



Virat Industries Ltd.

Regd. Office & Factory :

A-1/2, GIDC Industrial Estate, Kabilpore,
Navsari-396 424, Gujarat. (INDIA)

Tel.:(91-2637) 265011, 265022, 325805 Fax : (91-2637) 265712

Email: factory@viratindustries.com / Website : www.viratindustries.com

CIN

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30th September, 2016

The Deputy General Manager,
Corporate Relations,
The Bombay Stock Ltd. (BSE)
1st Floor, New Trading Ring,
Rotunda Bldg.,
P. J. Towers, Dalal Street,
Fort,
Mumbai – 400 021

CODE No. 530521

Dear Sir,

RE. SUBMISSION OF ANNUAL REPORT FOR THE YEAR 2015-16

We hereby submit a soft copy the Annual Report of Virat Industries Ltd. for the financial year 2015-16 under Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Kindly take the same on your records and oblige.

Thanking you,

For Virat Industries Ltd.

A. S. Baholu
Company Secretary

Encl. As above.

Corporate Head Office:

74, Bajaj Bhavan, 226 Rajani Patel Marg, Nariman Point, Mumbai 400 021 (India).
Tel Nos. (91-22) 2202 9346 / 2202 9347, Fax No.: (91-22) 2202 9347 / Email : sales@viratindustries.com



26th Annual Report 2015-2016

VIRAT INDUSTRIES LIMITED

26th Annual Report 2015-2016

CHAIRMAN EMERITUS

Mr. Naozer J. Aga

BOARD OF DIRECTORS

Mr. Arun S. Sanghi Chairman
Mr. Adi F. Madan Managing Director
Mrs. Ayesha K. DadyBurjor Whole-time Director
Mr. Ajit P. Walwaikar
Mr. Harish H. Shah
Mr. Vinay Sanghi
Mr. Kaizad R. DadyBurjor
Mr. Pheroze A. Dhanbhoora
Mr. Vijay V. Merchant

PRESIDENT (WORKS)

Mr. Nirmal G. Awtaney

COMPANY SECRETARY

Mr. Asinkhan S. Baholu

AUDITORS

M/s. Deloitte Haskins & Sells
Chartered Accountants

BANKERS

Bank of Baroda

REGISTERED OFFICE & FACTORY

A-1/2, GIDC Industrial Estate,
Kabilpore, Navsari - 396 424, Gujarat.

26TH ANNUAL GENERAL MEETING

on
Thursday, the 22nd September, 2016
at 11.30 a.m. at
A-1/2, GIDC Industrial Estate,
Kabilpore, Navsari - 396 424, Gujarat.

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REQUEST : Shareholders are requested to bring their copy of Annual Report to the Meeting.

NOTICE

NOTICE is hereby given that the Twenty-Sixth Annual General Meeting of the Members of Virat Industries Limited will be held at the Registered Office of the Company at A-1/2, GIDC Industrial Estate, Kabilpore, Navsari - 396 424 on 22nd September, 2016 at 11-30 a.m. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Balance Sheet as at 31st March, 2016 and the Profit & Loss Account for the year ended as on that date and the Reports of the Directors and the Auditors thereon.
2. To declare Dividend on Equity Shares for the year ended 31st March, 2016.
3. To affirm the appointment of M/s. Deloitte Haskins & Sells, Chartered Accountants, (Regn. No.117364W) as Auditors of the Company until the conclusion of the twenty-seventh annual general meeting with respect to the financial year beginning 1st April, 2016 and ending 31st March, 2017.

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

“RESOLVED THAT pursuant to provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, the appointment of M/s. Deloitte, Haskins and Sells, Chartered Accountants, (Regn No.117364W), as Auditors of the Company, by Resolution passed at the 24th Annual General Meeting of the Company, to hold office from the conclusion of the 24th Annual General Meeting until the conclusion of the 27th Annual General Meeting, be and is hereby ratified for the balance term and accordingly they continue to hold office from conclusion of the 26th Annual General Meeting until the conclusion of 27th Annual General Meeting, on such remuneration as may be fixed by the Board, apart from reimbursement of out of pocket expenses as may be incurred by them for the purpose of audit.”

SPECIAL RESOLUTION:

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

“**RESOLVED THAT**, Mr. Kaizad R. DadyBurjor (DIN 00022387), who was appointed as an Additional Director of the Company w.e.f. 03/09/2015 in the meeting of Board of Directors held on 03/09/2015 and who holds office as such upto the date of 26th Annual General Meeting and in respect of whom notice under Section 160 of the Companies Act, 2013, has been received from a member along with a cheque of Rs.1 lac, signifying his intention to propose Mr. Kaizad R. DadyBurjor as a candidate for the office of Director of the Company, be and is hereby appointed as a Director of the Company, subject to retirement by rotation.”

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

“**RESOLVED THAT**, Mr. Pheroze A. Dhanbhoora (DIN 00622769), who was appointed as an Additional Director of the Company w.e.f. 04/11/2015 in the meeting of Board of Directors held on 04/11/2015 and who holds office as such upto the date of 26th Annual General Meeting and in respect of whom notice under Section 160 of the Companies Act, 2013, has been received from a member along with a cheque of Rs.1 lac, signifying his intention to propose Mr. Pheroze A. Dhanbhoora as a candidate for the office of Director of the Company, be and is hereby appointed as a Director of the Company, subject to retirement by rotation.”

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

“**RESOLVED THAT**, Mr. Vijay Merchant (DIN 01773227), who was appointed as an Additional Director of the Company w.e.f. 12/02/2016 in the meeting of Board of Directors held on 12/02/2016 and who holds office as such upto the date of 26th Annual General Meeting and in respect of whom notice under Section 160 of the Companies Act, 2013, has been received from a member along with a

cheque of Rs.1 lac, signifying his intention to propose Mr. Vijay Merchant as a candidate for the office of Director of the Company, be and is hereby appointed as a Director of the Company, subject to retirement by rotation.”

By Order of the Board of Directors

REGISTERED OFFICE:

A-1/2, GIDC Industrial Estate,
Kabilpore, Navsari - 396 424, Gujarat.

Place : Mumbai.

Date : 24th May, 2016.

ASINKHAN S. BAHOLU

Company Secretary
Membership No.: FCS 703

NOTES :**A. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER.**

PROXIES IN ORDER TO BE VALID MUST BE LODGED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

B. The Register of Members and the Share Transfer Books shall remain closed from 15-09-2016 to 22-09-2016 (including both dates) for the purpose of dividend entitlement and the 26th Annual General Meeting.

C. Members/Proxies are requested to fill the Attendance Slip for attending the meeting.

D. Members are informed that the facility of dematerialization of shares of the Company is available and members are advised to go for that by approaching concerned DPs.

E. Members who hold shares in dematerialized form are requested to bring their Client ID and DP ID numbers for easy identification of attendance at the meeting.

F. The Members holding shares in physical form are requested to notify any change in their address to the Company.

G. Members desiring any information as regards the Accounts are requested to write to the Company at least 10 days before the date of the meeting to enable the management to keep the information ready.

H. As per Companies (Management and Administration) Rules, 2014 read with Chapter VII of the Companies Act, 2013, the Shareholders of the Company are requested to furnish their information as per Annexure attached herewith and are required to submit the same to Link Intime India Pvt. Ltd. RTA of Virat industries Limited on or before 22-09-2016.

I. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide the Members the facility to exercise their right to vote at the 26th Annual general Meeting (AGM) by electronic means and the business may be transacted through e-voting services provided by CDSL Ventures Ltd. (CVL).

J. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.

K. E-voting

In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide its members facility to exercise their right to vote at the 26th Annual General Meeting (AGM) on the items mentioned in the Notice by electronic means through e-voting Services provided by Link Intime India Pvt. Ltd. The e-voting shall be open on 19-09-2016 to 21-09-2016 from 9.00 AM to 5.00 PM.

Mr. Atul J. Gandhi, Company Secretary (Membership No: FCS 1632) has been appointed as the Scrutinizer for conducting the e-voting process in a fair and transparent manner.

E-voting is optional. The e-voting rights of the shareholders/beneficiary owners shall be reckoned on the equity shares held by them as on 15th September, 2016 being the Cut-off date for the purpose. Shareholders of the Company holding shares either in physical or in dematerialized form, as on the Cut-off date, may cast their vote electronically.

The Scrutinizer shall within a period not exceeding three (3) days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, forthwith to the Chairman of the Company.

The Results of the e-voting along with the result of the poll conducted at the AGM and the Scrutinizer's Report shall be sent to stock exchanges, where the securities of the Company are listed and placed on the Company's website www.viratindustries.com and on the website <https://www.evotingindia.co.in> within two (2) days of passing of the Resolutions at the AGM.

The instructions for members for voting electronically are as under:-

The voting period begins from 9.00 AM to 5.00 PM on 19-09-2016 to 21-09-2016. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the Cut-off date (record date) on 15-09-2016, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(A) In case of members receiving e-mail:

- i) Log on to the e-voting website www.evotingindia.com
- ii) Click on "Shareholders" tab.
- iii) Now Enter your User ID
 - For CDSL: 16 digits beneficiary ID,
 - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - 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 and voted on an earlier voting of any company, then your existing password is to be used.
- vi) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN*	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"> • Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Postal Ballot / Attendance Slip/ Address Sticker which is to be indicated in the PAN field.
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. # Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or Company please enter the number of shares held by you as on the Cut-off date in the Dividend Bank details field.

- vii) After entering these details appropriately, click on "SUBMIT" tab.
- viii) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in 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) (i) Note for Non - Individual Shareholders and Custodians
 - o Non-Individual shareholders (i.e. other than Individuals, HUF, NRI, etc.) are required to log on to www.evotingindia.com and register themselves as Corporates.
 - o A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - o After receiving the login details they have to create 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.
 - o The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - o 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.
- (ii) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.

(B) In case of members receiving the physical copy:

Please follow all steps from sl. no. (i) to sl. no. (xvi) above to cast vote.

L. Poll at the Meeting

After all the items of the Notice have been discussed, the Chairman will order poll in respect of all the items. Poll will be conducted and supervised under the Scrutinizer appointed for e-voting as stated above. After conclusion of the poll, the Chairman may declare the meeting as closed. The results of the poll aggregated with the results of e-voting will be announced by the Company on its website: www.viratindustries.com within two days from the date of AGM of the Company and on the website of CDSL and also informed to the stock exchanges where the securities of the Company are listed within two (2) days of the Annual General Meeting.

ANNEXURE TO NOTICE

EXPLANATORY STATEMENT AS REQUIRED PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

The following Explanatory Statement sets out all material facts relating to the SPECIAL BUSINESS mentioned under Item Nos. 4, 5 and 6 of the accompanying Notice.

DETAILS OF DIRECTORS BEING APPOINTED/RE-APPOINTED AT THE ANNUAL GENERAL MEETING [IN PURSUANCE OF SEBI (LODR) REGULATIONS, 2015 :

Name of Director	Mr. Kaizad DadyBurjor	Mr. Pheroze Dhanbhoora	Mr. Vijay Merchant
Age	47 years	55 years	71 years
Qualification	Diploma in Business Management	B. Com. FCA	Grad. In Commerce, Post Grad. Diploma in Business Management, Merit Scholar from IIM Ahmedabad. Trained at Mafatlal Services Ltd. in Central Finance Dept. of Group Companies.
Date of Appointment	03/09/2015	04/11/2015	12/02/2016
Expertise	He promoted Sigma Group with head quarters at Texas. He has received Award of "Small Business of the year 2004" from Asian American Chamber of Commerce and Industry, Dallas, USA Proprietor of Otro Consulting which runs a fleet of Ola Cabs.	Founder Partner at P. A. Dhanbhoora & Co. Income Tax and Service Tax Regulatory, Audit, Strategic Business Advisory, Consultancy in M & A matters, Assisting clients in setting up ODI entities., etc	Owner of plastic manufacturing units. President of All India Plastic Manufacturing Association. Founder Member of Indian Centre for Plastics in Environment created at instance of Ministry of Environment and Forests, Government of India, Director of HDFC Asset Management Co. Served as Independent Non-Executive Director of HDFC Bank Ltd. Also served on Indian Institute of Packaging, Indian Merchants Chamber, Enviroplast Plast India Foundation.
Other Directorships	Shapoorjee Chandabhoy Finvest Pvt. Ltd.	None	HDFC Asset Management Co. Ltd.
Chairmanship/ Membership of the Committees	None	Member of Audit Committee	None
Shareholding in the Company	79994	Nil	Nil

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ANNEXURE TO NOTE H

Virat Industries Limited

(Regd. Office Address: A – 1/2, GIDC Industrial Estate, Kabilpore, Navsari - 396 424, Gujarat, India)

CIN: L29199GJ1990PLC014514

Tel No.: +912637 - 265011/22 Fax: +912637 - 265712 Email: factory@viratindustries.com

Website: www.viratindustries.com

Dear Members of the Company,

Subject: Registration of email Id for the communication through electronic mode & providing information as required under section 88(1) of the Companies Act, 2013.

The Companies Act, 2013 allows the Company to communicate with its Members through electronic mode like email. As per the provisions of the said Act, the Company can now opt to send the Notices of the General Meetings and Postal Ballot through the electronic mode. The members may also exercise their right to vote at any General Meeting and on Postal Ballot by electronic means i.e., through e-voting.

The communication between the members and the Company through the electronic mode will help reduce paper consumption and will help in saving the natural resources, which indirectly help you to contribute towards saving environment.

Thus, in view of the above, we request you to register your email Id's with the Company, for the purpose of receiving the future communication from the Company through electronic mode.

We also draw your attention to the Section 88(1) of the Companies Act, 2013 and Rule 3(1) of the Companies (Management and Administration) Rules, 2014.

To enable us to update your details we request you to return/provide the information as per format attached.

We also request you to register your ECS mandate to enable the Company to disburse the dividends through NECS/NEFT/RTGS to avoid misplacement of physical warrant, quick credit to your account and also save your time in depositing the cheque in your bank account. This will also help you participate in e-voting at your convenience.

Shareholders holding shares in demat segment are requested to update their details in their demat account.

Yours faithfully,
For **Virat Industries Limited**

A.S. Baholu
Company Secretary
Membership No.: FCS 703

Place : Mumbai,

Date : 24th May, 2016.

Date:

To:

Link Intime India Pvt. Ltd.Unit: **Virat Industries Limited,**

C-13, Pannalal Silk Mills Compound,

L.B.S. Marg, Bhandup (W),

Mumbai – 400 078

Dear Sir,

With reference to section 88(1) of the Companies Act, 2013, we give the following information:

Name	
Name of Joint Holder, if any	1. 2.
Address	
Folio No.	
Contact No.	Res.: Mob:
Email Id	
CIN Registration No. (in case of Companies)	
Unique Identification No.	
Father's/Mother's/Spouse's Name	1. 2.
Occupation	
Date of Birth	
PAN No.	
Nationality	
Bank Name	
Branch Name	
Account Number	
MICR Number	
RTGS/NEFT/FSC Code (attach cancelled cheque)	

Yours faithfully

Name of the Shareholder: _____

DIRECTORS' REPORT

Your Directors are pleased to present the 26th Annual Report together with the Audited Statement of Accounts for the year ended 31 March, 2016.

FINANCIAL RESULTS AND ACCOUNTS:

The Financial Results are as under :

(₹ in Lacs)

	Year ended 31 March, 2016	Year ended 31 March, 2015
Gross Income	2639.24	2106.47
Profit Before Interest and Depreciation	574.33	414.86
Finance Charges	3.89	8.70
Gross Profit before Depreciation	570.43	406.16
Provision for Depreciation	122.26	103.98
Net Profit Before Tax	448.17	302.18
Provision for Tax	146.35	94.04
Net Profit After Tax	301.82	208.14
Balance of Profit brought forward	766.96	692.64
Depreciation on transition to Schedule II of the Companies Act, 2013 on tangible fixed assets with nil remaining useful life	–	(6.23)
Balance available for appropriation	1068.78	894.55
Proposed Dividend on Equity Shares (₹ 2.50 per Equity Share, previous year ₹ 1.80 per Equity Share)	123.09	88.62
Tax on proposed Dividend	25.06	18.15
Transfer to General Reserve	30.18	20.82
Surplus carried to Balance Sheet	890.45	766.96

OPERATIONS:

Your Company achieved a commendable performance and recorded a top-line growth of 23.61% over the previous year. Total Sales stood at ₹ 23.40 crore, the highest achieved since Company's inception, as against ₹ 18.93 crore in the previous year. The export sales constituted 92.32% of total sales, registering a growth of 25.17% over the previous year. The increase in sales was driven by volume growth in export orders at a very encouraging pace, in particular a much increased share of sneaker and children socks in the sales-mix.

Against the back drop of global headwinds of economic uncertainty sweeping across major parts of the world and India's merchandise exports declining to US \$ 261 billion from US \$ 310 billion in the previous year, recording negative growth of 15.81%; the performance of your Company on the export sales front is noteworthy. The inspiring achievement is the result of trust and confidence reposed by the overseas clients in your Company's quality of products, timely deliveries, fast adaptability to latest fashion market trends and innovations, and prompt submission of samples which works as a seeding process to promote and generate orders.

Domestic Sales of your Company comprise mainly of contract manufacturing of socks supplied to Branded outlets, and also under the Company's own brand "Lord Walker" launched in the end of 2014. Under the own brand "Lord Walker", the Company supplies socks to some big cities through distributors; children

socks to all India branches of a very reputed shoes supplying brand, and through online with e-commerce portals. Efforts are underway to penetrate into other metro and big cities through distributors and by deployment of market experienced manpower to enhance sales volume.

Commensurate with the higher sales and also the impact of favorable exchange rates caused by weakening of ₹ (rupee) against US Dollar (USD) and Great Britain Pound (GBP), your Company achieved a stellar improvement in profit before tax of 48.31% over the previous year, after absorbing all cost escalations such as increase in wages/salaries, in particular impact of amendment in payment of Bonus Act dated 31.12.2015 retrospectively effective from 01.04.2014, resulting in additional liability of ₹ 31.00 lacs, increase in electricity power rates, and other overhead costs. The profit before tax stood at ₹ 448.17 lacs against ₹ 302.18 lacs in the previous year.

During the year under review, your Company purchased twelve new knitting machines to meet the emerging needs of export market; installed equipments to strictly adhere to environmental and safety measures and also equipments for better material handling and storage of goods in the factory. The total capital outlay was ₹ 185.92 lacs.

In the current year, your Company ventures to make investment to purchase specialised knitting machines capable of knitting socks which are more technical, and which will realize better prices and margins. Such socks will be difficult to manufacture by other competitors due to non availability of such equipment and expertise. Such socks will cater to niche high value luxury customers. The orders for such machines have been placed and preparatory work is being attended to.

Exports will continue to be the main thrust area of your Company because export clients offer large size orders, which result in better plant efficiency, improvement in quality and better management of inventory as your Company is mainly order driven and manufactures requisite quantity of socks as per orders, with no remnants or surplus left. Exports create better quality culture in the work place. There is assured security in recovery of export receivables. However, it is expected that sales in the local market will also play an increasingly important role in the future.

The comparative performance highlights for last five years are as under:

	Units	2015-16	2014-15	2013-14	2012-13	2011-12
Total Income	₹ in lac	2639.24	2106.47	2251.20	2120.54	1685.23
Export Sale	₹ in lac	2165.26	1729.78	1923.53	1838.07	1449.10
Net Profit before Tax	₹ in lac	448.17	302.18	486.60	328.47	201.02
Net Profit after Tax	₹ in lac	301.82	208.14	328.40	221.50	139.20
Cash Profit	₹ in lac	424.08	312.11	423.36	306.18	218.76
Knitting Production	Pairs in lac	56.56	41.86	51.92	57.42	45.38
Pairs Dispatched	Pairs in lac	55.13	43.45	49.64	55.30	46.78
Sales realization per pair	₹	42.44	43.57	40.83	35.36	32.81
Earning Per Share	₹	6.13	4.23	6.67	4.50	2.83

There is no change in the nature of business of your Company for the year under review.

Overview of the Economy:

The Indian Economy has certainly performed creditably compared to most developed and emerging markets of the world in the year under review. As per the latest GDP growth estimates, the Indian Economy performed well at 7.6%. The macro economic condition is stable, consumer price inflation is well under control and wholesale price inflation is in negative territory.

Even as the economy has made progress, this has yet to show a positive impact on significant demand revival and improved corporate earnings. Merchandise exports from India declined, expected consumer demand push did not happen, markets lacked buoyancy, employment prospects were sluggish and manufacturing activity - including core sector was subdued.

However, the implementation of policy reforms announced, new initiatives taken and good ground work done to improve the economy will hopefully put India on an accelerating growth track and improve the business outlook.

During the year, the Company carried out sales in the following geographical segments: (In ₹)

	United Kingdom	Switzerland	UAE	India	Rest of the World	Total
Revenues	8,07,53,123	8,57,55,655	4,01,74,252	1,74,39,453	98,45,407	23,39,67,890

Industry Structure and Development

The Indian textile industry including hosiery and clothing is one of the leading sectors of the Indian economy and contributes significantly to the country's industrial output (14%). It employs 55 million people and is the second largest employer after agriculture. In the year under review, the textile and apparel exports from India touched US \$ 40 billion amounting to 15% of India's total exports. Overall it contributes 6% of India's GDP.

Textiles and apparel industry is the second largest employer of India and also one of the key focus sectors under Government's "Make In India" campaign. It is a testimony to the huge growth potential that the industry holds both in terms of infrastructure development and skill improvement. Globally, favourable trade policy reforms would allow the industry to expand its trade partners, improve export competitiveness and employment opportunities to unemployed youth which is the biggest need of the hour.

Textiles and apparels exported from India consume mainly indigenous inputs which are available in rich abundance including skilled labour and talent. Thus textiles are the big earner of net foreign exchange. This helps the country reduce its current account deficit.

Opportunities

Your Company has been manufacturing premium quality socks for export markets for two decades since its inception. The socks are being supplied to top end markets of Europe and Gulf Countries. This has resulted in creating good quality culture conducive to manufacture excellent quality socks. Hence your Company is well poised to seize opportunities available in socks knitting industry on account of its state-of-the art production facilities, technical expertise and emphasis on product innovation and growth potential. Your company is meeting international norms of comfort, stretch, sizing, skin care and other parameters essential for inner wear apparel. In view of the strengths mentioned, your Company is a preferred premium quality supplier of socks to top brands and maintains its continuous design and product improvement and strong emphasis on customer services.

Your Company started commercial production of socks in the year 1996, and has thus completed twenty years of its existence as a socks manufacturer cum exporter. It is heartening to mention that your Company has been able to retain the patronage of some export clients with increasing volumes of business since the start of socks manufacturing in the Company.

Some export clients place small size orders for exclusive designs, with much remunerative prices, resulting in much higher than average contribution margin after considering machine down time. Your Company has been accepting such orders to boost the bottom line.

In the Foreign Trade Policy 2015-2020, the export obligation for domestic procurement of capital goods under EPCG has been reduced from 90% to 75%. Your Company has been availing of this benefit for domestic capital goods. Also in case of imported capital goods if 75% or more of specific export obligation, and 100% Average Export Obligation till date, is fulfilled in half or less than half the original export obligation period specified; remaining export obligation shall be condoned and Authorisation redeemed by regional authorities concerned. Your Company has always met the Export obligation, well in time.

Threats:

Socks exported from India to European Union countries (E.U.) attract 10.6% custom duty; whereas countries like Bangladesh, Sri Lanka and Vietnam being less developed are exempted from custom duty. Turkey, being the deemed member of the E.U. countries, besides enjoying exemption from custom duty, has added advantage of reduced freight and reduced delivery time to the European markets. This has posed a threat to the Indian socks suppliers and may pressurize them to reduce prices.

With the downturn of economy of China, after three decades of red hot expansion, there were expectations that the business will shift from China to India in case of textiles, garments and hosiery items due to cost and stability factors. It seems this business has been more or less grabbed by above mentioned countries due to duty benefit, as exports of textiles and apparels from India remained stagnant at US \$ 40 billion in the year under review.

Recently Turkey has allowed duty free imports of textiles fabrics and apparels from Pakistan and hence India will have to face competition from Pakistan.

Textiles, garments and hosiery are labour and power intensive industries. Continuous rise in the prices of these inputs will pose a major threat on operating margin.

Some small factories with 10 to 15 low cost Chinese socks knitting machines have mushroomed in the last one to two years. They are supplying cheap socks and posing competition to big organized units.

FINANCE

As on the date of Balance Sheet, the Company is debt free in terms of long term loans, excepting loan on vehicles.

WORKING CAPITAL LOAN

The Company is enjoying export packing credit and foreign bill purchase facilities.

INSURANCE

All the assets of the Company have been adequately insured.

DIVIDEND

The Board of Directors of the Company has recommended a dividend of ₹ 2.50 per share of ₹ 10/- each (25%). The total dividend will absorb ₹ 12,308,350 excluding ₹ 2,505,980 (20.36%) as tax on dividend. The dividend will be free of tax in the hands of the shareholders of the Company.

BOARD OF DIRECTORS

The Company has a broad based Board of Directors, duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors are carried out in compliance with the provisions of the Act.

Policy formulations, setting up of goals, evaluations of performance and control functions vest with the Board. The composition of the Board of Directors of the Company as on March 31, 2016 was as follows:

Sr. No.	Name of the Director	Category
1	Mr. Arun S. Sanghi	Chairman, Independent Director
2	Mr. Adi F. Madan	Managing Director
3	Mrs. Ayesha K. DadyBurjor	Whole-time Director
4	Mr. Ajit P. Walwaikar	Independent Director
5	Mr. Harish H. Shah	Independent Director
6	Mr. Vinay V. Sanghi	Independent Director
7	Mr. Kaizad R. DadyBurjor	Additional Director
8	Mr. Pheroze A. Dhanbhoora	Additional Director
9	Mr. Vijay V. Merchant	Additional Director

BOARD MEETINGS

Regular meetings of the Board of Directors are held to discuss and decide on various business policies, strategies and other business. Due to business exigencies, sometimes business decisions are taken by the Board through circulation.

The Board met five (5) times during the FY 2015-16, viz. on May 29, 2015, August 13, 2015, September 3, 2015, November 4, 2015 and February 12, 2016.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Mr. Kaizad R. DadyBurjor was appointed as an Additional Director of the Company under section 161 of the Companies Act, 2013, in the meeting of the Board of Directors held on 3rd September 2015. He will be re-appointed as a Director subject to retirement by rotation by the shareholders in the Annual General Meeting to be held on 22nd September, 2016.

Mr. Pheroze A. Dhanbhoora was appointed as an Additional Director of the Company under section 161 of the Companies Act, 2013, in the meeting of the Board of Directors held on 4th November 2015. He will be re-appointed as a Director subject to retirement by rotation by the shareholders in the Annual General Meeting to be held on 22nd September, 2016.

Mr. Pheroze A. Dhanbhoora was also appointed as the member of the Audit Committee of the Company by the Board of Directors.

Mr. Vijay V. Merchant was appointed as an Additional Director of the Company under section 161 of the Companies Act, 2013, in the meeting of the Board of Directors held on 12th February 2016. He will be re-appointed as a Director subject to retirement by rotation by the shareholders in the Annual General Meeting to be held on 22nd September, 2016.

No Director is retiring by rotation in the ensuing AGM since there is none continuing of the yesteryears.

DECLARATION FROM INDEPENDENT DIRECTORS ON ANNUAL BASIS

The Independent Directors have submitted the Declaration of Independence, as required pursuant to section 149(7) of the Companies Act 2013, stating that they meet the criteria of independence as provided in sub-section (6).

COMPOSITION OF AUDIT COMMITTEE

The Board has constituted an Audit Committee comprising of three Independent Directors and one Additional Director totaling four members. The Audit Committee reviews reports including significant audit observations and follow-up actions thereon. The Audit Committee also meets the Company's Statutory Auditors to ascertain their views on financial statement. The Committee members meet regularly and make their recommendations in accordance with the terms of reference specified by the Board. Such recommendations are thoroughly discussed in Board meetings and by and large accepted for implementation.

Their names are as under;

Mr. Arun S. Sanghi	- Chairman
Mr. Ajit P. Walwaikar	- Member
Mr. Harish H. Shah	- Member
Mr. Phiroze A. Dhanbhoora	- Member

All the members of the Audit Committee are financially literate and bring in expertise in the fields of Finance, Taxation, Secretarial and Legal issues.

NOMINATION AND REMUNERATION COMMITTEE

The Board has constituted the Nomination and Remuneration Committee consisting of three Independent Directors.

Their names are as under;

Mr. Ajit P. Walwaikar	- Chairman
Mr. Arun S. Sanghi	- Member
Mr. Harish H. Shah	- Member

The Committee has the mandate to recommend appointment/re-appointment of Executive Directors and appointment of employees from the level of Vice-President and above along with remuneration to be paid to them. The remuneration is fixed keeping in mind the person's track record, his/her potential, individual performance, the market trends and scales prevailing in the similar industry.

STAKEHOLDERS RELATIONSHIP COMMITTEE

The Board has constituted Stakeholder Relationship Committee consisting of three Directors, two independent Directors and the Managing Director.

Their names are as under;

Mr. Arun S. Sanghi	- Chairman
Mr. Adi F. Madan	- Member
Mr. Ajit P. Walwaikar	- Member

The Committee meets regularly to approve share transfers, transmission, issue of duplicate share certificates, re-materialization of shares and all other issues pertaining to shares and also to redress investor grievances like non-receipt of dividend warrants, non-receipt of share certificates, etc. The committee regularly reviews the movement in shareholding and ownership structure. The committee also reviews the performance of the Registrar and Transfer Agents.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has an established mechanism for Directors/Employees to report concerns about unethical behavior, actual or suspected fraud or violation of the code of conduct or ethics policy. It also provides for adequate safeguards against victimization of Directors/employees who avail of the mechanism. The company affirms that no personnel has been denied access to the audit committee. The Company has formulated a Policy of Vigil

Mechanism and has established a mechanism that any personnel may raise Reportable Matters within 60 days after becoming aware of the same. All suspected violations and Reportable Matters are reported to the Chairman of the Audit Committee. The key directions/actions are informed to the Managing Director of the Company.

DIRECTORS' RESPONSIBILITY STATEMENT

In pursuance of section 134 (5) of the Companies Act, 2013, the Board of Directors hereby confirm that:

- (a) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanations relating to material departures;
- (b) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on 31st March 2016 and of the profit and loss of the Company for the period ended 31st March 2016;
- (c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) the Directors had prepared the annual accounts on a going concern basis;
- (e) the Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- (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.

SUBSIDIARIES

As the Company has no subsidiaries, Section 129(3) of the Companies Act, 2013, does not apply. In the F.Y. 2013-14, the Company had subscribed to 30% of the Partners' Capital in Armayesh Enterprise LLP. The Company withdrew and retired from the said partnership with Armayesh Enterprise LLP with effect from 31st October 2015.

EXTRACT OF ANNUAL RETURN

Pursuant to sub-section 3(a) of section 134 and sub-section (3) of section 92 of the Companies Act 2013, read with Rule 12 of the Companies (Management and Administration) Rules, 2014 the extracts of the Annual Return as at March 31, 2016 forms part of this report as **Annexure I**.

AUDITORS

As per Resolution passed at the 24th Annual General meeting, M/s. Deloitte Haskins and Sells, Chartered Accountants, have been appointed as Statutory Auditors for the financial years 2014-15, 2015-16 and 2016-17. The said appointment, on an annual basis, is being ratified in the ensuing Annual General Meeting.

SECRETARIAL AUDITOR AND SECRETARIAL AUDIT REPORT

Mr. A. J. Gandhi practicing Company Secretary was appointed as a Secretarial Auditor under the provision of section 204 of the Companies Act, 2013 for the financial year 2015-16, during the Board Meeting held on 29th May 2015. The report of the secretarial auditor for the F.Y. 2015-16 is annexed to this report as **Annexure - II**. The report does not contain any qualification.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGOING

Additional information on conservation of energy, technology absorption, foreign exchange earnings and outgo as required to be disclosed in terms of Section 134(3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 for the F.Y. 2015-16 is annexed and forms part of this Report as **Annexure - III**.

DETAILS RELATING TO DEPOSITS

The Company has not accepted any deposit during the year, nor any deposit has remained unpaid or unclaimed as at the end of the year.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS

No significant and material orders were passed by the regulators or Courts or Tribunals during the year, adversely impacting the Company's operation in future.

INTERNAL FINANCIAL CONTROL SYSTEM AND THEIR ADEQUACY

A strong internal control culture is pervasive in your Company. Your Company has documented a robust and

comprehensive internal control system for all the major processes to ensure reliability of financial reporting, timely feedback on achievement of operational and strategic goals and compliance with policies, procedures, laws and regulations.

Your Company believes in formulating adequate and effective internal control systems and implementing the same to ensure that assets and interests of the Company are safeguarded and reliability of accounting data and accuracy are ensured with proper checks and balances. The Internal control system is improved and modified continuously to meet the changes in business conditions, statutory and accounting requirements. The Audit Committee of the Board of Directors actively reviews the adequacy and effectiveness of internal control system and suggests improvements for strengthening them. The Company has a sound Management Information System which is an integral part of the control mechanism. The Audit Committee of the Board of Directors and Statutory Auditors are periodically apprised of the internal audit findings and corrective actions taken.

Section 134(5)(e) of the Companies Act, 2013 requires the submission of a report by the Board of Directors of a listed Company which includes a statement ensuring that the Company has laid down Internal Financial Controls to be followed by the Company and that such Internal Financial Controls are adequate and operating effectively.

During the year, the Company prepared Policy Documents with regard to Internal Financial Control, along with Risk Control Matrix. The same have been tested by internal auditors and statutory auditors.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

Your Company has not-

- given any loan to any person or other body corporate
- given any guarantee and provided any security in connection with a loan to any other body corporate or any person
- acquired by way of subscription, purchase or otherwise the securities of any other body corporate otherwise than in accordance with the law.

TRANSFER OF UNCLAIMED DIVIDEND

In the F.Y. 2008-09, the Company declared interim dividend of 5% (₹ 0.50 per share of ₹ 10 each) in January 2009, which was subsequently approved by the shareholders in Annual General Meeting, as the final dividend for the F.Y. 2008-09.

Since seven years have elapsed, the unclaimed dividend of ₹ 99,151 of the F.Y. 2008-09 has been transferred to the Investor Education and Protection Fund, established by the Central Government, in compliance with sections 124 and 125 of the Companies Act, 2013 (corresponding to section 205A and 205C of the Companies Act, 1956).

RISK MANAGEMENT:

A documented risk management policy is in place as per section 134(3)(n) of the Companies Act 2013.

Your Company is exposed to risk from fluctuation of foreign exchange rates, market Economic slow down or decline in demand in the country of buyers of your Company's products, prices of raw materials and finished goods, compliances risk and people risk.

Foreign Exchange Risk:

Your Company manages its foreign exchange risk within the framework laid down by Company's policy, approved by the Board, keeping in mind the size of the Company.

Commodity Prices Risk:

Your Company proactively manages the risk of purchasing raw materials through forward booking, vendor development practices and inventory management. The Company's strong reputation for quality and services with overseas clients mitigates the impact of price risk on finished goods.

Compliance Risk:

Your company has to follow various statutes and regulations including the Companies Act. The company is mitigating these risks through regular review of legal compliances carried out through internal as well as external compliance audits.

People Risk:

Your Company nurtures and grooms the talented and key personnel for future business leadership and looks after them judiciously so that they stay with the Company.

CORPORATE SOCIAL RESPONSIBILITY

Section 135(1) of the Companies Act, 2013, is not applicable to your Company, because the net worth, turnover and net profit of your Company during the year is less than the required limits.

RELATED PARTY TRANSACTIONS

All related party transactions that were entered during the financial year were in the ordinary course of the business of your Company and were on arm's length basis. There were no materially significant related party transactions entered by your Company with Promoters, Directors, Key Managerial Personnel or other persons which may have a potential conflict with the interest of your Company. The details are given in **Annexure - IV**, forming part of this report.

FORMAL ANNUAL EVALUATION

During the year, the Board adopted a formal mechanism for evaluating its performance and as well as that of its Committees and individual Directors, including the Chairman of the Board. The exercise was carried out through a structured evaluation process covering various aspects of the Board functioning such as composition of the Board and Committees, experience and competencies, performance of specific duties and obligations, governance issues etc. Separate exercise was carried out to evaluate the performance of individual Directors including the Board Chairman who were evaluated on parameters such as attendance, contribution at the meetings and otherwise, independent judgment, safeguarding of minority shareholders interest, etc.

MEETING OF INDEPENDENT DIRECTORS

All the four Independent Directors of the Company held a meeting on 12th February 2016, and reviewed the performance of non-independent Directors and the Board as a whole. They also assessed the quality, quantity and timeliness of flow of information between the Company management and the Board.

They expressed their satisfaction at the performance of non-independent Directors and appreciated the flow of information from the Company management.

COST AUDITORS

The Companies (Cost Records and Audit) Rules, 2014 does not require textile industry to have cost audit records. Moreover, in terms of Rule 7, where the revenue of a company from exports, in foreign exchange, exceeds seventy five percent of its total revenue, the said company is also exempted from maintaining cost audit records. The above rules were notified on 30.06.2014. In view of the above, the Company is exempted from maintaining Cost Audit records and appointment of Cost Auditor for the financial year 2015-16.

RATIO OF REMUNERATION TO EACH DIRECTOR

The ratio of the remuneration of each Director to the median employee's remuneration and other details in terms of sub-section 12 of section 197 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are forming part of this Report as **Annexure V** of this report.

LISTING FEES

Your Company has paid listing fees up to 31st March 2017 to the Bombay Stock Exchange on 13th April 2016.

CORPORATE GOVERNANCE AND SHAREHOLDERS INFORMATION

Your Company shall not be mandatorily required to submit Corporate Governance Report as the equity share capital and net worth of the Company is less than required limits as on the last date of the previous financial year. Provided that where the provision of the Act becomes applicable to the Company at a later date, the Company shall comply with the requirement within six month from the date on which the provisions become applicable to the Company.

ANTI SEXUAL HARASSMENT POLICY

The Company has in place an Anti Sexual Harassment Policy in line with the requirements of 'The Sexual Harassment of Women at the Workplace (Prevention Prohibition & Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding Sexual Harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

The following is a summary of Sexual Harassment complaints received and disposed of during the year 2015-16:

No. of complaints received: Nil

No. of complaints disposed of: Not applicable

PARTICULARS OF EMPLOYEES

As per provision of Section 197 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, particulars of the employees are required to be annexed in respect of the employees of the Company who were in receipt of total remuneration of ₹ 60.00 Lac per annum or ₹ 5.00 Lac per month. During the financial year 2015-16, there is no employee drawing remuneration as above.

ACKNOWLEDGMENT

Your Directors wish to place on record their sincere appreciation for the co-operation and support extended to the Company by the Government of India, the Gujarat State Government and by the relevant Government Authorities, Central, State and Local, the Company's Bankers and the Business Associates.

Your Directors also thank all the employees at every level, who, through their dedication, co-operation and support, have enabled the Company to achieve sustained growth.

And to you, our shareholders, we are deeply grateful for the confidence and faith that you have always reposed in us.

For and on behalf of the Board of Directors

Place: Mumbai,
Date : 24th May, 2016.

Arun S. Sanghi
Chairman

ANNEXURE TO THE DIRECTORS' REPORT

ANNEXURE - I

Annual Return Extracts in MGT 9

Form No. MGT-9

Extract of Annual Return as on the financial year ended on 31st March, 2016
[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies
(Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i) CIN	L29199GJ1990PLC014514
ii) Registration Date	Registration Date 14/10/1990
iii) Name of the Company	VIRAT INDUSTRIES LIMITED
iv) Category / Sub-Category of the Company	Public Company Limited by shares
v) Address of the Registered Office and contact details	A - 1/2, GIDC Industrial Estate, Kabilpore, Navsari, Gujarat, India, PIN - 396 424. Tel: 02637-265011/265022 Fax: 02637-265712 Email: factory@viratindustries.com Website: www.viratindustries.com
vi) Whether listed Company Yes / No	Yes
vii) Name, Address and Contact details of Registrar and Transfer Agent, if any	Link Intime India Private Limited C-13, Pannalal Silk Mills Compund, L.B.S. Marg, Bhandup (W), Mumbai, Maharashtra, India, PIN - 400 078. Tel: 022-25963838 Email: rnt.helpdesk@linkintime.co.in

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the Company shall be stated :-

Sl. No.	Name and Description of main Products / Services	NIC Code of the Product / Service			% to total turnover of the Company
		Group	Class	Sub-Class	
1	Knitted Socks	143	1430	14309	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name and Address of the Company	CIN/GLN	Holding / Subsidiary / Associate	% of Shares held	Applicable Section
1	Armayesh Enterprise LLP	AAB - 6194	Limited Liability Partnership	30%	As per Limited Liability Partnership Act, 2008

Note: The Company withdrew and retired from the Partnership with Armayesh Enterprise LLP with effect from 31st October, 2015.

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

i) Category-wise Share Holding

Category of Shareholders		No. of Shares held at the beginning of the year 01/04/2015				No. of Shares held at the end of the year 31/03/2016				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters										
(1)	Indian									
a)	Individual/Hindu Undivided Family	599,942	–	599,942	12.186	631,117	–	631,117	12.819	0.633
b)	Central Government	–	–	–	–	–	–	–	–	–
c)	State Governments	–	–	–	–	–	–	–	–	–
d)	Bodies Corporate	1,753,795	–	1,753,795	35.622	1,753,795	–	1,753,795	35.622	–
e)	Banks/Family Institutions	–	–	–	–	–	–	–	–	–
f)	Any Other....	–	–	–	–	–	–	–	–	–
	Sub-total (A) (1)	2,353,737	–	2,353,737	47.808	2,384,912	–	2,384,912	48.441	0.633
(2)	Foreign	–	–	–	–	–	–	–	–	–
a)	NRIs – Individuals	–	–	–	–	–	–	–	–	–
b)	Other – Individuals	–	–	–	–	–	–	–	–	–
c)	Bodies Corporate	–	–	–	–	–	–	–	–	–
d)	Banks/Family Institutions	–	–	–	–	–	–	–	–	–
e)	Any Other....	–	–	–	–	–	–	–	–	–
	Sub-total (A) (2)	–	–	–	–	–	–	–	–	–
	Total Shareholding of Promoter (A) = (A)(1)+(A)(2)	2,353,737	–	2,353,737	47.808	2,384,912	–	2,384,912	48.441	0.633

Category of Shareholders	No. of Shares held at the beginning of the year 01/04/2015				No. of Shares held at the end of the year 31/03/2016				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
B. Public Shareholding									
(1) Institutions									
a) Mutual Funds	-	3,000	3,000	0.061	-	3,000	3,000	0.061	-
b) Banks / Family Institutions	200	-	200	0.004	200	-	200	0.004	-
c) Central Government	-	-	-	-	-	-	-	-	-
d) State Governments	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) Foreign Institutional Investors	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Investors	-	-	-	-	-	-	-	-	-
i) Others	-	-	-	-	-	-	-	-	-
Sub-total (B)(1)	200	3,000	3,200	0.065	200	3,000	3,200	0.065	-
[2] Non – Institutions									
a) Bodies Corporate									
i) Indian	100,515	19,500	120,015	2.438	107,474	19,500	126,974	2.579	0.141
ii) Overseas									-
b) Individuals									-
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	642,151	296,340	938,491	19.062	809,643	287,740	1,097,383	22.289	3.227
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	933,343	22,000	955,343	19.404	691,590	22,000	713,590	14.494	(4.910)
c) Others									
i) Hindu Undivided Family	-	-	-	-	41,401	-	41,401	0.841	0.841
ii) Clearing Member	26,642	-	26,642	0.541	23,570	-	23,570	0.479	(0.062)
iii) Non Resident Indians (Repat)	22,322	-	22,322	0.453	35,794	-	35,794	0.727	0.274
iv) Non Resident Indians (Non Repat)	8,250	-	8,250	0.168	1,176	-	1,176	0.024	(0.144)
v) Foreign Companies	492,340	-	492,340	10.000	492,340	-	492,340	10.000	-
vi) Overseas Bodies Corporates	-	3,000	3,000	0.061	-	3,000	3,000	0.061	-
Sub-total (B)(2)	2,225,563	340,840	2,566,403	52.127	2,202,988	332,240	2,535,228	51.494	(0.633)
Total Shareholding of Public (B) = (B)(1)+(B)(2)	2,225,763	343,840	2,569,603	52.192	2,203,188	335,240	2,538,428	51.559	(0.633)
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)	4,579,500	343,840	4,923,340	100.000	4,588,100	335,240	4,923,340	100.000	-

(ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year - 01/04/2015			Shareholding at the end of the year - 31/03/2016			% change in share holding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged/ encumbered to total shares	
1	SHAPOORJEE CHANDABHOY FINVEST PRIVATE LTD.	1,753,795	35.62	–	1,753,795	35.62	–	–
2	NAOZER J AGA	475,277	9.65	–	475,277	9.65	–	–
3	KAIZAD R DADYBURJOR	48,819	0.99	–	79,994	1.62	–	64
4	ARMAND NAOZER AGA	34,989	0.71	–	34,989	0.71	–	–
5	AYESHA K DADYBURJOR	17,536	0.36	–	17,536	0.36	–	–
6	RUSI H DADYBURJOR	11,000	0.22	–	11,000	0.22	–	–
7	ZENOBIA R DADYBURJOR	11,000	0.22	–	11,000	0.22	–	–
8	RUSTOM ZAL IRANI	1,321	0.03	–	1,321	0.03	–	–
	Total	2,353,737	47.81	–	2,384,912	48.44	–	

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

Sl. No.	Particulars	Shareholding at the beginning of the year - 01/04/2015		Shareholding at the end of the year - 31/03/2016	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1	KAIZAD R DADYBURJOR	48,819	0.99	79,994	1.62
2	RUSI H DADYBURJOR	11,000	0.22	11,000	0.22
3	ZENOBIA R DADYBURJOR	11,000	0.22	11,000	0.22
4	RUSTOM ZAL IRANI	1,321	0.03	1,321	0.03
	Total	72,140	1.47	103,315	2.10

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

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year - 01/04/2015		Shareholding at the end of the year - 31/03/2016	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	H M INVESTMENTS (UK) LIMITED	492,340	10.00	492,340	10.00
2.	PRAMILA HEMRAJ MUNOT / LATA MUNOT	204,800	4.16	189,525	3.85
3.	MAHENDRA GIRDHARILAL	101,755	2.07	76,095	1.55
4.	RAJIV GARG	65,000	1.32	–	–
5.	KESHAV GARG	60,000	1.22	–	–
6.	BOMSI WADIA	45,203	0.92	45,203	0.92
7.	RUSSI JAL TARAPOREVALA	42,000	0.85	42,000	0.85
8.	STANROSE MAFATLAL INVESTMENTS & FINANCE LIMITED	34,250	0.70	34,250	0.70
9.	JAIN PAL JAIN / KALPANA JAIN	33,348	0.68	25,000	0.51
10.	DILIP NAVINCHANDRA DALAL / KASHMIRA DILIP DALAL	31,800	0.65	31,800	0.65
11.	ANSHUL SAIGAL	–	–	28,367	0.58
12.	R. SRINIVASAN	–	–	26,840	0.55

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year - 01/04/2015		Shareholding at the end of the year - 31/03/2016	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	NAOZER J AGA / ARMAND N AGA	250,561	5.09	250,561	5.09
2.	NAOZER J AGA / AYESHA K DADYBURJOR	224,716	4.56	224,716	4.56
3.	ADI MADAN / AYESHA MADAN / JEHAN ADI MADAN	134,205	2.73	134,205	2.73
4.	KAIZAD R DADYBURJOR / AYESHA K DADYBURJOR	66,355	1.35	97,530	1.98
5.	ARMAND NAOZER AGA	34,989	0.71	34,989	0.71
6.	NIRMAL G AWTANEY / KRISHNA N AWTANEY	7,000	0.14	7,000	0.14
7.	ASHINKHAN SIKANDAR BAHOLU	1,000	0.02	100	0.00

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
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-
Change in Indebtedness during the financial year				
- Addition	-	-	-	-
- Reduction	-	-	-	-
Net Change	-	-	-	-
Indebtedness at the end of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl. No.	Particulars of Remuneration	Mr. Adi F. Madan Managing Directors	Mrs. Ayesha K. DadyBurjor Whole-time Director	Total
1	Gross Salary:			
(a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	3,586,141	1,572,003	5,158,144
(b)	Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
(c)	Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission-as % of profit-others, specify...	-	-	-
5	Others, please specify	-	-	-
	Total (A)	3,586,141	1,572,003	5,158,144
	Ceiling as per the Act			

B. Remuneration to Other Directors:

Sl. No.	Particulars of Remuneration	Name of Directors						Total Amount
		Mr. Arun S. Sanghi	Mr. Ajit P. Walwaikar	Mr. Vinay V. Sanghi	Mr. Harish H. Shah	Mr. Vijay Marchant (wef 12.02.16)	Mr. Pheroze Dhanbhoora (wef 04.11.15)	
1	Independent Directors							
	Fee for attending Board, Committee Meetings	165,000	145,000	70,000	160,000	20,000	50,000	610,000
	Commission	–	–	–	–	–	–	–
	Others, please specify	–	–	–	–	–	–	–
	Total (1)	165,000	145,000	70,000	160,000	20,000	50,000	610,000
2	Other Non-Executive Directors					Mr. Kaizad DadyBurjor (wef 03.09.15)		Total Amount
	Fee for attending Board, Committee Meetings					40,000		40,000
	Commission					–		–
	Others, please specify					–		–
	Total (2)					40,000		40,000
	Total (B)=(1+2)							650,000
	Total Managerial Remuneration							
	Overall Ceiling as per the Act							

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		Total
		Mr. Asinkhan S. Baholu Company Secretary	Mr. Bhavik R. Maisuria Chief Financial Officer	
1	Gross Salary:			
(a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	330,326	488,499	818,825
(b)	Value of perquisites u/s 17(2) Income-tax Act, 1961	–	–	–
(c)	Profits in lieu of salary under section 17(3) Income-tax Act, 1961	–	–	–
2	Stock Option	–	–	–
3	Sweat Equity	–	–	–
4	Commission—as % of profit—others, specify	–	–	–
5	Others, please specify	–	–	–
	Total	330,326	488,499	818,825

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES (Under the Companies Act, 2013):

None.

Form No. MR-3
SECRETARIAL AUDIT REPORT

For the Financial Year Ended 31st March, 2016.

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

To,
The Members,
Virat Industries Limited,
A 1/ 2, GIDC Industrial Estate,
Kabilpore, Navsari - 396 424. Gujarat.

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

Based on my verification of the books, papers, minute books, forms and returns filed and other records of Virat Industries Limited, maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2016, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I/we have examined the books, papers, minute books, forms and returns filed and other records maintained by Virat Industries Limited ("the Company") for the financial year ended on 31st 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 and Guidelines 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, 1992;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
 - (i) Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR Regulations");

- (vi) Service Tax Act.
- (vii) Income Tax Act.
- (viii) Value Added Tax (VAT) Act.
- (ix) Central Sales Tax Act.
- (x) Pollution Control Laws.
- (xi) Factories Act, 1948.
- (xii) Industrial Disputes Act, 1947.
- (xiii) Payment of Wages Act, 1936.
- (xiv) Minimum Wages Act, 1948.
- (xv) Employees' State Insurance Act, 1948.
- (xvi) Employees' Provident Fund and Miscellaneous Provisions Act, 1952.
- (xvii) Payment of Bonus Act, 1965.
- (xviii) The Payment of Gratuity Act, 1972.
- (xix) The Contract Labour (Regulation & Abolition) Act, 1970.
- (xx) Maternity Benefit Act, 1961.
- (xxi) Prohibition of Child Labour (Prohibition & Regulation) Act, 1986.
- (xxii) The Industrial Employment (Standing Orders) Act, 1946.
- (xxiii) The Employees' Compensation Act, 1923.
- (xxiv) Equal Remuneration Act, 1976.
- (xxv) The Employment Exchange (Compulsory Notification of Vacancies) Act, 1956.

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

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

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

1. **The Companies Act, 2013 (the Act) and the rules made thereunder** - The Company has conducted 5 (five) Board Meetings, in course of the financial year, after complying with the provisions of the Act.

It also held its Annual General Meeting on 03.09.2015 after complying with the provisions of the Act & Rules made thereunder. No Extra-ordinary General Meeting was held during the financial year.

Compliance with the Investor Education and Protection Fund (awareness and protection of investors) Rules 2001 - The Board of Directors of the company has declared an Interim Dividend on 29th January, 2009. The same was considered as Final Dividend in the Annual General Meeting held on 4th September, 2009. The Company opened a separate Bank Account, in accordance with these rules, called the Unpaid Interim Dividend Account. The Company has confirmed that the amount of dividend remaining unpaid, for the year 2008-2009, was credited to that account on 16th October, 2009.

According to the relevant provisions of the Companies Act, 2013, seven years after the unpaid dividend is transferred to the Unpaid Dividend Account, the Company is required to transfer the balance in that account to the Investor Education and Protection Fund. In view of the transfer of the unpaid dividend for 2008-2009 to the Unpaid Dividend Account on 16th October, 2009, the Company was not required to transfer the balance in the same to the Investor Education and Protection Fund during the year ended 31st March, 2016.

Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR Regulations") -

These regulations have become effective from 1st December, 2015 and have to be complied within 90 days from that date.

The Compliance Officer of the Company is a qualified Company Secretary. It already has a Share Transfer Agent to provide share transfer facility.

The company has filed the necessary returns mentioned in the Regulations since they came into effect.

The Board of Directors of the Company is properly constituted as per these regulations. The following committees have been constituted from among the members of the Board with a proper composition of Independent Directors -

- a. Audit Committee
- b. Nomination and Remuneration Committee
- c. Stakeholders Relationship Committee

All related party transactions are placed for prior approval before the Audit Committee.

The Company has in place a policy for preservation of documents as per the regulations.

2. **The Securities Contracts (Regulation) Act, 1956 and the Securities Contracts (Regulation) Rules, 1957** deal with the regulation and the governance of Stock Exchanges and hence are not applicable to the Company.
3. **The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder** - These deal with regulation of transactions pertaining to securities between Depositories, Depository Participants, Issuers and Beneficial Owners. The Company is registered with the Depository Participant, Link Intime India Private Ltd. and all transactions pertaining to the securities issued by the company are carried out through this agency.
4. **Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings** - From the records of the Company pertaining to the financial year ended 31st March, 2016, it is seen that no Foreign Direct Investment was made in the Company. The Company has not resorted to Overseas Direct Investment and External Commercial Borrowings during the year under review.
5. **The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011** - These Regulations deal with acquisition of listed securities by a Company and 'persons acting in concert' with it as defined in the Regulations. It is given to understand that the Company has not made any investments in listed securities during the financial year ended 31st March, 2016.
6. **The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015** - The company has formulated an Insider Trading Code for the price sensitive information pertaining to the securities issued by it and the same is strictly followed.
7. **The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009** - The Company has not made an issue of the type mentioned in these Regulations during the financial year ended 31st March, 2016. Hence these Regulations are not applicable.
8. **The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999** - These Guidelines deal with Employee Stock Option Scheme and Employee Stock Purchase Scheme being implemented by the Company. The company does not have any Employee Stock Option Scheme or any Employee Stock Purchase Scheme. Hence these guidelines are not applicable to it.
9. **The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008** - These Regulations are not applicable to the Company for the financial year under review as it has not made any issue of any debt securities or listed any debt securities during the financial year ended 31st March, 2016.
10. **The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client** - These Regulations lay down the procedure for registration and regulation of the working of Registrars and Share Transfer Agents and as such do not apply to the Company.
11. **The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009** - The Company has not delisted its equity shares listed on the Bombay Stock Exchange (BSE) during the financial year ended 31st March, 2016. Hence these Regulations are not applicable to it.

12. **The Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998** - These regulations are applicable to buy-back of shares or other specified securities of a company listed on a stock exchange. The Company has confirmed that it did not buy back any of its securities listed on the stock exchange (BSE) during the financial year. Hence, these Regulations do not apply to the company.
13. **The Listing Agreement entered into by the Company with Bombay Stock Exchange (BSE)** - the company has filed the necessary documents and returns and supplied the information required to be submitted by it to Bombay Stock Exchange as per the Listing Agreement.
14. **Secretarial Standards issued by The Institute of Company Secretaries of India** - the Company has complied with these standards during the financial year ended 31st March, 2016.
15. **Service Tax Act** - The Company has filed half yearly Service Tax Returns, in respect of Service Tax collected by it.
16. **Income Tax** - The Company has filed its Income Tax Return for the Assessment Year 2014-15, during the financial year ended 31st March, 2016.
17. **Value Added Tax (VAT)** - The Company has regularly filed monthly returns for Value Added Tax (VAT) paid.
18. **Central Sales Tax** - The Company has regularly filed monthly returns as required.
19. **Pollution Control Laws** - The Company has obtained CCA Renewal from Gujarat Pollution Control Board under Section 21 of Water Pollution Control Act, Rule 3(c) & 5 (5) of the Hazardous Waste (Management & Handling & Trans boundary Movement) Rules, 2008 and under Environment Pollution Control Act. The consent is valid up to 22.07.2019.
20. **Factories Act, 1948** - The Company has obtained a license to work a factory, issued by the Directorate Industrial Safety and Health, Gujarat State, on 1st March, 1996. The same is valid till 31st December, 2017. It has filed monthly returns as required under the Factories Act, 1948.
21. **Industrial Disputes Act, 1947** - The Company has maintained the necessary records under this Act. No industrial dispute was reported to have occurred during the financial year.
22. **Payment of Wages Act, 1936** - The requirements regarding the timely payment of wages under this Act and display of an abstract of the Act and Rules have been complied with.
23. **Minimum Wages Act, 1948** - The requirements regarding the payment of minimum wages specified by the appropriate Government and the display of the notice containing the minimum rate of wages have been complied with.
24. **Employees' State Insurance Act, 1948** - The requirements regarding the maintenance of the register of employees and filing of Annual Return have been complied with.
25. **Employees' Provident Fund and Miscellaneous Provisions Act, 1952** - the requirements of depositing contributions with the Provident Fund authorities and filing of the necessary returns have been complied with.
26. **Payment of Bonus Act, 1965** - bonus has been paid to the employees in accordance with the Act and the necessary returns have been filed.
27. **The Payment of Gratuity Act, 1972** - the provisions of the Act have been complied with. The company has, on 1st March, 2014 also obtained a Group Gratuity Policy from the Life Insurance Corporation of India Ltd (L.I.C.) to enable it to comply with its liability for the payment of gratuity to its employees, as and when such liability arises.
28. **The Contract Labour (Regulation & Abolition) Act, 1970** - The Company has obtained the necessary certificate of registration for employing contract labour in its factory and has complied with the other applicable provisions of the Act.
29. **Maternity Benefit Act, 1961** - The Company has complied with the provisions of the Act.
30. **Prohibition of Child Labour (Prohibition & Regulation) Act, 1986** - It is given to understand that the Company does not employ any child labour hence this Act is not applicable to it.
31. **The Industrial Employment (Standing Orders) Act, 1946** - The Company has framed Standing Orders for its employees at the factory and the same have been registered with the concerned authorities.

- 32. The Employees' Compensation Act, 1923 (earlier known as Workmen's Compensation Act, 1923) -** No accidents were reported in the factory of the Company during the year under review. Hence there was no requirement to file any returns.
- 33. Equal Remuneration Act, 1976 -** It is given to understand that the Company pays equal remuneration to all for same work or work of similar nature and that there is no discrimination between men and women while recruiting or subsequent to recruitment, promotion, etc.
- 34. The Employment Exchange (Compulsory Notification of Vacancies) Act, 1956 -** the Company has regularly filed quarterly returns as required, during the year under review.

I further report that

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

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

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

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

Signature: _____

Name of Company Secretary in practice/ Firm:

Place : Mumbai,
Dated : 21st May, 2016.

A. J. Gandhi
ACS/FCS No. 1632
C P No.: 2095

ANNEXURE - III

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGOING

Disclosure of particulars with respect to Conservation of Energy, Technology Absorption and Foreign Exchange earnings and outgoings as required under the Companies (Disclosure of Particulars in the Board of Directors' Report) Section 134(3)(m) are given below:

(A) CONSERVATION OF ENERGY:**Energy Conservation Measures Taken:***Electricity:*

- i) Maintained the power factor in the range of 0.998 to 0.999, throughout the year and got rebate of ₹ 2,15,377/- on this account in electricity bills.
- ii) Started installation of LED tube lights and LED street lights for saving of electricity power of factory lighting. Total saving obtained 20 KWH/day.
- iii) We installed KWH meter at every section of the factory and monitor daily KWH unit consumption of every section and take necessary action if and when required.
- iv) We have replaced the corroded supply air duct of the knitting department with new GI duct to stop the leakage of supply air, resulting in power saving.
- v) Air hose pipe lines from min header to machine input have been replaced with pvc pipe lines of smaller diameter, and also replaced bend fitting with push to lock pvc fitting to reduce the pressure drop, resulting in power saving.

As the result of above changes, the power consumption per pair of sock production decreased from 0.458 kwh in the previous year to 0.420 kwh, registering reduction of 8.30%.

Natural Gas:

- i) Reduced steam leakages from boiler house to plant level and maintained the same throughout the year.
- ii) Installed float trap of right specification to reduce the condensation losses.

As the result of above changes, the natural gas consumption per pair of socks boarding (pressing) decreased from 0.014 in the previous year to 0.012 standard cubic meters of natural gas, showing saving of 14.30%.

(B) TECHNOLOGY ABSORPTION:

Efforts made in Technology Absorption are as per Form annexed.

(C) FOREIGN EXCHANGE EARNINGS AND OUTGO:**Activities relating to Exports, Initiatives to Increase Exports, Development of New Export Markets for Products and Services and Export Plan:**

Ours is an export unit operating under Export Promotion Capital Goods (EPCG) Scheme. The Company has been exporting goods mainly to the European and Gulf Markets. All efforts are directed towards increasing exports. In the year under review about 920.33% of total revenues were derived from export.

Total Foreign Exchange Used and Earned:	(₹ in Lac)
a. i. Total foreign exchange earned	2165.28
ii. Other	31.51
SUB-TOTAL (a)	2196.79
b. Total foreign exchange used	
i. For import of Plant and Machinery	46.66
ii. For Spares, etc.	26.29
iii. Raw Materials	-
iv. For Dividend remitted	8.86
v. Others	14.06
SUB-TOTAL (b)	95.87
% of Import to Export	4.36%

PARTICULARS WITH RESPECT TO ABSORPTION
Research and Development (R&D)**1. Specific areas in which R & D is carried out by the Company:****A. Development of new products**

- i) Knitted highly sophisticated socks for international brand on contract basis with great success and are getting repeat orders.
- ii) Development of “invisible” socks both for export and domestic markets.

B. Repairing of imported parts

- i) The technicians at factory have developed the technique to repair motor drives (IRT), PCB and other electronic parts of the knitting machines.
- ii) We have also developed an indigenous source to repair the broken cylinders of our knitting machines.

2. Benefits derived as a result of the above R & D:

- i) New business in domestic market from other domestic brands besides export with higher profit margins.
- ii) Reduction in the Cost of electronic parts.

3. Future plan of action:

To be planned

4. Expenditure on R & D:

Not ascertainable

- | | |
|--|---|
| (a) Capital | – |
| (b) Recurring | – |
| (c) Total | – |
| (d) Total R & D expenditure as a percentage of total turnover. | – |

Technology absorption, adaptation and innovation:

1. Efforts in brief, made towards technology absorption, adaptation and innovation:
The Company has not imported any technology. It has imported major plant and machinery.
2. Benefits, derived as a result of the above efforts, e.g. product improvement, cost reduction, product development, import substitution, etc.:

Not Applicable

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	–

ANNEXURE - IV

FORM NO. AOC - 2

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.

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

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

Not Applicable

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

(a) Name(s) of the related party and nature of relationship	- Armayesh Consultancy and Agencies Pvt. Ltd. - Promoters Group Company (up to 31.07.15) - Armayesh Embroideries Pvt. Ltd. - Promoters Group Company
(b) Nature of contracts/arrangements/ transactions	Lease Agreement
(c) Duration of the contracts/ arrangements/transactions	Renewable every Year
(d) Salient terms of the contracts or arrangements or transactions including the value, if any	10% increase in lease rent every year
(e) Justification for entering into such contracts or arrangements or transactions	Lease rent is comparatively lower than the prevailing market rates.
(f) Date(s) of approval by the Board	24th May, 2016
(g) Amount paid as advances, if any:	Nil
(h) Date on which the Special Resolution was passed in General Meeting as required under first proviso to section 188 :	Not Applicable

Sl. No.	Requirements	Disclosure		
(v)	The explanation on the relationship between average increase in remuneration and Company performance;	(₹ in Lac)		
		Details	2015-16	2014-15
		Total Income	2639.20	2106.47
		PBT	448.17	302.18
		PBT % of Total Income	16.98	14.35
		Average increase of 9.90% in the remuneration of employees is in line with the current year's performance, market dynamic and as a measure to motivate the employees for better future performance to achieve organisation's growth expectations.		
(vi)	Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company;	For the FY 2015-16, KMPs were paid about 13.40% of the net profit before tax for the year.		
(vii)	Variations in the market capitalisation of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer in case of listed Companies, and in case of unlisted Companies, the variations in the net worth of the company as at the close of the current financial year and previous financial year;	<p>The Market capitalization of the Company has increased from ₹ 2700.45 lacs as of March 31, 2015 to ₹ 3795.90 lacs as of March 31, 2016. Over the same period, the price to earnings ratio moved from 12.97 to 12.58. The Virat Industries Limited stock price as at March 31, 2016 has increased by 40.57% and by ₹ 22.25 over the last financial year.</p> <p>During the year, the Company did not come out with any public offer.</p>		
(viii)	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;	<p>During the year, the non-managerial remuneration increased by 5.68% being the rise in minimum wages as declared by government of Gujarat.</p> <p>Rise in managerial remuneration is 18.05%. Note: Such rise is due to renewal of Managing Director's remuneration once in three years and recruitment of staff for domestic marketing.</p>		

Sl. No.	Requirements	Disclosure	
(ix)	Comparison of remuneration of each of the Key Managerial Personnel against the performance of the Company	The comparison of remuneration of each of the Key Managerial Personnel against the performance of the Company is as under :	
		Particulars	% of Net Profit for FY 2015-16
		Managing Director	8.00%
		Whole-time Director	3.51%
		Chief Financial Officer	1.16%
	Company Secretary	0.74%	
(x)	The key parameters for any variable component of remuneration availed by the Directors;	1% commission of net profit of the Company if applicable as per section 197 and 198 of the Companies Act, 2013 and if decided by the Board.	
(xi)	The ratio of the remuneration of the highest paid Director to that of the employees who are not Directors but receive remuneration in excess of the highest paid Director during the year;	None	
(xii)	Affirmation that the remuneration is as per the remuneration policy of the Company.	Yes	

INDEPENDENT AUDITORS' REPORT

To,
The Members of
VIRAT INDUSTRIES LIMITED

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards prescribed under section 133 of the Act, as applicable.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder and the Order under section 143 (11) of the Act.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143 (3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards prescribed under section 133 of the Act, as applicable.
 - e) On the basis of the 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 A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note 26 (i) to the financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For Deloitte Haskins & Sells
Chartered Accountants
(Firm's Registration No. 117364W)

Mumbai, 24th May, 2016.

Kedar Raje
Partner
(Membership No. 102637)

ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 1 (f) under ‘Report on Other Legal and Regulatory Requirements’ of our report of even date to the members of Virat Industries Limited on the financial statements for the year ended 31 March, 2016)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

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

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 Act.

Auditor’s 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”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls Over Financial Reporting

A Company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that

transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, 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 31 March, 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 **Deloitte Haskins & Sells**
Chartered Accountants
(Firm's Registration No. 117364W)

Mumbai, 24th May, 2016.

Kedar Raje
Partner
(Membership No. 102637)

ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 2 under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date to the members of Virat Industries Limited on the financial statements for the year ended 31 March, 2016)

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us immovable properties of land and buildings whose title deeds have been pledged as security for 'loans repayable on demand', are held in the name of the Company based on the confirmations directly received by us from lender. In respect of immovable properties of land that have been taken on lease and disclosed as fixed asset in the financial statements, the lease agreements are in the name of the Company, where the Company is the lessee in the agreement.
- (ii) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals and no material discrepancies were noticed on physical verification.
- (iii) The Company has not granted any loans, secured or unsecured, to Companies or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
- (iv) The Company has not granted any loans, made investments or provided guarantees and hence reporting under clause (iv) of the Order is not applicable.
- (v) According to the information and explanations given to us, the Company has not accepted any deposit during the year and hence reporting under clause (v) of the Order is not applicable.
- (vi) The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013.
- (vii) According to the information and explanations given to us, in respect of statutory dues:
 - (a) The Company has been generally regular in depositing undisputed statutory dues, including Provident Fund, Employees’ State Insurance, Income-tax, Sales Tax, Service Tax, Custom Duty, Excise Duty, Value Added Tax, cess and other material statutory dues applicable to it to the appropriate authorities.
 - (b) There were no undisputed amounts payable in respect of Provident Fund, Employees’ State Insurance, Income-tax, Sales Tax, Service Tax, Excise Duty, Custom Duty, Value Added Tax, cess and other material statutory dues in arrears as at 31 March, 2016 for a period of more than six months from the date they became payable.
 - (c) There are no dues of Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty and Value Added Tax as on 31 March, 2016 on account of disputes.
- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to banks. The Company has not issued any debentures.
- (ix) In our opinion and according to the information and explanations given to us, money raised by way of term loans have been applied by the Company during the year for the purposes for which they were raised.

- (x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no fraud on the Company by its officers or employees has been noticed or reported during the year.
- (xi) In our opinion and according to the information and explanations given to us, the Company has paid managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- (xiv) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of the Order is not applicable to the Company.
- (xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with him and hence provisions of section 192 of the Companies Act, 2013 are not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **Deloitte Haskins & Sells**
Chartered Accountants
(Firm's Registration No. 117364W)

Mumbai, 24th May, 2016.

Kedar Raje
Partner
(Membership No. 102637)

BALANCE SHEET AS AT 31 MARCH, 2016

Particulars	Note No.	As at 31 March, 2016 ₹	As at 31 March, 2015 ₹
A. EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
(a) Share Capital	3	49,233,400	49,233,400
(b) Reserve and Surplus	4	98,884,305	83,516,656
		148,117,705	132,750,056
(2) Non-current Liabilities			
(a) Long-term Borrowings	5	4,481,396	–
(b) Deferred Tax Liabilities (Net)	39	506,306	2,709,705
(c) Long-term Provisions	6	1,029,658	1,307,221
		6,017,360	4,016,926
(3) Current Liabilities			
(a) Short-term borrowings	7	–	6,200,000
(b) Trade Payables	8		
(i) Total outstanding dues of Micro Enterprises and Small Enterprises		–	–
(ii) Total dues of other than Micro Enterprises and Small Enterprises		14,718,521	12,622,337
(c) Other Current Liabilities	9	7,816,870	5,615,853
(d) Short-term Provisions	10	15,381,839	11,245,834
		37,917,230	4,016,926
Total		192,052,295	172,451,006
B. ASSETS			
(1) Non-Current Assets			
(a) Fixed Assets			
Tangible Assets	11	60,705,785	54,525,235
(b) Non-current investments	12	2,500,000	2,603,503
(c) Long-term Loans and Advances	13	4,084,810	3,766,690
		67,290,595	60,895,428
(2) Current Assets			
(a) Inventories	14	48,735,887	54,865,756
(b) Trade Receivables	15	5,160,022	8,776,044
(c) Cash and Cash Equivalents	16	62,321,049	35,751,882
(d) Short-term loans and advances	17	7,530,768	10,469,942
(e) Other Current Assets	18	1,013,974	1,691,954
		124,761,700	111,555,578
Total		192,052,295	172,451,006
See accompanying notes forming part of the financial statements			

In terms of our Report attached
For **Deloitte Haskins & Sells**
Chartered Accountants

Kedar Raje
Partner

For and on behalf of the Board of Directors

Arun S. Sanghi
Chairman
DIN: 00022168

Harish H. Shah
Director
DIN: 03032200

Ayesha K. DadyBurjor
Whole-time Director
DIN: 02949248

Phiroze A. Dhanbhoora
Director
DIN : 00622769

Bhavik R. Maisuria
Chief Financial Officer

Ajit P. Walwaikar
Director
DIN: 00022123

Vijay V. Merchant
Director
DIN :01773227

Asinkhan S. Baholu
Company Secretary

Kaizad R. DadyBurjor
Director
DIN : 00022387

Vinay V. Sanghi
Director
DIN: 00309085

Mumbai, Dated: 24th May, 2016.

Mumbai, Dated: 24th May, 2016.

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH, 2016

Particulars	Note No.	For the year ended 31 March, 2016 ₹	For the year ended 31 March, 2015 ₹
1 Revenue from Operations (Gross)	19	257,514,481	205,343,577
Less: Excise Duty		–	–
Revenue from Operations (Net)		257,514,481	205,343,577
2 Other Income	20	6,409,185	5,303,896
3 Total Revenue (1 + 2)		263,923,666	210,647,473
4 Expenses			
(a) Cost of materials consumed	21	82,303,650	66,722,014
(b) Changes in inventories of finished goods and work in progress	22	(1,852,131)	816,508
(c) Employee Benefits Expense	23	41,341,202	32,643,041
(d) Finance Costs	24	389,166	870,382
(e) Depreciation Expense	11	12,226,215	10,397,560
(f) Other Expenses	25	84,698,441	68,980,168
Total Expenses		219,106,543	180,429,673
5 Profit before Tax (3 - 4)		44,817,123	30,217,800
6 Tax Expense:			
a) Current Tax Expense		16,838,543	10,970,219
b) Short / (Excess) provision for tax relating to prior years		–	53,297
c) Net Current Tax Expense		16,838,543	11,023,516
d) Deferred Tax (Credit)/Net		(2,203,399)	(1,619,343)
Net Tax Expense		14,635,144	9,404,173
7 Profit for the Year (5 - 6)		30,181,979	20,813,627
8 Earning per Share (of ₹ 10/- each)	38		
(1) Basic		6.13	4.23
(2) Diluted		6.13	4.23
See accompanying notes forming part of the financial statements			

In terms of our Report attached
For **Deloitte Haskins & Sells**
Chartered Accountants

Kedar Raje
Partner

For and on behalf of the Board of Directors

Arun S. Sanghi
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Director
DIN: 00309085

Mumbai, Dated: 24th May, 2016.

Mumbai, Dated: 24th May, 2016.

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH, 2016

Particulars	₹	For the year ended 31 March, 2016 ₹	For the year ended 31 March, 2015 ₹
A Cash Flow from Operating Activities:			
Profit before Tax	44,817,123		30,217,800
Adjustments for:			
Depreciation expense	12,226,215		10,397,560
Share of (profit)/loss from LLP	(48,807)		217,694
Loss on fixed assets written off	428,040		—
Profit from sales of fixed assets	(3,575)		—
Net unrealised gain on foreign currency translation	(136,443)		(346,447)
Interest Expense	389,166		870,382
Interest Income	(2,792,911)		(2,240,650)
Liabilities/Provisions no longer required written back	—		(86,722)
Provision for doubtful Loan and Advance	1,000,000		500,000
Operating Profit before change in Working Capital	55,878,808		39,529,617
Changes in Working Capital			
Decrease/(Increase) in Trade receivables and loans and advances	5,962,160		9,777,750
Decrease/(Increase) in Inventories	6,129,869		(1,839,339)
Increase/(Decrease) in Trade and other payables	1,687,719		1,733,520
	13,779,748		9,671,931
Cash generated from operations	69,658,556		49,201,548
Net Income tax paid	(17,369,325)		(9,676,392)
Net Cash from Operating Activities		52,289,231	39,525,156
B Cash Flow from Investing Activities:			
Capital expenditure on fixed assets, including capital advances	(18,638,054)		(4,733,808)
Sale proceed of Investment in LLP	150,000		—
Proceeds from Sale of Fixed Assets	6,825		—
Bank balances not considered as Cash and cash equivalents			
- Placed	(47,001,596)		(16,576,771)
- Matured	19,484,430		12,679,712
Interest received from Investments	183,500		183,500
Interest received on Deposits	3,141,543		1,451,995
Net Cash used in Investing Activities		(42,673,352)	(6,995,372)
C Cash Flow from Financing Activities:			
Proceed from long-term borrowing (including current maturities)	6,809,457		—
Repayment of short term borrowings	(6,200,000)		(13,298,545)
Dividend paid	(8,969,672)		(8,543,270)
Tax on Dividend	(1,814,497)		(1,506,099)
Finance cost	(389,166)		(870,382)
Net Cash used in Financing Activities		(10,563,878)	(24,218,296)
Net decrease/increase in cash and cash equivalents		(947,999)	8,311,488
Cash and Cash equivalents at the beginning of the year (as defined in AS-3 Cash Flow Statements)		12,596,648	4,285,160
Cash and Cash equivalents at the end of the year (as defined in AS-3 Cash Flow Statements)		11,648,649	12,596,648

Note:

1 Components of cash and cash equivalents include cash, bank balances in current and EEFC accounts as disclosed under Note No.16 of the Balance Sheet. There are no deposits/investments with original maturity of less than three months.

In terms of our Report attached

For and on behalf of the Board of Directors

For Deloitte Haskins & Sells
Chartered Accountants

Arun S. Sanghi
Chairman
DIN: 00022168

Ayesha K. DadyBurjor
Whole-time Director
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DIN: 00309085

Bhavik R. Maisuria
Chief Financial Officer

Asinkhan S. Baholu
Company Secretary

Mumbai, Dated: 24th May, 2016.

Mumbai, Dated: 24th May, 2016.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS**1. Corporate Information:**

Virat Industries Limited ("the Company") is a Manufacturer and Exporter of premium quality of dress and sport socks for Men, Ladies and Children. The Company also manufactures high quality football socks for many clubs of Europe. The socks are knitted and processed on imported machinery. The socks of the Company are exported to Switzerland, U.K and Gulf countries for top end markets.

The manufacturing activity and Registered Office of the Company are located in Navsari, South Gujarat. The Head Office of the Company is situated in Mumbai. The marketing function is carried out at the Mumbai Head Office.

Virat Industries Limited is a Public Limited Company, listed on the Bombay Stock Exchange.

2. Significant Accounting Policies:**2.1 Basis for preparation of Accounts:**

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 prescribed under Section 133 of the Companies Act, 2013, and the relevant provisions of the Companies Act, 2013 ("the 2013 Act"). 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.

2.2 Use of Estimates:

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.

2.3 Inventories:

Inventories comprise all costs of purchase, conversion and other costs incurred in bringing the inventories to its present location and condition.

Raw material is valued at lower of cost and net realisable value cost is determined on the method of weighted average basis.

Finished goods and work in progress are carried at cost or net realisable value, whichever is lower. Cost includes all charges in bringing the goods to the point of sale, including octroi and other levies, transit insurance and receiving charges. Work-in-progress and finished goods include appropriate proportion of overheads and, where applicable, excise duty.

Stores and spares, other than obsolete and slow moving items are valued at cost or estimated net realisable value, whichever is lower.

2.4 Cash and cash equivalents:

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

2.5 Cash flow statement:

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.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS**2.6 Fixed Assets:**

Tangible assets are carried at cost less accumulated depreciation/amortisation and impairment losses, if any. The cost of fixed assets comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses and interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use.

2.7 Depreciation:

- a) Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

Depreciation on tangible fixed assets is calculated on the straight-line basis over the estimated useful life of all assets. The lives are in accordance with Schedule II to the Companies Act, 2013.

- b) Leasehold land is amortized over the duration of lease.

2.8 Other income:

Interest income is accounted on accrual basis.

2.9 Export Incentives:

Export benefits are accounted for in the year of exports based on eligibility and when there is no uncertainty in receiving the same.

2.10 Impairment:

The carrying value of assets/cash generating unit at each balance sheet date is reviewed for impairment. The Company determines whether a provision should be made for impairment loss on assets by considering the indication that an impairment loss may have occurred in accordance with Accounting Standard 28 "Impairment of Assets". Where the recoverable amount of any assets is lower than its carrying amount in accordance with AS 28, a provision for impairment loss on fixed assets is made for the difference. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows expected to avail from continuing use of an asset and from its disposal at the end of its useful life to their present value based on an appropriate discount factor.

Where there is an indication that the impairment was recognised in an earlier accounting period no longer exists or may have decreased, such reversal of impairment lost is recognised in the statement of profit and loss.

2.11 Leases:

- (a) Assets leased by the Company in its capacity as a lessee, where substantially all the risks and rewards of ownership vest in the Company are classified as finance leases. Such leases are capitalised at the inception of the lease at the lower of the fair value and the present value of the minimum lease payments and a liability is created for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost so as to obtain a constant periodic rate of interest on the outstanding liability for each year.
- (b) Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as operating leases. Lease rentals under operating leases are recognised in the Statement of Profit and Loss on a straight-line basis over the lease term.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS**2.12 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 paid up equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit/(loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of paid up equity shares considered for deriving basic earnings per share and the weighted average number of equity shares.

2.13 Borrowing Cost:

Borrowing cost, if any, that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use or sale. All other borrowing costs are charged to revenue.

2.14 Foreign Currency Transactions:

Transactions in foreign currency are recorded at the original rates of exchange in force at the time the transactions are effected. Monetary Items denominated in foreign currency are restated using the exchange rates prevailing at the date of the Balance Sheet. The exchange difference between the rates prevailing on the date of transactions on the date of settlement and also on translation of Monetary items at the end of the year, is recognised as income or expense, as the case may be.

2.15 Employee Benefits:**a) Defined Contribution Plan:**

Contributions under Defined Plans in the form of Provident Fund are recognised in the Statement of profit and loss in the period in which the employee has rendered the service.

b) Defined Benefit and Other Long-term Benefit Plan:

For defined benefit plans in the form of gratuity fund, 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.

c) Other Benefits:

The Company's liability towards provision for Compensated Absences is determined on the basis of actuarial valuation being carried out at each Balance Sheet date using the Projected Unit Credit Method. The retirement benefit obligation recognised in the Balance Sheet represents the total of present value of the defined benefit obligation as reduced by unrecognised past service cost.

Actuarial gains and losses are recognised immediately in the Statement of profit and loss in the period of occurrence of such gains and losses. Past service cost is recognised as an expense on a straight line basis over the average period until the benefits become vested. To the extent that the benefits are already vested immediately following the introduction of or changes to a defined benefit plan, past service cost is recognised immediately.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS**2.16 Revenue Recognition:**

Sales of goods are recognised, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer. Accordingly sale of products, including export benefits thereon are recognised when products are shipped. Sales include excise duty but exclude sales tax and value added tax.

2.17 Income Taxes:

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

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 substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets are recognised for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. However, if there are unabsorbed depreciation and carry forward of losses and items relating to capital losses, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that there will be sufficient future taxable income available to realise the assets. 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 realiability.

Current and deferred tax relating to items directly recognised in reserves are recognised in reserves and not in the Statement of Profit and Loss.

Tax on distributed profits payable in accordance with the provision of Income Tax Act, 1961 is disclosed in accordance with the Guidance Note on Accounting for Corporate Dividend Tax issued by the Institute of Chartered Accountants of India. Credit available in respect of Minimum Alternate Tax under the Income Tax Act, 1961 has been recognised in accordance with the Guidance Note on Accounting for Credit available in respect of Minimum Alternate Tax under the Income Tax Act, 1961.

2.18 Investments:

Long-term investments (excluding investment properties), 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.

2.19 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 liabilities are disclosed in the Notes. Contingent assets are not recognised in the financial statements.

2.20 Operating Cycle:

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

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Particulars	As at 31 March, 2016		As at 31 March, 2015	
	Number	₹	Number	₹
3 Share Capital				
(a) Authorised				
Equity Shares of ₹ 10/- each with voting rights	5,000,000	50,000,000	5,000,000	50,000,000
(b) Issued, Subscribed and Paid Up				
Equity Shares of ₹ 10/- each with voting rights	4,923,340	49,233,400	4,923,340	49,233,400
Total	4,923,340	49,233,400	4,923,340	49,233,400

3.1 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
Equity Shares with voting rights		
Year ended 31 March, 2016		
- Number of Shares	4,923,340	4,923,340
- Amount in Rupees	49,233,400	49,233,400
Year ended 31 March, 2015		
- Number of Shares	4,923,340	4,923,340
- Amount in Rupees	49,233,400	49,233,400

The Company has not allotted any equity shares for consideration other than cash, bonus shares, nor have any shares been bought back in the 5 years immediately preceding the balance sheet date.

Terms and rights attached to equity shares

The equity shares of the Company rank pari passu in all respects including voting rights and entitlement to dividend.

3.2 Details of shares held by each shareholder holding more than 5% shares:

Name of Shareholders	As at 31 March, 2016		As at 31 March, 2015	
	Number of Shares held	% of Holding	Number of Shares held	% of Holding
Equity Shares with voting rights				
Shapoorjee Chandabhoj Finvest Private Limited	1,753,795	35.62	1,753,795	35.62
H M Investments (UK) Limited	492,340	10.00	492,340	10.00
Naozer J. Aga	475,277	9.65	475,227	9.65

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Particulars	As at 31 March, 2016 ₹	As at 31 March, 2015 ₹
4 Reserves and Surplus		
General Reserve		
Opening Balance	6,820,866	4,739,503
Add: Transferred from surplus in Statement of Profit and Loss	3,018,198	2,081,363
Closing Balance	9,839,064	6,820,866
Surplus in Statement of Profit and Loss		
Opening Balance	76,695,790	69,263,427
Less: Depreciation on transition to Schedule II of the Companies Act, 2013 on tangible fixed assets with nil remaining useful life (Net of Deferred Tax)	–	(623,392)
Add: Profit for the year	30,181,979	20,813,627
Balance available for Appropriation	106,877,769	89,453,662
Less: Dividend proposed to be distributed to equity shareholders (₹ 2.50 per equity share; previous year ₹ 1.80 per equity share)	12,308,350	8,862,012
Less: Tax on Dividend	2,505,980	1,814,497
Less: Transferred to General Reserve	3,018,198	2,081,363
Closing Balance	89,045,241	76,695,790
Total	98,884,305	83,516,656
5 Long-term Borrowings		
Long-term maturities of finance lease obligations (Refer Note No. 37)		
- Secured		
(i) HDFC Bank Limited (Secured by hypothecation of the concerned vehicle purchased) (Terms of Payment: Equated Monthly Installments of ₹ 79,450/- payable in 36 equal installments at interest rate of 9.50% per annum, 29 installments are remaining.)	1,259,087	–
(ii) BMW India Financial Services Private Limited (Secured by hypothecation of the concerned vehicle purchased) (Terms of Payment: Equated Monthly Installments of ₹ 160,156/- payable in 36 equal installments at interest rate of 9.50% per annum, 34 installments are remaining.)	3,222,309	–
Total	4,481,396	–
The above loans are repayable:		
(i) In the second year refer note 9(a)	2,328,061	–
(ii) In third to fifth year	4,481,396	–

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Particulars	As at 31 March, 2016 ₹	As at 31 March, 2015 ₹
6 Long-term Provisions		
Provision for Employee Benefits		
Provision for Compensated Absences	1,029,658	1,307,221
Total	1,029,658	1,307,221
7 Short-term Borrowings		
(a) Loans repayable on demand		
- From Banks Secured (Secured by deposit of title deeds of leasehold land and by a charge on buildings, structures, fixtures and fittings, immovable plant and machinery thereon. Such loans are further secured by a charge on the Company's stocks, book debts, other receivables, movable properties and assets, etc., both present and future)	–	6,200,000
Total	–	6,200,000
8 Trade Payables		
Total dues other than Acceptances Micro enterprise and Small Enterprise (Refer Note No. 27)	14,718,521	12,622,337
Total	14,718,521	12,622,337
9 Other Current Liabilities		
(a) Current maturities of finance lease obligations (Refer Note No. 37 and for details of security Refer Note No.5)	2,328,061	–
(b) Unclaimed/Unpaid Dividends	1,053,144	1,160,804
(c) Other Payables		
- Statutory Remittances (Contributions to PF and ESIC, withholding taxes, wealth tax and other taxes payable)	942,280	770,840
- Gratuity	552,273	571,145
- Advances from customers	2,941,112	3,113,064
Total	7,816,870	5,615,853
10 Short-term Provisions		
(a) Provision for Employee Benefits		
- Provision for Compensated Absences	290,083	291,899
(b) Provision - Others		
- Provision for Tax (Net of Advance Tax ₹ 27,222,574, previous year ₹ 27,222,574)	277,426	277,426
- Provision for Proposed Equity Dividend	12,308,350	8,862,012
- Provision for Tax on Proposed Dividend	2,505,980	1,814,497
Total	15,381,839	11,245,834

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

11 Fixed Assets

(In ₹)

Particulars	GROSS BLOCK					ACCUMULATED DEPRECIATION AND IMPAIRMENT					NET BLOCK	
	As at 1 April, 2015	Additions	Disposals	Adjustments/ Write off	As at 31 March, 2016	As at 1 April, 2015	For the year	Elimination on Disposals	Transition adjustment recorded against surplus balance in Statement of Profit and Loss	Adjustments/ Write off	As at 31 March, 2016	As at 31 March, 2016
Tangible Assets												
Leasehold Land	687,100 (687,100)	- (-)	- (-)	- (-)	687,100 (687,100)	179,539 (171,113)	8,426 (8,426)	- (-)	- (-)	- (-)	187,965 (179,539)	499,135 (507,561)
Buildings (Owned)	30,235,911 (30,102,410)	211,474 (133,501)	- (-)	- (-)	30,447,385 (30,235,911)	18,478,925 (17,485,930)	1,045,890 (983,685)	- (-)	- (9,310)	- (-)	19,524,815 (18,478,925)	10,922,570 (11,756,986)
Plant and Machinery (Owned)	101,478,485 (96,284,610)	6,300,111 (5,193,875)	- (-)	2,963,860 (-)	104,814,736 (101,478,485)	66,575,593 (59,455,996)	8,866,513 (6,505,522)	- (-)	- (614,075)	2,535,821 -	72,906,285 (66,575,593)	31,908,451 (34,902,892)
Furniture and Fixtures (Owned)	2,271,808 (1,696,217)	1,133,472 (575,591)	- (-)	- (-)	3,405,280 (2,271,808)	1,446,546 (1,122,558)	207,608 (261,499)	- (-)	- (62,489)	- (-)	1,654,154 (1,446,546)	1,751,126 (825,262)
Vehicles												
- Owned	13,375,034 (13,375,034)	- (-)	- (-)	- (-)	13,375,034 (13,375,034)	7,257,683 (4,919,804)	1,380,935 (2,337,879)	- (-)	- (-)	- (-)	8,638,618 (7,257,683)	4,736,416 (6,117,351)
- Taken under Finance Lease	- (-)	10,562,547 (-)	- (-)	- (-)	10,562,547 (-)	- (-)	423,107 (-)	- (-)	- (-)	- (-)	423,107 (-)	10,139,440 (-)
Office Equipments (Owned)	2,359,579 (2,183,126)	630,450 (176,453)	65,000 (-)	- (-)	2,925,029 (2,359,579)	1,944,396 (1,398,409)	293,736 (300,549)	61,750 -	- (245,438)	- (-)	2,176,382 (1,944,396)	748,647 (415,183)
TOTAL	150,407,917	18,838,054	65,000	2,963,860	166,217,111	95,882,682	12,226,215	61,750	-	2,535,821	105,511,326	60,705,785
Previous year	(144,328,497)	(6,079,420)	(-)	(-)	(150,407,917)	(84,553,810)	(10,397,560)	(-)	(931,312)	(-)	(95,882,682)	(54,525,235)
											TOTAL	60,705,785 (54,525,235)

Figures given in brackets after each line item represent Previous year figures.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Particulars	As at 31 March, 2016			As at 31 March, 2015		
	Quoted ₹	Unquoted ₹	Total ₹	Quoted ₹	Unquoted ₹	Total ₹
12 Non-current Investments						
Investments - Other than Trade (At cost)						
Investment in Bonds of Indian Railway Finance Corporation Limited (IRFC) (2500 Bonds of ₹ 1000 each fully paid up)	2,500,000	-	2,500,000	2,500,000	-	2,500,000
Investment in Armayesh Enterprise LLP	-	-	-	-	103,503	103,503
Total	2,500,000	-	2,500,000	2,500,000	103,503	2,603,503
- Aggregate amount of quoted investments			2,500,000			2,500,000
- Aggregate market value of listed and quoted investments			2,567,500			2,590,250
- Aggregate amount of unquoted investments			-			103,503
Particulars				As at 31 March, 2016 ₹	As at 31 March, 2015 ₹	
13 Long-term Loans and Advances Unsecured and considered good						
a) Capital Advances				-	200,000	
b) Security Deposits				1,609,567	1,603,357	
c) Loans and Advances to Related Parties - Security Deposit with Armayesh Consultancy and Agencies Pvt. Ltd.				-	21,050	
d) Loans and Advances to Employees				162,757	160,579	
e) Advance Income-tax (Net of Provision ₹ 27,503,390, Previous Year ₹ 10,970,209)				2,312,486	1,781,704	
Total				4,084,810	3,766,690	
14 Inventories (At lower of cost and net realisable value)						
a. Raw Materials				16,229,364	23,629,340	
Goods-in transit				94,867	1,122,170	
				16,324,231	24,751,510	
b. Work-in-progress (Knitted Socks)				2,005,479	2,263,345	
				2,005,479	2,263,345	
c. Finished goods (Other than those acquired for trading)				21,202,021	19,092,024	
				21,202,021	19,092,024	
d. Stores and Spares				6,446,016	6,184,245	
Goods-in transit				-	8,500	
				6,446,016	6,192,745	
e. Packing Material				2,755,440	2,538,410	
Goods-in transit				2,700	27,722	
				2,758,140	2,566,132	
Total				48,735,887	54,865,756	

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Particulars	As at 31 March, 2016 ₹	As at 31 March, 2015 ₹
15 Trade Receivables		
Trade receivables outstanding for a period exceeding six months from the date they were due for payment		
Unsecured and considered good	305,364	1,080
Other Trade Receivable		
Unsecured and considered good	4,854,658	8,774,964
Total	5,160,022	8,776,044
16 Cash and Cash Equivalents		
A. Cash and Cash Equivalents		
a) Cash on Hand	2,002	2,460
b) Balances with Banks		
- In Current Accounts	11,646,647	12,594,188
Total - Cash and cash equivalents (A)	11,648,649	12,596,648
B. Other Bank Balances		
i) In Deposit Accounts		
- original maturity more than 3 months (Refer Note below)	49,281,982	21,698,954
ii) In Earmarked Accounts		
- unpaid dividend accounts	1,053,144	1,160,804
- balances held as margin money against guarantees	337,274	295,476
Total other Bank Balances (B)	50,672,400	23,155,234
Total	62,321,049	35,751,882
Note :		
Other Bank Balances include deposits with remaining maturity of more than 12 months from the Balance Sheet date ₹ 7,110,673 (PY ₹ Nil).		

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Particulars	As at	
	31 March, 2016	31 March, 2015
	₹	₹
17 Short-term Loans and Advances		
Unsecured and Considered Good, unless otherwise stated		
a) Security Deposits		105,000
b) Loans and Advances to Employees		551,885
c) Prepaid Expenses		516,577
d) Balances with Government Authorities		
- VAT Credit Receivable	1,769,631	1,809,750
- Personal Ledger Account (Excise)	8,162	8,162
- Duty Drawback (Customs)	3,648,396	6,394,234
e) Inter-corporate Deposit		
Considered good	–	1,500,000
Considered doubtful	2,500,000	1,000,000
		2,500,000
Less : Provision for doubtful inter-corporate deposit		1,500,000
		1,000,000
f) Others - Advance for supply of goods and services		84,334
Total		10,469,942
18 Other Current Assets		
a) Accruals		
- Interest Accrued on Deposits		1,546,106
- Interest Accrued on Short Term Loans given to Companies	68,116	68,116
Less : Provision for doubtful Interest	68,116	68,116
		1,546,106
b) Others		
- Excise Duty recoverable		145,848
Total		1,691,954

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Particulars	For the year ended 31 March, 2016 ₹	For the year ended 31 March, 2015 ₹
19 Revenue from Operations		
a) Sale of Products (Refer Note (i) below)	233,967,890	189,306,026
b) Other Operating Revenues (Refer Note (ii) below)	23,546,591	16,037,551
	257,514,481	205,343,577
Less: Excise Duty	–	–
Total	257,514,481	205,343,577
Note:		
(i) Sale of Products Comprises		
Manufactured goods - Knitted Socks	233,967,890	189,306,026
Total - Sale of manufactured goods	233,967,890	189,306,026
(ii) Other Operating Revenues Comprise:		
Sale of Scrap	–	43,363
Duty Drawback	20,055,514	12,604,544
Sale of Licenses - Merchandise Export From India Scheme	1,420,495	1,857,462
Profit on Sale of Raw Material	–	3,077
Samples Development Income	2,070,582	1,529,105
Total - Other Operating Revenues	23,546,591	16,037,551
20 Other Income		
Interest Income (Refer Note (i) below)	2,837,995	2,832,061
Net gain on foreign currency transactions and translation	2,244,117	788,528
Other Non-operating Income (Refer Note (ii) below)	1,327,073	1,683,307
Total	6,409,185	5,303,896
Note:		
(i) Interest Income Comprises:		
Interest from banks on Deposits	2,465,257	1,884,831
Interest from overdue Trade Receivable	45,084	410,020
Interest from loans and advances	144,154	160,283
Interest from long term investments	183,500	183,500
Interest from Income-tax refund	–	181,391
Interest from LLP on Capital contribution	–	12,036
Total - Interest Income	2,837,995	2,832,061
(ii) Other non-operating income comprises:		
Profit on sale of fixed assets	3,575	–
Share of profit from LLP	48,807	–
Liabilities/Provisions no longer required written back(Net)	–	86,722
Miscellaneous Income	1,274,691	1,596,585
Total - Other non-operating Income	1,327,073	1,683,307

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Particulars	For the year ended 31 March, 2016 ₹	For the year ended 31 March, 2015 ₹
21 Cost of Materials Consumed		
Opening Stock	24,751,510	22,734,587
Add: Purchases	73,876,371	68,738,937
	98,627,881	91,473,524
Less: Closing Stock	16,324,231	24,751,510
Cost of Materials Consumed	82,303,650	66,722,014
Material Consumed comprises of yarn only.		
22 Changes in Inventories of Finished Goods and work in progress		
Inventories at the end of the year		
Finished Goods	21,202,020	19,092,023
Work-in-Progress	2,005,479	2,263,345
	23,207,499	21,355,368
Inventories at the beginning of the year		
Finished Goods	19,092,023	20,817,061
Work-in-Progress	2,263,345	1,354,815
	21,355,368	22,171,876
Net (Increase) / Decrease	(1,852,131)	816,508
23 Employee Benefit Expenses		
Salaries and Wages	36,606,363	29,132,776
Contribution to Provident and other funds	1,967,149	1,668,602
Gratuity	1,283,541	516,966
Staff welfare expenses	1,484,149	1,324,697
Total	41,341,202	32,643,041

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Particulars	For the year ended 31 March, 2016 ₹	For the year ended 31 March, 2015 ₹
24 Finance Cost		
Interest Expense on:		
- borrowings	351,601	757,540
- trade payable	14,024	–
- delayed payment of Income-tax	1,297	173
- Others	4,819	–
Other borrowing costs	17,425	112,669
Total	389,166	870,382
25 Other Expenses		
Consumption of stores and spare parts	7,000,638	7,973,725
Consumption of packing materials	11,636,324	10,435,344
Subcontracting (Processing Charges)	16,416,250	9,177,648
Power and Fuel	16,548,233	14,566,103
Lease Rent	2,248,664	1,138,694
Repairs:		
- To Buildings	72,636	79,098
- To Machinery	733,815	370,735
Insurance	922,131	827,167
Rates and taxes	1,309,467	842,502
Carriage Outward	5,492,594	4,707,537
Sales expenses	3,506,644	3,154,810
Advertisement Expenses	1,699,655	2,904,436
Donations	371,000	120,000
Legal and professional	3,288,309	3,784,478
Payment to Auditors	1,348,736	1,117,667
Share of Loss from LLP	–	217,694
Loss on fixed assets sold/written off (Net)	428,040	–
Provision for doubtful loan and advance	1,000,000	500,000
Miscellaneous expenses	10,675,305	7,062,530
Total	84,698,441	68,980,168
Payment to Auditor including Service Tax		
(i) Payment to the Auditors comprises		
(a) To Statutory Auditors		
- For Audit	1,030,500	646,070
- For Taxation matters	137,400	267,854
- For Other Services	171,250	191,012
Reimbursement of Expenses	9,586	1,978
	1,348,736	1,106,914
(b) To Cost Auditors for cost audit (relating to F.Y. 2013-14)	–	10,753
Total	1,348,736	1,117,667

NOTES FORMING PART OF THE FINANCIAL STATEMENTS**ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS**

Particulars	As at 31 March, 2016 ₹	As at 31 March, 2015 ₹
26 Contingent Liabilities and Commitments (to the extent not provided for)		
(i) Contingent Liabilities	Not Ascertained	Not Ascertained
Claims against the Company not acknowledged as debt		
- For Assessment Year 2005-06 and 2006-07, the Income Tax Department has adjusted the carried forward of losses and unabsorbed depreciation in computing the benefit under section 10B of the Income Tax Act, 1961. During the previous year Company received favourable order in Income-tax Appellate Tribunal for the Assessment Year 2006 - 07 and the Income-tax Department, Navsari has referred the said matter to the High Court of Gujarat at Ahmedabad. Hence, the matter has been referred to the High Court of Gujarat at Ahmedabad for Assessment Year 2005-06 and 2006-07. Additional liability, if any, is not ascertained.		
Future cash outflows in respect of the above matters are determinable only on receipt of judgments / decisions pending at various forums / authorities.		
	-	-
(ii) Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for	-	200,000
Total	-	200,000
27 Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006		
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	-	-
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
(iv) The amount of interest due and payable for the year	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-
Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.		

NOTES FORMING PART OF THE FINANCIAL STATEMENTS**ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS****28 Details on unhedged Foreign Currency Exposures**

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

Particulars	As at 31 March, 2016		As at 31 March, 2015	
	Receivable/ (Payable) ₹	Receivable/ (Payable) in Foreign Currency	Receivable/ (Payable) ₹	Receivable/ (Payable) in Foreign Currency
Trade Receivables	4,058,046 85,658	GBP 43,033 USD 1,301	4,625,455 –	GBP 50,452 USD –
Advance given to Suppliers	– 29,704	– USD 446	– 33,148	– USD 527
Trade Payables	– –	– –	– (263,649) (9,798)	– EURO (3,865) GBP (105)
Advance received from customers	(96,159) (2,662,136)	USD (1,461) GBP (28,231)	(554,790) (2,510,428)	USD (8,930) GBP (27,383)
29 Value of Imports calculated on CIF basis				
Particulars	For the year ended 31 March, 2016 ₹		For the year ended 31 March, 2015 ₹	
Stores and Spares	2,628,564		3,797,014	
Capital Goods	4,666,030		317,871	
Total	7,294,594		4,114,885	
30 Expenditure in Foreign Currency				
Other Matters	1,406,032		1,108,387	
Total	1,406,032		1,108,387	

NOTES FORMING PART OF THE FINANCIAL STATEMENTS**ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS****31 Details of Consumption of Imported and Indigenous items**

Particulars	For the year ended 31 March, 2016		For the year ended 31 March, 2015	
	₹	%	₹	%
Imported				
Raw Material	243,129	0.30	312,068	0.47
Stores and Spares	2,774,816	39.64	4,222,214	52.95
Total	3,017,945	3.38	4,534,282	6.07
Indigenous				
Raw Material	82,060,521	99.70	66,409,946	99.53
Stores and Spares	4,225,822	60.36	3,751,511	47.05
Total	86,286,343	96.62	70,161,457	93.93
Grand Total				
Raw Material	82,303,650	100.00	66,722,014	100.00
Stores and Spares	7,000,638	100.00	7,973,725	100.00

32 Earnings in Foreign Exchange

Particulars	For the year ended	For the year ended
	31 March, 2016	31 March, 2015
	₹	₹
Export of Goods Calculated on FOB basis	215,411,553	172,202,410
Samples Development Charges	2,070,582	1,529,105
33 Amounts remitted in Foreign Currency during the year on account of Dividend		
Amount of dividend remitted in foreign currency	886,212	890,364
Total number of Non Resident Shareholders (to whom the dividends were remitted in foreign currency)	1	1
Total number of shares held by them on which dividend was due	492,340	492,340
Year to which dividend relates	2014-15	2013-14

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

DISCLOSURE UNDER ACCOUNTING STANDARDS

34 Employee Benefit Plans

(a) Defined Contribution Plan

The Company makes Provident fund and other funds contributions to defined contribution plans for qualifying employees. The Company recognised ₹ 1,967,149 (Year ended 31 March, 2015 ₹ 1,668,602) for Provident Fund contributions.

(b) Defined Benefit Plan: Gratuity

Provision is made for gratuity and compensated absences based upon actuarial valuation done at the end of every financial year using 'Projected Unit Credit' method and it covers all regular employees. Gains and losses on changes in actuarial assumptions are accounted for in the Statement of profit and loss.

The Company has funded gratuity with Life Insurance Corporation of India.

The disclosures as required under revised Accounting Standard 15 on "Employee Benefits" are as follows:

The following table sets out the funded status (unfunded in the previous year) of the defined benefit schemes and the amount recognised in the financial statements:

Particulars	For the year ended 31 March, 2016 ₹	For the year ended 31 March, 2015 ₹			
Gratuity					
Expense recognised in the statement of profit and loss					
Current Service Cost	382,790	247,365			
Interest Cost	423,037	428,649			
Expected returns on plan assets	(436,651)	(391,500)			
Actuarial Losses/(Gain)	914,365	232,452			
Total Expense recognized in the Statement of Profit and Loss	1,283,541	516,966			
Actual contribution and benefit payments for year					
Actual benefit payments	383,245	200,213			
Actual contributions	1,245,000	50,000			
Net asset / (liability) recognised in the Balance Sheet					
Present value of defined benefit obligation	(6,605,150)	(5,268,203)			
Fair value of plan assets	6,052,877	4,697,058			
Funded status [Surplus / (Deficit)]	(552,273)	(571,145)			
Net asset / (liability) recognised in the Balance Sheet	(552,273)	(571,145)			
Change in defined benefit obligations (DBO) during the year					
Present value of DBO at beginning of the year	5,268,203	4,604,179			
Current Service Cost	382,790	247,365			
Interest Cost	423,037	428,649			
Benefit Paid	(383,245)	(200,213)			
Actuarial Losses/(Gain)	914,365	188,223			
Present value of DBO at end of the year	6,605,150	5,268,203			
Change in fair value of assets during the year					
Fair value of Plan assets at beginning of the year	4,697,058	4,500,000			
Expected Return on Plan Assets	436,651	391,500			
Actual company contributions	1,245,000	50,000			
Benefit Paid from the Fund	(383,245)	(200,213)			
Actuarial Gains/(Losses) on Plan Assets - Due to Experience	57,413	(44,229)			
Fair value of Plan assets at the end of the year	6,052,877	4,697,058			
Actuarial Assumptions:					
Discount Rate (p.a.)	7.96%	8.03%			
Salary Escalation Rate (p.a.)	5.00%	5.00%			
Attrition Rate (p.a.)	2.00%	2.00%			
Mortality	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate			
Estimate of amount of contribution in the immediate next year	976,255	953,935			
Experience Adjustment:	2015-16	2014-15	2013-14	2012-13	2011-12
	₹	₹	₹	₹	₹
On Plan Liability (Gain)/Loss	187,064	(294,649)	271,583	83,408	582,508

NOTES FORMING PART OF THE FINANCIAL STATEMENTS**DISCLOSURE UNDER ACCOUNTING STANDARDS****35 Segment information**

The principal business of the Company is of manufacturing of socks. All other activities of the Company revolve around its main business. Hence, there is only one primary reportable business segment as defined by Accounting Standard 17 - "Segment Reporting".

The Secondary Segments are identified based on the geographical location of customers. The secondary geographical segments of the Company consist of regions of United Kingdom, Switzerland, UAE, India and Rest of the World.

Secondary Segments information is as follows -

(In ₹)

Particulars	Revenues	Segment Assets Trade Receivable	Cost incurred on acquisition of Fixed Assets
United Kingdom	80,753,123 (76,677,240)	3,997,222 (3,670,898)	— —
Switzerland	85,755,655 (58,014,174)	— —	— —
UAE	40,174,252 (31,786,244)	— —	— —
India	17,439,453 (16,328,233)	1,016,319 (4,150,588)	18,838,054 (6,079,420)
Rest of the World	9,845,407 (6,500,135)	146,481 (954,558)	— —
Total	233,967,890 (189,306,026)	5,160,022 (8,776,044)	18,838,054 (6,079,420)

Previous year figures are given in brackets.

Segregation of assets (except trade receivable) into secondary segments has not been done as all the assets are located and used in India and the Company is of the view that it is not practical to reasonably allocate such assets and an ad-hoc allocation will not be meaningful.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS**DISCLOSURES UNDER ACCOUNTING STANDARDS (Contd.)****36 Related Party Transactions****Details of related parties:****Description of relationship**

Promoter Company

Associates

Key Management Personnel (KMP)
and their Relatives**Names of related parties:**

Shapoorjee Chandabhoj Finvest Private Limited

Armayesh Enterprise LLP (up to 31 October, 2015)

Key Management Personnel:

Mr. Adi F. Madan - Managing Director

Mrs. Ayesha K. DadyBurjor - Whole-time Director
(w.e.f. 1 September, 2014)

Their Relatives:

Mr. Naozer J. Aga

Mr. Armand N. Aga

Mr. Kaizad R. DadyBurjor

Mrs. Ayesha A. Madan

Mr. Jehan Adi Madan

Entities over which promoter group has
significant influenceArmayesh Consultancy and Agencies Private Limited
(Up to 31 July, 2015)

Armayesh Embroideries Private Limited

Note: Related parties have been identified by the Management.**Details of related party transactions during the year ended 31 March, 2016 and balances outstanding as at 31 March, 2016:** (In ₹)

Particulars	Promoter Company	Associates	KMP and their Relatives	Entities over which promoter group has significant influence	Total
Transactions during the year					
Expenditure:					
1) Lease Rent:					
Armayesh Consultancy and Agencies Pvt. Ltd.	-	-	-	204,600	204,600
	(-)	(-)	(-)	(558,000)	(558,000)
Armayesh Embroideries Pvt. Ltd.	-	-	-	364,320	364,320
	(-)	(-)	(-)	(331,200)	(331,200)
2) Managerial Remuneration					
Mr. Adi F. Madan	-	-	3,586,141	-	3,586,141
	(-)	(-)	(3,083,404)	(-)	(3,083,404)
Mrs. Ayesha K. DadyBurjor	-	-	1,572,003	-	1,572,003
	(-)	(-)	(917,002)	(-)	(917,002)
3) Advisory Fee					
Mr. Naozer Aga	-	-	1,737,266	-	1,737,266
	(-)	(-)	(1,711,646)	(-)	(1,711,646)
4) Share of loss from Armayesh Enterprise LLP	-	-	-	-	-
	(-)	(217,694)	(-)	(-)	(217,694)
Income:					
Share of profit from Armayesh Enterprise LLP	-	48,807	-	-	48,807
	(-)	(-)	(-)	(-)	(-)
Interest on LLP Contribution	-	-	-	-	-
	(-)	(12,036)	(-)	(-)	(12,036)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS**DISCLOSURES UNDER ACCOUNTING STANDARDS (Contd.)**

Details of related party transactions during the year ended 31 March, 2016 and balances outstanding as at 31 March, 2016: (Contd.) (In ₹)

Particulars	Promoter Company	Associates	KMP and their Relatives	Entities over which promoter group has significant influence	Total
Other Transactions:					
Dividend paid:					
Shapoorjee Chandabhoj Finvest Private Limited	3,156,831 (3,156,831)	- (-)	- (-)	- (-)	3,156,831 (3,156,831)
Mr. Adi F. Madan – MD	- (-)	- (-)	213,131 (213,131)	- (-)	213,131 (213,131)
Mrs. Ayesha A. Madan	- (-)	- (-)	14,488 (14,488)	- (-)	14,488 (14,488)
Mr. Jehan Adi Madan	- (-)	- (-)	13,950 (13,950)	- (-)	13,950 (13,950)
Mrs. Ayesha K. DadyBurjor – WTD	- (-)	- (-)	31,565 (31,565)	- (-)	31,565 (31,565)
Mr. Naozer J. Aga	- (-)	- (-)	855,499 (855,499)	- (-)	855,499 (855,499)
Mr. Armand N. Aga	- (-)	- (-)	62,980 (62,980)	- (-)	62,980 (62,980)
Mr. Kaizad R. DadyBurjor	- (-)	- (-)	127,474 (87,874)	- (-)	127,474 (87,874)
Balances outstanding at the end of the year					
Investment					
Armayesh Enterprise LLP	- (-)	- (150,000)	- (-)	- (-)	- (150,000)
Security Deposits					
Armayesh Consultancy and Agencies Pvt. Ltd.	- (-)	- (-)	- (-)	- (21,050)	- (21,050)
Loans and Advances to Related Parties:					
Armayesh Enterprise LLP	- (-)	- (150,000)	- (-)	- (-)	- (150,000)
Managerial Remuneration Payable					
Mr. Adi F. Madan	- (-)	- (-)	174,862 (163,267)	- (-)	174,862 (163,267)
Mrs. Ayesha K. DadyBurjor	- (-)	- (-)	111,000 (125,147)	- (-)	111,000 (125,147)
Advisory Fees Payable					
Mr. Naozer Aga	- (-)	- (-)	106,000 (88,673)	- (-)	106,000 (88,673)

Note: Figures in bracket relates to the previous year.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS**ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS****37 Details of Leasing Arrangements****As Lessee**

The Company has entered into finance lease arrangements for vehicles, which provide the Company an option to purchase the asset at the end of the lease period.

Particulars	For the year ended 31 March, 2016 ₹	For the year ended 31 March, 2015 ₹
Future minimum lease payments		
not later than one year	2,875,272	—
later than one year and not later than five years	4,874,082	—
Less: Unmatured finance charges		
not later than one year	—	—
later than one year and not later than five years	—	—
Present value of minimum lease payments payable		
not later than one year	2,875,272	—
later than one year and not later than five years	4,874,082	—

The Company has acquired premises on lease, which are in the nature of cancellable operating lease as defined in Accounting Standard 19 "Leases". The lease rent paid and accounted during the year was ₹ 2,248,664 (Previous year ₹ 1,138,694) as per the terms and conditions of the lease agreements and is charged to the Statement of Profit and Loss.

38 Earning per Share

Particulars	For the year ended 31 March, 2016 ₹	For the year ended 31 March, 2015 ₹
Basic and Diluted		
a) Net Profit for the year attributable to the Equity Shareholders	30,181,979	20,813,627
b) Weighted average number of Equity Shares basic and diluted	4,923,340	4,923,340
c) Earnings per Share - Basic and Diluted (Equity Share of face value of ₹ 10/- each)	6.13	4.23

NOTES FORMING PART OF THE FINANCIAL STATEMENTS**ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS****39 Deferred tax (Liability) / Asset**

Particulars	As at March 31, 2016 ₹	As at March 31, 2015 ₹
Tax effect of items constituting deferred tax liability		
On difference between book balance and tax balance of fixed assets	3,337,021	4,624,122
	3,337,021	4,624,122
Tax effect of items constituting deferred tax assets		
Provision for compensated absences and gratuity	618,944	717,555
On items included in Reserves and surplus pending amortisation into the Statement of Profit and Loss	–	307,920
Provision for doubtful loans and advances and other current assets	849,096	518,466
Other disallowances under Section 43B of the Income Tax Act, 1961	1,362,676	370,476
	2,830,716	1,914,417
Net Deferred Tax (Liability)	(506,305)	(2,709,705)

40 The Company has not granted any loans / advances in the nature of loans as stipulated in the Clause 32 of the Listing Agreement with the Stock Exchanges. For this purpose, the loans to employees as per the Company's policy and security deposits paid towards premises taken on leave and license basis have not been considered.

41 Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

For and on behalf of the Board of Directors

Arun S. Sanghi Chairman DIN: 00022168	Ayesha K. DadyBurjor Whole-time Director DIN: 02949248	Ajit P. Walwaikar Director DIN: 00022123	Kaizad R. DadyBurjor Director DIN : 00022387
Harish H. Shah Director DIN: 03032200	Phiroze A. Dhanbhoora Director DIN : 00622769	Vijay V. Merchant Director DIN :01773227	Vinay V. Sanghi Director DIN: 00309085
	Bhavik R. Maisuria Chief Financial Officer	Asinkhan S. Baholu Company Secretary	

Mumbai, Dated: 24th May, 2016.

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Virat Industries Limited

(Regd. Office Address: A – 1/2, GIDC Industrial Estate, Kabilpore, Navsari - 396 424, Gujarat, India)

CIN: L29199GJ1990PLC014514

Tel No: +912637 – 265011/22 Fax: +912637 – 265712 Email: factory@viratindustries.com Website: www.viratindustries.com

ATTENDANCE SLIP

26TH ANNUAL GENERAL MEETING - THURSDAY, 22ND SEPTEMBER, 2016 AT 11-30 A.M.

Registered Folio/DP ID & Client ID		
Name and Address of the shareholder(s)		
Joint Holder 1 Joint Holder 2		
I/We hereby record my/our presence at the 26th Annual General Meeting of the Company held at the Registered Office situated at A-1/2, GIDC Industrial Estate, Kabilpore, Navsari - 396 424 on Thursday, 22nd September, 2016.		
Note: Please complete this Attendance slip and hand it over at the entrance of the Meeting hall.		Member's / Proxy's Signature
ELECTRONIC VOTING PARTICULARS		
Electronic Voting Sequence Number (EVSN)	User ID	Password
160804007		
Note: Please read the instructions given under the Note No. K of Notice of 26 th Annual General Meeting. The date of e-voting period is on 19 th September, 2016 to 21 st September 2016 from 9.00 am to 5.00 pm. The e-voting module shall be disabled by CDSL for voting thereafter.		



Virat Industries Limited

(Regd. Office Address: A – 1/2, GIDC Industrial Estate, Kabilpore, Navsari - 396 424, Gujarat, India)

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FORM NO. MGT - 11 PROXY

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

CIN:		Name of the Company
Registered Office:		
Name of the Member(s)		
Registered Address:		
E-mail id:		Folio No./DP ID/Client ID:

I/We, being the member(s) of shares of the above named company, hereby appoint

1 Name	Address	
E-mail id	Signature	or failing him/her
2 Name	Address	
E-mail id	Signature	or failing him/her
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 26th Annual General Meeting of the Company held at the Registered Office situated at A-1/2, GIDC Industrial Estate, Kabilpore, Navsari - 396 424 on Thursday, 22nd September, 2016 at 11-30 a.m. and at any adjournment thereof in respect of such resolutions as are indicated below:

Ordinary Business:

- Adoption of Financial Statements for the year ended March 31, 2016 and reports of Directors and Auditors thereon.
- Declaration of dividend for the year ended 31st March, 2016.
- To affirm the appointment of M/s. Deloitte Haskins & Sells, Chartered Accountants, (Regn. No.117364W) as Auditors of the Company until the conclusion of the twenty seventh annual general meeting and fixing their remuneration.

Special Business:

- Appointment of Mr. Kaizad R. DadyBurjor, (DIN 00022387) as a Director.
- Appointment of Mr. Pheroze A. Dhanbhoora (DIN 00622769) as a Director.
- Appointment of Mr. Vijay Merchant (DIN 01773227) as a Director.

Signed this day of 2016.

Folio No. / DP ID / Client ID Signature of Shareholder

Signature of Proxy holder

Affix Re.1
Revenue
Stamp

Notes:

- This form of proxy in order to be effective, should be deposited at the Registered Office of the Company duly completed and signed, not less than 48 hours before the commencement of the meeting.
- A proxy need not be a member of the Company.
- 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 total share capital of the Company. 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.

BY COURIER

If undelivered, please return to :

VIRAT INDUSTRIES LIMITED

A-1/2, GIDC Industrial Estate,
Kabilpore, Navsari - 396 424.
Gujarat.

SDP E-mail: sopprinters@gmail.com