,929</b>
<b>Ceiling as per the Act (Rs.)</b>					<b>344,505,943</b>

### B. Remuneration to other Directors:

Sl. No	Particulars of Remuneration	Name of the Directors						Total Amount (Rs.)
		Mr. Pradeep Jaipuria	Mr. G P Albal	Mr. B C Prabhakar	Mrs. Rukmani Menon	Mr. Sandeep Maini	Mr. Vikram Shah	
1.	Fee for attending board / committee meetings (Rs.)	60,000	80,000	140,000	60,000	60,000	60,000	<b>460,000</b>
2.	Payment made under section 197(1)(ii) of Companies Act, 2013 (Rs.)	4,85,000	360,000	360,000	180,000	NA	NA	<b>1,385,000</b>
<b>Total (1)</b>		<b>545,000</b>	<b>440,000</b>	<b>500,000</b>	<b>240,000</b>	<b>60,000</b>	<b>60,000</b>	<b>1,845,000</b>

Sl. No	Other Non-Executive Directors	Mr. Timothy Ralph Wheeler	Mr. P V Menon	Mr. V Sivadas	Total Amount (Rs.)
1.	Fee for attending board / committee meetings (Rs.)	50,000	140,000	90,000	280,000
2.	Payment made under section 197(1)(ii) of Companies Act, 2013 (Rs.)	360,000	360,000	360,000	1,080,000
<b>Total (2)</b>		<b>410,000</b>	<b>500,000</b>	<b>450,000</b>	<b>1,360,000</b>
<b>Total (B) = (1)+(2)</b>					<b>3,205,000</b>
<b>Total Managerial Remuneration (A+B) (Rs.)</b>					<b>36,348,929</b>
<b>Less : Sitting fees (Rs.)</b>					<b>740,000</b>
<b>Net Managerial Remuneration (Rs.)</b>					<b>35,608,929</b>
<b>Overall Ceiling as per the Act (Rs.)</b>					<b>378,956,537</b>

**C. Remuneration to key managerial personnel other than MD/MANAGER/WTD:**

Sl. No	Particulars of Remuneration			
		Mr. C Muruges, CS	Mr. Vedji Ticku, CEO*	Total (Rs.)
(a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (Rs.)	1,197,861	2,408,664	3,606,525
(b)	Value of perquisites u/s 17(2) Income-tax Act, 1961 (Rs.)	0	90,113	90,113
(c)	Profits in lieu of salary under section 17(3) Income-tax Act, 1961 (Rs.)	0	0	0
2	Stock Option	0	0	0
3	Sweat Equity	0	0	0
4	Commission - as % of profit - others, specify...	0	0	0
5	Others, please specify	0	0	0
<b>Total (A) (Rs.)</b>		<b>1,197,861</b>	<b>2,498,777</b>	<b>3,696,638</b>

\*Elevated as CEO w.e.f. 12<sup>th</sup> February, 2016.

**VII.PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NIL**

By Order of the Board  
For and on behalf of the Board of Directors

Pradeep Jaipuria  
Chairman  
(DIN: 00121685)

Sunder Genomal  
Managing Director  
(DIN: 00109720)

Bangalore  
24<sup>th</sup> May, 2016



**ANNEXURE V : Secretarial Audit Report for the Financial year ended 31 March, 2016****Form No. MR-3**

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

To

The Members  
Page Industries Limited

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

Based on my verification of the 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, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31 March 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:

I 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 March, 2016 according to the provisions of:

1. The Companies Act, 2013 (the Act) and the rules made thereunder;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made hereunder;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
4. 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;

5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

- a) SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- b) SEBI (Prohibition of Insider Trading) Regulations, 1992 [Upto 14 May 2015] and SEBI (Prohibition of Insider Trading) Regulations, 2015 [Effective 15 May 2015];
- c) SEBI (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- d) SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 - Not Applicable;
- e) SEBI (Share Based Employee Benefits) Regulations, 2014 - Not applicable;
- f) SEBI (Issue and Listing of Debt Securities) Regulations, 2008 - Not applicable;
- g) SEBI (Delisting of Equity Shares) Regulations, 2009 - Not applicable; and
- h) SEBI (Buyback of Securities) Regulations, 1998 - Not Applicable.

I have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company. The major head/groups of Acts, Laws and Regulations as applicable to the Company are (i) Industrial Laws; (ii) Labour Laws; (iii) Environmental and prevention of pollution Laws; (iv) Tax Laws; (v) Economic and Commercial Laws; (vi) Legal Metrology Act, 2009 and (vii) Acts prescribed under Shops and Establishment Act of various local authorities.

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

- (i) Secretarial Standard on Meetings of the Board of Directors (SS-1) issued by the Institute of Company Secretaries of India;

- (ii) Secretarial Standard-2 (SS-2) on “General Meetings” issued by the Institute of Company Secretaries of India and
- (iii) The Listing Agreements entered into by the Company with National Stock Exchange of India Limited and BSE Limited [Upto 30 Nov 2015] and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; [Effective 01 Dec 2015]

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc.

I further report that:-

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

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

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

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

I further report that during the audit period, the Company has not carried out any specific event / action that have major bearing on the Company's affairs in pursuance of the above referred laws.

**R Vijaya kumar**  
Practicing Company Secretary  
FCS No. 6418; C P No.8667

24 May 2016  
Bangalore

To

The Members  
Page Industries Limited

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

1. Maintenance of secretarial record, devising proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively are the responsibilities of the management of the Company. My responsibility is to express an opinion on these secretarial records, systems, standards and procedures based on audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure the correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Account of the Company.
4. Wherever required, I have obtained the management's representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**R Vijaya kumar**  
Practicing Company Secretary  
FCS No. 6418; C P No.8667

24 May 2016  
Bangalore

## **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

### **ECONOMIC OVERVIEW**

The global macroeconomic landscape is currently chartering a rough and uncertain terrain characterized by weak growth of world output. The situation has been exacerbated by; (i) declining prices of a number of commodities, with reduction in crude oil prices being the most visible of them, (ii) turbulent financial markets (more so equity markets), and (iii) volatile exchange rates. These conditions reflect extreme risk-aversion behaviour of global investors, thus putting many, and in particular, commodities exporting economies under considerable stress. Even in these trying and uncertain circumstances, India's growth story has largely remained positive on the strength of domestic absorption, and the country has registered a robust and steady pace of economic growth in 2015-16 as it did in 2014-15. Additionally, its other macroeconomic parameters like inflation, fiscal deficit and current account balance have exhibited distinct signs of improvement. Wholesale price inflation has been in negative territory for more than a year and the all-important consumer prices inflation has declined to nearly half of what it was a few years ago. However, weak growth in advanced and emerging economies has taken its toll on India's exports. As imports have also declined, principally on account of reduced prices of crude oil for which the country is heavily dependent on imports, trade and current account deficits continue to be moderate. Growth in agriculture has slackened due to two successive years of less than-normal monsoon rains. Saving and investment rates are showing hardly any signs of revival. The rupee has depreciated vis-à-vis the US dollar, like most other currencies in the world, although less so in magnitude. At the same time, it has appreciated against a number of other major currencies.

Despite global headwinds and a truant monsoon, India registered robust growth of 7.2 per cent in 2014-15 and 7.6 per cent in 2015-16, thus becoming the fastest growing major economy in the world. As per the estimates of the International Monetary Fund (IMF), global growth averaged 3.1 per cent in 2015, declining from 3.4 per cent registered in 2014. While growth in advanced economies has improved

modestly since 2013, the emerging economies have witnessed a consistently declining trend in growth rate since 2010. It is against this background that the recent Indian growth story appears particularly bright.

*Source: Ministry of Finance*

### **INDUSTRY STRUCTURE AND DEVELOPMENT: TEXTILES**

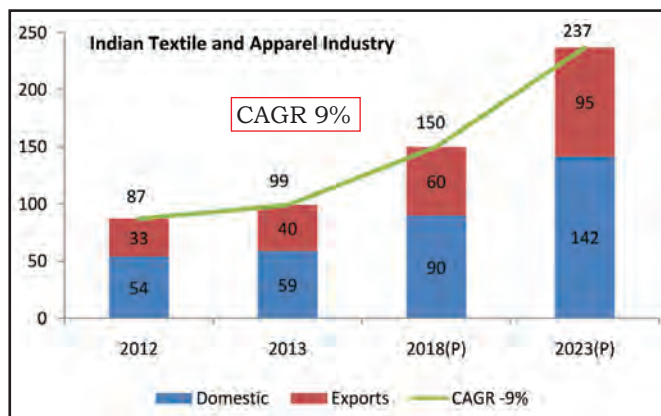
Indian Textiles Industry has an over whelming presence in the economic life of the country. Apart from providing one of the basic necessities of life, the textile industry also plays a pivotal role through its contribution to industrial output, employment generation and export earnings of the country. It contributes about 14% to India's industrial production and 13% to the country's export earnings. The textile sector is one of the largest provider of employment along with agriculture.

The Indian textiles industry represents a widely diverse spectrum of activities with the hand-spun and hand-woven sector at one end, and the capital intensive sophisticated mill sector at the other. The decentralized power looms, hosiery and knitting sectors form the largest section of the Textiles Industry. The close linkage of the Industry to agriculture and the ancient culture, and traditions of the country make the Indian textiles sector unique in comparison to the textiles industry of other countries. This also provides the industry with the capacity to produce a variety of products suitable to the different market segments, both within and outside the country.

*Source: Ministry of Textiles*

### **India: Apparel Industry**

India's T&A industry is estimated to be worth USD 99 billion in 2013, including both domestic consumption and exports, and is projected to grow at a CAGR of 9% to reach USD 237 billion by 2023.



Source: Technopak

The domestic T&A market was worth USD 59 billion in 2013, and is expected to grow at 9% annually to reach USD 142 billion, by 2023.

### Indian Innerwear Market

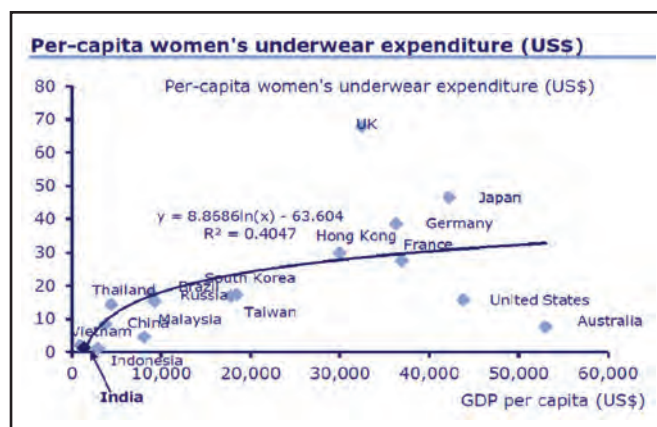
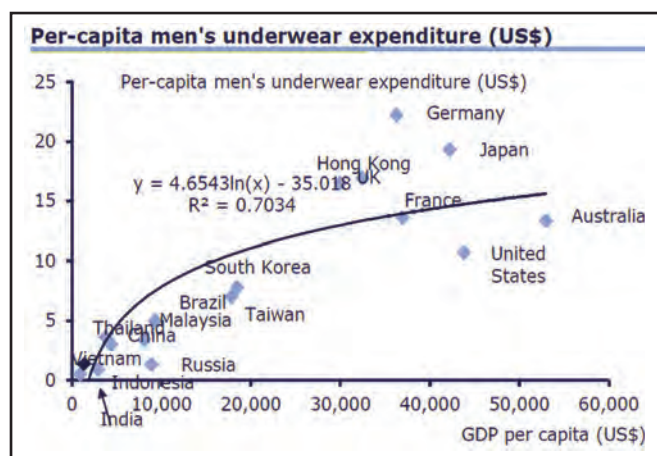
Among the core apparel categories, innerwear appears to be a potential growth category across all segments. With rising incomes, higher discretionary spending, greater number of working women and growing fashion consciousness, the innerwear segment is expected to continue to progress. Currently, the Indian innerwear market is worth Rs. 19,960 crore (2014) and is estimated to grow at 13 percent to reach Rs. 68,270 crore by 2024. The innerwear market has traditionally been largely unorganised, although in the past few years, the organised innerwear segment has shown promising growth in both men's and women's categories.

Source: Images Business of Fashion

Indian consumer spend on innerwear products is significantly lower than other Asian peers. This trend is visible across both men's and women's segments with gaps of over 90% against countries like Thailand and China. This suggests that there is significant room for growth driven by rising per capita spending on such products.

Looking ahead, we expect growth in the innerwear market to be driven by broad based consumer trends in the form of rising discretionary spend, growing number of mid-high income house hold and rising urbanization.

Innerwear has graduated from being just a functional category to a category that offers additional fashion quotient. It is shifting from a price sensitive category to a brand sensitive category.



Source: CLSA Asia-Pacific Markets, Euro monitor

### Women's Innerwear Market

The women's innerwear market, which is driven by value-added innerwear products, contributes around 60 percent to the market. This market is worth Rs. 12,510 crore, and is growing at a promising CAGR of 15 percent. The growing number of working women and the increased share of western wear in their wardrobe have propelled this growth. Further, with the increase in exposure, there is an increased demand for better fits and quality alongside the demand for a wider range of colors, styles, and accessories. Western wear usually encompasses specialized innerwear, which the branded players can provide, for the most part. Brand consciousness is no more restricted to external apparel. Among women's innerwear brands, strong single brands emerge for bottoms and heritage innerwear brands are preferred for bras. Women are increasingly conscious about even the brands and styles for their intimate wear. In fact, this changing preference is no longer restricted to just the metros, but has



spread to mini metros, tier-I, -II and-III cities. This openness to indulge in branded lingerie has led to a growth in the number of international and domestic innerwear brands present in India.

Largely unorganized, the women's innerwear market is at present dominated by many local brands. Women tend to exhibit a strong comfort factor in buying lingerie from regular unorganized local stores, predominantly due to price, but departmental stores are also very popular as they provide range and product displays and also have trial rooms. Exclusive brand stores are explored when looking for depth in styles and variety in colors. Even though there is an increase in the purchase frequency and average spends on innerwear, this category is predominantly a 'planned purchase' or an 'occasion-based purchase' category, especially among women, who tend to purchase and even splurge on occasions as weddings, anniversaries, holidays, etc. However, promotions and offers tend to induce impulse purchases. Again, experimentation in terms of styles is most often done when buying for special occasions; for daily wear, known styles and brands are preferred.

On the basis of product pricing, the innerwear market is further divided into super-premium, premium, medium, and economy segments. Due to increased awareness, the increase in number of brands, and rising discretionary spending, all segments have registered growth. Foreign brands have brought in variety through international styles and fabrics. Indian women are also willing to spend higher-than-before amounts on innerwear. This has provided an exponential boost to premium and super-premium innerwear brands. Also, within women's innerwear segment, there is immense potential in the maternity wear segment that needs to be exploited. Currently only select brands, mostly international ones, offer multiple styles of maternity innerwear products. Most other brands offer only one or two styles in this category.

### **Men's Innerwear Market**

The men's innerwear market is pegged at Rs. 7,450 crore and is growing at 9 percent. Even in this segment various domestic and international brands can be found. Various apparel brands and retailers have extended their product portfolios to men's innerwear segment to leverage its growth. Apparel players predominantly focusing on active wear, casual wear and even formal wear have launched dedicated sub-brands in men's innerwear.

The various sub-categories of men's innerwear available widely and in most brands include vests, briefs, boxers, basic T-shirts, shorts, pajamas, sleepwear and active wear.

Similar to the segments in the women's innerwear market, men's innerwear can also be divided into super-premium, premium, medium, and economy segments. It is expected that the premium and mid price segments will grow fastest, and exponentially in the next few years. This is largely due to consumers becoming more informed. They seek high fashion quotient along with comfort, hygiene, brand image and smart prices.

Youth residing in metros and minimetros engage mostly with premium brands. The keenness to show off the brands, coupled with a desire to look good, is a significantly strong attribute in the choice of innerwear products and subcategories. A high fashion quotient within the product range helps increase the brand's image and engage consumers.

In contrast consumers residing in tier-I, -II and -III cities are not necessarily fond of premium brands alone, they straddle all segments including the mass segment. Premium brands are still aspirational for these consumers. Price, comfort and easy availability form the basis of any purchase for this consumer. Neither the brand nor its image has, as yet, a vital role in the purchase decision.

*Source: Images Business of Fashion*

### **T-Shirt Market**

The consumer wardrobe in international as well as in the Indian market is witnessing a constant shift from formal to casual attire. Consequently, casual wear categories like T-shirts, denims, casual shirts and trousers are witnessing a comparatively higher growth rate. The Indian consumer is no longer restricted to same combo of woven shirt and trouser for all occasions. Wardrobe of an Indian consumer has evolved with time and now it is a combination of various different kinds of clothing for different occasions like office, gym, shopping, morning or evening walk, marriage and social gatherings etc. This trend of occasion specific clothing has also provided an additional impetus for the growth of the adaptable casual wear categories like T-shirts.

T-shirt market of India that includes knit shirts, polos, knit tops etc. is estimated to be Rs. 13,830

crore in 2014. This market is expected to grow at an impressive compound annual growth rate of 13 percent to reach Rs. 24,940 crore in 2019. This market remains dominated by the men's/boys' segment that contributes 83 percent to the total market. However the women's/girls' segment is expected to grow faster than the men's/boys' segment owing to increasing acceptance of T-shirts among women and girls.

### **T-shirt vs. woven shirts in India**

The ratio of woven shirts market in India to T-shirts market is 2.5, i.e., the woven shirts market is 2.5 times of the T-shirts market. The higher market size of woven shirts is because of higher penetration of woven garments in general, owing to traditional factors. In India there are a lot of households who have been traditionally depending upon hand loom or power loom for their basic earning. On the other hand, T-shirts is relatively new apparel category that came into existence in the twentieth century only and unlike looms knitting industry still remains clustered around selective areas like Ludhiana, Tirupur, Kolkata, Delhi NCR, etc. Owing to the higher growth of T-shirts demand, it is expected that the woven shirts market to T-shirts market ratio will reduce to 2.1 in the next five years from its present value of 2.5.

### **Geographic distribution of T-shirts market in India**

T-shirts market remains dominated by urban India which contribute more than two-thirds of the total market. Penetration of T-shirts among women and girls is mostly an urban phenomenon and is very limited in rural areas. Within urban India, the market growth in metros and mini-metros are primarily driven by value and brands whereas rest of the market is being driven by increasing penetration leading to volume growth

### **Select trends in T-shirt market of India**

The promising T-shirt market is also marked by its dynamism. Indian T-shirt market has witnessed several interesting and distinct trends in recent times. Increasing acceptance of T-shirts by corporates is one of the most noticeable trend. Even professional services companies, over the years, have relaxed their dress code to allow business

casual T-shirts to office. The Indian consumer is also increasingly more conscious about the kind of T-shirt she or he is wearing for occasions like gym, yoga and sports. This has provided a boost to the demand of sports wear T-shirts. Consumption of T-shirts is no longer limited to youth. No doubt, youth remain a huge base of consumers, but owing to its comfort and ease of handling properties T-shirt has managed to create a niche for itself even in the wardrobes of middle aged and older consumers.

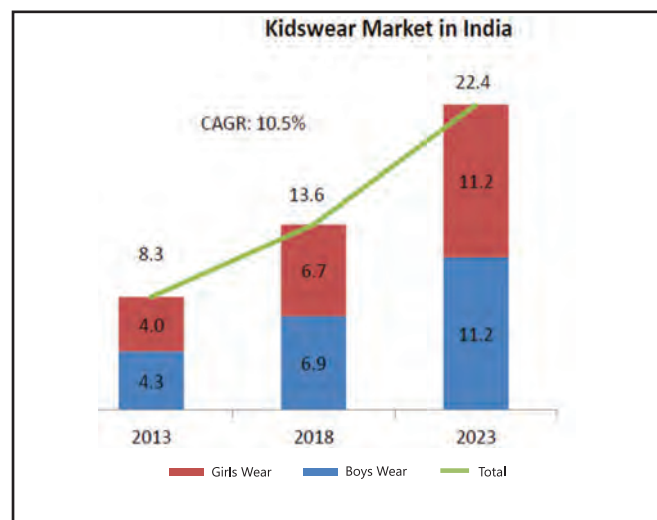
Printed T-shirts have managed to grab attention of Indian consumers. Print and design of T-shirts have evolved to reflect tourist locations, mythological stories, cartoon characters, architectural monuments, famous personalities and attractive slogans. Demand of T-shirts with embellishments, fluorescent colours, etc., have gained momentum among the youth in recent times.

*Source: Technopak Analysis*

### **Kids Wear Market In India**

#### **Market Size and Growth**

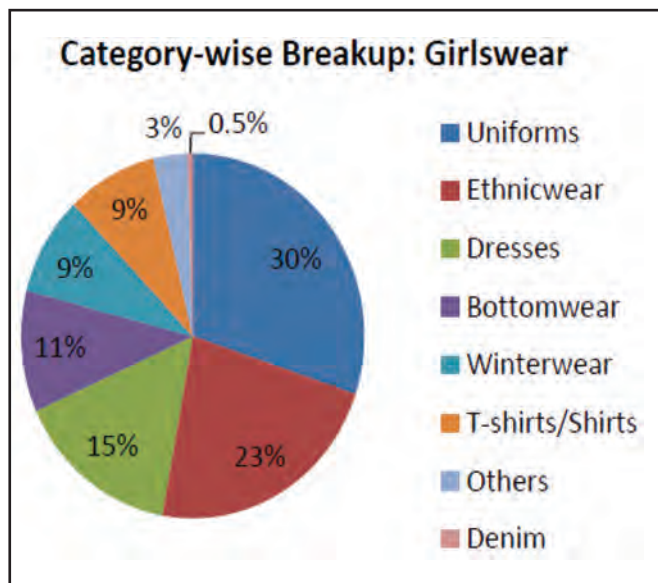
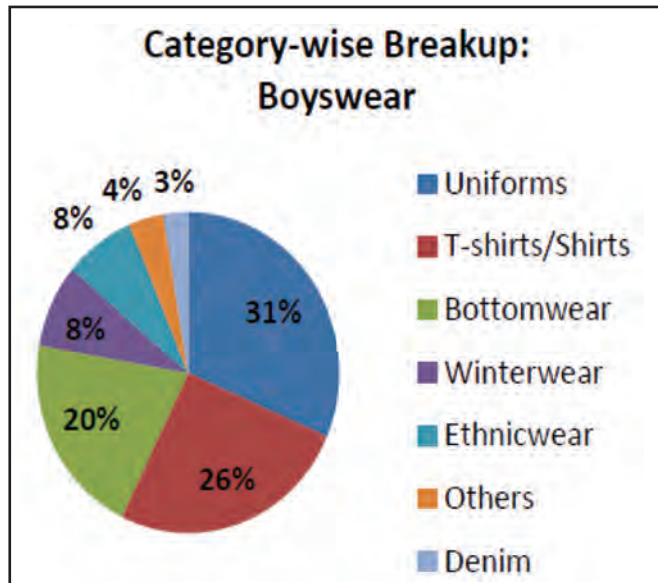
India remains one of the most promising markets for apparel due to the ever burgeoning economic activities and ever widening consumer base. The Indian apparel market is expected to grow at a CAGR of 9%, from USD 41 billion in 2013 to USD 102 billion in 2023. In 2013, kids wear, at USD 8.3 billion, alone contributed 20% of India's apparel market, but given its higher growth rate, this share is expected to increase to 22% by 2023.





### Boys wear and Girls wear

The kids wear market is somewhat skewed towards boys wear which by itself is a USD 4.3 billion market, as compared to the USD 4.0 billion-worth girls wear market. But with the increase in spending on the girl child, the girls wear market is expected to catch up with the boys wear market in the near future. It is expected that the girls wear market will grow at a CAGR of 11% over the next decade, while the boys wear market will grow at 10%.



Uniforms and T-shirts/Shirts are the two major categories within the boys wear market. Together, they contribute 57% of the total market. However, Denims and T-shirts are the high growth categories within this segment and are expected to register CAGRs of 15% and 11%, respectively, over the next decade.

On the other hand, Uniforms and Ethnic wear are the two largest categories within the girls wear market. But western wear categories like Denims and T-shirts are growing faster than traditional categories in the girls wear market as well.

### Growth Drivers of Kids wear Market

Some distinct factors like changes in the family system, increased spending on children, growing brand awareness among kids, and greater focus on the kids wear market by organized players have contributed significantly to the growth of the kids wear market.

Urban India today is characterized by a nuclear family with double income parents who are willing to spend extra higher share of their wallets on their children. Consequently the spending on children's apparel, with better brand image and quality has received a boost. At the same time, Indian kids in both urban and semi-urban India are increasingly exposed to various media and are thus aware about brands which cater to them. They have also started participating actively in purchase decisions relating to their apparel.

Organized retailers and brands have also contributed immensely to the growth of the kids wear market. Some of them have invested time and money in establishing brands which target the requirements of children as well as parents. They have managed to attract consumers through the right product assortment, better visual merchandising, and focused advertising and promotional strategies.

Source: Technopak Analysis

### **Swimwear**

Although the market is still at its nascent stage, it is nevertheless showing a great potential for the growth of swimwear and resort wear in the country. Most parents and schools now recognize swimming as an important life skill and want their kids to learn swimming. Most modern high rise apartment complexes in metro cities provide swimming pool access for their residents. Traditionally, while community clubs are for the 'very elite and privileged', it still is playing a fairly significant form of access.

In the previous year, the Company had commissioned AC Nielsen to conduct a comprehensive study on the swimwear category & consumer behavior of swimmers in India. As per the study, 3% of urban population in audience of 'SEC A/B,' at an all India level across both gender groups are penetration swimmers (those swimming twice a week in summer season). The research also shows that 24% of the non-swimmers surveyed, demonstrated 'likelihood to swim in the future' which shows that there is a fairly large potential of non-swimmers 'who are willing to swim'.

### **E-Commerce Industry**

The e-commerce industry in the country is likely to be worth USD 38 billion by 2016, a 67 per cent jump over the USD 23 billion revenues for 2015, as per industry body Assocham. India's e-commerce market was worth about USD 3.8 billion in 2009, it went up to USD 17 billion in 2014 and to USD 23 billion in 2015 and is expected to touch whopping USD 38 billion mark by 2016,

Increasing internet and mobile penetration, growing acceptability of online payments and favorable demographics has provided the e-commerce sector in India the unique opportunity to companies to connect with their customers. There would be over a five to seven fold increase in revenue generated through e-commerce as compared to last year with all branded apparel, accessories, jewellery, gifts, footwear are available at a cheaper rates and delivered at the doorstep.

In 2015, the highest growth rate was seen in the apparel segment almost 69.5 per cent over last year,

followed by electronic items by 62 percent, baby care products at 53 per cent, beauty and personal care products at 52 per cent and home furnishings at 49 per cent. It revealed that Mumbai ranks first in online shopping followed by Delhi, Ahmedabad, Bangalore and Kolkata.

*Source: Assocham*

The Company has started its own online store [www.jockeyindia.com](http://www.jockeyindia.com) and further tied up with various leading online retailers to increase the reach of the product to the entire country.

### **OPPORTUNITIES AND THREATS**

#### **Opportunities:**

For the apparel industry in general and our market in particular:

- More organized retail. Better consumer retail experience
- Increasing fashion consciousness and consumers becoming more aspirational, discerning and brand savvy
- The factors that determine consumption, education, occupation, urbanization, rise in nuclear families moving in a positive direction
- Increasing urban women population and women corporate workforce
- Increasing brand consciousness and spending on kids
- Higher disposable income
- Increasing online retail

#### **Threats**

Many major international apparel brands have commenced operations in India realizing that Indian markets is likely to emerge as one of the largest market in the world in the next few decades.

### **OUTLOOK**

In anticipation of growing demand, the company has substantially expanded its installed capacity. With the ongoing addition of new buildings, infrastructure and facilities, the installed capacity is scalable and can be ramped up with incremental machinery or man power to meet the expected healthy growth in demand.

## **SEGMENT-WISE OR PRODUCT-WISE PERFORMANCE**

The company is engaged in the business of manufacturing garments. Therefore there is no separate reportable segment.

## **RISK AND CONCERN**

The Company has robust risk management procedures to identify and evaluate risks on an ongoing basis. The identified risks are integrated into the business plan and a detailed action plan to mitigate the identified business risk and concerns is put in place.

The key risks and concern identified by the company and its mitigation plans are:

### **Availability of Labour**

The industry is growing at a fast pace, in a highly labour intensive sector and demand for experienced and trained manpower is outstripping supply. The ability to retain existing talent and attract new talent assumes crucial importance. The Company has created long term plans with the objective of motivating employees to create a sense of “belonging” and a ‘feel good’ environment. The company has set up manufacturing facilities outside Bangalore and further planning more such facilities where ample labour is available. The Company has set up robust training centers at various units where newcomers to the labour force receive structured training.

### **Increase in Input and Labour costs**

The availability of raw materials at reasonable rates is one of the main concerns of the company.

However the company is confident that increases in raw material cost, if and when they occur, can be passed on to consumers because of the strong pricing power of its brands. The company is also aggressively taking steps to monitor and improve productivity, which will mitigate the impact of labour and material cost increases to some extent.

## **INTERNAL CONTROL SYSTEM AND ADEQUACY**

The Company has an adequate internal control system commensurate with its size and nature of its business. Management has overall responsibility for the Company’s internal control system to safeguard the assets and to ensure reliability of financial records. The Company has a detailed budgetary control system and the actual performance is reviewed periodically and decisions taken accordingly.

Internal audit program covers all areas of activities and periodical reports are submitted to the Management. Audit Committee reviews all financial statements and ensures adequacy of internal control systems. The Company has a well-defined organization structure, authority levels and internal rules and guidelines for conducting business transactions.

SAP software has provided the Company with the best structures, disciplined systems, best practices, enabling the Company to improve efficiency, smooth planning, monitoring and control. SAP is proving to be an extremely useful and essential tool for the Company as it embarks on its aggressive growth plans. An exciting extension of the SAP is the continuously evolving Business Intelligence module that is creating smart and concise management reports profoundly aiding decision making.

## **FINANCIAL PERFORMANCE AND ANALYSIS**

(Rs. in Millions)

Particulars	2015-16	2014-15	Change	%
Revenue from operations (net)	17,834	15,434	2,400	15.55
Other Income	62	82	-20	-24.39
Profit before Interest, Depreciation and Tax	3,834	3,276	557	17.00
Less: Interest	153	167	-14	-8.38
Profit before Depreciation and Tax	3,681	3,109	572	18.40
Less: Depreciation	238	176	62	35.23
Profit before Tax	3,443	2,933	510	17.39
Less: Tax	1,116	973	143	14.70
Profit after Tax	2,327	1,960	367	18.72





*Page School of Learning : Inculcating patience and concentration through the “Juggling Ball” Activity*



*Page School of Learning : “Catch the Tiger” motivates and brings out the competitive zeal in each and every participant*



*Page School of Learning : Fostering a sense of camaraderie with proper planning and coordination during the “Giant Ladder” Activity*

## **HUMAN RESOURCES / INDUSTRIAL RELATIONS**

The Company’s HR objectives seek to attain a high performing organization, where each individual is empowered and motivated to perform to fullest capacity; where every employee feels a sense of belonging to the company and the team, aspiring for individual excellence while contributing to achieve departmental objectives.

Your Company fully values the human capital, it deploys and credits its success to them. It has been the consistent endeavor of the Company to create a congenial and challenging working atmosphere wherein every employee can identify his/her own strength and deliver to his/her full potential.

**Outbound Training Program:** More than two hundred executives and managers from all functions underwent Out Bound Training Program. Outbound Training is the training method for enhancing organizational performance through experiential learning. Such programs are often also referred to as corporate adventure training and outdoor management development. Activities are designed to improve leadership, communication skill, planning, change management, delegation, teamwork, and motivation.

Considering our expanding workforce, the company embraced technology to provide simplified, employee-friendly and automated HR services. Accordingly, we engaged a software partner – HR Mantra – to implement an integrated **HR Management System (HRMS)** that provides seamless technology support for the entire employee lifecycle (recruitment to retirement). Online modules for Payroll, Attendance and Leave Management have been implemented, while the remaining modules like Recruitment & On-boarding, Performance Management, Talent Management, Learning & Development and Rewards & Recognition will be implemented in the coming months.

Your company took a major initiative to support employees in safeguarding their health and meeting spiraling healthcare costs. For the first time, we introduced a **Medical Insurance Scheme** for staff members outside the ESI umbrella.

In order to retain and attract talent from other sectors, our HR practices are constantly evolving in line with market practices. We embarked on an exercise to **benchmark our HR policies** and practices and, accordingly, introduced flexible work hours and five-day week at our Corporate Office and Head Office.

During the year, we **expanded our leadership team** by inducting senior leaders and executives, who bring rich experience from world class companies across different industries. We also recruited external talent to head our newly created Business Excellence function that will focus on benchmarking our systems and processes, with an aim to ensure sustainable and scalable growth.

**Safety First:** Safety is another function that we consciously strengthened, keeping in mind, the increasing complexity and spread of our operations, and ensuring that employee well-being remains a priority. We hired senior managerial resources to lead the safety initiatives at our manufacturing facilities.

**Industrial Relations** remain cordial throughout the year and the Board records its appreciation for the contribution of all employees towards the growth of the company without which the achievements made would not have been possible.

**Grow your own Timber:** The Company has established “Page School of Learning”, where women workers from the shop-floor are provided with in-

house learning system to elevate their career to the next level. During this learning process, the workers are given training on organizational culture & values, manufacturing operations, industrial engineering, people management and leadership skills for a period of three to four months. On successful completion of training, they are promoted to the next level as Junior Supervisors in a coronation programme. Thirty such Junior Supervisors were developed last year and have been performing exceedingly well.

As of 31<sup>st</sup> March, 2016, the Company had 19,332 employees on its roll.

#### **CAUTION:**

Statements in the Management Discussion Analysis describing the Company’s objectives, projections, estimates and expectations may be considered as “forward looking statements” within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. The factors that might influence the operations of the Company are economic conditions, government regulations and natural calamities over which the Company has no control.

The Company assumes no responsibility in respect of the forward looking statements herein which may undergo changes in future on the basis of subsequent developments, information or events.



## CORPORATE GOVERNANCE REPORT

The detailed report on Corporate Governance as per Schedule V of the SEBI (LODR) Regulations 2015 for the year ended 31<sup>st</sup> March 2016 is set out below:

### 1. Company's philosophy on corporate governance

The Company is committed to continue the practice of good corporate governance. The core principles of corporate governance as laid down by the Board emphasis on integrity and accountability. The Corporate Governance Code incorporates several practices aimed at a high level of business ethics, effective supervision and enhancement of value for all stakeholders. Page Industries corporate governance conforms to all regulatory and legal requirements. The basic philosophy behind an endeavour towards better corporate governance is to enrich the value of stakeholders by achieving business excellence.

### 2. Board of Directors

#### a) Composition and category of directors:

The Company has a balanced and diverse Board of Directors, which primarily takes care of the business needs and stakeholders' interest. The Non-Executive Directors including Independent Directors on the Board are experienced, competent and highly renowned persons from the fields of textiles, manufacturing, finance, taxation, legal, management, information technology, CSR, etc. They take active part at the Board and Committee Meetings by providing valuable guidance to the Management on various aspects of business, policy direction, governance, compliance etc., and also play vital role on strategic issues, which enhances the transparency and add value in the decision making process of the Board of Directors.

The composition of the Board is in conformity with the Listing Regulation and Companies Act, 2013 and the members on the Board are classified and categorized as under:

Name of the Directors	Category	No. of Directorship in other Companies*	No. of Committees in other companies in which he is a Chairman / Member **		No. of Shares in the Company as on 31-03-2016
			Committee Memberships	Committee Chairmanships	
Mr. Pradeep Jaipuria	Independent Director – Chairman	1	Nil	Nil	Nil
Mr. Sunder Genomal	Managing Director – Promoter	Nil	Nil	Nil	1821480
Mr. Nari Genomal	Non-Executive Director – Promoter	Nil	Nil	Nil	1822336
Mr. Ramesh Genomal	Non-Executive Director – Promoter	Nil	Nil	Nil	1821753
Mr. Shamir Genomal	Executive Director – Chief Strategy Officer – Promoter	Nil	Nil	Nil	200
Mr. Pius Thomas	Executive Director-Finance	Nil	Nil	Nil	131
Mr. Timothy Ralph Wheeler	Non-Executive Director	1	Nil	Nil	Nil
Mr. G P Albal	Independent Director	Nil	Nil	Nil	Nil
Mr. B C Prabhakar	Independent Director	2	3	2	Nil
Mrs. Rukmani Menon	Independent Director	Nil	Nil	Nil	Nil
Mr. Sandeep Kumar Maini #	Independent Director	2	1	Nil	Nil
Mr. Vikram Gamanlal Shah #	Independent Director	Nil	Nil	Nil	Nil
Mr. P V Menon	Alternate Director to Mr. Nari Genomal	Nil	Nil	Nil	Nil
Mr. V Sivadas	Alternate Director to Mr. Ramesh Genomal	Nil	Nil	Nil	78

\* The number of directorship excludes directorship of private companies, foreign companies, companies incorporated under Section 8 of the Companies Act, 2013 and Alternate Directorship.

\*\* Committee comprises of Audit committee and Stakeholders Relationship committee of public limited companies (excluding foreign companies and section 8 companies).

# Mr. Sandeep Kumar Maini and Mr. Vikram Gamanlal Shah have been appointed as Independent Directors on 28<sup>th</sup> May 2015.

**b) Details of the attendance of Directors at the Board and last AGM:**

The attendance record of each of the Directors at the Board Meetings held during the year 2015-16 and the last Annual General Meeting (AGM) held on 13<sup>th</sup> August 2015 is as under:

Name of the Director	No. of Board Meetings attended	Attendance at last AGM
Mr. Pradeep Jaipuria	2	Yes
Mr. Sunder Genomal	4	Yes
Mr. Pius Thomas	4	Yes
Mr. Shamir Genomal	3	Yes
Mr. Timothy Ralph Wheeler	3	Yes
Mr. G P Albal	2	No
Mr. B C Prabhakar	4	Yes
Mrs. Rukmani Menon	4	Yes
Mr. P V Menon	4	Yes
Mr. V Sivasdas	4	Yes
Mr. Sandeep Kumar Maini	4	Yes
Mr. Vikram Gamanlal Shah	4	Yes

**c) Number of Board Meetings:**

During the year under review, four meetings were held on 28<sup>th</sup> May 2015, 13<sup>th</sup> August 2015, 9<sup>th</sup> November 2015 and 11<sup>th</sup> February 2016.

**d) Disclosure of Inter-se Relationship between the Directors:**

Mr Nari Genomal, Mr Sunder Genomal and Mr Ramesh Genomal are brothers. Mr. Shamir Genomal, Executive Director – Chief Strategy Officer is son of Mr. Sunder Genomal, Managing Director.

**e) Familiarization program for Independent Director:**

On appointment of an Independent Director, he/she is issued a Letter of Appointment setting out in detail, the terms, duties and responsibilities. The Independent Directors are given brief at regular intervals, about Company's manufacturing, marketing, finance and other important aspects viz., their legal and regulatory roles. The Company also organizes a familiarization programme for Independent Directors, which includes interactive sessions with Plant Heads, Plant Visit and presentation from Chief Executive Officer. On the matters of specialized nature, the Company engages outside experts/consultants for presentation and discussion.

Details of Familiarization programmes imparted to Independent Directors are given at [www.jockeyindia.com/page/investor-relationship](http://www.jockeyindia.com/page/investor-relationship)

**3. Audit Committee:**

a) The Board has an Audit Committee which has been constituted in compliance with the provisions of Section 177 of the Companies Act 2013 and Regulation 18 of the SEBI (LODR) Regulations, 2015.

The brief terms of reference of Audit Committee includes the following:

- Overseeing Company's financial reporting process and the disclosure of its financial information.
- Recommending appointment, re-appointment or removal of the statutory auditors, fixing of audit fees and approving payments for any other services.
- Reviewing with the management the quarterly and annual financial statements with primary focus on:
  - a. Matters required to be included in the Director's Responsibility Statement
  - b. Accounting policies and practices
  - c. Compliance with Accounting Standards
  - d. Accounting based on exercise of judgment by Management
  - e. Compliance with the listing regulation and legal requirements concerning financial statements
  - f. Related party transactions and
  - g. The going concern assumptions
- Reviewing of Vigil mechanism / Whistle Blower Policy
- Reviewing with the management, performance of external and internal auditors and the adequacy and compliance of internal control systems.
- Reviewing the adequacy of internal audit function and reports any major findings of the internal auditors
- Seek information from any employee(s)
- Approval of appointment of CFO (Chief Financial Officer)
- Obtain outside legal or other professional advice and
- Secure attendance of outsiders with relevant expertise, if its considered necessary.

- b) During the year under review, four meetings were held on 28<sup>th</sup> May 2015, 13<sup>th</sup> August 2015, 9<sup>th</sup> November 2015 and 11<sup>th</sup> February 2016.

The Chairman of the Audit committee was present at the last Annual general Meeting of the Company for addressing shareholders queries.

The composition of the Audit Committee and particulars of meetings attended by the members are given below:

Name of Director(s)	Chairman/ Member	Category	No. of Meetings attended
Mr. Pradeep Jaipuria	Chairman	Independent Director	3
Mr. G P Albal	Member	Independent Director	2
Mr. P V Menon	Member	Non-Executive Director	4
Mr. B C Prabhakar	Member	Independent Director	4

The members of the Audit Committee possess sound knowledge of finance, accounts, corporate affairs, legal and expertise in the garment industry.

The Statutory Auditor, Internal Auditor and Executives of the Company also attended the meetings. The Minutes of the Audit Committee meetings were placed at the Board meeting.

The Company Secretary acts as the Secretary to the Committee.

#### **4. Nomination and Remuneration Committee:**

- a) The Board has Nomination and Remuneration Committee, which has been constituted in compliance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI (LODR) 2015.

The terms of reference of Nomination and Remuneration Committee includes the following:

- Formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the Directors, KMPs and Senior Management, in compliance with Section 178(4) of the Companies Act, 2013 and Listing Regulations;

- Identifying persons (i) who are qualified to become directors and (ii) who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal;
- Performance evaluation for all Non-Independent Director.
- On the basis of the report of performance evaluation, it shall be determined whether to extend or continue the term of appointment of the independent director and
- Devising a policy on Board diversity

- b) During the year under review, one meeting was held on 11<sup>th</sup> February 2016

The composition of the Nomination and Remuneration Committee and particulars of meetings attended by the members are given below:

Name of Director(s)	Chairman/ Member	Category	Attendance
Mr. G P Albal	Chairman	Independent Director	Yes
Mr. B. C. Prabhakar	Member	Independent Director	Yes
Mr. Sivasdas	Member	Non-Executive Director	Yes

The Company Secretary acts as the secretary to the committee.

- c) Evaluation:

The Board has adopted a formal mechanism for evaluating its performance and as well as that of its Committees and individual Directors including the Chairman of the Board. The exercise was carried out through a structured evaluation process covering various aspects of the Board and Committees.

The following are the recommended key criteria for evaluation of the Board as a whole and its committee:

- frequency,
- demonstration of integrity,
- trustworthiness,
- active participation,
- willingness to address issues proactively
- demonstration of appropriate industry knowledge
- meeting of independence requirements under applicable laws and
- diversity of experiences.

Separate exercise was carried out to evaluate the performance of individual Directors who were evaluated on parameters such as attendance, active participation, contribution at the meetings, independent judgement, etc.

The evaluation of the Independent Directors was carried out by the entire Board.

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

At a separate meeting of Independent Directors held on 11<sup>th</sup> February 2016, the Independent Directors reviewed the performance of non-independent directors, the Board as a whole and the performance of the Chairperson of the Company without participation of non-independent directors and any management personnel of the company. The Independent Directors at the meeting also assessed the quality, quantity and timelines of flow of information between the Management and the Board and expressed their satisfaction.

d) **Remuneration policy:**

The Board of Directors of the Company has adopted a Nomination and Remuneration policy for its (i) Directors (Executive and Non Executive), (ii) Key Managerial Personnel and (iii) Senior Management Personnel. Extract of Remuneration is as follows:

**Nomination and Remuneration Policy**

In pursuance of the Company's policy to consider human resources as its invaluable assets, to pay equitable remuneration to all Directors, Key Managerial Personnel (KMP) and employees of the Company, to harmonize the aspirations of human resources consistent with the goals of the Company and in terms of the provisions of the Companies Act, 2013 and the Listing Regulation as amended from time to time. This policy on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated by the Committee and approved by the Board of Directors.

**1. Objective and purpose of the Policy:**

The objective and purpose of this policy are:

- To lay down criteria and terms and conditions with regard to identifying persons who are qualified to become Directors (Executive and

Non-Executive) and persons who may be appointed in Senior Management and Key Managerial positions and to determine their remuneration;

- To determine remuneration based on the Company's size, financial position, trends, practices on remuneration prevailing in the peer industry;
- To carry out evaluation of the performance of Directors, as well as Key Managerial and Senior Management Personnel;
- To provide them reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations;
- To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage. In the context of the aforesaid criteria the following policy has been formulated by the Nomination and Remuneration Committee and adopted by the Board of Directors;
- To devise a policy on Board diversity; and
- To develop a succession plan for the Board and to regularly review the plan.

**2. Membership and Effective Date:**

The Board constituted the Nomination and Remuneration Committee on 14<sup>th</sup> May 2014. The Nomination and Remuneration Committee comprises of following Directors:

1. Mr. G P Albal (Independent Directors)
2. Mr. B C Prabhakar (Independent Directors) and
3. Mr.V. Sivadas (Non-Executive Directors)

The Board has the power to reconstitute the Committee consistent with the Company's policy and applicable statutory requirement.

This policy shall be effective from 1<sup>st</sup> April, 2014.

**3. Definitions**

- 3.1 Board means the Board of Directors of the Company.
- 3.2 Director(s) means Director of the Company.
- 3.3 Committee means Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board.



3.4 Company means Page Industries Limited.

3.5 Independent Director means a director referred to in Section 149(6) of the Companies Act, 2013.

3.6 Key Managerial Personnel (KMP) means-

- (i) Executive Chairman and / or Managing Director;
- (ii) Whole-time Director;
- (iii) Chief Financial Officer;
- (iv) Company Secretary;
- (v) Such other officer as may be prescribed under the applicable statutory provisions/regulations.

3.7 Senior Management means personnel of the Company occupying the position of Chief Executive Officer (CEO), Chief Operating Officer (COO) and President. Unless the context otherwise requires, words and expressions used in this policy and not defined herein but defined in the Companies Act, 2013 as may be amended from time to time shall have the meaning respectively assigned to them therein.

#### **4. Applicability**

The Policy is applicable to

- Directors (Executive and Non Executive)
- Key Managerial Personnel and
- Senior Management Personnel

The key features of this Company's policy shall be included in the Board's Report.

#### **5. Functions of the Committee**

The Committee shall:

- Formulate the criteria for determining qualifications, positive attributes and independence of a director.
- Identify persons who are qualified to become Director and persons who may be appointed in Key Managerial and Senior Management positions in accordance with the criteria laid down in this policy.
- Recommend to the Board, appointment and removal of Director, KMP and Senior Management Personnel.

#### **6. Duties of the Committee**

6.1 Appointment criteria and qualifications:

- (i) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment.
- (ii) A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person are sufficient / satisfactory for the concerned position.

(iii) The Company shall not appoint or continue the employment of any person as Whole time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.

6.2 Term / Tenure / Woman Director:

(i) 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.

(ii) 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, 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. However, if a person who has already served as an Independent Director for 5 years or more in the Company as on 1st October, 2014 or such other date as may be determined by the Committee as per regulatory requirement, he / she shall be eligible for appointment for one more term of 5 years only.

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.

(iii) The Board shall have at least one woman Director

#### 6.3 Evaluation:

The Committee shall carry out evaluation of performance of every Director, KMP and Senior Management Personnel at regular interval (yearly).

#### 6.4 Removal:

Due to reasons for any disqualification mentioned in the Companies Act, 2013, rules made there under or under any other applicable Act, rules and regulations, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

#### 6.5 Retirement:

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Companies Act, 2013 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.

#### 6.6 Other Duties of the Committee

6.6.1 Ensuring that there is an appropriate induction & training programme in place for new Directors and members of Senior Management and reviewing its effectiveness

6.6.2 Ensuring that on appointment to the Board, Non-Executive Directors receive a formal letter of appointment in accordance with the Guidelines provided under the Companies Act, 2013

6.6.3 Identifying and recommending Directors who are to be put forward for retirement by rotation

6.6.4 Determining the appropriate size, diversity and composition of the Board;

6.6.5 Setting a formal and transparent procedure for selecting new Directors for appointment to the Board

6.6.6 Developing a succession plan for the Board and Senior Management and regularly reviewing the plan

6.6.7 Delegating any of its powers to one or more of its members or the Secretary of the Committee;

6.6.8 Recommend any necessary changes to the Board

6.6.9 Considering any other matters as may be requested by the Board

### 7. Remuneration:

#### 7.1 General:

7.1.1 The remuneration / compensation etc (remuneration) to the Whole-time Director, KMP and Senior Management Personnel will be determined by the Committee and recommended to the Board for approval. The remuneration/compensation etc. shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required.

7.1.2 The remuneration to be paid to the Whole-time Director shall be in accordance with the provisions of the Companies Act, 2013, and the rules made thereunder.

7.1.3 Increments to the existing remuneration structure may be recommended by the Committee to the Board which shall be within the slabs approved by the Shareholders in the case of Whole-time Director.

7.1.4 Where any insurance is taken by the Company on behalf of its Whole-time Director, Chief Executive Officer, Chief Financial Officer, the Company Secretary and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

7.1.5 Remuneration to Whole-time / Executive / Managing Director, KMP and Senior Management Personnel.

7.1.6 Fixed pay:

The Whole-time Director / KMP and Senior Management Personnel shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee. The break up of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees, prerequisites etc. shall be decided and approved by the Board on the recommendation of the Committee and approved by the shareholders and Central Government, wherever required.

7.1.7 Minimum Remuneration:

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Whole-time Director in accordance with the provisions of Schedule V of the

Companies Act, 2013 and if it is not able to comply with such provisions, with the previous approval of the Central Government.

7.1.8 Provisions for excess remuneration:

If any Whole-time Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Companies Act, 2013 or without the prior sanction of the Central Government, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

7.2 Remuneration to Non- Executive / Independent Director:

7.2.1 Sitting Fees:

The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed the amount as may be prescribed by the Central Government from time to time.

7.2.2 Remuneration under Section 197(1) of the Companies Act, 2013:

Remuneration under Section 197(1) of the Companies Act, 2013 may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the profits of the Company computed as per the applicable provisions of the Companies Act, 2013.

7.2.3 Stock Options

An Independent Director shall not be entitled to any stock option of the Company.

## **8. Miscellaneous**

The Committee shall review the policy once in 3 years or such other period as it deems fit necessary for review and make necessary changes and recommend to the Board for its consideration.

## 5. Details of Remuneration paid to Directors:

### a) Payment to Executive Directors during the year 2015-16:

Particulars	Sunder Genomal	Pius Thomas	Shamir Genomal
Designation	Managing Director	Executive Director-Finance	Executive Director - Chief Strategy Officer
Tenure / Service contract	1 <sup>st</sup> August 2011 to 31 <sup>st</sup> July 2016	13 <sup>th</sup> September 2012 to 12 <sup>th</sup> September 2017	1 <sup>st</sup> June 2014 to 31 <sup>st</sup> May 2019
Notice Period	As per policy of the Company – 3 months' notice period		
Performance linked payment and performance criteria	NA	Details are provided in the Annexure - III Ratio of remuneration	
Severance Fees	Nil	Nil	Nil
Relationship with other Director(s)	1. Brother of Mr.Nari Genomal and Mr. Ramesh Genomal. 2. Father of Mr. Shamir Genomal	NA	Son of Mr. Sunder Genomal, Managing Director
Salary (Rs)	4,800,000	3,939,900	3,918,750
Allowances (Rs)	7,141,200	5,030,329	2,653,207
Provident fund (Rs)	9,360	472,788	478,500
Perquisites (Rs)	28,800	345,662	43,200
Bonus and incentive (Rs)	-	3,424,136	1,818,745
Total Salary (Rs)	<b>11,979,360</b>	<b>13,212,815</b>	<b>8,912,402</b>

The Company has adequate profit and the payment of remuneration to Mr. Sunder Genomal, Managing Director, Mr. Pius Thomas, Executive Director-Finance and Mr. Shamir Genomal, Executive Director – Chief Strategy Officer are within the ceiling limit prescribed by Sections 198 of the Companies Act, 2013.

The Company does not have any scheme for grant of stock options either to the Directors or to any of the employees.

### b) Payment to Non-Executive Directors:

During the year under review, the Sitting Fees to Non-Executive Directors for meetings for attending Board and Audit Committee have been enhanced from Rs.10,000 per meeting to Rs.20,000. For attending other Committee meetings, sitting fee of Rs. 10,000/- per meeting to Non-Executive Directors has been maintained. In addition to the sitting fees, the Company makes payment under Section 197(1)(ii) of the Companies Act, 2013 to the Non-Executive Directors subject to approval of shareholders and to such ceiling and in such manner as decided by the Board.

The payment made under Section 197(1)(ii) of the Companies Act, 2013 to the Non-Executive Directors are based on their professional expertise in their individual capacity. The details of payment made to the Non-Executive Directors during 2015-2016 towards sitting fees and under Section 197(1)(ii) of the Companies Act, 2013 are as under:

Name of Director	Sitting Fees (Rs.)					*Payment made under section 197(1)(ii) (Rs.)
	Board Meeting	Audit Committee Meeting	Stakeholder Relationship Committee Meeting	Nomination & Remuneration Committee Meeting	Corporate Social Responsibility Committee Meeting	
Mr. Pradeep Jaipuria	20,000	40,000	NA	NA	NA	4,85,000
Mr. G P Albal	30,000	30,000	10,000	10,000	-	3,60,000
Mr. P V Menon	60,000	60,000	20,000	NA	NA	3,60,000
Mr. V Sivasdas	60,000	NA	20,000	10,000	NA	3,60,000
Mr. Timothy Ralph Wheeler	50,000	NA	NA	NA	NA	3,60,000
Mr. B C Prabhakar	60,000	60,000	NA	10,000	10,000	3,60,000
Mrs. Rukmani Menon	60,000	NA	NA	NA	NA	1,80,000
Mr. Sandeep Kumar Maini	60,000	NA	NA	NA	NA	NA
Mr. Vikram Gamanlal Shah	60,000	NA	NA	NA	NA	NA
TOTAL	460,000	190,000	50,000	30,000	10,000	2,465,000

\* Paid as approved by the shareholders at 19<sup>th</sup> Annual General Meeting of the Company held on 14<sup>th</sup> August 2014.

The Company has obtained approval from the shareholders of the company for payment under Section 197(1)(ii) of the Companies Act, 2013 at the 20<sup>th</sup> Annual General Meeting for the financial year 2015-16 upto Rs.50,00,000/- which will be paid after approval of the annual accounts by the Board of Directors and adoption by the shareholders.

The Company has not issued any convertible instruments. The Company has not issued any stock options to any of its employees / officers/ directors.

None of the Non-Executive Directors have any pecuniary material relationship or transactions with the Company for the year ended 31<sup>st</sup> March 2016.

## 6. Stakeholder Relationship Committee:

The Committee oversees and reviews all matters connected with redressal of Investor Grievances and complaints. The service of transfer of shares

is undertaken by our Registrar and Transfer Agent and they are fully equipped to deal with transfers and all related complaints of Investors.

Two meetings were held during the year under review, i.e 13<sup>th</sup> August 2015, and 11<sup>th</sup> February 2016.

The composition of the Stakeholder Relationship Committee and particulars of meetings attended by the members are given below:

Name of Director(s)	Chairman / Member	Category	No. of Meetings attended
Mr. GP Albal	Chairman	Independent Director	1
Mr. P V Menon	Member	Non-Executive Director	2
Mr. V. Sivadas	Member	Non-Executive Director	2

Mr. Murugesh C, Company Secretary is the Compliance Officer of the Company.

Details of Shareholders Complaints for the year 2015-16:

During the year the Company received one compliant for non-receipt of dividend, which was resolved immediately. No pending complaints as on 31<sup>st</sup> March, 2016

## 7. General Body Meetings:

a) The following are the details of last three Annual General Meeting (AGM) of the Company:

Financial year	Location of the Meeting	Type of Meeting	Date & Time
2012-13	Novotel Hotels, ibis & Novotel Bengaluru Techpark, Marathalli-Sarjapur Outer Ring Road, Bangalore - 560103	18 <sup>th</sup> AGM	8 <sup>th</sup> August, 2013 at 11:30 am
2013-14	Novotel Hotels, ibis & Novotel Bengaluru Techpark, Marathalli-Sarjapur Outer Ring Road, Bangalore - 560103	19 <sup>th</sup> AGM	14 <sup>th</sup> August, 2014 at 11:30 am
2014-15	Aloft Bengaluru Cessna Business Park, Cessna Business Park, Sajapur - Marathahalli Outer Ring Road, Kadubeesanahalli, Bellandur Post, Bengaluru - 560103	20 <sup>th</sup> AGM	13 <sup>th</sup> August, 2015 at 11:30 am

No Extra Ordinary General Meeting was held during the last 3 years.

b) Details of Special Resolutions passed in the previous three AGMs:

AGM	No. of Special Resolutions passed	Details of Special Resolution
18 <sup>th</sup> AGM held on 8 <sup>th</sup> August, 2013	4	1. Increase in the remuneration under section 314 of the Companies Act, 1956 of Mr. Shamir Genomal, 2. Reappointment of Mr. Shamir Genomal, under section 314 of the Companies Act, 1956, 3. Enhancing the Foreign Institutional Investors (FIIs) investment limit under the Portfolio Investment Scheme under FEMA from 24% to 49 % of the paid up equity capital of the Company and 4. Remuneration to Non-Executive Directors under section 309(4)(b) of the Companies Act, 1956, a sum not exceeding Rs. 20,90,000/-.
19 <sup>th</sup> AGM held on 14 <sup>th</sup> August, 2014	3	1. Appointment of Mr. G. P. Albal as Independent Director, 2. Authorization to the Board of directors under section 180(1)(a) of the Companies Act, 2013 and 3. Remuneration to Non-Executive Directors under section 197(1) of the Companies Act, 2013 a sum not exceeding Rs. 30,00,000/-.
20 <sup>th</sup> AGM held on 13 <sup>th</sup> August, 2015	1	Remuneration to Non-Executive Directors under section 197(1) of the Companies Act, 2013 a sum not exceeding Rs. 50,00,000/-.

## c) Postal Ballot

During the year 2015 the Company has obtained approval from its Members through Postal Ballot (e-voting facility provided) on the following resolution:

1) Appointment of Mr. Pradeep Jaipuria as Independent Director – Special Resolution:

Promoter/Public	No. of Votes-in favour	No. of Votes – against	% of Votes in favour	% of Votes against
Promoter and Promoter Group	5688789	0	100.00	0.00
Public – Institutional holders	1484357	521430	74.00	26.00
Public-Others	6121	38	99.38	0.68
<b>Total</b>	<b>7179267</b>	<b>521468</b>	<b>93.23</b>	<b>6.77</b>

The resolution was approved by the members with the requisite majority as a special resolution.

d) Person who conducted the postal ballot exercise:



The Board of Directors appointed Mr. R Vijayakumar, Company Secretary in Practice, Bangalore (FCS: 6418) as scrutinizer to conduct the E-voting process and the postal ballot in a fair and transparent manner.

e) Procedure for Postal Ballot:

- The Board of Directors of the Company, at their meeting held on 9<sup>th</sup> November 2015 appointed Mr. R. Vijayakumar as the Scrutinizer for conducting the postal ballot voting process.
- The Company had completed the dispatch of the Postal Ballot Notice dated 9<sup>th</sup> November 2015 together with the Explanatory Statement on 30<sup>th</sup> November 2015, along with forms and postage prepaid business reply envelopes to all the shareholders whose name(s) appeared on the Register of Members/list of beneficiaries as on 20<sup>th</sup> November 2015.
- The voting under the postal ballot was kept open from 2<sup>nd</sup> December 2015 to 31<sup>st</sup> December, 2015 (both days inclusive) (for physical as well as electronic mode)
- Particulars of postal ballot forms received from the Members using the electronic platform of NSDL were entered in a register separately maintained for the purpose.
- The postal ballot forms were kept under his safe custody in sealed and tamper proof ballot boxes before commencing the scrutiny of such postal ballot forms.
- All postal ballot forms received up to the close of working hours on 31<sup>st</sup> December, 2015 the last date and time fixed by the Company for receipt of the forms, were considered and envelopes containing postal ballot forms received after close of business hours on 31<sup>st</sup> December, 2015 were not considered for scrutiny by the Scrutinizer.
- On 5<sup>th</sup> January 2016, the results of the postal ballot as per the Scrutinizer's Report was announced.

f) At present, the Company has no proposal to pass any special resolution through postal ballot.

## 8. Means of Communication:

The quarterly results of the Company are published in Business Line (English) and in Samyukta Karnataka (Kannada). The Quarterly financial results and the Annual Reports are also displayed on the Company's website (i.e.,) [www.jockeyindia.com/page/investor-relationship](http://www.jockeyindia.com/page/investor-relationship). Official news releases and presentations made to the Institutional Investors, are also posted on the Company's website.

## 9. General Shareholder Information:

Annual General Meeting	11 <sup>th</sup> August 2016 at 11:30AM At Hotel Aloft Bengaluru Cessna Business Park, Cessna Business Park, Sarjapur-Marathahalli, Outer Ring Road. Kadubeesanahalli, Bellandur Post, Bengaluru- 560103 Last date of receipt of proxy form - 9 <sup>th</sup> August 2016
Financial Calendar: For the year 2016-17, the interim results announced as follows: 30 <sup>th</sup> June 2016 30 <sup>th</sup> September 2016 31 <sup>st</sup> December 2016 31 <sup>st</sup> March 2017	The financial year of the Company is 1 <sup>st</sup> April to 31 <sup>st</sup> March.  On or before end of 14 <sup>th</sup> August 2016 On or before end of 14 <sup>th</sup> November 2016 On or before end of 14 <sup>th</sup> February 2017 On or before end of 30 <sup>th</sup> May 2017 subject to exemption, if any
Date of book Closure	5 <sup>th</sup> August 2016 to 11 <sup>th</sup> August 2016 (both days inclusive)
Dividend payment date	During the year 2015-16, three interim dividends were declared on 28 <sup>th</sup> May 2015, Rs. 19 per share, 9 <sup>th</sup> November 2015, Rs. 21 per share, and 11 <sup>th</sup> February 2016, Rs. 21 per share aggregating to a total payment of interim dividend of Rs.680,386,314/- @ Rs.61 per share.  Besides the above three interim dividends; the Board recommends a final dividend of Rs. 24 per share. If declared at the Annual General Meeting, will be paid to those members whose names shall appear on the Company's Register of Members on 11 <sup>th</sup> August, 2016 and in respect of the shares held in dematerialized form, the dividend will be paid to members whose names are furnished by National Securities Depository Limited and Central Depository Services (India) Limited as beneficial owners as on 4 <sup>th</sup> August 2016. If declared at the AGM, the final dividend shall be paid on or before 8 <sup>th</sup> September 2016.
Listing of equity shares on Stock Exchanges	National Stock Exchange of India Limited (NSE) and Bombay Stock Exchange (BSE). The Annual Listing fees in respect of both the Stock Exchanges for the financial year 2015-16 have been paid.





Stock Code(BSE) Scrip Code(NSE) ISIN Number (For Demat trading) Depository Connectivity	532827 PAGEIND INE761H01022  NSDL & CDSL
Market Price Data	Ref. Table-I
Performance in comparison to BSE Sensex	Ref.graphical representation given in Table I below
Registrar and Transfer Agents	Link Intime India Pvt Ltd, C-13, Pannalal Silk Mills Compound, Lal Bahadur Shastri Marg, Subhash Nagar, Bhandup West, Mumbai, Maharashtra 400078 Tel.: 022 – 2594 6970 Fax: 022 – 2594 6969 e-mail: rnt.helpdesk@linkintime.co.in
Share Transfer System	All the share transfers in respect of physical shares are handled by the Registrar and Share Transfer Agents. The turnaround time for completion of transfer of shares is generally less than 15 days from the date of receipt, if the documents are in order.
Distribution of shareholding	Ref.Table-II & III
Dematerialization of shares and liquidity	Shares held in Demat Form as on 31 <sup>st</sup> March 2016: With NSDL : 10,913,703 shares With CDSL :240,133 shares Physical : 38 shares Total : 11,153,874 shares
Outstanding GDRs/ ADRs/warrants or any other convertible instruments, conversion date and likely impact on equity	NA
Commodity price risk or foreign exchange risk and hedging activities	NA
Plant Locations	<ul style="list-style-type: none"> <li>Abbaiah Reddy Industrial Area, Jockey Campus, 6/2 &amp; 6/4, Hongasandra, Begur Hobli, Bangalore – 560 068</li> <li>Plot No.13A, Bommasandra Industrial Area, S.No.270 of Bommasandra Village, AttibeleHobli, Anekal , Bangalore- 560099</li> <li>No.543/6,S.No.62/1, Katha No.442, Devarachikkanahalli Road, Bommanahalli, Bangalore-560 068</li> <li>Survey No.103/2&amp;3, Khata No.190, Kodichikanahalli Main Road, Hongasandra, Bangalore-560068.</li> <li>Abbaiah Reddy Industrial Area, Jockey Campus, 6/2 &amp; 6/4, Hongasandra, Begur Hobli, Bangalore – 560 068</li> <li>Plot No.13A, Bommasandra Industrial Area, S.No.270 of Bommasandra Village, AttibeleHobli, Anekal , Bangalore- 560099</li> <li>No.543/6,S.No.62/1, Katha No.442, Devarachikkanahalli Road, Bommanahalli, Bangalore-560 068</li> </ul>

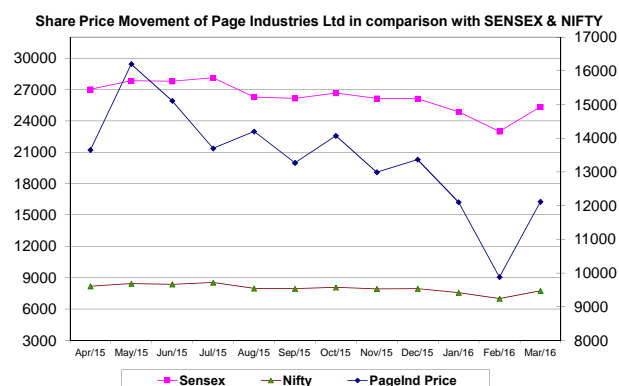
	<ul style="list-style-type: none"> <li>Survey No.103/2&amp;3, Khata No.190, Kodichikanahalli Main Road, Hongasandra, Bangalore-560068.</li> <li>No. 39, Chikkathogur , Begur Hobli, Bangalore-560 100</li> <li>No.63/3,Bommanahalli,Begur Hobli,Bangalore-560 068</li> <li>No. 180 / 1, Old Manganapalya Road, Bommanagalli, Hosur Road, Bangalore-560068.</li> <li>Plot No.251-2A,Bommsandra Industrial Area, Bangalore- 560 099</li> <li>Plot No.121 and 122-P,Growth Centre Industrial Area, Bommanayakanahalli, HobliKasaba, Hassan</li> <li>Site 25B, III State Subrub industrial area, Khill E Mohalla fort, Mysore – 570008</li> <li>IP-20 &amp; IP-21,Gowribidanur Industrial Area, Kasaba Hobli, Gowribidanur, Chikkaballapura Dist-561 208</li> <li>Survey No. 123, Khata No. 126/215, Koppa Village, Kasaba Hobli, Hindiskere Gate Tiptur</li> </ul>
Company Secretary & Com- pliance Officer	Mr.Murugesh C Cessna Business Park, Tower-1, 7th Floor, Umiya Business Bay, Varthur Hobli, Outer Ring Road, Bangalore - 560103. Phone: 080- 49454545
Address for Correspondence	Page Industries Limited, Registered & Corporate Office: Cessna Business Park, Tower-1, 7th Floor, Umiya Business Bay, VarthurHobli, Outer Ring Road, Bangalore - 560103. Phone: 080- 49454545  In compliance of Regulation 6 (d) of the SEBI (LODR), 2015 the Company has created an exclusive email ID for investors viz., investors@ jockeyindia.com,

**TABLE – I**

**Market Price Data:** The shares of the Company are listed at BSE and NSE. Monthly low and high at both the Stock Exchanges for the year 2015-16 is given below:  
(Amount in Rs.)

Month	BSE		NSE	
	High	Low	High	Low
Apr-15	14,425.00	12,550.10	14,468.65	12,530.00
May-15	16,500.00	12,739.00	16,500.00	13,210.00
Jun-15	16,995.00	13,542.45	17,000.00	13,500.00
Jul-15	15,900.05	13,349.95	15,630.00	13,353.70
Aug-15	15,045.95	12,824.40	15,075.00	12,907.80
Sep-15	14,402.45	12,680.10	14,419.95	12,632.40
Oct-15	14,775.00	13,200.00	14,788.85	13,200.15
Nov-15	14,065.00	11,750.00	14,067.40	11,769.70
Dec-15	13,277.00	12,418.80	13,498.90	12,461.30
Jan-16	13,822.05	11,788.25	13,865.00	11,827.00
Feb-16	12,465.10	9,770.25	12,489.65	9,781.60
Mar-16	12,390.00	9,799.00	12,394.40	9,752.35

**Graphical representation of movement of share price of the Company in line with indices of BSE and NSE:**



**TABLE- II**

**Distribution of Shareholding as of 31<sup>st</sup> March 2016:**

No. of equity shares held	No. of folios	No. of shares held	% held
Upto 5000	31,456	987,069	8.85
5001 to 10000	21	151,083	1.35
10001 to 20000	15	204,747	1.84
20001 to 30000	10	243,062	2.18
30001 to 40000	7	251,320	2.25
40001 to 50000	2	90,174	0.81
50001 to 100000	7	478,873	4.29
100001 and above	11	8,747,546	78.43
<b>Total</b>	<b>31,529</b>	<b>11,153,874</b>	<b>100.00</b>

**TABLE- III**

**Category of Shareholders as on 31<sup>st</sup> March 2016:**

Category	No. of Shares	% of holding
Promoters and Promoters' Group	5,466,289	49.01
Mutual Funds	521,828	4.68
Foreign Institutional Investors	4,147,751	37.19
Bodies Corporate	179,961	1.61
Individuals	752,743	6.75
Others	85,302	0.76
<b>Total</b>	<b>11,153,874</b>	<b>100.00</b>

**10. Other Disclosures:**

- a) Disclosure on materially significant related party transactions:

During the year 2015-16, no transactions of materially significant nature had been entered into by the Company with the related parties that may have a potential

conflict with interest of the company at large. Detailed related party information and transactions have been provided in Notes to Accounts forming part of the Annual Report. The Company has obtained prior omnibus approval for non material related party transactions from the Audit Committee. The Board of Directors has adopted a related party transaction policy and the same was available in the website of the Company in the following link: <http://www.jockeyindia.com/page/investor-relationship>

- b) Disclosure of Non-Compliance: There has been no instance of non-compliance by the Company on any matter related to Capital Markets since the inception of the Company and hence no penalties have been imposed.
- c) Vigil mechanism / Whistle Blower Policy

The Company, in compliance with Section 177 of the Companies Act, 2013 and Regulation 4(2)(d)(iv) of the SEBI (LODR) Regulations, 2015 has constituted a Vigil mechanism for Directors and employees to report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or policies of the Company. The Policy provides for adequate safeguards against victimization of persons who use such mechanism and also make provision for direct access to the chairperson of the Audit Committee in appropriate or exceptional cases. The Whistle Blower Policy is available at [www.jockeyindia.com/page/investor-relationship](http://www.jockeyindia.com/page/investor-relationship)

The Board of Directors of the Company has adopted Whistle Blower Policy. The Company has not denied access to any personnel of the Company to approach the Management/ Audit Committee to report genuine concerns, incidents of unethical behaviour and actual or suspected fraud or violation of policies of the Company

- d) The company has complied with all the mandatory requirements of Listing Regulations.

Regarding compliance with non-mandatory requirements, the following is the status:

- i. Chairman of the Board – Separate Office for chairperson is not provided at the registered office of the company.



- ii. Shareholders' Rights – Half-yearly declaration of financial performance are not currently sent to each of the household of Shareholders but are published in terms of Regulation 47(3) of Listing Regulations in newspapers and also sent to the Stock Exchanges. Besides, all the Quarterly / Half-yearly / annual financial results are published on the Company's website.
  - iii. Audit Qualification – The financial statements of the Company are unqualified and the Company is committed to continue the same.
  - iv. Separate posts of Chairperson, Managing Director and Chief Executive Officer – currently the post of Chairperson, Managing Director and Chief Executive Officer are held by different persons.
  - v. Reporting of internal Auditor – Internal Auditors of the Company are not directly reporting to the Audit Committee. However, Internal Auditors are making quarterly reports to the committee and they are invited for all the audit committee meetings.
  - e) Web link for policy for determining 'material' subsidiaries: Not applicable.
  - f) Web link where policy on dealing with related party transactions: [www.jockeyindia.com/page/investor-relationship](http://www.jockeyindia.com/page/investor-relationship).
  - g) Disclosure of commodity price risks and commodity hedging activities: The Company has not entered into any commodity hedging activities.
  - h) In the preparation of financial statement there is no differential treatment from the prescribed Accounting Standards.
  - i) Certificate from Practicing Company Secretary, confirming the compliance with all the conditions of Corporate Governance as stipulated in SEBI (LODR) Regulations, 2015 forms part of this report.
- 11.** The Company complied with all the requirement of corporate governance report said out in the schedule V of SEBI (LODR) Regulations, 2015.
- 12.** The corporate governance report shall also disclose the extent to which the discretionary requirements as specified in Part E of Schedule II have been adopted: Disclosed in 10(d) of this report
- 13.** The disclosures of the compliance with corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 shall be made in the section on corporate governance of the annual report – All the requirements mentioned are complied.

## DECLARATION

I, Sunder Genomal, Managing Director of Page Industries Limited, hereby declare that all the members of the Board of Directors and the Senior Management Personnel have affirmed compliance with the Code of Conduct for the year ended March 31, 2016.

For Page Industries Limited  
Sunder Genomal  
Managing Director  
(DIN:00109720)

Bangalore  
24<sup>th</sup> May, 2016

## CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

To  
The Members of Page Industries Limited

I have examined all the relevant records of Page Industries Limited ("the Company") for the purpose of certifying compliance of the conditions of the Corporate Governance under (i) Clause 49 of the Listing Agreement with the Stock Exchanges [upto 30 Nov 2015] and (ii) Chapter IV SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 [effective 01 Dec 2015] for the financial year ended 31 March 2016. I have obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purpose of certification.

The compliance of conditions of corporate governance is the responsibility of the Management. My examination was limited to the procedure and

implementation process adopted by the Company for ensuring the compliance of the conditions of the corporate governance. This certificate is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

In my opinion and to the best of my information and according to the explanations given to me, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the aforesaid Listing Agreement and Regulations.

R.Vijayakumar  
Practising Company Secretary  
FCS – 6418; COP – 8667

Place : Bangalore  
Date : 24 May 2016

## CEO & CFO Certification

To  
The Board of Directors  
Page Industries Limited  
Bangalore

Sub : Compliance Certificate under Regulation 17(8) of the SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015

We, Vedji Ticku, Chief Executive Officer and Pius Thomas, Executive Director – Finance of Page Industries Limited hereby certify that:

- a. We have reviewed financial statements and the cash flow statement for the year ended 31<sup>st</sup> March, 2016 and that to the best of our knowledge and belief:
  1. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  2. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.
- c. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps they have taken or propose to take to rectify these deficiencies.
- d. We have indicated to the auditors and the Audit committee
  1. significant changes in internal control over financial reporting during the year;
  2. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  3. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

Bangalore  
24<sup>th</sup> May 2016

(Vedji Ticku)  
Chief Executive Officer

(Pius Thomas)  
Director – Finance  
(DIN:06375352)



## **INDEPENDENT AUDITORS' REPORT**

### **To the Members of Page Industries Limited**

#### **Report on the Financial Statements**

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

#### **Management's Responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these 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 of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls and ensuring their operating effectiveness and 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 thereunder.

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 disclosures in the financial statements. The procedures selected depend on the auditors' 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the 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 March 31, 2016, 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 (Auditors' 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 "Annexure 1", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

## INDEPENDENT AUDITORS' REPORT

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

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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 written representations received from the directors as on March 31, 2016, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016 from being appointed as a director in terms of Section 164 (2) of the Act;
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2";

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 no.20 to the financial statements on contingent liabilities;
- (ii) The Company does not have any long-term contracts including derivative contracts. Hence, the question of any material foreseeable losses does not arise;
- (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For **Haribhakti & Co. LLP**  
Chartered Accountants  
ICAI Firm Registration No.103523W

**Shreedhar Ghanekar**  
Partner  
Membership No.210840

Place: Bangalore  
Date : May 24<sup>th</sup> , 2016

## ANNEXURE 1 TO THE INDEPENDENT AUDITORS' REPORT

**[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the Members of Page Industries Limited on the financial statements for the year ended March 31, 2016]**

**Matters specified in clauses (iii), (iv), (v), (vi), (xii), (xiv), (xvi) of Paragraph 3 of the Order are not applicable to the Company during the year.**

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

(b) During the year, some of the fixed assets of the Company have been physically verified by the Management as per the regular programme of verification, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. The Management is in the process of reconciling the quantities as per physical verification carried out with the quantities as per books. Accordingly, the question of reporting on the discrepancies noticed on such verification doesn't arise.

(c) The title deeds of immovable properties recorded as fixed assets in the books of account of the Company are held in the name of the Company.

(ii) The inventory (excluding stock lying with third parties) has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable. As informed, no material discrepancies were noticed on physical verification carried out during the year. In respect of inventory lying with third parties, these have substantially been confirmed by them.

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

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income

tax, sales tax, service tax, value added tax, customs duty, excise duty, cess and other material statutory dues applicable to it, were outstanding, at the year end, for a period of more than six months from the date they became payable.

(b) According to the information and explanation given to us, the dues outstanding with respect to, income tax, sales tax, service tax, value added tax, customs duty, excise duty on account of any dispute, are as follows:

Name of the statute	Nature of dues	Amount (Rs.)	Period to which the amount relates	Forum where dispute is pending
Income tax Act, 1961	Income Tax	68,837,660	2010-11	Income Tax Appellate Tribunal
Central Excise Act, 1944	Central Excise	2,278,118	2012-13	CESTAT
Customs Act, 1962	Custom Duty	26,083,825	2014-15	CESTAT
Central excise Act, 1944	Central Excise	277,986	2014-15	Commissioner Appeals
Central excise Act, 1944	Central Excise	1,757,140	2014-15	Commissioner Appeals
Central excise Act, 1944	Central Excise	500,000	2014-15	Commissioner Appeals
Finance Act, 1994	Service Tax	664,241	October 2010 to March 2015	Commissioner of Service Tax

(iv) According to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to banks. There were no dues towards financial institutions, governments and debenture holders.

(v) In our opinion and according to the information and explanations given to us, the Company has utilized the money raised by way of term loans during the year for the purposes for which they were raised. As per the information and explanations given to us, the Company

## ANNEXURE 1 TO THE INDEPENDENT AUDITORS' REPORT

did not raise money by way of initial public offer or further public offer (including debt instruments).

- (vi) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company or any fraud on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such instance by the management.
- (vii) According to the information and explanations given to us, managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- (viii) According to the information and explanations given to us, all transactions entered into by the Company with the related parties are in compliance with Sections 177 and 188 of

Act, where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.

- (ix) 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 him during the year.

For **Haribhakti & Co. LLP**

Chartered Accountants

ICAI Firm Registration No.103523W

**Shreedhar Ghanekar**

Partner

Membership No.210840

Place: Bangalore

Date : May 24<sup>th</sup> , 2016

## ANNEXURE 2 TO THE INDEPENDENT AUDITORS' REPORT

[Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the Members of Page Industries Limited on the financial statements for the year ended March 31, 2016]

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

We have audited the internal financial controls over financial reporting of Page Industries Limited ("the Company") as of March 31, 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

### **Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components

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

### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing specified under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and



## **ANNEXURE 2 TO THE INDEPENDENT AUDITORS' REPORT**

perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

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

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

### **Meaning of Internal Financial Controls Over Financial Reporting**

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

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company

are being made only in accordance with authorisations of management and directors of the company; and

- (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For **Haribhakti & Co. LLP**  
Chartered Accountants  
ICAI Firm Registration No.103523W

**Shreedhar Ghanekar**  
Partner  
Membership No.210840

Place: Bangalore  
Date : May 24<sup>th</sup> , 2016

## BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2016

PARTICULARS	NOTE NO.	As At 31 <sup>st</sup> March, 2016	As at 31 <sup>st</sup> March, 2015
		Rs.	Rs.
<b>I. EQUITY AND LIABILITIES</b>			
<b>1 Shareholders' funds</b>			
(a) Share capital	3	111,538,740	111,538,740
(b) Reserves and surplus	4	4,940,743,676	3,756,076,688
<b>2 Non-current liabilities</b>			
(a) Long-term borrowings	5	242,988,817	345,373,168
(b) Deferred tax liabilities (net)	6	110,401,453	114,208,678
(c) Other Long-term liabilities	7	734,684,994	556,124,652
(d) Long-term provisions	8	213,153,027	229,612,208
<b>3 Current liabilities</b>			
(a) Short-term borrowings	9	491,336,073	998,622,231
(b) Trade payables	10		
i) Total outstanding dues of micro enterprises and small enterprises		37,296,268	36,492,292
ii) Total outstanding dues to creditors other than micro enterprises and small enterprises		903,889,894	784,003,054
(c) Other current liabilities	11	1,233,815,439	1,028,407,520
(d) Short-term provisions	12	427,126,729	274,304,436
<b>TOTAL</b>		<b>9,446,975,110</b>	<b>8,234,763,667</b>
<b>II. ASSETS</b>			
<b>1 Non-current assets</b>			
(a) Fixed assets	13		
(i) Tangible assets		2,096,350,551	2,153,630,594
(ii) Intangible assets		35,503,818	18,997,841
(iii) Capital work-in-progress		3,617,488	1,079,707
(b) Long-term loans and advances	14	502,523,798	454,132,710
<b>2 Current assets</b>			
(a) Inventories	15	5,393,248,516	4,434,505,949
(b) Trade receivables	16	1,034,360,684	878,432,704
(c) Cash and bank balances	17	86,455,775	44,179,216
(d) Short-term loans and advances	18	202,315,610	155,023,573
(e) Other current assets	19	92,598,870	94,781,373
<b>TOTAL</b>		<b>9,446,975,110</b>	<b>8,234,763,667</b>

Company information and summary of significant accounting policies

1 & 2

Contingent liabilities and commitments

20

The notes referred to above form an integral part of the financial statements

### For and on behalf of the board

As per our report of even date  
For **Haribhakti & Co. LLP**  
Chartered Accountants  
ICAI FR No. 103523W

**Sunder Genomal**  
(Managing Director)  
DIN No. 00109720

**Pius Thomas**  
(Executive Director-Finance)  
DIN No. 06375352

**Shreedhar Ghanekar**  
Partner  
Mem. No. 210840

**V Sivadas**  
(Director)  
DIN No. 01241967

**C Murugesh**  
(Company Secretary)  
Mem. No. A21787

Place : Bangalore  
Date : 24th May, 2016

Place : Bangalore  
Date : 24th May, 2016

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2016**

Particulars		Note No.	Year ended 31 <sup>st</sup> March, 2016	Year ended 31 <sup>st</sup> March, 2015
			Rs.	Rs.
<b>1 Income</b>				
Revenue from operations (Gross)			17,840,778,531	15,438,521,255
Less: Excise duty			6,440,081	4,124,832
Revenue from operations (Net)	22		17,834,338,450	15,434,396,423
Other Income	23		62,326,936	81,915,552
<b>Total Revenue</b>			<b>17,896,665,386</b>	<b>15,516,311,975</b>
<b>2 Expenses</b>				
Cost of raw and packing materials consumed	24		6,658,347,942	6,570,659,952
Purchases of stock-in-trade	24B		1,009,115,987	131,532,793
Changes in inventories of finished goods, work-in-progress and stock-in-trade	25		(762,645,802)	(711,789,006)
Employee benefits expense	26		3,130,201,714	2,585,428,052
Finance costs	27		152,581,961	166,623,062
Depreciation and amortisation expense	13		238,032,881	176,429,440
Other expenses	28		4,028,272,531	3,664,328,463
<b>Total expenses</b>			<b>14,453,907,214</b>	<b>12,583,212,756</b>
<b>3 Profit before tax (1-2)</b>			<b>3,442,758,172</b>	<b>2,933,099,219</b>
<b>4 Tax expense</b>				
(1) Current tax			1,120,000,000	940,000,000
(2) Short provision for tax relating to prior years			-	936,122
(3) Deferred tax	6		(3,807,225)	31,919,023
Net tax expense			1,116,192,775	972,855,145
<b>5 Profit for the year (3-4)</b>			<b>2,326,565,397</b>	<b>1,960,244,074</b>
<b>6 Earnings per equity share</b>		31		
[Face value of shares Rs. 10/- each (PY - Rs. 10/- each)]				
(1) Basic			208.59	175.75
(2) Diluted			208.59	175.75

Company information and summary of significant accounting policies

1 & 2

The notes referred to above form an integral part of the financial statements

**For and on behalf of the board**

As per our report of even date  
For **Haribhakti & Co. LLP**  
Chartered Accountants  
ICAI FR No. 103523W

**Sunder Genomal**  
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**C Murugesh**  
(Company Secretary)  
Mem. No. A21787

Place : Bangalore  
Date : 24th May, 2016

Place : Bangalore  
Date : 24th May, 2016

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2016

PARTICULARS	For the year ended 31 <sup>st</sup> March 2016		For the year ended 31 <sup>st</sup> March 2015	
	Rs.		Rs.	
<b>A. Cash flow from operating activities</b>				
<b>Net Profit before taxation</b>		3,44,27,58,172		2,93,30,99,219
Add Back:				
Depreciation and amortisation expense	23,80,32,881		17,64,29,440	
Wealth tax provision	-		2,50,450	
Bad trade receivables written off	-		5,27,849	
Unrealised forex exchange loss/(gain) (net)	1,60,351		(39,310)	
Loss on sale of fixed assets (net)	23,01,253		-	
Finance costs	15,25,81,961	39,30,76,446	16,66,23,062	34,37,91,491
		<b>3,83,58,34,618</b>		<b>3,27,68,90,710</b>
Deduct:				
Profit on sale of fixed assets (net)	-		76,72,686	
Provisions no longer required written back	4,94,45,997		6,09,43,460	
Interest received	39,28,607	5,33,74,604	26,06,273	7,12,22,419
<b>Operating Profit before working capital change</b>		<b>3,78,24,60,014</b>		<b>3,20,56,68,291</b>
<b>Change in working capital</b>				
(Increase)/Decrease in inventories	(95,87,42,567)		(80,89,39,395)	
(Increase)/Decrease in trade receivable	(15,63,98,285)		(15,80,20,515)	
Increase/(Decrease) in trade payable	12,10,00,467		23,50,23,174	
(Increase)/Decrease in other current assets	(7,07,97,079)		(4,43,54,741)	
Increase/(Decrease) in other current liabilities	49,34,06,167	(57,15,31,297)	20,70,41,695	(56,92,49,782)
<b>Cash generated from Operations</b>		3,21,09,28,717		2,63,64,18,509
Direct taxes paid (net of refunds)		(1,04,63,62,251)		(96,64,24,295)
<b>Net cash generated from operating activities</b>		<b>2,16,45,66,466</b>		<b>1,66,99,94,214</b>
<b>B. Cash flow from investing activities</b>				
Purchase of fixed assets	(26,35,32,409)		(54,85,10,482)	
Sale proceeds from fixed assets	9,82,368		1,47,66,883	
Bank balances not considered as cash and cash equivalents (Net)	(2,48,626)		(1,39,804)	
Interest received	39,22,882		26,06,159	
<b>Net cash used in investing activities</b>		<b>(25,88,75,785)</b>		<b>(53,12,77,244)</b>
<b>C. Cash flow from financing activities</b>				
Proceeds from long-term borrowings	10,30,77,502		24,28,76,537	
Repayment of long-term borrowings	(21,96,46,640)		(21,18,98,050)	
Net Repayment of short-term borrowings	(50,72,86,158)		(9,03,66,544)	
Finance costs	(15,24,18,329)		(17,05,06,059)	
Dividend paid (including Dividend distribution tax)	(1,08,73,89,123)		(89,94,06,931)	
<b>Net cash used in finance activities</b>		<b>(1,86,36,62,748)</b>		<b>(1,12,93,01,047)</b>
<b>Net increase / (decrease) in Cash and Cash equivalents</b>		<b>4,20,27,933</b>		<b>94,15,923</b>
<b>Cash and Cash equivalents as at beginning of the year</b>		<b>4,32,81,995</b>		<b>3,38,66,072</b>
<b>Cash and Cash equivalents as at end of the year</b>		<b>8,53,09,928</b>		<b>4,32,81,995</b>
<b>Reconciliation of Cash and Cash equivalents with the Balance Sheet :</b>				
Cash and bank balances as per balance sheet (Ref Note 17)		<b>8,64,55,775</b>		<b>4,41,79,216</b>
Less: Bank balances not considered as Cash and Cash equivalents as defined in AS 3 Cash Flow Statements		<b>11,45,847</b>		<b>8,97,221</b>
- Unclaimed Dividend Accounts		<b>8,53,09,928</b>		<b>4,32,81,995</b>

Company information and summary of significant accounting policies

1 & 2

The notes referred to above form an integral part of the financial statements

**For and on behalf of the board**

As per our report of even date  
For **Haribhakti & Co. LLP**  
Chartered Accountants  
ICAI FR No. 103523W

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**C Murugesh**  
(Company Secretary)  
Mem. No. A21787

Place : Bangalore  
Date : 24th May, 2016

Place : Bangalore  
Date : 24th May, 2016



## **NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2016**

### **1 COMPANY INFORMATION**

The Company was incorporated in the year 1995 with the key objective of bringing the innerwear brand “JOCKEY” to India. The core values of the brand include youthfulness, fun, quality, value, confidence and innovation. The Company has introduced a wide range of quality products for men, women and children as well as innovative marketing concepts such as display modules aimed at enhancing the consumer’s involvement with the purchase.

The Company commenced operations in the year 1995 in Bangalore with the manufacturing, distribution and marketing of Jockey products.

The Company has added to its profile by entering into license with “SPEEDO”, globally known International brand for swim wear.

### **2. SIGNIFICANT ACCOUNTING POLICIES**

#### **a) Basis of preparation**

The financial statements of the Company have been prepared and presented in accordance with the generally accepted accounting principles in India (Indian GAAP) under the historical cost convention on an accrual basis. The Company has prepared these financial statements to comply in all material respects with the Accounting Standards specified under Section 133 of the Companies Act 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014. The accounting policies adopted in the preparation of financial statements are consistent with those of previous year, unless otherwise stated.

#### **b) Use of estimates**

The preparation of financial statements are in conformity with generally accepted accounting principles and requires management to make estimates and assumptions that affect the reported amount of assets, liabilities, disclosures relating to contingent liabilities and assets as at the balance sheet date and the reported amounts of income and expenses during the year. Difference between the actual amounts and the estimates are recognized in the year in which the events become known / are materialized.

#### **c) Inventories**

Raw materials, Consumables, Stores, Spares and Packing materials

Are valued at lower of cost and net realizable value. However, material and other item held for use in the production of inventory are not written down below cost if the finished products in which they will be used are expected to be sold at or above cost. Cost is determined on a weighted average basis. Cost comprises of all costs of purchases including duties and taxes (other than those subsequently recoverable by the Company), freight inwards and other expenditure directly attributable to acquisition.

Work-in-progress and finished goods

Are valued at lower of cost and net realizable value. Cost for this purpose includes direct cost and attributable overheads. Finished goods are valued on standard cost basis that approximates to actual cost. Cost comprises of all costs of purchase including duties and taxes (other than those subsequently recoverable by the Company), freight inwards and other expenditure directly attributable to acquisition.

Stock-in-trade

Are valued at lower of cost and net realizable value. Stock in trade is valued at standard cost that approximates to actual cost. Cost comprises of all costs of purchases including duties and taxes (other than those subsequently recoverable by the Company), freight inwards and other expenditure directly attributable to acquisition.

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

#### **d) Cash Flow Statement**

Cash flows are reported using the indirect method, whereby profit/loss before extraordinary items and tax is adjusted for

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2016

the effect of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on available information.

### e) Cash and Cash equivalents

Cash and cash equivalents in the balance sheet comprise of cash at bank and in hand and short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

### f) Depreciation and Amortisation

Depreciation is provided on straight line method at the rates and in the manner specified in Schedule II to the Companies Act, 2013.

Intangible assets are amortized on a straight line basis based on the useful life of the assets, which is estimated as 3 years.

### g) Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue from sale of goods is recognised when the substantial risks and rewards of ownership are transferred to the buyer which generally coincides with dispatch of goods from the factory/stock points.

#### Sale of Goods

Sales are recorded net of trade discounts, quantity discounts, rebates, indirect taxes. Sales includes Excise duty but exclude Sales tax and value added tax.

Cash discount, duty drawback and yarn incentives are accounted on accrual basis.

#### Interest Income

Interest income is recognized on a time proportion basis taking in to account the amount outstanding and the rate applicable.

#### Dividend

Dividend income on investments is accounted for when the right to receive the payment is established.

### h) Fixed Assets, including intangible assets and Capital work in progress

#### (i) Tangible Assets

Fixed assets are stated at historical cost (or revalued amounts, as the case may be), less accumulated depreciation and impairment losses (if any). Cost comprises the purchase price less rebates and discounts and any directly attributable cost of bringing the asset to its working condition for its intended use.

When parts of an item of fixed assets have different useful lives, they are accounted for as separate items (major components) of fixed assets. Subsequent expenditure of fixed asset is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably.

Capital work-in-progress comprises of the cost of fixed assets that are not yet ready for their intended use at the reporting date.

The effects of changes in foreign exchange rates are charged to Statement of Profit and Loss.

#### (ii) Intangible Assets

Intangible assets are capitalised at acquisition cost including directly attributable cost.

Intangible assets are amortized on a straight line basis based on the useful life of the assets, which is estimated as 3 years.

### i) Foreign currency transactions

#### (i) Initial Recognition

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

#### (ii) Conversion

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms

## **NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2016**

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

### **(iii) Exchange Differences**

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

### **j) Government grants and subsidies**

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

When the grant or subsidy relates to an expense item, it is recognized as income over the periods necessary to match them on a systematic basis to the costs, which it is intended to compensate. Grants related to depreciable assets are treated as a deduction from the gross value of fixed assets.

### **k) Investments**

Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost, less provision for diminution in value, other than temporary.

### **l) Employee Benefits**

#### **(i) Defined Benefit Plan**

The Company is required to pay gratuity under The Payment of Gratuity Act

1972. The liability for gratuity, being a defined benefit plan, is determined by an independent actuary using the Projected Unit Credit Method at each balance sheet date and actuarial gains / losses are charged to the Statement of Profit and Loss. The Company makes contribution to the Page Industries Limited Employees Group Gratuity Scheme which is administered by an Insurance Company. The difference between the actuarial liability and the fund balance is shown as Liability or an Asset as the case may be .

#### **(ii) Defined Contribution Plan**

The Company's defined contribution plan relates to the Employees' Provident Fund (under the provisions of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952). The contributions are made to and administered by the Regional Provident Fund Commissioner and are charged as expense based on the amount of contribution required to be made and when service are rendered by the employees. The Company has no further obligation beyond making the contributions.

#### **(iii) Short-term employee benefits**

All employee benefits falling due wholly within twelve months of rendering the services are classified as short-term employee benefits, which include benefits like salaries, wages, short-term compensated absences and performances incentive and are recognized as expenses in the period in which the employee renders the related service.

#### **(iv) Other Long-term employee benefits**

**Compensated absences :** The Company's liability towards leave entitlement benefits (compensated absences) is accounted for on the basis of an actuarial valuation, using the projected unit credit method, as at each balance sheet date carried out by an independent actuary and the actuarial gains / losses are charged to the Statement of Profit & Loss.

#### **m) Borrowing Costs**

i) Borrowing Costs attributable to acquisition and construction of qualifying assets are

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2016

capitalized as a part of the cost of such asset up to the date when such asset is ready for its intended use.

- ii) Other borrowing costs are charged to the Statement of Profit and Loss.

### n) Leases

#### Where the Company is the lessee

Finance leases, where substantially all the risks and benefits incidental to ownership of the leased item, are transferred to the Company, are capitalized at the lower of the fair value and present value of the minimum lease payments at the inception of the lease term and disclosed as leased assets. Lease payments are apportioned between finance charges and reduction of the lease liability based on the implicit rate of return. Finance charges are charged against income. Lease management fees, legal charges and other initial direct costs are capitalized.

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

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

### o) Earnings Per Share

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

shareholders; share split; and consolidation of shares if any.

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

### p) Income Taxes

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

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

The carrying amount of deferred tax assets are reviewed at each balance sheet date. The Company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available. Deferred Tax assets and deferred tax liabilities are offset wherever the Company has a legally enforceable right to set off current tax assets against current tax liabilities and where the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority.



**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2016**

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

**q) Impairment of Assets**

- (i) The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal / external factors. An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to Statement of Profit and Loss in the year in which an asset is identified as impaired. The recoverable amount is greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows as a cash generating unit are discounted to the present value.
- (ii) After impairment, depreciation / amortisation is provided on the revised carrying amount of the asset over its remaining useful life.

- (iii) A previously recognized impairment loss is increased or decreased based on reassessment of recoverable amount, which is carried out if the change is significant. However the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation / impairment if there was no impairment.

**r) Provisions / Contingencies**

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

Contingent liabilities are disclosed in the Notes. Contingent assets are neither recognised nor disclosed in the financial statements.

**s) Operating Cycle**

Based on the nature of products/activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2016

### 3 Share capital

Particulars	As at 31 <sup>st</sup> March 2016		As at 31 <sup>st</sup> March 2015	
	Number	Rs.	Number	Rs.
<b>Authorised</b>				
Equity Shares of Rs. 10 each	12,000,000	120,000,000	12,000,000	120,000,000
<b>Issued</b>				
Equity Shares of Rs. 10 each	11,153,874	111,538,740	11,153,874	111,538,740
<b>Subscribed &amp; Paid up</b>				
Equity Shares of Rs. 10 each	11,153,874	111,538,740	11,153,874	111,538,740
<b>Total</b>	<b>11,153,874</b>	<b>111,538,740</b>	<b>11,153,874</b>	<b>111,538,740</b>

### 3A Reconciliation of the Shares outstanding and amounts at the beginning and at the end of the reporting period

Particulars	As at 31 <sup>st</sup> March 2016		As at 31 <sup>st</sup> March 2015	
	Number	Rs.	Number	Rs.
Outstanding at the beginning of the year	11,153,874	111,538,740	11,153,874	111,538,740
Shares issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Outstanding at the end of the year	<b>11,153,874</b>	<b>111,538,740</b>	<b>11,153,874</b>	<b>111,538,740</b>

### 3B Terms / Rights attached to Equity Shares

The Company has only one class of equity shares having a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the board of directors is subject to the approval of the shareholders in the ensuing annual general meeting except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the residual assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

**3C** The Company does not have any holding company or subsidiary company.

### 3D Details of Shareholders holding more than 5% Shares in the Company

Name of Shareholder	As at 31 <sup>st</sup> March 2016		As at 31 <sup>st</sup> March 2015	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Nari Genomal	1,822,336	16.34%	1,896,503	17.00%
Ramesh Genomal	1,821,753	16.33%	1,895,920	17.00%
Sunder Genomal	1,821,480	16.33%	1,895,646	17.00%
Nalanda India Fund Limited	1,110,735	9.96%	1,110,735	9.96%
Cartica Capital Ltd	869,465	7.80%	855,618	7.67%

**3E** There was no fresh issue of shares during the year or in the immediately preceding 5 years.

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2016**
**4 Reserves and Surplus**

Particulars	As at 31 <sup>st</sup> March 2016	As at 31 <sup>st</sup> March 2015
	Rs.	Rs.
<b>Securities Premium Account</b>		
As per last Balance Sheet	412,013,715	412,013,715
	<b>412,013,715</b>	<b>412,013,715</b>
<b>General Reserve</b>		
As per last Balance Sheet	739,900,000	543,500,000
Add: Transfer from statement of profit and loss	-	196,400,000
Closing balance	<b>739,900,000</b>	<b>739,900,000</b>
<b>Surplus in the statement of profit and loss</b>		
As per last Balance Sheet	2,604,162,674	1,822,966,448
Less: Carrying amounts of fixed assets debited to retained earnings where remaining useful life of the assets is Nil as on 01.04.2014	-	(24,352,356)
Add: Profit for the year	2,326,565,397	1,960,244,074
Less: Appropriations		
Proposed final dividends [Dividend per share Rs. 24/ (Previous year Rs. 20/-)]	267,692,976	223,077,480
Interim dividends [Dividend per share Rs. 61 /- (Previous year Rs. 52/-)]	680,386,314	580,001,448
Dividend distribution tax	193,818,820	155,216,265
Transfer to general reserve	-	196,400,000
Closing balance	<b>3,788,829,961</b>	<b>2,604,162,973</b>
<b>Total</b>	<b>4,940,743,676</b>	<b>3,756,076,688</b>

**5 Long-Term Borrowings**

Particulars	As at 31 <sup>st</sup> March 2016	As at 31 <sup>st</sup> March 2015
	Rs.	Rs.
<b>Secured Term loans</b>		
From Banks (Ref note no 5A)	457,607,938	574,177,078
Less: Current maturities (Ref note no. 11)	214,619,121	228,803,910
<b>Total</b>	<b>242,988,817</b>	<b>345,373,168</b>

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2016

### 5A Nature of security and terms of repayment for long-term secured borrowings

	As at 31 <sup>st</sup> March 2016	As at 31 <sup>st</sup> March 2015
	Rs.	Rs.
Term loan of Rs. 119,000,000/- repayable in 60 monthly instalments along with interest @ 12.25% as at year end (floating), Nil instalments are payable as on balance sheet date (Previous year 2 instalments) and it is secured by first charge on hypothecation of plant and machinery assets bought under this loan and second charge on fixed assets and other current assets working Pari Passu with other bank(s).	-	4,160,000
Term loan of Rs. 11,000,000/- repayable in 60 monthly instalments along with interest @ 12.25% as at year end (floating), Nil instalments are payable as on balance sheet date (Previous year 4 instalments) and is secured by first charge on hypothecation of plant and machinery assets bought under this loan and second charge on fixed assets and other current assets working Pari Passu with other bank(s).	-	916,668
Term loan of Rs. Rs. 110,000,000/- repayable in 56 monthly instalments along with interest @ 12.50% as at year end (floating), 5 instalments are payable as on balance sheet date (Previous year 14 Instalments) and is secured by first charge on hypothecation of plant and machinery assets bought under this loan and second charge on fixed assets and other current assets working Pari Passu with other bank(s).	6,874,901	27,499,901
Term loan of Rs. 150,000,000/- repayable in 60 monthly instalments along with interest @ 12.25% as at year end (floating), 12 instalments are payable as on balance sheet date (Previous year 24 instalments) and is secured by first charge on hypothecation of plant and machinery assets bought under this loan and second charge on fixed assets and other current assets working Pari Passu with other bank(s).	30,099,683	60,199,367
Term loan of Rs. Rs. 130,000,000/- repayable in 60 monthly instalments along with Interest @ 12.25% as at year end (floating), 20 instalments are payable as on balance sheet date (Previous year 32 instalments) and is secured by first charge on hypothecation of plant and machinery assets bought under this loan and second charge on fixed assets and other current assets working Pari Passu with other bank(s).	43,603,106	70,213,232
Term loan of Rs. 12,180,000/- repayable in 20 quarterly instalments along with charging interest @ 12% as at year end (floating), 4 instalments are payable as on balance sheet date (Previous year 8 instalments) and is secured by first charge on hypothecation of plant and machinery assets and second charge on fixed assets and other current assets working Pari Passu with other bank(s).	2,436,000	4,872,000



**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2016**

	<b>As at 31<sup>st</sup> March 2016 Rs.</b>	<b>As at 31<sup>st</sup> March 2015 Rs.</b>
Term loan of Rs. 3,093,565/- repayable in 20 quarterly instalments along with interest @ 12% as at year end (floating), 5 instalments are payable as on balance sheet date. (Previous year 9 instalments) and is secured by first charge on hypothecation of plant and machinery assets and second charge on fixed assets and other current assets working Pari Passu with other bank(s).	773,391	1,392,104
Term loan of Rs. 70,900,000/- repayable in 16 quarterly instalments along with interest @ 12% as at year end (floating), 6 instalments are payable as on balance sheet date. (Previous year 10 instalments) and is secured by first charge on hypothecation of building assets and second charge on other current assets working Pari Passu with other bank(s).	26,587,500	44,312,500
Term loan of Rs. 200,000,000/- repayable in 60 monthly instalments along with interest @ 12.25% as at year end (floating), 34 instalments are payable as on balance sheet date. (Previous year 46 instalments) and is secured by first charge on hypothecation of plant and machinery assets bought under this loan and second charge on other current assets working Pari Passu with other bank(s).	114,129,405	153,729,405
Term loan amount of Rs. 329,000,000/- out of which Rs. 238,683,369/- was availed till 31st March, 2016, instalments repayable in 60 months along with the interest @ 12.75% as at year end (floating), 43 instalments are payable as on balance sheet date. (Previous year 54 instalments) and is secured by first charge on hypothecation of assets for expansion bought under this loan plus mortgage of lease hold land and second charge on other current assets working Pari Passu with other bank(s).	145,298,569	122,132,588
Term loan amount of Rs. 360,000,000/-, out of which Rs. 108,624,369/- was availed till 31st March, 2016, instalments repayable in 16 equal quarterly instalments along with interest @ 11.75% as at year end (floating), 16 instalments are payable as on balance sheet date. (Previous year 20 instalment) and is secured by first charge on hypothecation of assets for expansion bought under this loan and Pari Passu second charge on stock and book debts plus other moveable fixed assets excluding those financed exclusively by respective bankers for other term loan.	87,805,383	84,749,313

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2016

### 6 Deferred tax liabilities (Net)

The component of deferred tax assets and liabilities as on 31st March 2016 and 31st March 2015 as follows :

Amount in (Rs.)			
Particulars	As at 31 <sup>st</sup> March 2016	(Charged)/ Credited during the year	As at 31 <sup>st</sup> March 2015
<b>Deferred Tax Liabilities</b>			
On account of difference in WDV of Fixed Assets	162,874,694	(15,484,685)	147,390,009
<b>Total</b>	<b>162,874,694</b>	<b>(15,484,685)</b>	<b>147,390,009</b>
<b>Deferred Tax Assets</b>			
On employee benefits	27,577,191	9,080,028	18,497,163
On Disallowances as per Section 43B of The Income Tax Act, 1961	24,896,050	10,211,882	14,684,168
<b>Total</b>	<b>52,473,241</b>	<b>19,291,910</b>	<b>33,181,331</b>
<b>Deferred tax liabilities (net)</b>	<b>110,401,453</b>	<b>3,807,225</b>	<b>114,208,678</b>

### 7 Other Long - Term Liabilities

Particulars	As at 31st March 2016	As at 31st March 2015
	Rs.	Rs.
Deposits from customers/dealers	734,684,994	556,124,652
<b>Total</b>	<b>734,684,994</b>	<b>556,124,652</b>

### 8 Long-Term Provisions

Particulars	As at 31st March 2016	As at 31st March 2015
	Rs.	Rs.
Provision for employee benefits		
Compensated absences (Unfunded) (Ref note no 26D)	71,586,120	48,045,300
Income tax provisions (Net of payments of Rs. 1,392,612,457/- (Previous year Rs. 1,359,924,281/-))	141,566,907	181,566,908
<b>Total</b>	<b>213,153,027</b>	<b>229,612,208</b>

### 9 Short-Term Borrowings

Particulars	As at 31st March 2016	As at 31st March 2015
	Rs.	Rs.
<b>Secured</b>		
Loans repayable on demand from banks	491,336,073	998,622,231
The above are secured by way of hypothecation of current assets of the Company and a second charge on the present and future movable fixed assets and rank pari passu with other loans and carries interest ranging from 10% to 12.25% per annum.		
<b>Total</b>	<b>491,336,073</b>	<b>998,622,231</b>

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2016**
**10 Trade Payables**

Particulars	As at 31st March 2016	As at 31st March 2015
	Rs.	Rs.
Total outstanding dues of micro enterprises and small enterprises (ref. note 10A)	37,296,268	36,492,292
Total outstanding dues to creditors other than micro enterprises and small enterprises	903,889,894	784,003,054
<b>Total</b>	<b>941,186,162</b>	<b>820,495,346</b>

**10A Details of dues to Micro and Small Enterprises as per The Micro, Small and Medium Enterprises Development Act, 2006**

Particulars	As at 31st March 2016	As at 31st March 2015
	Rs.	Rs.
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of 31st March 2016		
i) Principal Amount Due	37,296,268	36,492,292
ii) Interest payable under MSMED Act, 2006 (disclosed under note no. 11)	502,199	461,570
<b>Total</b>	<b>37,798,467</b>	<b>36,953,862</b>
The amount of interest paid by the Company in terms of section 16, of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during the accounting year ended March 31, 2016.	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006.	502,199	461,570
The amount of interest accrued and remaining unpaid at the end of accounting year - March 31, 2016.	502,199	461,570
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro Small and Medium Enterprise Development Act, 2006.	502,199	461,570

The above information has been furnished to the extent such parties have been identified by the Company. The same has been relied upon by the auditors.

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2016

### 11 Other Current Liabilities

Particulars	As at 31st March 2016	As at 31st March 2015
	Rs.	Rs.
Current maturities of long-term debt (Ref note no. 5)	214,619,121	228,803,910
Interest accrued but not due on borrowings	2,609,019	2,445,387
Payable towards Capital expenditure *	834,092	21,539,829
Advance received from customers	21,424,130	10,308,525
Unclaimed dividends (Ref note no 11A)	1,145,847	897,221
Statutory liabilities (PF, Excise, Service Tax, VAT etc)	143,179,410	129,121,672
Employee benefit expenses	546,831,848	345,670,847
Incentive Payable to dealers *	130,206,164	157,983,802
Expenses payable *	172,965,808	131,636,327
<b>Total</b>	<b>1,233,815,439</b>	<b>1,028,407,520</b>

\* There are no dues payable to Micro and Small Enterprises, the information has been furnished to the extent such parties have been identified by the Company. The same has been relied upon by the auditors.

**11A** There are no amounts due for payment to the Investor Education and Protection Fund under Section 125 of the Companies Act, 2013 as at the year end.

### 12 Short-Term Provisions

Particulars	As at 31st March 2016	As at 31st March 2015
	Rs.	Rs.
Provision for employee benefits Compensated absences (Unfunded) (Ref note no 26D)	8,098,321	6,374,126
Others		
Proposed dividend	267,692,982	223,077,486
Dividend distribution tax	54,495,865	44,602,374
Income tax provision (net of payment of Rs. 1,023,410,889/- (Previous year Rs. Nil ))	96,589,111	-
Wealth tax	250,450	250,450
<b>Total</b>	<b>427,126,729</b>	<b>274,304,436</b>





**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2016**

**13. Fixed Assets**

Amount in Rs.

Particulars	GROSS BLOCK			DEPRECIATION BLOCK					NET BLOCK	
	As at 1st April 2015	Additions for the year	Deletions for the year	Total as at 31 <sup>st</sup> March 2016	Depreciation as at 1 <sup>st</sup> April 2015	Depreciation/ Amortisation for the year	Adjustment due to reestimate of useful life	Depreciation on Deletions/ deduction for the Year	As at 31st March 2016	As at 31st March 2015
Tangible Assets (Owned)										
Land - freehold	15,186,374	-	-	15,186,374	-	-	-	-	15,186,374	15,186,374
Land - Leasehold #	21,540,926	14,434,740	-	35,975,666	-	-	-	-	35,975,666	21,540,926
Buildings	598,136,822	1,558,403	-	599,695,225	56,243,104	17,103,893	-	-	526,348,228	541,893,719
Plant, machinery and equipment	1,720,492,134	101,937,542	-	1,822,429,676	475,212,664	138,957,997	-	-	1,208,259,015	1,245,279,465
Furniture & fixtures	342,076,827	18,532,739	-	360,609,566	94,713,649	44,319,768	-	-	221,576,149	247,363,178
Vehicles	50,442,319	15,402,559	7,696,980	58,147,898	21,317,646	6,677,586	-	4,413,359	34,566,025	29,124,673
Office equipment	40,704,963	5,040,756	-	45,745,719	12,961,081	8,162,598	-	-	24,622,040	27,743,882
Computer hardware	68,061,413	16,394,382	-	84,455,795	42,563,035	12,075,706	-	-	29,817,054	25,498,377
Display modules	134,035,543	-	-	134,035,543	134,035,543	-	-	-	-	-
<b>Total Tangible Assets (A)</b>	<b>2,990,677,321</b>	<b>173,301,121</b>	<b>7,696,980</b>	<b>3,156,281,462</b>	<b>837,046,722</b>	<b>227,297,548</b>	<b>-</b>	<b>4,413,359</b>	<b>2,096,350,551</b>	<b>2,153,630,594</b>
<b>Total Previous Year</b>	<b>2,349,055,896</b>	<b>651,895,087</b>	<b>10,273,663</b>	<b>2,990,677,321</b>	<b>648,372,356</b>	<b>170,902,919</b>	<b>20,950,917</b>	<b>3,179,466</b>	<b>2,153,630,594</b>	<b>-</b>
Intangible Assets (other than Internally generated)										
Computer software	67,867,776	27,241,313	-	95,109,089	48,869,938	10,735,333	-	-	35,503,818	18,997,841
<b>Total Intangible Assets (B)</b>	<b>67,867,776</b>	<b>27,241,313</b>	<b>-</b>	<b>95,109,089</b>	<b>48,869,938</b>	<b>10,735,333</b>	<b>-</b>	<b>-</b>	<b>35,503,818</b>	<b>18,997,841</b>
<b>Total Previous Year</b>	<b>55,042,777</b>	<b>12,824,999</b>	<b>-</b>	<b>67,867,776</b>	<b>27,402,411</b>	<b>5,526,521</b>	<b>15,941,003</b>	<b>-</b>	<b>18,997,841</b>	<b>-</b>
<b>Total (A+B)</b>	<b>3,058,545,097</b>	<b>200,542,434</b>	<b>7,696,980</b>	<b>3,251,390,551</b>	<b>885,916,660</b>	<b>238,032,881</b>	<b>-</b>	<b>4,413,359</b>	<b>2,131,854,369</b>	<b>2,172,628,435</b>
<b>Total Previous Year</b>	<b>2,404,098,673</b>	<b>664,720,086</b>	<b>10,273,663</b>	<b>3,058,545,097</b>	<b>675,774,767</b>	<b>176,429,440</b>	<b>36,891,920</b>	<b>3,179,466</b>	<b>2,172,628,435</b>	<b>-</b>

# (a) The land at Gowribidanur has been leased by KIADB for a period of 10 years. On complying with the terms and conditions the said property will be transferred to the Company at the end of the lease tenure.

(b) During the year, the Company has been allotted land for a period of 99 years by KIADB, Hassan.

(c) During the previous year, the Management of the Company had identified tangible fixed assets and their major components and has reviewed / determined their remaining useful lives with the help of an expert. This being a technical matter, has been relied upon by the auditors. Accordingly, the depreciation on tangible fixed assets is provided for in accordance with the provisions of Schedule II to the Companies Act, 2013 (the "Act"). In line with transitional provisions as per Part C of Schedule II of the Act, in respect of assets where the remaining useful life is 'Nil', their carrying amount after retaining the residual value as on 1st April, 2014 as determined by the management / expert aggregating Rs. 24,352,356/- (net of deferred tax credit of Rs.12,539,563/-), had been adjusted against the opening balance of retained earnings as on that date. Had the Company continued with the previously assessed useful lives, charge for depreciation for the year ended March 31, 2015 would have been lower and retained earnings would have been higher by Rs 12,399,364/- for the assets held as at April 1, 2014

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2016

### 14 Long-Term Loans and Advances

Particulars	As at 31 <sup>st</sup> March 2016	As at 31 <sup>st</sup> March 2015
	Rs.	Rs.
<b>Unsecured, considered good</b>		
Capital advances	48,222,526	8,476,069
Security deposits	234,110,863	210,397,542
Loans and advances to related parties (Ref note no 14A)	24,917,995	22,938,046
Income tax payments [net of provisions of Rs. 1,575,691,946/- (Previous year Rs. 1,575,691,946/-)]	195,011,334	212,059,973
Fringe benefit tax (net of provisions)	261,080	261,080
<b>Total</b>	<b>502,523,798</b>	<b>454,132,710</b>

**14A** Loans and Advances in the nature of Loans as per SEBI (Listing Obligation and Disclosure Requirement) regulation 2015:

Loans and Advances in the nature of Loans to Companies in which directors are interested :

Name of the company	As at 31 <sup>st</sup> March 2016	As at 31 <sup>st</sup> March 2015
	Rs.	Rs.
Page Garment Exports Pvt Ltd -outstanding balance	24,917,995	22,938,046
Maximum balance due during the year	24,917,995	22,938,046

### 15 Inventories (at lower of cost and net realisable value)

Particulars	As at 31 <sup>st</sup> March 2016	As at 31 <sup>st</sup> March 2015
	Rs.	Rs.
Raw materials	1,939,210,356	1,775,311,510
Work-in-progress (Ref note no 25A)	304,099,074	332,075,197
Finished goods (Ref note no 25A) (includes goods in transit Rs. 13,551,705/- (Previous year- Rs. 16,045,694/- ))	2,725,263,359	2,044,293,464
Stock-in-trade (Ref note no 25A) (includes Goods in transit Rs.1,797,459/- (Previous year-Rs. Nil/-))	266,208,804	156,556,774
Consumables and stores	22,994,527	19,872,198
Packing materials	135,472,396	106,396,806
<b>Total</b>	<b>5,393,248,516</b>	<b>4,434,505,949</b>

### 16 Trade Receivables

Particulars	As at 31 <sup>st</sup> March 2016	As at 31 <sup>st</sup> March 2015
	Rs.	Rs.
Secured, considered good		
Outstanding for a period more than six months from the date they are due for payment	8,321,871	12,797,319
Others	804,804,911	655,020,171
Unsecured, considered good		
Outstanding for a period more than six months from the date they are due for payment	24,871,448	28,081,532
Others	196,362,454	182,533,682
<b>Total</b>	<b>1,034,360,684</b>	<b>878,432,704</b>

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2016**
**17 Cash and Bank Balances**

Particulars	As at 31 <sup>st</sup> March 2016	As at 31 <sup>st</sup> March 2015
	Rs.	Rs.
<b>Cash and Cash Equivalents</b>		
(a) Cash in hand	423,613	794,555
(b) Balance with banks		
In current accounts	69,742,315	22,343,440
In deposit accounts	15,144,000	20,144,000
<b>Other bank balances</b>		
Earmarked balances		
Unclaimed dividend accounts	1,145,847	897,221
<b>Total</b>	<b>86,455,775</b>	<b>44,179,216</b>
Of the above, the balances that meet the definition of Cash and Cash Equivalents as per AS 3 Cash flow statements are:	<b>85,309,928</b>	<b>43,281,995</b>

**18 Short-Term Loans and Advances**

Particulars	As at 31 <sup>st</sup> March 2016	As at 31 <sup>st</sup> March 2015
	Rs.	Rs.
(Unsecured, considered good)		
Advance towards purchase of goods and services	140,225,790	99,929,961
Advances to employees	3,658,889	2,264,502
Prepaid expenses	36,995,610	30,438,582
Balance with Government authorities		
Value Added Tax	14,946,389	13,877,246
Cenvat Credit Receivable	1,968,522	339,085
Customs Duty Receivable	4,520,410	8,174,197
<b>Total</b>	<b>202,315,610</b>	<b>155,023,573</b>

**19 Other Current Assets**

Particulars	As at 31 <sup>st</sup> March 2016	As at 31 <sup>st</sup> March 2015
	Rs.	Rs.
Interest subsidy receivable	17,171,643	16,573,144
Expenses recoverable	45,728,051	36,230,265
Cash discount receivable	6,846,476	7,246,717
Interest accrued on deposit	12,109	6,384
Interest and penalty receivable from customer	14,146,638	6,045,937
Yarn incentive receivable	1,223,453	1,985,457
Gratuity fund balance (Net of liability) (Ref note no 26C)	7,470,500	26,693,469
<b>Total</b>	<b>92,598,870</b>	<b>94,781,373</b>

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2016

### 20 Contingent liabilities and commitments

Particulars	As at 31 <sup>st</sup> March 2016	As at 31 <sup>st</sup> March 2015
	Rs.	Rs.
(i) Contingent Liabilities		
Claims against the company not acknowledged as debt		
A. Tax matters		
1) Income tax matters under appeal ( to the extent ascertained) [Income tax claims are disputed by Company and is being contested with various forums/authorities]	111,789,021	137,610,624
2) Excise and Customs duty matters under appeal (to the extent ascertained)	34,307,638	33,643,397
B. Others (Ref note no. 26A) (Future cash outflows in respect of the above matters are determinable only on receipt of judgments/decisions pending at various forums/authorities)	118,179,406	-
	264,276,065	171,254,021
(ii) Commitments		
1) Estimated amount of contracts remaining to be executed on capital account and not provided for	186,000,140	25,147,492
2) Commitments towards lease obligations	266,485,847	573,475,352
	<b>452,485,987</b>	<b>598,622,844</b>
	<b>716,762,052</b>	<b>769,876,865</b>

### 21 Proposed Dividend

The final dividend proposed for the year is as follows:

Particulars	As at 31 <sup>st</sup> March 2016	As at 31 <sup>st</sup> March 2015
	Rs.	Rs.
Dividend proposed to equity shareholders on 11,153,874 shares (Previous year 11,153,874 shares)	267,692,976	223,077,480
Per Share dividend	24.00	20.00

### 21A Amounts remitted in foreign currency during the year on account of dividend

Particulars	For the year ended 31 <sup>st</sup> March 2016	For the year ended 31 <sup>st</sup> March 2015
	Rs.	Rs.
Amount of dividend remitted in foreign currency	-	30,815,376
Total number of non-resident shareholders (to whom the dividends were remitted in foreign currency)	-	1
Total number of shares held by them on which dividend was due	-	1,925,961
Year to which the dividend relates	-	FY 2014-15

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2016**
**22 Revenue from Operations**

Particulars	For the year ended 31 <sup>st</sup> March 2016	For the year ended 31 <sup>st</sup> March 2015
	Rs.	Rs.
<b>a. Sale of Products</b>		
Innerwear and Leisurewear	17,199,450,807	14,904,965,928
Others (including swimwear)	301,871,540	238,810,878
<b>Total</b>	<b>17,501,322,347</b>	<b>15,143,776,806</b>
Less: Excise duty *	6,440,081	4,124,832
<b>Total</b>	<b>17,494,882,266</b>	<b>15,139,651,974</b>
<b>b. Other Operating Income</b>		
Sale of scrap/raw materials	126,586,454	128,729,154
Freight charges collected (net of charges incurred)	132,527,271	107,846,787
Rs. 193,468,715/- (Previous year Rs. 174,708,672/-)		
Duty drawback	6,970,039	9,904,854
Yarn incentive, cash discount and others	73,372,420	48,263,654
<b>Total</b>	<b>339,456,184</b>	<b>294,744,449</b>
<b>Grand Total</b>	<b>17,834,338,450</b>	<b>15,434,396,423</b>

\* Excise duty reduced from revenue from sale of products in the statement of profit and loss represents excise duty on sale of products.

**22A Earnings in Foreign Exchange during the year**

Particulars	For the year ended 31 <sup>st</sup> March 2016	For the year ended 31 <sup>st</sup> March 2015
	Rs.	Rs.
F.O.B value of exports	90,462,105	101,739,908

**23 Other Income**

Particulars	For the year ended 31 <sup>st</sup> March 2016	For the year ended 31 <sup>st</sup> March 2015
	Rs.	Rs.
Interest on deposits with banks	1,074,322	244,552
Interest on loans to related party	2,854,285	2,361,721
Exchange fluctuation (net)	4,492,209	7,579,031
Profit on sale of fixed assets (net)	-	7,672,686
Provisions no longer required written back	49,445,997	60,943,460
Miscellaneous income	4,460,123	3,114,102
<b>Total</b>	<b>62,326,936</b>	<b>81,915,552</b>

**24 Cost of Raw and Packing materials consumed**

Particulars	For the year ended 31 <sup>st</sup> March 2016	For the year ended 31 <sup>st</sup> March 2015
	Rs.	Rs.
(a) Opening stock	1,881,708,316	1,787,916,055
(b) Add: Purchases	6,851,322,378	6,664,452,213
(c) Closing stock	2,074,682,752	1,881,708,316
<b>Cost of Raw and Packing materials consumed (a + b - c)</b>	<b>6,658,347,942</b>	<b>6,570,659,952</b>



## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2016

### 24A Particulars of Major Raw and Packing materials consumed

Value of Raw and Packing materials consumed

Description	Percentage of Consumption	For the year ended 31 <sup>st</sup> March 2016	For the year ended 31 <sup>st</sup> March 2015
		Rs.	Rs.
<b>Imported:</b>			
Trims and accessories		387,605,937	250,627,340
Elastic	15% (PY 8%)	368,223,531	185,825,982
Yarn		238,626,093	109,040,574
<b>Total</b>	<b>15% (PY 8%)</b>	<b>994,455,561</b>	<b>545,493,896</b>
<b>Indigenous:</b>			
Yarn		2,666,124,671	3,321,071,077
Fabric	85% (PY 92%)	380,024,775	579,016,520
Packing materials		999,216,654	887,120,017
Others		1,618,526,281	1,237,958,442
<b>Total</b>	<b>85% (PY 92%)</b>	<b>5,663,892,381</b>	<b>6,025,166,056</b>
<b>Grand total</b>	<b>100% (PY 100%)</b>	<b>6,658,347,942</b>	<b>6,570,659,952</b>

### 24B Purchases of Stock-in-Trade

Description	For the year ended 31 <sup>st</sup> March 2016	For the year ended 31 <sup>st</sup> March 2015
	Rs.	Rs.
Innerwear and Leisurewear	723,731,919	-
Others (including swimwear)	285,384,068	131,532,793
<b>Total</b>	<b>1,009,115,987</b>	<b>131,532,793</b>

### 24C C.I.F Value of Imports

Particulars	For the year ended 31 <sup>st</sup> March 2016	For the year ended 31 <sup>st</sup> March 2015
	Rs.	Rs.
C.I.F value of imports		
Stock- in-trade	67,657,004	42,691,459
Capital goods	98,525,986	153,558,130
Raw materials	691,797,329	400,646,029
Others	134,635,025	27,221,048
<b>Total</b>	<b>992,615,344</b>	<b>624,116,666</b>

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2016

### 25 Changes in inventories of finished goods, work-in-progress and Stock-in-trade

Particulars	For the year ended 31 <sup>st</sup> March 2016	For the year ended 31 <sup>st</sup> March 2015
	Rs.	Rs.
<b>Closing stock</b>		
Finished goods	2,725,263,359	2,044,293,464
Work-in-progress	304,099,074	332,075,197
Stock-in-Trade	266,208,804	156,556,774
	<b>3,295,571,237</b>	<b>2,532,925,435</b>
<b>Opening stock</b>		
Finished goods	2,044,293,464	1,350,516,110
Work-in-progress	332,075,197	303,762,601
Stock-in-Trade	156,556,774	166,857,718
	<b>2,532,925,435</b>	<b>1,821,136,429</b>
<b>(Increase)/Decrease</b>	<b>(762,645,802)</b>	<b>(711,789,006)</b>

### 25A Details of Closing Stock

Description	As at 31 <sup>st</sup> March 2016 Rs.	As at 31 <sup>st</sup> March 2015 Rs.
<b>Finished Goods</b>		
Innerwear and Leisure wear	2,725,263,359	2,044,293,464
<b>Total</b>	<b>2,725,263,359</b>	<b>2,044,293,464</b>
<b>Work in Progress</b>		
Innerwear and Leisure wear	304,099,074	332,075,197
<b>Total</b>	<b>304,099,074</b>	<b>332,075,197</b>
<b>Stock in Trade</b>		
Others (including Swimwear)	266,208,804	156,556,774
<b>Total</b>	<b>266,208,804</b>	<b>156,556,774</b>

### 26 Employee Benefits Expenses

Particulars	For the year ended 31 <sup>st</sup> March 2016	For the year ended 31 <sup>st</sup> March 2015
	Rs.	Rs.
Wages, salaries and incentives	2,527,501,396	2,071,113,774
Directors salaries and incentives	36,528,810	30,713,652
Contributions to provident and other funds (Ref note no 26B and 26C)	267,153,716	219,735,432
Compensated absences (Ref note no 26D)	58,623,241	47,944,764
Staff welfare expenses	240,394,551	215,920,430
<b>Total</b>	<b>3,130,201,714</b>	<b>2,585,428,052</b>

**26A** The Hon'ble High Court of Karnataka, based on a preliminary hearing of writ petition filed by the Karnataka Employers' Association, of which, the Company is a Member, on February 2, 2016, has stayed the retrospective applicability of The Payment of Bonus (Amendment) Act, 2015 from April 1, 2014. The Hon'ble High Court has further ordered that the amended provision shall be implemented effective from 2015-16 pending disposal of the writ petition. Consequent to the above, the Company has not recorded the differential liability of bonus payable for the year 2014-15 aggregating Rs.118,179,406/- in its books.

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2016

### 26B Contributions to defined contribution plans are given below:

Particulars	For the year ended 31 <sup>st</sup> March 2016	For the year ended 31 <sup>st</sup> March 2015
	Rs.	Rs.
The Company has recognized the following amounts in the statement of profit and loss for the year		
Provident Fund Contributions	211,977,373	188,717,697
Labour Welfare Fund	240,498	221,868

### 26C Defined Benefit Plan:

As per actuarial valuation as on 31st March, 2016 and recognized in the financial statements in respect of Employee Benefit Schemes :

Gratuity

Particulars	For the year ended 31 <sup>st</sup> March 2016	For the year ended 31 <sup>st</sup> March 2015
	Rs.	Rs.
<b>Change in Defined Benefit Obligation (DBO)</b>		
Present value of defined benefit obligation at the beginning of year	88,766,051	50,593,432
Current service cost	38,237,190	23,421,118
Interest cost	7,027,473	6,709,970
Actuarial losses/(gains)	13,616,752	21,061,098
Benefits paid	(17,712,876)	(13,019,567)
<b>Present Value of Defined Benefit Obligation at the end of the year</b>	<b>129,934,590</b>	<b>88,766,051</b>
<b>Change in the Fair Value of Plan Assets</b>		
Plan assets at the beginning of the year	115,459,520	96,438,100
Adjustments on account of actuarial assumptions		
Expected return on plan assets	9,256,469	7,965,902
Actuarial gains /(losses)	(5,310,899)	10,297,719
Contribution by employer	18,000,000	13,777,366
Benefits paid	-	(13,019,567)
<b>Fair Value of Plan Assets at the end of the year</b>	<b>137,405,090</b>	<b>115,459,520</b>
<b>Components of Employer Expense</b>		
Current service cost	38,237,190	23,421,118
Interest cost	7,027,473	6,709,970
Expected return on plan assets	(9,256,469)	(7,965,902)
Actuarial losses/(gains)	18,927,651	10,763,379
Effect of the limit in para 59(b)	-	(2,132,698)
<b>Total Expense recognized in the Statement of Profit and Loss (Under the head contributions to provident and other funds)</b>	<b>54,935,845</b>	<b>30,795,867</b>
<b>Net Asset/(Liability) recognized in Balance Sheet</b>		
Present value of defined benefit obligation	129,934,590	88,766,051
Fair value of plan assets	(137,405,090)	(115,459,520)
Amount not recognized as an asset (Limit in para 59(b))	-	-
(Surplus)/deficit	(7,470,500)	(26,693,469)

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2016**

Particulars	For the year ended 31 <sup>st</sup> March 2016	For the year ended 31 <sup>st</sup> March 2015
	Rs.	Rs.
<b>Net Asset/(Liability) recognized in Balance Sheet</b>	<b>7,470,500</b>	<b>26,693,469</b>
Classified as Other current asset	7,470,500	26,693,469
Classified as Current asset	-	-
<b>Investment details of plan assets</b>		
Government securities/special deposit with RBI	104,427,868	87,287,397
Equity shares of listed companies	32,977,222	28,172,123
<b>Actuarial Assumptions</b>		
Discount rate (%)	8.00%	7.90%
Salary escalation rate (%)	6.00%	5.00%
Expected return on plan assets (%)	8.00%	8.00%
Attrition rate (age upto 44 years/age above 44 years)	2%/1%	2%/1%

**Experience Adjustments**

Amounts for the current and previous years are as follows:

Description	Amount in (Rs.)				
	As at 31 <sup>st</sup> March 2016	As at 31 <sup>st</sup> March 2015	As at 31 <sup>st</sup> March 2014	As at 31 <sup>st</sup> March 2013	As at 31 <sup>st</sup> March 2012
<b>Gratuity</b>					
Defined Benefit Obligation	129,934,590	88,766,051	50,593,432	47,472,308	33,985,017
Plan asset	137,405,090	115,459,520	96,438,100	57,278,069	39,278,069
Surplus / (deficit)	7,470,500	26,693,469	45,844,668	9,805,761	5,293,052
Experience adjustments in plan liabilities	(4,171,298)	4,028,605	(4,031,565)	(724,858)	(5,342,589)
Experience adjustments in plan assets	(5,310,899)	10,297,719	8,729,921	5,468,850	(1,654,855)

**Note:**

- The discount rate is based on the prevailing market yields of Indian Government Securities as at the balance sheet date for the estimated term of the obligation
- The expected return on plan assets is determined considering several applicable factors mainly the composition of the plan assets held, assessed risks of asset management, historical results of the return on plan assets and the company's policy for plan asset management. In order to protect the capital and optimise returns within acceptable risk parameters, the plan assets are well diversified.
- The estimates of future salary increases considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.
- The Company is expected to make a contribution of Rs. 18,000,000/- to the gratuity fund during 2016-17

**26D Compensated absences**

The other long-term benefits consisting of compensated absences in respect of the employees as at 31st March, 2016 is Rs. 79,684,441/- ( Previous year Rs. 54,419,426/-). The amount recognised in the statement of profit and loss during the year is Rs. 58,623,241/-(Previous Year - 47,944,764)

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2016

### 27 Finance Costs

Particulars	For the year ended 31 <sup>st</sup> March 2016	For the year ended 31 <sup>st</sup> March 2015
	Rs.	Rs.
Interest expense		
- On borrowings		
- from banks (Net of TUF subsidy received of Rs. 21,044,412/- (Previous year Rs. 2,217,458/-))	82,699,053	107,306,953
- on others	69,882,908	59,316,109
<b>Total</b>	<b>152,581,961</b>	<b>166,623,062</b>

### 28 Other Expenses

Particulars	For the year ended 31 <sup>st</sup> March 2016	For the year ended 31 <sup>st</sup> March 2015
	Rs.	Rs.
Sub contract expenses	1,228,181,633	1,155,385,047
Audit fees (Ref note no 28A)	3,273,742	2,789,363
Consumables, stores and spares *	133,352,405	133,539,758
Power and fuel	106,262,189	99,644,847
Material testing charges	3,448,569	4,396,632
Rent (Ref note no. 30)	292,880,451	229,253,369
Repairs to buildings	6,243,696	1,675,786
Repairs to machinery	28,222,064	53,789,855
Repairs to computers	30,865,246	25,707,493
Repairs others	32,100,020	27,937,897
Insurance	26,294,772	15,153,977
Printing and stationery	5,035,329	9,312,431
Royalty	993,667,004	846,038,156
Bank charges	10,652,541	9,860,122
Postage, telegram, telephones and telex	18,791,556	14,018,808
Commission and brokerage	2,533,552	1,569,395
Selling and distribution expenses	156,252,852	112,858,336
Legal and professional charges	52,423,485	30,528,730
Travelling, conveyance and vehicle maintenance	78,117,699	59,090,776
Directors sitting fee	802,596	541,035
Bad trade receivables written off	-	527,849
Corporate social responsibility expenses	8,000,000	8,928,035
Advertising and publicity expenses	669,786,564	713,690,859
Loss on sale of fixed assets (net)	2,301,253	-
Security charges	78,156,735	66,737,085
Increase/(decrease) of excise duty on inventory	11,125,023	-
Rates and taxes	40,674,803	34,206,044
Miscellaneous expenses	8,826,752	7,146,778
<b>Total</b>	<b>4,028,272,531</b>	<b>3,664,328,463</b>

\* 100% Indigenous (Previous year 100% indigenous)



**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2016**
**28A Payment to auditors**

Particulars	For the year ended 31 <sup>st</sup> March 2016	For the year ended 31 <sup>st</sup> March 2015
	Rs.	Rs.
Statutory audit fees	1,850,000	1,650,000
Tax audit fees	300,000	300,000
Other matters		
Limited reviews	600,000	450,000
Out of pocket expenses	123,056	92,723
Service tax	400,686	296,640
<b>Total</b>	<b>3,273,742</b>	<b>2,789,363</b>

**29 Expenditure Incurred in Foreign Currency**

Particulars	For the year ended 31 <sup>st</sup> March 2016	For the year ended 31 <sup>st</sup> March 2015
	Rs.	Rs.
Raw materials, Stock in Trade and others	894,089,358	470,558,536
Royalty (Net of tax)	746,435,420	569,953,609
Travelling and conveyance	303,538	1,289,242
Director's salaries and incentives	288,760	218,030
Salary and incentives	10,672,429	7,661,185
Director's sitting fee	40,000	40,000
Advertising and publicity expenses	49,355,290	36,117,964
Legal and professional charges	338,166	1,849,220

**30 Leasing arrangements:**
**Finance Lease:**

The Company does not have any item covered under finance lease which needs disclosure as per Accounting Standard 19 - "Accounting for Leases".

**Operating Leases:**

The significant leasing arrangements entered into by the Company include the following:

- Buildings taken on operating lease with lease term between 11 and 144 months for office premises, factory premises and residential accommodation for employees and which are renewable on a periodic basis by mutual consent of both parties. There are no restrictions imposed by lease arrangements, such as those concerning dividends and additional debt.
- The total future minimum lease rentals payable at the Balance Sheet date in respect of non-cancelable leases is as under

Particulars	For the year ended 31 <sup>st</sup> March 2016	For the year ended 31 <sup>st</sup> March 2015
	Rs.	Rs.
For a period not later than one year	118,455,341	212,184,229
For a period later than one year and not later than five years	148,030,506	361,291,123
For a period later than five years	-	-

- Lease payments recognized under rent expenses (Note no. 28)  
Rental expenses for operating leases recognized in statement of profit and loss for the year is Rs.292,880,451/- (Previous year-Rs. 229,253,369/-)

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2016

### 31 Earnings Per Share (EPS)

Particulars	For the year ended 31 <sup>st</sup> March 2016	For the year ended 31 <sup>st</sup> March 2015
	Rs.	Rs.
Net Profit after taxation (Rs.)	2,326,565,397	1,960,244,074
Weighted average shares outstanding (Nos.)	11,153,874	11,153,874
Basic earnings and Diluted earning per share (Rs.) (Face value of Rs.10 per share)	208.59	175.75

### 32 Segmental Information

The Company is engaged in the business of “Manufacturing/Trading of Garments”. As the basic nature of these goods are governed by the same set of risk and returns, these have been considered as a single business segment. Further the Company sells primarily in the domestic market where its operations are governed by the same set of risks and returns and the overseas sales are insignificant. Accordingly the segment reporting disclosure as envisaged in Accounting Standard (AS - 17) on Segment Reporting is not applicable to the Company.

### 33 Disclosure of Foreign Currency Exposure (unhedged)

Particulars	For the year ended 31 <sup>st</sup> March 2016		For the year ended 31 <sup>st</sup> March 2015	
	INR	Foreign currency	INR	Foreign currency
Trade Payables	8,683,892	USD 130,914	26,182,305	USD 416,003
	-	-	36,925	EURO 519
Trade Receivables	13,808,694	USD 208,173	14,734,237	USD 235,405

### 34 Disclosure in respect of Related Parties pursuant to Accounting Standard 18 :

#### i) List of Related Parties: (as identified by the Management and relied upon by the Auditors)

##### a) Enterprises in which Key managerial personnel (KMP) or their relatives have significant influence.

Page Garment Exports Private Limited

##### b) Key management personnel

Sunder Genomal - Managing Director

Pius Thomas - Exeuctive Director, Finance

Shamir Genomal - Executive Director (w.e.f. 1st June 2014)

Vedji Ticku - Chief Executive Officer (w.e.f. 12th February 2016)

##### c) Relative of Key management personnel

Ramesh Genomal (Promoter)

Nari Genomal (Promoter)

Shamir Genomal

Rohan Genomal

Madhuri Genomal

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2016**
**ii) Details of transactions carried out with the related parties in the ordinary course of business and outstanding balances:-**

Amount in (Rs.)

Transaction / Nature of Relationship	Enterprises in which KMPs or their relatives have significant influence		Key Management Personnel		Relatives of Key management Personnel	
	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15
<b>i) Sales, Service and other Income</b>						
<b>Page Garment Exports Private Limited</b>						
Sale of scrap/raw materials	34,392,613	50,750,813	-	-	-	-
Sale of Fixed asset	-	772,455	-	-	-	-
Interest income on loans	2,854,285	2,361,721	-	-	-	-
<b>ii) Purchase of goods and services</b>						
<b>Page Garment Exports Private Limited</b>						
Purchase - Speedo	178,036,048	76,477,820	-	-	-	-
Purchase - Others	230,608,125	286,767,717	-	-	-	-
Job work (Stitching charges)	4,391,429	451,333	-	-	-	-
<b>iii) Loans and advances recovered</b>						
Page Garment Exports Private Limited	588,908	1,235,090	-	-	-	-
<b>iv) Loans and advances Given</b>						
Page Garment Exports Private Limited	-	-	-	-	-	-
<b>v) Remuneration</b>						
Sunder Genomal	-	-	11,979,360	11,950,560	-	-
Pius Thomas	-	-	13,212,815	11,174,562	-	-
Shamir Genomal	-	-	8,912,402	6,560,340	-	-
Rohan Genomal	-	-	-	-	824,224	340,377
Vedji Ticku	-	-	2,741,967	-	-	-
<b>vi) Dividend Paid</b>						
Sunder Genomal	-	-	153,547,326	130,941,678	-	-
Ramesh Genomal	-	-	-	-	153,569,520	130,965,810
Nari Genomal	-	-	-	-	153,616,743	130,994,204
Pius Thomas	-	-	11,771	14,682	-	-
Shamir Genomal	-	-	16,200	13,600	-	-
Madhuri Genomal	-	-	-	-	9,270	8,160
<b>Outstanding balances :</b>						
<b>Trade receivable :-</b>						
Page Garment Exports Private Limited	2,329,503	13,053,591	-	-	-	-
<b>Trade payable :-</b>						
Page Garment Exports Private Limited	29,055,143	38,387,857	-	-	-	-
<b>Loans and advances given :-</b>						
Page Garment Exports Private Limited	24,917,995	22,938,046	-	-	-	-
<b>Outstanding guarantees given by promoters/Key management personnel</b>	-	-	-	367,295,177	-	-

**Note:**

- The above transactions do not include reimbursement of expenses, which are accounted in the respective heads of account.
- There are no amounts written off/written back in respect of dues from/to related parties during the year (Previous year Rs. Nil)

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2016

**35** Previous year's figures have been regrouped / reclassified wherever necessary to make them comparable with the current year's classification.

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### For and on behalf of the board

As per our report of even date  
For **Haribhakti & Co. LLP**  
Chartered Accountants  
ICAI FR No. 103523W

**Sunder Genomal**  
(Managing Director)  
DIN No. 00109720

**Pius Thomas**  
(Executive Director-Finance)  
DIN No. 06375352

**Shreedhar Ghanekar**  
Partner  
Mem. No. 210840

**V Sivadas**  
(Director)  
DIN No. 01241967

**C Murugesh**  
(Company Secretary)  
Mem. No. A21787

Place : Bangalore  
Date : 24th May, 2016

Place : Bangalore  
Date : 24th May, 2016



 PAGE INDUSTRIES LIMITED

## NOTES

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 PAGE INDUSTRIES LIMITED

## NOTES

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PAGE INDUSTRIES LIMITED

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