

**KHADIM INDIA LIMITED
ANNUAL REPORT**

2014-2015

BOARD OF DIRECTORS

Mr. Siddhartha Roy Burman
Chairman and Managing Director

Ms. Tanusree Roy Burman
Whole Time Director

Prof. Ashoke Kumar Dutta
Independent Director

Dr. Indra Nath Chatterjee
Independent Director

Prof. Amar Nath Sadhu
Independent Director

Mr. Rubin Chheda
Non-Executive Director

Mr. Rahul Manek
Non-Executive Director

REGISTERED OFFICE

*Kankaria Estate, 5th Floor
6, Little Russel Street
Kolkata-700071*

CHIEF FINANCIAL OFFICER

Ms. Ishani Ray

COMPANY SECRETARY & HEAD-LEGAL

Mr. Abhijit Dan

STATUTORY AUDITORS

M/s Deloitte Haskins & Sells
*Bengal Intelligent Park, Building Alpha
1st Floor, Block EP & GP, Sector V
Salt Lake, Kolkata-700091*

SECRETARIAL AUDITOR

M/s. BKG & Company
*11A, Esplanade East
1st Floor
Kolkata-700069*

BANKERS

*State Bank of India
State Bank of Hyderabad
YES Bank
Axis Bank
ICICI Bank
HDFC Bank*

KHADIM INDIA LIMITED

CIN:U19129WB1981PLC034337

Regd. Off. : Kankaria Estate, 5th Floor, 6, Little Russell Street, Kolkata 700 071

Tel No.:+91-33-4009 0501, Fax No. +91-33-40090500,

E-mail: frontoffice@khadims.com , Website:www.khadims.com

DIRECTORS' REPORT TO THE MEMBERS

Dear Members,

The Directors have pleasure to present the 34th Annual Report on the business and operations of Khadim India Limited ("the Company") together with Audited Financial Statements for the Financial Year ended 31st March, 2015.

Financial Results

The Company's financial performance for the year ended March 31st, 2015 is summarized below:-

Fig. In Rs.

	2014-2015	2013-2014
Revenue from Operations (Net)	4,60,15,75,526	4,78,13,98,902
Other Income	5,54,56,991	4,91,20,866
Profit before Depreciation, Interest, and Tax	19,56,32,221	52,55,55,016
Depreciation	19,45,31,397	10,79,20,346
Interest	19,21,54,105	25,60,81,421
Profit before tax	(19,10,53,281)	16,15,53,249
Provision for Taxation - Current and deferred Tax	(44,81,829)	5,45,36,150

- Fringe Benefit Tax	Nil	Nil
Profit for the year after tax	(18,65,71,452)	10,70,17,099

Dividend

Considering the losses incurred by the Company during the financial year 2014-15, your Directors regret their inability to recommend any dividend.

Reserves

In view of the losses incurred by the Company this year, no amount has been transferred to the General Reserve.

Operations and State of Company's Affairs

Operations

The Company has incurred a loss of Rs. 18,65,71,452 during the year under report. The prime reason for the Company recording a loss in the financial year 2014-15 has been slowdown in the retail segment whereby the sales target for the year could not be met (Actual net sales for the year was Rs.460 crores vis-à-vis budgeted sales of Rs.585 crores). The shortfall in the sales along with a growth in the fixed overheads contributed to a major hit on the bottom line. Additionally, the Company had to run discount schemes for a major part of the last quarter of the fiscal to liquidate the stocks already piled up in view of the higher budgeted sales. During the year the Company had also opened 25 new retail outlets which were yet achieve break even in the first year of their operation which further affected the profit margins. The gold jewelry business too, was adversely affected since the yellow metal recorded lots of price fluctuation. Particularly towards the year end and thereafter gold price witnessed a steep crash and your management thought it prudent to value the stock at 'marked to market' price thereby taking a valuation loss in its financial statements. Further, the new Companies Act, 2013 provided for new rates of depreciation to be charged on the fixed assets which resulted in an additional depreciation charge of Rs. 8.50 crores. All these factors together brought down the overall profit margins significantly and resulted in a loss (after taxes) of Rs.18.66 crores as aforesaid.

Your Company is taking various steps for reduction of cost which would help the Company in increasing the profit margin. Also the Company is trying to fully utilize the capacity of the Kasba and Panpur Factory. Your Company is also continuing its existing system of performance linked pay to its senior employees thereby increasing efficiency of the senior management.

Manufacturing

During the year under report, 53.04 lakh pairs of footwear have been produced in Panpur Factory as against 28.10 lakh pairs in the last financial year, resulting an overall productive growth of 124% considering both the Factories. During the year, various new footwear items were introduced in PVC/DIP, Stuck-on and Hawaii (both Premium and Fabricated) categories. China Town Factory has been shifted and merged with Kasba Factory, resulting in substantial savings of cost. The Company has opened factory discounted outlet(s) to sale out the factory second products at discounted price.

Supply Chain Management

Your Company has taken various steps in optimizing its inventory control through reducing its old footwear and accessories line, considering present market trend and demand by way of various strategies like Salesman incentive, Discount, extra margin to dealers etc. for slow/non-moving stocks. This has paved the way to reduce the old Inventories of the Company and would improve the operations of the Company in the succeeding years.

Purchase has been centralized at Bantala, Kasba and Delhi distribution Centres. The Company has taken steps to standardise its supply chain through introduction of more structured and organised Suppliers, who are capable of making supply within reasonable lead time. Your Company has relocated its Sreerampore Distribution Centre to Kasba without affecting other operations and the same resulted in space saving and remarkable variable cost savings. Your Company has taken various steps to reduce the Transit Time and Transit Loss like pilferage through incorporating DMR (Discrepancy Management Register) and GCN (Goods Consignment Notes) details through systems. Your Company has improved customer satisfaction through various measures including enhanced Quality Control.

Brand and Marketing

During the year 2014- 15, there has been a considerable focus on Brand Marketing with respect to the consumer space. Consumer schemes along with brand campaigns have helped the Company to reach out to the valued customers. In the digital market places, Flipkart and Snapdeal have further helped the Company to expand the geographies to customers beyond the reach of our retail presence. In the distribution sector, the Company has also initiated a process to make the presence felt and manifest again through our channel partners, providing them Sign boards and collaterals from the brand.

Finance

During the year 2014-15 the Finance team of your company along with one reputed external organization initiated a drive for effective and efficient cost management process across the Company and the targeted and measurable benefits in some cases have already been achieved and rest are in the process of completion.

With infusion of funds in the form of private equity, the Company was able to manage its working capital cycle more efficiently and brought down its receivable and payables level significantly. Further, with improved liquidity and better leveraging ratios, the external credit rating of the Company as assessed by CARE and ICRA was revised from BBB+ for Long term bank facilities and A3+ for short term bank facilities to A- and A2+ respectively. With an improvement in external credit rating, the Company was able to negotiate a downward revision of interest rates charged by banks to the tune of 50-75 basis points.

Internal Audit & Internal Control Systems

The Internal Audit Department of your Company has emphasized on strengthening controls mainly on Financial and Operational functions with the focus to mitigate the risk of asset and revenue loss. This initiative has been reflected as an integral part of every audit tasks on regular basis. Internal audit team is also keeping a close watch on internal control system over high risk assets in retail industry namely cash and inventory and critical operations like logistics, offered schemes and productions etc. to safeguard the assets of the Company.

Your Company has an adequate system of internal control procedures which is commensurate with the size and nature of business. All the assets are safeguarded, protected against loss and all transactions are authorized, recorded and reported correctly. The internal control systems of the Company are monitored and evaluated by internal auditors and their audit reports / observations are periodically reviewed by the Audit Committee of the Board of Directors.

Human Resource Management

Employees are the most valuable assets of your Company. Your Company believes in the quality and level of service of its employees extended towards the customers. The homely culture and reputation of your Company enables to recruit and retain the good talents across states. The talent pool is being created by recruiting from reputed colleges/universities/management institutes.

The Company in partnership with the skill developments institutes viz. IndiaCan Education, Save the Children, Dr. Reddy's Foundation, B-Able etc. has employed BPL youths during the year.

The employees receive competitive salaries and benefits through performance linked compensation programmes that links compensation to individual performance, as well as the Company's performance.

Your Company is focused on taking specific initiatives to recruit, retain and develop the highest quality of people regardless of race, gender, religion, age, culture, sexual orientation or background. In addition it continues to focus on enhancing service excellence delivery skills and capabilities.

Share Capital

The Company in its Extra-Ordinary General Meeting dated 4th June, 2014 has passed a special resolution for consolidation in the face value of the Equity Shares of the Company, whereby, the Authorised Share Capital of the Company is consolidated from 240,000,000 Equity Shares of Rs. 2.50/- each to 60,000,000 Equity Shares of Rs. 10/- each and the Issued, Subscribed and Paid-up capital is consolidated from 48,540,952 Equity Shares of Rs. 2.50/- each to 12,135,238 Equity Shares of Rs.10/- each.

The Company has converted 7,74,63,840 (Seven Crore Seventy Four Lacs Sixty Three Thousand Eight Hundred and Forty) zero coupon Compulsorily Convertible Debentures (Unsecured) of Rs. 10 each issued to Reliance Alternative Investment Fund- Private Equity Scheme-1 by issuance of 51,63,293 number of equity shares of Rs 10 each to the said fund at a conversion premium of Rs.140.03 per share during the year under report.

Change(s) in the nature of the business

There has been no change(s) of business of the Company or in the nature of business carried on by the Company during the financial year under review.

Material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report

No material changes and commitments affecting the Financial position of the Company have occurred between the end of the financial year of the Company to which the financial statements relate and the date on which this Report has been signed.

Significant and material orders passed by the regulators/courts/tribunals impacting the going concern status and the Company's operations in future

During the year under review, no significant and material orders have been passed by the regulators / courts / tribunals that may impact the going concern status and the operations of the Company in future.

Subsidiaries, joint ventures and associate companies

The Company does not have any subsidiary / associate / joint venture company for the year ended 31st March 2015.

Deposits

During the year under review the Company has not accepted any deposit from public within the meaning of chapter V of the Companies Act, 2013.

Corporate Social Responsibility

The provisions of the Companies Act, 2013 regarding Corporate Social Responsibility are applicable to the Company and the Company has devised a Policy in this regard. The Board of Directors of the Company has constituted CSR Committee vide its meeting held on 11th March 2014 and subsequently reconstituted the committee on 23rd May 2015. The present constitution of the committee is as follows:

Sl. No.	Name	Category	Designation
1.	Prof. A.N. Sadhu	Independent Director	Chairman
2.	Mr. Siddhartha Roy Burman	Whole Time Director	Member
3.	Ms. Tanusree Roy Burman	Whole Time Director	Member
4.	Mr. Rahul Manek	Non-Executive Director	Member
5.	Mr. Rubin Chheda	Non-Executive Director	Member
6.	Mr. Abhijit Dan [^]	CS & Head-Legal	Secretary

[^] Mr. Abhijit Dan has been appointed as Secretary to the Committee w.e.f. 23rd May 2015 in place of Mr. Joydev Sengupta who has resigned from the Company as CS & Head Legal w.e.f.31st March 2015

However, considering the current years' operations your Company has not been able to spend any fund on account of the CSR Activity during the year. The Company wishes to inform the members that it is well aware of its responsibility towards fulfilling its social responsibility and is hopeful that it will engage itself into the CSR Activity in the years to come.

Business Risk Management

Your Company monitors its major risks and concerns at regular intervals through effective Internal Control System. During the year, your Company has constituted a Risk Management Committee

which has been entrusted, inter alia, with the responsibility of overseeing and approving the Company's risk management framework. The risk management framework works at various levels across the organization. The Company has a robust Organizational structure for managing and reporting on risks. The Risk Management Committee is also empowered to review and recommend to the Board the modifications to the Risk Management Policy.

Vigil Mechanism and Whistle Blower Policy

In order to ensure that the activities of the Company and its employees are conducted in a fair and transparent manner by adoption of highest standard of professionalism, honesty, integrity and ethical behavior the Company has adopted a Vigil Mechanism Policy during the year under report.

Directors and Key Managerial Personnel

At the 33rd Annual General Meeting of the Company held on 29th September, 2014 the Company has appointed existing Independent Directors, viz. Dr. Indra Nath Chatterjee, Prof. Amar Nath Sadhu and Prof. Ashoke Kumar Dutta as Independent Directors under the Companies Act, 2013 for a period of 5 consecutive years from the conclusion of the 33rd Annual General Meeting. The said Directors are not liable to retire by rotation.

All Independent Directors have given the declaration that they meet the criteria of Independence as laid down under section 149 (6) of the Companies Act in accordance with the provision of Companies Act, 2013. Ms. Tanusree Roy Burman, Whole Time Director will retire by rotation and being eligible offers herself for re-appointment.

Mr. Siddhartha Roy Burman, Chairman & Managing Director and Ms. Ishani Ray, CFO have been designated as Wholetime Key Managerial Personnel in terms of Section 203 of the Companies Act, 2013 during the year under report. Mr. Joydev Sengupta, Company Secretary & Head Legal has resigned from the service of the Company w.e.f. 31st March 2015. Mr. Abhijit Dan has been appointed as Company Secretary & Head –Legal w.e.f. 4th May 2015 in terms of Section 203 of the Companies Act, 2013.

Meetings

For the Financial Year 2014-15, five meetings of the Board of Directors were held on 4th June 2014, 31st July 2014, 1st August 2014, 14th November 2014 and 11th March 2015.

Composition of the Audit Committee

The present Composition of the Audit Committee is as under:

Sl. No.	Name	Category	Designation
1.	Prof. A.N. Sadhu	Independent Director	Chairman
2.	Dr. Indra Nath Chatterjee	Independent Director	Member
3.	Prof. Ashoke Kr. Dutta	Independent Director	Member
4.	Mr. Rahul Manek	Non-Executive Director	Member
5.	Mr. Rubin Chheda	Non-Executive Director	Member
6.	Mr. Abhijit Dan^	CS & Head-Legal	Secretary

^ Mr. Abhijit Dan has been appointed as Secretary to the Committee w.e.f. 23rd May 2015 in place of Mr. Joydev Sengupta who has resigned from the Company as Company Secretary & Head Legal w.e.f. 31st March 2015.

Extract of Annual Return

The extract of the Annual return in the format MGT-9 for the Financial Year 2014-2015 has been enclosed with this report as Annexure " A " .

Particulars of contracts and arrangement with Related Parties

During the year under report all the Transactions with the Related Parties as defined in the Companies Act, 2013 and rules framed thereunder were in the ordinary course of business and on Arm's Length basis. No Material Related Party Transactions, i.e. transactions exceeding ten percent of the annual turnover as per the last audited financial statements, were entered during the year by your Company. Accordingly, the disclosure of Related Party Transactions to be provided under section 134(3)(h) of the Companies Act, 2013, in Form AOC – 2 is not applicable.

Secretarial Auditor

The Board has appointed Ms. BKG & Company, Practicing Company Secretary to conduct the Secretarial Audit for the Financial Year 2014-2015. The Secretarial Audit Report for the Financial Year ended March 31st, 2015 is annexed herewith, marked as Annexure-" B" to this report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

Directors Responsibility Statement

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

- a) in the preparation of the annual accounts for the financial year ended 31st March 2015, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March 2015 and of the loss of the Company for the year ended on that date;
- c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the Directors had prepared the annual accounts on a going concern basis; and

- e) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively during the financial year ended 31st March 2015

Statutory Auditor and Auditors' Report

Ms. Deloitte, Haskins & Sells (Firm Registration No-302009E, Chartered Accountants) have been appointed as Statutory Auditors of the Company at the last Annual General Meeting of the Company held on 29th September, 2014 for a period of 3 years till the Financial Year 2017-2018 subject to ratification by members at every consequent Annual General meeting. They have confirmed their eligibility to the effect that ratification for their appointment, if made, would be within the prescribed limits mentioned in the Act and they are not disqualified for such ratification.

The Members are requested to ratify the appointment of the Statutory Auditors as aforesaid and fix their remuneration.

The Auditors' Report does not contain any qualification, reservation or adverse remarks.

Cost Auditor

Although the Company is not coming under the purview of compulsory cost audit as per the Companies Act, 2013 your Company has continued with the service of the Cost Auditor for the Financial Year 2014-2015 and for the succeeding Financial Year.

Particulars of Loans, Investments, Guarantees etc.

In the Financial Year 2014-15, the Company has not made any investment, have not given any loans, have not provided any guarantees, have not provided any security in connection with any loan, have not acquired securities by way of subscription, purchase or otherwise in excess of the thresholds provided in Section 186 of the Companies Act, 2013.

Conservation of Energy, Technology absorption and Foreign exchange earnings and outgo

A) Conservation of energy

Energy conservation is an ongoing process in the Company through investments in the latest energy efficient technologies to conserve energy at all locations, plants and sites of the Company. As a part of your Company's endeavor towards conservation of energy and prevention of energy wastage, constant steps are taken in order to conserve energy on an ongoing basis. In Manufacturing Unit at Panpur, the Factory Building has been designed by using Energy Conservation methods like use of Translucent Roofing Sheet which permit natural light inside the premises thereby reducing the need of electrical lights to a negligible level during daytime, use of Turbo Vents and Ridge Vents and latest insulating materials for the roof and side panels for reducing the internal heat and thus keeping the temperature at a moderate level even during peak summer without use of air-conditioning. During the year under review, your Company has taken adequate measures to optimize the consumption of electricity by reducing operational losses as much as possible. Also through installation of LED Lights at various locations your Company has saved a considerable expenditure towards consumption of Electricity during the year under report. Capital Investment of Rs. 74.40 lakhs has been made during

the year for purchase of LED Lights for the purpose of energy conservation / savings. Presently your Company is not using any alternate source of energy.

(B) Technology absorption

No specific technology was absorbed, adapted or innovated and no separate expenditure was incurred on Research and Development during the year under report. No technology was imported during last four years. However, your Company, which is present in the retail segment, understands the importance of continuous improvement of the product line and development initiatives and thus continued to carry out various design development and improvement activities not only to keep itself abreast with the market but also to stay ahead of the times.

(C) Foreign exchange earnings and outgo

The details of foreign earnings and outgo are as follows:

Sl.	Particulars	Amount in Rs.
		2014-15
(a)	Value of import on CIF basis	
	Raw material, components & spare parts	4,26,79,704
	Finished footwear	18,17,41,367
	Capital Goods - including Moulds	1,25,91,771
(b)	Foreign exchange Earning	2,50,47,936
(c)	Foreign exchange outgo	23,39,646
(d)	Others	Nil

Particulars of Employees and related disclosures

Information required pursuant to Section 197 of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 has been enclosed with this report as Annexure "C".

Disclosures under the Sexual Harassment of women at work place (Prevention, Prohibition & Redressal) Act, 2013

No case relating to the above has been filed during the year under report.

Nomination and Remuneration Policy

A Nomination and Remuneration Policy has been formulated pursuant to the provisions of Section 178 and other applicable provisions of the Companies Act, 2013 and Rules thereto stating therein the Company's policy on Directors' appointment and remuneration by the Nomination and Remuneration Committee and approved by the Board of Directors of the Company.

Fraud Reporting

During the year under review, no fraud has been reported by auditors under sub-section (12) of section 143 of the Companies Act, 2013.

Acknowledgement

Your Directors would like to express their sincere appreciation for the assistance and cooperation received from the financial institution, banks, government authorities, customers, vendors and members during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the committed service by the executives, staffs and workers of the Company.

For on behalf of the Board of Directors

Place: Kolkata

Date: 31st July, 2015

Siddhartha Roy Burman

(Chairman and Managing Director)

Annexure "A"
Form No. MGT-9

EXTRACT OF ANNUAL RETURN
as on the financial year ended on 31st March, 2015

[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	U19129WB1981PLC034337
ii	Registration Date	03/12/1981
iii	Name of the Company	Khadim India Limited
iv	Category / Sub-Category of the Company	Public Company/ Limited by Shares
v	Address of the registered office and contact details	"Kankaria Estate", 5 th floor, 6 Little Russell Street, Kolkata-700071, Tel. No. +91-33-40090501 Fax. No. +91-33- 40090500
vi	Whether listed company	No
vii	Name, Address and Contact details of Registrar and Transfer Agent, if any	Link Intime India Pvt. Ltd, 59C, Chowringhee Road, 3rd Floor, Kolkata – 700020, Tel: 033 - 2289 0540, Telefax: 033 -2289 0539, Email: kolkata@linkintime.co.in

II. Principal business activities of the company: Footwear Industry-Retailing and Direct sales

Business activities contributing 10 % or more of the total turnover* of the company are:-

Sl. No	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Footwear – Retail	477113	44%
2	Footwear – Wholesale	46413	45%

III. Particulars of holding, subsidiary and associate companies

S. NO	Name and Address of The company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable section
	Knightsville Private Ltd.	U45209WB2005PTC103948	Holding	50.51%	2 (46)

a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	-	-	-	-	-	-	-	-	-
2. Non-Institutions									
a) Bodies Corp.	2755200		2755200	5.67	5852093	-	5852093	33.83	1.12
i) Indian	-								-
ii) Overseas	-								-
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	-	-	-	-	-	-	-	-	-
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	-	-	-	-	-	-	-	-	-
c) Others (specify)	-								-
Sub-total (B)(2):-									
Total Public Shareholding (B)=(B)(1)+	2755200		2995200	6.17	5852093	-	5852093	33.83	1.12

(B)(2)									
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	2755200	45785752	48540952	100	5852093	11446438	17298531	100	-62.21

ii) **Shareholding of Promoters:**

Sl No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Mr. Siddhartha Roy Burman	8692596	17.93	-	2173149	12.56	-	-0.75
2	Ms. Tanusree Roy Burman	240		-	60	-	-	-0.75
3	Knightsville Pvt. Ltd.	34951316	72.0038	-	8737829	50.51	-	-0.75
4	Khadim Development Co. Pvt. Ltd.	1211800	2.49	-	302950	17.51	-	-0.75
5	Moviewallah Communications Pvt. Ltd	689800	1.42	-	172450	0.99	-	-0.75
6	Photo Imaging Pvt. Ltd.	100000	0.21	-	25000	0.14	-	-0.75
7	Tetenal Photochemie Pvt. Ltd.	140000	0.28	-	35000	0.20	-	-0.75

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

Sl. No.	Particulars	Date of Change	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Mr. Siddhartha Roy Burman		8692596	17.93		
		4-6-2014			2173149	12.56
2	Ms. Tanusree Roy Burman		240	-		
		4-6-2014			60	
3	Knightsville Pvt. Ltd.		34951316	72.00		
		4-6-2014			8737829	50.51
4	Khadim Development Co. Pvt. Ltd.		1211800	2.41		
		4-6-2014			302950	17.51
5	Moviewallah Communications Pvt. Ltd.		689800	1.42		
		4-6-2014			172450	0.99
6,	Photo Imaging Pvt. Ltd.		100000	0.21		
		4-6-2014			25000	0.14
7.	Tetenal Photocheme Pvt. Ltd.		140000	0.29		
		4-6-2014			35000	0.20

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

Sl. No.	Particulars	Date of Change	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Reliance Alternative Investments Fund-Private Equity Scheme-I		2755200	5.67		
		4-6-2014			688800	5.67
		1-8-2014			5852093	33.83

v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	Particulars	Date of Change	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Mr. Siddhartha Roy Burman		8692596	17.93		
		4-6-2014	-	-	2173149	12.56
2	Ms. Tanusree Roy Burman	-	240	0.0005	-	-
		4-6-2014	-	-	60	-

V. Indebtedness

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

Amount in Rs.

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year	-	-	-	-
i) Principal Amount	1,26,94,75,717	-	-	1,26,94,75,717
ii) Interest due but not paid	54,65,033	-	-	54,65,033
iii) Interest accrued but not due	4,18,107	-	-	4,18,107
Total (i+ii+iii)	1,27,53,58,857	-	-	1,27,53,58,857
Change in Indebtedness during the financial year				
• Addition	27,09,71,306			27,09,71,306
• Reduction	20,94,83,794			20,94,83,794
Net Change	6,14,87,512	-	-	6,14,87,512
Indebtedness at the end of the financial year				
i) Principal Amount	1,33,07,27,024	-	-	1,33,07,27,024
ii) Interest due but not paid	57,82,738	-	-	57,82,738
iii) Interest accrued but not due	3,36,607	-	-	3,36,607
Total (i+ii+iii)	1,33,68,46,369	-	-	1,33,68,46,369

VI. Remuneration of Directors and Key Managerial Personnel

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

Amount in Rs.

Sl. no.	Particulars of Remuneration	Name of the Director		Total Amount
		Mr. Siddhartha Roy Burman	Ms. Tanusree Roy Burman	
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1,83,26,700	21,91,147	20517847
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961			
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961			
2.	Stock Option			
3.	Sweat Equity			
4.	Commission - as % of profit - Others, specify...			
5.	Others, please specify			
	Total (A)	1,83,26,700	21,91,147	20517847
Ceiling as per the Act- Rs 1.20 Crores as per Section-II of Part-II of Schedule-V in absence of profit.				

B. Remuneration to other directors:

Amount in Rs.

S.no	Particulars of remuneration	Name of directors			Total
1	Independent director	Dr. I.N. Chatterjee	Prof. A.K. Dutta	Prof. A.N. Sadhu	
a.	Fee for attending board / committee meetings	170000	110000	-	280000
b.	Commission	-		-	
c.	Others, please specify	-		-	
	Total (1)	170000	110000	-	280000
2	Other Non-Executive Directors	Rahul Manek	Rubin Chheda		
a.	Fee for attending board / committee meetings	-	-	-	
b.	Commission	-	-	-	
c.	Others, please specify	-	-	-	
	Total (2)	-	-	-	
	Total (B)=(1+2)	170000	110000	-	280000

Total Managerial Remuneration				
Overall Ceiling as per the Act	Sitting Fee paid to Non-Executive Director does not form a part of the Total Managerial Remuneration			

C. Remuneration to Key Managerial Personnel other than Managing Director, Whole-time Directors and/or Manager:

Amount in Rs.

Sl. no.	Particulars of Remuneration	Joydev Sengupta, CS & Head-Legal *	Ishani Ray, CFO	Total amount
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	23,84,740	41,76,872	65,61,612
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961			
	(c) Profits in lieu of salary under Section 17(3) Income-tax Act, 1961			
2.	Stock Option			
3.	Sweat Equity			
4.	Commission - as % of profit - others, specify...			
5.	Others, please specify			
	Total (A)	23,84,740	41,76,872	65,61,612

* Resigned w.e.f. 31st March 2015

VII. Penalties / punishment/ compounding of offences

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. Company					
Penalty			None		
Punishment					
Compounding					
B. Directors					
Penalty			None		
Punishment					
Compounding					
C. Other officers in default					
Penalty			None		
Punishment					
Compounding					

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2015.

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

To,
The Members,
KHADIM INDIA LIMITED
6 Little Russell Street,
Kolkata-700071.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s. Khadim India Ltd.** (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the M/s. Khadim India Ltd. books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31/03/2015 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

we have examined the books, papers, minute books, forms and returns filed and other records maintained by Khadim India Ltd. ("the Company") for the financial year ended on 31/03/2015 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;



- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder; **(The shares of the Company are not listed on Stock Exchange, hence, not applicable).**
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings **(Not applicable to the Company during the Audit Period);**
- (v) The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') **are not applicable to the Company, as the shares are not listed on any Stock Exchange.**
- (vi) The company is mainly engaged in the business of Footwear Industry and on examination of the relevant documents and records in pursuance thereof and as confirmed by the management, we believe that no specific law applicable to the Footwear Industries in India.

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

- Secretarial Standards issued by The Institute of Company Secretaries of India **(Not notified hence not applicable to the Company during the audit period).**
- The Listing Agreements entered into by the Company with Calcutta Stock Exchange; **(The shares of the Company are not listed on Stock Exchange, hence, not applicable).**

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

During the period, the provisions relating to Corporate Social Responsibility was applicable to the Company and accordingly, the Company has formed a Corporate Social Responsibility Committee but no amount has been spent by the company towards Corporate Social Responsibility activities and as explained by management that as the Company has not performed as it was expected but hopeful to spend towards Corporate Social Responsibility activities in the coming year.



We further report that

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.
- Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

We 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.

We further report that as per our review during the audit period that the company has had the following specific events:

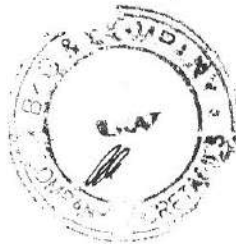
1. The Company has altered its Clause V of Memorandum of Association at the Extra Ordinary General Meeting held on 4th June, 2014 for Consolidation of 24,00,00,000 Equity Shares of Rs. 2.50 each to 6,00,00,0000 Equity Shares of Rs. 10 each and consequent to consolidation of authorised capital of the company, the paid up capital has also been consolidated from 4,85,40,952 equity shares of Rs. 2.50/- each to , 1,21,35,238 equity shares of Rs. 10/- each.
2. The company has altered its Article of Association at Annual General Meeting held on 29th September, 2014 for insertion of a new sub Article 13 of Article 40 i.e. "The Position of the chairman and that of the Managing Director shall be held by a single individual who shall be designated as the Chairman and Managing Director" after the existing Sub Article(12) of Article 40 of Article of Association of the company.



3. The Company has issued 7,74,63,840 Zero Coupon Compulsorily Convertible (Unsecured) Debentures ("CCDs") at the Extra Ordinary General Meeting held on 20th September, 2013 to Reliance Alternative Investments Fund-Private Equity Scheme-I which has to be converted into Equity Shares on or before 30th September, 2014 has been converted into 51,63,293 equity shares of Rs. 10/- each at a premium of Rs. 140.03 each equity shares at its Board meeting held on 1st August, 2014.

For **B K G & COMPANY**
Company Secretaries

B. K. Gupta
(BINOD KUMAR GUPTA)
Partner
(ACS-12965, C. P. No.- 3242)



Place : Kolkata
Date : 31/07/2015

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

'Annexure A'

To,
The Members,
Khadim India Limited
6 Little Russell Street,
Kolkata-700071

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

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure 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.



For **B K G & COMPANY**
Company Secretaries

Binod K. Gupta

(BINOD KUMAR GUPTA)

Partner

(ACS-12965, C. P. No.- 3242)

Place: Kolkata
Date: 31/07/2015

Annexure -C

Information pursuant to Section 197 of the Companies Act, 2013 read with Rule 5 of the Companies
(Appointment & Remuneration of Managerial Personnel) Rules, 2014

NAME	AGE	DESIGNATION	REMUNERATION RECEIVED (Rs.)	NATURE OF EMPLOYMENT	QUALIFICATION & EXPERIENCE	DATE OF COMMENCEMENT OF EMPLOYMENT	LAST EMPLOYMENT HELD	SHARE HOLDING IN THE COMPANY	RELATION WITH OTHER DIRECTORS
Mr. Siddhartha Roy Burman	54	Chairman & Managing Director	1,83,26,700	Contractual	B.com with 32 years of experience	25/09/1990	NA	21,73,149	Husband of Mrs. Tanusree Roy Burman (whole Time Director)

Deloitte Haskins & Sells

Chartered Accountants
Bengal Intelligent Park
Building Alpha, 1st Floor
Block - EP & GP, Sector - V
Salt Lake Electronics Complex
Kolkata - 700 091
India

Tel. : +91 (33) 6612 1000
Fax : +91 (33) 6612 1001

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF KHADIM INDIA LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of **KHADIM INDIA LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

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

Report on Other Legal and Regulatory Requirements


1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and 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 in accordance with the generally accepted accounting practice – also refer Note 13.1 and Note 31 to the financial statements.



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- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For DELOITTE HASKINS & SELLS
Chartered Accountants
(Firm's Registration No. 302009E)


A. Bhattacharya
Partner
(Membership No. 054110)

W
KOLKATA, 31 July, 2015



ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Having regard to the nature of the Company's business/activities/results during the year, clauses (v) and (vi) of paragraph 3 of the Order are not applicable to the Company. In respect of other clauses, we report as under:

- (i) In respect of its fixed assets:
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
- (ii) In respect of its inventories:
 - (a) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals.
 - (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the Management were reasonable and adequate in relation to the size of the Company and the nature of its business.
 - (c) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification.
- (iii) The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods. During the course of our audit, we have not observed any major weaknesses in such internal control system. The Company does not have any sale of services during the year.
- (v) According to the information and explanations given to us, in respect of statutory dues:
 - (a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.

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Deloitte Haskins & Sells

- (b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues in arrears as at 31st March, 2015 for a period of more than six months from the date they became payable.
- (c) Details of dues of Income-tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax and Cess which have not been deposited as on 31st March, 2015 on account of disputes are given below:

Name of Statute	Nature of Dues	Forum where Dispute is Pending	Period to which the Amount Relates	Amount Involved (Rs.)
Income Tax Act, 1961	Income Tax	Deputy Commissioner of Income Tax	2007-08	1,027,886
Income Tax Act, 1961	Income Tax	Income Tax Appellate Tribunal	2008-09	183,556
Income Tax Act, 1961	Income Tax	Commissioner of Income Tax (Appeal)	2011-12	2,258,700
West Bengal Value Added Tax Act, 2003	Value Added Tax	West Bengal Commercial Taxes Appellate & Revisional Board	2010-11	1,722,840
West Bengal Value Added Tax Act, 2003	Value Added Tax	West Bengal Taxation Tribunal	2011-12	946,675
West Bengal Value Added Tax Act, 2003	Value Added Tax	Additional Commissioner of Commercial Tax (Appeal)	2011-12	2,555,408
Bihar Value Added Tax Act, 2005	Value Added Tax	Joint Commissioner of Commercial Tax (Appeal)	2012-13	814,973
Bihar Value Added Tax Act, 2005	Value Added Tax	Joint Commissioner of Commercial Tax (Appeal)	2013-14	744,008
Bihar Value Added Tax Act, 2005	Value Added Tax	Joint Commissioner of Commercial Tax (Appeal)	2014-15	1,381,944
Central Sales Tax Act, 1956	Central Sales Tax	West Bengal Commercial Taxes Appellate & Revisional Board	2010-11	914,272
Central Sales Tax Act, 1956	Central Sales Tax	Additional Commissioner of Commercial Tax (Appeal)	2011-12	1,547,466
Finance Act, 1994	Service Tax	Assistant Commissioner of Service Tax	2005-06 and 2006-07	151,000
Central Excise Act, 1944	Excise Duty	Customs, Excise, Service Tax Appellate Tribunal	2004 to 2007	1,062,800
Central Excise Act, 1944	Excise Duty	Customs, Excise, Service Tax Appellate Tribunal	2007-08	162,832

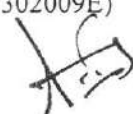
- (d) There are no amounts that are due to be transferred to the Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and Rules made thereunder.



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- (vi) The Company does not have accumulated losses at the end of the financial year and the Company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- (vii) According to the information and explanations given to us, the Company has not defaulted in the repayment of dues to any financial institutions, banks or to debenture holders during the year.
- (viii) According to the information and explanations given to us, the Company has not given guarantees for loans taken by others from banks and financial institutions.
- (ix) In our opinion and according to the information and explanations given to us, the term loans have been applied by the Company during the year for the purposes for which they were obtained.
- (x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

For DELOITTE HASKINS & SELLS
Chartered Accountants
(Firm's Registration No. 302009E)


A. Bhattacharya
Partner

(Membership No. 054110)

M
KOLKATA, 31 July, 2015



KHADIM INDIA LIMITED

Balance Sheet as at 31st March 2015

(All amounts in Rupees, unless otherwise stated)

Particulars	Note No.	As at 31 March 2015	As at 31 March 2014
A EQUITY AND LIABILITIES			
1 Shareholders' Funds			
(a) Share Capital	3	17,29,85,310	12,13,52,380
(b) Reserves and Surplus	4	1,11,85,79,247	61,68,07,509
2 Non- Current Liabilities			
(a) Long - Term Borrowings	5	16,86,36,000	29,06,88,350
(b) Deferred Tax Liabilities (Net)	6	7,01,59,844	9,23,96,173
(c) Other Long - Term Liabilities	7	7,74,50,341	6,43,13,209
(d) Long - Term Provisions	8	82,94,154	1,74,79,611
3 Current Liabilities			
(a) Short - Term Borrowings	9	1,05,04,94,667	77,97,59,566
(b) Trade Payables	10	58,17,41,517	97,53,10,097
(c) Other Current Liabilities	11	18,83,94,698	1,03,12,24,123
(d) Short - Term Provisions	12	1,92,94,159	2,11,85,067
Total		3,45,60,29,737	4,01,05,16,085
B ASSETS			
1 Non - Current Assets			
(a) Fixed Assets			
(i) Tangible Assets	13	1,50,59,86,196	1,61,18,00,609
(ii) Intangible Assets	14	1,13,19,016	1,29,97,184
(iii) Capital Work - In - Progress		51,60,427	2,17,40,519
(iv) Intangible assets under development		1,59,92,568	36,63,589
(b) Non - Current Investment	15	4,82,451	4,82,451
(c) Long - Term Loans and Advances	16	23,31,17,978	18,17,47,092
(d) Other non-current assets	17	90,26,000	-
2 Current Assets			
(a) Inventories	18	1,13,77,82,706	1,14,04,77,418
(b) Trade Receivables	19	24,09,02,784	57,08,52,425
(c) Cash and Bank Balances	20	12,44,05,316	31,45,47,213
(d) Short Term Loans and Advances	21	11,09,94,673	8,86,03,561
(e) Other Current Assets	22	6,08,59,622	6,36,04,024
Total		3,45,60,29,737	4,01,05,16,085

See accompanying notes forming part of the financial statements.

In terms of our Report attached

For Deloitte Haskins & Sells
Chartered Accountants

A. Bhattacharya
Partner

Place: Kolkata
Date: 31st July 2015



For and on behalf of Board of Directors

Siddhartha Roy Burman
Chairman & Managing Director

Tanusree Roy Burman
Wholetime Director

Shani Ray
Chief Financial Officer

Abhijit Dan
Company Secretary & Head - Legal

KHADIM INDIA LIMITED
Statement of Profit and Loss for the year ended 31st March 2015
 (All amounts in Rupees, unless otherwise stated)

Particulars	Note No.	For the year ended 31 March 2015	For the year ended 31 March 2014
I. Revenue from Operations (Gross)	23	4,61,84,00,956	4,80,77,49,414
Less: Excise Duty		1,68,25,430	2,63,50,512
Revenue from Operations (Net)		4,60,15,75,526	4,78,13,98,902
II. Other Income	24	5,54,56,991	4,91,20,866
III. Total Revenue (I + II)		4,65,70,32,517	4,83,05,19,768
IV. Expenses :			
Cost of Materials Consumed	25	61,20,07,553	50,35,47,004
Purchase of Stock-In-Trade	26	2,54,85,44,941	2,56,35,18,824
Changes in Inventories of Finished Goods, Work- In-Progress and Stock-In-Trade	27	(3,68,59,920)	6,28,43,759
Employee Benefits Expense	28	46,07,08,326	42,15,06,807
Finance Costs	29	19,21,54,106	25,60,81,421
Depreciation and Amortisation Expense	14.1	19,45,31,397	10,79,20,346
Other Expenses	30	87,69,99,395	75,35,48,358
Total expenses		4,84,80,85,798	4,66,89,66,519
V Profit/(Loss) before tax (III - IV)		(19,10,53,281)	16,15,53,249
VI Tax expenses			
(1) Current tax expense		-	5,11,85,556
(2) (Less) MAT credit entitlement for earlier year		-	(6,29,060)
(3) Short provision for tax relating to prior years		6,33,542	10,69,007
(4) Net current tax expense		6,33,542	5,16,25,503
(5) Deferred tax		(51,15,371)	29,10,647
Net tax expense		(44,81,829)	5,45,36,150
VII. Profit/(Loss) for the year (V - VI)		(18,65,71,452)	10,70,17,099
VIII. Earnings per equity share : [Nominal Value per Share Rs.10/- (Previous year Rs.2.50/-)]	34		
(1) Basic		(11.98)	8.82
(2) Diluted		(10.79)	7.20

See accompanying notes forming part of the financial statements.

In terms of our Report attached

For Deloitte Haskins & Sells
 Chartered Accountants

A. Bhattacharya
 Partner

Place: Kolkata
 Date: 31st July 2015



For and on behalf of Board of Directors

Siddhartha Roy Burman
 Siddhartha Roy Burman
 Chairman & Managing Director

Tanusree Roy Burman
 Tanusree Roy Burman
 Wholetime Director

Shani Ray
 Shani Ray
 Chief Financial Officer

Abhijit Dan
 Abhijit Dan
 Company Secretary & Head - Legal

KHADIM INDIA LIMITED
Cash Flow Statement for the year ended 31st March 2015
(All amounts in Rupees, unless otherwise stated)

Particulars	For the year ended 31 March 2015	For the year ended 31 March 2014
A CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit/(Loss) before Tax	(19,10,53,281)	16,15,53,249
Adjustments for:		
Depreciation and amortisation	19,45,31,397	10,79,20,346
(Profit)/Loss on Sale of Fixed Assets (Net)	(1,82,44,441)	45,57,033
Interest Received	(70,43,946)	(1,73,02,272)
Dividend Income from Current Investments	-	(10,08,586)
Gain on Sale of Current Investments	(69,76,842)	(84,52,262)
Provision/(Reversal) for diminution in value of Long Term Investments	-	(1,38,378)
Liabilities/Provisions no longer required written back	(69,84,206)	(16,39,508)
Government grant received	(28,59,638)	-
Provision for slow moving inventories	-	3,22,00,000
Provision for doubtful debts, advances and other assets	22,36,224	32,67,397
Debts/Advances/Claims written off	-	1,78,935
Unrealised loss on restatement of debtors	(5,350)	3,18,952
Finance cost	19,21,54,106	25,60,81,421
Operating Profit before Working Capital Changes	15,57,54,023	53,75,36,327
Adjustments for:		
Trade Receivables, Loans and Advances and Other Assets	29,12,25,740	(30,61,91,646)
Inventories	26,94,712	5,90,56,296
Trade Payables, Other Liabilities and Provisions	(37,66,14,593)	11,73,74,263
Cash Generated from Operations	7,30,59,882	40,77,75,240
Payment of Direct Taxes	(3,05,55,965)	(4,18,16,692)
Cash paid to Minority Shareholders (Refer Note 33)	-	(6,00,00,000)
Net cash flow from Operating Activities	4,25,03,917	30,59,58,548
B CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(14,42,40,552)	(8,08,09,473)
Sale of Fixed Assets	2,88,68,917	18,83,951
(Increase)/Decrease in Margin Account	(99,519)	6,83,138
Investments in bank deposits under lien	(5,99,63,719)	(22,17,93,388)
Maturity of bank deposits under lien	27,30,04,460	-
Purchase of Current Investments	(35,09,92,200)	(26,00,00,000)
Sale of Current Investments	35,79,69,042	26,84,52,262
Dividend Income from Current Investments	-	10,08,586
Interest Received	64,15,574	1,63,89,688
Net Cash from/(used in) Investing Activities	11,09,62,003	(27,41,85,236)
C CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Zero Coupon Compulsorily Convertible Debentures (Unsecured)	-	77,46,38,400
Net increase/(decrease) in working capital, demand loans and buyer's credit	27,07,35,100	(14,19,31,228)
Interest Paid	(19,19,17,901)	(26,07,62,533)
Repayment of Term Loans	(20,80,63,993)	(16,97,49,717)
Repayment of Vehicle Loan	(14,19,801)	(15,71,616)
Repayment of Unsecured loans	-	(22,46,00,000)
Dividends paid	-	(1,21,35,715)
Dividend tax paid	-	(20,62,384)
Net Cash used in Financing Activities	(13,06,66,595)	(3,81,74,793)
Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)	2,27,99,325	(64,01,481)
Cash and Cash Equivalents at beginning of year	1,08,90,580	1,72,92,061
Cash and Cash Equivalents at end of year	3,36,89,905	1,08,90,580



KHADIM INDIA LIMITED

Cash Flow Statement for the year ended 31st March 2015

(All amounts in Rupees, unless otherwise stated)

Notes:

I The above Cash Flow Statement has been prepared under "Indirect Method" as set out in the Accounting Standard - 3 on "Cash Flow Statement".

II Cash and Cash Equivalents represent cash and bank balances:

Cash and Cash Equivalents:

Cash and Cash Equivalents as above

Other Bank Balances

Cash and Bank Balances (Note 20)

3,36,89,905	1,08,90,580
9,07,15,411	30,36,56,633
12,44,05,316	31,45,47,213


III During the year ended 31st March 2015, Zero Coupon Compulsorily Convertible Debentures (Unsecured) issued in 2013-14, of face value Rs.10 has been converted into 5,163,293 Equity Shares of face value Rs.10 each at a conversion premium of Rs.140.03 per share (Refer Note 3.5). This is a non-cash transaction.

IV Previous year's figures have been regrouped, wherever necessary, to conform current year's presentation

See accompanying notes forming part of the financial statements.

In terms of our Report attached

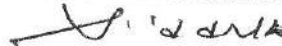
For Deloitte Haskins & Sells
Chartered Accountants


A. Bhattacharya
Partner

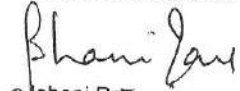
Place: Kolkata
Date: 31st July, 2015



For and on behalf of Board of Directors


Siddhartha Roy Burman
Chairman and Managing Director


Tansuree Roy Burman
Wholetime Director


Ishani Ray
Chief Financial Officer


Abhijit Dan
Company Secretary & Head - Legal

KHADIM INDIA LIMITED

Notes to Financial Statements for the year ended 31st March 2015

(All amounts in Rupees, unless otherwise stated)

1 Corporate information

Khadim India Limited (the 'Company') is an unlisted Public Limited Company engaged in the manufacturing / retail business of footwear, leather accessories and gold jewellery.

The Company is incorporated and domiciled in Republic of India. The address of its Registered office is "Kankaria Estate", 5th Floor, 6, Little Russell Street, Kolkata - 700071.

2 Summary of significant accounting policies

2.1 Basis of preparation

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act"/ Companies Act, 1956 ("the 1956 Act"), as applicable. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

All assets and liabilities have been classified as current or non current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current / non current classification of assets and liabilities.

2.2 Use of Estimates:

The preparation of the Financial Statements in conformity with Generally Accepted Accounting Principles (GAAP) requires management to make estimates and assumptions that affect the reported amounts of Assets and Liabilities and the disclosure of contingent liabilities as at the date of the Financial Statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates. Any revision to the accounting estimates is recognised in the period in which the results are known/materialised.

2.3 Revenue Recognition

- i) Items of Income and expenditure are recognised on accrual basis.
- ii) Sales and retail revenues, net of trade discounts and taxes but inclusive of excise duty are recognised on delivery of goods / merchandise to the dealers / customers.
- iii) Revenue from displays and sponsorships are based on the period for which the products / displays are sponsored or carried out.
- iv) Income on investments is accounted for when the right to receive the payment is established.
- v) Revenue from services is recognised on rendering of services.

2.4 Fixed Assets

- i) Fixed Assets (comprising both tangible and intangible items) are stated at cost. The cost includes the original cost of asset, freight, taxes (Net of CENVAT) and other incidental expenses relating to the acquisition and installation.
- ii) Cost of Leasehold rights of Land and Buildings, including incidental charges thereto are amortised over the period of lease.
- iii) Intangible assets (Computer Software) are stated at their cost less accumulated amortisation. An Intangible asset is recognised where it is probable that the future economic benefits attributable to the asset will flow to the Company and where its costs can be reliably measured. The carrying value is reviewed at each Balance Sheet date.
- iv) Capital expenses, pending installation/commercial use and certain expenses which can be regarded as incidental and directly related to the project set up are transferred to Capital Work-in-Progress. These expenses are allocated to fixed assets in the year of installation/commencement of commercial usage.
- v) Expenditure on software development eligible for capitalisation are carried as intangible assets under development where such assets are not yet ready for their intended use.
- vi) Impairment loss, if any, is recognised wherever the carrying amount of fixed assets of a cash generating unit exceeds its recoverable amount i.e. net selling price or value in use, whichever is higher.

2.5 Depreciation

Depreciation (including amortisation) is calculated in the following manner:

- (a) Leasehold land is amortised over the period of lease.
- (b) Depreciation on other fixed assets has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of certain Furniture and fixtures in whose case life of the assets has been assessed at 6 years, based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.
- (c) Intangible assets are depreciated over the useful life (generally 3-5 years) on straight line basis.

2.6 Investments

Investments that are readily realisable and are intended to be held for not more than one year from the date, on which such investments are made, are classified as current investments. All other investments are classified as long term investments. Current investments are carried at cost or fair-value whichever is lower. Long term investments are carried at cost. However, provision for diminution is made to recognise a decline, other than temporary in the value of the investments, such reduction being determined and made for each investment individually.

2.7 Inventories

Inventories are valued at cost or net realisable value, which ever is lower. For this purpose, basis of ascertainment of cost is as under:

- Raw-Materials and Packing Materials : At cost on First-in-First-out basis (FIFO).
- Stock in process: Raw material cost plus conversion cost upto the stage of completion.
- Finished goods : Raw-material cost and other related overhead cost inclusive of excise duty payable on clearance
- Trading goods : At landed cost plus related overhead cost, determined on FIFO basis.



KHADIM INDIA LIMITED

Notes to Financial Statements for the year ended 31st March 2015

(All amounts in Rupees, unless otherwise stated)

2.8 Taxation

Current Tax in respect of taxable income is provided for the year based on applicable tax rates and laws. Deferred Tax is recognised subject to the consideration of prudence in respect of deferred tax assets, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods and is measured using tax rates and laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets are reviewed at each Balance Sheet date to re-assess realisation. No deferred tax asset on unabsorbed depreciation and carry forward of losses are recognised unless there is virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Company.

2.9 Employee Benefits

- (i) Short-term Employee benefits (i.e. benefits payable within one year) are recognised in the period in which the employee services are rendered.
- (ii) Contributions to Provident Fund and other funds in accordance with the relevant plans / schemes (Defined Contribution Schemes) are charged to Statement of Profit and Loss on accrual basis.
- (iii) Gratuity is maintained as a defined benefit retirement plan and contribution is made to Life Insurance Corporation Of India as per Company's Scheme. Provision/ Write back, if any, is made on the basis of the present value of the liability as at the Balance Sheet date as determined by actuarial valuation following projected unit credit method.
- (iv) Leave encashment (Defined Benefit Scheme) is provided annually based on actuarial valuation carried out by an independent actuary using projected unit credit method as at the Balance Sheet date. Regular contributions are made to SBI Life Insurance Company Limited as per Company's Scheme

2.10 Treatment of Prior Period, Extraordinary Items and Changes in Accounting Policies

- (i) Any material items (other than those arising out of over / under-estimation of earlier years) arising as a result of error or omission in preparation of earlier years Financial Statements are separately disclosed.
- (ii) Any material gains/ losses, which arise from the events or transactions which are distinct from ordinary activities of the Company are separately disclosed.

2.11 Foreign Currency Transactions and Translation

Foreign Currency transactions are recorded at the prevalent exchange rates as on the dates of the respective transactions. Year-end monetary assets/ liabilities, denominated in foreign currencies, are restated at the year-end rates. Non-monetary items of the Company are carried at historical cost. Exchange differences arising on settlement / restatement of foreign currency monetary assets and liabilities of the Company are recognised as income or expense in the Statement of Profit and Loss.

2.12 Borrowing Costs

Borrowing Cost, if any, that are attributable to the acquisition, construction or production of 'Qualifying Assets' are capitalised as part of cost of such assets. A 'Qualifying Asset' is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale. All other borrowing costs are recognised as expenses in the period in which they are incurred.

2.13 Leases

Lease arrangements, where the risks and rewards incidental to ownership of an asset substantially vest with the lessor, are recognised as operating leases. Lease rentals under operating leases are recognised in the Statement of Profit and Loss on a straight line basis.

2.14 Provisions and contingencies

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation as 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.

2.15 Derivative Transactions

Premium / discount on forward exchange contracts are amortised over the period of the contracts. Any profit or loss arising on cancellation or renewal of such a forward exchange contract is recognised as income or as expense in the period in which such cancellation or renewal is made.

2.16 Government Grants

Government Grants are recognised when there is reasonable assurance that the Company will comply with the conditions attached to them and the grants will be received. Grants related to depreciable fixed assets are treated as deferred income. The deferred income is recognised in the Statement of Profit and Loss on a systematic and rational basis over the useful life of assets to which the grant relates to. Such allocation to income is made over the periods and in proportions in which depreciation on related assets is charged.

2.17 Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.



KHADIM INDIA LIMITED
 Notes to Financial Statements for the year ended 31st March 2015
 (All amounts in Rupees, unless otherwise stated)

4 RESERVES AND SURPLUS

Capital Reserve - Amalgamation Reserve (Refer Note 4.1)

Securities Premium Account

Opening Balance
 Add: Amount credited on conversion of debentures into equity shares (Refer Note 3.5)
 Less: Amount utilised for Capital Reduction (Refer Note 33)
 Closing Balance

General Reserves

Opening Balance
 Less: Amount utilised for issue of Bonus shares
 Closing Balance

Surplus in Statement of Profit and Loss

Opening Balance
 Less: Depreciation on transition to Schedule II of the Companies Act, 2013 on tangible fixed assets with Nil remaining useful life (Net of deferred tax Rs. 1,71,21,158) (Refer Note 43)
 Less: Amount utilised for issue of Bonus shares
 Profit/(Loss) for the year
 Closing Balance

As at 31 March 2015	As at 31 March 2014
23,19,16,072	23,19,16,072
3,81,43,681	9,38,88,000
72,30,05,470	-
-	5,57,44,319
76,11,49,151	3,81,43,681
-	43,39,000
-	43,39,000
-	-
34,67,47,756	59,94,48,797
3,46,62,280	-
-	35,97,18,140
(18,65,71,452)	10,70,17,099
12,55,14,024	34,67,47,756
1,11,85,79,247	61,68,07,509

Total

4.1 Pursuant to the Scheme of Amalgamation approved by the Hon'ble High Court at Calcutta with effect from 1st October, 2004, the surplus of net assets over the Equity Shares issued as purchase consideration has been treated as Capital Reserve.



KHADIM INDIA LIMITED

Notes to Financial Statements for the year ended 31st March 2015
(All amounts in Rupees, unless otherwise stated)

3 SHARE CAPITAL

Authorised

6,00,00,000 (31st March 2014 : 24,00,00,000 Equity Shares of Rs.2.50/- each)
Equity Shares of Rs.10/- each

Issued, Subscribed and Paid up

1,72,98,531 (31st March 2014 : 4,85,40,952 Equity Shares of Rs.2.50/- each)
Equity Shares of Rs.10/- each

Total

As at 31 March 2015	As at 31 March 2014
60,00,00,000	60,00,00,000
17,29,85,310	12,13,52,380
17,29,85,310	12,13,52,380

3.1 Reconciliation of the number of Equity shares

Particulars	As at 31 March 2015		As at 31 March 2014	
	Number	Amount	Number	Amount
Balance as at the beginning of the year	4,85,40,952	12,13,52,380	1,21,35,238	12,13,52,380
Consolidation of 4 shares of Rs.2.50/- each into 1 share of Rs.10/- each [Refer Note 3.7]	(3,64,05,714)	-	-	-
Equity shares issued on conversion of debentures [Refer Note 3.5]	51,63,293	5,16,32,930	-	-
Bonus shares issued during the year [Refer Note 3.4]	-	-	3,64,05,714	36,40,57,140
Reduction of Share Capital [Refer Note 3.6]	-	-	-	36,40,57,140
Balance as at the end of the year	1,72,98,531	17,29,85,310	4,85,40,952	12,13,52,380

3.2 Details of Shares held by Shareholders holding more than 5 % of the aggregate shares in the Company

Name of Shareholder	As at 31 March 2015		As at 31 March 2014	
	No. of Shares held*	% of Holding	No. of Shares held	% of Holding
Knightsville Private Limited (Holding Company)	87,37,829	50.51	3,49,51,316	72.00
Siddhartha Roy Burman	21,73,149	12.56	86,92,596	17.91
Reliance Alternative Investments Fund - PE Scheme I	58,52,093	33.83	27,55,200	5.68

*Refer Note 3.7

3.3 Rights, Preferences and Restrictions attached to Equity Shares

The Company has one class of Equity Shares having a face 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 remaining assets of the Company after distribution of all Preferential amounts, in proportion to their shareholding.

3.4 Equity Shares allotted as fully paid up bonus shares for the period of five years immediately preceding 31st March 2015

The Company had issued bonus shares during the previous year ended 31st March 2014 to the shareholders in the ratio of 1:3 aggregating 3,64,05,714 number of equity shares of Rs.10 each as fully paid by utilising balance in General Reserve account and Surplus in Statement of Profit and Loss Account to the extent of Rs. 4,339,000 and Rs 35,97,18,140 respectively.

3.5 Equity Shares allotted as fully paid pursuant to contract without payment being received in cash during the period of five years immediately preceding 31st March 2015

During the year the Company has issued 51,63,293 Equity Shares of face value Rs.10 each at a conversion premium of Rs.140.03 per share (Refer Note 4) on conversion of Zero Coupon Compulsorily Convertible Debentures (Unsecured) issued in 2013-14, as per the formula set out in, and each with rights, preferences and privileges contained in the Securities Subscription and Share Purchase Agreement

3.6 Reduction of Share Capital

During the previous year, pursuant to a scheme of Arrangement for Reduction of Capital approved by the Hon'ble High Court at Calcutta on 14th March, 2014 the Company had reduced its issued, subscribed and paid up equity share capital from Rs 48,54,09,520 divided into 4,85,40,952 number of Equity Shares of Rs. 10 each fully paid up to Rs. 12,13,52,360 divided into 4,85,40,952 equity shares of Rs.2.50 each. (Refer Note 33)

3.7 Consolidation in face value of Equity Shares

The Company in its Extra-Ordinary General Meeting dated 4th June, 2014 has passed a special resolution for consolidation in the face value of the Equity Shares of the Company, whereby, the Authorised Share Capital of the Company is consolidated from 24,00,00,000 Equity Shares of Rs. 2.50/- each to 6,00,00,000 Equity Shares of Rs. 10/- each and the Issued, Subscribed and Paid-up capital is consolidated from 4,85,40,952 Equity Shares of Rs. 2.50/- each to 1,21,35,238 Equity Shares of Rs.10/- each.



KHADIM INDIA LIMITED

Notes to Financial Statements for the year ended 31st March 2015

(All amounts in Rupees, unless otherwise stated)

5 LONG TERM BORROWINGS

SECURED LOANS

Term Loans

From Banks

SBI Term Loan	[Refer Note 1 of 5.1]
SBI Corporate Loan	[Refer Note 2 of 5.1]
AXIS Bank Term Loan I	[Refer Note 3 of 5.1]
AXIS Bank Term Loan II	[Refer Note 4 of 5.1]
SIDBI	[Refer Note 5 of 5.1]

Other loans and advances

Vehicle Loans

From Audi Finance	[Refer Note 6 of 5.1]
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	As at 31 March 2015	As at 31 March 2014
	4,76,60,000	9,81,60,000
	-	1,15,43,493
	7,50,00,000	11,25,00,000
	1,99,76,000	2,99,84,000
	2,60,00,000	3,80,00,000
	16,86,36,000	29,01,87,493
	-	5,00,857
Total	16,86,36,000	29,06,88,350

6 DEFERRED TAX LIABILITIES (NET)

Tax effect of items constituting deferred tax liabilities:

On difference between book balance and tax balance of fixed assets

Tax effect of items constituting deferred tax assets:

Provision for Gratuity

Provision for Leave Encashment

Provision for Doubtful Debts And Advances

Provision for slow moving inventories

	As at 31 March 2015	As at 31 March 2014
	8,00,26,579	11,19,99,284
	-	7,83,451
	17,93,630	43,07,102
	38,25,328	40,65,268
	42,47,977	1,04,47,290
	98,66,935	1,96,03,111
Total	7,01,59,644	9,23,96,173

7 OTHER LONG TERM LIABILITIES

Others:

Security Deposits

Deferred Government Grant [Refer Note 42]

	As at 31 March 2015	As at 31 March 2014
	6,87,30,683	6,43,13,209
	87,19,658	-
Total	7,74,50,341	6,43,13,209



KHADIM INDIA LIMITED

Notes to Financial Statements for the year ended 31st March 2015
(All amounts in Rupees, unless otherwise stated)

5.1 Nature of Security and Terms of repayment for Secured borrowings

Nature of Security
<p>1 Primary security - Secured by mortgage of 7 owned properties situated at Bhubaneswar, Serampore, Chinsurah, Chandannagore, Darjiling, Howrah and Rashbehari Avenue alongwith hypothecation of interiors, furniture and fixtures and all other assets therein, leasehold property situated at Calcutta Leather Complex, 24 Paraganas (South), 24 leased properties situated at Amravati, Railam, Jeedimella, Marathalli, Pultenahalli, Arera Colony, Kolar Road, Durg, Lucknow, Duntlop, Ujjain, Srinivasnagar, Velachery, B B Ganguly Street, B T Road, Porur, Cross Cut Road, Madurai, Amanagar, TVS Road, Dharampet, Salem, Barasat and Bhilai. Collateral security - 2nd charge on entire current assets of the Company both present and future on pari passu basis with other consortium member banks, mortgage over 6 properties situated at KG Road, Civil Station, Rajkot, Jamnagar, Kasba, Salt Lake City, leasehold properties situated at Bangalore, Coimbatore, Chennai, Mysore, Hyderabad and Akola, pledge of STDR, in the name of Khadim India Limited, personal guarantees of promoter directors and corporate guaranteees of group companies</p>
<p>2 Primary security - Second charge on current assets Collateral security - Equitable mortgage of property at Faridabad, leasehold properties at Ahmedabad, Bhopal, Ernakulum, Hubli, Nashik, Raipur, Sangli and Trivandrum, pledge of STDR, in the name of Khadim India Limited, assignment of SBI Life Insurance Policy in the name of Managing Director, personal guarantees of promoter directors and corporate guaranteees of group companies</p>
<p>3 Primary security - Exclusive charge on movable and immovable fixed assets related to the factory for manufacturing of Hawaii products at Panpur and second pari passu charge on the current assets (both present and future) Collateral security - Personal guaranteees of promoter directors.</p>
<p>4 Primary security - Exclusive charge on freehold property at 31/32, G T Road, PO - Ushagram, PS - Asansol, Burdwan. Collateral security - Personal guaranteees of promoter directors.</p>

Terms of Repayment and rate of interest
<p>1 Repayable - By way of 16 quarterly instalments of Rs.1.196 crore each starting from December 2011, followed by 4 quarterly instalments of Rs.1.329 crore each, 3 quarterly instalments of Rs.0.532 crore each and final instalment of Rs.0.512 crore Rate of interest - 12.90% per annum</p>
<p>2 Repayable - By way of 8 equal quarterly instalments of Rs.1.25 crore each starting from March 2013 Rate of interest - 13.60% per annum</p>
<p>3 Repayable - By way of 20 equal quarterly instalments of Rs.0.94 crore each starting from June 2013 Rate of interest ranging from 13.50% per annum to 13.75% per annum</p>
<p>4 Repayable - By way of 59 equal monthly instalments of Rs.0.08 crore each starting from April 2013 followed by a final instalment of Rs.0.08 crore. Rate of interest ranging from 13.50% per annum to 13.75% per annum</p>



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KHADIM INDIA LIMITED

Notes to Financial Statements for the year ended 31st March 2015
(All amounts in Rupees, unless otherwise stated)

5.1 Nature of Security and Terms of repayment for Secured borrowings

Nature of Security

5 Primary security - Secured by hypothecation of all the movable assets (including Current Assets), both present and future. The charge is subservient to all the existing and prospective charges created / to be created on the said assets in favor of other banks which have extended loans for the same business as SIDBI.

Collateral security - Personal guarantee of Promoter Directors and Corporate Guaranteee of Holding Company.

6 Vehicle Loan is secured by hypothecation of the vehicle financed

7 The scheduled maturity of these term loans is mentioned as under.

Name of the Bank	2015-16	2016-17	2017-18	2018-19
SBI Term Loan	5,15,67,500	3,72,20,000	1,04,40,000	-
AXIS Bank Term Loan I	3,75,00,000	3,75,00,000	3,75,00,000	-
AXIS Bank Term Loan II	1,00,08,000	1,00,08,000	99,68,000	-
SIDBI	1,20,00,000	1,20,00,000	1,20,00,000	20,00,000
Total	11,10,95,500#	9,67,28,000	6,99,08,000	20,00,000

8 The scheduled maturity of vehicle loans is mentioned as under.

Name of the Bank	2015-16	2016-17	2017-18	2018-19
Audi Finance	5,00,857	-	-	-
Total	5,00,857#	-	-	-

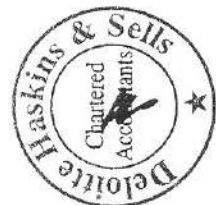
Represents 'Current maturities of long term debt' (refer Note 11 - Other current liabilities)

Terms of Repayment and rate of interest

5 Repayable - By way of 50 monthly instalments of Rs.0.10 crore each starting from 36 months from the date of first disbursement (25th March 2011)

Rate of interest 13.50% per annum

6 Repayable - By way of 36 monthly instalments of Rs.0.01 crore each starting from 10th August 2012



KHADIM INDIA LIMITED

Notes to Financial Statements for the year ended 31st March 2015
(All amounts in Rupees, unless otherwise stated)

8 LONG TERM PROVISIONS

Provisions for employee benefits

Gratuity

Leave Encashment

Total

As at 31 March 2015	As at 31 March 2014
-	5,25,795
82,94,154	1,69,53,816
82,94,154	1,74,79,611

9 SHORT TERM BORROWINGS

SECURED

Loans repayable on demand

Cash Credit / Working Capital Demand Loans from Banks

SBI Cash Credit [Refer Note 1 of 9.1]

SBI Demand Loan [Refer Note 1 of 9.1]

SBI - Standby Line of Credit [Refer Note 1 of 9.1]

SBH Cash Credit [Refer Note 2 of 9.1]

YES Bank Cash Credit [Refer Note 1 of 9.1]

ICICI Bank Demand Loan [Refer Note 3 of 9.1]

YES Bank Demand Loan [Refer Note 4 of 9.1]

Axis Bank Cash Credit [Refer Note 1 of 9.1]

ICICI Bank Cash Credit [Refer Note 1 of 9.1]

HDFC Bank Cash Credit [Refer Note 1 of 9.1]

Bank Overdraft

From Banks :

ICICI Bank [Refer Note 1 of 9.2]

YES Bank [Refer Note 2 of 9.2]

HDFC Bank [Refer Note 2 of 9.2]

Buyer's Credit from Banks

SBI [Refer Note 1 of 9.1]

Total

As at 31 March 2015	As at 31 March 2014
17,80,31,350	27,42,44,499
25,00,00,000	0
4,00,00,000	0
23,80,71,612	16,52,64,713
3,27,06,612	2,22,00,724
7,50,00,000	0
2,00,00,000	2,00,00,000
4,99,90,645	33,05,912
2,89,00,325	2,90,43,462
9,99,50,100	-
101,26,50,644	51,40,59,310
1,21,24,222	1,00,19,009
-	4,97,85,789
-	20,58,95,458
1,21,24,222	26,57,00,256
2,57,19,801	-
105,04,94,667	77,97,59,566



KHADIM INDIA LIMITED

Notes to Financial Statements for the year ended 31st March 2015

(All amounts in Rupees, unless otherwise stated)

9.1 Nature of Security of Working Capital Demand Loans and Buyer's credit from Banks

Nature of Security
<p>1 Primary security - Hypothecation charge on inventory, receivables and all other current assets of the Company, both present and future, on pari-passu basis with other working capital member banks under the consortium.</p> <p>Collateral security - 2nd charge on the primary security for all SBI Term loans, equitable mortgage of properties at Kancharapara, Vadodara, Building Space No. S-32/1, S-32/2 and S-32/1A of Phase I and S-43, S-43/1, S-44/1 of Kasba Industrial Estate and Flat at Janakpuri, New Delhi, on pari-passu basis with other working capital members banks under the consortium, personal guarantees of promoter directors and corporate guarantees of group companies.</p>
<p>2 Primary security - Same as SBI Cash Credit (Refer Note 1 above).</p> <p>Collateral security - Equitable mortgage of properties at Kancharapara, Vadodara, Building Space No. S-32/1, S-32/2 and S-32/1A of Phase I and S-43, S-43/1, S-44/1 of Kasba Industrial Estate and Flat at Janakpuri, New Delhi, on pari-passu basis with other working capital members banks under the consortium, exclusive charge on property at P-43 and P-43A at Kasba Industrial Estate, Kolkata, subservient charge on all the movable and immovable assets of the Company, personal guarantees of promoter directors and corporate guarantees of group companies.</p>
<p>3 Primary security - Secured by hypothecation of all credit card receivables both present and future, mortgage of factory building at S19, S20 and S21 at Kasba, Kolkata, retail outlet at Rashbehari Avenue, Kolkata, liquid security in form of fixed deposits, Corporate guarantee of the Holding Company and personal guarantee of Managing Director.</p>
<p>4 Secured by subservient charge on all Current Assets, movable fixed assets and immovable properties (both present and future) of the Company alongwith personal guarantee of Managing Director.</p>

9.2 Nature of Security for Bank Overdraft

Nature of Security
<p>1 Primary security - Secured by hypothecation of all credit card receivables both present and future, mortgage of factory building at S19, S20 and S21 at Kasba, Kolkata, retail outlet at Rashbehari Avenue, Kolkata, liquid security in form of fixed deposits, Corporate guarantee of the Holding Company and personal guarantee of Managing Director.</p>
<p>2 Secured by lien on specified fixed deposits of the Company.</p>



KHADIM INDIA LIMITED

Notes to Financial Statements for the year ended 31st March 2015
(All amounts in Rupees, unless otherwise stated)

10 TRADE PAYABLES

Acceptances
Other than Acceptances (Refer Note 10.1)
Employee Benefits Payable

Total

As at 31 March 2015	As at 31 March 2014
10,34,13,206	11,46,58,004
46,91,30,806	82,70,92,950
91,97,505	3,35,59,143
58,17,41,517	97,53,10,097

10.1 Details Of Dues to Micro, Small and Medium Enterprises as per Micro, Small and Medium Enterprises Development Act, 2006

Total outstanding dues of Micro and Small Enterprises
Total outstanding Dues other than Micro and Small Enterprises

Total

As at 31 March 2015	As at 31 March 2014
1,33,83,620	1,84,78,796
45,57,47,186	80,86,14,154
46,91,30,806	82,70,92,950

There are no Micro, Small and Medium Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days during the year and also as at 31 March, 2015. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

11 OTHER CURRENT LIABILITIES

Current maturities of long - term debt:

Vehicle Loans
Term Loans

Zero Coupon Compulsorily Convertible Debentures (Unsecured) [Refer Note 3.5]

Interest accrued but not due on borrowings

Interest accrued and due on borrowings

Advance from customers and others

Security Deposits

Investors Education and Protection Fund (the fund) shall be credited by the following amount

Unclaimed/Unpaid Dividend [Refer Note 11.1]

Other payables:

Statutory remittances (VAT and Sales Tax, Contribution to Provident and Other Funds, Withholding Tax)

Deferred Government Grant [Refer Note 42]

Others

Total

As at 31 March 2015	As at 31 March 2014
5,00,857	14,19,801
11,10,95,500	19,76,08,000
11,15,96,357	19,90,27,801
-	77,46,38,400
3,36,607	4,18,107
57,82,738	54,65,033
3,49,33,501	1,61,49,333
48,23,531	39,42,038
1,335	1,335
2,39,38,515	2,93,15,749
10,62,652	-
59,19,462	22,66,327
18,83,94,698	1,03,12,24,123

11.1 There are no amounts due for payment to the Investor Education and Protection Fund under Section 205C of the Companies Act, 1956 as at the year end.

12 SHORT TERM PROVISIONS

(a) Provision for employee benefits

Gratuity

Leave Encashment

(b) Others

Provision for Income Tax [Net of advance taxes Rs.3,24,10,688; Previous Year Rs.7,32,61,650]

Total

As at 31 March 2015	As at 31 March 2014
-	12,99,463
11,48,351	90,756
11,48,351	13,90,221
1,81,45,808	1,97,94,846
1,92,94,159	2,11,85,067



KHADIM INDIA LIMITED
Notes to Financial Statements for the year ended 31st March 2015
(All amounts in Rupees, unless otherwise stated)

13

TANGIBLE ASSETS	GROSS BLOCK - AT COST		DEPRECIATION/ AMORTISATION				NET BLOCK		
	As at 01 April 2014	Additions during the year	Sales/ Adjustment during the year	As at 31 March 2015	For the Year	On Sales/ Adjustment during the year	Transition Adjustment recorded against Surplus balance in Statement of Profit and of Loss (Refer Note 43)	As at 31 March 2015	As at 31 March 2014
Freehold Land	1,67,64,096	-	-	1,67,64,096	-	-	-	1,67,64,096	1,67,64,096
Leasehold Land [Refer Note 13.1]	15,96,32,656	-	-	15,96,32,656	24,36,566	-	-	14,30,23,135	14,54,59,701
Buildings :									
Leasehold	4,53,63,838	-	-	4,53,63,838	27,39,774	-	-	2,85,40,447	3,12,80,221
Freehold	78,48,79,558	9,06,689	85,57,062	77,72,29,185	1,73,20,442	16,76,489	-	68,61,89,125	70,94,63,441
Plant and Machinery	44,24,73,451	4,37,40,102	55,79,585	48,06,33,958	4,02,72,352	51,09,523	61,09,940	28,93,92,452	29,25,04,714
Furniture and Fixtures	50,94,60,431	9,34,57,363	2,12,71,942	58,16,45,852	11,45,04,734	1,92,98,793	3,63,72,531	30,66,66,792	36,60,49,843
Vehicles	2,10,73,010	26,66,034	10,72,927	2,26,66,117	32,10,372	6,17,197	31,075	99,33,489	1,09,64,632
Office Equipments	5,13,88,358	50,23,553	16,31,071	5,47,80,840	95,36,038	16,06,147	92,69,892	2,55,06,660	3,93,13,951
Total	2,03,12,35,398	14,57,93,741	3,81,12,597	2,13,89,16,542	19,00,20,278	2,83,08,159	5,17,83,438	1,50,59,86,196	1,61,18,00,609



KHADIM INDIA LIMITED
Notes to Financial Statements for the year ended 31st March 2015
(All amounts in Rupees, unless otherwise stated)

13

TANGIBLE ASSETS	GROSS BLOCK - AT COST			DEPRECIATION/ AMORTISATION			NET BLOCK	
	As at 01 April 2013	Additions during the year	Sales/ Adjustment during the year	As at 01 April 2013	For the Year	On Sales/ Adjustment during the year	As at 31 March 2014	As at 31 March 2013
Own Assets								
Freehold Land	1,67,64,096	-	-	-	-	-	1,67,64,096	1,67,64,096
Leasehold Land	15,98,32,656	-	-	1,19,36,389	24,36,566	-	14,54,59,701	14,78,96,267
Buildings :								
Leasehold	4,12,74,933	40,88,905	-	1,18,31,220	22,52,397	-	3,12,80,221	2,94,43,713
Freshold	74,15,87,819	4,32,91,739	-	5,84,86,195	1,69,29,922	-	70,94,63,441	68,31,01,624
Plant and Machinery	38,33,42,157	7,02,33,535	1,11,02,241	11,89,01,437	3,66,93,781	56,26,481	29,25,04,714	26,44,40,720
Furniture and Fixtures	47,00,14,384	5,42,25,473	1,47,79,426	12,10,87,430	3,62,46,406	1,39,23,248	36,60,49,843	34,89,26,954
Vehicles	2,14,36,640	-	3,63,630	86,13,315	18,21,584	3,26,522	1,09,64,632	1,28,23,324
Office Equipments	3,10,57,779	2,05,89,929	2,59,250	1,04,02,737	18,58,972	1,87,312	3,93,13,961	2,06,55,042
Total	1,86,53,10,484	19,24,29,481	2,65,04,547	34,12,58,724	9,82,39,628	2,00,63,563	1,61,18,00,609	1,52,40,51,740

13.1 Leasehold land includes Rs 2,25,00,000 paid to Kolkata Metropolitan Development Authority (KMDA) as lease premium for a land at Laskharat, Kolkata having a lease term of 99 years. The Company has received possession for 10.45 cottahs out of 45 cottahs. The related lease deed has been executed subsequently. Remaining portion of the said land is under dispute for which legal proceeding is pending.

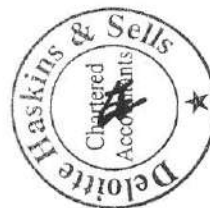


KHADIM INDIA LIMITED
Notes to Financial Statements for the year ended 31st March 2015
(All amounts in Rupees, unless otherwise stated)

14 INTANGIBLE ASSETS	GROSS BLOCK - AT COST		AMORTISATION				NET BLOCK		
	As at 01 April 2014	Additions during the year	Sales/Adjustment during the year	As at 31 March 2015	For the Year	On Sales/Adjustment during the year	Transferee Adjustment recorded against Surplus balance in Statement of Profit and Loss [Refer Note 43]	As at 31 March 2015	As at 31 March 2014
Software (acquired)	5,54,29,887	28,32,951	-	5,82,62,838	45,11,119	-	-	1,13,19,016	1,29,97,184
Total	5,54,29,887	28,32,951	-	5,82,62,838	45,11,119	-	-	1,13,19,016	1,29,97,184
Previous Year	4,92,14,500	62,15,387	-	5,54,29,887	96,80,718	-	-	4,24,32,703	1,29,97,184

14.1 Details of Depreciation and Amortisation Expenses

	Year Ended 31 March 2015	Year Ended 31 March 2014
Depreciation of Tangible Assets	19,00,20,278	9,62,39,628
Amortisation of Intangible Assets	45,11,119	96,80,718
Net Depreciation Charged to Statement of Profit and Loss	19,45,31,397	10,79,20,346



KHADIM INDIA LIMITED

Notes to Financial Statements for the year ended 31st March 2015
(All amounts in Rupees, unless otherwise stated)

15 NON CURRENT INVESTMENTS
(At Cost)

Investments in Mutual Fund

Quoted :

UTI Infrastructure Fund of Rs.21.09 each

Total

Aggregate book value of investments

Quoted

Unquoted

Total

Aggregate market value of quoted investments

As at 31 March 2015	
Number	Amount
22,876	4,82,451
	<u>4,82,451</u>
	4,82,451
	-
	<u>4,82,451</u>
	<u>5,72,980</u>

As at 31 March 2014	
Number	Amount
22,876	4,82,451
	<u>4,82,451</u>
	4,82,451
	-
	<u>4,82,451</u>
	<u>3,89,433</u>



KHADIM INDIA LIMITED

Notes to Financial Statements for the year ended 31st March 2015

(All amounts in Rupees, unless otherwise stated)

16 LONG-TERM LOANS AND ADVANCES

Unsecured, Considered Good

Capital Advances
Security Deposits

Other Loans and advances:

Prepaid expenses

Advance income tax [Net of Provision for Income Tax Rs.7,35,43,283; Previous Year Rs.7,35,43,283]

On account payments to Minority Shareholders (in cash/in kind)

pursuant to order of Company Law Board (Refer Note 33)

Less: Written off pursuant to Scheme of Arrangement for Capital Reduction (Refer Note 33)

Other long term advances

Unsecured, Considered Doubtful

Capital Advances
Security Deposits

Less : Provision for Doubtful Advances/ Security Deposits

Total

As at 31 March 2015	As at 31 March 2014
74,00,131	83,55,194
18,19,31,499	16,29,97,322
50,22,228	-
3,21,38,960	38,65,576
-	19,98,01,459
-	(19,98,01,459)
66,25,160	65,29,000
2,54,000	2,54,000
27,427	27,427
(2,81,427)	(2,81,427)
23,31,17,978	18,17,47,092

17 OTHER NON-CURRENT ASSETS

Unsecured, Considered Good

Government Grant Receivable (Refer Note 42)

Total

As at 31 March 2015	As at 31 March 2014
90,26,000	-
90,26,000	-

18 INVENTORIES

Raw Material, packing material and components (including goods in transit Nil; Previous Year - 10,17,325)

Work-in-progress (footwear)

Finished goods* (Refer Notes 18.1)

Stock-in-trade (Refer Note 18.2)

Less: Diminution in value of inventories

Less: Provision for slow moving inventories

Total

As at 31 March 2015	As at 31 March 2014
8,85,80,806	12,87,94,706
6,57,47,731	7,72,43,561
86,11,14,844	1,03,67,63,593
13,57,89,325	14,98,75,558
1,15,12,32,706	1,39,26,77,418
(37,50,000)	(22,00,00,000) #
(97,00,000)	(3,22,00,000)
1,13,77,82,706	1,14,04,77,418

*Finished goods include stock in trade of footwear and accessories, as both are stocked together.

Refer Note 33

18.1 Refer Note 2.7 above for mode of valuation



KHADIM INDIA LIMITED

Notes to Financial Statements for the year ended 31st March 2015
(All amounts in Rupees, unless otherwise stated)

18.2 Details of Stock in Trade:

Particulars	As at 31 March 2015	As at 31 March 2014
Stock of Gold and Jewellery	13,57,89,326	10,98,60,760
Others Stock (apparels, etc)	-	4,00,14,798
Less: Diminution in value of inventories	13,57,89,326 (37,50,000)	14,98,75,558 -
Total	13,20,39,326	14,98,75,558

19 TRADE RECEIVABLES

Particulars	As at 31 March 2015	As at 31 March 2014
Outstanding for a period exceeding six months from the date they are due for payment.		
Secured, considered good	66,46,823	84,44,621
Unsecured, considered good	67,76,908	13,32,630
Unsecured, considered doubtful	1,26,48,808	1,33,74,512
Less: Provision for doubtful debts	2,50,71,539	2,31,51,763
	1,26,48,808	1,33,74,512
Other trade receivables	1,24,22,731	97,77,251
Secured, considered good	3,12,66,747	4,09,89,488
Unsecured, considered good	19,72,13,306	52,01,05,706
	22,84,80,053	56,10,76,174
Total	24,09,02,784	67,08,52,426

20 CASH AND BANK BALANCES

Particulars	As at 31 March 2015	As at 31 March 2014
Cash and Cash Equivalents		
Cash on hand	60,95,745	90,70,866
Cheques/drafts on hand	36,31,139	23,089
Balances with banks		
On Current Accounts	2,39,63,021	17,96,825
	3,36,89,905	1,08,90,580
Other Bank Balances		
On Dividend Accounts	1,336	1,336
On Margin Accounts	1,94,007	94,488
On Fixed Deposits*		
- Against guarantees and letter of credit	91,74,470	47,71,031
- As security with Sales Tax Authorities	2,78,503	2,58,807
- Plagged against bank overdraft	8,10,67,096	29,85,32,972
	9,07,15,411	30,36,66,833
Total	12,44,05,316	31,45,47,213

*Represents deposits with original maturity of more than 3 months and includes deposits with remaining maturity of more than 12 months from the balance sheet date Rs.4,31,46,538 (Previous Year Rs.31,03,149)

21 SHORT TERM LOANS AND ADVANCES

Particulars	As at 31 March 2015	As at 31 March 2014
Unsecured, Considered Good		
Advance to Suppliers		
Trade advances to related parties	1,56,190	2,57,236
Other trade advances	98,69,613	74,58,211
Others		
Employee Advances	8,01,018	9,96,874
Advance to Government Authorities	7,99,36,047	5,92,00,466
Prepayments	1,93,56,906	2,06,18,580
Gratuity	7,49,631	-
Others (advance against expenses)	1,25,369	74,194
Unsecured, Considered Doubtful		
Advance to Suppliers (other trade advances)	7,16,518	7,16,518
Less: Provision for Doubtful Advances	(7,16,518)	(7,16,518)
Total	11,09,94,673	8,86,03,561

22 OTHER CURRENT ASSETS

Particulars	As at 31 March 2015	As at 31 March 2014
Unsecured, Considered Good		
Interest Receivable	22,95,899	16,67,527
Fixed assets held for sale	5,24,93,339	5,24,93,339
Government Grant Receivable (Refer Note 42)	36,15,948	78,53,166
Others (Accrued export incentive, etc.)	24,54,436	15,89,992
Total	6,08,59,622	6,36,04,024

KHADIM INDIA LIMITED

Notes to Financial Statements for the year ended 31st March 2015
(All amounts in Rupees, unless otherwise stated)

23 REVENUE FROM OPERATIONS

Sale of products (Refer Note 23.1)

Other operating revenues

Sale of packing materials

Scrap Sales

Export incentive (Duty drawback, etc.)

REVENUE FROM OPERATIONS (gross)

Less: Excise Duty

REVENUE FROM OPERATIONS (net)

For the year ended 31 March 2015	For the year ended 31 March 2014
4,56,17,29,425	4,75,95,78,907
3,73,87,233	3,88,51,017
1,62,71,849	58,78,656
30,12,449	34,40,834
4,61,84,00,956	4,80,77,49,414
1,68,25,430	2,63,50,512
4,60,15,75,526	4,78,13,98,902

23.1 Details of sale of products

Footwear and accessories

Large Format Retail - Apparels*

Large Format Retail - Other than Apparels*

Gold Jewellery

Total

*Discontinued w.e.f 21 January 2015

For the year ended 31 March 2015	For the year ended 31 March 2014
4,07,61,57,195	4,19,95,92,672
8,22,09,807	9,18,21,739
1,90,71,123	3,01,85,271
38,42,91,300	43,79,79,225
4,56,17,29,425	4,75,95,78,907

24 OTHER INCOME

Interest:

- On deposits with Banks

- On deposits with others

- On Income Tax Refunds

Dividend Income from Current Investments

Gain on Sale of Current Investments

Reversal of reduction in carrying amount of Long-term investment

Other non-operating income:

Net gain on foreign currency transactions

Profit on sale of fixed assets (net)

Royalty

Government Grant received (Refer Note 42)

Insurance Claim

Liabilities/Provisions no longer required written back

Miscellaneous Income

Total

For the year ended 31 March 2015	For the year ended 31 March 2014
68,65,849	1,69,58,754
1,78,097	2,52,563
-	90,955
-	10,08,586
69,76,842	84,52,262
-	1,38,378
31,12,423	1,03,04,956
1,82,44,441	-
40,731	16,403
28,59,638	-
46,91,025	12,96,028
69,84,206	16,39,508
55,03,739	89,62,473
5,54,56,991	4,91,20,866



KHADIM INDIA LIMITED

Notes to Financial Statements for the year ended 31st March 2015
(All amounts in Rupees, unless otherwise stated)

25 COST OF MATERIALS CONSUMED

Opening Inventory
Add: Purchases (Net)

Less: Closing Inventory
Materials Consumed

For the year ended 31 March 2015	For the year ended 31 March 2014
12,87,94,706	12,40,59,945
57,17,93,653	50,82,81,765
70,05,88,359	63,23,41,710
8,85,80,806	12,87,94,706
61,20,07,553	50,35,47,004
61,20,07,553	50,35,47,004

Total

25.1 Details of Materials (Including Components and packing materials) consumed:

Indigenous

PVC Compound
(Previous Year)

Value	Percentage
8,98,45,096	15
14,13,71,146	28

Packing materials
(Previous Year)

18,49,23,011	30
13,48,60,591	27

EVA Compound (Injected)
(Previous Year)

1,36,23,874	2
4,13,84,967	8

Leather
(Previous Year)

2,08,19,040	3
1,84,99,090	4

Natural rubber
(Previous Year)

3,77,19,763	6
3,71,88,600	7

EVA Compound (Compressed)
(Previous Year)

5,37,67,560	9
5,28,32,344	10

Others
(Previous Year)

17,73,68,351	29
7,74,10,266	16

(Previous Year)

A	57,80,66,695	94
	50,35,47,004	100

Imported :

EVA Compound (Compressed)
(Previous Year)

3,39,40,858	6
-	-

(Previous Year)

B	3,39,40,858	6
	-	-

(Previous Year)

A+B	61,20,07,553	100.00
	50,35,47,004	100.00



KHADIM INDIA LIMITED

Notes to Financial Statements for the year ended 31st March 2015
(All amounts in Rupees, unless otherwise stated)

26 PURCHASE OF STOCK-IN-TRADE

Footwear and accessories
Large Format Retail - Apparels
Large Format Retail - Other than Apparels
Gold and Jewellery

	For the year ended 31 March 2015	For the year ended 31 March 2014
	2,12,56,56,656	2,15,18,39,687
	1,87,45,177	5,85,67,559
	2,20,28,580	2,10,82,493
	38,21,14,528	33,40,29,085
Total	2,54,85,44,941	2,56,35,18,824

27 CHANGES IN INVENTORIES OF FINISHED GOODS,

WORK-IN-PROGRESS AND STOCK-IN-TRADE

Inventories at the end of the year

Stock-in-trade
Work - in - progress (footwear)
Finished goods

Inventories at the beginning of the year

Stock-in-trade
Work - in - progress (footwear)
Finished goods

Increase/(Decrease) in excise duty on inventories

TOTAL NET (INCREASE)/ DECREASE

	For the year ended 31 March 2015	For the year ended 31 March 2015	For the year ended 31 March 2014
	13,20,39,325		14,98,75,558
	6,57,47,731		7,72,43,561
	85,14,14,844		1,03,67,63,593
		1,04,92,01,900	1,26,38,82,712
	14,98,75,558		21,78,20,203
	7,72,43,561		8,08,59,966
	78,45,63,593		1,02,89,93,600
		1,01,16,82,712	1,32,76,73,769
		(3,75,19,188)	6,37,91,057
		6,59,268	(9,47,298)
		(3,68,59,920)	6,28,43,759

* Inventories of finished goods at the beginning of the year
Less: Diminution in value of inventories
Less: Provision for slow moving inventories
Inventories of finished goods (as above)

1,03,67,63,593
22,00,00,000
3,22,00,000
<u>78,45,63,593</u>



KHADIM INDIA LIMITED
Notes to Financial Statements for the year ended 31st March 2015
 (All amounts in Rupees, unless otherwise stated)

28 EMPLOYEE BENEFITS EXPENSE

Salaries and wages

Contribution to Provident and other funds

Staff Welfare Expenses

Total

For the year ended 31 March 2015	For the year ended 31 March 2014
41,03,32,233	37,50,93,655
1,54,87,341	1,60,26,875
3,48,88,752	3,03,86,277
46,07,08,326	42,15,06,807

28.1 Employee Benefits

The Company has recognised, in the Statement of Profit and Loss for the year ended 31st March, 2015 an amount of Rs.1,36,47,377 (Previous Year Rs.1,20,37,289) as expenses under defined contribution plans (Employer's Contribution to Provident Fund).

28.2 Defined Benefit Plan

The employees' gratuity fund scheme is managed by Life Insurance Corporation Of India (LIC) as a defined benefit plan. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation for leave encashment is recognized in same manner as gratuity and managed by SBI Life Insurance Company Limited.



KHADIM INDIA LIMITED

Notes to Financial Statements for the year ended 31st March 2015
(All amounts in Rupees, unless otherwise stated)

28.3 Reconciliation of Opening and Closing Balances of the Present Value of Defined Benefit Obligation and Planned Assets as below :

	Gratuity (Funded)		Leave Encashment (Funded)	
	2014-15	2013-14	2014-15	2013-14
I. Components of Employer Expense				
a. Current Service cost	27,53,351	37,28,713	25,11,318	32,56,317
b. Interest cost	22,62,048	19,40,138	13,14,426	13,58,908
c. Expected return on plan assets	(22,07,576)	(18,09,893)	(1,22,172)	(65,245)
d. Net Actuarial (gain) / loss recognised during the year	(9,67,859)	1,30,628	(57,04,863)	43,47,145
e. Total expenses recognised in the Statement of Profit and Loss	18,39,964	39,89,586	(20,01,291)	88,97,125
The Gratuity expenses have been recognised in "Contribution to Provident and other Funds" and Leave Encashment in "Salaries, Wages and Bonus" in Employee Benefit Expense (Refer Note 28)				
II. Actual Returns	22,08,275	17,87,556	1,22,600	49,899
III. Net Asset/ (Liability) recognized in the Balance Sheet				
a. Present value of obligations at the end of the year	2,60,36,940	2,42,30,794	1,11,15,004	1,80,94,473
b. Fair value of plan assets at the end of the year	2,67,86,471	2,24,05,536	16,72,499	10,49,899
c. Funded Status [Surplus/(Deficit)]	7,49,531	(18,25,258)	(94,42,505)	(1,70,44,574)
d. Net Asset/(Liability) recognised in the Balance Sheet	7,49,531	(18,25,258)	(94,42,505)	(1,70,44,574)
- Current	7,49,531	(12,99,463)	(11,48,351)	(90,758)
- Non-Current	-	(5,25,795)	(82,94,154)	(1,69,53,816)
IV. Changes in present value of Defined Benefit Obligations (DBO)				
a. Present value of obligations at the beginning of the year	2,42,30,794	1,88,83,379	1,80,94,473	1,21,03,472
b. Interest Cost	22,62,048	19,40,138	13,14,426	13,58,908
c. Current Service Cost	27,53,351	37,28,713	25,11,318	32,56,317
d. Benefits paid	(22,42,093)	(4,29,727)	(51,00,778)	(29,56,023)
e. Actuarial (gain)/loss on obligations	(9,67,160)	1,08,291	(57,04,435)	43,31,799
f. Present value of Obligations at the end of the year	2,60,36,940	2,42,30,794	1,11,15,004	1,80,94,473
V. Best estimate of Employers' expected contribution for the next year	52,94,760	57,25,306	50,43,210	51,02,260
VI. Change in the fair value of plan assets				
a. Fair value of plan assets at the beginning of the year	2,24,05,536	1,78,14,299	10,49,899	4,00,000
b. Expected return on plan assets	22,07,576	18,09,893	1,22,172	65,245
c. Actual company contributions	44,14,753	32,33,408	56,00,778	35,56,023
d. Benefits paid	(22,42,093)	(4,29,727)	(51,00,778)	(29,56,023)
e. Actuarial gain/(loss) on plan assets	699	(22,337)	428	(15,346)
f. Fair value of plan assets at the end of the year	2,67,86,471	2,24,05,536	16,72,499	10,49,899



KHADIM INDIA LIMITED

Notes to Financial Statements for the year ended 31st March 2015
(All amounts in Rupees, unless otherwise stated)

28.3 Reconciliation of Opening and Closing Balances of the Present Value of Defined Benefit Obligation and Planned Assets (contd.):

VII. Actuarial Assumptions	2014-15		2013-14	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
a. Discount Rate (%)	8.00%	8.00%	8.25%	8.25%
b. Expected rate of return on Plan Assets	9.00%	9.00%	9.00%	9.00%
c. Salary Escalation	5.00%	5.00%	10.00%	10.00%
d. Mortality	Indian Assured Lives Mortality (2006-08) ultimate			

The estimates of rate of escalation in salary considered in actuarial valuation take into account inflation, seniority, promotions and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

VIII. Major Category of Plan Assets as a % of the Total Plan Assets

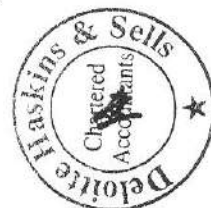
	% invested as at 31st March, 2015		% invested as at 31st March, 2014	
Gratuity - Funds managed by Insurer (LIC in Group Gratuity Scheme)	100%	100%	100%	100%
Leave Encashment - Funds managed by Insurer (SBI Life Insurance Company Limited)	100%	100%	100%	100%

In the absence of detailed information regarding plan assets which is funded with Insurance Companies, the composition of each major category of plan assets, the percentage or amount for each category to the fair value of plan assets has not been disclosed.

IX. Net Asset/(Liability) recognised in Balance Sheet (including experience adjustment impact)

Gratuity	2014-15	2013-14	2012-13	2011-12	2010-11
Present value of DBO	2,60,36,940	2,42,30,794	1,88,83,379	1,56,91,795	1,22,13,520
Fair value of plan assets	2,67,86,471	2,24,05,536	1,78,14,299	1,48,51,703	1,15,11,065
Funded status [Surplus / (Deficit)]	7,49,531	(18,25,258)	(10,69,080)	(8,40,092)	(7,02,455)
Experience gain / (loss) adjustments on plan liabilities*	(7,83,565)	1,08,291	-	-	-
Experience gain / (loss) adjustments on plan assets*	699	(22,337)	-	-	-
Leave Encashment					
Present value of DBO	1,11,15,004	1,80,94,473	1,21,03,472	86,45,459	55,47,140
Fair value of plan assets	16,72,499	10,49,899	4,00,000	-	-
Funded status [Surplus / (Deficit)]	(94,42,505)	(1,70,44,574)	(1,17,03,472)	(86,45,459)	(55,47,140)
Experience gain / (loss) adjustments on plan liabilities*	(3,62,903)	43,31,799	36,67,461	46,56,535	20,49,028
Experience gain / (loss) adjustments on plan assets*	428	(15,346)	(18,000)	-	-

* Information provided to the extent the same is available with the Company.



KHADIM INDIA LIMITED
Notes to Financial Statements for the year ended 31st March 2015
(All amounts in Rupees, unless otherwise stated)

29 FINANCE COSTS

Interest Expense
Other borrowing costs

Total

For the year ended 31 March 2015	For the year ended 31 March 2014
16,74,24,418	22,40,71,089
2,47,29,688	3,20,10,332
19,21,54,106	25,60,81,421

30 OTHER EXPENSES

Consumption of Stores
Rent
Rates and Taxes [including Wealth Tax Rs.41,790 (Previous Year Rs.42,993)]
Bank Charges
Insurance
Repairs:
Buildings
Plant and Machinery
Other
Travelling and Conveyance Expenses
Stationery and Printing
Postage, Telephone and other Communication Expenses
Advertising, Marketing and Sales Promotion Expenses
Power and Fuel
Freight Charges, Transport and Delivery
Jobwork and Hallmarking Charges
Professional Fees
Commission and Discount
Legal Expenses
Debts/Advances/Claims written off
Loss on sale/discard of Assets - Net
Provision for doubtful debts, advances and other assets
Provision for slow moving inventories
Security Hire Charges
Miscellaneous Expenses (Refer Note 30.1)

Total

For the year ended 31 March 2015	For the year ended 31 March 2014
11,25,811	5,49,214
16,41,87,785	12,69,25,941
2,23,42,917	2,32,16,939
98,66,266	1,18,17,452
1,47,11,634	1,52,69,909
30,61,176	36,93,591
63,41,805	74,07,000
7,68,37,582	7,03,89,144
3,96,89,250	3,10,37,866
26,78,327	29,45,756
2,10,72,394	2,01,08,109
17,21,79,184	11,41,44,784
9,53,22,284	8,96,52,396
12,55,49,106	9,75,69,450
1,96,24,069	2,07,68,849
4,58,37,556	3,77,78,314
1,92,19,188	64,94,889
1,24,266	3,81,214
-	1,78,935
-	45,57,033
22,36,224	32,67,397
-	3,22,00,000
1,94,37,436	1,96,23,414
1,55,55,135	1,35,70,762
87,69,99,395	75,35,48,358

30.1 Miscellaneous Expenses include :

Amount paid /payable to Auditors (excluding service tax)

- Statutory Audit
- Tax Audit
- Other matters
- Out of pocket expenses

Total

For the year ended 31 March 2015	For the year ended 31 March 2014
12,00,000	11,00,000
3,00,000	2,00,000
2,20,000	-
57,909	-
17,77,909	13,00,000



KHADIM INDIA LIMITED

Notes to Financial Statements for the year ended 31st March 2015
(All amounts in Rupees, unless otherwise stated)

- 30.2 The Company has entered into operating Lease arrangements primarily for various commercial premises / retail outlets and distribution centres. Some of the significant terms and conditions are :
- These leasing arrangements which are not non - cancellable range between 11 months and 40 years generally, or longer, and are usually renewable by mutual consent on mutually agreeable terms.

Rent in respect of the above amounting to Rs.16,41,87,785 (Previous Year - Rs.12,69,25,941) has been charged to Statement of Profit and Loss in "Other Expenses".

31 Contingent Liabilities in respect of -

Claims not acknowledged as debts :

- a. Sales Tax Matters under dispute
- b. Income Tax Matters under dispute
- c. Service Tax matters under dispute
- d. Excise Duty matters under dispute

	As at 31 March 2015	As at 31 March 2014
	1,30,38,200	41,68,655
	12,11,442	12,11,442
	1,51,000	1,51,000
	22,50,632	22,50,632

It is not practicable for the Company to estimate the closure of these issues and the consequential timings of cash flows, if any, in respect of the above.

- 32 Capital Commitment (Net of capital advances Rs.76,54,131; Previous Year - Rs.86,09,194)

29,33,923	54,30,572
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- 33 The Board of Directors of the Company at its meeting dated 30 October, 2013 had proposed a Scheme of Arrangement for Reduction of Share Capital ("Scheme") under Sections 100, 101, 102 and 103 of the Companies Act, 1956 for Reduction of Share Capital. The Scheme was approved by Members of the Company by Special Resolution passed at their Extra-ordinary General Meeting held on 30th October, 2013 and confirmed by the Hon'ble Calcutta High Court on 14th March, 2014. Pursuant to such approval by the Members of the Company and confirmation by the Hon'ble Calcutta High Court, the Company has reduced its issued, subscribed and paid up equity share capital from Rs 48,54,09,520 divided into 4,85,40,952 number of Equity Shares of Rs. 10 each fully paid up to Rs. 12,13,52,380 divided into 4,85,40,952 equity shares of Rs. 2.50 each fully paid (Refer Note 3.6) and reduced its Securities Premium Account by Rs 5,57,44,319 adjusting with 'Diminution in value of inventory' amounting to Rs.22,00,00,000 (Refer Note 18) and "Payments to minority shareholders Account" amounting to Rs.19,98,01,459 (Refer Note 16). Subsequently, the Company has obtained a 'Certificate of Registration of order confirming Reduction of Capital' from the Registrar of Companies dated 27th June, 2014 on submission of the said Scheme.



KHADIM INDIA LIMITED

Notes to Financial Statements for the year ended 31st March 2015
(All amounts in Rupees, unless otherwise stated)

34 Earnings Per Share (EPS) - The numerator and denominator used to calculate Basic and Diluted EPS :

		Year Ended 31 March 2015	Year Ended 31 March 2014
Profit/(Loss) after Tax attributable to the Equity Shareholders	A	(18,65,71,452)	10,70,17,099
Basic			
i. Number of Equity Shares at the beginning of the year		4,85,40,962	1,21,35,238
ii. Number of Bonus shares issued on 30th October 2013		-	3,64,05,714
iii. Consolidation of 4 Equity Shares of Rs.2.50 each into 1 Equity Share of Rs.10 each		(3,64,05,714)	(3,64,05,714) #
iv. Number of Equity Shares shares issued on conversion of debentures		51,63,293	-
v. Number of Equity Shares at the end of the year		1,72,98,531	1,21,35,238 *
vi. Weighted average number of Equity Shares outstanding during the year	B	1,55,72,718	1,21,35,238
vii. Nominal Value of each Equity Share (Rs)		10/-	2.50/- #
Basic Earnings per Share (Rs.)	A/B	(11.98)	8.82
Diluted			
viii. Weighted average number of Equity Shares for Basic EPS		1,55,72,718	1,21,35,238
ix. Add: Effect of Convertible debentures which are dilutive		17,25,813	27,30,434 #
x. Weighted average number of Equity Shares for Diluted EPS	C	1,72,98,531	1,48,65,672
xi. Nominal Value of each Equity Share (Rs)		10/-	2.50/- #
Diluted Earnings per Share (Rs.)	A/C	(10.79)	7.20

*After considering bonus issue

After considering the impact of consolidation of Equity shares [Refer Note 3.7]

- 35 The Company is primarily engaged in the business of Manufacturing / Retail business of Footwear, Leather Accessories and Gold Jewellery catering predominantly to the domestic market and therefore, according to the management, this is a 'Single Segment' Company, as envisaged in the Accounting Standard (AS) 17- Segment Reporting.



KHADIM INDIA LIMITED

Notes to Financial Statements for the year ended 31st March 2015
(All amounts in Rupees, unless otherwise stated)

36 Related Party Disclosure in keeping with Accounting Standard 18 on "Related Party Disclosures"
A) List of Related Parties

Ultimate Holding Company	Knightsville Private Limited
Key Management Personnel (KMP)	Mr. Siddhartha Roy Burman - Chairman and Managing Director Mrs. Tanushree Roy Burman - Wholetime Director Mr. Suman Barman Roy, Chief Executive Officer (till 31st March 2015) Mrs. Ishani Ray, Chief Financial Officer Mr. Joydev Sengupta, Company Secretary and Head Legal (till 31st March 2015)
Enterprises over which KMP and their Relatives have substantial interest:	Khadim Financial Services Private Limited Khadim Development Company Private Limited Khadim Enterprises K.M.Khadim & Co. St.Marys' Clinic & Drug Stores Sheila Departmental Stores Private Limited Bee Tee Enterprise Moviewallah Communications Private Limited
Relatives of KMP	Mr. Partha Roy Burman (Brother of Mr.Siddhartha Roy Burman) Mrs. Basabduitta Roy Burman (Wife of Mr.Partha Roy Burman) Mrs. Namita Roy Burman (Mother of Mr.Siddhartha Roy Burman) Mr. Ritoban Roy Burman (Son of Mr.Siddhartha Roy Burman) Mr. Rittick Roy Burman (Son of Mr.Siddhartha Roy Burman)

B) Particulars of transactions during the year ended 31st March, 2015 :

Particulars	Year Ended		Year Ended	
	31 March 2015		31 March 2014	
I) Ultimate Holding Company				
a) Unsecured loan repaid (including accrued interest)		-		2,27,95,177
b) Interest paid		-		11,44,504
c) Year - end Balance		-		-
II) Key Management Personnel				
a) Remuneration [Refer Note 36.1]				
- Siddhartha Roy Burman	1,83,26,700		2,06,81,450	
- Tanushree Roy Burman	21,91,147		22,76,123	
- Suman Barman Roy	54,66,596		52,81,524	
- Ishani Ray	41,76,872		38,97,476	
- Joydev Sengupta	23,84,740	3,25,46,055	20,33,276	3,41,49,849
b) Rent paid to Siddhartha Roy Burman		60,000		60,000
c) Year - end Balance				
- Siddhartha Roy Burman	5,000 (Cr.)		27,73,023 (Cr.)	
- Tanushree Roy Burman	-	5,000 (Cr.)	1,06,961 (Cr.)	28,80,014 (Cr.)
III) Enterprises over which KMP and their relatives have substantial interest				
a) Advances given / refunded to parties				
- Moviewallah Communications Pvt.Ltd.	21,30,770		-	
- Khadim Development Co Pvt Ltd	-	21,30,770	1,22,50,000	1,22,50,000
b) Advances received from / refunded by parties				
- Moviewallah Communications Pvt.Ltd.	21,30,770		6,50,72,979	
- Khadim Development Co Pvt Ltd	-	21,30,770	7,12,87,341	13,63,60,320
c) Unsecured loan repaid (including accrued interest) to Sheila Departmental Stores Pvt Ltd				20,01,578
d) Royalty received from K M Khadim & Co.		40,731		16,403
e) Interest paid to Sheila Departmental Stores Pvt Ltd		-		3,15,616
f) Rent paid to Khadim Development Co Pvt Ltd		6,36,000		6,38,000
g) Sales to K M Khadim & Co.		24,17,995		7,65,700
h) Advertisement cost paid to Moviewallah Communications Pvt Ltd		37,50,000		-
i) Commission paid				
- Khadim Enterprises	2,99,224		-	
- Bee Tee Enterprises	6,66,014		-	
- Sheila Departmental Stores Pvt Ltd	6,44,570		-	
- St. Mary's Clinic & Drug Stores	1,23,385	17,33,193	-	
j) Year - end Balance				
- Khadim Enterprises	5,17,461 (Cr.)		1,88,586 (Cr.)	
- Bee Tee Enterprises	15,42,582 (Cr.)		9,41,329 (Cr.)	
- Sheila Departmental Stores Pvt Ltd	15,23,370 (Cr.)		3,57,334 (Cr.)	
- St. Mary's Clinic & Drug Stores	1,56,190 (Dr.)		3,52,074 (Dr.)	
- Khadim Development Co Pvt Ltd	47,700 (Cr.)		47,700 (Cr.)	
- K M Khadim & Co.	41,692 (Dr.)	34,33,232 (Cr.)	8,58,523 (Dr.)	3,26,352 (Cr.)
IV) Relatives of Key Management Personnel				
a) Advances Given				6,00,00,000
b) Remuneration		31,25,208		37,08,827
c) Year - end Balance (Net)				-

36.1 Remuneration paid to Key Management Personnel comprise Rs.2,05,17,846 attributable to remuneration of two directors which is subject to approval by the members of the Company in General Meeting



KHADIM INDIA LIMITED

Notes to Financial Statements for the year ended 31st March 2015

(All amounts in Rupees, unless otherwise stated)

	Year Ended 31 March 2015	%	Year Ended 31 March 2014	%
37 Value of Imported and Indigenous Consumption of Stores				
	<u>Value</u>		<u>Value</u>	
Imported	-	-	-	-
Indigenous	11,25,811	100	5,49,214	100
	11,25,811	100	5,49,214	100
38 C.I.F. Value of Imports :				
(a) Raw materials	4,26,79,704		5,72,826	
(b) Finished Footwear	18,17,41,367		20,13,54,296	
(c) Capital Goods	1,25,91,771		3,87,81,977	
	23,70,12,842		24,07,09,099	
39 Expenditure in Foreign Currency :				
(a) Travelling	9,85,829		13,69,636	
(b) Interest on foreign currency term loan	13,53,817		2,38,015	
	23,39,646		16,07,651	
40 Earnings in Foreign Exchange				
(a) Export of goods calculated on FOB basis	2,50,47,936		2,85,62,178	

41 Foreign Exchange Contracts:

The Company uses forward exchange contracts (being derivative instruments), which are not intended for trading or speculative purposes to hedge its exposures in foreign currency.

41.1 Outstanding forward exchange contracts entered into by the Company

Currency	Amount as at 31st March 2015	Buy/Sell	Cross Currency
USD	18,38,630	Buy	Rupees
	(-)	(-)	

Note: Figures in brackets relate to the previous year

41.2 The year-end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below:

As at 31st March 2015			As at 31st March 2014		
Receivable/ (Payable) in Rupees	Currency	Receivable/ (Payable) in foreign currency	Receivable/ (Payable) in Rupees	Currency	Receivable/ (Payable) in foreign currency
61,48,612	USD	98,821	1,11,81,216	USD	1,90,861
6,86,111	Euro	10,257	-	-	-
(1,53,04,731)	USD	(2,44,817)	(9,65,214)	USD	(15,925)



KHADIM INDIA LIMITED

Notes to Financial Statements for the year ended 31st March 2015

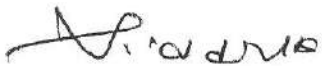
(All amounts in Rupees, unless otherwise stated)

42 Details of Government grants

- a. During the year West Bengal Industrial Development Corporation Limited, approved a grant of Rs.1,00,28,000 under their Fixed Capital Investment Subsidy of "The West Bengal State Support for Industries Scheme, 2008 (WBSSIS - 2008)" towards purchase/installation of specified machines at its manufacturing facility at Panpur factory. The said assistance is to be released in ten annual installments by way of adjustment against VAT paid by the unit in the previous year. The grant was treated as a deferred income and is recognised in the Statement of Profit and Loss on a systematic and rational basis over the useful life of related assets.
- b. During the year, the Ministry of Commerce and Industry, Government of India, approved a grant of Rs.26,13,948 to the Company under their "Integrated Development of Leather Sector (IDLS)" Scheme towards purchase/installation of specified machines at its manufacturing facility. The said assistance is to be released after execution of agreement with State Bank of Hyderabad (nominated bank) on behalf of Government of India. The grant was treated as a deferred income and is recognised in the Statement of Profit and Loss on a systematic and rational basis over the useful life of related assets.
- 43 Pursuant to the transition provisions prescribed in Schedule II to the Companies Act, 2013, the Company has fully depreciated the carrying value of assets, net of residual value, where the remaining useful life of the asset was determined to be Nil as on April 1, 2014, and has adjusted an amount of Rs. 3,46,62,280 (net of deferred tax of Rs. 1,71,21,158) against the opening Surplus balance in the Statement of Profit and Loss under Reserves and Surplus. The depreciation expense in the Statement of Profit and Loss for the year is higher by Rs. 8,50,07,567/- consequent to the change in the useful life of the assets.
- 44 In the opinion of the Directors, there is no impairment on assets as at 31st March, 2015.
- 45 Previous year's figures have been regrouped/rearranged wherever necessary.

Signatures to Notes '1' to '45'

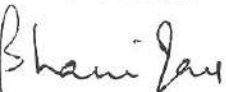
For and on behalf of Board of Directors



Siddhartha Roy Burman
Chairman and Managing Director



Tanusree Roy Burman
Wholetime Director



Shani Ray
Chief Financial Officer



Abhijit Dan
Company Secretary & Head - Legal

Place: Kolkata
Date: 31st July 2015



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