

# Annual Report 2015-2016

**CANTABIL**<sup>ITALY</sup>  
International Clothing



**Cantabil Retail India Limited**





## BOARD OF DIRECTORS

Mr. Vijay Bansal	:	Chairman-cum-Managing Director
Mr. Deepak Bansal	:	Whole-Time Director
Mr. Anil Bansal	:	Whole-Time Director
Mr. Lalit Kumar	:	Non-Executive Independent Director
Dr. Arun Kumar Roopanwal	:	Non-Executive Independent Director
Mrs. Renu Jagdish	:	Non-Executive Independent Director

Company Secretary	-	Ms. Poonam Chahal	Registrar & Transfer Agent	Beetal Financial and Computer Services Pvt. Ltd., Beetal House, 3rd Floor, 99, Madangir, Behind Local Shopping Complex, Near Dada Harsukhdas Mandir, New Delhi - 110062
Chief Financial Officer	-	Mr. Rajesh Rohilla		
Auditors	-	M/s. Suresh & Associates Chartered Accountants New Delhi		
Secretarial Auditor	-	M/s. Sanjay Grover & Associates Company Secretaries New Delhi		
Registered Office	:	B - 16, Ground Floor, Lawrence Road Industrial Area, Delhi - 110035		

Banker

Oriental Bank of Commerce  
Standard Chartered Bank Ltd.  
Axis Bank Ltd.  
HDFC Bank Ltd.  
State Bank of India  
Union Bank of India  
ICICI Bank Ltd.  
Yes Bank Ltd.

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**CANTABIL RETAIL INDIA LIMITED****CIN:** L74899DL1989PLC034995**Regd. and Corp. Office:** B- 16, Ground Floor, Lawrence Road Industrial Area, New Delhi – 110035**Website:** www.cantabilinternational.com **E-mail:** investors@cantabilinternational.com**Telephone:** 91-11-27156381 /82 **Fax:** 91-11-27156383**NOTICE TO SHAREHOLDERS**

NOTICE is hereby given that the 28<sup>th</sup> (Twenty Eighth) Annual General Meeting of **CANTABIL RETAIL INDIA LIMITED** will be held on Friday, 30<sup>th</sup> day of September 2016 at 9:00 A.M. at Tivoli Garden Resort Hotel, Chhattarpur Hills, Mehrauli, New Delhi- 110 074 to transact the following businesses:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended on March 31, 2016 together with the Report of the Board of Directors and the Auditors thereon.
2. To appoint a Director in place of Mr. Anil Bansal (DIN : 02443104), who retires by rotation and being eligible, offers himself for re-appointment.
3. To ratify the appointment of M/s. Suresh & Associates, Chartered Accountants (Firm Registration No. : 003316N), as the Statutory Auditors of the Company and to fix their remuneration.

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

**“RESOLVED THAT** pursuant to the provisions of Section 139, 142 and any other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, the Company hereby ratifies the appointment of M/s. Suresh & Associates, Chartered Accountants (Firm Registration No. : 003316N), as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the next (i.e. twenty ninth) Annual General Meeting (AGM) of the Company to audit the accounts of the Company at such remuneration as may be mutually agreed between the Board of Directors of the Company and the Auditors.”

**By Order of the Board of Directors  
For Cantabil Retail India Limited**

**Place:** New Delhi  
**Date :** 12<sup>th</sup> day of August, 2016  
**Regd. Office:** B-16, Lawrence Road Industrial Area  
New Delhi-110035

**Sd/  
(POONAM CHAHAL)  
Head- Legal & Company Secretary  
Membership No. : A22574**

**NOTES:**

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

**The instrument appointing the proxy should, however, be deposited at the registered office of the Company not less than forty eight (48) hours before the commencement of the Annual General Meeting.**

Members are requested to note that a person can act as a proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent (10%) of the share capital of the Company carrying voting rights.

A member holding more than ten percent (10%) of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder. A proxy Form is also annexed to this report.

2. Members/Proxies should bring the duly filled Attendance Slip at the Annual General Meeting. Corporate Members, Societies etc. are requested to send a duly certified copy of the Board Resolution, Authority letter authorizing their representative(s) to attend and vote on their behalf at the Annual General meeting.
3. The Register of Members and the Share Transfer Books of the Company will remain closed from Friday, 23<sup>rd</sup> September, 2016 to Friday, 30<sup>th</sup> September, 2016 (both days inclusive) for the purpose of Annual General meeting.
4. All documents referred to in the accompanying Notice are open for inspection by the Members at the Registered Office during normal business hours (10:00 AM to 06:00 PM) on all working days except Saturdays, upto and including the date of the AGM of the Company.
5. Members are informed that in case of joint holders attending the meeting, only such joint holder who is first in the order of names will be entitled to vote.
6. Members are requested to intimate change, if any, in their postal addresses immediately to RTA, Beetal Financial and Computer Services Pvt. Ltd. at Beetal House, 3<sup>rd</sup> Floor, 99, Madangir, Behind Local Shopping Centre, Near Dada Harsukhdas Mandir, New Delhi-110062.
7. Members holding shares in electronic form should get their email id's updated with their respective Depository Participants so that they can get the copies of all correspondence sent by the Company via e-mail.
8. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company.
9. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, Register of Contracts or Arrangements in which Directors are interested under Section 189 of the Companies Act, 2013, Register of Member and any other register, if required by law, will be made available for inspection by Members of the Company at the venue of the meeting.
10. Electronic copy of the Notice of the 28<sup>th</sup> Annual General Meeting of the Company *inter alia* indicating the process and manner of remote e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email id's are registered with the Company/Depository Participants(s) unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice of the 28<sup>th</sup> Annual General Meeting of the Company *inter alia* indicating the process and manner of remote e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.
11. Members may also note that the Notice of the 28<sup>th</sup> Annual General Meeting and the Annual Report will also be available on the Company's website [www.cantabilinternational.com](http://www.cantabilinternational.com) for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office & Corporate Office for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's investor email id: [investors@cantabilinternational.com](mailto:investors@cantabilinternational.com).
12. A member may participate in the meeting even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the meeting.
13. A Member can opt for only one mode of voting i.e. either through remote e-voting or by Ballot Form. If a Member casts votes by both modes, then voting done through remote e-voting shall prevail and Ballot Form shall be treated as invalid.

14. The Company has appointed Mr. Sanjay Grover of M/s Sanjay Grover & Associates, Company Secretaries, New Delhi (CP No. : 3850) as a scrutinizer to scrutinize the voting at the AGM venue and remote e-voting process in a fair and transparent manner.
15. The Scrutinizer shall immediately after the conclusion of voting at the Annual General Meeting, first count the votes at the Annual General Meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and make not later than Forty Eight (48) hours of conclusion of the meeting, a Consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a Director authorised by him in writing who shall countersign the same.
16. The Chairman or a Director authorised by him in writing shall declare the result of voting on or before closing business hours on Saturday, 01<sup>st</sup> Day of October 2016 forthwith. After the result declared by the Chairman or any other director authorised by the Chairman, the same along with the Consolidated Scrutinizer's Report shall be placed on the Company's website [www.cantabilinternational.com](http://www.cantabilinternational.com) and shall also be communicated to BSE Limited and National Stock Exchange of India Limited, where the shares of the Company are listed.
17. Members are requested to send their question(s), if any, relating to the financial statements, shareholding, e-voting etc., to Ms. Poonam Chahal, Company Secretary of the Company at the Registered Office of the Company at B-16, Lawrence Road Industrial Area, New Delhi-110035 or at the e-mail address: [poonam@cantabilinternational.com](mailto:poonam@cantabilinternational.com) or contact her on Phone No. 91-11-27156381/ 82 on or before 20<sup>th</sup> September, 2016 so that the answers/details can be provided as soon as possible.
18. Route Map showing directions to reach to the venue of the 28<sup>th</sup> AGM along with prominent land mark is given at the end of the Notice.
19. The relevant details of directors seeking appointment/re-appointment above pursuant to Regulation 36 (3) of SEBI Listing Regulations, 2015 & Secretarial Standard-2 is also given at the end of the Notice.
20. **Voting through Electronic means:**

In terms of the provisions of Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations, 2015) and Section 108 of the Companies Act, 2013 read with Rule 20 of Companies (Management and Administration) Rules, 2014, as amended, the Company is providing its members the facility to exercise their right to vote at the meeting by electronic means (remote e-voting) on any or all of the business specified in the accompanying Notice. Necessary arrangements have been made by the Company with CDSL to facilitate e-voting.

The remote e-voting period begins at 10 A.M. on Monday, 26<sup>th</sup> September, 2016 and ends at 5 P.M. on Thursday, 29<sup>th</sup> September, 2016. During this period, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. Friday, 23<sup>rd</sup> September, 2016 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

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

- (i) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (ii) Click on Shareholders.
- (iii) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

- (iv) Next enter the Image Verification as displayed and Click on Login.
- (v) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (vi) If you are a first time user follow the steps given below:

	<b>For Members holding shares in Demat Form and Physical Form</b>
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)
	<ul style="list-style-type: none"> <li>Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</li> <li>In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li> </ul>
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. <ul style="list-style-type: none"> <li>Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).</li> </ul>

- (vii) After entering these details appropriately, click on "SUBMIT" tab.
- (viii) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (x) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xi) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiii) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

- (xvi) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvii) Note for Non – Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be e-mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
  - Any person, who acquires shares of the Company and become Member of the Company after dispatch of the Notice and holding shares as on the cut-off date may follow the same instructions as mentioned above for e-Voting.
  - The facility for voting through electronic voting system or ballot or polling paper shall be made available at the Annual General Meeting and the members attending the meeting who have not cast their vote by remote e-voting or by Ballot Form shall be able to exercise their right at the meeting. Further, the members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- (xviii) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

**By Order of the Board of Directors  
For Cantabil Retail India Limited**

**Place: New Delhi  
Date : 12<sup>th</sup> day of August, 2016**

**Sd/  
(POONAM CHAHAL)  
Head- Legal & Company Secretary  
Membership No. : A22574**



**Details of Directors recommended for re-appointment/appointment at the Annual General Meeting (as stipulated under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards issued by the Institute of Company Secretaries of India and approved by the Central Government.**

Name of the Director	<b>Mr. Anil Bansal</b>
Date of Birth	16.03.1975
Qualification	Bachelor of Commerce
Brief Profile of Director	Mr. Anil Bansal is a Whole-Time Director of the Company. Due to his indepth knowledge of demographic composition, he effectively manages our stores in Delhi & NCR and plays an important role in implementing different schemes to promote our brand.
Nature of his Experience in specific functional areas	As a Director, he is responsible for HR, Advertisement, Warehouse, Inventory Management & Project Divisions of our Company.
Terms & Conditions of his appointment & re-appointment	<p><b>A.</b> Salary, Allowances &amp; Perquisites: Upto Rs. 9,60,000/- (Rupees Nine Lac Sixty Thousand Only) per annum with the authority granted to the Board of Directors (hereinafter referred to as "the Board" which term shall include a Committee of Directors) to determine the Salary, Allowances &amp; Perquisites and grant increase from time to time on the recommendation of the Nomination and Remuneration Committee within the limits of Rs. 9,60,000/- (Rupees Nine Lac Sixty Thousand Only).</p> <p><b>B.</b> The Board may, in its absolute discretion, pay to him lower remuneration than the remuneration stipulated hereinabove and increase it from time to time on the recommendation of the Remuneration Committee.</p> <p><b>C.</b> The total remuneration including Allowances &amp; Perquisites shall not exceed the limits specified in Schedule V to the Act or the amount specified by the Central Government, as the case may be.</p>
Date of First Appointment on Board	01.05.2009
Shareholding of Director	He holds 160 Equity Shares of Rs. 10/- each of your Company in his personal capacity.
Disclosure of relationship with other directors, Manager of the Company	Apart from drawing remuneration as Whole-Time Director of the Company, there are no other pecuniary relationship. None of the managerial and KMP personnel is related to him.
Number of the Meetings of Board of Directors Attended	Four meetings viz. 25.05.2015, 15.07.2015, 31.10.2015, 02.02.2016
Directorships of other Companies	Aquawhite Retail India Private Limited formerly Known as Dolphin Packaging Private Limited
Chairmanships/Memberships of Committees of other Companies	None

## DIRECTORS' REPORT

To  
The Shareholders,  
Cantabil Retail India Limited

Your Directors have immense pleasure in presenting the 28<sup>th</sup> Director's Report on the business and operations of the Company together with the Audited Financial Statements of the Company for the year ended 31<sup>st</sup> March, 2016.

### FINANCIAL HIGHLIGHTS

The financial results of the Company for the year under review are compared below with the previous year's results for your consideration:

Particulars	For the year ended (In Lacs)	
	March 31, 2016	March 31, 2015
Sales/ Income from operations (Net of Excise Duty)	15526.52	13867.77
Other Income	1.79	16.92
Profit/ (Loss) before Finance Cost, Depreciation, Extraordinary & Exceptional Items & Tax	1623.11	1448.97
Finance Cost	497.35	494.94
Depreciation	611.75	636.47
<b>Profit/ (Loss) before tax</b>	<b>517.56</b>	<b>257.34</b>
Provision for Tax including deferred tax (Assets) / Liabilities and MAT		
1. Current Tax (MAT)	37.92	—
2. Deferred tax (assets)/liability	(27.35)	(31.77)
<b>Net Profit/ (Loss) for the year</b>	<b>506.98</b>	<b>289.11</b>
Credit/ (Debit) Balance B/F from previous year	(3147.21)	(3414.32)
Depreciation adjustment	-	(21.99)
<b>Profit available for appropriation</b>	<b>-</b>	<b>-</b>
<b>Surplus/ (Deficit) carried to Balance Sheet</b>	<b>(2640.23)</b>	<b>(3147.21)</b>

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 notified under Section 133 of the Companies Act, 2013 in terms of Rule 7 of The Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 as applicable and guidelines issued by the Securities and Exchange Board of India ("SEBI").

### REVIEW OF PERFORMANCE

The Textile and Clothing segment has shown reasonable growth during the year. Inflationary trend continued to hurt even during the current year also which has restricted the discretionary spend in market resulting in flat to marginal growth in domestic business in general consumer product categories. However the company has been successful to earn into profits and brightening its future by taking strong strategic decisions which have helped the company to come out of low remunerative regime of market competition.

Company has recorded improved total revenue from Rs. 13884.69 Lacs in Financial Year 2014-15 to Rs. 15528.31 Lacs in Financial Year 2015-16. The Profit after taxes has also improved from Rs. 289.11 lacs to Rs. 506.98 lacs thereby recording an improvement in profitability by 75.36 %.

There has been no change in the nature of business during the reporting period.

**RESERVE & SURPLUS**

The company has not transferred any amount to the reserve and surplus as it has accumulated losses during the previous years.

**MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION BETWEEN THE END OF THE FINANCIAL YEAR AND DATE OF REPORT**

The company has commenced its commercial production at the Company's manufacturing plant situated at Plot No. 359, 360, & 361, I.E., Phase-IV B, Sector 17, HSIIDC, Bahadurgarh, Haryana and it has also established the suit plant that will enhance the production capacity which is one of the major development that is likely to affect the business of the company.

**DIVIDEND**

No dividend on equity shares has been recommended by the Board for the year ended 31<sup>st</sup> March, 2016 keeping in view of the non-profitability of the previous years.

**SHARE CAPITAL**

The paid-up capital of the company as on March 31<sup>st</sup>, 2016 was Rs.163,276,080/-. During the year under review, the company did not issue any class or category of shares and consequently no change in the capital structure since previous year.

**SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES**

The company does not have any subsidiary, joint venture or associate company during the period of reporting.

**CORPORATE GOVERNANCE**

Cantabil Retail India Limited committed to conducting business of your Company with the highest level of integrity and transparency. The commitment of your Company is clearly reflected in the business activities of the Company. Your Company is in compliance with the governance requirements provided under the new law and had proactively adopted many provisions of the new law, ahead of time. Your Company is committed to embrace the new law in letter and spirit. Report on Corporate Governance as stipulated under Part C of Schedule V of the Listing Regulations forms a part of the Annual Report. The Compliance Certificate received from a Practicing Company Secretary is attached to the Report on Corporate Governance.

**CODE OF CONDUCT**

Annual Compliance Report for the year ended 31<sup>st</sup> March 2016 has been received from all the Board Members and Senior Management of the Company regarding the compliance of all provisions of Code of Conduct.

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

A detailed review of operations, performance and future outlook of the Company is given separately under the head Management Discussion and Analysis Report forms as part of this report.

**DEPOSITS**

The Company has not accepted any deposit within the meaning of Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014 made thereunder.

**SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS**

There are no significant material orders passed by the Regulators or Courts or Tribunals which would impact the going concern status of the Company and its future operations.

**LISTING FEES**

The equity shares of your company are listed on the BSE Limited and National Stock Exchange of India Limited (NSE). The Annual Listing fee for the financial year 2016-2017 has been paid.

**DEMATERIALISATION OF SHARES**

Your Company has entered into agreements with the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for dematerialization of shares of the company. Accordingly shares of the company are available for dematerialization and can be traded in Demat form.



## DEMAT SUSPENSE ACCOUNT

As per the Registrar to the Issue, M/s Beetal Financial & Computer Services Pvt. Ltd., there is no unclaimed share(s) lying in the Escrow Account of the Company which is required to be disclosed in view of the compliance of the provisions of the Listing Regulations as the Company has not been paid dividend keeping in view of the non-profitability of the Previous Years.

## DIRECTORS:

### DIRECTORS AND KEY MANAGERIAL PERSONNEL

Your Directors intrinsically believe in the philosophy of Corporate Governance and are committed to it for the effective functioning of the Board. All Directors, Key Managerial Personnel and Senior Management have confirmed to comply with the company's Code of conduct.

#### • WOMAN DIRECTOR

In terms of the provisions of Section 149 of the Companies Act, 2013 and Regulation 17 of the Listing Regulations, 2015, a Company shall have at least one Woman Director on the Board of the Company. Mrs. Renu Jagdish is a Non-Executive Independent Director since 30.09.2014 on the Board of the Company.

#### • DIRECTOR RETIRING BY ROTATION

In accordance with the provisions of the Companies Act, 2013 and the Article 125 of the Articles of Association of the Company Mr. Anil Bansal (DIN: 02443104), Whole-Time Director of the Company retires by rotation and being eligible offer himself for re-appointment in the 28<sup>th</sup> Annual General Meeting of the Company.

Mr. Anil Bansal aged 41 years has been actively involved in looking after Advertisement, Warehouse, Inventory Management & Project Divisions of the Company all over India.

### KEY MANAGERIAL PERSONNEL

As on 31<sup>st</sup> March 2016, company has following Key Managerial Personnel in compliance of provisions of Section 203 of the Companies Act, 2013:

S. NO.	NAME	DESIGNATION
1.	Mr. Vijay Bansal	Chairman-cum-Managing Director
2.	Mr. Deepak Bansal	Whole-Time Director
3.	Mr. Anil Bansal	Whole-Time Director
4.	Ms. Poonam Chahal	Company Secretary
5.	Mr. Rajesh Rohilla	Chief Financial Officer

### BOARD INDEPENDENCE

Our definition of 'Independence' of Directors is derived from Regulation 16 of the Listing Regulations and Section 149(6) of the Companies Act, 2013. Based on the confirmation / disclosures received from the Directors and on evaluation of the relationships disclosed, the following Non-Executive Directors are Independent in terms of Regulation 16 of the Listing Regulations and Section 149(6) of the Companies Act, 2013 :-

S.NO.	NAME	APPOINTMENT/RE-APPOINTMENT	RESIGNATION
1.	Mr. Lalit Kumar	Appointed on 11/09/2009 Re-appointed on 30/09/2014	—
2.	Dr. Arun Kumar Roopanwal	Appointed on 11/09/2009 Re-appointed on 30/09/2014	—
3.	Mrs. Renu Jagdish	Appointed on 30/09/2014	—

### DECLARATION OF INDEPENDENCE BY DIRECTORS

The Non-Executive Independent Directors of the Company, viz. Mr. Lalit Kumar, Dr. Arun Kumar Roopanwal and Mrs. Renu Jagdish have affirmed that they continue to meet all the requirements specified under Section 149(6) in respect of their position as an "Independent Director" of Cantabil Retail India Limited.

A statement on declaration given by Independent Directors under Section 149(6) forms as part of this report in **ANNEXURE – 1**.

#### **DETAILS OF DIRECTORS OR KEY MANAGERIAL PERSONNEL WHO WERE APPOINTED OR RESIGNED DURING THE YEAR**

There is no change in constitution on the Board of the Company. Hence, none of the Director or Key Managerial Personnel were appointed or resigned during the year ended 31<sup>st</sup> March, 2016.

#### **ADEQUACY OF INTERNAL FINANCIAL CONTROLS**

The Company has proper and adequate internal control procedures commensurate with the size and nature of the business. The internal control system is supplemented by extensive internal audits, regular reviews by the management and well-documented policies and guidelines to ensure reliability of financial and all other records and to prepare financial statements and other data. Moreover, your Company continuously upgrades these systems to ensure that all the assets are safeguarded and protected against any loss from unauthorized use or disposition and those transactions are authorized, recorded and reported correctly. The Company's internal systems are supplemented by an extensive programme of internal audit conducted by an external auditor periodically and reviewed by the management together with the Audit Committee of the Board. The emphasis of internal control prevails across functions and processes, covering the entire gamut of activities including finance, supply chain, sales and distribution, marketing etc.

The Company is continuously upgrading its internal control systems by measuring state of controls at various locations. Controls by an ERP system have been strengthened with help of review conducted by Internal Auditors.

#### **DIRECTORS' RESPONSIBILITY STATEMENT**

As required under Section 134(3)(c) and Section 134(5) of the Companies Act, 2013 the Directors hereby confirm that:

- (a) in the preparation of the Annual Accounts for the year ended as on 31<sup>st</sup> March 2016, 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 at the end of the financial year and of the profit or loss of the company for that period;
- (c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) the directors had prepared the accounts for the financial year ended 31<sup>st</sup> March 2016 on a 'going concern' basis; and
- (e) the directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively;
- (f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

#### **NUMBER OF MEETINGS OF THE BOARD**

The Board meets at regular intervals to discuss and decide on Company's / Business Policy and Strategy apart from other Board business. The Board / Committee Meetings are scheduled in compliance with the provisions of the Companies Act, 2013 and the requirement of the Listing Agreement/Regulations and the Notice of the Board/Committee Meetings is circulated to the Directors in advance to facilitate them to plan their schedule and to ensure meaningful participation in the meetings.

Usually, meetings of the Board are held in Delhi. The Agenda of the Board / Committee meetings includes detailed notes on the items to be discussed at the meeting is circulated at least a week prior to the date of the meeting.

The Board met four times in financial year 2015-2016 viz., on 25.05.2015, 15.07.2015, 31.10.2015, 02.02.2016. The maximum interval between any two meetings did not exceed 120 days.

Detailed information on the meetings of the Board is included in the Report on Corporate Governance, which forms part of this Annual Report.

## COMMITTEES OF THE BOARD

There were three Committees of the Board during the Financial Year 2015 - 16, which are as follows:

### 1. Audit Committee

The constitution of the Audit Committee are:-

- |                             |                                   |
|-----------------------------|-----------------------------------|
| 1. Mr. Lalit Kumar          | - Chairman & Independent Director |
| 2. Dr. Arun Kumar Roopanwal | - Member & Independent Director   |
| 3. Mr. Vijay Bansal         | - Member & Managing Director      |

### 2. Nomination and Remuneration Committee

The constitution of the Nomination & Remuneration Committee are:-

- |                             |                                   |
|-----------------------------|-----------------------------------|
| 1. Mr. Lalit Kumar          | - Chairman & Independent Director |
| 2. Dr. Arun Kumar Roopanwal | - Member & Independent Director   |
| 3. Mrs. Renu Jagdish        | - Member & Independent Director   |

### 3. Stakeholders' Relationship Committee

The constitution of the Stakeholders' Relationship Committee are:-

- |                     |                                   |
|---------------------|-----------------------------------|
| 1. Mr. Lalit Kumar  | - Chairman & Independent Director |
| 2. Mr. Vijay Bansal | - Member & Managing Director      |
| 3. Mr. Anil Bansal  | - Member & Whole-Time Director    |

Details of all the Committees along with their charters, composition and meetings held during the year are provided in the "Report on Corporate Governance", a part of this Annual Report.

## REMUNERATION POLICY & BOARD EVALUATION

The Board on the recommendation of the Nomination & Remuneration Committee has framed following policies for selection and appointment of Directors, Senior Management and their remuneration, including criteria for determining qualifications, positive attributes, independence of directors, board diversity etc.:

### • COMPANY'S POLICY ON DIRECTORS' APPOINTMENT

The Policy of the Company on Directors' appointment including criteria for determining qualifications, positive attributes, independence of a Director and other matters provided under sub-section (3) of Section 178, is available on company's website at [www.cantabilinternational.com](http://www.cantabilinternational.com).

### • COMPANY'S POLICY ON DIRECTORS' REMUNERATION

Remuneration Policy of the company is based on the fundamental principles of payment for performance, potential, growth and aligning remuneration with the longer term interests of the Company and its shareholders, promoting a culture of merit recognition and creating a linkage to corporate and individual performance. The Remuneration Policy adopted by your Company is available on company's website at [www.cantabilinternational.com](http://www.cantabilinternational.com).

### • PERFORMANCE EVALUATION OF DIRECTORS

The criteria for performance evaluation of directors cover the areas relevant to their functioning as member of Board or its Committees thereof. The manner in which the performance evaluation of the board and its committees, the chairman and the directors individually has been carried out has been explained in the Corporate Governance Report.

However, the criteria for performance evaluation of Independent Directors is available on company's website at [www.cantabilinternational.com](http://www.cantabilinternational.com).

### • BOARD DIVERSITY POLICY

The Board of Directors of the Company formulated the Board Diversity Policy according to the provisions of the Listing Regulations, 2015 draft of which is available on company's website at [www.cantabilinternational.com](http://www.cantabilinternational.com).



## STATUTORY AUDITORS

The appointment of Statutory Auditors of the Company, M/s Suresh & Associates, Chartered Accountants, to be ratified at the ensuing Annual General Meeting. The Company has received a letter from M/s. Suresh & Associates to the effect that their appointment, if ratified at the ensuing Annual General Meeting, would be within the limits prescribed under Section 139 of Companies Act, 2013 and they are not disqualified for such ratification within the meaning of Section 141 of the said Act and Companies (Audit and Auditors) Rules, 2014.

## AUDITORS' REPORT

The observation made by the Auditors with reference to notes on accounts for the year ended 31<sup>st</sup> March 2016 are self-explanatory and therefore do not call for any further comments under Section 134 of the Companies Act, 2013.

The Statutory Auditors have not reported any incident of fraud to the Audit Committee of the Company in the year under review.

## SECRETARIAL AUDITORS

The board had appointed M/s Sanjay Grover & Associates, Company Secretaries for carrying out secretarial audit in terms of the provisions of Section 204 of the Companies Act, 2013 for the financial year 2015-2016. The report of the Secretarial Auditors is annexed as a part to this report. The report does not contain any qualification or adverse remarks.

## COMMENTS ON AUDITORS' REPORT

There are no qualifications, reservations or adverse remarks or disclaimers made by M/s Suresh & Associates, Statutory Auditors, in their report and by M/s Sanjay Grover & Associates, Secretarial Auditors, in their report.

## STATUTORY DISCLOSURE

None of the Directors of your Company is disqualified as per provision of Section 164(2) of Companies Act, 2013. The Directors of the Company have made necessary disclosures, as required under various provisions of the Act and the Listing Regulations.

## AUDIT COMMITTEE

The Audit Committee held four (4) meetings during the year viz., 25.05.2015, 15.07.2015, 31.10.2015 & 02.02.2016.

The Audit Committee functions in terms of the powers and role delegated by the Board of Directors keeping in view the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of the Listing Regulations, have been described separately under the head Audit Committee in Report of Corporate Governance.

The members of the Audit Committee are:

Name of Members	Designation	Category
Mr. Lalit Kumar	Chairman	Independent Director
Dr. Arun Kumar Roopanwal	Member	Independent Director
Mr. Vijay Bansal	Member	Executive Director

- Mr. Lalit Kumar, Chairman of the Committee has adequate financial and accounting knowledge.
- The Chief Financial Officer, Internal Auditor and the Statutory Auditors of the Company are permanent invitees to the meetings of the Audit Committee.
- Ms. Poonam Chahal, Company Secretary, is Secretary of the Audit Committee.

## CORPORATE SOCIAL RESPONSIBILITY

The Company, in compliance with Section 135 of the Companies Act, 2013 has constituted a Corporate Social Responsibility Committee (CSR Committee) of the Board of Directors on May 27, 2016. The CSR Committee comprise of 3 Directors viz. Mr. Vijay Bansal as Chairman and Mr. Lalit Kumar & Mr. Anil Bansal as Members of the Committee.

The average net profits calculated as per provisions of Section 198 of the Companies Act, 2013 for the preceding three (3) financial years being negative, the Company is not under any obligation to spend any amount on CSR.

The Policy on Corporate Social Responsibility is attached as **ANNEXURE-2** with this report.

### **RISK MANAGEMENT POLICY**

The Company has constituted a committee and formulated a policy and process for risk management. The company has set up a core group of leadership team, which identifies, assesses the risks and the trends, exposure and potential impact analysis at different level and lays down the procedure for minimization of the risks. Risk Management forms an integral part of management policy and is an ongoing process integrated with operations.

Company has identified various strategic, operational, financial risks which may impact company adversely; however, management believes that the mitigation plans for identified risks are in place and may not threaten the existence of the company. The draft of Risk Management Policy is available on company's website at [www.cantabilinternational.com](http://www.cantabilinternational.com).

### **VIGIL MECHANISM**

Details of establishment of vigil mechanism are disclosed in the Corporate Governance Report and is also available on company's website at [www.cantabilinternational.com](http://www.cantabilinternational.com).

### **POLICY AGAINST SEXUAL AND WORKPLACE HARASSMENT**

The Company values the dignity of individuals and is committed to provide an environment, which is free of discrimination, intimidation and abuse.

The Company has constituted the Committee and put in place a policy on redressal of Sexual Harassment and a Policy on redressal of Workplace Harassment as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("Sexual Harassment Act"). As per the policy, any employee may report his / her complaint to the Redressal Committee formed for this purpose or their Manager or HR personnel. We affirm that adequate access was provided to any complainant who wished to register a complaint under the policy, during the year. The constitution of Sexual Harassment Complaints Committee is given below :

- |    |                      |   |             |
|----|----------------------|---|-------------|
| 1. | Ms. Poonam Chahal    | - | Chairperson |
| 2. | Ms. Renu Aggarwal    | - | Secretary   |
| 3. | Mr. Rajesh Nair      | - | Member      |
| 4. | Mr. Ashwani Aggarwal | - | Member      |

The Policy on Prevention of Sexual Harassment is attached as **ANNEXURE-3** with this report.

### **PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES REFERRED TO IN SECTION 188(1) OF THE COMPANIES ACT, 2013**

In line with the requirements of the Companies Act, 2013 and Equity Listing Agreement/Listing Regulations, your Company has formulated a Policy on Related Party Transactions which is available on Company's website at [www.cantabilinternational.com](http://www.cantabilinternational.com). The Policy intends to ensure that proper reporting, approval and disclosure processes are in place for all transactions between the Company and Related Parties.

All Related Party Transactions are placed before the Audit Committee for review and approval. Prior omnibus approval is obtained for Related Party Transactions on a quarterly basis for transactions which are of repetitive nature and / or entered in the Ordinary Course of Business and are at Arm's Length. All Related Party Transactions are subjected to independent review by a reputed accounting firm to establish compliance with the requirements of Related Party Transactions under the Companies Act, 2013 and Listing Regulations.

#### **• RELATED PARTIES DISCLOSURES**

Related party transactions are reviewed and approved by Audit committee and are also placed before the Board for necessary approval. The Company has developed a related party transactions manual, standard operating procedures for the purpose of identification and monitoring of such transactions.

The Board has approved policy for Related Party Transactions which is available on company's website at [www.cantabilinternational.com](http://www.cantabilinternational.com).

There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other related parties which may have a potential conflict with the interest of the Company at large.

Particulars of contracts or arrangements with related parties referred to in sub-section (1) of Section 188 in the prescribed form (Form AOC-2) are attached as **ANNEXURE-4**.

**PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013;**

The Company has provided loans and guarantees and made investments pursuant to Section 186 of the Companies Act, 2013, as detailed in **ANNEXURE-5**.

**PARTICULARS OF EMPLOYEES**

In terms of the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, the required particulars are as follows :

However, the information required under Section 197 of the Act read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

- (a) **The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year:**

In Rupees (Per Month)			
Directors	Remuneration of Director (in Rs.)	Median Salary of Employee (in Rs.)	Ratio to Median Remuneration
Mr. Vijay Bansal	423,300	11,155	37.95
Mr. Deepak Bansal	345,800	11,155	31.00
Mr. Anil Bansal	74,000	11,155	6.63

- (b) **The percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer, Company Secretary in the financial year:**

		In Rupees (Per Month)			
Directors, Chief Financial Officer, Company Secretary	Designation	Remuneration (F.Y. 2015-16) (in Rs.)	Remuneration (F.Y. 2014-15) (in Rs.)	Increase in Remuneration (in Rs.)	Percentage increase in Remuneration
Mr. Vijay Bansal	Managing Director	423,300	296,017	127,283	43.00
Mr. Deepak Bansal	Whole-time Director	345,800	249,569	96,231	38.56
Mr. Anil Bansal	Whole-time Director	74,000	30,000	44,000	146.67
Mr. Rajesh Rohilla	Chief Financial Officer	195,550	177,217	18,333	10.35
Ms. Poonam Chahal	Company Secretary	97,268	87,100	10,168	11.67

- (c) **The percentage increase in the median remuneration of employees in the financial year:**

Particulars	March, 2016	March, 2015	Increase in Value Terms	Increase in % Terms
No. of Employee	1100	974	126	12.94
Median of Remuneration of employee	11155	10478	677	6.46



- (d) The number of permanent employees on the rolls of Company: 1100
- (e) Average percentile increase already made in the salaries of employees other than the Managerial Personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

Particulars	F.Y. 2015-16 (in rupees)	F.Y. 2014-15 (in rupees)	Increase in Value Terms (in rupees)	% Increase in Remuneration
Average Salary of employee other than Managerial Personnel	13,724	13,100	624	4.76
Average salary of Managerial Personnel	227,183	167,977	59,206	35.25

- (f) Affirmation that the remuneration is as per the remuneration policy of the Company:

The Company affirms that remuneration is as per the remuneration policy of the Company.

- (i) The names of the top ten employees in terms of remuneration drawn and the name of every employee, who employed throughout the financial year, was in receipt of remuneration for that year which, in the aggregate, was not less than one crore and two lakh rupees: Not Applicable.
- (ii) The names of the top ten employees in terms of remuneration drawn and the name of every employee, who if employed for a part of the financial year, was in receipt of remuneration for any part of that year, at a rate which, in the aggregate, was not less than eight lakh and fifty thousand rupees per month : Not Applicable.
- (iii) The names of the top ten employees in terms of remuneration drawn and the name of every employee, who if employed throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the Managing Director or Whole-Time Director or Manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the company : Not Applicable.

However, We are disclosing the details of Top 10 Employees (alongwith their shareholding) who are currently in receipt of remuneration, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn Whole-Time Director:

S. No.	Employee Name	Department	Designation	FIX CTC PER MONTH)	Date of commencement of employment	% of Shareholding of the Employee in the Share Capital of the Company
1	B.P. Trivedi	Production (Staff)	GM-Production	85000	01.10.2003	NIL
2	Mohinder Singh Sethi	Fabric / Design	Fabric Sourcing Manager	85000	13.11.2006	NIL
3	Munish Nayyar	Marketing	Manager Marketing & Business Development	80000	11.01.2010	NIL
4	Megha Bansal	Management	AGM-Finance	100000	13.05.2011	1.31%
5	Poonam Chahal	Secretarial & Finance Dept.	Head-CS & Legal	116970	01.07.2011	NIL

S. No.	Employee Name	Department	Designation	FIX CTC PER MONTH)	Date of commencement of employment	% of Shareholding of the Employee in the Share Capital of the Company
6	Rajesh Rohilla	Management	Chief Finance Officer	225000	12.12.2011	NIL
7	Bhudev Tyagi	Fabric / Design	GM-Planning & Sourcing	120000	01.10.2014	NIL
8	Ravinder Kumar Aggarwal	Fabric / Design Sourcing	Manager	85000	22.06.2015	NIL
9	Suneet Jindal	Fabric / Design	Manager-Knit	80000	01.07.2015	NIL
10	Devendar Kumar Upadhyay	Production	Senior Manager	100000	09.07.2015	NIL
11	Vinay Gandhi	Fabric / Design	Senior Manager	90000	01.04.2016	NIL

#### EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in form MGT-9 is annexed herewith as **ANNEXURE-6**.

#### NSE ELECTRONIC APPLICATION PROCESSING SYSTEM (NEAPS)

The NEAPS is a web based application designed by NSE for corporates. All periodical compliance filings like shareholding pattern, Corporate Governance Report, press releases, announcements, corporate actions etc. are filed electronically on NEAPS.

#### BSE CORPORATE COMPLIANCE & LISTING CENTRE (THE “LISTING CENTRE”)

The Listing Centre of BSE is a web based application designed by BSE for corporates. All periodical compliance filings like shareholding pattern, Corporate Governance Report, press releases etc. are also filed electronically on the Listing Centre.

#### SEBI COMPLAINTS REDRESS SYSTEM (SCORES)

The investor complaints are processed in a centralized web based complaints redress system. The system enables centralized database of all complaints, online uploading of Action Taken Reports (ATRs) by the concerned companies and online viewing by investors of actions taken on their complaint and current status.

#### COMMUNICATION AND PUBLIC RELATIONS

Your Company has on a continuous basis, endeavored to increase awareness among its stakeholders and in the market place about the Company's strategy, new developments and financial performance as per rules laid down by the Regulatory Authority like SEBI etc. Brand building of the organization is being given impetus and your Company is poised to achieve positive results out of these efforts.

#### INTERNAL FINANCIAL CONTROL

The Board has adopted the policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial disclosures. The policy is available on company's website at [www.cantabilinternational.com](http://www.cantabilinternational.com).

The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weakness in the design or operation were observed.

## ANNUAL EVALUATION BY THE BOARD

The evaluation framework for assessing the performance of Directors comprises of the following key areas:

- i. Attendance of Board Meetings and Board Committee Meetings
- ii. Quality of contribution to Board deliberations
- iii. Commitment to shareholders and other stakeholders interests

The evaluation involves Self-Evaluation by the Board Member and subsequently assessment by the Board of Directors. A member of the Board will not participate in the discussion of his / her evaluation.

## CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO

Information in accordance with the provisions of Section 134(3) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 and Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 regarding conservation of energy, technology absorption and foreign exchange earnings and outgo is given below:

### A. CONSERVATION OF ENERGY

The operations of your Company are not energy intensive. However, wherever possible your company strives to curtail the consumption of energy on a continued basis by using energy-efficient equipment.

As energy costs comprise a very small part of your Company's total expenses, the financial implications of these measures are not material.

We have a Diesel Fired Boiler for garment steam pressing in our Finishing Unit with a yearly consumption of 28500 ltrs. approximately of diesel with finishing of approximately 1250000 garments.

**Steps for Conservation of Energy taken by us are given below :**

#### At Factory Level :-

1. **On & Off Time** : We have a strict schedule of switching off the boiler during lunch time i.e. 1:30 pm to 2:00 pm every day. This helps us to save on diesel consumption during idle period.
2. **Regular Servicing & Repair** : We ensure regular maintenance & servicing of our boiler & other plant & machineries for better performance and to avoid sudden break down.
3. **Boiler Testing** : To comply with the Govt. norms, we have outsourced the testing of our Boiler through authorised dealer of boiler which provides us regular testing report for the same and improvement if any required.
4. **Prevention of Scaling** : We use a special chemical to prevent any scaling in the tubes as recommended by the experts.
5. **Use of Insulated Pipeline** : We use an Insulated Pipeline to ensure good steam quality & it minimize any steam loss.
6. **Minimizing Waste of Diesel** : We have a regular practice of not switching on any equipment unless all our workers are at their designated spots. This helps us to save wastage of diesel as well as conservation of electricity.

#### At Corporate office level:-

We have replaced all the regular Tube Lights at our Corporate Office with LED lights to conserve electricity & save money.

#### At Retail outlet level :-

We have also taken some steps at our Retail Outlets by installing Power Saving units and by using LED Lights instead of Halogens to save energy & money and we have asked the showroom staff to switch on only one Ac during lean hours between 10 am to 5 pm.



**B. POLLUTION CONTROL**

The operations of the company are not spreading the pollution and effluents. As the company has no activities under its operation requiring the water and water resources as an industrial input they are being used only for the normal usage of human consumption or for office and administrative purposes.

**C. TECHNOLOGY ABSORPTION**

The particulars regarding absorption of technology is given below as per Form B of the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988:

**Research and Development (R & D):****(1) Specific areas in which R & D is carried out by the Company:**

Manufacture of fashion garments as per Indian and international trends and standards are the areas in which general research and development work pertaining to the manufacturing process is carried out by the Company.

**(2) Benefits derived as a results of the above R&D:**

Product improvement in terms of quality, fashion and range.

**(3) Future Plan of Action:**

Appropriate actions are being planned and required professionals hired to implement the planned action.

**(4) Expenditure on R & D:**

(a) Capital: There is no Capital Expenditure on R & D.

(b) Recurring :Amount incurred though not material but included in manufacturing cost.

**Technology Absorption, Adaptation and Innovation :****(1) Efforts in brief made towards technology absorption, adaptation and innovation:**

The Company is monitoring the technological up-gradation taking place in other countries in the field of garment manufacturing and the same are being reviewed for implementation.

**(2) Benefit derived as a result of the above efforts, e.g. product improvement, cost reduction, product development, import substitution etc.**

Product Improvement and quality enhancement.

**(3) In case of imported Technology (Imported during the last 5 years reckoned from the beginning of the financial year), following information may be furnished:**

(a) Technology Imported:

(b) Year of Import

(c) Has technology been fully absorbed

(d) If not fully absorbed, areas where this has not taken Place, reasons therefore and future plans of actions

} NIL

**C. FOREIGN EXCHANGE EARNINGS AND OUTGO:**

Foreign Exchange Earning and outgo :

a)	Imports on CIF basis	NIL
b)	Expenditure in Foreign Currency (Foreign traveling Directors)	
	1. Fee for Software License for access to Fashion Website	7.62 Lacs
	2. Directors Foreign Travelling	4.60 Lacs
c)	Earning in Foreign Currency	NIL

**GENERAL**

Your Directors state that no disclosure or reporting is required in respect of the following(s), as there were no transactions have been done w.r.t. these items:

1. Details relating to deposits covered under Chapter V of the Act.
2. Issue of equity shares with differential rights as to dividend, voting or otherwise.
3. Issue of shares (including sweat equity shares) to employees of the Company under any scheme.
4. No Issue of Employee Stock Option has been made.
5. Neither the Managing Director nor the Whole-Time Directors of the Company receive any remuneration or commission from its holding company.

**ACKNOWLEDGEMENT**

Your Directors would like to express their grateful appreciation for the assistance and co-operation received from Banks, Government Authorities, Business Associates and shareholders during the year under review. Your Directors wish to place on record their deep sense of appreciation for the devoted services of the executives, staff and workers of the Company for its success.

**By Order of the Board**  
For **Cantabil Retail India Limited**

Place: New Delhi  
Date : 12<sup>th</sup> August, 2016

**Sd/-**  
**VIJAY BANSAL**  
**Chairman**

## ANNEXURE – 1

## (I)

## DECLARATION BY INDEPENDENT DIRECTORS

To

Cantabil Retail India Limited

B-16, Lawrence Road Industrial Area

New Delhi - 110035

**Subject: Declaration under Section 149(7) of the Companies Act, 2013**

I, Lalit Kumar, [Director Identification Number -00025150] hereby declare the following with respect to criteria(s) as provided in clauses (b) to (f) of sub-section (7) of Section 149 of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014 and of sub-regulation (1) of Regulation 25 of the Listing Regulations:

- (1) (i) I am/ was not a promoter of the company or its holding, subsidiary or associate company;  
(ii) I am not related to promoters or directors in the company, its holding, subsidiary or associate company;
- (2) I had no pecuniary relationship with the company, its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year;
- (3) None of my relatives have or had pecuniary relationship or transaction with the company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to two per cent or more of its gross turnover or total income or fifty lakh rupees or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;
- (4) Neither me nor any of my relatives—
  - (i) holds or has held the position of a Key Managerial Personnel or is or has been an employee of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year;
  - (ii) is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year, of—
    - (A) a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or
    - (B) any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to ten percent or more of the gross turnover of such firm;
  - (iii) holds together with my relatives two per cent or more of the total voting power of the company; or
  - (iv) is a Chief Executive or Director, by whatever name called, of any non-profit organization that receives twenty-five per cent or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds two per cent or more of the total voting power of the company;
  - (v) is a material supplier, service provider or customer or a lessor or lessee of the Company;
- (5) I am above 21 years of age;
- (6) I possess appropriate skills, experience and knowledge in one the fields of finance/ law/ management/ sales/ marketing/ administration/ research/ corporate governance/ technical operations.

I further declare the following with respect to each of the criteria as provided in sub-regulation (1) of Regulation 25 of the Listing Regulations:

- a. I do not serve as an independent director in more than seven listed companies.
- b. I am not serving as a Whole-Time Director in any listed company and therefore the requirement to serve as an independent director in not more than three listed companies is not applicable to me.

Date: 01/04/2016

Place: New Delhi

Sd/-

Lalit Kumar

DIN: 00025150

**ANNEXURE – 1**
**(II)**
**DECLARATION BY INDEPENDENT DIRECTORS**

To

Cantabil Retail India Limited

B-16, Lawrence Road Industrial Area

New Delhi - 110035

**Subject: Declaration under Section 149(7) of the Companies Act, 2013**

I, Arun Kumar Roopanwal, [Director Identification Number -00406817] hereby declare the following with respect to criteria(s) as provided in clauses (b) to (f) of sub-section (7) of Section 149 of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014 and of sub-regulation (1) of Regulation 25 of the Listing Regulations:

- (1) (i) I am/ was not a promoter of the company or its holding, subsidiary or associate company;
  - (ii) I am not related to promoters or directors in the company, its holding, subsidiary or associate company;
  - (2) I had no pecuniary relationship with the company, its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year;
  - (3) None of my relatives have or had pecuniary relationship or transaction with the company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to two per cent or more of its gross turnover or total income or fifty lakh rupees or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;
  - (4) Neither me nor any of my relatives—
    - (i) holds or has held the position of a Key Managerial Personnel or is or has been an employee of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year;
    - (ii) is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year, of—
      - (A) a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or
      - (B) any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to ten percent. or more of the gross turnover of such firm;
    - (iii) holds together with my relatives two per cent or more of the total voting power of the company; or
    - (iv) is a Chief Executive or Director, by whatever name called, of any non-profit organization that receives twenty-five per cent or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds two per cent or more of the total voting power of the company;
    - (v) is a material supplier, service provider or customer or a lessor or lessee of the Company;
  - (5) I am above 21 years of age;
  - (6) I possess appropriate skills, experience and knowledge in one the fields of finance/ law/ management/ sales/ marketing/ administration/ research/ corporate governance/ technical operations.
- I further declare the following with respect to each of the criteria as provided in sub-regulation (1) of Regulation 25 of the Listing Regulations:
- a. I do not serve as an independent director in more than seven listed companies.
  - b. I am not serving as a Whole-Time Director in any listed company and therefore the requirement to serve as an independent director in not more than three listed companies is not applicable to me.

**Sd/-**

Date: 01/04/2016

Place: Ghaziabad

Arun Kumar Roopanwal

DIN: 00406817



## ANNEXURE – 1

## (III)

## DECLARATION BY INDEPENDENT DIRECTORS

To

Cantabil Retail India Limited  
B-16, Lawrence Road Industrial Area  
New Delhi - 110035

**Subject: Declaration under Section 149(7) of the Companies Act, 2013**

I, Renu Jagdish, [Director Identification Number 06971367] hereby declare the following with respect to criteria(s) as provided in clauses (b) to (f) of sub-section (7) of Section 149 of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014 and of sub-clause (1) of sub-regulation (1) of Regulation 25 of the Listing Regulations:

- (1) (i) I am/ was not a promoter of the company or its holding, subsidiary or associate company;  
(ii) I am not related to promoters or directors in the company, its holding, subsidiary or associate company;
- (2) I had no pecuniary relationship with the company, its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year;
- (3) None of my relatives have or had pecuniary relationship or transaction with the company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to two per cent or more of its gross turnover or total income or fifty lakh rupees or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;
- (4) Neither me nor any of my relatives—
  - (i) holds or has held the position of a Key Managerial Personnel or is or has been an employee of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year;
  - (ii) is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year, of—
    - (A) a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or
    - (B) any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to ten percent. or more of the gross turnover of such firm;
  - (iii) holds together with my relatives two per cent or more of the total voting power of the company; or
  - (iv) is a Chief Executive or Director, by whatever name called, of any non-profit organization that receives twenty-five per cent. or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds two per cent or more of the total voting power of the company;
  - (v) is a material supplier, service provider or customer or a lessor or lessee of the Company;
- (5) I am above 21 years of age;
- (6) I possess appropriate skills, experience and knowledge in one the fields of finance/ law/ management/ sales/ marketing/ administration/ research/ corporate governance/ technical operations.

I further declare the following with respect to each of the criteria as provided in sub-regulation (1) of Regulation 25 of the Listing Regulations:

- a. I do not serve as an independent director in more than seven listed companies.
- b. I am not serving as a Whole-Time Director in any listed company and therefore the requirement to serve as an independent director in not more than three listed companies is not applicable to me.

Sd/-

Date: 01/04/2016  
Place: New Delhi

Renu Jagdish  
DIN: 06971367

**ANNEXURE – 2****CORPORATE SOCIAL RESPONSIBILITY POLICY****I. CSR POLICY**

This CSR Policy encompasses Cantabil Retail India Limited philosophy for social responsibilities and lays down the guidelines and mechanism for undertaking projects, programs and activities towards such responsibilities.

**II. VISION STATEMENT AND OBJECTIVE**

1. The CSR Policy sets out Cantabil Retail India Limited commitment towards ensuring that our activities extend beyond business and include initiatives and endeavors for the benefit and development of the community and society. The CSR Policy lays down guidelines for undertaking programmes geared towards social welfare activities or initiatives. Through this CSR Policy, we propose to adopt the CSR Activities mentioned below.
2. In alignment with the above vision, Cantabil Retail India Limited, through the CSR Activities, will endeavor to enhance value creation in the society and in the community, through its services, conduct and initiatives, so as to promote sustained growth for the society and community, in fulfillment of its role as a socially responsible corporate.
3. This CSR Policy has been framed in accordance with the applicable provisions of the Companies Act, 2013 and the rules issued thereunder.
4. The objective of this CSR Policy is to:
  - (i) Outline projects, programs and activities to be undertaken by Cantabil Retail India Limited;
  - (ii) Specify the modalities of execution of such projects, programs and activities;
  - (iii) Monitor the process to be followed for such projects, programs and activities;
  - (iv) Directly or indirectly take up programs that benefit the communities in and around its work centers and results, over a period of time, in enhancing the quality of life and economic well-being of the local populace; and
  - (v) Generate community goodwill for Cantabil Retail India Limited and help reinforce a positive and socially responsible image, through our CSR Activities.

**III. CSR COMMITTEE**

1. The CSR Committee has been constituted in accordance with the provisions of the Act comprising of 3 (three) Directors. The Company Secretary shall be the Secretary to the Committee. The CSR Committee may invite other experts/ invitees as per its requirements.
2. The CSR Committee shall be responsible for:
  - (i) Formulating the CSR Policy, including the CSR Activities and their budgets as well as recommendation of any subsequent change/ modification to the CSR Policy;
  - (ii) Institute an implementation and monitoring mechanism for CSR Activities;
  - (iii) Periodically updating the Board on the progress being made in the planned CSR Activities;
  - (iv) Providing a responsibility statement in the Board's report.

**IV. CSR COMMITTEE**

The CSR Committee has been constituted to implement the CSR initiatives. The CSR Committee comprises of the following:

1. Mr. Vijay Bansal, Chairman
2. Mr. Lalit Kumar, Member
3. Mr. Anil Bansal, Member

## Role of the CSR Committee

The CSR Committee shall be responsible for:

- (i) Identifying CSR Activities;
- (ii) Undertaking impact assessment of the CSR Activities;
- (iii) Determining the modalities of execution including targets and timelines;
- (iv) Timely implementation of the CSR Activities approved by the Board in compliance with the applicable provisions of the Act and CSR Rules;
- (v) Providing periodic reports to the Board of Directors on implementation as well as assessment carried out through field visits and feedback sessions; and
- (vi) Any other assistance as may be required by the Board in relation to implementation of the CSR Activities.

## V. PROJECTS, PROGRAMS AND ACTIVITIES

1. Cantabil Retail India Limited has identified the following focus areas of intervention in an information technology backed/ enabled environment at such number of schools in rural/semi-urban areas in India as may be identified by us and also our sites and work stations:
  - (i) Solar power based system catering to the following viz. solar set up, battery backup, lighting in the classrooms and in school areas, television set, RO Water purifier, Power supply to learning station where elementary education in technology and technology-aided group learning in an outdoor shall be provided;
  - (ii) improving Elementary/Rural Education with the support of Information Technology, including providing computer literacy; and
  - (iii) Building washroom/ toilet for boys and girls in schools.
2. The criteria for selecting schools/ areas where the CSR Activities will be carried will, *inter-alia*, comprise of the following:
  - (i) The school should be a government/semi-government school.
  - (ii) First choice will be to identify schools from the list of schools shared by the Ministry of Human Resource Development, Government of India.
  - (iii) Readiness on the part of the school management, local authorities and the community to accept the technology and give their full support.
  - (iv) Availability of space in the school premises for toilets, solar power plant and learning stations for elementary education through providing technology-aided group learning in an outdoor and technical feasibility for installing solar plant.
  - (v) Availability of broadband connectivity at the location.
3. The Board shall ensure that appropriate designated staff or personnel provides adequate assistance (viz. data collection, survey, quotations and costs involved etc.) to the CSR Committee to enable it to make necessary recommendations to the Board. For this purpose, the CSR Committee may also approach external consultants for necessary assistance as it may deem fit at such costs as may be approved by the Board.
4. The CSR Committee shall undertake sufficient due diligence of each of the CSR Activity before it is implemented.
5. Based on the recommendations of the CSR Committee, the Board shall approve the following:
  - (i) The specific CSR Activities that should be undertaken from time to time;
  - (ii) The amount of the CSR Expenditure on each of the CSR Activity; and

- (iii) Whether the CSR Activities will be undertaken directly or through an implementing agency or in collaboration with any other companies, including by availing services of any NGOs and record reasons for the same.

- 6. Activities undertaken in pursuance of the normal course of Cantabil Retail India Limited business shall not be considered towards CSR Expenditure.

## **VI. CSR EXPENDITURE AND ALLOCATION**

The CSR policy was not applicable on the Company for the financial year 2014-2015 due to heavy losses.

The Board shall approve the allocation of the CSR Expenditure on the CSR Activities and, to the extent possible, shall give priority to the local areas wherever Cantabil Retail India Limited has its operations.

## **VII IMPLEMENTATION**

1. Baseline survey would be conducted by the implementing agency and annual reviews shall be undertaken to ascertain the progress.
2. The Board along with the CSR Committee shall be responsible for implementation of this CSR Policy.
3. By implementing the CSR Activities, we expect to make available the sustainable energy by the provision of solar power stations, elementary education through providing technology-aided group learning in an outdoor, computer literacy by the provision of learning stations and general literacy amongst the children, and the availability of the sanitation by the provision of functional toilets.
4. **Vehicle for implementation:** We may undertake the CSR Activities either ourselves or through other qualifying Non-government organizations (“NGOs”) or agencies. The projects, programs or activities identified by the CSR Committee and approved by the Board shall be implemented in a project mode through the CSR Cell which will entail charting the stages of execution through planned processes, measurable targets, mobilization and allocation of budgets and prescribed timelines. It also involves assigning of responsibility and accountability. Suitable documents / agreements shall be entered into with NGOs and the other agencies for the purposes of implementation of the CSR Activity, in case the CSR Activity is proposed to be implemented through the third party agencies. The conditions of grant of amounts for all CSR Activities and the break-up of the allocations shall be set out and evaluated from time to time.
5. To the extent feasible, a project based accountability approach to stress on the long term sustainability of CSR Activities shall be adopted, and the indicative action plan and implementation schedule (timelines) for the projects, programs and activities shall be adopted.

## **VIII MONITORING MECHANISM**

1. To ensure effective implementation of the CSR projects, programmes and activities undertaken in terms of this CSR Policy, the progress of each such project, programme and activity will be reported to the CSR Committee on a monthly/quarterly basis, with all requisite documentation.
2. A quarterly report on implementation shall be submitted to the Board by the CSR Committee.
3. The CSR Committee will conduct impact studies on a periodic basis, through independent professional third parties/professional institutions.
4. The CSR Committee shall also try to obtain feedback from the beneficiaries of the CSR projects, programmes and activities. If considered necessary, the effectiveness of the various programs/ activities undertaken under the CSR Policy may be got evaluated through external agencies for providing the required feedback and inputs to formulate and improve the programs in future.

## **IX. IMPACT ASSESSMENT**

1. **Regular and interactive feedback sessions shall be conducted at all levels including with other NGOs through which CSR Activities are being undertaken as well as the respective beneficiaries of all the CSR Activities undertaken by us.**
2. **Field visits shall be conducted at regular intervals to ensure effective implementation.**



3. **Proper documentation shall be done in an MIS format to record key observations of such feedback sessions and field-visits.**
4. **If deemed necessary by the CSR Committee, the effectiveness of the various programs/ activities undertaken under the CSR Policy may be evaluated through external agencies and reports shall be prepared pursuant to such evaluation.**

#### **X. REPORTING**

1. The CSR Committee shall maintain proper minutes of all its meetings.
2. The CSR Committee shall prepare an annual report on CSR with such information and particulars as may be required by the Act and such report shall be included in the Board's Report annexed to the financial statements.
3. The Board's Report shall include an annual report on CSR containing such details as may be prescribed from time to time under the Act and the CSR Rules.
4. The Board will be responsible to ensure that the statutory requirements as may be prescribed from time to time under the Act and the CSR Rules are complied with.

#### **XI. GENERAL**

1. Any surplus arising out of the CSR projects/programs or activities shall not form part of the business profits of the Cantabil Retail India Limited.
2. All administrative expenses, including expenditure on wages and salaries, tours and travels, and training and development of personnel deputed on CSR Activities would be borne from CSR funds. However, the expenditure in a financial year for building CSR capacities of the personnel as well as the implementing agencies shall not exceed 5% (five per cent) of total CSR Expenditure in such financial year.
3. If it is observed that any CSR Activity taken up for implementation is found not properly implemented, the CSR Committee may, with approval of the Board, may discontinue funding the project at any time during the course of implementation and use such funds for any other project.
4. The CSR Committee shall have the power to clarify any doubts or rectify any anomalies that may exist in connection with the effective execution of this CSR Policy.

#### **XII. AMENDMENT**

The CSR Committee is empowered to amend or modify the CSR Policy and such changes shall be placed before the Board for its approval. The Board may subject to compliance with applicable law, at any time approve or alter, amend or modify the CSR Policy, as it deems fit to comply with the statutory obligation to undertake the CSR Activities.

### **ANNEXURE –3**

#### **POLICY ON PREVENTION OF SEXUAL HARASSMENT**

##### **Table of Contents**

1. Objective
2. Scope
3. Definitions and acronyms
4. Flow Charts
5. Key Actions and Responsibilities
6. Policy Description
7. Metrics
8. MIS Reporting
9. Assumptions and Exceptions

“**Cantabil Retail India Limited** is committed to providing a work environment that is professional and mature, free from animosity and one that reinforces our value of integrity that includes respect for the individual.”

## 1. Objective

The Objective of this policy is

- To define Sexual Harassment
- To provide for an effective complaint redressal mechanism if there is an occurrence of sexual harassment.

## 2. Scope

This policy is applicable to all employees, irrespective of their level, across all stores and offices of Cantabil Retail India Limited.

In addition to this the scope of sexual harassment will include ‘Third Party Harassment’ too.

Third Party Harassment is where sexual harassment occurs by a third party (not an employee of the organization) for example a client, a vendor or any other person that the employee is interacting with for work purposes. In this case ‘the employer and person in charge will take all steps necessary and reasonable to assist the affected person in terms of support and preventive action.

This document provides guidelines for the robust process of dealing with sexual harassment, and outlines steps for employees to report any incident of sexual harassment. Every employee will be given a fair trial according to the ‘principle of natural justice.’

The principle of natural justice includes three key features

1. The right to be heard by an unbiased tribunal
2. The right to have notice of charges of misconduct
3. The right to be heard in answer to that charge

These guidelines are in accordance with the Supreme Court Judgment on Sexual Harassment at the Workplace.

## 3. Definitions and acronyms

**3.1. “Employee”** -For the purpose of this policy, the term “employee” means any person on the rolls of Cantabil Retail India Ltd including offices and stores. This will include employees who fall in the managerial, supervisory or workmen cadre.

**3.2. “Sexual Harassment”** – The definition of “Sexual Harassment” shall include but not be restricted to the following.

Sexual Harassment is unwelcome sexually motivated behavior (whether directly or by implication) such as:

- Physical contact and advances
- A demand or request for sexual favors
- Sexually colored remarks
- Showing pornography, writing sexually loaded letters/emails/SMSs
- And/or any other unwelcome physical, verbal or non-verbal conduct of sexual nature
  - Where the victim has reasonable grounds to believe that his/her objection to such unwelcome behavior would disadvantage him/her in connection with his/her work including recruitment/employment or allotment of work, promotion or evaluation of his/her engagement in any Company activity.
  - Where any such act(s) create an intimidating/hostile/offensive work environment and/or affect the person’s work performance.
  - Where any other adverse or hostile consequences might occur if the victim does not consent to the conduct in question or raise any objection thereto.

**3.3 “Complaints Committee”:** A Committee formed under this policy to investigate complaints of sexual harassment referred to it and make appropriate recommendations to the relevant management team.

- 3.4 “Management Team”:** A Management team refers to the person/s vested with the powers to take appropriate disciplinary action
- 3.5 “Chairperson/ In charge”:** He/She heads the team of complaints committee members and is responsible for ensuring investigation of a complaint is conducted in an unbiased/ fair manner & confidentiality is maintained.
- 3.6 “Secretary”:** He/ She will be directing the complaints emails to the respective complaints committee who have to carry out the investigation of the case. He/ She will also be responsible for adhering to timeline and drive responses within timelines specified and grant no exceptions while executing this responsibility.

#### 4. Key Actions and Responsibilities

S No	Activity	Responsibility
1	Create awareness amongst employees about the policy	Ms. Poonam Chahal
2	Ensuring every new joiner is made aware of the policy	Mr. Rajesh Nair

#### 5. Policy Description

##### 5.1 Complaints Committee

In line with the Supreme Court guidelines, a Complaints Committee has been formed under this policy at Head Office and at each Zonal Office to investigate complaints of sexual harassment referred to it and carry out investigations for the relevant management team to take decision on such matters.

A woman shall head the Complaints Committee and at least half of its members shall consist of women. Further, to prevent the possibility of any undue pressure or influence from any quarter, such Complaints Committee will also involve a third party, any external member who is well respected in the community and is knowledgeable on the subject of sexual harassment.

##### Internal Complaints Committee at Head Office

Internal Complaints Committee will receive and investigate the complaints raised by employees in the Head Office and also any complaints that may be referred to it by the Zonal Complaints Committee in certain specific instances

The Internal Complaints Committee at Cantabil Retail India Ltd is constituted as below:

	Internal Complaints Committee		
Business	Name	Role	Email
Manufacturer and Retailer of Apparels	Ms. Poonam Chahal	Chairperson	poonam@cantabilinternational.com
	Ms. Renu Aggarwal	Secretary	Renu.aggarwal@cantabilinternational.com
	Mr. Rajesh Nair	Member	Rajesh.nair@cantabilinternational.com
	Mr. Ashwani Aggarwal	Member	akaficwa@gmail.com

##### **Zonal Level Complaints Committee at each Zonal Office**

A zonal level complaints committee is constituted at each zone. The zonal level complaints committee will receive and investigate the complaints raised by employees in the respective zones and stores in those zones.

##### 5.2 Complaints Mechanism

Any employee may lodge a complaint by writing an e-mail about the incident of sexual harassment against any other employee.

In case an employee is uncomfortable writing to the Complaints Committee, he/she must know that it is possible to submit a written complaint directly to the head of the organization.

In case an employee is uncomfortable putting the complaint in writing at all, he/she must know that an oral complaint can be filed. In this case, a written transcript of the complaint must be made and duly signed by the complainant.

The e-mail IDs are meant for any employee to raise a complaint of sexual harassment at work place to the respective Complaints Committee.

All complaints will have to be sent in writing and the following details of the complainant should be clearly mentioned in the complaint.

**Template for Reporting Sexual Harassment**

**To: The Sexual Harassment Complaints Committee**

**Sexual Harassment details:**

Who is/are the person/people involved in this sexual harassment case? Please provide the name, designation, Unit, Business and relationship with you (eg. supervisor, colleague etc)

**Critical Incidents and Factual Data:**

- a. Please describe the incident/s
- b. List supporting information/data that you would have, that the Committee can seek from you while investigating. Eg. exact date/s, place/s of the incident/s, witnesses, if any, text messages, e-mails etc

Date: \_\_\_\_\_

Location: \_\_\_\_\_

Name of the Person reporting: \_\_\_\_\_

Contact Information: \_\_\_\_\_

(Mention official e-mail id / cell no)

The respective complaints committee will be responsible for conducting an investigation within 3 weeks of receipt of the complaint.

All complaints will be dealt with in strict confidence by all the committee members.

Only complaints received on the official e-mail will be considered valid for any further action by the respective complaints committee.

**5.3 Redressal mechanism and stipulated timelines**

1. An employee who experiences sexual harassment by another individual in the organization will compile information that supports the case. The employee will submit the complaint using the template given within 15 days of the alleged incident.
2. When the employee sends a written complaint to the relevant committee using the format prescribed only. The Secretary will first check whether the complainant has sent the complaint to the right committee if not then it will be sent across to the responsible complaints committee.
3. Once the complaint has been sent to the committee, the committee will first do a preliminary investigation to check whether the complaint seems to be genuine.
4. Under no circumstances, the committee would reveal / disclose the identity of the 'accused' to anyone else (including the immediate manager) – other than all those who are required to know about the case.
5. During investigation, if the committee concludes that the complaint is not a genuine one and the complainant has sent the complaint with malicious intent, the committee will issue a warning letter to the complainant or take any other suitable action as required.
6. The committee will work towards ensuring that the investigation is completed by following the laws of the land and principles of natural justice within 3 weeks of the complaint being reported. If the investigation cannot be completed within 3 weeks, then the committee needs to have very valid and strong reasons for the same. The same needs to be communicated to the Chairperson of the committee at the next higher level.

7. If the accused is found guilty and the investigation is completed, the committee will recommend the quantum of punishment to be given. While deciding on this, the committee will consider the following:
  - Severity of the misconduct
  - Past record of the employee
  - Past precedence of treating similar violations
8. Action could also be recommended against employees who abetted the misconduct knowingly. Written warning would also be issued to employees who were “in the know”, but did not highlight the same.
9. The employee has the option to appeal to the next higher level committee i.e. Internal Complaints Committee only. If he / she appeals, the decision of this committee will be final and binding.
10. If the employee chooses to appeal against the order, he / she has to submit a request in writing to the Internal Complaints Committee within 7 days of receiving the order. If the request is not received within 7 days, the Internal Complaints committee has the option to reject the appeal.
11. Based on the request for appeal, the committee will decide whether to re-investigate / re-look at the quantum of punishment. However, the Internal Complaints committee will close the case within 21 days of receiving the appeal.
12. The victim employee has the option of seeking his/her own transfer.
13. The Chairperson will receive a closure report of the case after the punishment has been implemented by the respective management.

Zonal Complaints Committee in certain specific cases as it deems fit, may forward complaints directly only of the following nature to the Zonal Management Team for further deliberation or investigation.

# Complaints that are critical or severe in nature or involve a senior member in the zone

# Complaints where there are insufficient evidences to arrive at a closure.

This exception would be allowed only in the above said situations and not beyond.

**The timeline for above exception situations will be as follows:**

The respective Zonal Complaints Committee to raise the specific case with Zonal Management team within 15 days of receipt of the complaint.

The Zonal Complaints Committee to present its findings and the bone of contention to the Zonal Management team in writing to facilitate quick decision on the case.

The Management Team to then give a final decision on the respective case in a week from receipt from the Zonal Complaints committee.

Nothing in these guidelines should be taken in any way as a limitation on the powers of the Zonal Management Team to decide what disciplinary action(s) is appropriate under given circumstances.

#### **5.4 Appeal procedure**

If the victim of sexual harassment feels unsatisfied with the outcome of his/her complaint to the Zonal Complaints Committee, he/she may appeal to the Internal Complaints Committee. This committee after hearing the appeal shall review the case and present their recommendations to the appropriate Management Team. The decision of the Internal Committee will be final and binding on all parties concerned.

#### **5.5 Criminal Proceedings**

Where such conduct amounts to a specific offence under the Indian Penal Code or under any other law, Cantabil Retail India Limited shall support the victim in initiating appropriate action in accordance with law.

### **6. Metrics**

- Number of complaints received & reported within timelines in a month by each complaints committee to the respective Management Team at the Zonal level.
- Number of queries resolved in stipulated timelines by each management team.



- Number of complaints escalated by Zonal level Complaints Committee each month to the respective Management Team.

**7. MIS Reporting**

- List of employees against whom complaints have been raised more than once to be shared with respective Business Manager or Function Head and respective Head-HR on quarterly basis.
- Number of issues not resolved within stipulated timelines at each Complaints Committee to be shared with the Business Level Management team.

**8. Assumptions and Exceptions**

Any exception to these policy guidelines will be considered on a case-to-case basis and the same has to be approved by the Chairperson.

The interpretation of this policy rests exclusively with the Company. The decision of the Company shall be final and binding.

**ANNEXURE –4****Form No. AOC-2**

(Pursuant to clause (h) of sub-section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

**Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto.**

1. Details of contracts or arrangements or transactions not at arm's length basis:

SL. NO.	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ trans actions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Justification for entering into such contracts or arrange- ments or transactions	date(s) of approval by the Board	Amount paid as ad- vances, if any	Date on which the special resolution was passed in general meeting as required under first pro- vision to Section 188
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	
All transactions are made at Arm's Length Basis.								

2. Details of material contracts or arrangement or transactions at arm's length basis:

SL. No.	Name(s) of the related party and nature of relationship	Nature of contracts/ arrange- ments/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	date(s) of approval by the Board	Amount paid as ad- vances, if any
(a)	(b)	(c)	(d)	(e)	(f)	
1.	M/s Drishti Enterprises Relation : Wife of Mr. Anil Bansal (Director) is the proprietor	Receiving of Services (Job Work)	1 (one) Year	- Exclusive fabricator/job worker of the company - Goods/fabric will remain ex- clusive property of the company - Fabricator/job worker shall keep the manufacturing unit insured adequately - Duration : 01/11/2015 to 31/10/2016 -Value : Rs. 1,00,00,000	02/02/2016	NIL
2.	M/s Balaji Apparel Relation : Father of Mr. Anil Bansal (Director) is the proprietor	Receiving of Services (Job Work)	1 (one) Year	- Exclusive fabricator/job worker of the company - Goods/fabric will remain ex- clusive property of the company - Fabricator/job worker shall keep the manufacturing unit insured adequately - Duration : 01/10/2016 to 30/09/2017 -Value : Rs. 3,60,00,000	02/02/2016	NIL

3.	M/s Balaji International Clothing Relation : Mr. Anil Bansal (Director) is the proprietor	Franchisee Services	1 (one) Year	<ul style="list-style-type: none"> <li>-The Franchisee shall manage the showroom, exclusively for storage display and marketing of readymade garments</li> <li>- the company shall be in the exclusive possession of the showroom</li> <li>- The Franchisee shall not remove the stock or any other belongings of the Company without the prior written permission of the company.</li> <li>- Duration : 01/03/2016 to 28/02/2017</li> <li>- Value : Rs. 5,00,00,000</li> </ul>	02/02/2016	NIL
4.	M/s Anil Bansal -HUF Relation : Mr. Anil Bansal (Director) is the proprietor	Receiving of Services (Selling Agent)	1(One) Year	<ul style="list-style-type: none"> <li>- The selling agent shall manage the showroom, exclusively for storage, display and marketing of readymade garments</li> <li>- the company shall be in the exclusive possession of the showroom</li> <li>- The selling agent shall not remove the stock or any other belongings of the Company without the prior written permission of the company.</li> <li>- Duration : 01/04/2016 to 31/03/2017</li> <li>- Value :15,00,000</li> </ul>	12/08/2016	NIL
5.	Mrs. Megha Bansal Relation : Wife of Mr. Deepak Bansal (Director), & Daughter-in-law of Mr. Vijay Bansal (Managing Director)	Salary	5 (Five) Years	<ul style="list-style-type: none"> <li>- Basic Pay is increased to Rs. 1,00,000 per month</li> <li>- Designation : appointed as Deputy General Manager – Finance</li> <li>- she is also entitled to allowances &amp; perquisites</li> <li>- shall also be entitled to a gratuity for half month's salary for each completed year</li> </ul>	14/08/2014	NIL
6.	Mr. Deepak Bansal Relation: Director of the Company	Agreement to Sell	N.A.	<ul style="list-style-type: none"> <li>- Sale of Property-WZ-50 situated at village Shakurpur, Delhi</li> <li>- If Mr. Deepak Bansal infringes the Terms &amp; Conditions of the agreement, then the company shall be entitled to get the transaction enforced through court of law</li> <li>- If the Company infringes the Terms &amp; Conditions of the agreement, then Mr. Deepak Bansal has the right to forfeit the earnest money.</li> <li>- The Agreement is irrevocable</li> <li>- Total sale consideration is Rs. 5 crores.</li> </ul>	12/02/2015	NIL

**ANNEXURE –5**
**PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186  
 OF THE COMPANIES ACT, 2013**

Name of the entity	Nature of transaction	Amount (in Rupees)	Rate of Interest	Purpose for which the loan, guarantee and investment are proposed to be utilised
Nova Iron & Steel Company Limited	Investment in Equity	24,000	No Specific time limit	Investment in Equity
HDFC Equity Fund-Growth	Mutual Fund	130,000	No Specific time limit	Investment in Equity Funds
IDFC Imperial Equity Fund - Plan A	Mutual Fund	10,000	No Specific time limit	Investment in Equity Funds
Ambica Steels Limited	Inter-Corporate Deposit	12,000,000	14%	For furthering the business interest of the company
Ambica Stainless Steel Limited	Inter-Corporate Deposit	35,000,000	13%	For furthering the business interest of the company
Bahadurgarh Footwear Development Services Private Limited	Investment in Equity	2,000,000	No Specific time limit	For furthering the business interest of the company

**ANNEXURE –6****FORM NO. MGT 9****EXTRACT OF ANNUAL RETURN**
**As on financial year ended on 31.03.2016**
**Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.**
**I. REGISTRATION & OTHER DETAILS:**

1. CIN	L74899DL1989PLC034995
2. Registration Date	09/02/1989
3. Name of the Company	CANTABIL RETAIL INDIA LIMITED
4. Category/Sub-category of the Company	Company Limited By Shares/ Non-govt Company
5. Address of the Registered office & contact details	Address : B-16, Ground Floor, Lawrence Road Industrial Area, Delhi - 110035 Contact Details : Tel. No. - 011-27156381/82 E-mail - poonam@cantabilinternational.com Website - www.cantabilinternational.com
6. Whether listed company	Yes
7. Name, Address & contact details of the Registrar & Transfer Agent, if any.	Name : M/s Beetal Financial & Computer Services (P.) Ltd. Address :Beetal House, 3rd floor, 99, Madangir, Behind Local Shopping Centre, Near Dada Harsukhdas Mandir, New Delhi-110062. Contact Details : Tel. No. - 011-29961281 E-mail ID - beetalrta@gmail.com

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY** (All the business activities contributing 10 % or more of the total turnover of the company shall be stated):

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turn-over of the company
1	Manufacture of all types of textile garments and clothing accessories	14101	73.11%
2	Retail sale of readymade garments, hosiery goods, other articles of clothing and clothing accessories such as gloves, ties, braces etc	47711	25.52%
3.	Other Sale	-	1.37%

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -**

Sl.No.	Name and Address of the Company	CIN/GLN Associate	Holding/ Subsidiary/	% of shares held Applicable section
N.A.				

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

 Shareholding Pattern Is Attached As **ANNEXURE 6A.**
**B) Shareholding of Promoter-**

	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of 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	SWATI GUPTA	160	0.0	0.00	160	0.00	0.00	0.00
2	MEGHA BANSAL	193733	1.18	0.00	193733	1.18	0.00	0.00
3	VIJAY BANSAL-HUF	413385	2.53	0.00	413385	2.53	0.00	0.00
4	DEEPAK BANSAL	1901735	11.65	0.00	2517436	15.42	0.00	3.77
5	SUSHILA BANSAL	2811674	17.22	0.00	2811674	17.22	0.00	0.00
6	VIJAY BANSAL	5636590	34.52	0.00	5823339	35.66	0.00	1.14



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

S. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year		Reason
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	
1.	<b>Swati Gupta</b> At the beginning of the year Bought during the year Sold during the year At the end of the year	160 — — 160	0.00 — — 0.00	160 — — 0.00	0.00 — — 160	No Change
2.	<b>Megha Bansal</b> At the beginning of the year Bought during the year Sold during the year At the end of the year	193733 — — 193733	1.18 — — 1.18	193733 — — 193733	1.18 — — 1.18	No Change
3.	<b>Vijay Bansal – HUF</b> At the beginning of the year Bought during the year Sold during the year At the end of the year	413385 — — 413385	2.53 — — 2.53	413385 — — 413385	2.53 — — 2.53	No Change
4.	<b>Deepak Bansal</b> At the beginning of the year Bought during the year: 16/04/2015 30/04/2015 08/02/2016 Sold during the year At the end of the year	1901735 300000 242576 73125 — 2517436	11.65 1.84 1.49 0.45 — 15.42	1901735 2201735 2444311 2517436 — 2517436	11.65 13.48 14.97 15.42 — 15.42	Acquisition Acquisition Acquisition
5.	<b>Sushila Bansal</b> At the beginning of the year Bought during the year Sold during the year At the end of the year	2811674 — — 2811674	17.22 — — 17.22	2811674 — — 2811674	17.22 — — 17.22	No Change
6.	<b>Vijay Bansal</b> At the beginning of the year Bought during the year: 30/04/2015 08/02/2016 Sold during the year At the end of the year	5636590 39752 146997 — 5823339	34.52 0.24 0.90 — 0.90	5636590 5676342 5823339 — 5823339	34.52 34.76 35.66 — 35.66	Acquisition Acquisition

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

S. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year		Reason Acquisition/ Disposal/ Transfer (A/D/T)
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	
For the Financial Year 2015-16						
1	Punjab National Bank*	1083748	6.64	1083748	6.64	No Change
2	Arch Finance Limited*	485909	2.98	49266	0.30	A/D/T
3	Seminary Tie Up Private Limited*	311500	1.91	311500	1.91	No Change
4	VaishalliArya*	277833	1.70	85276	0.52	A/D/T
5	Religare Finvest Limited*	185000	1.13	5216	0.032	A/D/T
6	Spa Securities Limited*	140000	0.86	140561	0.86	A/D/T
7	Rajeev Jawahar*	101313	0.62	-	-	A/D/T
8	Allahabad Bank	83372	0.51	73372	0.45	A/D/T
9	Spa Global Private Limited*	67500	0.41	65926	0.40	A/D/T
10	Usha D. Shah*	58826	0.36	53826	0.33	A/D/T
11.	Shri Parasram Holdings Pvt. Ltd.**	9389	0.058	104565	0.64	A/D/T
12.	Rahul Dhruv**	21357	0.13	100040	0.61	A/D/T
13.	Ashit Nalinbhai Shah**	1359	0.0083	74487	0.46	A/D/T

Notes: The shares of the Company are traded on a daily basis and hence the date wise increase/ decrease/ transfer in shareholding is not indicated. Shareholding is consolidated based on PAN of the shareholder.

\*Top 10 Shareholders as on 01/04/2015.

\*\* New Shareholders added in the list of Top 10 Shareholders as on 31/03/2016.

## E) Shareholding of Directors and Key Managerial Personnel:

S. No.	Particulars For Each of the Directors and KMP	Shareholding beginning of the year		Shareholding during the year		Reason Acquisition/ Disposal/ Transfer
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	
1.	<b>Vijay Bansal</b> At the beginning of the year Bought during the year: 30/04/2015 08/02/2016 Sold during the year At the end of the year	5636590  39752 146997 — 5823339	34.52  0.24 0.90 — 35.66	5636590  5676342 5823339 — 5823339	34.52  34.76 35.66 — 35.66	Acquisition Acquisition
2.	<b>Deepak Bansal</b> At the beginning of the year Bought during the year: 16/04/2015 30/04/2015 08/02/2016 Sold during the year At the end of the year	1901735  300000 242576 73125 — 2517436	11.65  1.84 1.49 0.45 — 15.42	1901735  2201735 2444311 2517436 — 2517436	11.65  13.48 14.97 15.42 — 15.42	Acquisition Acquisition Acquisition
3.	<b>Anil Bansal</b> At the beginning of the year Bought during the year Sold during the year At the end of the year	160 — — 160	0.00098 — — 0.00098	160 — — 160	0.00098 — — 0.00098	No Transaction
4.	<b>Lalit Kumar</b> At the beginning of the year Bought during the year Sold during the year At the end of the year	— — — —	— — — —	— — — —	— — — —	Nil Holding
5.	<b>Arun Kumar Roopanwal</b> At the beginning of the year Bought during the year Sold during the year At the end of the year	— — — —	— — — —	— — — —	— — — —	Nil Holding
6.	<b>Renu Jagdish</b> At the beginning of the year Bought during the year Sold during the year At the end of the year	— — — —	— — — —	— — — —	— — — —	Nil Holding
7.	<b>Poonam Chahal</b> At the beginning of the year Bought during the year Sold during the year At the end of the year	— — — —	— — — —	— — — —	— — — —	Nil Holding
8.	<b>Rajesh Rohilla</b> At the beginning of the year Bought during the year Sold during the year At the end of the year	— — — —	— — — —	— — — —	— — — —	Nil Holding

**V) INDEBTEDNESS -**

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

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	351,365,157	-	-	351,365,157
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>351,365,157</b>	<b>-</b>	<b>-</b>	<b>351,365,157</b>
<b>Change in Indebtedness during the financial year</b>				
* Addition		-	-	
* Reduction	9,128,950	-	-	9,128,950
<b>Net Change</b>	<b>(9,128,950)</b>	<b>-</b>	<b>-</b>	<b>(9,128,950)</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	342,236 ,207	-	-	342,236 ,207
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>342,236 ,207</b>	<b>-</b>	<b>-</b>	<b>342,236 ,207</b>

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-**
**A. REMUNERATION TO MANAGING DIRECTOR (MD), WHOLE-TIME DIRECTORS (WTD) AND/OR MANAGER:**

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager			Total Amount (In Rupees)
		Mr. Vijay Bansal (Managing Director)	Mr. Deepak Bansal (Whole-Time Director)	Mr. Anil Bansal (Whole-Time Director)	
1	Gross salary	5,079,600	4,149,600	888,000	10,117,200
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	5,040,000	4,110,000	888,000	10,038,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	39,600	39,600	-	79,200
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-	-
2	Stock Option	<b>N.A.</b>			
3	Sweat Equity				
4	Commission - as % of profit - others, specify...				
5	Others, please specify				
	Total (A)	5,079,600	4,149,600	888,000	10,117,200
	Ceiling as per the Act	8,400,000	8,400,000	8,400,000	25,200,000

**B. REMUNERATION TO OTHER DIRECTORS**

SN.	Particulars of Remuneration	Name of directors			Total Amount (Rupees)
		Mr. Lalit Kumar	Dr. Arun Kumar Roopanwal	Mrs. Renu Jagdish	
1	Independent Directors				
	Fee for attending Board Committee Meetings	240,000	240,000	240,000	720,000
	Commission	NIL	NIL	NIL	NIL
	Others, please specify	NIL	NIL	NIL	NIL
	Total (1)	240,000	240,000	240,000	720,000
2	Other Non-Executive Directors				
	Fee for attending board committee meetings	NIL	NIL	NIL	NIL
	Commission	NIL	NIL	NIL	NIL
	Others, please specify	NIL	NIL	NIL	NIL
	Total (2)	NIL	NIL	NIL	NIL
	Total (B)=(1+2)	240,000	240,000	240,000	720,000
	Total Managerial Remuneration	240,000	240,000	240,000	720,000
	Overall Ceiling as per the Act	100,000 per meeting	100,000 per meeting	100,000 per meeting	300,000 per meeting



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

S. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS	CFO	Total
			Ms. Poonam Chahal	Mr. Rajesh Rohilla	(In Rupees)
1	Gross salary	N O T  A P P L I C A B L E	1,167,219	2,346,600	3,513,819
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		1,167,219	2,346,600	3,513,819
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961		NIL	NIL	NIL
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961		NIL	NIL	NIL
2	Stock Option		NIL	NIL	NIL
3	Sweat Equity		NIL	NIL	NIL
4	Commission		NIL	NIL	NIL
	- as % of profit		NIL	NIL	NIL
	others, specify...		NIL	NIL	NIL
5	Others, please specify		NIL	NIL	NIL
	Total		1,167,219	2,346,600	3,513,819

**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)
<b>A. COMPANY</b>					
Penalty	N.A.	N.A.	N.A.	N.A.	N.A.
Punishment	N.A.	N.A.	N.A.	N.A.	N.A.
Compounding	N.A.	N.A.	N.A.	N.A.	N.A.
<b>B. DIRECTORS</b>					
Penalty	N.A.	N.A.	N.A.	N.A.	N.A.
Punishment	N.A.	N.A.	N.A.	N.A.	N.A.
Compounding	N.A.	N.A.	N.A.	N.A.	N.A.
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	N.A.	N.A.	N.A.	N.A.	N.A.
Punishment	N.A.	N.A.	N.A.	N.A.	N.A.
Compounding	N.A.	N.A.	N.A.	N.A.	N.A.

# ANNEXURE - 6A SHAREHOLDING PATTERN

Table - I Summary Staement holding of specified securities

Category (I)	Category of Shareholder (II)	No of Shareholder (III)	No. of fully paid Equity Share Held (IV)	No. Of Partly Paid Equity Share Held (V)	No. of underlying Depository Receipts (VI)	Total Nos. Shares Held (VII) = IV+V+VI	Shareholding as a % of total no of Shares (calculated as per SCRR 1957) as a % of (A+B+C2) (VIII)	No of Voting Rights held in each class of securities (IX)				No of shares underlying outstanding convertible securities (including warrants) (X)	Shareholding as a % assuming convertible securities conversions (as a % of equity capital) (XI) = VII+X of (A+B+C2)	No. of Shares pledged or otherwise encumbered (XIII)		Locked in Shares (XII)		No of Equity Shares Held in Demateri- alized form (XIV)
								Class X	Class Y	Total	Total as a % of (A+B+C)			No. (a)	As a % of total shares held (b)	No. (a)	As a % total held (b)	
(A)	Promoter & Promoter Group	6	11759727	0	0	11759727	72.0236	11759727	0	11759727	72.0236	0	72.0236	0	0.0000	0	0.0000	11759727
(B)	Public	8673	4567881	0	0	4567881	27.9764	4567881	0	4567881	27.9764	0	27.9764	0	0.0000	27040	0.5920	4567259
(C)	Non Promoter - Non Public	0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	0	0.0000	0
(C1)	Shares Underlying DRs	0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	0	0.0000	0
(C2)	Share Held By Employees Trusts	0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	0	0.0000	0
	Total	0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	0	0.0000	0
	Total A+B+C1+C2	8679	16327608	0	0	16327608	100.0000	16327608	0	16327608	100.0000	0	100.0000	0	0.0000	27040	0.1656	16326986

**Table - II Statement showing shareholding pattern of the Promoter and Promer Group**

S.No.	Category & Name of the Shareholder (I)	PAN (II)	No of Shareholders (III)	No of fully paid Equity Share Held (IV)	No of Partly Paid Equity Shares Held (V)	No of shares underlying Depository Receipts (VI)	Total No. Shares Held (VII)= IV+V+VI	Shareholding as a % of total no. of shares (calculated as per SCRR 1957/(VIII) as a % of (A+B+C2)	No of Voting Rights held in each class of securities (IX)				No of shares underlying standing convertible (including warrants) (X)	Shareholding as a % assuming full conversions of convertible securities (as a % of equity capital) (XI)= VII+X (A+B+C2)	No. of Shares pledged or otherwise encumbered (XII)		Locked in Shares (XII)		No of Equity Shares Held in Dematerialized form (XIV)
									Class X	Class Y	Total	Total as a % of total shares held (b)			No. (a)	As a % of total shares held (b)	No. (a)	As a % of total shares held (b)	
(1)	Indian																		
(a)	Individual/huf		6	11759727	0	0	11759727	72.0236	11759727	0	11759727	72.0236	0	72.0236	0	0.0000	0	0.0000	11759727
	Deepak Bansal	AFXPB6400M		2517436	0	0	2517436	15.4183	2517436	0	2517436	15.4183	0	15.4183	0	0.0000	0	0.0000	2517436
	Megha Bansal	AHWP65081E		193733	0	0	193733	1.1865	193733	0	193733	1.1865	0	1.1865	0	0.0000	0	0.0000	193733
	Sushila Bansal	AAIPB4917D		2811674	0	0	2811674	17.2204	2811674	0	2811674	17.2204	0	17.2204	0	0.0000	0	0.0000	2811674
	Swati Gupta	AGQP2143Q		160	0	0	160	0.0010	160	0	160	0.0010	0	0.0010	0	0.0000	0	0.0000	160
	Vijay Bansal	AADHV2111G		413385	0	0	413385	2.5318	413385	0	413385	2.5318	0	2.5318	0	0.0000	0	0.0000	413385
	Huf			5823339	0	0	5823339	35.6656	5823339	0	5823339	35.6656	0	35.6656	0	0.0000	0	0.0000	5823339
(b)	Central Govt / state Govt/ President Of India		0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	0	0.0000	0
(c)	Financial Inst/banks		0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	0	0.0000	0
(d)	Any other Other - Body Corporate		0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	0	0.0000	0
	Sub - Total		6	11759727	0	0	11759727	72.0236	11759727	0	11759727	72.0236	0	72.0236	0	0.0000	0	0.0000	11759727
(2)	Foreign																		
(a)	Individual(nri/ Foreign Individual )		0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	0	0.0000	0
(b)	Government		0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	0	0.0000	0
(c)	Institutions		0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	0	0.0000	0
(d)	Foreign Portfolio Investors		0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	0	0.0000	0
(e)	Any Other																		
	Sub - Total		0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	0	0.0000	0
	Total Shareholding of Promoter and Promotor Group		6	11759727	0	0	11759727	72.0236	11759727	0	11759727	72.0236	0	72.0236	0	0.0000	0	0.0000	11759727

Table - III Statement showing shareholding pattern of the Public shareholding

S. No.	Category & Name of the Shareholder (I)	PAN (II)	No of Share-holders (III)	No of fully paid Equity Shares Held (IV)	No of Partly Paid Equity Shares Held (V)	No of shares underlying Depository Receipts (VI)	Total No. Shares Held (VII)= IV+V+VI	Shareholding as a % of total no. of shares (calculated as per SCRR 1957(VIII) as a % of (A+B+C2))	No of Voting Rights held in each class of securities (IX)				No of shares underlying convertible (including warrants) (X)	Shareholding as a % assuming full conversions of convertible securities (as a % of diluted equity capital (XI)=VII+X (A+B+C2))	No. of Shares pledged or otherwise encumbered (XII)		Locked in Shares (XII)		No of Equity Shares Held in Dematerialized form (XIV)
									Class X	Class Y	Total	Total as a % of total shares held (b)			No. (a)	As a % of total shares held (b)	No. (a)	As a % of total shares held (b)	
(1)	Institutions																		
(a)	Mutual Funds		0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	0	0.0000	0
(b)	Venture Capital Funds		0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	0	0.0000	0
(c)	Alternate Investment Funds		0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	0	0.0000	0
(d)	Foreign Venture Capital Investors		0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	0	0.0000	0
(e)	Foreign Portfolio Investors		0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	0	0.0000	0
(f)	Financial Institutions		3	1167947	0	0	1167947	7.1532	1167947	0	1167947	7.1532	0	7.1532	0	0.0000	0	0.0000	1167947
	Punjab National Bank	AAACRP0165G		1083748	0	0	1083748	6.6375	1083748	0	1083748	6.6375	0	6.6375	0	0.0000	0	0.0000	1083748
(g)	Insurance Companies		0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	0	0.0000	0
(h)	Provident Funds/ Pension Fund		0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	0	0.0000	0
(i)	Any other Sub-total (B)(1)		3	1167947	0	0	1167947	7.1532	1167947	0	1167947	7.1532	0	7.1532	0	0.0000	0	0.0000	1167947
(2)	Central Govt./state Govt/ President Of India		0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	0	0.0000	0
	Sub-total (B)(2)		0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	0	0.0000	0
(3)	Non-institutions																		
(a)	(i) Individual-Holding Nom. Val. upto Rs.2 lakhs		8045	1584155	0	0	1584155	9.7023	1584155	0	1584155	9.7023	0	9.7023	0	0.0000	0	0.0000	1583533
	(ii) Individual-Holding Nom. Val. greater than Rs.2 lakhs		7	389009	0	0	389009	2.3825	389009	0	389009	2.3825	0	2.3825	0	0.0000	0	0.0000	389009
(b)	Nbfc Registered With Rbi		0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	0	0.0000	0
(c)	Employees Trust		0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	0	0.0000	0
(d)	Overseas Depository Holding Dfns		0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	0	0.0000	0
(e)	Any Other																		
	Other - Body Corp		161	1182534	0	0	1182534	7.2425	1182534	0	1182534	7.2425	0	7.2425	0	0.0000	27040	2.2866	1182534
	Decent Financial Services Pvt. Ltd.	AAACD2899P		226351	0	0	226351	1.3863	226351	0	226351	1.3863	0	1.3863	0	0.0000	0	0.0000	226351
	Seminary Tie Up Pvt Ltd	AAECSD0516J		311500	0	0	311500	1.9078	311500	0	311500	1.9078	0	1.9078	0	0.0000	0	0.0000	311500
	Other - Trusts		1	200	0	0	200	0.0012	200	0	200	0.0012	0	0.0012	0	0.0000	0	0.0000	200
	Other - Clearing Member		15	5251	0	0	5251	0.0322	5251	0	5251	0.0322	0	0.0322	0	0.0000	0	0.0000	5251
	Other - N R I		90	47346	0	0	47346	0.2900	47346	0	47346	0.2900	0	0.2900	0	0.0000	0	0.0000	47346
	Other - Individual HUF		351	191439	0	0	191439	1.1725	191439	0	191439	1.1725	0	1.1725	0	0.0000	0	0.0000	191439
	Sub-total (B)(3)		8670	3399934	0	0	3399934	20.8232	3399934	0	3399934	20.8232	0	20.8232	0	0.0000	27040	0.7953	3399312
	Total Public Shareholding		8673	4567881	0	0	4567881	27.9764	4567881	0	4567881	27.9764	0	27.9764	0	0.0000	27040	0.5920	4567259

Table - IV Statement showing shareholding pattern of the Public shareholding

S. No.	Category & Name of the Shareholder (I)	PAN (II)	No of Share-holders (III)	No. of fully paid Equity Share Held (IV)	No. of Partly Paid Equity Shares Held (V)	No. of shares underlying Depository Receipts (VI)	Total No. Shares Held (VII)= IV+V+VI	Share-holding as a % of total no. of shares (calculated as per SCRR 1957(VIII) as a % of (A+B+C2)	No of Voting Rights held in each class of securities (IX)				No of shares underlying outstanding convertible (including warrants) (X)	Shareholding as a % assuming full conversions of convertible securities (as a % of diluted equity capital (XI)=VII+X as a % of (A+B+C2)	No. of Shares pledged or otherwise encumbered (XII)		Locked in Shares (XII)		No of Equity Shares Held in Dematerialized form (XIV)
									Class X	Class Y	Total	Total as a % of total shares held (b)			No. (a)	As a % of total shares held (b)	No. (a)	As a % of total shares held (b)	
(1)	Custodian/DR Holder																		
(a)	names																		
(2)	Employees Benefit Trust (under SEBI Based employees benefit Regulation 2014																		
(a)	names																		
	Total Non-Promoter Non Public shareholding C = C1+C2																		



## MANAGEMENT DISCUSSION & ANALYSIS REPORT

### ECONOMIC OVERVIEW:

The Global Economy remained lackluster in 2015 with growth slowing to just 3.1% compared to 3.4% in 2014 as per latest International Monetary Fund (IMF) estimates. This marks the slowest pace of expansion since the global financial crisis in 2009 and the fourth successive year that the global economy has grown at a rate lower than its long term average of 3.6% p.a. The emerging market and developing economies witnessed further deceleration in growth from 4.6% to 4% in 2015 with the Chinese economy slowing down from 7.3% in 2014 to 6.9% in 2015 and other major constituent economies like Brazil and Russia witnessing contraction.

The advanced economies, on the other hand, recorded a marginal uptick in growth from 1.8% in 2014 to 1.9% in 2015. The US economy posted a muted growth of 2.4% for the second year in a row due to weak exports and decline in investments. The pace of economic activity improved in the Euro Area which grew by 1.6% during the year compared to 0.9% in 2014 aided by strengthening domestic demand and supportive financial conditions.

Recovery in global economic activity is expected to remain subdued over the near/medium term with only a modest cyclical uptick to 3.2% in 2016 and 3.5% in 2017 as per IMF estimates. Such sub-par growth outlook is largely attributable to the structural '3D Challenge' facing the global economy –high level of Debt, weakening Demographic trends with rising age dependency ratios even in emerging economies (excluding India and Africa) and persistent Deflationary pressures. The emerging market & Developing Economies are likely to witness another year of muted growth at 4.0% before improving to 4.6% in 2017, aided by Brazil and Russia coming out of deep recession. Growth in China is projected to slow down further to 6.5% in 2016 and 6.2% in 2017, reflecting the ongoing rebalancing of the economy towards a more sustainable and broad-based consumption and services led growth. The outlook for the advanced economies point to the absence of any material pick-up in economic activity over the next two years with GDP growth projected at 1.9% in 2016 (in line with 2015) and 2% in 2017. Within advanced Economies, growth in the United States is projected to remain subdued around the 2.5% mark over the next two years due to strengthening of the dollar, weak manufacturing activity and decline in energy investments due to lower oil prices. The modest recovery in the Euro Area is likely to continue in 2016-17. With low energy prices, moderate fiscal expansion and supportive financial conditions outweighing weakening external demand.

Despite prospects of modest improvement in certain sections of the world economy, global recovery remains fragile. Tightening of financial conditions in the United States and Japan, net capital outflows from emerging markets, geopolitical tensions and stagnation in advanced economies, continued slowdown in growth rate in China and its consequent adverse impact on commodity exporting countries represent some of the key downside risks to global economic recovery.

The Indian economy witnessed another challenging year growing by 7.5% in real terms during the first nine months of 2015-2016 representing a marginal improvement over 2014-15 (7.2%). However, there was a marked decline in Nominal GDP growth which stood at 8.1% for the period April, 2015 to December 2015 compared to 11.4% for the corresponding period in the previous year. Looking beyond the GDP numbers, a wide range of consumption, private investments and exports which have contracted significantly against the backdrop of a soft global demand environment. While growth in Private Final Consumption Expenditure (PFCE) is estimated at 7.6% for 2015-16 (compared to 6.2% in 2014-15), lower rural demand on the back of two consecutive years of sub-par monsoons, muted sales of tractors and two wheelers, and a marked deceleration in corporate sales growth point to a persistent weakness in Private Consumption. The performance of the Industry Sector also remained subdued as reflected by the Index of Industrial Production (IIP) which grew by just 2.6% during the period April 2015 to February 2016. It was a challenging year for the capital markets as well, with the Sensex declining by 9% during the year (after rising 25% in 2014-15), reflecting the sluggish business environment, slower than expected progress on the reforms agenda and muted growth in corporate earnings.

On the positive side, inflation remained well within the comfort zone aided by low global crude oil and commodity prices. While Wholesale Price Index (WPI) for 2015-16 has remained in the negative zone for the 16 consecutive months, Core CPI inflation also eased to 4.6% in 2015-16 as compared to 5.5% in 2014-15.

As per median estimates based on the survey of professional forecasters conducted by RBI, the Indian economy is likely to grow by 7.7% in 2016-17. The pace of growth is unlikely to witness significant acceleration in the short term in view of a weak global economic environment and muted growth in private investments given the relatively low levels of capacity utilization and stretched corporate balance sheets. The proposed implementation of the recommendations of the 7<sup>th</sup> Pay Commission, 'One Rank One Pension' (OROP) scheme, low inflation and expectations of normal monsoons in the ensuing year represent some of the key factors that are likely to positively influence Private Consumption going forward.

While India remains a bright spot among emerging markets and continues to be one of the fastest growing major economies in the world, the rate of economic growth in recent years has remained far below the desired levels and the country's potential. Given the low level of per capita income and the fact that a significant proportion of our population lives below the poverty line, it is imperative that the economy revert to a high growth trajectory sooner than later. Boosting agriculture productivity and value addition to international standards while simultaneously improving market linkage remain critical for the growth of the Agriculture sector. A big thrust on India's food Processing sector can lead to significant job creation, enhance rural incomes and help manage food inflation. Similarly supportive policies in this area would go a long way in creating sustainable livelihoods while simultaneously augmenting the nation's environmental capital.

## **INDUSTRY OVERVIEW:**

### **Indian Retail Sector**

Retail industry, specially, are eyeing some big bang reforms that will not only boost existing growth but also help eliminate obstacles viz inadequate physical infrastructure, inefficiencies in supply chain, complex regulatory environment, that has been disturbing the industry for long. Our Government needs to pay heed towards demands of e-commerce industry which has witnessed a phenomenally high growth in the last 3 years, making it one of the fastest growing sectors. Retail players have time and again emphasised the need for foreign capital, expertise and knowledge in inventory-based models that will take e-commerce industry to another level altogether. Focus on Improvement in technology will ensure that e-commerce continues its growth trajectory. The right push given to retail and e-commerce industry would also fuel manufacturing industry and promote Prime Minister's ambition of "Make in India", increase consumption, thereby, stimulating economy in the long run.

According retail sector an Industry status with specific regulator for its needs and growth requirement will pave the growth road map for this billions dollar sunrise sector. Early implementation of GST would eliminate cascading effect of taxes and remove other inefficiencies currently faced by retailers. Increase of disposable income in hands of lower/middle class consumers, would enable greater purchasing power, leading to increase in demand and growth of industry. Investment-linked incentives for setting up and operating cold storage facility are available only to specified businesses. These incentives should be extended to retail sector for promoting investment in warehousing facilities, in logistics infrastructure and technologies etc., which shall pave the way for faster delivery of goods and services at a more efficient cost by e-commerce companies. "Digital" India would prove out to be a great boon for the industry.

The Indian retail industry has presently emerged as one of the most dynamic and fast paced industries as several players have started to enter the market. It accounts for approx. over 10 per cent of the country's Gross Domestic Product (GDP) and around eight per cent of the employment in India. The country is today the fifth largest global destination in the world for retail. Several corporates, both Indian & overseas, have planned to exploit the opportunities in the Indian retail space with mammoth capital investment plans lined up for investment in next 3-5 years' time. Expansion of retail will spur the corresponding demand for commercial real estate. On the whole, both organized and unorganized retail participants should work together to improve the overall retail industry and create new opportunities for themselves and their customers, to remain growing, viable and successful in the business. Clothing and fashion retailing is the second largest contributor to the Indian retail market with a share of around 8%. In the organized retail market, clothing and fashion retailing is the largest and the most penetrated segment. With the success of e-commerce the share of organized retailing is expected to take big boost on the strength of new startups. Easy availability of credit and govt's impetus to the use of 'plastic money' availability of technology in hands of masses, shall be the strong drivers of retail sector to grow. Luxury segment of the market is showing major breakout besides the growing trend in mid segment retail market. Menswear will continue to remain major market segment after women's & Kid's wear. More and more women joining the all walks of commerce and business activities will help grow and transform the future trends of women's wear in India. Branded women's wear segment shall see more players coming to the industry. The long term outlook for the industry remains to be positive on the back of rising incomes, favourable demographics, entry of foreign players and increasing urbanization.

The opening up of FDI in retail & Insurance have started showing some signs of activity, new players taking interest in the sector, old getting themselves reorganized and restructured through mergers and acquisitions shall further consolidate the landscape of Indian organized retail.

## **ORGANIZED RETAIL**

### **Business Review:**

Cantabil was born with the forward visionary thought of providing affordable men's wear for masses. The company has created a space in Apparel market under the brand name of "CANTABIL" "LAFANSO" "KANESTON" "BONNETTI"

“KINGSWOOD” “BONMARCHE” and “CROZO” Company moved up the value chain from a garment manufacturer to a retailer by launching its first exclusive brand outlet in 2000, it has a wide range of apparel designs suited for all segments including corporate, formal and casual dressings.

Cantabil will continue to focus on maintaining and reinforcing the image of its existing exclusive brand outlets and also introduce its apparel to new geographical areas and assessing fashion trends, making fashion forecasts and offering products to match the global fashion movements will keep CANTABIL at the leadership position for times to come.

As of March 31, 2015, the Cantabil brand was sold on a total floor area of approx. 134796 sq. ft. and which has increased to 145612 sq. ft. as of 31<sup>st</sup> March, 2016

#### **FINANCIAL OVERVIEW:**

The Company Sales in the domestic market have increased during the year under review. Total revenue of the company increased to Rs. 15528.31 Lacs during the financial year ended March 31, 2016, as compared to Rs. 13884.69 Lacs during the financial year 2014-15. The Company incurred a profit of Rs. 506.98 Lacs during the financial year ended March 31, 2016 against a profit of Rs. 289.11 Lacs during the financial year ended March 31, 2015. The year under review, your Company retained its position in the market. However, the Company is confident that it will improve its performance in the financial year 2016-17. As of today we have 153 stores spread across northern, southern, eastern and western parts of the country.

#### **STRENGTHS AND OPPORTUNITIES:**

- Brand Leadership,
- Unparalleled reach,
- Diversified geographical presence,
- Strong customer connect,
- Focus on superior customer experience,
- Increasing volumes under women's wear.,
- Better quality of production.,
- Improved efficiency of working capital management.,
- Improvement in cost structure would add to operating margins of the Company

#### **RISK & THREATS:**

- Changing consumer preference,
- High fixed cost structure,
- Intensifying competition,
- Changes in fashion trends and slow down in consumption pattern of the consumers, may adversely affect the turnover of the Company.,
- Government Policy on relaxing the Foreign Direct Investment limits in the Retail Sector will allow many MNC's to enter into the Indian Retail Market, which might pose as a probable risk, since the Company will be competing with the international players as well.
- Government Policy on Goods and Service Tax may also affects the competition and the profitability in future.

#### **OUT LOOK**

The benefit of the stable Government after 3 decades has rightly evoked a “feel good” factor across industries.

The demand situation within India should improve, given the fact that there is a “feel good” factor. When the benefit of an improving economy percolates and generates further investment, manufacturing, growth and employment for the demographic dividend, it should translate into even further growth in demand, which has been visible only in fits and starts for the last few years.

Over the medium term, the growth in demand should become more stable and consistent. The growth of organized retail is slated to continue, which holds great promise.

**INTERNAL CONTROL SYSTEM AND THEIR ADEQUACIES**

The Company has proper and adequate internal control procedures commensurate with the size and nature of the business. The internal control system is supplemented by extensive internal audits, regular reviews by the management and well-documented policies and guidelines to ensure reliability of financial and all other records and to prepare financial statements and other data. Moreover, your Company continuously upgrades these systems to ensure that all the assets are safeguarded and protected against any loss from unauthorized use or disposition and those transactions are authorized, recorded and reported correctly. The Company's internal systems are supplemented by an extensive programme of internal audit conducted by an external auditor periodically and reviewed by the management together with the Audit Committee of the Board. The emphasis of internal control prevails across functions and processes, covering the entire gamut of activities including finance, supply chain, sales and distribution, marketing etc.

The Company is continuously upgrading its internal control systems by measuring state of controls at various locations. Controls by an ERP system have been strengthened with help of review conducted by Internal Auditors.

**DISCUSSION OF FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE:**

The financial statements have been prepared in accordance with the requirements of Companies Act, 2013 and applicable accounting standards issued by the Institute of Chartered Accountants of India. The details of the financial performance of the Company are appearing in the Balance Sheet, Profit & Loss Accounts and other financial statements forming part of this Annual Report. For financial highlights please refer heading 'FINANCIAL RESULTS' of Directors Report.

**MATERIAL DEVELOPMENTS IN HUMAN RESOURCES**

The role of Human Resources continues to remain vital and strategic to the Company. Employee recruitment and management is a key focus, and processes and policies are in place to attract and retain employees of high caliber. The Company regards its human resources as amongst its most valuable assets and proactively reviews policies and processes by creating a work environment that encourages initiative, provides challenges and opportunities and recognizes the performance and potential of its employees attracting and retaining the best manpower available by providing high degree of motivation, training and structured compensation was the main thrust of the Human Resources Department this year.

The total number of employees of the Company as on 31st March 2016 stood at 1100.

**CAUTIONARY STATEMENT**

Statement in the Management discussion and Analysis describing Company's objective, projections, estimates, expectations may be "forward looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand/supply and price conditions in the domestic markets in which the Company operates changes in the Government regulations, tax laws, statute and other incidental factors.

## CORPORATE GOVERNANCE REPORT

In accordance with the Listing Agreement with BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE) and in accordance with requirement under Regulation 72 read with Part C of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), the report containing the details of corporate governance systems and processes at Cantabil Retail India Limited is as follows:

### 1. THE COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

At Cantabil Retail India Limited, Corporate Governance has been an integral part of the way we have been doing our business since inception. We are committed to doing things the right way which means taking business decisions and acting in a way that is ethical and is in compliance with applicable legislation.

Statement on Company's philosophy on Code of Governance:

***"We will pursue our business with honor, fairness, and respect for the individual and the public at large . . . ever mindful that there is no right way to do a wrong thing."***

**Vijay Bansal**

**Chairman, Cantabil Retail India Ltd.**

Corporate Governance is the application of best management practices, compliance of law and adherence to ethical standards to achieve the Company's objective of enhancing shareholders value and discharge of social responsibility.

"Corporate governance deals with laws, procedures, practices and implicit rules that determine a company's ability to take informed managerial decisions vis-à-vis its claimants - in particular, its shareholders, creditors, customers, the State and employees."

The Company believes in adopting the best practices in the areas of Corporate Governance. Even in a tough competitive business environment, the Management and Employees of the Company are committed to value, transparency, integrity, honesty and accountability which are fundamental to Code of Governance in CANTABIL. These Values guide us in all our transactions and relations. That is the Spirit of CANTABIL and we also call it the Spirit of Winning.... On to Leadership.... sustainable and profitable achieved with the mantra of One Team..... One Dream.

We believe that sound corporate governance is necessary to enhance and retain stakeholders' trust. Our Board exercises its fiduciary responsibilities in the widest sense of the term. Our disclosures always seek to attain best practices in international corporate governance. It is our continuous endeavor to enhance long-term shareholders value and respect minority rights in all our business decisions.

There is more widespread understanding and acceptance that good corporate governance ultimately leads to better performance, increased investor confidence and higher value creation.

### 2. BOARD OF DIRECTORS

The Board of Directors plays a pivotal role in ensuring good governance. The contribution of directors on the Board is critical to the way a corporate conducts itself. A Board's responsibilities derive from law, custom, tradition and current practice.

#### Composition

Board composition is one of the most important determinants of board effectiveness. Beyond the legal requirement of minimum directors, a board should have a combination of inside and Independent Directors with a variety of experience and core competence. The potential competitive advantage of a Board structure constituted of Executive Directors and Non-Executive independent Directors is in its combinations of – the depth of knowledge of the business of the executives and the breadth of experience of the Non-Executive/ Independent/Outside Director.

The Board of Directors of the Company comprises of three Executive and three Non-Executive Independent Directors. The Chairman is an Executive Director.



**Composition and Directorship(s)/Committee Membership(s)/Chairmanship(s) as on 31<sup>st</sup> March, 2016**

The number of Directorships, Committee Memberships/ Chairmanships of all Directors is within respective limits prescribed under the Companies Act, 2013 and Listing Agreement/ Listing Regulations. The same has been given below:

Name of the Directors	Director Identification Number (DIN)	Designation	Category	No. of other Directorships*	Committee Positions held**	
					Chairman	Member
Mr. Vijay Bansal	01110877	Chairman cum-Managing Director	Promoter & Executive	Nil	Nil	2
Mr. Deepak Bansal	01111104	Whole-Time Director	Promoter & Executive	Nil	Nil	Nil
Mr. Anil Bansal	02443104	Whole-Time Director	Executive	Nil	Nil	1
Mr. Lalit Kumar	00025150	Director	Non-Executive Independent	Nil	2	Nil
Dr. Arun Kumar Roopanwal	00406817	Director	Non-Executive Independent	Nil	Nil	1
Mrs. Renu Jagdish	06971367	Director	Non-Executive Independent	Nil	Nil	Nil

\*Other Directorships of only Indian Public Companies have been considered.

\*\*The disclosure includes membership/ chairmanship of the Audit Committee and Stakeholder's Relationship Committee in Indian public companies (listed and unlisted).

**Attendance of each Director at the Last Annual General Meeting (AGM):**

Name of the Directors	Director Identification Number (DIN)	Designation	Attendance at AGM
Mr. Vijay Bansal	01110877	Chairman-cum-Managing Director	Present
Mr. Deepak Bansal	01111104	Whole-Time Director	Present
Mr. Anil Bansal	02443104	Whole-Time Director	Present
Mr. Lalit Kumar	00025150	Non-Executive Independent Director	Present
Dr. Arun Kumar Roopanwal	00406817	Non-Executive Independent Director	Present
Mrs. Renu Jagdish	06971367	Non-Executive Independent Director	Present

**Board Meetings**

During the year ended March 31, 2016, four (4) meetings of the Board of Directors were held on the following dates and were attended by all directors:

(i) May 25, 2015 (ii) July 15, 2015 (iii) October 31, 2015 (iv) February 02, 2016.

**Separate Meeting of Independent Directors:**

Our definition of 'Independence' of Directors is derived from Regulation 16(1)(b) of the Listing Regulations and Section 149(6) of the Companies Act, 2013. Based on the confirmation / disclosures received from the Directors and on evaluation of the relationships disclosed, all Non-Executive Directors are Independent in terms of Regulation 16(1)(b) of the Listing Regulations and Section 149(6) of the Companies Act.

As stipulated by the Code of Independent Directors under the Companies Act, 2013 and the Listing Regulations, separate meeting of the Independent directors were held on 20<sup>th</sup> November, 2015 for:-

- Reviewing the performance of Non-Independent Directors (including the Chairman) and the Board as a whole;



- Reviewing the performance of the Chairperson of the company, taking into account the views of Executive Directors and Non-Executive Directors;
- Assessing the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties;
- scrutinising the performance of management in meeting agreed goals and objectives and monitor the reporting of performance;
- ascertaining and ensuring that the company has an adequate and functional vigil mechanism and to ensure that the interests of a person who uses such mechanism are not prejudicially affected on account of such use;
- determining appropriate levels of remuneration of Executive Directors, Key Managerial Personnel and Senior Management and have a prime role in appointing and where necessary recommend removal of executive directors, key managerial personnel and senior management

The meeting were attended by all Independent Directors.

#### • **FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTOR**

Familiarization of Independent Directors was done with respect to their roles, rights and responsibilities in the Company under the Companies Act, 2013 and the Listing Agreement/ Listing Regulations, 2015 with the Stock Exchanges.

Details on familiarization programme for independent directors are uploaded on company's website at following weblink [www.cantabilinternational.com](http://www.cantabilinternational.com)

### **3. COMMITTEES OF THE BOARD**

Board committees has established terms of reference, criteria for appointment, life span, role and function constitute an important element of the governance process. Committees enable better management of full Board's time and allows in-depth scrutiny and focused attention.

The following are some of the important committees of the Board:

#### **(i) Audit Committee**

The Audit Committee is governed by a Charter which is in line with the regulatory requirements mandated by the Companies Act, 2013 and Regulation 18 of the Listing Regulations. The functioning and terms of reference of the Audit Committee including the roles, powers and duties, quorum for meeting and frequency of meetings etc., have been devised keeping in view the requirements of the Companies Act, 2013 and the Listing Regulations.

A key element in the corporate governance process of any organization is its audit committee. The purpose of constitution of this committee is to make it responsible for the oversight of the quality and integrity of the company's accounting and reporting practices; controls and financial statements; legal and regulatory compliance; the auditor's qualifications and independence; and the performance of company's internal function.

The committee functions as liaison between the Board of Directors and the Auditors-External & Internal.

The Company has a multi disciplinary Internal Audit Team which submits its report directly to the Audit Committee on a quarterly basis.

The brief role & responsibilities and terms of reference of the Audit Committee *inter alia* include:

- Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013.
  - b. Changes, if any, in accounting policies and practices and reasons for the same.
  - c. Major accounting entries involving estimates based on the exercise of judgment by management

- d. Significant adjustments made in the financial statements arising out of audit findings
- e. Compliance with listing and other legal requirements relating to financial statements
- f. Disclosure of any related party transactions
- g. Qualifications in the draft audit report
- Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- Approval or any subsequent modification of transactions of the company with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the company, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- Discussion with internal auditors of any significant findings and follow up there on;
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- To review the functioning of the Whistle Blower mechanism;
- Approval of appointment of CFO (i.e., the Whole-Time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
- Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

#### **Composition, meetings and attendance**

The Audit Committee of the Board, comprises two Non-Executive Independent Directors and one Executive Director. The Committee's composition meets with requirements of Section 177 of the Companies Act, 2013 and Regulation 18 of the Listing Regulations. Members of the Audit Committee possess financial/ accounting expertise / exposure. Ms Poonam Chahal, Company Secretary acts as the Secretary of the Committee.

#### **Composition:**

<b>Name of the Members</b>	<b>Designation</b>	<b>Category</b>
Mr. Lalit Kumar	Chairman	Non-Executive Independent Director
Mr. Vijay Bansal	Member	Chairman-cum-Managing Director/ Executive Director
Dr. Arun Kumar Roopanwal	Member	Non-Executive Independent Director

The Chief Financial Officer, the Internal Auditor and M/s. Suresh & Associates, Chartered Accountants, the Statutory Auditors are permanent invitees to the audit committee meetings. It has been the practice of the Chairman of the Audit Committee to extend an invitation to the Chairman-cum-Managing Director and Executive Directors to attend all the meetings.

### Attendance

During the year ended March 31, 2016, four meetings of the Audit Committee were held on the following dates:

Date of Meeting	Members Present
25.05.2015	<ul style="list-style-type: none"> <li>Mr. Lalit Kumar</li> <li>Mr. Vijay Bansal</li> <li>Dr. Arun Kumar Roopanwal</li> </ul>
15.07.2015	<ul style="list-style-type: none"> <li>Mr. Lalit Kumar</li> <li>Mr. Vijay Bansal</li> <li>Dr. Arun Kumar Roopanwal</li> </ul>
31.10.2015	<ul style="list-style-type: none"> <li>Mr. Lalit Kumar</li> <li>Mr. Vijay Bansal</li> <li>Dr. Arun Kumar Roopanwal</li> </ul>
02.02.2016	<ul style="list-style-type: none"> <li>Mr. Lalit Kumar</li> <li>Mr. Vijay Bansal</li> <li>Dr. Arun Kumar Roopanwal</li> </ul>

All members/directors are financially literate and Mr. Lalit Kumar, Chairman of the Audit Committee has financial and accounting background and knowledge.

The Board has placed the necessary resolution for ratification of the appointment of M/s Suresh & Associates, chartered Accountants as the Statutory Auditors of the company for the financial year 2016-2017 before the shareholders at the 28<sup>th</sup> Annual General Meeting.

### (ii) Nomination and Remuneration Committee

The Company complies with the provisions related with Nomination and Remuneration Committee in terms of Regulation 19 of the Listing Regulations as well as in terms of the provisions of Section 178 of the Companies Act, 2013.

Terms of Reference of the Nomination and Remuneration Committee are as per the guidelines set out in the Companies Act, 2013 and in the listing agreement with the BSE Limited and National Stock Exchange of India Limited that inter alia includes:-

- The formation of policy for determining qualifications, positive attributes and independence of directors and remuneration for the Directors, Key Managerial Personnel and other employees and recommending the same to the Board;
- Identification of persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria as per the policy approved by the Board; and
- The formulation of the policy of the company to remain competitive in the industry, to attract and retain good talent and appropriately reward the employees and directors for their performance and contribution to the business.

### Composition

The members of the Nomination & Remuneration Committee are:-

- |    |                          |   |                                 |
|----|--------------------------|---|---------------------------------|
| 1. | Mr. Lalit Kumar          | - | Chairman & Independent Director |
| 2. | Dr. Arun Kumar Roopanwal | - | Member & Independent Director   |
| 3. | Mrs. Renu Jagdish        | - | Member & Independent Director   |

## Attendance

During the year No meeting of Nomination and Remuneration Committee was held.

## Remuneration policy

The terms of reference/ role of the Nomination and Remuneration Committee is to determine the Company's policy on the remuneration package of its Executive Directors and Senior Management and to determine and approve the terms & conditions and remuneration package of its Executive Directors, including revision thereof from time to time, and to deliberate on and decide matters incidental thereto or consequential thereof. The details of remuneration paid to Executive Directors is available at company's website [www.cantabilinternational.com](http://www.cantabilinternational.com).

## Performance Evaluation criteria for Independent Directors

Pursuant to the provisions of the Companies Act, 2013 and Listing Regulations, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Committees thereof.

## Director's Remuneration

### Annual Remuneration paid to Executive Directors

Name of the Director	Designation	Aggregate Value Of Salary & Perquisites (Rs.)
Mr. Vijay Bansal	Chairman-cum-Managing Director	5,079,600
Mr. Deepak Bansal	Whole-Time Director	4,149,600
Mr. Anil Bansal	Whole-Time Director	888,000

## Non-Executive Independent Directors

The Non-Executive Independent Directors are entitled for sitting fee of Rs. 60,000 for every meeting of the Board. Apart from above, Independent directors do not have any pecuniary relationship or transaction with the company.

## Other Terms

Service contract renewed for next three years effective from 01<sup>st</sup> April, 2015.

\* Remuneration as defined under Schedule V of the Companies Act, 2013 does not include retirement benefits.

### (iii) Stakeholders' Relationship Committee

Mr. Lalit Kumar, Non-executive Independent Director is the Chairman of the Committee. Mr. Vijay Bansal and Mr. Anil Bansal are the other members of the Committee. Ms. Poonam Chahal, Company Secretary of the Company act as a Secretary to the committee.

Terms of Reference of the Stakeholders Relationship Committee has been revised as per the guidelines set out in the Listing Regulations and the Companies Act, 2013 which *inter alia* include looking into the security holders grievance, issue of duplicate shares, exchange of new share certificates, recording dematerialization/ re-materialization of shares and related matters.

During the year ended March 31, 2016, four meetings of the Stakeholders Relationship Committee were held on the following dates and attended by all member Directors:

(i) May 25, 2015 (ii) July 15, 2015 (iii) October 31, 2015 (iv) February 02, 2016.

The Company attends to the investors' grievances/ correspondence expeditiously except in the cases that are constrained by disputes or legal impediments:

a. No. of shareholders complaints received during the year	Nil
b. No. of complaints not resolved to the satisfaction of the shareholders	Nil
c. No. of pending complaints	Nil
d. No. of pending share transfers as on March 31, 2016.	Nil

#### 4. GENERAL BODY MEETINGS

Details of the AGM held in the last three years along with special resolutions passed thereat:

Financial Year	Day and Date	Time	Venue	Any Special Resolutions Passed
2012-2013	Monday, September 30, 2013	9:00 A.M	Tivoli Garden Resort Hotel, Chhattarpur Hills, Mehrauli, New Delhi – 110074	No
2013-2014	Tuesday, September 30, 2014	9:00 A.M	Tivoli Garden Resort Hotel, Chhattarpur Hills, Mehrauli, New Delhi – 110074	Yes
2014-15	Wednesday, September 30, 2015	9:00 A.M	Tivoli Garden Resort Hotel, Chhattarpur Hills, Mehrauli, New Delhi – 110074	Yes

#### Postal Ballot

Resolutions for Alteration in Memorandum of Association and Articles of Association of the Company were passed on 04.02.2016 by postal ballot in the year under review. No resolution proposed to be passed in the ensuing annual general meeting is required to be passed by postal Ballot.

Mr. Sanjay Grover, Practising Company Secretary was appointed as the Scrutinizer for the postal ballot process, who conducted the postal ballot exercise of the Company. The procedure for postal ballot was as per Section 110 of the Companies Act, 2013 read with relevant rule thereof.

#### • RELATED PARTY TRANSACTIONS

The Company has entered into Related Party Transactions pursuant to the provisions of section 188 of the Companies Act, 2013 with following entities:

SL. NO.	Name(s) of the related party and nature of relationships	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	date(s) of approval by the Board
	(a)	(b)	(c)	(d)	(e)
1.	M/s Drishti Enterprises Relation : Wife of Mr. Anil Bansal (Director) is the proprietor	Receiving of Services (Job Work)	1 (one) Year	- Exclusive fabricator/job worker of the company - Goods/fabric will remain exclusive property of the company - Fabricator/job worker shall keep the manufacturing unit insured adequately - Duration : 01/11/2015 to 30/10/2016 - Value : Rs. 1,00,00,000	02/02/2016
2.	M/s Balaji Apparel Relation : Father of Mr. Anil Bansal (Director) is the proprietor	Receiving of Services (Job Work)	1 (one) Year	- Exclusive fabricator/job worker of the company - Goods/fabric will remain exclusive property of the company - Fabricator/job worker shall keep the manufacturing unit insured adequately - Duration : 01/10/2016 to 30/09/2017 - Value : Rs. 3,60,00,000	02/02/2016

3.	M/s Balaji International Clothing Relation : Mr. Anil Bansal (Director) is the proprietor	Franchisee Services	1 (one) Year	-The Franchisee shall manage the showroom, exclusively for storage, display and marketing of readymade garments - the company shall be in the exclusive possession of the showroom - The Franchisee shall not remove the stock or any other belongings of the Company without the prior written permission of the company. - Duration : 01/03/2016 to 28/02/2017 - Value : Rs. 5,00,00,000	02/02/2016
4.	M/s Anil Bansal -HUF Relation : Mr. Anil Bansal (Director) is the proprietor	Receiving of Services (Selling Agent)	1 (one) Year	- The selling agent shall manage the showroom, exclusively for storage, display and marketing of readymade garments - the company shall be in the exclusive possession of the Showroom - The selling agent shall not remove the stock or any other belongings of the Company without the prior written permission of the company. - Duration : 01/04/2016 to 31/03/2017 - Value :15,00,000	12/08/2016
5.	Mrs. Megha Bansal Relation : Wife of Mr. Deepak Bansal (Director), Daughter-in-law of Mr. Vijay Bansal (Managing Director)	Salary	5 (Five) Years	- Remuneration is increased to Rs. 1,00,000 per month - Designation : appointed as Deputy General Manager – Finance she is also entitled to allowances & perquisites - shall also be entitled to a gratuity for half month's salary for each completed year.	14/08/2014
6.	Mr. Deepak Bansal Relation: Director of the Company	Agreement to sell	N.A.	- Sale of Property-WZ-50 situated at village Shakurpur, Delhi. - If Mr. Deepak Bansal infringes the Terms & Conditions of the agreement, then the company shall be entitled to get the transaction enforced through court of law - If the Company infringes the Terms & Conditions of the agreement, then Mr. Deepak Bansal has the right to forfeit the earnest money. - The Agreement is irrevocable. - Total sale consideration is Rs. 5 crores.	12/02/2015

The board has approved policy for related party transactions which is available on company's website at following link [www.cantabilinternational.com](http://www.cantabilinternational.com) and further, details of general related party transactions are given in the Balance Sheet.

• **Policy for determining 'material' subsidiaries**

Company does not have any subsidiary, and will formulate policy for determining 'material' subsidiaries as when required.



## • **Compliances by the Company**

The Company has complied with the requirements of the Stock Exchanges, SEBI and other Statutory Authorities on all matters related to capital markets during the last three years. No penalties or strictures have been imposed on the Company by the Stock Exchanges or Securities and Exchange Board of India (the SEBI) or any other statutory authorities relating to the above during the financial year. The Company has complied with all Accounting Standards issued by the Institute of Chartered Accountants of India.

The Company has defined and adopted a Risk Management Process, and has also set up a core group of leadership team, which assesses the risks and lays down the procedure for minimization of the risks as an ongoing process integrated with operations. The above will facilitate not only in risk assessment and timely rectification but also help in minimization of risk associated with respective business operations and periodic reporting to Board as and when required.

The Board of Directors has adopted the Code of Business Conduct and Ethics for Directors and Senior Management. The Code has been circulated to all employees and also posted on Company's website [www.cantabilinternational.com](http://www.cantabilinternational.com). All Board Members and Senior Managerial Personnel have affirmed compliance with the code.

A certificate from Managing Director and Chief Financial Officer on the financial statements of the Company was placed before the Board and attached to this Annual Report.

## • **Whistle Blower Policy**

The Company has a robust Whistle Blower Policy that provides a formal mechanism for all employees of the Company to approach their Supervisor/ Respective HR/ Legal Department or through dedicated Hotline numbers of the Company and makes protective disclosures about the unethical behavior, actual or suspected fraud or violation of the company's Code of Conduct. The Whistle Blower Policy is an extension of the CANTABIL Code of Ethics, which requires every employee to promptly report to the Management any actual or possible violation of the Code or an event he becomes aware of that could affect the business or reputation of the Company. The disclosures reported are addressed in the manner and within the time frames as per CANTABIL's Policy. Under the Policy, each employee of the Company has an assured access to their Supervisor/ Respective HR/ Legal Department. During the year under review, no employee was denied access to the Audit Committee and direct access to the chairperson of the Audit Committee was provided in appropriate or exceptional cases.

## • **Policy against Sexual and Workplace Harassment**

The Company values the dignity of individuals and is committed to provide an environment, which is free of discrimination, intimidation and abuse.

The Company has constituted the Committee and put in place a policy on redressal of Sexual Harassment and a Policy on redressal of Workplace Harassment as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("Sexual Harassment Act"). As per the policy, any employee may report his / her complaint to the Redressal Committee formed for this purpose or their Manager or HR personnel. We affirm that adequate access was provided to any complainant who wished to register a complaint under the policy, during the year. The Policy is annexed as **ANNEXURE - 3** in the Director's Report.

The Composition of Internal Complaints Committee to investigate complaints of sexual harassment is given below:

1. Ms. Poonam Chahal	-	Chairperson
2. Ms. Renu Aggarwal	-	Secretary
3. Mr. Rajesh Nair	-	Member
4. Mr. Ashwani Aggarwal	-	Member

## • **CORPORATE SOCIAL RESPONSIBILITY**

The Company, in compliance with Section 135 of the Companies Act, 2013 has constituted a Corporate Social Responsibility Committee (CSR Committee) of the Board of Directors on May 27, 2016. The CSR Committee comprise of 3 Directors viz. Mr. Vijay Bansal as Chairman and Mr. Lalit Kumar & Mr. Anil Bansal as Members of the Committee.

The average net profits calculated as per provisions of Section 198 of the Companies Act, 2013 for the preceding three (3) financial years being negative, the Company is not under any obligation to spend any amount on CSR.

The Policy on Corporate Social Responsibility is attached as **ANNEXURE-2** in the Director's Report.

## 6. MEANS OF COMMUNICATION

The quarterly and annual results are usually published one in English National daily and one in Hindi daily circulated in Delhi, being the place where registered office of the Company is situated and in all India editions generally in "Business Standard" Newspaper. The information of quarterly results is also sent to the BSE Ltd. (BSE) and National Stock Exchange of India Ltd. (NSE) to enable them to put it on their web site and is also uploaded on company's website [www.cantabilinternational.com](http://www.cantabilinternational.com).

The Management Discussion and Analysis Report forms an integral part of the Directors' Report.

The Company is timely submitting the required information, statements and reports on BSE Listing Centre and NSE Electronics Application Processing System.

The Company's website [www.cantabilinternational.com](http://www.cantabilinternational.com) is a comprehensive reference on CANTABIL's management, vision, mission, policies, corporate governance, corporate sustainability, investor relations, sales network, updates and news. The section on 'Investor Relations' serves to inform the shareholders, by giving complete financial details, shareholding patterns, corporate benefits, information relating to stock exchanges.

## 7. DISCLOSURE MADE BY THE SENIOR MANAGERIAL PERSONNEL TO THE BOARD

During the year, no material transaction has been entered into by the Company with the Senior Management Personnel where they had or were deemed to have had personal interest that may have potential conflict with the interest of the Company.

## 8. DISCLOSURES OF ACCOUNTING TREATMENT IN PREPARATION OF FINANCIAL STATEMENTS

In the preparation of the financial statements, the Company has followed the Accounting Standards issued by the Institute of Chartered Accountants of India (ICAI) to the extent applicable.

### Details of non-compliance by the Company

During the last three years there has been no instance of non-compliance by the Company on any matter related to capital markets and hence no penalties or strictures have been imposed on the Company by the Stock Exchanges or SEBI or any other statutory authority.

### Compliance

#### Mandatory Requirements

As on 31<sup>st</sup> March, 2016, the Company has complied with the all applicable mandatory requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

## 9. GENERAL SHAREHOLDER INFORMATION

S.NO.	DESCRIPTION				
1.	CIN : L74899DL1989PLC034995				
2.	Name of the Company : Cantabil Retail India Limited				
3.	Website address : www.cantabilinternational.com				
4.	E-mail address : investors@cantabilinternational.com				
5.	Annual General Meeting				
		Date	Day	Time	Venue
		30 <sup>th</sup> September, 2016	Friday	9:00 A.M	Tivoli Garden Resort Hotel, Chhattarpur Hills, Mehrauli, New Delhi - 110074
6.	Financial Year : 1 <sup>st</sup> April, 2015 to 31 <sup>st</sup> March, 2016				

7.	Book Closure Date: 23 <sup>rd</sup> September, 2016 to 30 <sup>th</sup> September, 2016				
8.	Dividend Payment Date: No Dividend on equity shares has been recommended by Board for the year ended 31 <sup>st</sup> March, 2016 considering the accumulated losses in previous years.				
9.	Listing on Stock Exchanges & Stock Code				
	Name and address of the Stock Exchanges	BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai 400 001	National Stock Exchange of India Ltd. Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai 400 051		
	Stock Code	533267	CANTABIL		
	ISIN No. for shares in DEMAT form	INE068L01016			
10.	Listing Fees  Company confirms of having paid the annual listing fees for the financial year 2016-17 to above Stock Exchanges.				
11.	Registrar & Transfer Agents (For both shares held in physical and electronic mode)				
	Name	Address	Tel. No.	Fax No.	E-Mail
	M/s Beetal Financial & Computer Services (P.) Ltd.	Beetal House, 3rd floor, 99, Madangir, Behind Local Shopping Centre, Near Dada Harsukhdas Mandir, New Delhi-110062	011-29961281	011-29961284	beetalrta@gmail.com
12.	<b>Share Transfer System</b>  The Company's Shares are traded compulsorily in demat mode. Shares in physical mode which are lodged for transfer, if any, are processed and returned to the shareholders within 15 days from the date of receipt, subject to the documents being valid and complete in all respects. The Company obtains half-yearly Certificate of Compliance in respect of the Share Transfer formalities as required under Regulation 40(9) of the Listing Regulations and files a copy of the same with the Stock Exchanges.  Board in order to expedite the share transfer process delegated the power to senior officials of share transfer agent of the company vide Resolution passed at the Miscellaneous Committee Meeting of Board of Directors held on 6 <sup>th</sup> April 2015. Physical share transfer request valid and complete in all respect are normally processed expeditiously. The Company's shares are in compulsory Demat Mode.				
13.	<b>Dematerialization of Shares</b>  The Company's shares are available for trading in the depository systems of both the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL). As on March 31, 2016: 16326986 equity shares of the Company, forming 99.996% of total shareholding stand dematerialized. International Securities Identification Number: INEO68L01016.				
14.	<b>Liquidity of Shares</b>  The Equity Shares of the Company are traded at the BSE and the NSE.				
15.	<b>Plant Locations of the Company</b>				
	S.No	Unit	Location		
	1.	Manufacturing and Warehousing	B-16, Lawrence Road Industrial Area, New Delhi - 110035		



(B)	Aug-15	77.8	50.65	28417.59	25298.42
	Sep-15	60.4	50.6	26471.82	24833.54
	Oct-15	69.5	53	27618.14	26168.71
	Nov-15	68	56	26824.3	25451.42
	Dec-15	64.25	57.1	26256.42	24867.73
	Jan-16	90.9	54	26197.27	23839.76
	Feb-16	91.8	65	25002.32	22494.61
	Mar-16	77	63.05	25479.62	23133.18
	<b>Performance in comparison to NSE Nifty, i.e. CANTABIL Vs. NIFTY</b>				
	<b>Months</b>	<b>CANTABIL at BSE</b>		<b>SENSEX</b>	
		<b>High Price</b>	<b>Low Price</b>	<b>High Price</b>	<b>Low Price</b>
	Apr-15	74.45	47	8844.8	8144.75
	May-15	75	50.85	8489.55	7997.15
	Jun-15	68.9	55.15	8467.15	7940.3
	Jul-15	73.65	56.05	8654.75	8315.4
	Aug-15	77.85	51.05	8621.55	7667.25
	Sep-15	60	51.05	8055	7539.5
	Oct-15	70	52.55	8336.3	7930.65
	Nov-15	70	56	8116.1	8050.8
	Dec-15	66	56.2	7979.3	7551.05
	Jan-16	90.9	53.9	7972.55	7241.5
	Feb-16	91.1	64.55	7600.45	6825.8
	Mar-16	75.95	61.65	7749.4	7035.1

## 21. Distribution of Shareholding

Shareholding of Nominal Value of Rs.	Number of Shareholders	% to Total	Number of Shares	Amount (In Rs.)	% to Total
Upto 5000	11848	92.51	1514845	15,148,450	9.2778
5001 to 10000	574	4.48	452002	4,520,020	2.7683
10001 to 20000	194	1.51	288828	2,888,280	1.769
20001 to 30000	58	0.45	146454	1,464,540	0.897
30001 to 40000	25	0.2	86876	868,760	0.5321
40001 to 50000	28	0.22	132491	1,324,910	0.8115
50001 to 100000	31	0.24	225103	2,251,030	1.3787
100001 and above	49	0.38	13481009	134,810,090	82.5657
Total	12807	100	16327608	163,276,080	100

**CERTIFICATE BY MANAGING DIRECTOR AND CFO****(PURSUANT TO REGULATION 17(8) READ WITH PART B OF SCHEDULE II OF LISTING REGULATIONS)**

Pursuant to Regulation 17(8) read with Part B of Schedule II of Securities And Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we, Vijay Bansal, Chairman-cum-Managing Director and Rajesh Rohilla, Chief Financial Officer of the Company do hereby certify that -

- A. We have reviewed Audited Financial Results for the year ending 31st March, 2016 and to the best of our knowledge and belief, we state that:
- (1) These results do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (2) These results present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that they have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the auditors and the Audit committee :
- (1) Significant changes in internal control over financial reporting during the year;
  - (2) There is no significant changes in accounting policies during the year; and
  - (3) No instances of significant fraud found during the year.

Sd/-

**(Vijay Bansal)**

Chairman-cum-Managing Director

Sd/-

**(Rajesh Rohilla)**

Chief Financial Officer

Place: New Delhi

Date:18.05.2016



**CERTIFICATE ON CORPORATE GOVERNANCE**

To

The Members

Cantabil Retail India Limited

(CIN: L74899DL1989PLC034995)

I have examined the compliance of Clauses/Regulations of Corporate Governance by Cantabil Retail India Limited (hereinafter called "the Company") for the year ended March 31, 2016, as stipulated in Clause 49 of the Listing Agreement ('Listing Agreement') of the Company with the stock exchanges for the period April 01, 2015 to November 30, 2015 and as stipulated in Part C of Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") for the period December 01, 2015 to March 31, 2016.

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

In my opinion and to the best of my information and according to the explanations given to us, I certify that the Company has complied with the Clauses/Regulations of Corporate Governance as stipulated in the above-mentioned Listing Agreement or Regulations.

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

**Devesh Kumar Vasisht**

Practicing Company Secretary

CP No.: 13700

Place: New Delhi

Date: August 06, 2016

## **DECLARATION FOR CODE OF CONDUCT**

### **Affirmation of Compliance with the Code of Conduct**

To

The Compliance Officer

Cantabil Retail India Limited

B-16, Lawrence Road Industrial Area

New Delhi-110035

### **AFFIRMATION OF COMPLIANCE WITH THE CODE OF CONDUCT**

#### **(PURSUANT TO REGULATION 26(3) OF THE LISTING REGULATIONS)**

I have received and read the Company's Code of Conduct for the Directors and Senior Management Personnel. I understand the standards and policies contained in this Code of Conduct and agree to adhere to the standards described in this Code of Conduct and comply with this Code of Conduct at all times.

Further I do hereby solemnly affirm to the best of my knowledge and belief that I have, in letter and in spirit, complied with the provisions of this Code of Conduct during the preceding financial year, if applicable.

**Sd/-**

**Name : Vijay Bansal**

**Designation : Chairman-cum-Managing Director**

**Date : 01.04.2016**

## SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2016

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

To,

The Members

**Cantabil Retail India Limited**

(CIN: L74899DL1989PLC034995)

B-16, Ground Floor,  
Lawrence Road Industrial Area,  
New Delhi- 110035

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Cantabil Retail India Limited** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

**We report that-**

- a) 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.
- b) We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in the secretarial records. We believe that the processes and practices, we followed, provide a reasonable basis for our opinion.
- c) We have not verified the correctness and appropriateness of the financial statements of the Company.
- d) Wherever required, we have obtained the Management representation about the compliances of laws, rules and regulations and happening of events etc.
- e) The compliance of the provisions of the corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
- f) 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.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2016 ("Audit Period") complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2016 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- (d) \*The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 2014;
- (e) \*The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993;
- (g) \*The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- (h) \*The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; and
- (i) The Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015 applicable w.e.f. December 1, 2015;

\* No event took place under these regulations during the Audit period.

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

- (i) Secretarial Standard on Meetings of the Board of Directors (SS-1) and on General Meetings (SS-2) issued by the Institute of Company Secretaries of India [applicable w.e.f. July 01, 2015], with which the Company has generally complied with.
- (ii) Listing Agreements entered into by the Company with BSE Limited and the National Stock Exchange of India Limited (applicable upto 30th November, 2015).

During the Audit Period, the Company has complied with the provisions of the Act, Rules, Regulations and Guidelines to the extent applicable, as mentioned above, except that, *the Board of Directors of the Company in their meeting held on May 25, 2015 approved to invest the funds of the Company u/s 179(3)(e) of the Act, for which Form MGT-14 is yet to be filed.*

- (vi) The Company is engaged in the business of designing, manufacturing, branding and retailing of apparel and apparel accessories through chain of retail stores and also in the business of real estate. As informed by the Management, there is no sector specific law applicable to the Company.

We have checked the compliance management system of the Company to obtain reasonable assurance about the adequacy of systems in place to ensure compliance of specifically applicable laws and this verification was done on test basis. In our opinion and to the best of our information and according to explanations given to us, we believe that the compliance management system of the Company seems adequate to ensure compliance of laws specifically applicable to the Company.

**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 audit 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 7 days in advance of the meetings, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting for meaningful participation at the meeting.

Board decisions are carried out with unanimous consent and therefore, no dissenting views were required to be captured and recorded as part of the minutes.

**We further report that** there are 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.

For Sanjay Grover & Associates  
 Company Secretaries  
 Firm Registration No. P2001DE052900

New Delhi  
 August 10, 2016

Devesh Kumar Vasisht  
 Partner  
 CP No. 13700

## INDEPENDENT AUDITORS' REPORT

To

The Members of

**Cantabil Retail India Limited**

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

We have audited the accompanying standalone financial statements of Cantabil Retail India Limited ('the company'), which comprise the Balance Sheet as at 31st March 2016, the Statement of Profit and Loss, the Cash Flow Statement and a summary of significant accounting policies and other explanatory information.

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

The Company's Board of Directors is responsible for the matters in Section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with 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 the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; matching judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

### **Opinion**

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

### **Report on other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in the paragraph 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 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 standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- e) On the basis of written representations received from the directors as on 31 March, 2016, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2016, from being appointed as a director in terms of Section 164(2) of the Act;
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B" and
- g) With respect to the other matters included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us :
  - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note 33(c) to the financial statements,
  - ii. There are no material foreseeable losses on long term contracts including derivative contracts therefore, no such provision is required to be made.
  - iii. There has been no delay in transferring amount, required to be transferred, to the investor education and protection fund by the company.

For **SURESH & ASSOCIATES**

FRN:003316N

Chartered Accountants

**(CA SURESH K GUPTA)**

Partner

M. No. 080050

Dale :27th May, 2016

Place : New Delhi



## ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31st March 2016, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a regular program of physical verification of its fixed assets by which fixed assets are verified in a-phased manner. In accordance with this program, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- (c) According to the information and explanation given to us and on the basis of our examination of the records of the company, the title deeds of the immovable properties are held in the name of the company.
- (ii) (a) The management of the Company has conducted the physical verification of inventory at reasonable intervals during the year.
- (b) The procedure of physical verification of inventory followed by the management is reasonable and adequate in relation to the size of the Company and nature of its business.
- (c) The Company has maintained the proper records of inventory and no material discrepancies were noticed on physical verification.
- (iii) The Company has granted loans to a body corporate covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act').
  - (a) In our opinion, the rate of interest and other terms and conditions on which the loans had been granted to the bodies corporate listed in the register maintained under Section 189 of the Act were not, prima facie, prejudicial to the interest of the Company
  - (b) In the case of the loans granted to the bodies corporate listed in the register maintained under section 189 of the Act, the borrowers have been regular in the payment of the principal and interest as stipulated.
  - (c) There are no overdue amounts in respect of the loan granted to a body corporate listed in the register maintained under section 189 of the Act.
- (iv) The company has not granted any loans under provisions of section 185 and has complied with provisions of section 186 of the Companies Act, 2013 in respect of loans, investments, guarantees, and security.
- (v) The Company has not accepted any deposits under provisions of sections 73 to 76 or any other relevant provisions of the Companies Act' 2013.
- (vi) The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other material statutory dues with the appropriate authorities.
- (b) According to the information and explanations given to us, below given dues of income tax, sales tax, wealth tax, service tax, duty of excise, value added tax and cess have not been deposited with the appropriate authorities on account of dispute.:

Name of the statute	Nature of dues	Amount (in Rs)	Period to which the amount relates	Forum where dispute is pending
Central Excise Act, 1944	Denial of CENVAT of Service Tax	86,35,176*	FY 2012-13	CESTAT, Bench Delhi

\* A stay order has been received against the amount disputed and not deposited.

- (viii) The company has not defaulted in repayment of loans or borrowing to a financial institution, bank, Government or dues to debenture holders.
- (ix) The company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) and term loans availed by the company were applied for the purposes for which those are raised.
- (x) In our opinion no material fraud by the company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) In our opinion and according to the information and the explanations given to us and based on examination of records of the company, the company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.
- (xii) In our opinion and according to information given to us the company is not a nidhi Company. Accordingly paragraph 3(xii) of the order is not applicable.
- (xiii) In our opinion and according to the information and the explanations given to us and based on our examination of the records of the Company, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where ever applicable and the details of such transactions have been disclosed in the Financial Statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the company, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and the explanations given to us the company has not entered into any non-cash transactions with directors or persons connected with him under the provisions of section 192 of Companies Act, 2013.
- (xvi) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **SURESH & ASSOCIATES**  
FRN:003316N  
Chartered Accountants

**(CA SURESH K GUPTA)**  
Partner  
M. No. 080050

Dale :27th May, 2016  
Place : New Delhi

## ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT

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

We have audited the internal financial controls over financial reporting of **Cantabil Retail India Limited** ('the company'), as of March 31, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

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

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

#### Auditors' Responsibility

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

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

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

#### Meaning of Internal Financial Controls over Financial Reporting

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

- (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

#### Inherent Limitations of Internal Financial Controls over Financial Reporting

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

because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

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

For **SURESH & ASSOCIATES**

FRN:003316N

Chartered Accountants

**(CA SURESH K GUPTA)**

Partner

M. No. 080050

Dale :27th May, 2016

Place : New Delhi

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

Particulars	NOTE No.	As at 31st March, 2016	As at 31st March, 2015
		Rs.	Rs.
<b>A EQUITY AND LIABILITIES</b>			
<b>Shareholders Funds</b>			
Share Capital	3	163,276,080	163,276,080
Reserves & Surplus	4	611,587,642	560,889,202
		774,863,722	724,165,282
<b>Non-Current Liabilities</b>			
Long Term borrowing	5	43,832,918	4,018,706
Other long-term liabilities	6	54,930,383	57,631,814
Long-term provisions	7	19,750,685	15,790,156
		118,513,986	77,440,676
<b>Current Liabilities</b>			
Short-term borrowings	8	290,207,936	344,986,882
Trade payables	9	139,856,845	165,385,048
Other current liabilities	10	36,056,532	27,005,864
Short-term provisions	11	11,975,523	4,789,372
		478,096,836	542,167,166
<b>TOTAL</b>		<b>1,371,474,544</b>	<b>1,343,773,124</b>
<b>B ASSETS</b>			
<b>Non-Current Assets</b>			
Fixed assets	12		
Tangible assets		544,478,116	433,692,164
Intangible assets		2,581,529	1,969,162
Capital work-in-progress		3,068,299	616,227
		550,127,943	436,277,553
Deferred tax assets (Net)	31	28,304,573	25,569,543
Long-term loans and advances	13	48,723,082	83,512,413
Other non-current assets	14	37,215,652	62,046,277
		114,243,307	171,128,233
<b>Current Assets</b>			
Current Investments	15	2,164,000	164,000
Inventories	16	582,575,563	589,850,416
Trade Receivables	17	95,043,326	102,283,750
Cash and Cash Equivalents	18	10,472,507	18,524,214
Short-Term Loans and Advances	19	16,847,897	25,544,958
		707,103,294	736,367,338
<b>TOTAL</b>		<b>1,371,474,544</b>	<b>1,343,773,124</b>

**Accompanying Notes 1 to 36 forms integral part of these Financial Statements**

As per our attached report of even date

**For SURESH & ASSOCIATES**

FRN: 003316N

CHARTERED ACCOUNTANTS

**(CA SURESH K. GUPTA)**

PARTNER

M.No. 080050

DATE: 27th May, 2016

PLACE: DELHI

For and on behalf of the Board of Directors

**(Vijay Bansal)**

Managing Director

DIN : 01110877

**(Deepak Bansal)**

Director

DIN : 01111104

**(CA Rajesh Rohilla)**

Chief Financial Officer

**(CS Poonam Chahal)**

Company Secretary

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

Particulars	NOTE No.	For the year ended 31st March, 2016	For the year ended 31st March, 2015
		Rs.	Rs.
Revenue From Operations (Gross)	20	1,553,241,453	1,386,777,087
Less: Excise Duty		589,586	-
Revenue From Operations (Net)		<b>1,552,651,867</b>	<b>1,386,777,087</b>
Other income	21	178,922	1,691,704
Total revenue		<b>1,552,830,789</b>	<b>1,388,468,791</b>
Expenses			
Cost of materials consumed	22.a	425,329,758	381,363,840
Purchase of stock-in-trade	22.b	193,618,688	207,679,874
Changes in inventories of finished goods, work-in-progress and stock-in-trade-			
(Increase)/Decrease	22.c	(4,748,140)	(106,909,224)
Employee benefit expense	23	220,605,067	174,416,887
Finance cost	24	49,735,224	49,494,220
Depreciation and amortisation expense	12	61,175,448	63,646,502
Other expenses	25	555,714,317	587,020,425
Total expenses		<b>1,501,430,361</b>	<b>1,356,712,524</b>
<b>Profit/(Loss) before exceptional and extraordinary items and tax</b>		51,400,428	31,756,267
Exceptional items	26	355,344	(6,022,695)
<b>Profit / (Loss) before extraordinary items and tax</b>		<b>51,755,772</b>	<b>25,733,572</b>
Extraordinary items		-	-
<b>Profit / (Loss) before tax</b>		<b>51,755,772</b>	<b>25,733,572</b>
Tax expense:			
Current Tax (MAT)		3,792,362	-
Deferred tax (assets)/liability	31	(2,735,030)	(3,177,327)
		1,057,332	(3,177,327)
<b>Profit / (Loss) for the year</b>		<b>50,698,440</b>	<b>28,910,898</b>
<b>Earnings per Equity share</b>			
Equity Share of Face Value Rs. 10 each			
Basic	30	<b>3.11</b>	<b>1.77</b>
Diluted	30	<b>3.11</b>	<b>1.77</b>
<b>Accompanying Notes 1 to 36 forms integral part of these Financial Statements</b>			

As per our attached report of even date

**For SURESH & ASSOCIATES**

FRN: 003316N

CHARTERED ACCOUNTANTS

**(CA SURESH K. GUPTA)**

PARTNER

M.No. 080050

DATE: 27th May, 2016

PLACE: DELHI

For and on behalf of the Board of Directors

**(Vijay Bansal)**

Managing Director

DIN : 01110877

**(CA Rajesh Rohilla)**

Chief Financial Officer

**(Deepak Bansal)**

Director

DIN : 01111104

**(CS Poonam Chahal)**

Company Secretary



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

Particulars	For the year ended 31 March, 2016		For the year ended 31 March, 2015	
	Rs.	Rs.	Rs.	Rs.
<b>A. Cash flow from operating activities</b>				
Net Profit / (Loss) before extraordinary items and tax		51,755,772		25,733,572
<u>Adjustments for:</u>				
Depreciation and amortisation	61,175,448		63,646,502	
(Profit)\Loss on sale of fixed assets	(355,344)		236,949	
Finance costs	49,735,224		49,494,220	
Interest income	(178,922)	<b>110,376,405</b>	(1,691,704)	<b>111,685,967</b>
		<b>162,132,177</b>		<b>137,419,539</b>
Operating profit / (loss) before working capital changes				
<u>Changes in working capital:</u>				
Adjustments for (increase)/decrease in operating assets:				
Inventories	7,274,853		(123,946,473)	
Trade receivables	7,240,424		26,591,440	
Short-term loans and advances	8,697,061		12,895,566	
Long-term loans and advances	34,789,331		(1,146,353)	
Current Investments	(2,000,000)		-	
Other non-current assets		-		-
Adjustments for increase / (decrease) in operating liabilities:				
Trade payables	(25,528,203)		36,469,835	
Other current liabilities	3,214,884		3,502,426	
Other long-term liabilities	(2,701,431)		1,647,121	
Short-term provisions	7,186,151		(112,226)	
Long-term provisions	3,960,529	<b>42,133,599</b>	1,992,541	<b>(42,106,122)</b>
		<b>204,265,776</b>		<b>95,313,416</b>
Cash flow from extraordinary		-		-
Cash generated from operations		<b>204,265,776</b>		<b>95,313,416</b>
Net income tax (paid) / refunds/ Adjustment		<b>(5,000,000)</b>		-
		<b>199,265,776</b>		<b>95,313,416</b>
<b>Net cash flow from/(used in) operating activities (A)</b>		<b>199,265,776</b>		<b>95,313,416</b>
<b>B. Cash flow from investing activities</b>				
Capital expenditure on fixed assets	(175,476,994)		(54,747,984)	
Proceeds from sale of fixed assets	806,500		490	
Other non-current assets -				
Capital advance made for fixed assets	24,830,625		(25,250,000)	
Interest received				
- Others	178,922		1,691,704	
		<b>(149,660,947)</b>		<b>(78,305,790)</b>
		<b>(149,660,947)</b>		<b>(78,305,790)</b>
Cash flow from extraordinary items		-		-
		<b>(149,660,947)</b>		<b>(78,305,790)</b>
Net income tax (paid) / refunds		<b>1,207,638</b>		-
		<b>(148,453,309)</b>		<b>(78,305,790)</b>
<b>Net cash flow from / (used in) investing activities (B)</b>		<b>(148,453,309)</b>		<b>(78,305,790)</b>

Particulars	For the year ended 31 March, 2016		For the year ended 31 March, 2015	
	Rs.	Rs.	Rs.	Rs.
<b>C. Cash flow from financing activities</b>				
Proceeds from long-term borrowings	50,000,000		7,474,000	
Repayment of long-term borrowings	(4,350,005)		(1,095,725)	
Net increase/(decrease) in working capital borrowings	(54,778,945)		36,118,759	
Finance cost	(49,735,224)	<b>(58,864,174)</b>	(49,494,220)	<b>(6,997,185)</b>
<b>Net cash flow from/(used in) financing activities (C)</b>		<b>(58,864,174)</b>		<b>(6,997,185)</b>
<b>Net increase / (decrease) in Cash and cash equivalents (A+B+C)</b>		<b>(8,051,707)</b>		<b>10,010,442</b>
Cash and cash equivalents at the beginning of the year		18,524,214		8,513,772
<b>Cash and cash equivalents at the end of the year</b>		<b>10,472,507</b>		<b>18,524,214</b>
<b>Reconciliation of Cash and cash equivalents with the Balance Sheet:</b>				
Cash and cash equivalents as per Balance Sheet		<b>10,472,507</b>		<b>18,524,214</b>
Net Cash and cash equivalents (as defined in AS 3 Cash Flow Statements) included in Note 18		<b>10,472,507</b>		<b>18,524,214</b>
<b>Cash and cash equivalents at the end of the year *</b>		<b>10,472,507</b>		<b>18,524,214</b>
* Comprises:				
(a) Cash on hand		2,256,824		4,629,696
(b) Balances with banks		-		-
(i) In current accounts		8,215,683		13,894,518
		<b>10,472,507</b>		<b>18,524,214</b>

**Notes:**

- (i) The Cash Flow Statement reflects the combined cash flows pertaining to continuing and discounting operations
- (ii) These earmarked account balances with banks can be utilised only for the specific identified purposes.

**Accompanying Notes 1 to 36 forms integral part of these Financial Statements .**

As per our attached report of even date

**For SURESH & ASSOCIATES**

FRN: 003316N

CHARTERED ACCOUNTANTS

**(CA SURESH K. GUPTA)**

PARTNER

M.No. 080050

DATE: 27th May, 2016

PLACE: DELHI

For and on behalf of the Board of Directors

**(Vijay Bansal)**

Managing Director

DIN : 01110877

**(CA Rajesh Rohilla)**

Chief Financial Officer

**(Deepak Bansal)**

Director

DIN : 01111104

**(CS Poonam Chahal)**

Company Secretary

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### Note 2 Significant accounting policies

Note	Particulars
1	<b>Corporate information : CIN :- L74899DL1989PLC034995</b> <p>The Company was incorporated on 09th Feb,1989 and is mainly engaged in the business of designing, manufacturing, branding and retailing of apparel and apparel accessories through chain of retail store under the brand name "CANTABIL" &amp; "Bonetti ".The Company is also into the buisness of real estate trade.</p>
2	<b>Significant accounting policies</b>
2.1	<b>Basis of accounting and preparation of financial statements</b> <p>The financial statements of the Company have been prepared in accordance with the Accounting Principles generally accepted in India in accordance with Accounting Standards sepecified under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014. 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.</p>
2.2	<b>Use of estimates</b> <p>The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.</p>
2.3	<b>Inventories</b> <p>Raw Material &amp; Packing Materials : At cost or net realizable value (on FIFO basis) whichever is lower.</p> <p>Finished Goods : At cost or net realizable value whichever is lower.</p> <p>Work in Process : At cost or net realizable value whichever is lower</p> <p>Stores and Spares : At cost or net realizable value (on FIFO basis) whichever is lower.</p> <p>Scrap : At estimated net realizable value.</p> <p>Cost of raw material and packing material are determined using first in first out (FIFO) method.Cost of finished goods and work in process inlcude cost of raw material and packing materials,cost of conversion and other cost incurred in bringing the inventories to the present location and condition.</p>
2.4	<b>Cash and cash equivalents</b> <p>Cash and cash equivalent comprises cash in hand and Bank Balance.</p>
2.5	<b>Cash flow statement</b> <p>Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.</p>
2.6	<b>Depreciation and Amortisation</b> <p>Depreciation has been provided on Written Down Value (WDV) Method on all assets based on useful life of the assets as prescribed in Schedule II of the Companies Act, 2013 except for intangible assets which are amortised over a period of five years as perscribed in Accounting Standard 26 .</p>
2.7	<b>Revenue recognition</b> <p>Revenue is recognised only when risk and rewards incidental to ownership are transferred to the customers. Discounts given / accrued to customers at the time of dispatch are considered as trade discounts and netted from sales. Sales is recorded net of sales tax/VAT. Interest income is recognized on an accrual basis on time proportionate basis, based on interest rates implicit in the transaction.</p>

**2.08 Fixed Assets**Tangible Assets

Tangible Assets are stated at cost net of recoverable taxes, trade discounts and rebates less accumulated depreciation and impairment losses, if any. The cost of tangible assets comprises its purchase price, borrowings cost and any cost directly attributable to bringing the assets to its working condition for its intended use. Subsequent expenditure relating to Tangible Assets is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

Capital work-in-progress:

Tangible Assets acquired for the new company owned showrooms or any new project are shown as Capital Work In Progress till the commencement of the commercial operation of the showroom/ project as on the reporting date.

Intangible Assets

Intangible assets are carried at cost less accumulated amortisation and impairment losses, if any. The cost of an intangible asset comprises its purchase price, including any import duties and other taxes (other than those subsequently recoverable from the taxing authorities), and any directly attributable expenditure on making the asset ready for its intended use and net of any trade discounts and rebates. Subsequent expenditure on an intangible asset after its purchase / completion is recognised as an expense when incurred unless it is probable that such expenditure will enable the asset to generate future economic benefits in excess of its originally assessed standards of performance and such expenditure can be measured and attributed to the asset reliably, in which case such expenditure is added to the cost of the asset.

**2.09 Extraordinary item**

Extraordinary items are income or expense that arises from transaction that are clearly distinct from ordinary activities. They are not expected to recur frequently or regularly.

**2.10 Investments**

Long-term investments, are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Current investments are carried individually, at the lower of cost and fair value. Cost of investments include acquisition charges such as brokerage, fees and duties.

**2.11 Employee benefits**

Employee benefits include provident fund, gratuity, compensated absences.

Defined contribution plans

The Company's contribution to provident fund is considered as defined contribution plans and is charged as an expense as they fall due based on the amount of contribution required to be made.

Defined benefit plans

For defined benefit plans in the form of gratuity fund and post-employment medical benefits, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each Balance Sheet date. Actuarial gains and losses are recognised in the Statement of Profit and Loss in the period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested and otherwise is amortised on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the schemes.

Short-term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service. The cost of such compensated absences is accounted as under :

- (a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and
- (b) in case of non-accumulating compensated absences, when the absences occur.

#### Long-term employee benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of the defined benefit obligation as at the Balance Sheet date less the fair value of the plan assets out of which the obligations are expected to be settled. Long Service Awards are recognised as a liability at the present value of the defined benefit obligation as at the Balance Sheet date.

### 2.12 **Borrowing costs**

Borrowing costs include interest, amortisation of ancillary costs incurred. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset upto the date of capitalisation of such asset is added to the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

### 2.13 **Operating Lease**

Operating lease payments are recognised as an expense in the statement of Profit and Loss on a straight-line basis or other systematic bases more representative of the time pattern of the user's benefit.

### 2.14 **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 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.

### 2.15 **Taxes on income**

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.

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 probable that future economic benefit associated with it will flow to the Company.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognised only if there is virtual certainty that there will be sufficient future taxable income available to realise such assets. Deferred tax assets are recognised for timing differences of other items only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a

legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date for their realisability.

#### **2.16 Impairment of assets**

An assets is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to the profit and loss statement in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting period is reversed if there has been a changed in the estimate of recoverable amount.

#### **2.17 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 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 at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent assets are neither recognised nor disclosed in the financial statement. Contingent liabilities are disclosed in the Notes.



## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### Note 3 Share capital

Particulars	As at 31 <sup>st</sup> March, 2016		As at 31 <sup>st</sup> March, 2015	
	Numbers of shares	Rs.	Numbers of shares	Rs.
<b>Authorised</b>				
Equity shares of Rs.10/- each with voting right	1,70,00,000	170,000,000	1,70,00,000	170,000,000
	17,000,000	170,000,000	1,70,00,000	170,000,000
<b>Issued</b>				
Equity shares of Rs.10/- each with voting rights	1,63,27,608	163,276,080	1,63,27,608	163,276,080
	1,63,27,608	163,276,080	1,63,27,608	163,276,080
<b>Subscribed and fully paid up</b>				
Equity shares of Rs.10/- each with voting rights	1,63,27,608	163,276,080	1,63,27,608	163,276,080
	1,63,27,608	163,276,080	1,63,27,608	163,276,080
	<b>1,63,27,608</b>	<b>163,276,080</b>	<b>1,63,27,608</b>	<b>163,276,080</b>

- (i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	Opening Balance	Closing Balance
<b>Equity shares with voting rights</b>		
Year ended 31 <sup>st</sup> March, 2016		
- Number of shares	16,327,608	16,327,608
- Amount (Rs.)	163,276,080	163,276,080
Year ended 31 <sup>st</sup> March, 2015		
- Number of shares	16,327,608	16,327,608
- Amount (Rs.)	163,276,080	163,276,080

- (ii) Details of shares held by each shareholder holding more than 5% shares:

Class of shares / Name of shareholder	As at 31 <sup>st</sup> March, 2016		As at 31 <sup>st</sup> March, 2015	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares with voting rights				
Mr. Vijay Bansal	5,823,339	35.67%	5,636,590	34.52%
Mrs. Sushila Bansal	2,811,674	17.22%	2,811,674	17.22%
Mr. Deepak Bansal	2,517,436	15.42%	1,901,735	11.65%
Punjab National Bank	1,083,748	6.64%	1,083,748	6.64%

**Note 4 : Reserves and Surplus**

Particulars	As at 31st March, 2016	As at 31st March, 2015
	Rs.	Rs.
Securities premium account		
Opening balance	875,610,222	875,610,222
Closing balance	<b>875,610,222</b>	<b>875,610,222</b>
Surplus / (Deficit) in Statement of Profit and Loss		
Opening balance	(314,721,019)	(341,432,279)
Less : Fixed written off pursuant to schedule II of Companies Act ,2013	-	2,199,639
Add: Profit /(Loss) for the year	50,698,440	28,910,898
Closing balance	<b>(264,022,580)</b>	<b>(314,721,019)</b>
<b>Total</b>	<b>611,587,642</b>	<b>560,889,202</b>

**Note 5 : Long-Term Borrowings**

Particulars	As at 31st March, 2016	As at 31st March, 2015
	Rs.	Rs.
Term loans		
From banks		
Secured	43,832,918	4,018,706
<b>Total</b>	<b>43,832,918</b>	<b>4,018,706</b>

**Disclosure of repayment terms**

Particulars	As at 31st March, 2016	As at 31st March, 2015
	Rs.	Rs.
<b>ICICI Bank Car Loans</b> - Auto Loan of Rs. 35,04,000/- , Tenure-36 months by equated monthly installment (EMI) of Rs. 1,13,460/- @10.24% p.a.repayable over the period 15th July, 2014 to 15th June,2017.	317,652	1,575,769
<b>ICICI Bank Car Loans</b> - Auto Loan of Rs. 39,70,000/- , Tenure-36 months by equated monthly installment (EMI) of Rs. 1,28,568/- @10.25% p.a.repayable over the period 15th Jan,2015 to 15th December, 2017.	1,088,052	2,442,937
<b>Religare Finvest Ltd. Term Loans</b> - Term Loan of Rs. 2,00,000,00/- , Tenure-120 MONTHS by equated monthly installment (EMI) of Rs. 3,10533/- @14% p.a. repayable over the period 1st July,2015 to 1st June,2025,secured against collateral security of two plots at Mayfield Garden, Gurgaon (Haryana)	18,174,940	-
<b>Oreintal Bank Of Commerce Plant &amp; Machinery Term Loans</b> - Term Loan of Rs. 3,00,000,00/- , Tenure-60 months proportionate principal and actual interest @ Base Rate+ 4.00% p.a.,secured against the hypothecation of Plant & Machinery at HSIIDC Bahadurgarh(Haryana).	24,252,274	-
<b>Total</b>	<b>43,832,918</b>	<b>4,018,706</b>

**Note 6 : Other long-term liabilities**

Particulars	As at 31st March, 2016	As at 31st March, 2015
	Rs.	Rs.
Others:		
Trade / security deposits received	54,501,847	56,751,847
Trade Payable	428,536	879,967
<b>Total</b>	<b>54,930,383</b>	<b>57,631,814</b>

Note : Security Deposits Received includes amount of Rs. 70,00,000/- received from related parties.

**Note 7 : Long-term provisions**

Particulars	As at 31st March, 2016	As at 31st March, 2015
	Rs.	Rs.
Provision for employee benefits:		
Provision for gratuity	15,546,605	12,639,589
Provision for Leave Encashment	4,204,080	3,150,567
	<b>19,750,685</b>	<b>15,790,156</b>
<b>Total</b>	<b>19,750,685</b>	<b>15,790,156</b>

**Note 8 : Short-term borrowings**

Particulars	As at 31st March, 2016	As at 31st March, 2015
	Rs.	Rs.
Loans repayable on demand		
From banks		
Secured	290,207,936	344,986,882
	<b>290,207,936</b>	<b>344,986,882</b>
<b>Total</b>	<b>290,207,936</b>	<b>344,986,882</b>

Details of security and repayment terms for the secured short-term borrowings:

Particulars	As at 31st March, 2016	As at 31st March, 2015
	Rs.	Rs.
<u>Loans repayable on demand</u> <u>from banks:</u>		
<b>AXIS Bank Ltd.</b>		
Interest payable @ Base Rate+3.50% p.a. payable monthly, Secured Against First Pari Passu charge by way of hypothecation of entire Current assets of the company both present and future and First parri passu charge by way of hypothecation of entire movable fixed assets of the company both present and future excluding vehicles except immovable properties of the company specifically mortgage to other lenders. The same is also secured by way of mortgage of personal property of the Director and the Personal Guarantee of the Directors.	75,936,946	99,349,787

<b>Standard Chartered Bank</b> Interest payable @ Base Rate+2.50% p.a. (variable), Secured Against First Pari Passu charge by way of hypothecation of entire Current assets of the company both present and future and First pari passu charge jointly with Axis Bank only by way of equitable mortgage over the personal property of the directors and also the personal guarantee of directors.	87,620,222	99,317,852
<b>Oriental Bank of Commerce</b> Interest payable @ Base Rate+3.50% p.a. payable monthly, Secured Against Hyp. of stocks of raw material, stock-in-process, Finished goods, stores & Spares of garment manufacturing unit and receivables on first pari-passu basis with Axis Bank and Standard Chartered bank. Part First pari passu charge by way of equitable mortgage of immovable properties of the company at HSIIDC Bahadurgarh, and HSIIDC Sonapat (Haryana). The same is also secured by First Pari-Passu charge over entire current assets of the company both present & future and First Pari-Passu charge by way of hypothecation of entire movable fixed assets both present & future and the Personal Guarantee of the Directors.	126,650,769	146,319,243
Total - from banks	290,207,936	344,986,882
<b>Total</b>	<b>290,207,936</b>	<b>344,986,882</b>

**Note 9 : Trade Payables**

Particulars	As at 31st March, 2016	As at 31st March, 2015
	Rs.	Rs.
Trade payables: Other than Acceptances	139,856,845	165,385,048
<b>Total</b>	<b>139,856,845</b>	<b>165,385,048</b>

Note : Trade payables includes amount payable to related parties for Rs. 65,85,557/-

**Note 10 : Other current liabilities**

Particulars	As at 31st March, 2016	As at 31st March, 2015
	Rs.	Rs.
Current maturities of long-term debt	8,195,352	2,359,569
Other payables		
Statutory remittances (Contributions to PF and ESIC, Excise Duty, VAT, Service Tax, etc.)	7,343,761	5,881,475
Provision for Wealth Tax	-	8,800
Advances from customers	1,092,027	627,274
Salary & Wages payable	15,679,646	13,676,177
Expense payable Others	3,745,745	4,452,568
<b>Total</b>	<b>36,056,532</b>	<b>27,005,864</b>

Note : Salary & Wages payables includes amount due to related parties for Rs. 7,56,680/-

**Note 11 : Short-term provisions**

Particulars	As at 31st March, 2016	As at 31st March, 2015
	Rs.	Rs.
Provision for employee benefits: Provision for bonus	8,948,226	2,733,394
Provision for gratuity	1,706,430	1,326,289
Provision for Leave Encashment	1,320,867	729,689
<b>Total</b>	<b>11,975,523</b>	<b>4,789,372</b>

Note 12 :Fixed Assets													
Particulars	GROSS BLOCK					ACCUMULATED DEPRECIATION					NET BLOCK		
	Balance as at 1 April, 2015	Additions	Disposals	Adjustments	Balance as at 31st March, 2016	Balance as at 1 April, 2015	Depreciation Charge for the year	On Disposals	Adjustments	Balance as at 31st March, 2016	Balance as at 31st March, 2016	Balance as at 31st March, 2015	
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	
<b>Tangible Assets</b>													
Land (Freehold)	66,243,977	-	-	-	66,243,977	-	-	-	-	-	66,243,977	66,243,977	
Buildings	327,301,825	56,794,437	-	-	384,096,262	34,741,705	29,907,293	-	-	64,648,998	319,447,264	292,560,120	
Plant and Equipments	61,129,567	76,833,132	621,023	-	137,341,676	32,208,302	9,105,484	475,741	-	40,838,046	96,503,631	28,921,265	
Furniture and Fixtures	90,446,329	29,861,946	3,456,190	-	116,852,084	58,481,184	14,109,413	3,282,917	-	69,307,680	47,544,404	31,965,144	
Vehicles	28,609,648	-	3,259,138	(100,000)	25,250,510	18,356,707	3,642,096	3,126,536	-	18,872,267	6,378,243	10,252,941	
Office Equipment	1,047,526	1,577,414	-	-	2,624,940	107,255	788,726	-	-	895,981	1,728,959	940,271	
Electrical Installations and Equipment	242,056	3,955,465	-	-	4,197,521	43,156	211,453	-	-	254,609	3,942,912	198,900	
Computer	11,982,822	2,767,330	-	-	14,750,152	9,373,277	2,688,149	-	-	12,061,426	2,688,726	2,609,545	
<b>Total</b>	<b>587,003,750</b>	<b>171,789,724</b>	<b>7,336,351</b>	<b>(100,000)</b>	<b>751,357,122</b>	<b>153,311,586</b>	<b>60,452,614</b>	<b>6,885,194</b>	<b>-</b>	<b>206,879,007</b>	<b>544,478,116</b>	<b>433,692,164</b>	
<b>Previous Year</b>	<b>548,502,267</b>	<b>52,665,540</b>	<b>14,164,057</b>	<b>-</b>	<b>587,003,750</b>	<b>102,836,870</b>	<b>61,332,292</b>	<b>10,857,577</b>	<b>-</b>	<b>153,311,586</b>	<b>433,692,164</b>	<b>445,665,396</b>	
<b>Intangible Assets</b>													
Computer software	10,648,510	1,335,200	-	-	11,983,710	8,717,961	706,347	-	-	9,424,308	2,559,402	1,930,549	
Brands / trademarks	164,553	-	-	-	164,553	125,940	16,486	-	-	142,426	22,127	38,613	
<b>Total</b>	<b>10,813,063</b>	<b>1,335,200</b>	<b>-</b>	<b>-</b>	<b>12,148,263</b>	<b>8,843,901</b>	<b>722,834</b>	<b>-</b>	<b>-</b>	<b>9,566,734</b>	<b>2,581,529</b>	<b>1,969,162</b>	
<b>Previous Year</b>	<b>8,476,680</b>	<b>2,336,383</b>	<b>-</b>	<b>-</b>	<b>10,813,063</b>	<b>6,529,691</b>	<b>2,314,210</b>	<b>-</b>	<b>-</b>	<b>8,843,901</b>	<b>1,969,162</b>	<b>1,946,989</b>	
(iii) Capital Work in Progress													
	616,227	3,068,299	-	(616,227)	3,068,299	-	-	-	-	-	3,068,299	616,227	
<b>Total</b>	<b>616,227</b>	<b>3,068,299</b>	<b>-</b>	<b>(616,227)</b>	<b>3,068,299</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,068,299</b>	<b>616,227</b>	
<b>Previous Year</b>	<b>984,394</b>	<b>616,227</b>	<b>158,580</b>	<b>(825,814)</b>	<b>616,227</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>616,227</b>	<b>984,394</b>	
<b>Grand Total</b>	<b>598,433,040</b>	<b>176,193,223</b>	<b>7,336,351</b>	<b>(716,227)</b>	<b>766,573,684</b>	<b>162,155,487</b>	<b>61,175,448</b>	<b>6,885,194</b>	<b>-</b>	<b>216,445,741</b>	<b>550,127,943</b>	<b>436,277,553</b>	
<b>Previous Year</b>	<b>557,963,341</b>	<b>55,618,150</b>	<b>14,322,637</b>	<b>(825,814)</b>	<b>598,433,040</b>	<b>109,366,562</b>	<b>63,646,502</b>	<b>10,857,577</b>	<b>-</b>	<b>162,155,487</b>	<b>436,277,553</b>	<b>448,596,779</b>	

**Note 13 : Long-term loans and advances**

Particulars	As at 31st March, 2016	As at 31st March, 2015
	Rs.	Rs.
<b>Security deposits</b>		
Unsecured, considered good	46,947,402	81,716,506
Doubtful	1,626,680	1,795,907
	48,574,082	83,512,413
Others Loans & Advances	149,000	-
	149,000	-
<b>Total</b>	<b>48,723,082</b>	<b>83,512,413</b>

**Note 14 : Other non-current assets**

Particulars	As at 31st March, 2016	As at 31st March, 2015
	Rs.	Rs.
Capital advances		
Unsecured, considered good	19,275,875	44,106,500
	19,275,875	44,106,500
Other Loans & advances		
Unsecured, considered good (Advance against Purchases)	17,939,778	17,939,778
	17,939,778	17,939,778
<b>Total</b>	<b>37,215,652</b>	<b>62,046,277</b>

**Note 15 : Current investments**

Particulars	As at 31st March, 2016			As at 31st March, 2015		
	Quoted	Unquoted	Total	Quoted	Unquoted	Total
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
<u>Investment in equity instruments</u>						
1600 Equity shares of Nova Iron & Steel Co. Ltd	24,000	-	24,000	24,000	-	24,000
Bahadurgarh Footwear Development Services Pvt. Ltd. for 20 Equity Share of Rs. 50,000/- each	-	1,000,000	1,000,000	-	-	-
	24,000	1,000,000	1,024,000	24,000	-	24,000
<u>Investment in mutual funds</u>						
833.903 Units of HDFC Equity Fund (G)	130,000	-	130,000	130,000	-	130,000
910.61 Units of IDFC Imperial Equity Fund- Plan A (G)	10,000	-	10,000	10,000	-	10,000
	140,000	-	140,000	140,000	-	140,000
<b>Share Application Money</b>						
Share Application money Bahadurgarh	-	1,000,000	1,000,000	-	-	-
Footwear Development Services Pvt. Ltd. for 20 Equity Share of Rs. 50,000/- each	-	1,000,000	1,000,000	-	-	-
<b>Total</b>	<b>164,000</b>	<b>2,000,000</b>	<b>2,164,000</b>	<b>164,000</b>	<b>-</b>	<b>164,000</b>



**Note 16 : Inventories**

Particulars	As at 31st March, 2016	As at 31st March, 2015
	Rs.	Rs.
Raw materials	27,188,930	28,951,738
Work-in-progress	27,188,930 82,645,200	28,951,738 97,208,352
Finished Goods	82,645,200	97,208,352
Finished goods - Apparels	404,468,605	367,005,767
Other goods - Real Estate	52,010,335	70,161,880
Stores and spares	456,478,940 16,262,494	437,167,647 26,522,679
	16,262,494	26,522,679
<b>Total</b>	<b>582,575,563</b>	<b>589,850,416</b>

**Note 17 : Trade Receivables**

Particulars	As at 31st March, 2016	As at 31st March, 2015
	Rs.	Rs.
Trade receivables outstanding for a period exceeding six months :		
Unsecured, considered good	632,112	9,953,354
Doubtful-others	6,820,495	5,755,121
	7,452,607	15,708,474
Less Provision for doubtful trade receivable	5,737,587	3,474,157
	1,715,020	12,234,317
Other Trade receivables		
Unsecured, considered good	89,771,554	87,592,165
Unsecured, considered good - Related Party	3,556,752	2,457,268
	93,328,306	90,049,433
<b>Total</b>	<b>95,043,326</b>	<b>102,283,750</b>

**Note 18 : Cash and Cash equivalents**

Particulars	As at 31st March, 2016	As at 31st March, 2015
	Rs.	Rs.
Cash on hand	2,256,824	4,629,696
Balances with Banks		
In current accounts	8,215,683	13,894,518
<b>Total</b>	<b>10,472,507</b>	<b>18,524,214</b>

**Note 19 : Short-term loans and advances**

Particulars	As at 31st March, 2016	As at 31st March, 2015
	Rs.	Rs.
Loans and advances to employees Unsecured, considered good	1,319,940	891,204
Prepaid expenses - Unsecured, considered good	1,319,940 2,726,593	891,204 1,308,695
Balances with Government authorities Unsecured, considered good VAT credit receivable Excise Refund Income Tax Refund/TDS Receivable FBT Refund due Income Tax (MAT) Refund (Advance MAT Deposit Rs. 50,00,000/- less Provision for Taxation Rs 37,92,362/-) Advance Central Excise Duty Deposit with Central Excise	2,726,593 2,548,539 41,325 4,526,818 576,363 1,207,638 50,651 600,000	1,308,695 2,320,835 41,325 4,224,282 576,363 - - 600,000
Inter-corporate deposits Unsecured, considered good	9,551,334 -	7,762,805 13,512,000
Other Loans & advances Unsecured, considered good (Advance against Purchases and others) Other :- Vashisht Manpower Pvt Ltd Insurance Claim Receivable	- 1,149,298 357,876 1,742,856	13,512,000 2,070,254 - -
	3,250,030	2,070,254
<b>Total</b>	<b>16,847,897</b>	<b>25,544,958</b>

**Note 20 : Revenue from operations (net)**

Particulars	For the year ended 31st March, 2016	For the year ended 31st March, 2015
	Rs.	Rs.
Sale of products Garments Accessories Real Estate Others ( Fabric etc.)	1,483,778,423 40,322,751 21,250,000 4,030,839	1,352,180,414 29,854,528 - 881,891
Other operating revenues	1,549,382,014 3,859,439	1,382,916,833 3,860,254
Revenue From Operations (Gross) Less: Excise duty	1,553,241,453 589,586	1,386,777,087 -
<b>Total</b>	<b>1,552,651,867</b>	<b>1,386,777,087</b>

**Note 21 : Other income**

Particulars	For the year ended 31st March, 2016	For the year ended 31st March, 2015
	Rs.	Rs.
Interest income	178,922	1,691,704
<b>Total</b>	<b>178,922</b>	<b>1,691,704</b>

**Note 22.a : Cost of materials consumed**

Particulars	For the year ended 31st March, 2016	For the year ended 31st March, 2015
	Rs.	Rs.
Opening stock	55,474,417	38,437,168
Add: Purchases	411,635,958	396,820,225
Cartage Inward	1,670,806	1,580,864
	468,781,181	436,838,257
Less: Closing stock	43,451,424	55,474,417
	425,329,758	381,363,840
<b>Total</b>	<b>425,329,758</b>	<b>381,363,840</b>

**Note 22.b : Purchase of traded goods**

Particulars	For the year ended 31st March, 2016	For the year ended 31st March, 2015
	Rs.	Rs.
Traded good - Apparel and Accessories	191,307,812	175,420,742
Other items -Real Estate	2,310,876	32,259,132
<b>Total</b>	<b>193,618,688</b>	<b>207,679,874</b>

**Note 22.c : Changes in inventories of finished goods, work-in-progress and stock-in-trade**

Particulars	For the year ended 31st March, 2016	For the year ended 31st March, 2015
	Rs.	Rs.
<u>Inventories at the end of the year:</u>		
Finished goods	456,478,940	437,167,647
Work-in-progress	82,645,200	97,208,352
	539,124,140	534,375,999
<u>Inventories at the beginning of the year:</u>		
Finished goods	437,167,647	322,813,981
Work-in-progress	97,208,352	104,652,795
	534,375,999	427,466,775
Net (increase) / decrease	<b>(4,748,140)</b>	<b>(106,909,224)</b>

**Note 23 : Employee benefits expense**

Particulars	For the year ended 31st March, 2016	For the year ended 31st March, 2015
	Rs.	Rs.
Salaries and Wages	203,172,943	161,035,311
Contributions to provident and other funds	11,352,161	8,649,623
Staff welfare expenses	6,079,963	4,731,953
<b>Total</b>	<b>220,605,067</b>	<b>174,416,887</b>

**Note 24 : Finance cost**

Particulars	For the year ended 31st March, 2016	For the year ended 31st March, 2015
	Rs.	Rs.
Interest on:		
Borrowings	38,651,298	39,225,274
Secuirty Deposits	1,901,200	2,702,200
Taxes	-	75,586
Bank Charges	9,182,726	7,491,160
<b>Total</b>	<b>49,735,224</b>	<b>49,494,220</b>

**Note 25 : Other expenses**

Particulars	For the year ended 31st March, 2016	For the year ended 31st March, 2015
	Rs.	Rs.
Consumption of stores and spare parts	4,079,456	3,736,542
Job Work Charges	174,617,923	189,586,891
Power and Fuel	30,803,080	28,625,516
Water	591,332	406,585
Rent including Lease Rentals	146,136,520	130,517,468
Repairs and Maintenance -Plant & Machinery	2,392,035	1,691,826
Repairs and Maintenance - Building & Others	7,460,702	9,715,966
Insurance	1,407,110	1,355,668
Rates and Taxes	2,068,409	1,938,130
Communication	4,259,035	3,972,087
Travelling and Conveyance	8,496,188	6,495,802
Printing and Stationery	3,851,201	2,719,535
Freight and Forwarding	10,679,955	8,829,605
Commission	57,044,557	49,774,097
Sales Discount	39,050,773	93,193,551
Showroom Expenses	31,253,138	30,774,517
Security Expenses	3,450,753	2,873,589
Festival & Celebration Expenses.	1,346,970	1,190,623
Business Promotion	4,162,655	2,753,770
Advertisement & Publicity Expenses	9,824,436	7,369,589
Legal and Professional	6,660,256	7,367,792
Payments to Auditors	1,053,226	1,164,162
Balance written off (Securities & Others )	444,399	148,775
Provision for Bad & Doubtful Debts	2,263,430	-
Miscellaneous Expenses	2,316,779	818,338
<b>Total</b>	<b>555,714,317</b>	<b>587,020,425</b>

**Note 25 (a) : Payments to the Auditors comprises**

Particulars	For the year ended 31st March, 2016	For the year ended 31st March, 2015
	Rs.	Rs.
As Auditors - Statutory Audit For Certification	973,250 79,976	955,060 209,102
<b>Total</b>	<b>1,053,226</b>	<b>1,164,162</b>

**Note 25 (b) : Corporate Social Responsibility**

Provision towards expenditure under Corporate Social Responsibility as per Section 135 of the Companies Act, 2013 read with Schedule VII is not required to be made.

**Note 26 : Exceptional items**

Particulars	For the year ended 31st March, 2016	For the year ended 31st March, 2015
	Rs.	Rs.
Profit/(Loss) on Sale of Fixed Assets	355,344	(236,949)
Recoveries, Taxes and Others	-	(5,785,746)
<b>Total</b>	<b>355,344</b>	<b>(6,022,695)</b>

**Note 27 Disclosures under Accounting Standards**
**Note**
**27.1 Employee benefit plans**
**27.1 (a) Defined benefit plans**

The Company offers the following employee benefit schemes to its employees:

Gratuity

Other defined benefit plans (Leave Encashment)

The following table shows amount recognised in the financial statements:

Particulars	For the year ended 31st March, 2016		For the year ended 31st March, 2015	
	Gratuity	Other defined benefit plans (Leave Encashment)	Gratuity	Other defined benefit plans (Leave Encashment)
<b>Components of employer expense</b>				
Current service cost	4,371,947	1,881,039	3,603,003	1,357,939
Interest cost	1,089,338	302,660	1,171,915	264,391
Past service cost	-	757,167	-	-
Actuarial losses/(gains)	(1,368,225)	1,320,244	(3,591,137)	(211,070)
<b>Total expense recognised in the Statement of Profit and Loss</b>	<b>4,093,060</b>	<b>4,261,110</b>	<b>1,183,781</b>	<b>1,411,260</b>
<b>Actual contribution and benefit payments for year</b>				
Actual benefit payments	(805,903)	(2,616,419)	(96,092)	(436,398)
<b>Net asset / (liability) recognised in the Balance Sheet</b>				
Present value of defined benefit obligation	17,253,035	5,524,946	13,965,878	3,880,255
Funded status [Surplus / (Deficit)]	(17,253,035)	(5,524,946)	(13,965,878)	(3,880,255)
Unrecognised past service costs				
<b>Net asset / (liability) recognised in the Balance Sheet</b>	<b>(17,253,035)</b>	<b>(5,524,946)</b>	<b>(13,965,878)</b>	<b>(3,880,255)</b>

**27.1 (b) : Change in defined benefit obligations (DBO) during the year**

Present value of DBO at beginning of the year	13,965,878	3,880,255	12,878,189	2,905,393
Current service cost	4,371,947	1,881,039	3,603,003	1,357,939
Interest cost	1,089,338	302,660	1,171,915	264,391
Past service cost	-	757,167	-	-
Actuarial (gains) / losses	(1,368,225)	1,320,244	(3,591,137)	(211,070)
Benefits paid	(805,903)	(2,616,419)	(96,092)	(436,398)
Present value of DBO at the end of the year	<b>17,253,035</b>	<b>5,524,946</b>	<b>13,965,878</b>	<b>3,880,255</b>
<b>Actuarial assumptions</b>				
Discount rate	7.70%	7.70%	7.80%	7.80%
Salary escalation	10.00%	10.00%	10.00%	10.00%

**Note 28 Disclosures under Accounting Standards**

(a) Related Parties with whom transactions have taken place during the year :

Names of related parties	Description of relationship
Mr. Vijay Bansal	Key Management Personnel
Mr. Deepak Bansal	Key Management Personnel
Mr. Anil Bansal	Key Management Personnel
Mrs. Megha Bansal	Key Management Personnel's relative
Poonam Bansal	Key Management Personnel's relative
Rekha Bansal	Key Management Personnel's relative
Sunil Bansal	Key Management Personnel's relative
Anil Bansal (HUF)	Enterprise in which Key Management Personnel has significant influence
Balaji International Clothing	Enterprise in which Key Management Personnel has significant influence
Vardhman Enterprises	Enterprise in which Key Management Personnel's relative has significant influence
Drishti Enterprises	Enterprise in which Key Management Personnel's relative has significant influence
Balaji Apparel	Enterprise in which Key Management Personnel's relative has significant influence
Akshi Marketing Private Limited	Company in which Key Management Personnel's relative has significant influence
Ambica Stainless Steel Ltd.	Company in which Key Management Personnel's relative has significant influence

(b) Following are the details of the transaction with the related party (contd.) :

Nature of Transaction	Related Parties	(Rs.)
Salary, allowances & perquisite	Key Management Personnel	10,117,200
		(6,907,030)
Salary, allowances & perquisite	Key Management Personnel's relative	2,074,080
		(2,074,080)
Rent	Key Management Personnel	37,000
		(888,000)
Rent	Company in which Key Management Personnel's relative has significant influence	276,570
		(368,760)
Commission	Enterprise in which Key Management Personnel's has significant influence	960,000
		(960,000)
Interest	Enterprise in which Key Management Personnel's has significant influence	-
		(600,000)
Services in relation to manufacturing (Stitching Job Works)	Enterprise in which Key Management Personnel's relative has significant influence	35,450,022
		(26,901,347)
Sale	Enterprise in which Key Management Personnel's relative has significant influence	7,680,147
		(3,389,540)
Advance for Capital Assets	Key Management Personnel	-
		(25,250,000)



<b>Nature of Transaction</b>	<b>Related Parties</b>	<b>(Rs.)</b>
Purchase of Capital Assets	Key Management Personnel	50,000,000
		-
Purchase of Capital Assets	Company in which Key Management Personnel's relative has significant influence	2,800,000
		-
Security Received	Enterprise in which Key Management Personnel's has significant infleunce	1,000,000
		-
Inter Corporate Deposit Given	Company in which Key Management Personnel's relative has significant influence	35,000,000
		-
Inter Corporate Deposit Received Back	Company in which Key Management Personnel's relative has significant influence	35,000,000
		-
Interest	Company in which Key Management Personnel's relative has significant influence	88,114
		-

**Note : Figures in bracket relate to previous year**

## (c) Disclosure of Material transactions :

Particulars	Current Year	Previous Year
<b><u>Salary, allowance &amp; perquisite</u></b>		
Mr. Vijay Bansal	5,079,600	3,552,200
Mr. Deepak Bansal	4,149,600	2,994,830
Mrs. Megha Bansal	1,200,000	1,200,000
<b><u>Rent</u></b>		
Mr. Deepak Bansal	37,000	888,000
Akshi Marketing Pvt. Ltd.	276,570	368,760
<b><u>Interest</u></b>		
Balaji International Clothing	-	600,000
<b><u>Commission</u></b>		
Anil Bansal HUF	360,000	360,000
Balaji International Clothing	600,000	600,000
<b><u>Services in relation to manufacturing (Stitching Job Works)</u></b>		
Vardhman Enterprises	-	9,825,347
Balaji Apparel	23,781,804	12,511,429
Drishti Enterprises	11,668,218	4,564,571
<b><u>Sale</u></b>		
Balaji International Clothing	7,680,147	3,389,540
<b><u>Advance for Capital Assets</u></b>		
Deepak Bansal	-	25,250,000
<b><u>Purchase of Capital Assets</u></b>		
Deepak Bansal	50,000,000	-
Akshi Marketing Pvt. Ltd.	2,800,000	-
<b><u>Security Received</u></b>		
Balaji International Clothing	1,000,000	-
<b><u>Inter Corporate Deposit Given</u></b>		
Ambica Stainless Steel Ltd.	35,000,000	-
<b><u>Inter Corporate Deposit Received Back</u></b>		
Ambica Stainless Steel Ltd.	35,000,000	-
<b><u>Interest Received</u></b>		
Ambica Stainless Steel Ltd.	88,114	-

**Note 29 : Disclosures under Accounting Standards**

Note	Particulars	As at 31st March, 2016	As at 31st March, 2015
		Rs.	Rs.
29	<b>Details of leasing arrangements</b>		
(a)	The Company has entered into operating lease arrangements for retail operations on 3rd April, 2014. The lease is non-cancellable and is for a period of 15 months lock-in period and total lease period is five years starting from 1st October ,2014 to 30th September, 2019 .The lease agreements provide for an increase in the lease payments by Rs.15/ per sq ft. after one year.  <b><u>Future minimum lease payments</u></b> not later than one year later than one year and not later than five years	- -	351,170 -
(b)	The Company has entered into operating lease arrangements for retail operations on 12th May 2014 . The lease is non-cancellable and is for a period of 15 months lock-in period and total lease period is fifty nine months starting from 5th July,2014 to 4th June, 2019. The lease agreements provide for an increase in the lease payments by Rs. 5/ per sq ft. after one year on last lease rent paid and further lease rent will be incresed @15% on the last rent paid after completion of three years.  <b><u>Future minimum lease payments</u></b> not later than one year later than one year and not later than five years	- -	670,542 -
(c)	The Company has entered into operating lease arrangements for retail operations on 25th September 2014. The lease is non-cancellable and is for a period of 18 months lock-in period and total lease period is nine years starting from 25th September,2014 to 24th September, 2023. The lease agreements provide for an increase in the lease payments by 15% of the last lease Rent paid after every three years period.  <b><u>Future minimum lease payments</u></b> not later than one year later than one year and not later than five years	290,661 -	3,170,844 290,661
(d)	The Company has entered into operating lease arrangements for retail operations on 1st April 2015. The lease is non-cancellable and is for a period of one years lock-in period and total lease period is nine years starting from 13th June,2015 to 12th June, 2024.  <b><u>Future minimum lease payments</u></b> not later than one year later than one year and not later than five years	262,625 -	- -
(e)	The Company has entered into operating lease arrangements for retail operations on 22nd May 2015. The lease is non-cancellable and is for a period of 15 months lock-in period and total lease period is Five years starting from 4th July,2015 to 3rd July, 2020. The lease agreements provide for an increase of Rs 12,310 in 2nd & 3rd year respectively and Rs 10894 in 4th year from last rent paid.  <b><u>Future minimum lease payments</u></b> not later than one year later than one year and not later than five years	378,595 -	- -

Note	Particulars	As at 31st March, 2016	As at 31st March, 2015
		Rs.	Rs.
(f)	<p>The Company has entered into operating lease arrangements for retail operations on 15th June 2015. The lease is non-cancellable and is for a period of 12 months lock-in period and total lease period is nine years starting from 13th Aug,2015 to 12th Aug, 2024. The lease agreements provide for an increase in the lease payments by 15% of the last lease Rent paid after every three years period.</p> <p><b><u>Future minimum lease payments</u></b>            not later than one year            later than one year and not later than five years</p>	<p>240,633 -</p>	<p>- -</p>
(g)	<p>The Company has entered into operating lease arrangements for retail operations on 1st July 2015. The lease is non-cancellable and is for a period of one years lock-in period and total lease period is nine years starting from 30th Aug,2015 to 29th Aug, 2024. The lease agreements provide for an increase in the lease payments by 15% of the last lease Rent paid after every three years period.</p> <p><b><u>Future minimum lease payments</u></b>            not later than one year            later than one year and not later than five years</p>	<p>419,516 -</p>	<p>- -</p>
(h)	<p>The Company has entered into operating lease arrangements for retail operations on 20th Aug 2015. The lease is non-cancellable and is for a period of one years lock-in period and total lease period is Five years starting from 18th Oct,2015 to 17th Oct, 2020. The lease agreements provide for an increase in the lease payments by 15% after the end of 3 years on the last paid rent.</p> <p><b><u>Future minimum lease payments</u></b>            not later than one year            later than one year and not later than five years</p>	<p>712,957 -</p>	<p>- -</p>
(i)	<p>The Company has entered into operating lease arrangements for retail operations on 1st Nov 2015. The lease is non-cancellable and is for a period of one year or 12 months lock-in period and total lease period is nine years starting from 18th Dec,2015 to 17th Dec, 2024. The lease agreements provide for an increase in the lease payments by 15% of the last lease Rent paid after every three years period.</p> <p><b><u>Future minimum lease payments</u></b>            not later than one year            later than one year and not later than five years</p>	<p>812,097 -</p>	<p>- -</p>
(j)	<p>The Company has entered into operating lease arrangements for retail operations on 17th Nov 2015. The lease is non-cancellable and is for a period of one year lock-in period and total lease period is nine years starting from 28th Dec,2015 to 27th Nov, 2024. The lease agreements provide for an increase in the lease payments by 15% of the last lease Rent paid after every three years period.</p> <p><b><u>Future minimum lease payments</u></b>            not later than one year            later than one year and not later than five years</p>	<p>807,258 -</p>	<p>- -</p>

Note	Particulars	As at 31st March, 2016	As at 31st March, 2015
		Rs.	Rs.
(k)	<p>The Company has entered into operating lease arrangements for retail operations on 04th Jan 2016. The lease is non-cancellable and is for a period of one year lock-in period and total lease period is nine years starting from 23rd March, 2016 to 22nd March, 2025. The lease agreements provide for an increase in the lease payments by 15% of the last lease Rent paid after every three years period.</p> <p><b><u>Future minimum lease payments</u></b>            not later than one year            later than one year and not later than five years</p>	1,682,017 -	- -
(l)	<p>The Company has entered into operating lease arrangements for retail operations on 13th Jan 2016. The lease is non-cancellable and is for a period of one year lock in period &amp; total lease period is Five years starting from 27th Feb, 2016 to 26th Feb, 2021. The lease agreements provide for an increase in the lease payments by 15% of the original amount after the end of 3 years on the last lease amount.</p> <p><b><u>Future minimum lease payments</u></b>            not later than one year            later than one year and not later than five years</p>	939,077 -	- -

**30 Disclosures under Accounting Standards**

Note	Particulars	As at 31st March, 2016	As at 31st March, 2015
		Rs.	Rs.
30	<p><b>Earnings Per Equity Share</b>  <b>Calculated as follows :</b>            Profit attributable to equity share holders            Weighted number of equity shares outstanding during the year (Nos)            Par value per share            EPS :                Basic                Diluted</p>	50,698,440 16,327,608 10 3.11 3.11	28,910,898 16,327,608 10 1.77 1.77

**Note 31 Disclosures under Accounting Standards**
**31 Deferred tax (liability) / asset**

Note	Particulars	As at 31st March, 2016	As at 31st March, 2015
		Rs.	Rs.
	Tax effect of items constituting deferred tax assets Provision for compensated absences, gratuity & other employee benefits Disallowances under Section 40(a)(i), 43B of the Income Tax Act, 1961 On difference between book balance and tax balance of fixed assets Others(IPO Expenses allowable in next year)	22,777,982 8,948,226 53,589,425 6,284,926	17,846,134 2,733,394 52,639,918 9,529,884
	Tax effect of items constituting deferred tax assets Provision for Deferred Tax Assets Less Provision already exists	91,600,559 28,304,573 25,569,543	82,749,329 25,569,543 22,392,216
	<b>Net deferred tax liability / (asset)</b>	<b>(2,735,030)</b>	<b>(3,177,327)</b>

**Note 32 : Disclosures under Accounting Standards**
**32 Segment Reporting**

Company's revenue from Real Estate segment is less than minimum level required to be reported, therefore

segment results are not given as per Accounting Standard (AS) 17 "Segment Reporting" prescribed by Companies (Accounting Standard) Amendment Rules 2011.

Note	Particulars	As at 31st March, 2016	As at 31st March, 2015
		Rs. In Lacs	Rs. In Lacs
33	<b>Contingent liabilities and commitments (to the extent not provided for)</b> Contingent liabilities (a) Claims against the Company not acknowledged as debt (b) Guarantees - Corporate Guarantee for Subsidiary Company (c) Other money for which the Company is contingently liable for :- Labour Disputes CENTRAL Excise Act 1944 For Others (d) Bonus Provision F.Y. 2014-15 ( As per amendment in The Payment Of Bonus (Amendment) Act, 2015 vide notification no 6 1st January, 2016, We needs to make provision for the F.Y. 2014-15 since this amendment is effective retrospectively but we have not made provisions in the books of accounts because of stay granted by various High Courts to the retrospective effects of this notification to be applicable w.e.f. 01.04.2014)	Nil Nil Nil 86.35 Nil 20.91	Nil Nil 3.55 86.35 Nil Nil
34	<b>Details of Loans given, investments made and guarantee given covered under section 186(4) of The Companies Act, 2013, to meet some short term fund requirement</b>		
	<b>Name of the party</b>	<b>2015-16</b>	<b>2014-15</b>
		<b>Rs. In Lacs</b>	<b>Rs. In Lacs</b>
	Ambica Steel Ltd.	-	135.12
	Ambica Stainless Steel Ltd.	350.00	-
35	<b>Details of consumption of imported and indigenous items</b>	<b>2015-16</b>	
		<b>Rs. In Lacs</b>	<b>%</b>
	<u>Indigenous</u> Raw materials	4,253.30 (3,813.64)	100 100
	<b>Total</b>	4,253.30 (3,813.64)	100 100
36	<b>Expenditure in foreign exchange:</b>	<b>2015-16</b>	<b>2014-15</b>
		<b>Rs. In Lacs</b>	<b>Rs. In Lacs</b>
	Fee for Software Licence for access to Fashion Website	7.62	7.29
	Directors Foreign Travelling	4.60	-
		<b>12.22</b>	<b>7.29</b>
	<b>Note : Figures in bracket relate to the previous year</b>		

As per our attached report of even date

**For SURESH & ASSOCIATES**

FRN: 003316N

CHARTERED ACCOUNTANTS

**(CA SURESH K. GUPTA)**

PARTNER

M.No. 080050

DATE: 27th May, 2016

PLACE: DELHI

For and on behalf of the Board of Directors

**(Vijay Bansal)**

Managing Director

DIN : 01110877

**(Deepak Bansal)**

Director

DIN : 01111104

**(CA Rajesh Rohilla)**

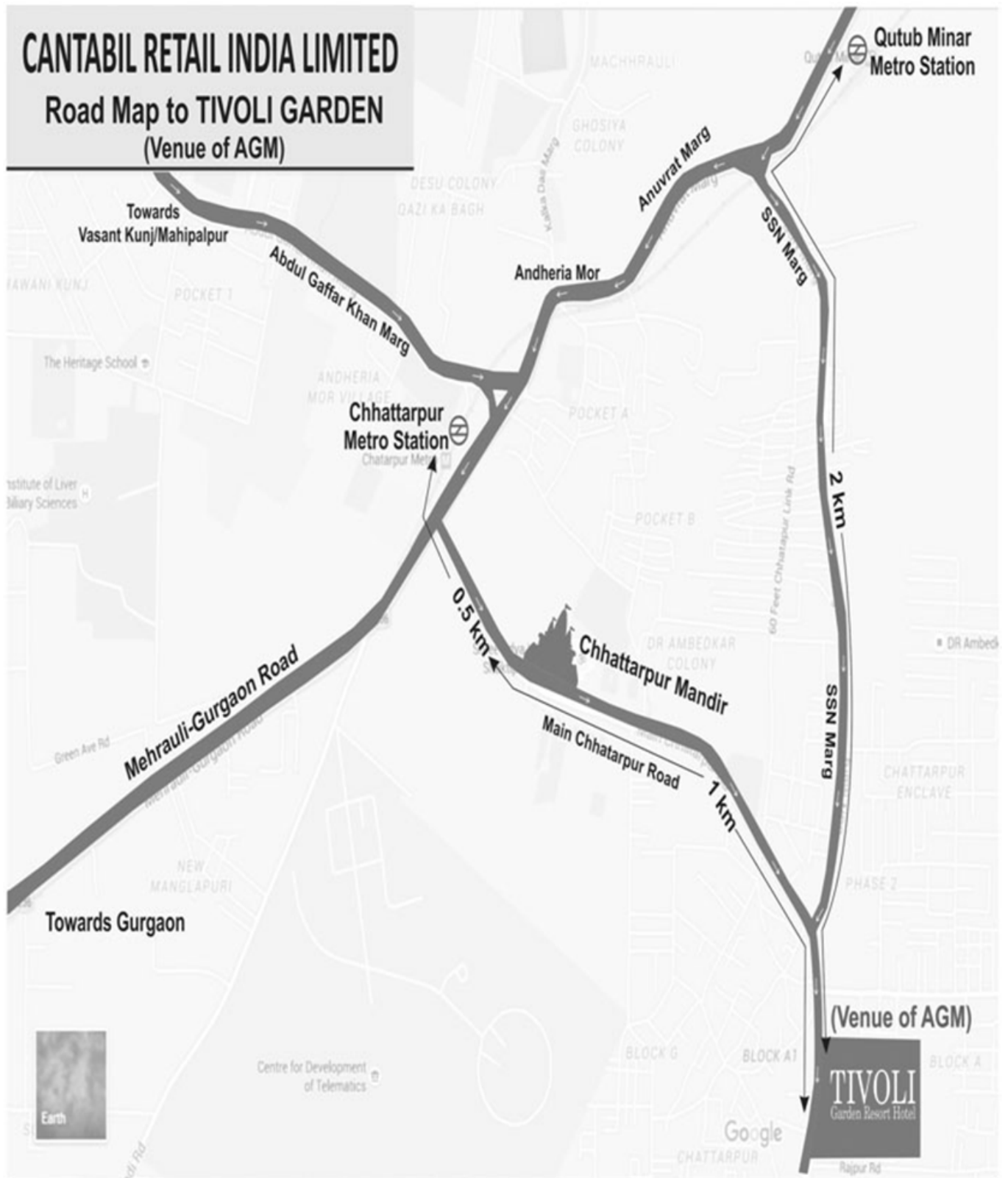
Chief Financial Officer

**(CS Poonam Chahal)**

Company Secretary

# CANTABIL RETAIL INDIA LIMITED

## Road Map to TIVOLI GARDEN (Venue of AGM)





## CANTABIL RETAIL INDIA LIMITED

CIN: L74899DL1989PLC034995

Regd. and Corp. Office: B- 16, Ground Floor, Lawrence Road Industrial Area, New Delhi – 110035

Website: www.cantabilinternational.com E-mail: investors@cantabilinternational.com

Telephone: 91-11-27156381 /82 Fax: 91-11-271563834

### ATTENDANCE SLIP

Members or their proxies are requested to present this form for admission, duly signed in accordance with their specimen signatures registered with the Company.

DP Id & Client Id / Regd. Folio No.*		No. of Shares	
--------------------------------------	--	---------------	--

Name(s) and address of the member in full \_\_\_\_\_

I / we hereby record my / our presence at the 28<sup>th</sup> Annual General Meeting of the Company being held on Friday, 30<sup>th</sup> day of September, 2016 at 09:00 A.M at Tivoli Garden Resort Hotel, Chhattarpur Hills, Mehrauli, New Delhi- 110 074

Please (✓) in the box

☐ MEMBER

☐ PROXY

\*Applicable for member holding shares in physical form.

Signature of Member / Proxy



Form No. MGT-11

### PROXY FORM

(Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014)

L74899DL1989PLC034995

### CANTABIL RETAIL INDIA LIMITED

Regd. Office: B-16, Ground Floor, Lawrence Road Industrial Area, New Delhi – 110035

Name of the Member(s) : \_\_\_\_\_

Registered Address : \_\_\_\_\_

E-mail ID : \_\_\_\_\_

DP ID and Client ID\*/Folio No. : \_\_\_\_\_

I/We, being the member(s) holding ..... shares in the above named Company, hereby appoint

1. Name:.....Address:.....

E-mail ID:.....Signature:.....or failing him

2. Name:.....Address:.....

E-mail ID:.....Signature:.....or failing him

3. Name:.....Address:.....

E-mail ID.....Signature:.....

as my/our Proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 28<sup>th</sup> Annual General Meeting of the Company to be held on **Friday, September 30, 2016 at 9:00 A.M.** at Tivoli Garden Resort Hotel, Chhattarpur Hills, Mehrauli, New Delhi- 110074 and at every adjournment thereof in respect of such resolutions as are indicated below:

Sl. No.	Description/Resolutions	Optional**	
		For	Against
	<b>Ordinary Business</b>		
1.	To consider and adopt the Audited Financial Statements of the Company for the financial year ended 31 <sup>st</sup> March, 2016 of the Company, Report of Directors and Auditors thereon. In this connection, to consider and, if thought fit, to pass the following resolution as an <b>Ordinary Resolution</b> .		
2.	To appoint a Director in place of Mr. Anil Bansal (DIN 02443104), who retires by rotation and being eligible, offers himself for re-appointment. In this connection, to consider and, if thought fit, to pass the following resolution as an <b>Ordinary Resolution</b> .		
3.	To ratify the appointment of M/s. Suresh & Associates, Chartered Accountants as the Statutory Auditors of the Company and fix their remuneration or manner thereof. In this connection, to consider and, if thought fit, to pass the following resolution as an <b>Ordinary Resolution</b> .		

\*Applicable for investors holding shares in electronic form.

Signed this .....day of .....2016

Signature of Member.....

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

AFFIX  
REVENUE  
STAMP

**Note :**

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company situated at B-16, Ground Floor, Lawrence Road Industrial Area, New Delhi-110035 not later than 48 hours before the commencement of the Meeting.
2. The proxy need not be a member of the company.
3. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
4. \*\*This is only optional please put a 'X' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
5. Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.
6. In the case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.



# CANTABIL

ITALY

International Clothing





# CANTABIL

International Clothing



## CANTABIL RETAIL INDIA LIMITED

CIN : L74899DL1989PLC034995

B-16, Lawrence Road Industrial Area, New Delhi - 110035

Tel.: +91 11 27156381/82 Fax : +91 11 27156383

E-mail : [investors@cantabilinternational.com](mailto:investors@cantabilinternational.com) Web : [www.cantabilinternational.com](http://www.cantabilinternational.com)