Arvind Limited
LALBHAI GROUP

Naroda Road, Ahmedabad 380 025, India
T +91 79 30138000 W www.arvind.com

CIN - L17119GJ1931PLC000093

ARVIND

August 5, 2016

BSE Limited
Listing Dept. / Dept. of Corporate Services
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai - 400 001

Security Code : 500 101
Security ID : ARVIND

National Stock Exchange of India Ltd.
Listing Dept.,Exchange Plaza, 5th Floor
Plot No. C/1, G. Block
Bandra-Kurla Complex
Bandra (E)
Mumbai - 400 051

Symbol : ARVIND

Dear Sirs,

Sub: Annual Report 2015-16

Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are submitting herewith the Annual Report of the Company for the financial year 2015-16 approved and adopted by the members as per the provisions of the Companies Act, 2013, at the Annual General Meeting of the Company held on Thursday, August 4, 2016 at 9.30 a.m. at Thakorebhai Desai Hall, Near Law Garden, Ellisbridge, Ahmedabad – 380 006.

The above is also uploaded on the Company's website www.arvind.com.

Thanking you,

Yours faithfully,

R. V. Bhimani
Company Secretary

Encl : As above.

ARVIND LIMITED
CIN: L17119GJ1931PLC000093

SINCE 1931
Arvind

85th ANNUAL REPORT 2015 2016

ENRICHING LIFESTYLES

Board of Directors

Mr. Sanjay S. Lalbhai	- Chairman & Managing Director
Mr. Punit S. Lalbhai	- Executive Director
Mr. Kulin S. Lalbhai	- Executive Director
Mr. Jayesh K. Shah	- Whole Time Director & Chief Financial Officer
Dr. Bakul Dholakia	- Independent Director
Ms. Renuka Ramnath	- Independent Director
Mr. Dileep C. Choksi	- Independent Director
Mr. Vallabh Bhanshali	- Independent Director
Mr. Samir Mehta	- Independent Director
Mr. Nilesh Shah	- Independent Director

Audit Committee

Mr. Dileep C. Choksi	- Chairman
Dr. Bakul Dholakia	- Member
Mr. Jayesh K. Shah	- Member
Mr. Nilesh Shah	- Member

Stakeholders' Relationship Committee

Dr. Bakul Dholakia	- Chairman
Mr. Sanjay S. Lalbhai	- Member
Mr. Jayesh K. Shah	- Member

Nomination & Remuneration Committee

Dr. Bakul Dholakia	- Chairman
Ms. Renuka Ramnath	- Member
Mr. Dileep C. Choksi	- Member

Corporate Social Responsibility Committee

Dr. Bakul Dholakia	- Chairman
Mr. Sanjay S. Lalbhai	- Member
Mr. Punit S. Lalbhai	- Member
Mr. Jayesh K. Shah	- Member

Management Committee

Mr. Sanjay S. Lalbhai	- Member
Mr. Jayesh K. Shah	- Member

Company Secretary

Mr. R.V. Bhimani

Auditors

Sorab S. Engineer & Co.
Chartered Accountants
902, Raheja Centre, Free Press Journal Marg
Nariman Point, Mumbai - 400 021.

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Bankers

State Bank of India
Bank of Baroda
State Bank of Patiala
HDFC Bank Ltd.
Standard Chartered Bank
ICICI Bank Ltd.
Export-Import Bank of India
Axis Bank Ltd.
State Bank of Hyderabad
IDBI Bank Ltd.
Canara Bank
Union Bank of India
Central Bank of India

Registered Office

Naroda Road
Ahmedabad-380025, Gujarat, INDIA
Website : www.arvind.com

Registrar And Transfer Agent

Link Intime India Private Limited
303, Shopper's Plaza – V, Opp. Municipal Market
Off. C. G. Road, Navrangpura, Ahmedabad-380009.
Phone & Fax No. 079-26465179
E-mail : ahmedabad@linkintime.co.in

NOTICE

NOTICE is hereby given that the Annual General Meeting of the members of the Company will be held on Thursday, the 4th August, 2016 at 9.30 a.m. at Thakorebhai Desai Hall, Near Law Garden, Ellisbridge, Ahmedabad – 380 006 to transact the following Business:

ORDINARY BUSINESS

1. To receive, consider and adopt the audited financial statements [including consolidated financial statements] of the Company for the financial year ended March 31, 2016 and the reports of the Directors and Auditors thereon.
2. To declare dividend on equity shares.
3. To appoint a Director in place of Mr. Kulin Lalbhai (holding DIN 05206878), who retires by rotation in terms of Article 168 of the Articles of Association of the Company and being eligible, offers himself for reappointment.
4. To appoint M/s. Sorab S. Engineers & Co., Chartered Accountants (ICAI Registration No.110417W) as statutory auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting and to authorize the board to fix their remuneration.

SPECIAL BUSINESS

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

   RESOLVED THAT pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 and The Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the remuneration payable to M/s Kiran J. Mehta & Co., Cost Accountants, Ahmedabad having Firm Registration No. 000025, appointed by the Board of Directors of the Company as Cost Auditors to conduct the audit of the cost records maintained by the company in respect of textiles and telecommunication products for the financial year ending March 31, 2017, amounting to ₹ 3.75 Lacs (Rupees Three lacs seventy five thousand only) as also the payment of service tax as applicable and re-imbursement of out of pocket expenses incurred by them in connection with the aforesaid audit, be and is hereby ratified and confirmed.

6. To consider and, if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

   RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203, Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and also subject to the approval of the Central Government, if required, the consent of the Company be and is hereby accorded to the terms of reappointment of Mr. Sanjay Lalbhai (holding DIN 00008329) as Chairman and Managing Director of the Company for a period of five years from 1st April, 2017 to 31st March, 2022 on the terms and conditions of appointment and remuneration as set out in the draft agreement of the reappointment submitted to the meeting and initialed by the Chairman for identification and that he be paid remuneration by way of salary, perquisites, allowances and commission as approved by the Board of Directors of the Company and the Nomination & Remuneration Committee and as set out in the Explanatory Statement annexed hereto.

   RESOLVED FURTHER THAT the Board of Directors and the Nomination & Remuneration Committee be and are hereby severally authorized to alter and vary such terms of reappointment and remuneration so as to not exceed the limits specified in Schedule V to the Companies Act, 2013, as may be agreed to by the Board of Directors and Mr. Sanjay Lalbhai.

7. To consider and if thought fit, to pass with or without modification, the following resolution as a Special Resolution:

   RESOLVED THAT pursuant to the provisions of section 42, 71 and all other applicable provisions, if any, of the Companies Act, 2013 ("the Act"), and Rules made there under (including any statutory modifications, clarifications, exemptions or re-enactment thereof, from time to time), and pursuant to the provisions of SEBI (Issue and Listing of Debt Securities) Regulations, 2008 as amended up to date and other applicable SEBI regulations and guidelines, the provisions of Memorandum and Articles of Association of the Company and subject to such applicable laws, rules and regulations and guidelines, approval of the members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall include any Committee thereof which the Board may have constituted / reconstituted to exercise its powers including the powers conferred by this Resolution) to offer, issue and allot, in one or more tranches Secured / Unsecured/ Redeemable Non-convertible Debentures (NCDs) including but not limited to subordinate debentures, bonds, and/or other debt securities etc. on private placement basis, during the period of one year from the date of passing of the Special Resolution by the members, for an amount not exceeding ₹ 500 Crores (Rupees Five hundred crores only) on such terms and conditions and at such times, at par or at such premium, as may be decided by the Board to such person(s), including one or more company(ies), bodies corporate, statutory corporations, commercial banks, lending agencies, financial institutions, insurance companies, mutual funds, pension/provident funds and individuals, as the case may be or such other person(s) as the Board/Committee of Directors may decide so, however, that the aggregate amount of funds to be raised by issue of NCDs, subordinate debentures, bonds, and/or other debt securities etc. shall not exceed the overall borrowing limits of the Company, as may be approved by the Members from time to time.

   RESOLVED FURTHER THAT without prejudice to the generality of the above and for the purpose of giving effect to the above, the Board be and is hereby authorized to determine as to the time of issue of the NCDs, the terms of the issue, number of NCDs to be allotted in each tranche, issue price, rate of interest, redemption period, security, listing on one or more recognized stock exchanges and all such terms as are provided in offering of a like nature as the Board may in its absolute discretion deem fit and to make and accept any modifications in the proposal as may be required by the authorities involved in such issues and to settle any questions or difficulties that may arise in regard to the said issue(s).

   RESOLVED FURTHER THAT the approval is hereby accorded to the Board to appoint lead managers, arrangers, underwriters, depositories, registrars, trustees, bankers, lawyers, advisors and all such agencies as may be involved or concerned in such offerings and to remunerate them by way of commission, brokerage, fees or the like (including reimbursement of their actual expenses) and also to enter into and execute all such arrangements, contracts/ agreements, memorandum, documents etc., with such agencies and to do such acts, deeds, things and execute all such documents, undertaking as may be necessary for giving effect to this resolution.

Registered Office:
Naroda Road
Ahmedabad-380025

Date: May 12, 2016

By Order of the Board

R. V. Bhimani
Company Secretary

NOTES

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

   A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the company carrying voting rights. A member holding more than ten percent of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person for shareholder.

2. Proxies, in order to be effective, should be duly stamped, completed, signed and deposited at the Registered Office of the Company not less than 48 hours before the meeting. A Proxy form is sent herewith. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution/authority, as applicable.

3. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, which sets out details relating to Special Business at the meeting, is annexed hereto.

4. Members are requested to bring their copy of the Annual Report to the meeting. The Members/Proxies should bring the Attendance Slip sent herewith duly filled in for attending the meeting.

5. Members intending to require information about Accounts in the Meeting are requested to inform the Company at least 7 days in advance of the Annual General Meeting.

6. The members, holding shares in physical form, are requested to intimate any change in their address or bank details to the Company or its Registrar and Transfer Agent (RTA) viz. Link Intime India Pvt. Ltd, Unit : Arvind Limited, 303, Shopper's Plaza V, Opp. Municipal Market, Off. C. G. Road, Navrangpura, Ahmedabad - 380009. Those holding shares in dematerialized form may intimate any change in their address or bank details / mandates to their Depository Participants (DP) immediately. Members holding shares in dematerialized form may note that bank details registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its RTA cannot act on any request directly received from any member holding shares in dematerialized form for any change in such details. Such changes are to be advised only to the DP of the members.

7. The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, the 30th July, 2016 to Thursday, the 4th August, 2016 (both days inclusive).

8. The dividend on equity shares for the year ended 31st March, 2016, if declared at the meeting, will be paid / dispatched on due date to those members whose names appear on the Company's Register of Members on 4th August, 2016 or on records of National Securities Depository Limited and Central Depository Services (India) Limited as beneficial owners as on 29th July, 2016.

9. All unclaimed dividends up to the financial year 2005-06 have been transferred to the Investor Education and Protection Fund (IEPF) of the Central Government. The Company did not declare any dividends on equity shares for the financial years 2006-07 to 2010-11. Unclaimed and unpaid dividends for the financial years 2011-12 to 2014-15 will be transferred to this fund on 3rd November, 2019, 3rd September, 2020, 4th September, 2021 and 11th September, 2022 respectively. Those members who have so far not encashed their dividend warrants for the said financial years are requested to approach the Company or RTA for payment thereof. Kindly note that once unclaimed and unpaid dividends are transferred to the Investor Education and Protection Fund, members will have to approach to IEPF for such dividend.

10. Documents referred to in the Notice and the Explanatory Statement attached hereto are available for inspection by the shareholders at the Registered Office of the Company during business hours on any working day upto and including the date of the Annual General Meeting of the Company.

11. The Notice of the Annual General Meeting and Annual Report of the Company for the year ended 31st March, 2016 is uploaded on the Company's website www.arvind.com and may be accessed by the members.

12. Details under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of the Directors seeking appointment/reappointment at the Annual General Meeting, form integral part of the notice. The Directors have furnished the requisite declarations for their appointment/re-appointment.

13. Electronic copy of the Annual Report for the year 2015-16 is being sent to all the members whose email IDs are registered with the Company/ Depository Participants for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email addresses, physical copy of the Annual Report for the year 2015-16 is being sent in the permitted mode.

14. Electronic copy of the Notice of the Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company/ Depository Participants for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email addresses, physical copy of the Notice of the Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.

15. Instructions for e-voting

    A separate sheet containing the complete details of the instructions for e-voting is being sent to all the shareholders along with the Annual Report for the year 2015-16 to enable them to cast their votes through e-voting.

Registered Office:
Naroda Road
Ahmedabad-380025

By Order of the Board

R. V. Bhimani
Company Secretary

Date: May 12, 2016

EXPLANATORY STATEMENT UNDER SECTION 102(1) OF THE COMPANIES ACT, 2013

Item No.5

The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of Kiran J. Mehta & Co., Cost Accountants, Ahmedabad as Cost Auditors to conduct the audit of the cost records maintained by the Company in respect of textiles and telecommunication products for the financial year ending March 31, 2017 at a remuneration of ₹ 3.75 lacs plus service tax and out of pocket expenses.

In accordance with the provisions of Section 148 (3) of the Act read with The Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the Company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 5 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2017.

The Board of Directors recommends the above resolution for your approval.

None of the Directors or any key managerial personnel or any relative of any of the Directors of the Company or the relatives of any key managerial personnel is, in anyway, concerned or interested in the above resolution.

Item No. 6

Resolution under Item No. 6 of the Notice relates to the reappointment of Mr. Sanjay Lalbhai (holding DIN 00008329) as Chairman and Managing Director of the Company for a further period of five years from 1st April, 2017 to 31st March, 2022 and approval of his remuneration and terms of reappointment.

The Nomination and Remuneration Committee, at its meeting held on 12th May, 2016, had recommended the reappointment of Mr. Sanjay Lalbhai as Chairman and Managing Director of the Company and terms of remuneration payable to him for a further period of five years from 1st April, 2017 to 31st March, 2022. The Board of Directors, at its meeting held on 12th May, 2016, had approved the same. The Nomination and Remuneration Committee and the Board of Directors of the Company are of the opinion that he is fit and proper person to hold the said office and his reappointment will be in the interest of the Company.

The material terms of remuneration of Mr. Sanjay Lalbhai effective from 1st April, 2017 to 31st March, 2022 as approved by both Nomination and Remuneration Committee and Board of Directors in their respective meetings held on 12th May, 2016 are as under:

Remuneration:

(a) Basic Salary :

₹ 7,00,000 (Rupees Seven Lacs only) per month with such increase as may be decided by the Board of Directors (which includes any Committee thereof) from time to time, but subject to maximum salary of ₹ 20,00,000 (Rupees Twenty Lacs only) per month.

(b) Perquisites and Allowances:

In addition to salary, the following perquisites / allowances shall be allowed to the Chairman and Managing Director:

CATEGORY – A

(i) Housing :

The Company shall provide furnished accommodation to the Chairman and Managing Director. If the Chairman and Managing Director is having his own accommodation, the Company shall pay house rent allowance at the rate of 40 % of the Basic Salary.

The Company shall provide equipment and appliances, furniture, fixtures and furnishing at the residence of the Chairman and Managing Director at the entire cost of the Company. The Company shall reimburse the expenses of maintenance, electricity, servants etc.

(ii) Leave Travel Concession:

The Company shall provide leave travel fare for the Chairman and Managing Director and his family once in a year.

(iii) Other Allowances:

The Company shall pay other allowances as per the Company's policy.

(iv) Personal Accident Insurance:

The Company shall pay / reimburse Personal Accident Insurance Premium upto ₹ 25,000 for the Chairman and Managing Director.

(v) Club Fees:

The Company shall reimburse annual fees for a maximum of 2 clubs.

The aggregate value of perquisites for (i) to (v) above for each year shall be computed as per the provisions of Income-tax Act, 1961. In case of benefits for which no specific rule of valuation is provided under the Income-tax Act, the perquisites value of such benefit shall be taken at actual cost.

(vi) Medical Reimbursement:

Medical Expenses actually incurred for self and family shall be reimbursed by the Company.

CATEGORY – B

The Company shall contribute towards Provident Fund/ Superannuation Fund/ Annuity Fund provided that such contributions either singly or put together shall not exceed the tax-free limit prescribed under the Income-tax Act.

(i) The Company shall pay Gratuity as per rules of the Company.

(ii) Leave on full pay and allowances, as per rules of the Company, but not more than one month's leave for every eleven months of service. However, the leave accumulated but not availed of will be allowed to be encashed at the end of the term as per rules of the Company.

The above shall not be included in the computation of ceiling on remuneration or perquisites aforesaid.

CATEGORY – C

(i) The Company shall provide car(s) with driver at the entire cost of the Company for use on Company's business and the same will not be considered as perquisites.

(ii) The Company shall provide telephone and other communication facilities at the residence of the Chairman and Managing Director at the entire cost of the Company.

CATEGORY – D

The Chairman and Managing Director shall be entitled to Performance Linked Variable Pay/Special Allowance/ Role Award/ Bonus/Commission on profits etc. or in any other form as the Nomination and Remuneration Committee and the Board of Directors may determine from time to time within the overall limit of 5% of net profit and the overall limits of remuneration prescribed under Sections 197 and other applicable provisions of the Companies Act, 2013.

Overall and Minimum Remuneration Limit:

The overall limit of remuneration payable to Directors including Managing Directors, Whole time Directors and Managers in a financial year is 11% of the net profit of the company computed in accordance with Section 198 of the Companies Act, 2013. The aforesaid remuneration is subject to the limit of 5% of the annual net profit of the Company and subject further to the overall limit of 10% of the annual net profit of the Company computed in accordance with Section 198 of the Companies Act, 2013.

Notwithstanding anything to the contrary herein contained, where in any financial year during the currency of tenure of the Chairman and Managing Director, the Company has no profits or its profits are inadequate, the Company will pay remuneration for a period not exceeding three years by way of salary, commission and perquisites as provided above or the maximum remuneration payable as per the limits set out in Section II of Part II of Schedule V of the Companies Act, 2013.

The above mentioned remuneration may be altered, amended, varied, enhanced or modified from time to time by the Board of Directors of Company or the Nomination and Remuneration Committee as it may, in its discretion, deem fit, within the maximum amount payable to Managing and Whole time Directors in accordance with the provisions of the Companies Act, 2013, including those of Schedule V or any amendments thereto made hereafter in this regard within the overall limits approved by the Company in General Meeting.

The resolution at Item No. 6 is put before the members as a Special Resolution.

As required under Schedule V to the Companies Act, 2013, the relevant details for Item No. 6 to be sent along with the notice calling the general meeting are as under:

I. General Information

1. Nature of industry : Textiles Industry.
2. Date or expected date of commencement of commercial production :

   The Company was incorporated on 1st June, 1931 and commenced commercial production thereafter.
3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus : Not applicable.
4. Financial performance based on given indicators (As per audited financial statements for the year ended 31.03.2016)

Particulars	₹ In crores
Sales and other Income	5407.26
EBIDTA	808.36
Net Profit	318.85

5. Foreign investments or collaborators, if any: Not Applicable.

II. Information about the appointee

1. Background details :

   Mr. Sanjay Lalbhai is the Chairman and Managing Director of Arvind Ltd, a 1 Billion Dollar Indian conglomerate. It was under his leadership that Arvind has become one of the largest manufacturers of woven textiles in India and one of the largest denim fabric manufacturers in the world. He was also responsible for acquiring India's first denim brand – Flying Machine – in 1981 and for guiding the process of building Arvind's current impressive apparel brand portfolio. He serves on the Board of Adani Ports & Special Economic Zone Ltd. – one of India's largest Port companies. He also serves on the board of several premier educational and research institutes. He is the President of Ahmedabad Education Society and Ahmedabad University and is a member of the Board of Governors of Indian Institute of Management, Ahmedabad and a member of the Council of Management of the Physical Research Laboratory. He is also Chairman of CEPT University and is a member on the Governing Body of Adani Institute of Infrastructure Management.

   Mr. Sanjay Lalbhai believes that addressing societal concerns and creating long lasting benefit to society is integral to the business strategy and a duty of every business leader. He provides strategic leadership to Arvind's CSR initiatives as Trustee to SHARDA Trust, the CSR arm of the Company.
2. Past remuneration:

₹ In crores

Particulars	FY. 15-16	FY. 14-15
Salary	0.93	0.93
Perquisites/allowances/ Contribution to Provident Fund & Superannuation Fund	2.16	2.02
Commission/Bonus	4.53	4.53
Total	7.62	7.48

3. Recognition or awards: ----
4. Job profile and his suitability :

   Mr. Sanjay Lalbhai has been appointed as the Chairman and Managing Director of the Company and he will be in charge of overall management subject to the direction, supervision and control of the Board of Directors of the Company.

   Taking into consideration his qualifications and expertise in the relevant fields, he is suited for the responsibilities assigned to him by the Board of Directors.
5. Remuneration proposed: Since the same have been already explained in detail hereinabove, the same are not repeated.
6. Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin):

   Considering the size of the Company, the profile of Mr. Sanjay Lalbhai, the responsibilities shouldered by him and the industry benchmarks, the remuneration proposed to be paid to him is commensurate with the remuneration packages paid to similar appointees in other companies.

7. Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any :

   Besides the remuneration proposed, Mr. Sanjay Lalbhai does not have any pecuniary relationship with the Company. Mr. Punit Lalbhai and Mr. Kulin Lalbhai, Executive Directors of the Company are sons of Mr. Sanjay Lalbhai.

III. Other Information:

1. Reasons of loss or inadequate profits: N.A.
2. Steps taken or proposed to be taken for improvement: N.A.
3. Expected increase in productivity and profits in measurable terms: N.A.

The Board recommends the Special Resolution set out at item no. 6 of the accompanying Notice for the approval of the Members.

The Draft of Agreement to be entered into between the Company and Mr. Sanjay Lalbhai for remuneration is available for inspection by the shareholders at the Registered Office of the Company during business hours on any working day.

Since the resolution at Item No. 6 relates to re-appointment and payment of remuneration to Mr. Sanjay Lalbhai, he and Mr. Punit Lalbhai and Mr. Kulin Lalbhai, Executive Directors, being sons of Mr. Sanjay Lalbhai, are deemed to be concerned or interested in the said resolution. None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 6.

Item No.7

Section 42 of the Companies Act, 2013 read with the Companies (Prospectus and Allotment of Securities) Rules, 2014 provides that a company cannot issue securities on a private placement basis unless the proposed offer of securities or invitation to subscribe to securities has been previously approved by the shareholders of such company, by a special resolution for each offer or invitation, and further provides that in case of an offer or invitation for secured / unsecured non-convertible redeemable debentures (NCDs), it shall be sufficient if the company passes a special resolution once a year for all the offers and invitations for such NCDs to be made during the said year.

In order to meet the financial needs of the Company, the Company may make an offer of NCDs or invite subscription to NCDs on private placement basis, in one or more tranches, during the period of 1 (one) year from the date of passing of the special resolution by the members, for an aggregate amount not exceeding ₹ 500 crores (Rupees five hundred crores). It is proposed that the Board which term shall be deemed to include any Committee of Directors which the Board may have constituted / will constitute to exercise any or all of its powers including the powers conferred by this resolution, be authorized to issue NCDs within the aforesaid limits, on such terms and conditions as it may deem fit.

The Board recommends the resolution at Item No. 7 for your approval.

None of the Directors or any Key Managerial Personnel of the Company or any of their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 7.

ANNEXURE TO ITEMS 3 AND 6 OF THE NOTICE

Details of Directors seeking appointment and reappointment at the forthcoming Annual General Meeting

(Pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

Name of the Director	Mr. Kulin Lalbhai	Mr. Sanjay Lalbhai
Director Identification Number (DIN)	05206878	00008329
Date of Birth	13th August, 1985	10th April, 1954
Nationality	Indian	Indian
Date Appointment on the Board	26th July, 2012	17th March, 1979
Qualifications	B.Sc.(Electrical Engineering), Stanford University, USA MBA - Harvard Business School, USA	B.Sc. MMS
Expertise in specific functional area	Consumer Businesses, Corporate Strategy, B2C Business, E-Commerce Business and Real Estate Business.	Business Strategy, Product Development & Branding, Operations and General Management.
Number of Shares held in the Company	Nil	811564
List of the Directorships held in Other companies (excluding Foreign, private and Section 8 companies)	1. Arvind Infrastructure Limited 2. Arvind Internet Limited	1. Arvind Brands & Retail Limited 2. Arvind Lifestyle Brands Limited 3. Amol Dicalite Limited 4. Adani Ports and Special Economic Zone Limited 5. Arvind Infrastructure Limited
Memberships/ Chairmanships of Audit and Stakeholders' Relationship Committees across public companies including Arvind Limited	Nil	Member - Stakeholders' Relationship Committee (Arvind Limited) Chairman -Stakeholders' Relationship Committee (Arvind Infrastructure Limited)
Relationships between Directors inter-se	Mr. Kulin Lalbhai is a son of Mr. Sanjay Lalbhai, Chairman and Managing Director and a brother of Mr. Punit Lalbhai, Executive Director of the Company.	Mr. Punit Lalbhai and Mr. Kulin Lalbhai, Executive Directors of the Company are sons of Mr. Sanjay Lalbhai.

Registered Office:
Naroda Road
Ahmedabad-380025

By Order of the Board

R. V. Bhimani
Company Secretary

Date: May 12, 2016

DIRECTORS' REPORT

To the Members,

Your Directors are pleased to present the Annual Report along with the Audited Financial Statements for the period from 1st April, 2015 to 31st March, 2016.

1. FINANCIAL RESULTS

Highlights of Financial Results for the year are as under:

₹ in Crores

	2015-2016	2014-2015
Turnover & Operating Income	**5407.26**	5224.69
Profit before Finance Costs, Depreciation and Amortisation Expenses, Extraordinary Items & Tax Expenses	**914.68**	955.44
Less : Finance costs	**311.13**	320.06
Profit before Depreciation and Amortisation Expenses, Extraordinary Items & Tax Expenses	**603.55**	635.38
Less : Depreciation and Amortisation Expenses	**146.60**	125.83
Profit before Extraordinary Items and Tax Expenses	**456.95**	509.55
Less : Exceptional Items	**7.95**	31.93
Profit Before Tax	**449.00**	477.62
Less : Current Tax	**95.99**	100.82
Less : Deferred Tax	**23.41**	68.87
Add: MAT Credit Entitlement	**10.75**	(15.64)
Excess Provision of Earlier Year Written Back	**NIL**	(53.86)
Profit for the year	**318.85**	377.43
Profit from Ordinary Activities after tax (Continuing Operations)	**318.85**	376.86
Profit from Ordinary Activities after tax (Discontinuing Operations)	**0.00**	0.57
Profit for the year	**318.85**	377.43
Balance of Profit brought forward	**1543.73**	1245.33
Balance available for appropriation	**1862.58**	1622.76
Less : Appropriation :		
Transfer to General Reserve	**0.00**	0.00
Additional dividend on Equity Shares	**0.00**	0.01
Dividend distribution tax on additional dividend on Equity Shares	**0.00**	0.001
Proposed Dividend on Equity Shares	**61.98**	65.85
Tax on Dividend	**12.62**	13.17
Closing Balance	**1787.98**	1543.73

2. OPERATIONS

During FY2015-16, the global consumer markets were characterized by a combination of steady US, weakening China and uncertain Europe. Consumer demand in the US continued to be buoyant based on net job additions and continuing recovery in house prices. Europe continues to grapple with multiple issues surrounding EU's strength and stability – while the year 2015 started with promise of improved consumer outlook, the actual performance in several large markets like France, and perceived impact of Chinese meltdown dragged down the outlook by second half of the year. In India, despite the weak monsoons and continuing challenges faced by the government on policy front, the economy delivered a healthy growth of 7.5% with promise of increasing momentum for the following year. The eagerly awaited GST did not get passed for implementation by April 2016. Crude oil and commodity prices continued to be soft helping the inflation to be under control and enabling RBI continued to ease up the interest rates and money supply. Consumer spending outlook started to look more positive as the year progressed.

In this backdrop, your company closed the financial year 2015-16 with 8% growth in Revenue and 5% growth in the Operating Earnings before Interest, Depreciation and Taxes (EBITDA). Profit before Tax (PBT) grew by 5% over the previous year. Revenue growth was powered by16% growth in Brand & Retail Segment.

A detailed analysis of the financial results is given in the Management Discussion and Analysis Report which forms part of this report.

3. DIVIDEND

Your Directors have recommended a dividend of 24% i.e. ₹2.40 per equity share of ₹10 each for the year ended on 31st March, 2016. The dividend, if approved by the members, would involve a cash outflow of ₹ 74.60 crores (inclusive of tax on dividend).

4. TRANSFER TO RESERVES

During the year under review, the Company has not transferred any amount to reserves.

5. SHARE CAPITAL

The paid up equity share capital of the Company as on March 31, 2016 was ₹ 258.24 crores. During the year under review, the Company has not issued shares with differential voting rights and sweat equity shares.

6. EMPLOYEE STOCK OPTION SCHEME (ESOS)

The Company has instituted the Employees Stock Option Scheme (ESOS) to grant equity based incentives to certain eligible employees and directors of the Company and its subsidiary companies. During the year under review, the Company has not granted any stock options. Details of the shares issued under Employee Stock Option Scheme (ESOS) and also the disclosures in compliance with Section 62 of the Companies Act, 2013 and Rule 12 of Companies (Share Capital and Debentures) Rules, 2014 and the Securities and Exchange Board of India (Share based Employee Benefits) Regulations, 2014 are set out in Annexure -A to this report.

7. DISCLOSURE UNDER SECTION 67 (3) (C) OF THE COMPANIES ACT, 2013

No disclosure is required under section 67 (3) (c) of the Companies Act, 2013 read with Rule 16(4) of Companies (Share Capital and Debentures) Rules, 2014, in respect of voting rights not exercised directly by the employees of the Company as the provisions of the said section are not applicable.

8. FINANCE

The Company has repaid the installments of Term Loans amounting to ₹255 crores during the current year.

The Company has also made fresh borrowings of ₹438 Crores for funding capital expenditure and other requirements. Long Term Debt of the Company stands to ₹ 1601 crores as on 31st March, 2016.

9. DEPOSITS

The Company has not accepted or renewed any amount falling within the purview of provisions of Section 73 of the Companies Act 2013 read with the Companies (Acceptance of Deposits) Rules, 2014 during the year under review. Hence, the requirement for furnishing details of deposits, which are not in compliance with the Chapter V of the Act, is not applicable.

10. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

11. CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

Arvind Limited has been actively undertaking "Corporate Social Responsibility" (CSR) initiatives. The initiatives are driven through two Trusts - Strategic Help Alliance for Relief to Distressed Areas – SHARDA Trust undertakes CSR programs in urban areas and Narottam Lalbhai Rural Development Fund (NLRDF) works for development in rural areas.

During 2015- 16, the Company established Arvind Foundation, a Section 8 Company, to act as the umbrella organization to streamline all our CSR efforts.

Initiatives undertaken by SHARDA Trust:

SHARDA Trust has been providing educational support to the students of Municipal schools in Ahmedabad since 2006. It is a comprehensive education program impacting the students of class 5 - 12 and college students to pursuing professional degrees. The program aims at increasing the attendance, academic performance, increase retention and bring about positive behavioral changes in students. The impact assessment study conducted in 2015-16 reiterates that we have been successful in achieving our objectives. We plan to increase the reach from current about 1300 to 6600 students by the year 2020.

SHARDA Trust also conducted personality development programs (Basic English, Computer familiarization and musical instruments) for the youth of Ahmedabad with an objective to enhance their employability. In 2015-16, 169 youth participated in our programs.

Last year SHARDA Trust signed an MOU with Swasth India to set up Primary Health Centres in Ahmedabad. These centres will be one stop solutions for all primary medical needs of people. We plan to set up 3 primary health centres in various parts of Ahmedabad during 2016-17 and after testing it for a year or so, if successful, we plan to set up more centres across urban and rural set up.

In 2015-16, we also completed a Need Assessment Study of 6 villages in Santej Taluka of Gandhinagar and Dholka Taluka of Ahmedabad district using various participatory rural appraisal tools. A plan is being made to initiate appropriate interventions during 2016-17.

Initiatives undertaken by NLRDF:

NLRDF is currently working in 5 districts of Gujarat and Akola district of Maharashtra.

NLRDF conducted awareness programs on HIV/AIDS and sexually transmitted diseases for 8480 industrial workers in Dahej industrial area of Bharuch district. 209 health camps were organized which benefitted 4873 workers. External evaluation of these two programs has rated our performance as very good.

NLRDF organized 10 entrepreneurship trainings for marginalised women (250 widows) of Ahmedabad and Surat and motivated them to set up enterprises for livelihood generation.

NLRDF implemented a program to promote maternal and infant health in 136 villages of Khedbrahma in Sabarkantha district in Gujarat. 2034 pregnant women, 2672 lactating women and 2113 under nourished children were covered under various services.

NLRDF built sanitation blocks for school girls in Village Pratappura of Kalol Taluka. The sanitation blocks benefit 120 girl students.

NLRDF conducted free of cost coaching class and provided library for preparation of Competitive examination for Government job for schedule cast and schedule tribe students in the campus of Sarva Vidyalaya Education Campus, Kadi, Dist. Mehsana. 120 students have benefitted from the program during last year.

NLRDF conducted an Entrepreneurship Development Program on Food Processing Industries benefitting 30 entrepreneurs. After 3 months, 21 participants have started their business related to food processing.

Various workshops were organized in the field of animal husbandry and organic farming for the benefit of the farmer community. 147 participants benefitted from these workshops.

National Heritage, Art and Culture:

The company decided to support a project titled "Promotion of Indology." The project is undertaken by the Lalbhai Dalpatbhai Bhartiya Sanskriti Vidyamandir (LDBSV) that has a credible history of working in this field. The project aims to work on maintenance and restoration of old manuscripts as well as education and research in the field of Indology. As it is a continuing effort, it requires constant funding, an additional corpus grant of ₹ 1.00 Crore was given to LDBSV. This now makes the Arvind corpus grant to LDBSV for the said project to ₹ 2.00 Crores as during 2014-15 too a corpus grant of ₹ 1.0 Crore was given.

The Annual Report on CSR ACTIVITIES in prescribed format is enclosed with this in Annexure-B.

12. HUMAN RESOURCES

The Company believes that Human Resources will play a significant role in its future growth. With an unswerving focus on nurturing and retaining talent, the Company provides avenues for learning and development through functional, behavioral and leadership training programs, knowledge exchange conferences, communication channels for information sharing to name a few.

The Group's Corporate Human Resources plays a critical role in company's talent management process.

13. RISK MANAGEMENT

The Company has a robust Enterprise Risk Management framework which enables it to take certain risks to remain competitive and achieve higher growth, and at the same time mitigate other risks to maintain sustainable results.

Under the framework, the Company has laid down a Risk Management Policy which defines the process for identification of risks, its assessment, mitigation measures, monitoring and reporting. While the Company, through its employees and Executive Management, continuously assess the identified Risks, the Audit Committee reviews the identified Risks and its mitigation measures annually.

The Company has identified 17 Risks - 6 Strategic Risks, 8 Operational Risks & 3 Regulatory Risks. Key Strategic Risks include geographical concentration of its manufacturing capacity, fluctuation in cotton prices, business continuity & succession planning. Key Operating Risks include labour unrest, customers credit risk, customers concentration & fluctuation on foreign exchange rates. Regulatory Risks include bilateral/multilateral trade agreements, government policies with respect to textiles & Regulatory compliances.

14. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The Company has an Internal Audit department with adequate experience and expertise in internal controls, operating system and procedures. In discharging their role and responsibilities, the department is supported by an external audit firm.

The Internal Audit Department reviews the adequacy of internal control system in the Company, its compliance with operating systems and laid down policies and procedures. Based on the report of internal audit function, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and corrective actions thereon are presented to the Audit Committee of the Board.

15. VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has a vigil mechanism named Whistle Blower Policy to deal with instances of fraud and mismanagement, if any. The details of the Whistle Blower Policy are explained in the Corporate Governance Report and also posted on the website of the Company (www.arvind.com).

16. SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES

As on 31st March, 2016, the Company has 21 subsidiaries (Direct or Indirect) and 5 joint venture companies.

During the year under review, the Company had incorporated the following subsidiaries (Direct or Indirect):

1. Westech Advanced Materials Ltd., Canada (Subsidiary of the Company).
2. Arvind Enterprise (FZE), Sharjah, U.A.E. (Subsidiary of the Company).
3. Arvind Beauty Brands Retail Private Limited (Subsidiary of the Arvind Brands & Retail Limited which is a subsidiary of the Company).
4. Arvind Foundation (Subsidiary of the Company).

During the year under review, the following subsidiaries ceased to be the subsidiaries of the Company.

1. Arvind Infrastructure Limited
2. Arvind Hebbal Homes Pvt. Ltd.
3. Arvind Worldwide (M) Inc. Mauritius

Pursuant to the provisions of Section 129(3) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, a statement containing salient features of financial statements of subsidiaries, associates and joint venture companies in Form AOC-1 is attached to the Financial Statements. The separate audited financial statements in respect of each of the subsidiary shall be kept open for inspection at the Registered Office of the Company. The Company will also make available these documents upon request by any Member of the Company interested in obtaining the same. The separate audited financial statements in respect of each of the subsidiary are also available on the website of the Company at www.arvind.com

The Company has framed a policy for determining material subsidiaries, which has been uploaded on company's website www.arvind.com

17. CONSOLIDATED FINANCIAL STATEMENTS

The Consolidated Financial Statements of the Company prepared in accordance with the applicable Accounting Standards form part of this Annual Report.

18. DIRECTORS AND KEY MANAGERIAL PERSONNEL

The Board of Directors consists of 10 members, of which six are Independent Directors. The Board also comprises of one women Director.

Pursuant to Section 149 of the Companies Act, 2013, Mr. Samir Mehta (holding DIN 00061903) and Mr. Nilesh Shah (holding DIN 01711720) were appointed as Independent Directors of the Company in the Annual General Meeting (AGM) held on 6th August, 2015. The Independent Directors were appointed for a period of 5 consecutive years from their appointment dates. The terms and conditions of appointment of Independent Directors are as per Schedule IV of the Companies Act, 2013. All Independent Directors have furnished the declarations of independence stating that they meet the criteria of independence as mentioned under Section 149 (6) of the Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

As per the provisions of Section 152 (6) of the Act, Mr. Kulin Lalbhai (DIN 05206878) shall retire by rotation at the ensuing Annual General Meeting and being eligible, has offered himself for re-appointment as the Director of the Company.

The Board of Directors had, on recommendation of Nomination and Remuneration Committee, reappointed Mr. Sanjay Lalbhai as the Chairman and Managing Director of the Company for a further period of 5 years from 1st April, 2017 to 31st March, 2022 and approved the remuneration payable to him for the said period.

As per the provisions of Section 203 of the Companies Act, 2013, Mr. Sanjay Lalbhai- Chairman and Managing Director, Mr. Jayesh Shah- Whole time Director and Chief Financial Officer and Mr. R.V. Bhimani- Company Secretary are the key managerial personnel of the Company.

19. FORMAL ANNUAL EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17(10) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Committees. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

20. REMUNERATION POLICY

The Board has, on the recommendation of the Nomination & Remuneration Committee, framed a policy for selection and appointment of Directors, Key Managerial Personnel and Senior Management and their remuneration. The Remuneration Policy is explained in the Corporate Governance Report forming part of this Report.

21. FAMILIARIZATION PROGRAMME FOR THE INDEPENDENT DIRECTORS

In compliance with the requirements of SEBI Regulations, the Company has put in place a familiarization programme for the Independent Directors to familiarize them with their role, rights and responsibility as Directors, the working of the Company, nature of the industry in which the Company operates, business model etc. The details of the familiarization programme are explained in the Corporate Governance Report. The same is also available on the website of the Company www.arvind.com

22. NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

A calendar of Meetings is prepared and circulated in advance to the Directors.

During the year under review, 5 meetings of the Board were held. The details of the meetings are provided in the Corporate Governance Report forming part of this Report.

23. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134 (5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, confirm that:

a. in preparation of the annual accounts for the financial year ended March 31, 2016, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;

b. they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;

c. they have taken proper and sufficient care towards 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. they have prepared the annual accounts on a going concern basis;

e. they have laid down internal financial controls, which are adequate and are operating effectively;

f. they have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

24. RELATED PARTY TRANSACTIONS

All the related party transactions are entered on arm's length basis, in the ordinary course of business and are in compliance with the applicable provisions of the Companies Act, 2013 and the Listing Regulations. There are no materially significant related party transactions made by the Company with Promoters, Directors or Key Managerial Personnel etc. which may have potential conflict with the interest of the Company at large or which warrants the approval of the shareholders. Accordingly, no transactions are being reported in Form AOC-2 in terms of Section 134 of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014. However, the details of the transactions with Related Party are provided in the Company's financial statements in accordance with the Accounting Standards.

All Related Party Transactions are presented to the Audit Committee and the Board. Omnibus approval is obtained for the transactions which are foreseen and repetitive in nature. A statement of all related party transactions is presented before the Audit Committee on a quarterly basis, specifying the nature, value and terms and conditions of the transactions.

The Policy on Related Party Transactions as approved by the Board is available on Company's website www.arvind.com

25. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

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

26. AUDITORS

A. Statutory Auditors

Sorab S. Engineer & Co. Chartered Accountants, (ICAI Registration No.110417W), the Statutory Auditors of the Company, will hold office until the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment as per Section 139 of the Companies Act, 2013.

Sorab S. Engineer & Co. have expressed their willingness to get re-appointed as the Statutory Auditors of the Company and has furnished a certificate of their eligibility and consent under Section 141 of the Companies Act, 2013 and the rules framed there under. In terms of the Listing Regulations, the Auditors have confirmed that they hold a valid certificate issued by the Peer Review Board of the ICAI. The Board, based on the recommendation of the Audit Committee, recommends the appointment of Sorab S. Engineer & Co. as the Statutory Auditors of the Company.

The members are requested to appoint Sorab S. Engineer & Co., Chartered Accountants as Auditors from the conclusion of the ensuing Annual General Meeting till the conclusion of the next Annual General Meeting and to authorize the Board to fix their remuneration.

Further, the report of the Statutory Auditors along with notes to Financial Statements is enclosed to this report. The

observations made in the Auditors' Report are self-explanatory and therefore do not call for any further comments.

B. Cost Auditors

The cost audit records maintained by the Company in respect of its textiles and telecommunication products are required to be audited pursuant to Section 148 of the Companies Act, 2013 read with The Companies (Cost Records and Audit) Amendment Rules, 2014. Your Directors have, on the recommendation of the Audit Committee, appointed M/s Kiran J. Mehta & Co., Cost Accountants, Ahmedabad to audit the cost accounts of the Company for the financial year 2016-17 on a remuneration of ₹ 3.75 lakhs. As required under the Companies Act, 2013, the remuneration payable to the cost auditor is required to be placed before the Members in a general meeting for their ratification. Accordingly, a Resolution seeking Member's ratification for the remuneration payable to M/s Kiran J. Mehta & Co., Cost Auditors is included at Item No. 5 of the Notice convening the Annual General Meeting.

C. Secretarial Auditors

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s Hitesh Buch & Associates, a firm of Company Secretaries in practice, to conduct the Secretarial Audit of the Company for the financial year 2015-16. The Secretarial Audit Report is annexed herewith as "Annexure-C". The Secretarial Audit Report does not contains any qualifications, reservation or adverse remarks.

27. ENHANCING SHAREHOLDERS VALUE

Your Company believes that its Members are among its most important stakeholders. Accordingly, your Company's operations are committed to the pursuit of achieving high levels of operating performance and cost competitiveness, consolidating and building for growth, enhancing the productive asset and resource base and nurturing overall corporate reputation. Your Company is also committed to creating value for its other stakeholders by ensuring that its corporate actions positively impact the socio-economic and environmental dimensions and contribute to sustainable growth and development.

28. CORPORATE GOVERNANCE REPORT AND MANAGEMENT DISCUSSION & ANALYSIS

The Corporate Governance Report and Management Discussion & Analysis, which form part of this Report, are set out as separate Annexures, together with the Certificate from the auditors of the Company regarding compliance of conditions of Corporate Governance as stipulated in Schedule V of Regulation 34(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

29. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule, 8 of The Companies (Accounts) Rules, 2014, is annexed herewith as "Annexure- D".

30. EXTRACT OF THE ANNUAL RETURN

The details forming part of the extract of the Annual Return in form MGT 9 is annexed herewith as "Annexure -E".

31. PARTICULARS OF EMPLOYEES

The information required pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(2) and 5(3) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company, will be provided upon request. In terms of Section 136(1) of the Companies Act, 2013, the Report and Accounts are being sent to the Members and others entitled thereto, excluding the information on employees' particulars which is available for inspection by the Members at the Registered Office of the Company during business hours on working days of the Company up to the date of the ensuing Annual General Meeting. If any Member is interested in obtaining a copy thereof, such Member may write to the Company Secretary in this regard.

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given in Annexure-F to this report.

32. DISCLOSURE AS PER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has zero tolerance for sexual harassment at workplace and has adopted a policy against sexual harassment in line with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules framed thereunder.

During the financial year 2015-16, the company has received 1 (one) complaint on sexual harassment and has dealt with it as per the policy guidelines and ICC recommendations in a fair and just manner.

33. VOLUNTARY DELISTING OF EQUITY SHARES OF THE COMPANY FROM THE AHMEDABAD STOCK EXCHANGE LIMITED

Pursuant to Regulation 7 of the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009, equity shares of the Company have been voluntarily delisted from the Ahmedabad Stock Exchange Limited ("ASEL") with effect from 23rd December, 2015 as there was no trading facility available on ASEL since so many years. Neither the Company nor any shareholder was being benefited in any manner due to continued listing on ASEL. However, your Company's equity shares will continue to be listed on BSE Limited and National Stock Exchange of India Ltd, having nationwide terminals. There was no change in the capital structure of the Company post delisting from ASEL.

34. ACKNOWLEDGEMENTS

The Board expresses its sincere thanks to all the employees, customers, suppliers, investors, lenders, regulatory and government authorities and stock exchanges for their support.

By order of the Board

Date: May 12, 2016
Place: Ahmedabad

Sanjay Lalbhai
Chairman and Managing Director

Annexure – A to the Directors' Report

Disclosures under Regulation 14 of the SEBI (Share based Employee Benefits) Regulations:

The details of ESOP 2008 for the year ended March 31, 2016 are as under:

1 (a)	Description of ESOP 2008: Date of shareholder approval	 23-Oct-2007
(b)	Total number of shares approved under ESOP 2008	5% of share capital from time to time.
(c)	Vesting requirements	Options vest over 5 years based on continued service and certain performance parameters.
(d)	Exercise price or pricing formula	Market price of the equity shares being latest available closing price on the Stock Exchange.
(e)	Maximum term of options granted	5 years from the date of grant
(f)	Source of shares	Primary
(g)	Variation of terms of options	None
2	Method used to account for ESOS	Intrinsic Value Method
3	Where the Company opts for expensing of the options using the intrinsic value of the options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options shall be disclosed. The impact of this difference on the profits and EPS of the Company shall also be disclosed.	
	(i) Difference between Intrinsic value and Fair value compensation cost	₹ 213 lacs
	(ii) Impact on the Profits of the Company (₹)	Profits would have been lower by ₹ 259 lacs
	(iii) Impact on Basic Earnings Per Share of the Company (₹)	Basic EPS would have been ₹ 14.52 per share
	(iv) Impact on Diluted Earnings Per Share of the Company (₹)	Diluted EPS would have been ₹ 14.50 per share
4 (a) (b) (c) (d) (e) (f) (g) (h) (i) (j)	Option movement during the year: Options Outstanding at the beginning of the year Options granted during the year Options forfeited / lapsed during the year Options vested during the year Options exercised during the year Number of shares arising as a result of exercise of option Money realised by exercise of options (₹) Loan repaid by the Trust during the year from exercise price received Options Outstanding at the end of the year Options Exercisable at the end of the year	 10,50,000 0 0 0 0 0 0 NA 10,50,000 0
5A	Weighted average exercise prices of options whose Exercise price equals market price of stock Exercise price exceeds market price of stock Exercise price is less than market price of stock	 ₹ 200.45 0 0
5b	Weighted average fair value of options whose Exercise price equals market price of stock Exercise price exceeds market price of stock Exercise price is less than market price of stock	 ₹ 121.30 0 0
6	Employee wise details of options granted to: (i) Senior managerial personnel (ii) any other employee who receives a grant in any one year of options amounting to five per cent or more of options granted during that year (iii) identified employees who were granted options, during any one year, equal to or exceeding one per cent of the issued capital (excluding outstanding warrants and conversions) of the issuer at the time of grant	Nil
7	A description of the method and significant assumptions used during the year to estimate the fair values of options, including following information: (i) Share price (₹) (ii) Exercise price (₹) (iii) Expected volatility (iv) Expected dividends (v) Risk-free interest rate (vi) Any other inputs to the model (vii) Method used and the assumptions made to incorporate effects of expected early exercise (viii) How expected volatility was determined, including an explanation of the extent of to which expected volatility was based on historical volatility (ix) Whether any or how any other features of option grant were incorporated into the measurement of fair value, such as market condition.	No grants made during the year.

Annexure – B to the Directors' Report

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

SECTION 1

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

Brief outline of the company's CSR policy

For Arvind Limited, the flagship company of the Lalbhai Group, care for the society has been an intrinsic value for the promoters of the Lalbhai group. The founders were instrumental in setting up pioneering institutions for sustaining and improving Educational, Social, Cultural and Religious conditions that supported these values and thereby Ahmadabad's social and business progress. Ahmedabad Education Society, Indian Institute of Management Ahmedabad, Centre for Environmental Planning and Technology, H L College of Commerce and Lalbhai Dalpatbhai Institute of Indology are some examples.

In addition, the company undertakes "Corporate Social Responsibility (CSR) initiatives through Strategic Help Alliance for Relief to Distressed Area (SHARDA) Trust and Narottam Lalbhai Rural Development Fund (NLRDF). SHARDA & NLRDF have been working on programs of social renewal with the urban poor & rural poor respectively.

In 2015-16, Arvind Foundation has been set up to act as an umbrella organization for undertaking CSR activities.

The Arvind Limited Policy on Corporate Social Responsibility (ALPCSR) was formally put in place in 2014-15 and last year we followed the policy and the Company Act, 2013 in letter and spirit. The high points of the Policy are presented below and a copy of the CSR Policy is enclosed with this report. The Policy can also be reached at our website through this link:

http://www.arvind.com/csr/policy/CSRPolicy.pdf

Overview of projects or programs proposed to be undertaken

The Arvind Limited Policy on Corporate Social Responsibility (ALPCSR) aims to impact positively, the quality of life of people, through initiatives of social, economic, educational, infrastructural, environmental, health and cultural advancement.

The projects and programs of ALPCSR will be synergetic to the thematic areas as defined or will be defined from time to time in Schedule VII of the New Companies Act.

The projects and programs under ALPCSR would be carried out by the Company promoted organizations **SHARDA Trust, NLRDF and Arvind Foundation.** The company will also be working with organizations who bring specific expertise for a mutually beneficial programs for the social development. For example: for setting up primary health centres, we have partnered with Swasth India Foundation.

Following initiatives are slated to continue, expand and few at the initiation stage:

The ongoing Education Support Program GYANDA is ready for expansion from present about 1300 students to about 6600 students by 2020. As expansion is on card, to track the attendance and performance large number of students, a software program is being developed.

New Initiative of setting up Primary Health Centre titled "Arvind Medical Centre" in Ahmedabad in partnership with Swasth India Foundation has been planned. 3 Primary Health Centres will be set up during 2016-17. Upon testing it for a year, more centres across urban and rural landscape will be set up.

The company had supported Lalbhai Dalpatbhai Bhartiya Sanskriti Vidyamandir (LDBSV) for a project of **"Promotion of Indology"** through a corpus grant during 2014-15. The company decided to support the project for another year and continued with the corpus grant of ₹ 1.0 Crore during 2015-16 making it a total corpus grant of ₹ 2.00 Crores.

The company plans to start up rural development initiatives in villages around our factory premises in Santej based on the findings of the need assessment study. We are in the process of designing meaningful initiatives which will be undertaken during 2016-17.

Another activity on the planning stage is to undertake promotion of sanitation across rural and urban set ups under CSR and Swachch Bharat Initiative. To begin with, we plan to undertake this initiative in and around villages of our factory premises in Santej.

The company is committed to put in place a strategy to ensure financial sustainability to all our CSR initiatives. The company plans to achieve this through creation of a large corpus fund over a period of time. Our CSR Policy has envisaged continuously investing in a corpus fund. During 2015-16, ₹ 5.14 crores was invested in the corpus of Arvind Foundation.

A brief account of the projects and programs supported by the company during 2015-16, is listed in Section 05:00 of this report in the format given by the Ministry of Corporate Affairs.

Section 2

Composition of the CSR Committee

The Arvind Limited has set up Corporate Social Responsibility Committee (CSR Committee) as per the requirement of the Companies Act. The members of the CSR Committee are:

(i) Mr. Sanjay Lalbhai (Chairman and Managing Director)
(ii) Mr. Punit Lalbhai (Executive Director)
(iii) Mr. Jayesh Shah (Whole time Director and CFO)
(iv) Mr. Bakul Dholakia (Independent Director)

Section 3

Average net profit of the company for last three financial years

The average net profit of the company is ₹ 363 Crores.

Section 4

Prescribed CSR Expenditure (two per cent. of the amount as in Section 3:00 above)

The prescribed CSR Spend for Arvind Limited for the year 2014-15 is ₹ 7.27 Crores.

Section 5

Details of CSR Spend during the financial year

(a) Total amount to be spent for the financial year: ₹ 7.27 Crores

(b) Amount Unspent, if any: NONE.

(c) Manner in which the amount was spent during the financial year is detailed below:

1	2	3	4	5	6	7	8	9
Sr. No.	**CSR project or activity identified**	**Sector in which the Project is covered**	**Projects or programmes**	**Amount outlay (budget) project or programms wise**	**Amount spent on the projects or programs**	**Cumulative expenditure upto to the reporting period**	**Amount spent: Direct or through implementing agency**	**Remarks**
					Sub Heads			
			(1) Local area or other		(1) Direct expenditure on Projects or programs			
			(2)Specify the State and district where projects or programs was undertaken		(2) Overhead			
	From 2% CSR Fund					**₹ Lacs**		
1	Project Expenses for Health Project	Promoting Health care	Project of setting up primary health centres in Ahmedabad	50	50		Through SHARDA Trust: Companys Implementing Agency	
2	Promotion of Indology	National Heritage, Art & Culture	Ahmedabad, Gujarat	100	100	150	Through Implementing Agency - Lalbhai Dalpatbhai Bhartiya Sanskriti Vidyamandir (LDBSV) -Towards Corpus	
	Cultural Promotion	National Heritage, Art & Culture	Navrangpura, Ahmedabad, Gujarat	10	10	160	Through Implementing Agency - Gujarat State Navratri Festival Society	
3	Creation of Arvind Foundation		Ahmedabad, Gujarat	1	1	161	Arvind Foundation	
4	Promotion of Education		Ahmedabad, Gujarat	7	7	168	Through Implementing Agencies Calorex Foundation and Visamo Kids Foundation	
5	Other CSR Projects Suported			9	9	177		
6	Corpus Donation	Promoting Education, Promoting Skills, Promoting Health, Promoting Sanitation, Promoting other CSR projects as per schedule VII	Interest to be used in the projects in these areas.	514	514	691	For creating a copus for Arvind Foundation -company's own foundation created for undertaking CSR initiative.	
7	Administrative Expenses				36	727	4.95% of 2%	
	Total				**727**			
	Programs supported through Funds over and above 2% CSR Funds							
1	Gyanda: Education Support Programme for Under privileged students	Promoting Education	Shahpur, Khanpur, Shahibaug areas of Ahmedabad, Gujarat. Other Areas Proposed.		104		Through SHARDA Trust's own & other sources	Operational Expenses - Unaudited
2	NLRDF Programs	Promoting Health, Promoting Sanitation, Skills and Training	Gujarat		130	234	Through NLRDF's own & other sources	Operational Expenses - Unaudited
	Total Spend (₹ Lacs)				**234**	**234**		
	GrandTotal				**961**	**961**		

Details of the Implementation Agencies:

Details of Implementation Agency			
Project and Programs	**Theme**	**Implementing Agency**	**Registration No**
Arvind Medical Centre – Setting up Primary Health Centres	Promoting Health	Strategic Help Alliance for Relief to Distressed Area (SHARDA) Trust	Registration No. E/10699/Ahmedabad Dated 13th December, 1995 under Bombay Public Trust Act 1950.
Promotion of Indology	Cultural Development	Lalbhai Dalpatbhai Bhartiya Sanskriti Vidyamandir	Registration No. F-63 Dated 15th December, 1956 and under Society Registration Act, 1860 vide Reg. No. 3475 Dated 7th June, 1956.
Corpus Grant	Multiple Projects	Arvind Foundation	Incorporation No. U85300GJ2015NPL084020 dated 3rd August 2015 and under section 7 and rule 8 (Incorporation) Rules, 2014, Incorporated as Section 8 of the Company Act.

Section 6

In case the company has failed to spend the two percent, of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report.

NOT APPLICABLE. THE COMPANY HAS SPENT THE REQUIRED AMOUNT.

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

Sd/-
Mr. Sanjay Lalbhai
Chairman and Managing Director

Sd/-
Dr. Bakul Dholakia
Chairman-CSR Committee

Annexure – C to the Directors' Report

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 of Managerial Personnel) Rules, 2014]

To
The Members
Arvind Limited
Naroda Road
Ahmedabad-380025

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

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

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by Arvind 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.
2. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
   - (i) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
   - (ii) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 (upto 14th May, 2015) and Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (effective 15th May, 2015);
   - (iii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
   - (iv) The Securities and Exchange Board of India (Share based Employee Benefits) Regulations, 2014;
   - (v) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not Applicable as the Company did not issue any such securities during the financial year)**
   - (vi) The Securities and Exchange Board of India (Registrars to Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **(Not Applicable as the Company is not registered as Registrar and Transfer Agents with SEBI)**
   - (vii) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
   - (viii) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998. **(Not Applicable as the Company has not bought back any of the securities during the financial year)**
3. We have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations as applicable to the Company.
4. The Company has complied with following specific laws applicable to the Company:
   - (i) Explosives Act, 1884
   - (ii) Electricity Act, 2003
   - (iii) Public Liability Insurance Act, 1991
   - (iv) Information Technology Act, 2000
   - (v) Essential Commodities Act, 1955
   - (vi) Textile Committee Act, 1963
   - (vii) Textile (Development & Regulation) Order, 2001
   - (viii) Textile (Consumer Protection) Regulations, 1988

5. We have also examined compliance with the applicable clauses of the following:
   (i) Secretarial Standards issued by The Institute of Company Secretaries of India; **(As applicable for the period under audit)**
   (ii) The Listing Agreements entered into by the Company with BSE Limited, National Stock Exchange of India Limited and Ahmedabad Stock Exchange Limited for the period upto 30th November 2015;
   (iii) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited pursuant to Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 for the period commencing 1st December 2015 to 31st March 2016;

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

   We further report that

   The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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

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

   We further report that during the audit period there were no specific events/actions having a major bearing on the company's affairs except the following:

   1. Demerger and transfer of Real Estate Undertaking of the Company to Arvind Infrastructure Limited and Restructuring the Share Capital of the Company pursuant to order dated 30th March 2015 passed by the High Court of Gujarat at Ahmedabad.
   2. Delisting of shares from the Ahmedabad Stock Exchange Limited w.e.f. 23rd December 2015.

Place: Ahmedabad
Date: May 12, 2016

Hitesh Buch
Proprietor
For, Hitesh Buch & Associates
FCS No.: 3145
C P No.: 8195

To
The Members
Arvind Limited
Naroda Road
Ahmedabad – 380025

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

Management's Responsibility

1. It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance withthe provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

Auditor's Responsibility

2. Our responsibility is to express an opinion on these secretarial records, systems, standards and procedures based on our audit.
3. Wherever required, we have obtained the management's representation about the compliance of laws, rules and regulations and happening of events etc.

Disclaimer

4. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Hitesh Buch
For, Hitesh Buch & Associates
FCS No.: 3145
C P No.: 8195

Place: Ahmedabad
Date: May 12, 2016

Annexure – D to the Directors' Report

Information on Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo stipulated under Section 134(3) (m) of the Companies Act, 2013 read with Rule 8 of The Companies (Accounts) Rules, 2014.

A. CONSERVATION OF ENERGY :

1. Energy Conservation Measures taken:

Naroda Road Unit - Electricity Conservation:

No.	Initiatives	Energy savings (Kwh/Day)
1.	125 LED streetlights in place of HPMV lights	200 Kwh/Day
2.	Self-driven energy-efficient turbo ventilation exhaust fans instead of electrical operated options	1080 Kwh/Day
3.	VFD system for cooling tower motor and energy efficient pump for water supply	450 Kwh/Day
4.	VFD at microtech boiler	600 Kwh/Day
5.	1200 tube lights replaced by energy efficient LED lights at Naroda plant	500 Kwh/Day

Constant efforts in continuing all previous conservation measures and increasing awareness of energy management amongst employees have continued which should enable further savings going forward.

Naroda Road Unit (Naroda), Santej Units (Santej), Ankur Textiles (AT) and Arvind Intex (AI)

1. Proper preventive maintenance of all machines including utilities. (Naroda, Santej, AT & AI)
2. Optimum utilization of Air Compressors by minimizing air leakage in the lines and machines. (Naroda & Santej)
3. Economical operation of humidification plants looking to the atmospheric condition in all seasons which reduces the electrical energy units. (Naroda, Santej, AT & AI)
4. Conversion of old technology (DC) in baby rope dyeing / certain finishing machines to new technology (AC) to reduce energy consumption as well as improve productivity. (Naroda & Santej)
5. Installation of variable frequency drives on pumps. (Naroda & Santej)
6. Optimum utilization of cooling towers at Compressors by installation of VFD and close monitoring. (Naroda & Santej)
7. Monitoring of power consumption and production data to sustain lowest possible kwh/kg through minimum operation of machines and aligning maintenance schedule and production program. (Naroda, Santej, AT & AI)
8. Installation of power capacitors in electrical distribution network for power factor control and subsequent rebates obtained from grid supplier. (Naroda, Santej & AI)
9. Installation of energy efficient motors for Autocoro machine and in fan motors. (Naroda, Santej & AI)
10. Diverted in open access power and took benefit of low cost. (Naroda, Santej & AI)
11. Replacement of old screw air compressor with energy efficient centrifugal air compressor. (Santej)
12. Installation of small size air compressor for seal air requirement of centrifugal compressors. (Santej)
13. Continuous improvement in power factor to reduce the maximum demand & maximum demand charge. (Santej)
14. Installation of pneumatic no loss drain valves in place of manual drain valves and collection of drain water to cooling tower for better effectiveness. (Santej)
15. Replacement of Mercury lamps in street light to LED lamps. (Santej)
16. Reduction in air pressure through pressure reducing valve for cleaning air application which results into drastic reduction in energy. (Santej)
17. Installation of Loom sphere concentrated humidification plant in place of conventional plant. (Santej)
18. Maintained/provided insulation to hot/cold pipelines effectively in the entire plant. (Santej)
19. Optimum utilization of street lighting through Lux sensor. (Santej)
20. All energy conservation measures taken previously are being continued. (Santej)
21. Carried out energy audit by Kirloskar Pumps Ltd. and Forbes Marshall for continuous improvement. (Santej)
22. Installation of capacitors to optimize power factor. (Santej)
23. Prevention of Steam, Water & Air leakage by on line & offline method. (Santej)
24. Selection of New Humidification Plants with variable frequency drives air washer pump for smooth operation and constant humidity in the new classical weaving. (Santej)

25. Installation of self-driven turbo ventilation exhaust fans instead of electrical operated exhaust fans. (Santej)
26. Approx. 5000 tube lights are replaced by energy efficient LED Lights at Santej.
27. Maximum demand controlled by installing controller and saved penalty charges. (Santej)
28. Installation of high frequency ballast in lighting for saving of power and for higher lumen output. (Santej & AI)
29. Installation of new meters and ct pt to fulfill the requirement for open access power. (Santej & AI)
30. Use of 240 nos. of LED tube fittings in place of conventional tube light fittings resulted in saving of 75000 Units per year. (AT)
31. Installation of Effimax unit on 8 Mt steam boiler resulted in saving of 1.5 Mt of coal per day. (AT)
32. Installation of 13 nos. variable frequency drives in Weaving H plants resulted in saving of 625 Unit per day. (AT)
33. Change of location of compressor succession filters of air compressor filters to reduce specific power consumption. (AT)
34. Installation of pressure reducing valve in new cleaning airline and thereby controlled air pressure supply. (AT)
35. Installation of pressure reducing valve on steam line of 6 nos. of Comby Jigger Machines and reduced steam consumption by 8% of those machines. (AT)
36. Old DG set cooling tower water line modification done & it is prepared for IHE - 5 Compressor Cooling Tower. (AI)
37. Maximum demand controlled by installing controller and saved penalty charges. (AI)
38. Monitoring airline leakages to reduce compressor working hour and to save power. (AT & AI)
39. Installation of timers in street lights for saving in power. (AT & AI)
40. Installation of inverter drives in spinning machines. (AI)
41. Regular checking and repairing of water leakages for reduction in energy consumption.(AI)
42. Replacement of existing fans by energy efficient fans in pneumatic fan section of ring frame machines. (AI)

Water & Steam (Coal) Conservation:

Naroda Road Unit

Water and steam (coal) conservation efforts at Arvind Denim have continued in various forms – these have helped drive both water usage and steam consumption down as well as improved the availability of water from careful harvesting. Some key actions are highlighted below:

No.	Initiatives	Savings (Ltr/Day)
1.	Steam condensate adopted to reduce water/steam consumption	50000 Ltr/Day
2.	Water reuse measures adopted to reduce water consumption on processing machines	90000 Ltr/Day
3.	Reuse of pre wetting tank water to washing tank (Rope Dyeing machine)	100000 Ltr/Day
4.	Reduced coal consumption in 2 FBC boiler by increasing efficiency	2.5 MT coal/day

Naroda Road Unit (Naroda), Santej Units (Santej) and Ankur Textiles (AT)

1. Reduction in steam consumption in yarn dyeing by reusing hot water into process. (Santej)
2. Water recycling in various areas adopted in order to reduce water consumption. (Santej & AT)
3. Installation and maintenance of float valves in open tank and cooling tower to stop the overflowing of water. (Naroda & Santej)
4. Almost 400 KL per day water is reused in processing area in shirting. (Santej)
5. Reuse of machine cooling water as hot process water. (Santej & AT)
6. Regular checking for wasteful use of water followed by remedial action. (Santej & AT)
7. Steam condensate recycling in various areas adopted in order to reduce water and steam consumption. (Santej & AT)
8. Effective operation of condensate and cooling recovery system. (Santej)
9. In view of saving of natural resources, we started Sewage Treatment Plant at Ankur and as on today we take 1100 KL raw sewage from AMC, treat it and use it as process water. (AT)
10. By using dyes having higher exhaustion, effluent generation per mtr. of fabric is reduced from 16.5 ltr/mtr to 15.16 ltr/mtr. (AT)

2. **Additional Investment and proposals if any, being implemented for reduction of consumption of energy:**

Naroda Road Unit

There are several new proposals in place to further reduce energy/water consumption as below:

Electricity

Title	Reduction of Power consumption
1	LED lights in place of CFL or incandescent lamps (3000 Nos)
2	LED lights in place of CFL or incandescent lamps (1000 Nos at DSSP)
3	Energy efficient motors in place of regular (IE3 in place of old)
4	Installation of new submersible pumps and VFD control systems for water delivery pumps
5	Renewable energy - Solar roof based systems for lighting (10 KW)
6	Elec. generation from steam pressure drop in boiler
7	Replacement of Air Lines with low friction air pipes

Water

Title	Reduction in water consumption
1	Recycling rubber and cooling cylinder RDP
2	Sucker Muller Dye house water recycling

Steam conservation

Title	Reduction in steam/coal consumption
1	Insulation paint on hot water/steam lines and sides of dry cans
2	Condensate recycling to boiler
3	Renewable energy - Solar water heating systems for NLRC
4	Renewable energy - Solar pre heating for boiler
5	Compressor waste heat recovery to heat water
6	Water-Water HX for CDR and Impecta
7	Install water preheater system at Thermopack boiler & use hot water at boiler feed

Other projects

Title	Metering
1	Central data monitoring for steam / water / energy

Santej Units (Santej), Ankur Textiles (AT) and Arvind Intex (AI)

1. Installation of additional capacitors for further improvement in power at Santej Units.
2. Replacement of faulty steam trap with right sized steam trap. (Santej)
3. Installation of VFD in Auto coners & rewinding machine. (Santej & AT)
4. Right capacity pumps to be installed for catering shirting water demand. (Santej)
5. Installation of VFD in pressure dryers in Yarn Dyeing. (Santej)
6. Erection/installation of Sewage Treatment Plant. (AT)
7. Installation of LED fittings, invertors, replacement of Thermodynamic Steam Traps by Float Traps and use of high efficient submersible pumps in place of low efficient pumps. (AT)
8. Replacement of old humidification pump by new energy efficient pump. (AI)
9. Modification of RS1 waste system and thereby reduction in power consumption. (AI)
10. Installation of Voltage Stabilizer in lighting circuit to reduce power consumption. (AI)
11. Installation of LED tube lights in departments. (Santej & AI)
12. Energy Audit for different manufacturing units to minimize the wasteful use of power. (AI)

3. **Impact of the measures at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods :**

Better Efficiency, Optimum Fuel-Utilization and available Heat Energy, Reduction in Energy Bill, Reduction in Down Time, Higher Productivity and Reduction in Cost of Production. These measures will also help to create a better environment and result in water conservation.

B. TECHNOLOGY ABSORPTION :

1. **Efforts made in technology absorption**

RESEARCH AND DEVELOPMENT (R&D)

I. **Specific areas in which R & D carried out by the Company:**

Denim Business-Naroda Road

- New technology intelligence added to infrastructure: As part of Co-creation strategy new technology added to Arvind Denim Lab. Yilmak (Turkey) make washing machine and Dryer added to lab. With this Metod (Turkey) make 3D machine, Fabcare make brushing dummy and Mectek (Italy) make Curing oven added. To strengthen the Corduroy Denim Concept one more Corduroy Cutting machine added. The old technology of Dual Core spinning is upgraded with more scientific controls to make high quality performance yarn. In Warping and Dyeing area new warping machine added with upgraded technology and more number of end capacity. In finishing area new technology of Stable Foam coating added to give high end fashion products. A Goller made new fabric preparatory machine added to carry out preparatory process of outsourced grey fabric for Neo Technology. A very scientific new sanforize machine make of Monforts with double rubber cylinder added which runs at double speed then conventional machines.
- Innovations by internal R & D: New dimension to Denim given with addition of new concepts of Bi-stretch denim with Selvedge, Warp stretch men's and women's denims. Lathery denim made with stable foam coating, double cloth with backside checks and stripes, Indigo lock prints, Stay blue and stay black with reactive dyeing, bright shades with new dyes other than Indigo and Sulphur, knit weave products for top and bottom weights, new blends of Modal – Cotton, Wool – Cotton and Tencel – Cotton introduced to Denim Family.
- Innovation based on new raw material by Business Partners: High performing fibers like Dyneema, Cordura (Nylon 66) Filaments, Thermolite Infra-Red fiber technology tested in Denim. A break through innovation done with Recycling of used garments and cotton fiber extraction and reuse in ring spinning to make Sustainable denim.

Shirting Business- Santej

The company has been carrying out In-house Research & Development activities in the area of product development, process development, production process development, energy conservation and cost reduction, which are as under:

- Sustainable finish:
  - Natural finish launched & Ecru process developed, resultant saving of various pretreatment process and thus conserved energy.
  - Bioscouring of Viscose and Its blend fabric –
    - Conservation of water, steam & other utilities along with improved product quality.
  - Zero Detergent finish-
    - 100% without detergent washing.
    - Reduces numbers of washing cycles and thus water conservation.
    - Quick drying which requires less energy to dry.
    - Using less energy and less resources, reducing carbon footprint
  - Formaldehyde free Resin finish for wrinkle free.
  - Natural softener from plant extract.
  - Application of pigment through foam coating.
- Sustainable fabric from Post consumer used PET– with use of Recyle Polyester
  - Energy saving- Recycling 1 ton of PET saves 4.7 barrels of oil equivalent.
  - Water usage-considerable reduction in water consumption (86%).
  - PET made using the ReNEW process saves the equivalent fuel consumed in driving a car 17 kms or lighting a 20W bulb for 210 hours.
- Replacement of Corrosive conventional Indigo discharge printing technology with noncorrosive printing technology.
- Manufacturing of coloured cotton based fabric.

- Automatic colour dispensing system imported for knitting and bottom division.
- Development of performance finishes through paste coating technology.
- Development of Fabrics with DuPont Sorona Fibres which contains 37 % Renewably sourced polymer content by weight & Reduces 63 % CO_2 emission over the production of an equal amount of petrochemical-based Nylon 6 focusing more towards sustainability.
- Leather, Wax, Pearl and Hunter coating through paste coating and pigment coating through foam coating, which uses very less amount of water.
- Manufacturing knitted fabric range look like Denim.
- Improvement on stretch property in knitted fabric range to enhancement in comfort level of Knit fabric.

The company promotes various sustainable fabrics made with sustainable fibers like Tencel, modal, Bemberg

- Route cause analysis for hazardous positive substances in after treated water as per ZDHC, MRSL & REACH guidelines.
- Localized spill kits are prepared and put in all chemical stores in Arvind Santej facility.
- Modal and its blend knitted fabric for under garment application.
- Using liquid Indigo dyes instead of conventional powder indigo dyes.
- Functional Finishes for Traveller Shirt series developed like Ultra fresh (LA+UV +Antimicrobial + Teflon +Prepress), Stay smart (LA+UV +Antimicrobial + Prepress + Moisture Management).
- Installed boilers with ESP (Electrostatic Plating) to control particulate matter emissions.
- Replacement in 150 W Mercury lamp with 65 W LED lamps. Energy Saving - 85 watts Per lamps (Total 350) & More Lumens & cleaner Light.
- Installation of Energy efficient Centrifugal Air Compressor vis-à-vis screw compressor. Sp. Power Consumption for Screw Compressor = 210 Watts/CFM vis-à-vis Installed C700 & C1000 Centrifugal Compressors of 165 watts/CFM.
- Facility in Santej is Zero discharge plant, recycling 98% of the process water.
- Conventional Type of H Plant has been replaced with Fog type of H Plant. Power Consumption before Modification = 1200 kWh/day, Power Consumption after Modification = 600 kWh/day.

Advanced Materials Division - Santej

- Fire retardant fabrics: Use of inherent FR denim fibres for making inherent FR Denim and also use of low GSM with high calorific value fabric.
- Solid/Liquid and Air Filtration: Use of Polypropylene , PTFE membrane , PTFE fibers and fibre blends to meet 20 mg/mt3 and below for liquid and gas filtration in various applications.
- Composites: Developing newer light weight material using PET phenolic & epoxy resin along with glass fabric to be used for electrical and construction industries to replace traditional metals.
- Coated Materials: Use of acrylic, polyurethane, PVC coating on cotton, poly- cotton, nylon, polyester fabric for making canvas, awning fabric and tent. Acrylic and polyurethane polymer have excellent function of water proofing for tent and awning application.

Woven Business-Santej-ETP

- New technology intelligence added to infrastructure: MVRE (Mechanical Vapour Recompression Evaporation) Plants had been Installed in Effluent Recycling System for low cost evaporation and completing the ZLD system. This system is recovering water as well as mixed salt in pure form which is used into dyeing of yarn and fabric against glauber salt and vacuum salt.
- MVRE-4 based on PTFE MED system is installed for this. It is running successfully.
- Another new technology we added is Electro Chemical Oxidation for ETP Treatment. This technology is futuristic technology. It is simple and eco-friendly. Less sludge generation will be done by this technology with better energy efficiency.
- We are also going to re-use the sewage of Ghandhinagar City against bore well water for water conservation and Plant is going to be installed at the cost of 16.2 Crores of 4 MLD Capacity.

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

Technology up-gradation, quality improvement, value engineering, pollution control, energy conservation, import substitution, de-risking the business, organization brand building, longer business projections, profitable and competitive business, sustainability etc.

III. Future plan of Action :

- Focus on performance based technologies and products.
- Focus on sustainable resources and green technologies.
- Use of new sustainable dyes, chemicals and fibers, newer finishes developments with coating, brushing, calendaring and utilization of newer chemicals.

- Business partnership with innovation oriented supply chain partners for joint development program.
- New technology adoption for quality improvement, cost reduction and de-risking the business.
- Action plan to improve chemical management performance.
- Formaldehyde free printing package.
- Nickel free printing operation.
- Shifting to C6 to CO chemistry product in repellent based finishes.
- Dope dyed polyester in mélange blend with cotton knitted fabric.
- Manufacturing Knitted fabric with Sorona polyester with Dupont.
- Implementation of HIGGS index version 2.0 & validation by third party.
- Formation of a dedicated sustainability team with expertise & experience in relevant areas.

IV. Expenditure on R & D:

The Company has separate In-House Research & Development Centre at Naroda and Santej locations. Both the Centres are involved into new product development and new process development etc. and are fully recognized and approved by the Department of Scientific and Industrial Research, Ministry of Science and Technology, Government of India. The details of Capital and Revenue Expenditure incurred on Research and Development by both the Centres are as under:

		₹ in crores	
		Year ended	
	Particulars	**March 31, 2016**	**March 31, 2015**
(a)	Capital Expenditure		
	Naroda Centre	0.00	0.67
	Santej Centre	8.23	14.59
	Total	**8.23**	**15.26**
(b)	Revenue Expenditure		
	Naroda Centre	4.09	2.55
	Santej Centre	20.95	13.52
	Total	**25.04**	**16.07**
(c)	**Total R & D Expenditure**	**33.27**	**31.33**
(d)	**Total R & D Expenditure as a percentage of total turnover**	**0.62%**	**0.60%**

2. TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION:

I. Efforts, in brief, made towards technology absorption, adaptation and innovation:

Denim Business-Naroda Road

The Denim business environment is becoming more and more challenging and competitive and thirst for innovation is increasing. Awareness of customer on sustainability, raw material and change of fashion trends and innovation offered, creates new dimension of denim business. We follow strategy of Design, Innovation and Sustainability and more research is being done in this dimension to keep business predictable, sustainable and profitable and to de-risk our product portfolio.

- As a part of strategy, Sustainability is always on top of any development. Successful trials done to make denim fabric using ring yarn from the cotton fiber extracted out of used denim garments. A full proof chain is established to get the fiber from used garments from certified and reliable sources. Till date the technology set to make open end yarns. These fiber and yarn are certified by Global Recycled Standard. The sources are certified by Control Union. These category products were launched with "Renaissance" branding.
- The Dual Core Ring Spinning Technology upgraded with scientific controls to make very high quality yarns. These yarns help to make very high stretch denim fabrics that retain shapes after multiple stretch.
- Gollar make preparatory machine added to finishing area. The machine is custom designed to perform different processes like desizing, scouring, bleaching, single box caustisization, reactive dyeing, sulphur dyeing. This machine has added flexibility to system to carry out multiple finishes for out sourced fabric. Combination of this technology with existing Neo Technology helps to create new categories for men's and women's top and bottom wt.
- With the same technology reactive dyed fabrics added to the basket to give Stay Blue and Stay Black. The denim can be washed industrially and after that it does not fed to give permanent look un-like conventional denim which gets faded on long term usage.
- Denim is changing dimensions with addition of different class of fabric with Indigo sensibility. Woven knit like fabrics are in trend in Indian and International market. "Regalia" category added to product basket which satisfies the need of Indigo knitted T shirt and top weights.
- Water repellent denim developed with ecofriendly Per fluorinated chemicals free chemistry. This satisfies the need of fashion denim with performance.

- New blends of Modal – Cotton introduced to product basket. This fabric due to its inherent property of softness gives very good hand feel to women's high stretch skinny garments. Wool-Cotton blend is successfully tested for Denim to create fabric with warm retention for cold climates.
- New dimensions to authentic Selvedge Denim with the current trend, new bi-stretch and warp stretch selvedge denim made. These fabrics are highly flexible and give very good comfort on wearing due to four way stretch. Also it satisfies the fashion need with authentic selvedge.
- Increase of good business relationship and to co-create innovation, a world class washing development lab is created. This infrastructure has opened new ways to work very closely with designers of top brands. The lab is equipped with the best technology available for washing.

Shirting Business- Santej

- Development of fabrics with Recycle poly, Scafe, Celliant, BCI, Tencel, Sorona, Bemberg etc. focusing towards sustainability.
- Development of fabric with Coolmax, Thermolite and all season performance fiber.
- Developing Bi-Stretch and super stretch products.
- Developing finer count products.
- Development of Sustainable & eco-friendly substitutes of special finishes like flame retardant, oil-water repellant, resin application etc.

Advanced Materials Division - Santej

- Development of woven and non-woven filtration fabrics for chemical, pharmaceutical, mining, power, cement and steel industries.
  - State of art warping, weaving ad processing facility to develop these fabrics. Arvind's technical marketing and product development team works with customers to provide complete solution. Arvind has a joint venture with Japanese company to manufacture nonwoven fabrics for hot-gas and liquid filtration.
  - Have developed woven fabrics for Oil and water filtration.
  - Have developed Nonwoven fabrics for meeting pollution control norms of <50 mg/cu.M emission.
- Development of Fire retardant fabrics and garments for steel, safety services and metal plants.
  - Arvind leverages its spinning, weaving, processing and garmenting expertise to supply fabrics and garment in this segment.
  - Have developed fabrics which are metal splash resistant.
- Development of composites for infrastructure application is being conducted.
- Have developed polyester based fabrics for conveyor belting application. These fabrics are used to make belts for mining application.

II. Benefits derived as a result of the above efforts :

Product development, value addition, cost reduction, sustainable and environment friendly products and entry into big brands.

III. Information regarding technology imported during the three years :

Technology imported :	1. Development of Nonwoven fabrics for Hot-gas filtration application from Japan. 2. Yarn sheet dyeing under Nitrogen Atmosphere. 3. Stable and unstable Foam Coating Machine and Paste Coating Machine.
Year of Import :	1. 2014-15 2. 2013-14 3. 2012-13
Has technology been fully absorbed? :	1. Nonwoven fabrics for Hot-gas filtration application absorbed. 2. Yarn sheet dyeing absorbed. 3. Foam coating , stable foam and paste Coating absorbed.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

Total Foreign Exchange used and earned:

	₹ in crores	
	2015-16	2014-15
Total foreign exchange used	524.44	663.42
Total foreign exchange earned	2053.49	2145.89

Annexure – E to the Directors' Report

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

as on financial year ended on 31.03.2016

Pursuant to Section 92(3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

I. REGISTRATION & OTHER DETAILS:

i	CIN	L17119GJ1931PLC000093
ii	Registration Date	1st June, 1931
iii	Name of the Company	Arvind Limited
iv	Category/ Sub-category of the Company	Company Limited by Shares
v	Address of the Registered office & contact details	Naroda Road, Ahmedabad - 380025. Tele. No. 079 - 30138000
vi	Whether listed company	Yes
vii	Name , Address & contact details of the Registrar & Transfer Agent, if any.	Link Intime India Private Limited (from 16th June, 2016) 303, Shopper's Plaza – V, Opp. Municipal Market, Off. C. G. Road, Navrangpura Ahmedabad-380009. Phone & Fax No. 079-26465179 Sharepro Services (I) Pvt. Ltd. (upto 15th June, 2016)

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

Sr. No.	Name & Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the company
1	Finished Fabrics	13131	78.93
2	Garments	14101	16.16

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sr. No.	Name & Address of the Company	CIN/ GLN	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section
1	Asman Investments Limited Arvind Mills Premises, Naroda Road, Ahmedabad - 380025, Gujarat, India.	U65910GJ1981PLC004408	Subsidiary	91.77%	2(87)
2	The Anup Engineering Limited Behind 66, Kv. Elec. Sub-Station, Odhav Road, Ahmedabad - 382415, Gujarat, India.	L99999GJ1962PLC001170	Subsidiary	92.92%	2(87)
3	Arvind Lifestyle Brands Limited Arvind Mills Premises, Naroda Road, Ahmedabad - 380025, Gujarat, India.	U64201GJ1995PLC024598	Subsidiary	100%	2(87)
4	Arvind Accel Limited Arvind Mill Premises, Naroda Road, Ahmedabad - 380025, Gujarat, India.	U29100GJ2008PLC053226	Subsidiary	100%	2(87)
5	Syntel Telecom Limited Arvind Mills Premises, Naroda Road, Ahmedabad - 380025, Gujarat, India.	U30006GJ1985PLC008289	Subsidiary	100%	2(87)
6	Arvind Brands and Retail Limited Arvind Mill Premises, Naroda Road, Ahmedabad - 380025, Gujarat, India.	U52609GJ2007PLC051974	Subsidiary	100%	2(87)
7	Arvind Worldwide Inc. 130 West 42nd Street, Suit 603, 6th Floor, New York, NY 10036, USA.	Foreign Subsidiary	Subsidiary	100%	2(87)
8	Arvind Textile Mills Limited Plot # 221, Bir Uttam Mir Shawkat Road (Gulshan-Tejgaon Link Road), Tejgaon I/A, Dhaka - 1215, Bangladesh.	Foreign Subsidiary	Subsidiary	100%	2(87)

Sr. No.	Name & Address of the Company	CIN/ GLN	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section
9	Arvind PD Composites Private Limited Arvind Mills Premises, Naroda Road, Ahmedabad - 380025, Gujarat, India.	U17120GJ2011PTC066160	Subsidiary	51%	2(87)
10	Arvind Envisol Private Limited Arvind Limited Premises, Naroda Road, Ahmedabad - 380025, Gujarat, India.	U37200GJ2011PTC068339	Subsidiary	100%	2(87)
11	Arvind Goodhill Suit Manufacturing Private Limited Final Plot No. 10, Arvind Limited Premises, Naroda Road, Ahmedabad - 380025, Gujarat, India.	U17121GJ2012PTC071968	Subsidiary	51%	2(87)
12	Arvind Niloy Exports Private Limited Nitol Niloy Tower, 3rd Floor, 69, Nikunja North New Airport Road, Dhaka - 1229, Bangladesh.	Foreign Subsidiary	Subsidiary	70%	2(87)
13	Arvind OG Nonwovens Private Limited Final Plot No. 10, Arvind Limited Premises, Naroda Road, Ahmedabad - 380025, Gujarat, India.	U17120GJ2013PTC073807	Subsidiary	74%	2(87)
14	Dholka Textile Park Private Limited Final Plot No. 10, Arvind Limited Premises, Naroda Road, Ahmedabad - 380025, Gujarat, India.	U17120GJ2013PTC073596	Subsidiary	100%	2(87)
15	Arvind Garments Park Private Limited Final Plot No. 10, Arvind Limited Premises, Naroda Road, Ahmedabad - 380025, Gujarat, India.	U17120GJ2013PTC073597	Subsidiary	100%	2(87)
16	Arvind Internet Limited Final Plot No. 10, Arvind Limited Premises, Naroda Road, Ahmedabad - 380025, Gujarat, India.	U72400GJ2013PLC074576	Subsidiary	100%	2(87)
17	Arvind Lifestyle Apparel Manufacturing PLC Shed No. 5, Bole Lemi Industrial Zone, Woreda 11, Bole Sub-city, Addis Ababa, Ethiopia.	Foreign Subsidiary	Subsidiary	100%	2(87)
18	Westech Advanced Materials Limited 2200, HSBC Building, 885, West Georgia Street, Vancouver BC V6C 3E8, Canada.	Foreign Subsidiary	Subsidiary	100%	2(87)
19	Arvind Enterprise (FZE) SAIF Desk, Q1-06-099/B, P.O. Box: 513672, Sharjah, U.A.E.	Foreign Subsidiary	Subsidiary	100%	2(87)
20	Arvind Beauty Brands Retail Private Limited Main Building, Arvind Limited Premises, Naroda Road, Ahmedabad - 380025, Gujarat, India.	U52100GJ2015PTC082996	Subsidiary	100%	2(87)
21	Arvind Foundation Main Building, Arvind Limited Premises, Naroda Road, Ahmedabad - 380025, Gujarat, India.	U85300GJ2015NPL084020	Subsidiary	100%	2(87)
22	Arya Omnitalk Wireless Solutions Private Limited Arvind Mills Limited, Naroda Road, Ahmedabad - 380025, Gujarat, India.	U31100GJ1995PTC024599	Associate (Joint Venture)	50%	2(6)
23	Tommy Hilfiger Arvind Fashion Private Limited The Arvind Mills Premises, Naroda Road, Ahmedabad - 380025, Gujarat, India.	U18101GJ2003PTC046421	Associate (Joint Venture)	50%	2(6)
24	Arya Omnitalk Radio Trunking Services Private Limited 3rd Floor, Lingfield Plaza, S.No. 66/67, Wanowarie, Salunke Vihar Road, Pune - 411040, Maharashtra, India.	U64120PN2003PTC018154	Associate (Joint Venture)	50%	2(6)
25	Arudrama Developments Private Limited 1134, 1st Floor , 100 FT Road, HAL 2nd Stage, Banglore - 560008, Karnataka, India.	U45201KA1995PTC017371	Associate (Joint Venture)	50%	2(6)
26	Premium Garments Wholesale Trading Private Limited Arvind Limited Premises, Naroda Road, Ahmedabad - 380025, Gujarat, India.	U52190GJ2011PTC084513	Associate (Joint Venture)	49%	2(6)

IV. SHAREHOLDING PATTERN (EQUITY SHARE CAPITAL BREAK UP AS % OF TOTAL EQUITY):

(i) Category-wise Shareholding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	2341906	0	2341906	0.91	1155458	0	1155458	0.45	-0.46
b) Central Govt. or State Govt.	0	0	0	0.00	0	0	0	0.00	0.00
c) Bodies Corporates	110616029	0	110616029	42.83	111912849	0	111912849	43.34	0.50
d) Banks/FIs	0	0	0	0.00	0	0	0	0.00	0.00
e) Any other	0	0	0	0.00	0	0	0	0.00	0.00
SUB TOTAL : (A)(1)	**112957935**	**0**	**112957935**	**43.74**	**113068307**	**0**	**113068307**	**43.78**	**0.04**
(2) Foreign									
a) NRI-Individuals	0	0	0	0.00	0	0	0	0.00	0.00
b) Other Individuals	0	0	0	0.00	0	0	0	0.00	0.00
c) Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0.00
d) Banks/Fis	0	0	0	0.00	0	0	0	0.00	0.00
e) Any other	0	0	0	0.00	0	0	0	0.00	0.00
SUB TOTAL : (A)(2)	**0**	**0**	**0**	**0.00**	**0**	**0**	**0**	**0.00**	**0.00**
Total Shareholding of Promoter (A)=(A)(1)+(A)(2)	**112957935**	**0**	**112957935**	**43.74**	**113068307**	**0**	**113068307**	**43.78**	**0.04**
B. Public Shareholding									
(1) Institutions									
a) Mutual Funds	22082679	10763	22093442	8.56	29934795	11513	29946308	11.60	3.04
b) Banks/FIs	73492	8529	82021	0.03	136413	7729	144142	0.06	0.02
c) Central Govt	500	0	500	0.00	500	0	500	0.00	0.00
d) State Govt.	0	0	0	0.00	0	0	0	0.00	0.00
e) Venture Capital Fund	0	0	0	0.00	0	0	0	0.00	0.00
f) Insurance Companies	15591817	400	15592217	6.04	12228439	400	12228839	4.74	-1.30
g) FIIs	42526826	21907	42548733	16.48	20245572	21807	20267379	7.85	-8.63
h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
i) Others (specify)									
(i-i) Foreign Banks/IFCW	963	150	1113	0.00	963	150	1113	0.00	0.00
SUB TOTAL : (B)(1)	**80276277**	**41749**	**80318026**	**31.10**	**62546682**	**41599**	**62588281**	**24.24**	**-6.87**
(2) Non Institutions									
a) Bodies corporates									
i) Indian	12711259	53841	12765100	4.94	8567655	51599	8619254	3.34	-1.61
ii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹1 lakhs	24172335	3204048	27376383	10.60	22959233	3047378	26006611	10.07	-0.53
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakhs	6862711	36138	6898849	2.67	6993984	28638	7022622	2.72	0.05
c) Others (specify)									
(c-i) NRIs	1117970	167313	1285283	0.50	967784	165725	1133509	0.44	-0.06
(c-ii) OCBs	0	0	0	0.00	2900	0	2900	0.00	0.00
(c-iii) Trusts	2203	0	2203	0.00	635514	0	635514	0.25	0.25
(c-iv) Clearing Members	284626	0	284626	0.11	1103291	0	1103291	0.43	0.32
(c-v) Foreign Portfolio-Corporate	16354664	0	16354664	6.33	38062780	0	38062780	14.74	8.41
SUB TOTAL : (B)(2)	**61505768**	**3461340**	**64967108**	**25.16**	**79293141**	**3293340**	**82586481**	**31.98**	**6.82**
Total Public Shareholding (B)=(B)(1)+(B)(2)	**141782045**	**3503089**	**145285134**	**56.26**	**141839823**	**3334939**	**145174762**	**56.22**	**-0.04**
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0.00	0	0	0	0.00	0.00
Grand Total (A+B+C)	**254739980**	**3503089**	**258243069**	**100.00**	**254908130**	**3334939**	**258243069**	**100.00**	**0.00**

(ii) Shareholding of Promoters

Sr. No.	Shareholders Name	Shareholding at the begginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of shares	% of total shares of the company	% of shares pledged/ encumbered to total shares	No. of shares	% of total shares of the company	% of shares pledged/ encumbered to total shares	
1	Aura Securities Private Limited	96070590	37.20	0.00	97362310	37.70	0.00	0.50
2	AML Employees' Welfare Trust	6327317	2.45	0.00	6327317	2.45	0.00	0.00
3	Atul Limited	4127471	1.60	0.00	4127471	1.60	0.00	0.00
4	Sanjaybhai Shrenikbhai Lalbhai	2001564	0.78	0.00	811564	0.31	0.00	-0.46
5	Aagam Holdings Private Limited	1876258	0.73	0.00	1876258	0.73	0.00	0.00
6	Amazon Investments Private Limited	1152962	0.45	0.00	1152962	0.45	0.00	0.00
7	Lalbhai Realty Finance Private Limited	455000	0.18	0.18	455000	0.18	0.18	0.00
8	Aeon Investments Private Limited	179244	0.07	0.00	179244	0.07	0.00	0.00
9	Samvegbhai Arvindbhai Lalbhai	170245	0.07	0.00	173797	0.07	0.00	0.00
10	Samvegbhai Arvindbhai	46347	0.02	0.00	46347	0.02	0.00	0.00
11	Anusandhan Investments Limited	110000	0.04	0.00	115000	0.04	0.00	0.00
12	Adore Investments Private Limited	132296	0.05	0.00	132296	0.05	0.00	0.00
13	Amardeep Holdings Private Limited	94250	0.04	0.00	94250	0.04	0.00	0.00
14	Aayojan Resources Private Limited	84505	0.03	0.00	84505	0.03	0.00	0.00
15	Anamikaben Samvegbhai Lalbhai	40032	0.02	0.00	40032	0.02	0.00	0.00
16	Hansaben Niranjanbhai Lalbhai	38052	0.01	0.00	38052	0.01	0.00	0.00
17	Saumya Samvegbhai Lalbhai	20000	0.01	0.00	20000	0.01	0.00	0.00
18	Swati S Lalbhai	7712	0.00	0.00	7712	0.00	0.00	0.00
19	Badlani Manini Rajiv	5402	0.00	0.00	5402	0.00	0.00	0.00
20	Taral S Lalbhai	4074	0.00	0.00	4074	0.00	0.00	0.00
21	Punit Sanjaybhai	3714	0.00	0.00	3714	0.00	0.00	0.00
22	Sunil Siddharth Lalbhai	3437	0.00	0.00	3437	0.00	0.00	0.00
23	Adhinami Investments Private Limited	6000	0.00	0.00	6000	0.00	0.00	0.00
24	Vimlaben S Lalbhai	970	0.00	0.00	970	0.00	0.00	0.00
25	Akshita Holdings Private Limited	136	0.00	0.00	136	0.00	0.00	0.00
26	Jayshreeben Sanjaybhai Lalbhai	345	0.00	0.00	345	0.00	0.00	0.00
27	Kalpanaben Shripalbhai Morakhia	12	0.00	0.00	12	0.00	0.00	0.00
28	Arvind J&M Limited	0	0.00	0.00	100	0.00	0.00	0.00
	Total	112957935	43.74	0.18	113068307	43.78	0.18	0.04

(iii) Change in Promoters' Shareholding (Specify if there is no Change)

Sr. No.	Shareholders Name	Shareholding at the beginning of the Year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1	Aura Securities Private Limited				
	At the beginning of the year	96070590	37.20	--	--
	Market Purchase - 27.05.2015	51000	0.02	96121590	37.22
	Market Purchase - 16.06.2015	50720	0.02	96172310	37.24
	Market Purchase - 21.07.2015	1190000	0.46	97362310	37.70
	At the end of the year	--	--	97362310	37.70
2	Sanjaybhai Shrenikbhai Lalbhai				
	At the beginning of the year	2001564	0.78	--	--
	Market Sale - 21.07.2015	-1190000	-0.46	811564	0.31
	At the end of the year	--	--	811564	0.31
3	Samvegbhai Arvindbhai Lalbhai				
	At the beinning of the year	216592	0.08	--	--
	Transfer - 29.02.2016	3552	0.00	220144	0.09
	At the end of the year	--	--	220144	0.09
4	Anusandhan Investments Limited				
	At the beginning of the year	110000	0.04	--	--
	Market Purchase - 18.01.2016	5000	0.00	115000	0.04
	At the end of the year	--	--	115000	0.04
5	Arvind J&M Limited				
	At the beginning of the year	0	0.00	--	--
	Market Purchase - 29.03.2016	100	0.00	100	0.00
	At the end of the year	--	--	100	0.00

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

Sr. No.	Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	LIFE INSURANCE CORPORATION OF INDIA	15591817	6.04	--	--
	Sale-14.8.2015	-118104	-0.05	15473713	5.99
	Sale-30.9.2015	-251930	-0.10	15221783	5.89
	Sale-9.10.2015	-662099	-0.26	14559684	5.64
	Sale-16.10.2015	-552426	-0.21	14007258	5.42
	Sale-23.10.2015	-435212	-0.17	13572046	5.26
	Sale-30.10.2015	-240000	-0.09	13332046	5.16
	Sale-13.11.2015	-6059	-0.00	13325987	5.16
	Sale-20.11.2015	-666238	-0.26	12659749	4.90
	Sale-27.11.2015	-327703	-0.13	12332046	4.78
	Sale-26.2.2016	-103607	-0.04	12228439	4.74
	At the end of the year	--	--	12228439	4.74

Sr. No.	Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
2	MULTIPLES PRIVATE EQUITY FII I	8067600	3.12	--	--
	At the end of the year	--	--	8067600	3.12
3	DIMENSIONAL EMERGING MARKETS VALUE FUND	3697246	1.43	--	--
	Purchase-10.4.2015	51309	0.02	3748555	1.45
	Purchase-15.5.2015	56516	0.02	3805071	1.47
	Purchase-29.5.2015	33842	0.01	3838913	1.49
	Purchase-19.6.2015	31205	0.01	3870118	1.50
	Purchase-30.6.2015	134728	0.05	4004846	1.55
	Purchase-10.7.2015	149695	0.06	4154541	1.61
	Purchase-17.7.2015	136323	0.05	4290864	1.66
	Purchase-28.8.2015	102372	0.04	4393236	1.70
	Purchase-4.9.2015	89973	0.03	4483209	1.74
	Purchase-11.9.2015	164356	0.06	4647565	1.80
	Sale-18.12.2015	-66431	-0.03	4581134	1.77
	Purchase-5.2.2016	20540	0.01	4601674	1.78
	Purchase-19.2.2016	26269	0.01	4627943	1.79
	At the end of the year	--	--	4627943	1.79
4	SUNDARAM MUTUAL FUND A/C SUNDARAM SELECT MIDCAP	2711406	1.05	--	--
	Sale-31.7.2015	-301082	-0.12	2410324	0.93
	Sale-7.8.2015	-10324	-0.00	2400000	0.93
	Purchase-8.1.2016	433140	0.17	2833140	1.10
	Purchase-15.1.2016	203558	0.08	3036698	1.18
	At the end of the year	--	--	3036698	1.18
5	MULTIPLES PRIVATE EQUITY FUND	2732400	1.06	--	--
	At the end of the year	--	--	2732400	1.06
6	INDIA CAPITAL FUND	0	0.00	--	--
	Purchase -7.8.2015	400000	0.15	400000	0.15
	Purchase-14.8.2015	295000	0.11	695000	0.27
	Purchase-21.8.2015	365000	0.14	1060000	0.41
	Purchase-28.8.2015	372500	0.14	1432500	0.55
	Purchase-4.9.2015	250000	0.10	1682500	0.65
	Purchase-18.9.2015	88000	0.03	1770500	0.69
	Purchase-25.9.2015	145000	0.06	1915500	0.74
	Purchase-30.9.2015	229000	0.09	2144500	0.83
	Purchase-4.3.2016	366000	0.14	2510500	0.97
	At the end of the year	--	--	2510500	0.97
7	KOTAK SELECT FOCUS FUND	1150000	0.45	--	--
	Purchase-19.6.2015	38300	0.01	1188300	0.46
	Purchase-10.7.2015	211700	0.08	1400000	0.54
	Purchase-9.10.2015	100000	0.04	1500000	0.58
	Purchase-16.10.2015	150000	0.06	1650000	0.64
	Purchase-23.10.2015	150000	0.06	1800000	0.70
	Purchase-4.12.2015	200000	0.08	2000000	0.77
	Purchase-11.12.2015	83350	0.03	2083350	0.81
	Purchase-18.12.2015	16650	0.01	2100000	0.81
	Sale-31.12.2015	-7536	-0.00	2092464	0.81
	Purchase-8.1.2016	234536	0.09	2327000	0.90
	Purchase-15.1.2016	49300	0.02	2376300	0.92
	At the end of the year	--	--	2376300	0.92

Sr. No.	Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
8	FRANKLIN TEMPLETON MUTUAL FUND A/C FRANKLIN INDIA PRIMA PLUS	0	0.00	--	--
	Purchase-9.10.2015	280537	0.11	280537	0.11
	Purchase-16.10.2015	719463	0.28	1000000	0.39
	Purchase-30.10.2015	155816	0.06	1155816	0.45
	Purchase-6.11.2015	386799	0.15	1542615	0.60
	Purchase-13.11.2015	57385	0.02	1600000	0.62
	Purchase-22.1.2016	100000	0.04	1700000	0.66
	Purchase-12.2.2016	150000	0.06	1850000	0.72
	Purchase-4.3.2016	100000	0.04	1950000	0.76
	Purchase-25.3.2016	400000	0.15	2350000	0.91
	At the end of the year	--	--	2350000	0.91
9	EMERGING MARKETS CORE EQUITY PORTFOLIO (THE PORTFOLIO) OF DFA INVESTMENT DIMENSIONS GROUP INC. (DFAIDG)	1614555	0.63	--	--
	Purchase-1.5.2015	52649	0.02	1667204	0.65
	Purchase-8.5.2015	4922	0.00	1672126	0.65
	Purchase-17.7.2015	113330	0.04	1785456	0.69
	Sale-28.8.2015	-81920	-0.03	1703536	0.66
	Sale-4.9.2015	-35161	-0.01	1668375	0.65
	Sale-11.9.2015	-51735	-0.02	1616640	0.63
	Sale-18.9.2015	-29907	-0.01	1586733	0.61
	Sale-30.9.2015	-55126	-0.02	1531607	0.59
	Purchase-15.1.2016	108379	0.04	1639986	0.64
	Purchase-22.1.2016	66728	0.03	1706714	0.66
	Purchase-29.1.2016	120144	0.05	1826858	0.71
	Purchase-5.2.2016	82867	0.03	1909725	0.74
	Purchase-12.2.2016	115569	0.04	2025294	0.78
	Purchase-19.2.2016	35406	0.01	2060700	0.80
	Purchase-26.2.2016	214219	0.08	2274919	0.88
	At the end of the year	--	--	2274919	0.88
10	THE EMERGING MARKETS SMALL CAP SERIES OF THE DFA INVESTMENT TRUST COMPANY	1340968	0.52	--	--
	Purchase-10.4.2015	12193	0.00	1353161	0.52
	Purchase-17.4.2015	40377	0.02	1393538	0.54
	Purchase-24.4.2015	149182	0.06	1542720	0.60
	Purchase-1.5.2015	54331	0.02	1597051	0.62
	Purchase-8.5.2015	94023	0.04	1691074	0.65
	Purchase-15.5.2015	53197	0.02	1744271	0.68
	Purchase-22.5.2015	71681	0.03	1815952	0.70
	Purchase-30.9.2015	53394	0.02	1869346	0.72
	Purchase-9.10.2015	53530	0.02	1922876	0.74
	Purchase-16.10.2015	64024	0.02	1986900	0.77
	At the end of the year	--	--	1986900	0.77

(v) Shareholding of Directors and Key Managerial Personnel

Sr. No.	For Each of the Directors & KMPs	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Mr. Sanjay Lalbhai - Chairman and Managing Director				
	At the beginning of the year	2001564	0.78	--	--
	Market Sale - 21.07.2015	-1190000	-0.46	811564	0.31
	At the end of the year	--	--	811564	0.31
2	Mr. Jayesh Shah - Wholetime Director and CFO				
	At the beginning of the year	912000	0.35	--	--
	Date wise increase/ decrease in Shareholding during the year	--	--	--	--
	At the end of the year	--	--	912000	0.35
3	Mr. Punit Lalbhai - Executive Director				
	At the beginning of the year	3714	0.00	--	--
	Date wise increase/ decrease in Shareholding during the year	--	--	--	--
	At the end of the year	--	--	3714	0.00
4	Dr. Bakul Dholakia - Independent Director				
	At the beginning of the year	15000	0.01	--	--
	Date wise increase/ decrease in Shareholding during the year	--	--	--	--
	At the end of the year	--	--	15000	0.01
5	Ms. Renuka Ramnath - Independent Director				
	At the beginning of the year	295	0.00	--	--
	Date wise increase/ decrease in Shareholding during the year	--	--	--	--
	At the end of the year	--	--	295	0.00
6	Mr. Nilesh Shah - Independent Director				
	Appointed as a Director on 06.05.2015	211	0.00	--	--
	Date wise increase/ decrease in Shareholding during the year	--	--	--	--
	At the end of the year	--	--	211	0.00

Note: The following Directors and KMPs did not hold any shares of the Company during the year.

1 Mr. Kulin Lalbhai - Executive Director
2 Mr. Dileep Choksi - Independent Director
3 Mr. Vallabh Bhanshali - Independent Director
4 Mr. Samir Mehta - Independent Director
5 Mr. R. V. Bhimani - Company Secretary

V. INDEBTEDNESS:

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtness at the beginning of the financial year				
i) Principal Amount	24601090267	2900408406	0	27501498673
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	59975323	0	0	59975323
Total (i+ii+iii)	**24661065590**	**2900408406**	**0**	**27561473996**
Change in Indebtedness during the financial year				
Additions	3767907570	850215876	0	4618123446
Reduction	2585214883	298696162	0	2883911045
Net Change	1182692687	551519714	0	1734212401
Indebtedness at the end of the financial year				
i) Principal Amount	25814715401	3451928120	0	29266643521
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	29042875	0	0	29042875
Total (i+ii+iii)	**25843758276**	**3451928120**	**0**	**29295686396**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

A. Remuneration to Managing Director, Wholetime Directors and/ or Manager

Sr. No.	Particulars of Remuneration	Name of the MD/ WTD/ Manager				Total Amount
1	**Gross salary**	**Mr. Sanjay Lalbhai Chairman and Managing Director**	**Mr. Punit Lalbhai Wholetime Director**	**Mr. Kulin Lalbhai Wholetime Director**	**Mr. Jayesh Shah Wholetime Director and CFO**	
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	28157891	12931675	12908881	18502591	72501038
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	637273	39600	16067	39600	732540
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961					
2	Stock option					
3	Sweat Equity					
4	Commission	45273000	5000000	5000000	24200000	79473000
	as % of profit					
	others (specify)					
5	Others, please specify					
	NPS, PF, Gartuity and Super Annuation	2110227	1057573	1057573	2057014	6282387
	Total (A)	76178391	19028848	18982521	44799205	158988965
	Ceiling as per the Act					

B. Remuneration to other Directors

Sr. No.	Particulars of Remuneration	Name of the Directors						Total Amount
1	Independent Directors	Dr. Bakul Dholakia	Ms. Renuka Ramnath	Mr. Dileep Choksi	Mr. Vallabh Bhanshali	Mr. Samir Mehta	Mr. Nilesh Shah	
	(a) Fee for attending board committee meetings	100000	40000	100000	30000	20000	70000	360000
	(b) Commission	750000	650000	750000	550000	550000	678082	3928082
	(c) Others, please specify	--	--	--	--	--	--	--
	Total (1)	850000	690000	850000	580000	570000	748082	4288082
2	Other Non Executive Directors							
	(a) Fee for attending board committee meetings	--	--	--	--	--	--	--
	(b) Commission	--	--	--	--	--	--	--
	(c) Others, please specify							
	Total (2)	--	--	--	--	--	--	--
	Total (B)=(1+2)	850000	690000	850000	580000	570000	748082	4288082
	Total Managerial Remuneration							
	Overall Cieling as per the Act.	1 % of the Net profits of the Company						

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

Sr. No.	Particulars of Remuneration	Key Managerial Personnel	
1	Gross Salary	Mr. R.V. Bhimani Company Secretary	Total
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	1558770	1558770
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	38050	38050
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961		
2	Stock Option		
3	Sweat Equity		
4	Commission		
	as % of profit		
	others, specify		
5	Others, please specify		
	NPS, PF, Gartuity and Super Annuation	370802	370802
	Total	1967622	1967622

VII. PENALTIES/ PUNISHMENT/ COMPPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority (RD/ NCLT/ Court)	Appeal made if any (give details)
A. COMPANY					
Penalty					
Punishment			None		
Compounding					
B. DIRECTORS					
Penalty					
Punishment			None		
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment			None		
Compounding					

Annexure – F to the Directors' Report

Information required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

	Particulars	Status		
			Number of Times	
i)	The ratio of the remuneration of each director to median remuneration of the employees of the company for F Y 2015-16		**If Total remuneration of the director is considered**	**If total remuneration of the Director excluding Variable pay and commission is considered**
		Bakul Dholakia	2.62	0.31
		Renuka Ramnath	2.13	0.12
		Dileep Choksi	2.62	0.31
		Vallabh Bhanshali*	1.79	0.09
		Samir Mehta*	1.76	0.06
		Nilesh Shah	--	--
		Sanjay Lalbhai	235.04	95.35
		Jayesh Shah	138.22	63.56
		Punit Lalbhai	58.71	43.28
		Kulin Lalbhai	58.57	43.14
		* Part of the year		
ii)	The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year	**Directors**		**%**
		Bakul Dholakia		-3%
		Renuka Ramnath		-1%
		Dileep Choksi		NA
		Vallabh Bhanshali*		NA
		Samir Mehta*		NA
		Chairman and Managing Director		
		Sanjay Lalbhai		2.00%
		Whole Time Director and Chief Financial Officer		
		Jayesh Shah		2.00%
		Executive Director		
		Punit Lalbhai		28.00%
		Executive Director		
		Kulin Lalbhai		27.00%
		Company Secretary		
		Ramnik Bhimani		-4.00%
		NA=Not Available		
iii)	The percentage increase in the median remuneration of employees in the financial year			8.00%
iv)	The number of permanent employees on the rolls of company			4201
v)	The explanation on the relationship between average increase in remuneration and company performance	During 2015-16, sales increased by 3.49% from ₹ 5224.69 Cr to ₹5407.26 Cr, PBT decreased by 5.85% from ₹476.9 Cr to ₹449.00 Cr. and PAT by 15.52% from ₹ 377.43 Cr to ₹ 318.85 Cr.		

	Particulars	Status			
vi)	Comparison of the remuneration of the Key Managerial Personnel against the performance of the company				(₹ in Cr)
			2014-15	2015-16	% Increase (Decrease)
		Sales	5224.79	5407.26	3.49
		PBT	476.90	449.00	-5.85
		Remuneration	15.08	16.10	6.74
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	During 2015-16, market capitalisation increased from ₹ 6765.97 Cr. to ₹ 7052.62 Cr. Price earning Ratio incrased from 14 to 14.62. As compared to last public offer price of ₹ 10 in 2001, The market price was ₹273.10 as on March 31, 2016.			
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	Average increase for Key Managerial Personnel is 6.74% and for other employees was about 9%. There is no exceptional increase in remuneration of Key Managerial Personnel except Two Executive Directors' salary, increased by 28%.			
ix)	Comparison of the each remuneration of the Key Managerial Personnel against the performance of the company	During 2014-15, sales grew by 3.49 %, PBT decreased by 5.85 % and remuneration of KMP's increased by 6.74%.			
					(₹ in Cr)
			Remuneration		
			2014-15	2015-16	% Increase (Decrease)
		Chairman and Managing Director			
		Sanjay Lalbhai	7.48	7.62	0.01
		Whole Time Director and Chief Financial Officer			
		Jayesh Shah	4.41	4.48	0.00
		Executive Director			
		Punit Lalbhai	1.49	1.90	0.03
		Executive Director			
		Kulin Lalbhai	1.49	1.90	0.03
		Company Secretary			
		Ramnik Bhimani	0.21	0.20	0.00
x)	The key parameters for any variable component of remuneration availed by the directors	Linked with company performance, mainly profit growth.			
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	There are no such employees.			
xii)	Affirmation that the remuneration is as per the remuneration policy of the company	It is affirmed that the remuneration is as per the Remuneration Policy of the Company.			

* Read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and forming part of the Director's Report for the year ended March 31, 2016.

CORPORATE GOVERNANCE REPORT

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Corporate governance at Arvind is a value-based framework to manage our Company affairs in a fair and transparent manner. As a responsible corporation, we use this framework to maintain accountability in all our affairs and employ democratic and open processes. We have evolved guidelines and best practices over the years to ensure timely and accurate disclosure of information regarding our financials, performance, leadership and governance of the Company.

Our corporate governance philosophy is based on the following principles:

- Satisfy the spirit of the law and not just the letter of the law. Corporate governance standards should go beyond the law.
- Be transparent and maintain a high degree of disclosure levels.
- Make a clear distinction between personal conveniences and corporate resources.
- Communicate externally, in a truthful manner, about how the Company is run internally.
- Have a simple and transparent corporate structure driven solely by business needs.
- The Management is the trustee of the shareholders' capital and not the owner.

The Board of Directors ('the Board') is at the core of our corporate governance practice and oversees how the Management serves and protects the long-term interests of all our stakeholders. We believe that an active, well-informed and independent Board is necessary to ensure the highest standards of Corporate Governance. The majority of our Board, 6 out of 10, are independent members. Given below is the report on Corporate Governance at Arvind.

2. BOARD OF DIRECTORS

2.1 Composition of the Board

The Board has 10 Directors, comprising of Chairman and Managing Director, Wholetime Director and Chief Financial Officer, 2 Executive Directors and 6 Non- Executive Directors. The Non-Executive Directors who are also Independent Directors are leading professionals from varied fields who bring in independent judgment to the Board's discussions and deliberations.

Except between Mr. Sanjay Lalbhai (Chairman & Managing Director) and his two son viz. Mr. Punit Lalbhai (Executive Director) and Mr. Kulin Lalbhai (Executive Director), there is no relationship between the Directors inter-se.

The following is the Composition of the Board as at 31st March, 2016:

Sr. No.	Name of Director	Executive/Non-executive/ Independent	No. of Directorships Held in Public Limited Companies (Including Arvind Ltd.)	**Committee(s) position (Including Arvind Ltd.)	
				Member	Chairman
1	Mr. Sanjay S. Lalbhai	Chairman & Managing Director	6	1	1
2	Mr. Punit S. Lalbhai	Executive Director	3	--	--
3	Mr. Kulin S. Lalbhai	Executive Director	3	--	--
4	Mr. Jayesh K. Shah	Wholetime Director and Chief Financial Officer	6	2	1
5	Dr. Bakul Dholakia	Independent Director	6	3	3
6	Ms. Renuka Ramnath	Independent Director	9	3	1
7	Mr. Dileep Choksi	Independent Director	9	3	6
8	Mr. Vallabh Bhanshali	Independent Director	3	--	--
9	Mr. Samir Mehta	Independent Director	3	1	--
10	Mr. Nilesh Shah*	Independent Director	3	1	--

* Mr. Nilesh Shah has been appointed as an Independent Director with effect from 6th May, 2015.

** Only Audit Committee and Stakeholders' Relationship Committee have been considered as per Regulation 26 of the SEBI (LODR) Regulations, 2015.

2.2. Directors' Profile

The Board of Directors comprises highly renowned professionals drawn from diverse fields. They bring with them a wide range of skills and experience to the Board, which enhances the quality of the Board's decision making process.

The brief profile of the Company's Board of Directors is as under:

MR. SANJAY S. LALBHAI (DIN: 00008329)

(CHAIRMAN AND MANAGING DIRECTOR)

Mr. Sanjay Lalbhai is the Chairman and Managing Director of Arvind Limited, a 1 Billion Dollar Indian conglomerate. It was under his leadership that Arvind has become one of the largest manufacturers of woven textiles in India and one of the largest denim fabric manufacturers in the world. He was also responsible for acquiring India's first denim brand – Flying Machine – in 1981 and for guiding the process of building Arvind's current impressive apparel brand portfolio. He serves on the Board of Adani Ports & Special Economic Zone Limited – one of India's largest Port companies. He also serves on the board of several premier educational and research institutes. He is the President of Ahmedabad Education Society and Ahmedabad University and is a member of the Board of Governors of Indian Institute of Management, Ahmedabad, and a member of the Council of Management of the Physical Research Laboratory. He is also Chairman of CEPT University and is a member on the Governing Body of Adani Institute of Infrastructure Management.

Mr. Sanjay Lalbhai believes that addressing societal concerns and creating long lasting benefit to society is integral to the business strategy and a duty of every business leader. He provides strategic leadership to Arvind's CSR initiatives as Trustee to SHARDA Trust the CSR arm of the company.

MR. PUNIT LALBHAI (DIN: 05125502)

(EXECUTIVE DIRECTOR)

Mr. Punit Lalbhai, 34, is an MBA from INSEAD (France) specialized in Strategy and General Management, along with Post-Graduate degree in Masters of Environmental Science from Yale University and a Bachelors degree in Science (Conservation Biology) from University of California, USA. He has several awards and honors during his career including Research Grants, Presidential Fellowship Grants, J.M. Long Endowed Scholarship and inclusion in Dean's Lists for consistent Academic Excellence. He is passionate about nature conservation and sustainability and is currently serving as a Board Member for Sustainable Apparel Coalition, Council Member for Better Cotton Initiative (Geneva) and Member of CII for family Business Network.

MR. KULIN LALBHAI (DIN: 05206878)

(EXECUTIVE DIRECTOR)

Mr. Kulin Lalbhai, 30, is currently Executive Director at Arvind Limited and sits on the Board. He is driving new initiatives in the consumer businesses of the group. He is also spearheading Arvind's foray into e-commerce space. He also plays an active role in the overall corporate strategy for the group with particular focus on B2C businesses.

Mr. Kulin Lalbhai holds an MBA from the Harvard Business School and a BSc in Electrical Engineering from the Stanford University. Prior to his current role, he has also worked with management consulting with McKinsey & Co's Mumbai office.

MR. JAYESH SHAH (DIN: 00008349)

(WHOLETIME DIRECTOR AND CHIEF FINANCIAL OFFICER)

Mr. Jayesh K Shah is presently wholetime Director and Chief Financial Officer of Arvind Limited, a flagship Company of the Lalbhai Group, having an annual turnover of US $ **1** Billion. He has been with the Company since 1st July, 1993 and prior to this, he was associated with group Companies for about eighteen years. Mr. Jayesh Shah, aged 55 years, has a distinguished academic career and has extensive administrative, financial, regulatory and managerial expertise with his vast experience in the field. He also holds directorship in Adi Finechem Limited and e-infochips Limited.

He started his career in a garment division of the Lalbhai Group. Then, he had been assigned with the textile division and looked after all the financial aspects of the Group companies viz., textiles, branded garments, electronics, telecom, financing. He was also actively involved in merger, acquisition, expansion, diversification, project funding, Euro-issue of the Company. As being a dynamic professional, he has always been exploring new business opportunities and challenges. He undertook Financial Restructuring of the Company during the period 2000 to 2002 and very successfully restructured financial debt of the Company.

Dr. BAKUL H. DHOLAKIA (DIN: 00005754)

(Independent Director)

Dr. Bakul Dholakia is currently the Director General of International Management Institute, Delhi. Prior to joining IMI, he was the Director of Adani Institute of Infrastructure Management & Gujarat Adani Institute of Medical Sciences, Bhuj. Earlier, he was the Director of IIM, Ahmedabad. Dr. Dholakia is a Gold Medalist from Baroda University and holds a Doctorate in Economics. He has 46 years of professional experience including 33 years at IIM, Ahmedabad. During the course of his long tenure at IIM Ahmedabad, Dr. Dholakia occupied the Reserve Bank of India Chair from 1992 to 1999, served as the Dean from 1998 to 2001 and as the Director of the Institute from 2002 to 2007. He had received Best Professor Award for his teaching in Postgraduate Programme at IIMA. He has guided 20 Ph.D. students specializing in Economics, Finance, Business Policy and Public Systems at IIMA. He has been a consultant to various national and international organizations. In 2007, Dr. Dholakia was awarded **Padma Shri** by the Government of India in recognition of his distinguished services in the field of education. In 2006,

Global Foundation for Management Education (GFME), jointly formed by the Associations of American and European Business Schools, had nominated Dr. Bakul Dholakia as a Member of the Board of GFME representing Asia. In 2008, Dr. Dholakia was conferred the coveted **Bharat Asmita National Award** for his contribution to management education and teaching by the Hon'ble Chief Justice of India. Dr. Dholakia has been a major guiding force behind the numerous initiatives and expansion of activities at IIMA contributing to its enhanced international image and global recognition. His achievements in institution building have been nationally and internationally acclaimed. Dr. Dholakia had been a Board Member of Reserve Bank of India Western Area Board from 1993 to 2001. In recognition of his efforts to improve the quality of management education, the Government of India had appointed Dr. Dholakia as the **Chairman of the National Board of Accreditation** for Technical Education in India (2005 to 2008). He has also served as External Director on the Board of several public & private sector companies. He has an extensive experience of conducting executive development programmes for top management of leading companies and also for senior bureaucrats in India and abroad. He has also served as a member of the Jury for various Corporate Excellence Awards and Selection Committees for CEOs. Over the last two decades, Dr. Dholakia has worked on numerous government committees, the recent ones being the Rangarajan Committee on Pricing and Taxation of Petroleum Products (2006) and the Expert Group on Pension Fund constituted by the Government of India (2009). The Competition Commission of India has appointed Dr. Bakul Dholakia as a Member of the Eminent Persons Advisory Group (EPAG), which serves as a think tank to give broad inputs and advice on larger issues impacting markets and competition. Dr. Dholakia is the author of 12 books, 28 monographs and more than 50 research papers published in professional journals in India and abroad.

Ms. RENUKA RAMNATH (DIN: 00147182)

(Independent Director)

Ms. Renuka Ramnath is the Founder, Managing Director & CEO of Multiples Alternate Asset Management which manages circa $800 million of Indian and International capital.

In India, Private Equity ('PE') funds were typically set-up by financial institutions. Ms. Renuka Ramnath is one of the earliest PE professionals in India to set the trend to establish an independent private equity fund when she founded Multiples in 2009. Multiples is a sector agnostic private equity fund focused on growth and buy-outs in Indian companies. Several global pension funds across Europe, US and Asia along with seven Indian Public Sector Banks and LIC have committed capital to Multiples.

Today, Multiples has the distinction of being one the select Independent private equity platforms in India to be backed by Institutional investors both Indian as well as International.

In her new avatar, Ms. Renuka Ramnath looks to bring together her tremendous experience, long-standing credibility and enormous relationships to build Multiples as a platform to channelise long-term capital to create valuable enterprises and successful entrepreneurs. She draws motivation from the fact that supporting entrepreneurs to build sustainable businesses has the potential to generate employment, to create ripple effects in the Indian economy and to facilitate the greater process of nation building.

Pioneer in Indian Private Equity-2000-2009

Ms. Renuka Ramnath took over the reins of ICICI Venture (a subsidiary of ICICI Bank) when it managed sub $70 mm of largely proprietary capital. In a span of less than 10 years, she led ICICI Venture to become India's largest Private Equity Fund managing over $ 2 billion of third party capital.

The transformation of ICICI Venture from a bank's investment arm to a traditional private equity fund managing substantial amounts of third party capital is unique in many ways. Ms. Renuka Ramnath convinced Indian Banks to allocate capital to private equity for the first time – thus opening up a new LP community in India.

Similarly, Ms. Renuka Ramnath successfully secured commitments from global LP community to ICICI Venture. Resultantly, all four funds raised by her from 2003-2008 have been the then largest domestic funds raised in the Indian market.

Ms. Renuka Ramnath has raised and managed third party funds adhering to highest standards of professionalism, governance and transparency. ICICI Venture was twice (in 2007 and 2008) given the award as Best Private Equity Firm in India by Private Equity International.

Having built a franchise backed by blue-chip investors, Ms. Renuka Ramnath led several pioneering transactions in the Indian private equity space including the first leveraged buy-out and the first management buy-out. She has the experience of having invested and divested across multiple economic cycles. One of her strengths has been the identification of sectors and opportunities ahead of the curve and the ability to develop innovative transaction structures.

Ms. Renuka Ramnath is today one of the few professionals in India to have a full-cycle private equity track record of raising, managing and returning cash with superior returns to investors. She has played a pivotal role in developing the PE market in India, having contributed to this evolution in many different ways over the last decade.

Leading Business Woman in Financial Services – 1986-2000

Ms. Renuka Ramnath joined the ICICI Group as a management trainee in 1986. In her career spanning nearly two and a half decades in the Indian financial sector, Ms. Renuka Ramnath has been involved with building several businesses from scratch in the ICICI Group which include Investment Banking, Structured Finance and e-Commerce in the 1990s and Private Equity in 2000; much before each of these terms became ubiquitous in Indian marketplace.

Time and again, Ms. Renuka Ramnath has demonstrated her ability to identify and conceptualize new business opportunities, create high quality teams and quickly build these businesses to scale. As a result, she has featured in many prestigious listings, including the Top 25 Most

Powerful Women in Business (Business Today, India), India's most Powerful CEO's (Economic Times), in the Top 25 Non Bank Women in Finance (US Banker's global list), in the Top 50 for Achievement in Business: Asia's Women in the Mix (Forbes) and in the Top 25 women in Asian asset management (Asian Investor).

Ms. Renuka Ramnath holds a Bachelor of Engineering from VJTI, University of Mumbai and an MBA from the University of Mumbai. She has also completed the AMP from the Harvard Business School.

Mr. DILEEP CHOKSI (DIN: 00016322)

(Independent Director)

Mr. Dileep C. Choksi is a chartered accountant by profession and has been in practice for over 35 years. His areas of specialization include tax advisory and litigation, structuring of collaborations and joint ventures, executive advisory and decision support and corporate restructuring with a focus on start-up, turnaround and change management strategies. He also advises some of India's largest business houses on various strategic matters, including family succession and on wills and trusts.

Mr. Choksi was the former Joint Managing Partner of Deloitte in India till 2008, before he set up C.C. Chokshi Advisors Pvt. Ltd. of which he is the Chief Mentor.

Mr. Choksi is on the Board of various companies like AIA Engineering Limited, Hexaware Technologies Limited, ICICI Bank Limited, ICICI Home Finance Company Limited, ICICI Lombard General Insurance Company Limited, Lupin Limited, Swaraj Engines Limited and Tata Housing Development Company Limited. He is also a member of the Investment Committee of Aditya Birla Real Estate Fund.

Mr. Choksi is a member of the Society of Trust and Estate Practitioners (STEP). He is a member of the Managing Committee of the Indian Merchants' Chamber. He is also a trustee of the A.D. Shroff Memorial Trust and member of Council of Forum of Free Enterprise.

Mr. Choksi was on the Advisory Board of foreign banks as well as Ex-Chairman of Banque Nationale De Paris, Bombay.

Mr. Choksi was a trustee of Anchorage, an institute for the rehabilitation of the mentally challenged.

He was also a trustee of Child Relief and You (CRY), an organization that is dedicated to the education and welfare of underprivileged children. He is a passionate rider and a sports enthusiast.

Mr. Choksi is a Fellow Member of the Institute of Chartered Accountants of India, Bachelor of Law, Member of the Institute of the Cost and Works Accountants of India.

Mr. Choksi enjoys teaching when his professional commitments allow and has contributed various papers on mergers and acquisitions, valuation of business enterprises, company law, and taxation. He has been a speaker at various seminars and conferences of professional interests organized by the Reserve Bank of India, the Institute of Chartered Accountants, Bombay Chartered Accountants' Society, etc.

Mr. Choksi contributed in the preparation of Kanga and Palkhivala's The Law and Practice of Income Tax (Eighth Edition) by late Mr. N.A. Palkhivala and Mr. B.A. Palkhivala.

Mr. VALLABH BHANSHALI (DIN: 00184775)

(Independent Director)

Mr. Vallabh Bhanshali is a leading thinker speaker and a nationalist businessman of the country. A devoted Vipassana meditator, he is also the Chairman and co-founder of Enam Securities Pvt. Ltd. - a very reputed home grown investment Bank and investor group of India.

ENAM played a significant role in the development of India in the vital and vibrant period of 1985 -2010 building most of the leading business houses of the times such as Infosys, Reliance, Sterlite, Zee, Jindal, etc. and public/joint sector companies such as NTPC, PTC, PFC, PGCIL etc. ENAM had its sway through it's almost 25% share of the retail and institutional markets for IPOs and its pioneering equity research in the country. ENAM and its founders are amongst the most reputed and longest term investors in the country. In 2012 ENAM merged its investment banking business with Axis Bank, India's third largest private sector bank to become large shareholders of the bank.

A man of many parts Mr. Bhanshali has a degree in law and is also a Chartered Accountant.

Widely recognised across business, media, social and spiritual circles for his work, talks, interviews and innovative ideas, amongst the prominent positions held, he was the Chairman of the Global Vipassana Foundation; part of several government and capital market committees bringing major reforms to the country and a Trustee of the Bombay Stock Exchange. He is a founder director of FLAME— India's pioneering and innovative Liberal Arts University. He was awarded an honorary doctorate by the Bhagwan Mahavir University, Muradabad.

He most recently founded the Desh Apnayen Foundation to instill a sense of active citizenship and volunteerism amongst India's citizens starting with school and college going children. Some of the most elite schools of Mumbai have adopted the program which is poised for a national roll out in due course.

Mr. SAMIR MEHTA (DIN: 00061903)

(Independent Director)

Mr. Samir Mehta, 52, is the Vice Chairman of the USD 2.75 billion Torrent Group and Chairman of Torrent Pharma. A B-School grad, Mr. Mehta has hands-on exposure and experience in the nuances of business and management. Torrent Group is being ably guided by Mr. Mehta through his analytical and professional approach. He has been providing strong strategic direction to all the business units of the Group.

Under his leadership, Torrent Pharma took various strategic initiatives including forays into new therapies and geographies, creating

resources to match the exacting demands of markets, making Torrentone of India's fastest growing pharma majors. It has established a strong presence in the cardio vascular, neuropsychiatry, diabetology, gastroenterology segments and has also ventured into new segments like pain management, dermatology, gynecology, oncology and nephrology. Through acquisitions, Torrent has strengthened its position in the nutraceuticals, women healthcare and dermatology segments.

Mr. Mehta can be rightfully credited for establishing Torrent Pharma's strong pan-global presence, especially through its subsidiaries in the US, Germany and Brazil. It is his strong belief, that the future of Indian pharma lies in its research capabilities, and this led Torrent to invest in bolstering its R&D infrastructure. Today, Torrent Pharma has state-of-the-art research and manufacturing facilities which are certified by the regulatory bodies of various international regulated and semi-regulated markets.

Likewise, Mr. Mehta evinces keen interest in Power business of the Group. Under his guidance, Torrent Power has systematically improved its performance on all efficiency parameters and today it ranks amongst the best run power utilities in the country. With an installed generation capacity of 3334 MW, Torrent Power is fully integrated across the power sector value chain. Its Transmission & Distribution (T&D) loss in its license areas is amongst the lowest in the country. Mr. Mehta's ability to take calculated risks enabled Torrent Power to expand its distribution operations in Maharashtra and Uttar Pradesh, and as a result, Torrent Power distributes power to over 3 million customers in the cities of Ahmedabad, Gandhinagar, Surat, Bhiwandi and Agra. Mr. Mehta's urge for efficacy and quality has led the Company to demonstrate excellent operational capabilities and high customer orientation, and this has won many accolades. The Company's success in Bhiwandi has become a case study in the annals of the Indian power sector - a model discussed in various forums.

Equally conscious of his responsibilities towards society, Mr. Mehta has always been the guiding force behind the Group's various environmental and CSR initiatives. All the units of Torrent Group have established extensive green covers in their vicinity. Environment conservation principles are incorporated at the design stage itself when new facilities are planned. The Group's power plants and pharma manufacturing facilities have obtained IMS certifications and have been conferred the Sword of Honor by British Safety Council for their exemplary performance in health and safety management.

The CSR activities of the Group primarily focus on education and healthcare. Educational initiatives include setting up schools, providing merit scholarships, and improving quality of education and infrastructure. On healthcare side, the Group has set up the U N Mehta Institute of Cardiology in Ahmedabad, a 450-bed hospital with state-of-the-art facilities, to provide quality treatment especially to the economically weaker strata of the society. A recently launched ambitious child healthcare program - REACH (Reach EAch CHild), aims to positively impact lives of 25,000+ children across India's rural belts over the next few years through concerted efforts of each member of the Torrent Group.

A fine blend of trained business acumen, managerial genius and rational exuberance, Mr. Mehta has helped shape various spheres of the Group through his contemporary outlook and innovative but realistic ideas. The Torrent Group,having a diverse workforce of nearly 20,000 employees with 900 internationally based, has earned a reputation for being employee-centric due to Mr. Mehta's practice of fairness and humaneness.

Mr. NILESH SHAH (DIN: 01711720)
(Independent Director)

Mr. Nilesh Shah is the Managing Director (MD) of Kotak Mahindra Asset Management Co. Ltd. He has over 25 years of experience in capital markets and market related investments, having managed funds across equity, fixed income securities and real estate for local and global investors. In his previous assignments, Mr. Nilesh Shah has held leadership roles with Axis Capital, ICICI Prudential Asset Management, Franklin Templeton and ICICI securities. Mr. Nilesh Shah is the recipient of the inaugural Business Standard Fund Manager of the year award - Debt in 2004. He was part of the team that received the best fund house of the year award at Franklin Templeton as well as at ICICI Prudential. Mr. Nilesh Shah is a gold medalist chartered accountant and a merit ranking cost accountant. His hobbies include reading and educating investors on financial planning. He has co-authored book on Financial Planning called "A Direct Take".

2.3 Board Agenda

The annual calendar of Board and Committee Meetings is agreed upon at the beginning of each year. Meetings are governed by a structured Agenda and a Board Member may bring up any matter for consideration of the meeting in consultation with the Chairman. Agenda papers are generally circulated to the Board Members at least 7 working days in advance. In addition, for any business exigencies the resolutions are passed by circulation and later places at the subsequent Board or Committee Meeting for ratification/approval. Detailed presentations are made at the meetings on all major issues to enable the Board to take informed decisions.

Invitees & Proceedings:

Apart from the Board Members, the Company Secretary, the Heads of Manufacturing and Marketing are invited to attend all the Board Meetings. Other senior management executives are called as and when necessary, to provide additional inputs for the items being discussed by the Board. The CFO makes presentation on the quarterly and annual operating & financial performance and on annual operating & capex budget. The Managing Director and other senior executives make presentations on capex proposals & progress, operational health & safety and other business issues.

Support and Role of Company Secretary:

The Company Secretary is responsible for convening the Board and Committee meetings, preparation and distribution of agenda and other documents and recording of the minutes of the meetings. He acts as interface between the Board and the Management and provides required assistance to the Board and the Management.

2.4 Meetings and Attendance

During the year, the Board of Directors met 5 times on 6th May, 2015, 14th May, 2015, 6th August, 2015, 5th November, 2015 and 4th February, 2016. The gap between two Board Meetings was within the maximum time gap prescribed in SEBI (LODR) Regulations, 2015. The Attendance of Directors at these Board Meetings and at the last Annual General Meeting was as under:

Sr. No.	Name of Director	Number of Board Meetings held during the period when the Director was on the Board	Number of Board Meetings attended	Whether present at the previous AGM
1	Mr. Sanjay S. Lalbhai	5	5	Yes
2	Mr. Punit S. Lalbhai	5	5	No
3	Mr. Kulin S. Lalbhai	5	5	Yes
4	Mr. Jayesh K. Shah	5	5	Yes
5	Dr. Bakul Dholakia	5	3	Yes
6	Ms. Renuka Ramnath	5	3	No
7	Mr. Dileep Choksi	5	5	Yes
8	Mr. Vallabh Bhanshali	5	2	No
9	Mr. Samir Mehta	5	2	Yes
10	Mr. Nilesh Shah*	5	4	Yes

* Mr. Nilesh Shah, has been appointed as an Independent Directors with effect from 6th May, 2015.

2.5 Independent Directors

Independent Directors play an important role in the governance processes of the Board. They bring to bear their expertise and experience on the deliberations of the Board. This enriches the decision making process at the Board with different points of view and experiences and prevents conflict of interest in the decision making process.

None of the Independent Directors serves as "Independent Directors" in more than seven listed companies.

The Independent Directors have confirmed that they meet with the criteria of independence laid down under the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015.

During the year under review, the Independent Directors met on February 4, 2016, interalia:

- To evaluate the performance of Non Independent Directors;
- To evaluate the performance of the Board of Directors as a whole;
- To evaluate the performance of Chairman of the Company, taking into account the views of the Executive Directors on the same;
- To evaluate the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

They expressed satisfaction at the robustness of the evaluation process, the Board's freedom to express views on the business transacted at the Meetings and the openness with which the Management discussed various subject matters on the agenda of meetings.

Familiarisation Programme for Independent Director:

On appointment of an individual as Director, the Company issues a formal Letter of Appointment to the concerned director, setting out in detail, the terms of appointment, duties and responsibilities. Each newly appointed Independent Director is taken through a formal familiarisation program including the presentation from the Chairman & Managing Director providing information relating to the Company, Denim / Shirtings / Branded Garments Business Divisions, industry, business model of the Company, geographies in which Company operates, etc. The programme also provides awareness of the Independent Directors on their roles, rights, responsibilities towards the Company. Further, the Familiarisation Programme also provides information relating to the financial performance of the Company and budget and control process of the Company. The details of familiarization program can be accessed from the website of the Company www.arvind.com.

2.6 Evaluation of the Board's Performance:

During the year, the Board adopted a formal mechanism for evaluating its performance as well as that of its Committees and individual Directors. The exercise was carried out through a structured evaluation process covering various aspects of the Boards functioning such as composition of the Board & committees, experience & competencies, performance of specific duties & 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 judgement, safeguarding of minority shareholders interest etc.

The evaluation of the Independent Directors was carried out by the entire Board and that of the Chairman and the Non-Independent Directors were carried out by the Independent Directors.

The Directors were satisfied with the evaluation results, which reflected the overall engagement of the Board and its Committees with the Company.

2.7 Code of Conduct for Directors and Senior Management Personnel:

In terms of provisions of SEBI (LODR) Regulations, 2015, the Board of Directors of the Company has laid down a Code of Conduct for all Board Members and Senior Management Personnel of the Company. The said Code of Conduct has been posted on the website of the Company. The Board Members and Senior Management Personnel of the Company have affirmed compliance with the Code. The Chairman & Managing Director of the Company has given a declaration to the Company that all the Board Members and Senior Management Personnel of the Company have affirmed compliance with the Code.

2.8 Prevention of Insider Trading Code:

In January 2015, SEBI notified the SEBI (Prohibition of Insider Trading) Regulations, 2015 which came into effect from May 15, 2015. Pursuant thereto, the Company has formulated and adopted a new Code for Prevention of Insider Trading.

The new code viz. "Code of Conduct for Prohibition of Insider Trading Code" and the "Code of Practices & Procedures for Fair Disclosure of Unpublished Price Sensitive Information" allows the formulation of a trading plan subject to certain conditions and requires pre-clearance for dealing in the Company's shares. It also prohibits the purchase or sale of Company's shares by the Directors, designated employees and connected persons, while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed.

The Head-Legal & Secretarial is responsible for implementation of the Code.

All Directors, designated employees and connected persons have affirmed compliance with the code.

2.9 Committees of the Board

The Board of Directors has constituted 5 Committees of the Board viz.

- Audit Committee
- Nomination & Remuneration Committee
- Stakeholders' Relationship Committee
- Management Committee
- Corporate Social Responsibility Committee

The Board determines the terms of reference of these Committees from time to time. Meetings of these Committees are convened by the respective Committee Chairman/Company Secretary. At each Board Meeting, minutes of these Committees are placed before the Directors for their perusal and noting.

3. AUDIT COMMITTEE

The Audit Committee of the Company comprises of 4 members out of which 3 members are Non-Executive-Independent Directors. Mr. Dileep Choksi, an Independent Director, acts as Chairman of the Committee. The Committee members are professionals having requisite experience in the fields of Finance and Accounts, Banking and Management. The Audit Committee met 4 times during the year. The representatives of Internal and Statutory Auditors are invitees to Audit Committee meetings and the Company Secretary acts as the Secretary of the Audit Committee.

3.1 Terms of reference of the committee interalia, include the following:

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
   a) Matters required to be included in the Director's Responsibility Statement to be included in the Board's Report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
   b) Changes, if any, in accounting policies and practices and reasons for the same;
   c) Major accounting entries involving estimates based on the exercise of judgment by management;
   d) Significant adjustments made in the financial statements arising out of audit findings;
   e) Compliance with listing and other legal requirements relating to financial statements;
   f) Disclosure of any related party transactions;
   g) Qualifications in the draft audit report;
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue,

preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue and making appropriate recommendations to the Board to take up steps in this matter;

7. Review and monitor the auditor's independence and performance and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the Whistle Blower mechanism;
19. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

3.2 The Composition of the Committee as at 31st March, 2016 and the details of Members participation at the Meetings of the Committee are as under:

During the year, 4 Audit Committee Meetings were held on 14th May, 2015, 6th August, 2015, 5th November, 2015 and 4th February, 2016. The Attendance of Members at meetings was as under:

Sr. No.	Name of Member	Position	Number of Meetings held during the period when the Member was on the Board	Number of Meetings attended
1	Mr. Dileep Choksi	Chairman	4	4
2	Mr. Jayesh K. Shah	Member	4	4
3	Dr. Bakul Dholakia	Member	4	3
4	Mr. Nilesh Shah	Member	4	3

4. NOMINATION & REMUNERATION COMMITTEE

The Nomination & Remuneration Committee of the company comprises of 3 Directors, all of whom are Non-Executive-Independent Directors. The Nomination & Remuneration Committee did not meet during the year.

4.1 The terms of reference of the Committee inter alia, include the following:

Nomination of Directors / Key Managerial Personnel / Senior Management*

1. To evaluate and recommend the composition of the Board of Directors;
2. To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down by the Committee;
3. Consider and recommend to the Board appointment and removal of directors, other persons in senior management and key managerial personnel (KMP);
4. Determining processes for evaluating the effectiveness of individual directors and the Board as a whole and evaluating the performance of individual Directors;
5. To administer and supervise Employee Stock Options Schemes (ESOS) including framing of policies related to ESOS and reviewing grant of ESOS;
6. Formulate the criteria for determining qualifications, positive attributes and independence of a Director;
7. To review HR Policies and Initiatives.

Remuneration of Directors / Key Managerial Personnel / Senior Management*/ other Employees

1. Evolve the principles, criteria and basis of Remuneration Policy and recommend to the Board a policy relating to the remuneration for all the Directors, KMP, senior management and other employees of the Company and to review the same from time to time;

2. The Committee shall, while formulating the policy, ensure the following :

   (a) The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;

   (b) Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

   (c) Remuneration to Directors, KMP and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

   * Senior Management for the above purpose shall mean personnel of the Company who are members of its core management team excluding Board of Directors comprising all members of management one level below the executive directors, including the functional heads.

4.2 The Composition of the Committee as at 31st March, 2016 and the details of Members participation at the Meetings of the Committee are as under:

Sr. No.	Name	Position
1	Mr. Bakul Dholakia	Chairman
2	Ms. Renuka Ramnath	Member
3	Mr. Dileep Choksi	Member

There was no meeting held during the year.

4.3. Nomination & Remuneration Policy:

1. Purpose of this Policy:

Arvind Limited ("Arvind" or the "Company") has adopted this Policy on appointment and remuneration of the Directors, Key Managerial Personnel and Senior Management (the "Policy") as required by the provisions of Section 178 of the Companies Act, 2013 (the "Act") and the provisions of SEBI (LODR) Regulations, 2015.

The purpose of this Policy is to establish and govern the procedure applicable:

a) To evaluate the performance of the members of the Board.

b) To ensure that remuneration to Directors, KMP and Senior Management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

c) To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.

The Committee should ensure that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully and the relationship of remuneration to performance is clear and meets appropriate performance benchmarks.

2. Definitions:

Independent Director means a director referred to in Section 149(6) of the Act and the SEBI (LODR) Regulations, 2015, as amended from time to time.

Key Managerial Personnel (the "KMP") shall mean "Key Managerial Personnel" as defined in Section 2(51) of the Act.

Nomination and Remuneration Committee, by whatever name called, shall mean a Committee of Board of Directors of the Company, constituted in accordance with the provisions of Section 178 of the Act and the SEBI (LODR) Regulations, 2015.

Remuneration means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income-tax Act, 1961.

Senior Management means personnel of the Company who are members of its core management team excluding Board of Directors. This would include all members of management one level below the Executive Directors, including all functional heads.

Words and expressions used and not defined in this Policy, but defined in the Act or any rules framed under the Act or the Securities and Exchange Board of India Act, 1992 and Rules and Regulations framed thereunder or in the SEBI (LODR) Regulations, 2015 or the Accounting Standards shall have the meanings assigned to them in these regulations.

3. Composition of the Committee:

The composition of the Committee is / shall be in compliance with the Act, Rules made thereunder and the SEBI (LODR) Regulations, 2015, as amended from time to time.

4. Role of the Committee:

The Committee shall:

a) Formulate the criteria for determining qualifications, positive attributes and independence of a Director;

b) Identify persons who are qualified to become Director and persons who may be appointed in Key Managerial and Senior Management positions in accordance with the criteria laid down in this Policy;

c) Lay down the evaluation criteria for performance evaluation of Independent Director and the Board;

d) Recommend to the Board, appointment, remuneration and removal of Director, KMP and Senior Management;

e) To devise a Policy on Board diversity.

5. Criteria for Determining the followings:-

5.1 Qualifications for appointment of Directors (including Independent Directors):

a) Persons of eminence, standing and knowledge with significant achievements in business, professions and/or public service.

b) Their financial or business literacy/skills.

c) Their textile industry experience.

d) Other appropriate qualification/experience to meet the objectives of the Company.

e) As per the applicable provisions of Companies Act, 2013, Rules made thereunder and SEBI (LODR) Regulations, 2015.

The Nomination and Remuneration Committee shall have discretion to consider and fix any other criteria or norms for selection of the most suitable candidate/s.

5.2 Positive attributes of Directors (including Independent Directors):

- Directors are to demonstrate integrity, credibility, trustworthiness, ability to handle conflict constructively and the willingness to address issues proactively.
- Actively update their knowledge and skills with the latest developments in the railway/heavy engineering/infrastructure industry, market conditions and applicable legal provisions.
- Willingness to devote sufficient time and attention to the Company's business and discharge their responsibilities.
- To assist in bringing independent judgment to bear on the Board's deliberations especially on issues of strategy, performance, risk management, resources, key appointments and standards of conduct.
- Ability to develop a good working relationship with other Board members and contribute to the Board's working relationship with the senior management of the Company.
- To act within their authority, assist in protecting the legitimate interests of the Company, its shareholders and employees.
- Independent Directors to meet the requirements of the Companies Act, 2013 read with the Rules made there under and SEBI (LODR) Regulations, 2015 as amended from time to time.

5.3 Independence Standards:

The following would be the independence review procedure and criteria to assist the Committee evaluate the independence of Directors for recommending to the Board for appointment. A Director is independent if the Board affirmatively determines that the Director does not have a direct or indirect material relationship with the Company, including its affiliates or any member of senior management. "Affiliate" shall mean any company or other entity that controls, is controlled by, or is under common control with the Company.

Also, the candidate shall be evaluated based on the criteria provided under the applicable laws including Companies Act, 2013 read with Rules thereon and the SEBI (LODR) Regulations, 2015. In addition to applying these guidelines, the Board will consider all relevant facts and circumstances in making its determination relating to a director's independence.

Independence Review Procedures

1. Annual Review

The director's independence for the independent director will be determined by the Board on an annual basis upon the declarations made by such Directors as per the provisions of the Companies Act, 2013 read with Rules thereon and the SEBI (LODR) Regulations, 2015.

2. **Individual Director's Independence Determination**

If a director is considered for appointment on the Board between annual general meetings, a determination of independence, upon the recommendation of the Committee, shall be made by the Board prior to such appointment.

All determinations of independence shall be made on a case-by-case basis for each director after consideration of all the relevant facts and circumstances and the standards set forth herein. The Board reserves the right to determine that any director is not independent even if he or she satisfies the criteria set forth by the provisions of the Companies Act, 2013 read with Rules thereon and the SEBI (LODR) Regulations, 2015.

3. **Notice of Change of Independent Status**

Each director has an affirmative obligation to inform the Board of any change in circumstances that may put his or her independence at issue.

5.4 Criteria for appointment of KMP/Senior Management:

- To possess the required qualifications, experience, skills & expertise to effectively discharge their duties and responsibilities.
- To practice and encourage professionalism and transparent working environment.
- To build teams and carry the team members along for achieving the goals/objectives and corporate mission.
- To adhere strictly to code of conduct

5.5 Term

The Term of the Directors including Managing Director/ Wholetime Director / Independent Director shall be governed as per the provisions of the Act and Rules made thereunder and the SEBI (LODR) Regulations, 2015, as amended from time to time.

Whereas the term of the KMP (other than the Managing/Wholetime Director) and Senior Management shall be governed by the prevailing HR policies of the Company.

5.6 Evaluation

The Committee shall carry out evaluation of performance of every Director.

The Committee shall identify evaluation criteria which will evaluate Directors based on knowledge to perform the role, time and level of participation, performance of duties, level of oversight, professional conduct and independence. The appointment/re-appointment/ continuation of Directors on the Board shall be subject to the outcome of the yearly evaluationprocess.

5.7 Removal

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, Rules and Regulations thereunder and / or for any disciplinary reasons and subject to such applicable Acts, Rules and Regulations and the Company's prevailing HR policies, the Committee may recommend, to the Board, with reasons recorded in writing, removal of a Director, KMP or Senior Management.

4.4 Remuneration of Directors:

Remuneration of Executive Directors is recommended by the Nomination & Remuneration Committee and approved by the Board of Directors and the Shareholders of the Company.

The Remuneration Committee and the Board of Directors at their meetings held on 9th May, 2012 and shareholders at their Annual General Meeting held on 28th September, 2012 have approved remuneration payable to Mr. Sanjay S. Lalbhai, Chairman and Managing Director of the Company for a period from 1st January, 2013 to 31st March, 2017. The Company has entered into an agreement with him laying down his tenure, remuneration and other terms.

The Remuneration Committee and the Board of Directors at their meetings held on 26th July, 2012 and shareholders at their Annual General Meeting held on 28th September, 2012 have approved remuneration payable to Mr. Punit S. Lalbhai and Mr. Kulin S. Lalbhai – Executive Directors of the Company for a period of five years from 1st August, 2012 to 31st July, 2017. The Company has entered into agreements with them laying down their tenure, remuneration and other terms.

The Nomination & Remuneration Committee and the Board of Directors at their meetings held on 15th May, 2014 and shareholders at their Annual General Meeting held on 30th July, 2014 have approved remuneration payable to Mr. Jayesh K. Shah, Whole-time Director and Chief Financial Officer of the Company for a period of five years from 1st October, 2014 to 30th September, 2019. The Company has entered into an agreement with him laying down his tenure, remuneration and other terms.

The remuneration of Non-Executive Directors is determined by the Board and is also approved by the Shareholders in General Meeting. Non-Executive Directors are paid Sitting Fees of ₹ 10,000/- for every meeting of Board of Directors or Committee attended by them. Apart from this, Non-Executive Directors (other than Managing Director and Whole Time Director(s)) are entitled for commission within the limit of 1% of the net profits of the Company per annum.

Details of remuneration to all Directors paid during the Financial Year 2015-16 are as under:

Sr. No.	Name of Director	Salary ₹	Perquisites & Allowances ₹	Sitting Fees ₹	Commission/ Bonus ₹	Stock Option
1	Mr. Sanjay S. Lalbhai	9300000	18597000	-	52100000	-
2	Mr. Punit S. Lalbhai	3600000	9163000	-	11000000	-
3	Mr. Kulin S. Lalbhai	3600000	9163000	-	11000000	-
4	Mr. Jayesh K. Shah	6204000	12168880	-	25900000	-
5	Dr. Bakul Dholakia	-	-	1,00,000	750000	-
6	Ms. Renuka Ramnath	-	-	40,000	650000	-
7	Mr. Dileep Choksi	-	-	1,00,000	750000	-
8	Mr. Vallabh Bhanshali	-	-	30,000	550000	-
9	Mr. Samir Mehta	-	-	20,000	550000	-
10	Mr. Nilesh Shah*	-	-	70,000	678082	-

* Mr. Nilesh Shah has been appointed as an Independent Directors with effect from 6th May, 2015.

None of the Directors of the company / Key managerial Personnel had any pecuniary relationship with the Company during the year.

5. STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Stakeholders' Relationship Committee has 3 Members comprising of 1 Non-Executive Director and 2 Executive Directors.

5.1 Terms of reference of the Committee inter alia, include the following:

1. To specifically look into the redressal of Investors' Grievances pertaining to:
   - Transfer of shares and debentures;
   - Non-receipt of declared dividends, interests and redemption proceeds of debentures;
   - Dematerialization of shares and debentures;
   - Replacement of lost, stolen, mutilated share and debenture certificates;
   - Non-receipt of rights, bonus, split share and debenture certificates;
   - Non-receipt of balance sheet.
2. To look into other related issues towards strengthening investors' relations.
3. To consider and approve issuance of share / debenture certificates including duplicate share/debenture certificates.
4. To look into the reasons for any defaults in the payment to the Depositors, Debenture holders, Shareholders (in case of non-payment of declared dividends) and Creditors.

5.2 The Composition of the Committee as at 31st March, 2016 and the details of Members participation at the Meetings of the Committee are as under:

During the year, 2 Stakeholders Relationship Committee Meetings were held on 5th November, 2015 and 4th February, 2016. The Attendance of Members at meetings was under:

Sr. No.	Name	Position	Number of Meetings held during the year	Number of Meetings attended
1	Dr. Bakul Dholakia	Chairman	2	2
2	Mr. Sanjay S. Lalbhai	Member	2	2
3	Mr. Jayesh K. Shah	Member	2	2

5.3 Name and Designation of Compliance Officer:

R. V. Bhimani
Company Secretary
Arvind Limited

5.4 Details of Complaints / Queries received and redressed during 1st April, 2015 to 31st March, 2016:

Sr. No.	Particulars of Complaints / Queries	Received	Redressed	Pending as on 31.3.2016
1	Non receipt of Share Certificates – Direct from Shareholders - Received from SEBI	 Nil 8	 Nil 8	 Nil Nil
2	Non receipt of Dividend/Interest Warrants - Direct from Shareholders - Received from SEBI	 32 5	 32 5	 Nil Nil
3	Confirmation of Demat Credit	Nil	Nil	Nil
4	Non receipt of Debentures Redemption payment	Nil	Nil	Nil
5	Non receipt of letter of offer, allotment advice, share certificates etc. for Rights Issue & others	Nil	Nil	Nil
6	Others - Complaints received from SEBI, Stock Exchanges, NSDL, ROC, Company Law Board etc.	Nil	Nil	Nil
	Total	**45**	**45**	**Nil**

6. MANAGEMENT COMMITTEE

The Management Committee consists of 2 Directors, all of whom are Executive Directors.

6.1 Role

The Management Committee's primary role is to look after the day-to-day business activities of the Company within Board approved direction/ framework. The Committee meets frequently, as and when need arises, to transact matters within the purview of its terms of reference.

6.2. The Composition of the Committee as at 31st March, 2016 and the details of Members participation at the Meetings of the Committee are as under:

During the year, 17 Management Committee Meetings were held on various dates. The Attendance of Members at meetings was as under:

Sr. No.	Name	Position	Number of Meetings held during the year	Number of Meetings attended
1	Mr. Sanjay S. Lalbhai	Member	17	17
2	Mr. Jayesh K. Shah	Member	17	17

7. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Corporate Social Responsibility Committee has 4 Members comprising of 1 Non-Executive Independent Director and 3 Executive Directors.

7.1 Terms of reference of the Committee inter alia, include the following:

(a) formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company as specified in Schedule VII to the Companies Act, 2013;

(b) to finalise a list of CSR projects or programs or initiatives proposed to be undertaken periodically including the modalities for their execution / implementation schedules and to review the same from time to time in accordance with requirements of section 135 of the Companies Act 2013;

(c) recommend the amount of expenditure to be incurred on the activities referred to in clause (a);

(d) monitor the Corporate Social Responsibility Policy of the company from time to time;

(e) Review the CSR report and other disclosures on CSR matters for the approval of the Board for their inclusion in the Board Report.

7.2 Composition of the Committee as at 31st March, 2016 and the details of Members participation at the Meetings of the Committee are as under:

During the year, 1 Meeting was held on 5th November, 2015.

Sr. No.	Name	Position	Number of Meetings held during the year	Number of Meetings attended
1.	Dr. Bakul Dholakia	Chairman	1	1
2.	Mr. Sanjay S. Lalbhai	Member	1	1
3.	Mr. Punit S. Lalbhai	Member	1	1
4.	Mr. Jayesh K. Shah	Member	1	1

8. INFORMATION ON GENERAL BODY MEETINGS:

8.1 The last 3 Annual General Meetings of the Company were held as under:

Date	Time	Venue
6th August, 2015	09:30 a.m.	Thakorebhai Desai Hall, Nr. Law Garden, Ellisbridge, Ahmedabad-380006
30th July, 2014	09:30 a.m.	Thakorebhai Desai Hall, Nr. Law Garden, Ellisbridge, Ahmedabad-380006
29th July, 2013	09:30 a.m.	Thakorebhai Desai Hall, Nr. Law Garden, Ellisbridge, Ahmedabad-380006

8.2 Special Resolutions passed at the last 3 Annual General Meetings:

2014-15

1. Special Resolution for payment of commission to the Non-executive Director(s) of the Company for a period of five years from 1st April, 2015 to 31st March, 2020.
2. Special Resolution for Adoption of new set of Articles of Association of the Company.

2013-14

1. Special Resolution for Appointment and approval of overall remuneration of Mr. Jayesh Shah as Wholetime Director and Chief Financial Officer for a period of five years from 1st October, 2014 to 30th September, 2019.
2. Special Resolution for Borrowing of monies in excess of paid up capital and free reserves of the Company.
3. Special Resolution for Creation of mortgage and/or charge on the immovable and movable properties of the Company in favour of the lenders to secure the financial assistance.
4. Special Resolution for Keeping and inspecting the registers, returns etc. at a place other than the registered office of the Company.
5. Special Resolution for Alteration of Articles of Association of the Company by inserting new article 149A.

2012-13

No Special Resolutions were passed at the AGM held on 29th July, 2013.

8.3 Extraordinary General Meeting (EGM)

During the last 3 years, there was no Extra Ordinary General Meeting held.

8.4 Details of Resolution Passed through Postal Ballot, The person who counducted the Postal Ballot Exercise and details of the voting pattern

No resolution has been passed through the exercise of Postal Ballot during the previous year.

9. MEANS OF COMMUNICATION:

9.1 The Quarterly, half-yearly and yearly financial Results are published in the Financial Express - All India Editions and Financial Express Gujarati Edition of Ahmedabad and are also posted on the Company's website at www.arvind.com.

9.2 Information released to the press at the time of declaration of results is also sent to all Stock Exchanges where the shares of the Company are listed for the benefit of investors. Moreover, the Company's web-site hosts a special page giving information which investors usually seek.

9.3 Presentations made to institutional investors/analysts are posted on the Company's web site at www.arvind.com.

10. GENERAL SHAREHOLDER INFORMATION:

10.1 Annual General Meeting:

Date	4th August,2016
Time	9:30 a.m.
Venue	Thakorebhai Desai Hall, Near Law Garden, Ellisbridge, Ahmedabad-380006.

10.2 Financial Calendar:

The Financial Year of the Company is for a period of 12 months from 1st April to 31st March.

First quarter results	:	Last week of July, 2016
Second quarter results	:	Last week of October, 2016
Third quarter results	:	Last week of January, 2017
Fourth quarter results / Year end results	:	In the Middle of May, 2017

10.3 Book Closure: Saturday, the 30th July, 2016 to Thursday, the 4th August, 2016 (Both Days inclusive).

10.4 Dividend payment Date : 9th August, 2016

10.5 Listing on Stock Exchanges: Shares of the Company are listed on the following Stock Exchanges.

Sr.No.	Name of the Stock Exchange	Code	Address
1	BSE Ltd.	500101	Phiroze Jeejeebhoy Tower, Dalal Street Mumbai - 400 001
2	National Stock Exchange of India Ltd.	ARVIND	Exchange Plaza, 5th Floor, Plot No.C/1, G. Block, Bandra - Kurla Complex, Bandra (E), Mumbai - 400 051.

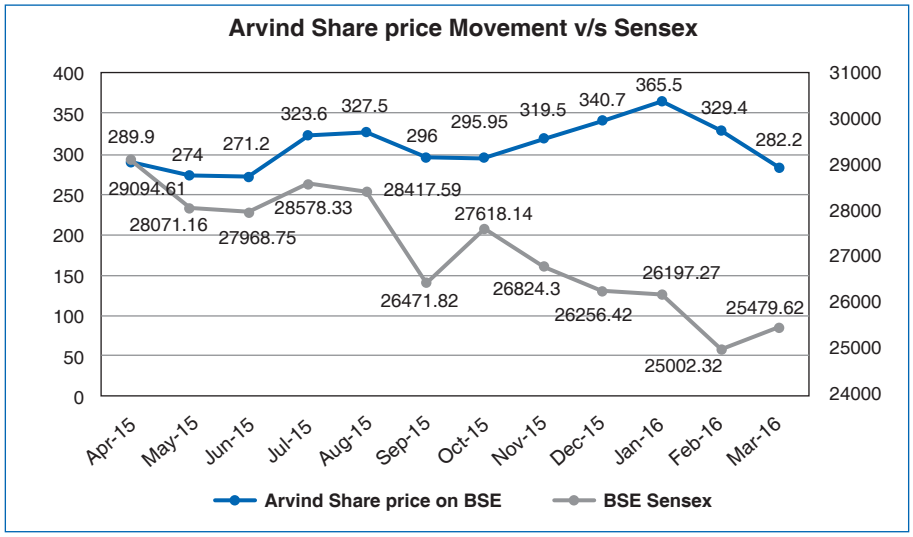
The Company has paid Annual Listing Fees for the year 2016-2017 to the above Stock Exchanges. The equity shares of the Company have been delisted from Ahmedabad Stock Exchange Ltd., w.e.f 23rd December, 2015.

10.6 Market Price Data:

The market price data and volume of the company's share traded in the BSE Limited and the National Stock Exchange of India Limited during the Financial Year 2015-16 were as under:

Month	Share price BSE		BSE Sensex		Volumes	Share price NSE		NSE (NIFTY)		Volumes
	High (₹)	Low (₹)	High	Low	No. of shares	High (₹)	Low (₹)	High	Low	No. of shares
Apr-15	289.90	243.50	29094.61	26897.54	3421300	290.00	243.50	8844.80	8144.75	29363228
May-15	274.00	222.00	28071.16	26423.99	5743286	274.00	222.00	8489.55	7997.15	52282598
Jun-15	271.20	216.20	27968.75	26307.07	5080073	271.45	216.30	8467.15	7940.30	46893204
Jul-15	323.60	266.10	28578.33	27416.39	5550770	323.80	266.40	8654.75	8315.40	47323606
Aug-15	327.50	237.00	28417.59	25298.42	6483537	328.00	237.00	8621.55	7667.25	50305383
Sep-15	296.00	251.40	26471.82	24833.54	4091720	295.75	250.65	8055.00	7539.50	30474140
Oct-15	295.95	270.35	27618.14	26168.71	2668459	296.00	270.40	8336.30	7930.65	22561378
Nov-15	319.50	265.75	26824.30	25451.42	4483547	319.70	265.20	8116.10	7714.15	31826968
Dec-15	340.70	291.65	26256.42	24867.73	3571120	360.00	291.00	7979.30	7551.05	34526289
Jan-16	365.50	294.95	26197.27	23839.76	3946942	365.70	294.70	7972.55	7241.50	32564938
Feb-16	329.40	235.90	25002.32	22494.61	5010832	329.30	235.00	7600.45	6825.80	42173091
Mar-16	282.20	236.00	25479.62	23133.18	3992126	282.50	236.30	7777.60	7035.10	36372033

Performance in comparison to broad-based indices viz. BSE Sensex



10.7 Registrar And Transfer Agent

Link Intime India Private Limited (from 16th June, 2016)
303, Shopper's Plaza – V, Opp. Municipal Market
Off. C. G. Road, Navrangpura, Ahmedabad-380009.
Phone & Fax No. 079-26465179
E-mail : ahmedabad@linkintime.co.in
Sharepro Services (I) Pvt. Ltd. (upto 15th June, 2016).

10.8 SHARE TRANSFER SYSTEM

(I) Delegation of Share Transfer Formalities:

Since the Company's shares are compulsorily traded in the demat segment on stock exchanges, bulk of the transfers take place in the electronic form. However, shares in the physical form are processed by the Registrar and Share Transfer Agents. However to expedite the transfers, the Board has delegated share transfer formalities to certain officers of the Company who attend to them at least 3 times in a month. Physical transfers are affected within the statutory period of one month. The Board has designated the Company Secretary as the Compliance Officer.

(II) Share Transfer Details for the period from 1st April, 2015 to 31st March, 2016:

Transactions	Physical
Number of Transfers	1443
Average Number of Transfers per month	121
Number of Shares Transferred	75062
Average Number of shares Transferred per month	6255
No. of Pending Share Transfers	Nil

(III) Investors' Grievances:

The Registrar and Transfer Agent under the supervision of the Secretarial Department of the Company look after investors' grievances. Link Intime India Private Limited (from 16th June, 2016) / Sharepro Services (I) Pvt. Ltd. (upto 15th June, 2016) is responsible for redressal of Investors' Grievances. The Company Secretary of the Company has been appointed as the Compliance Officer for this purpose. At each Meeting of the Investors' Grievance Committee, all matters pertaining to investors including their grievances and redressal are reported.

10.9 Shareholding Pattern as on 31st March, 2016:

Sr. No.	Category	No. of shares held	Percentage of Shareholding
1	**Holding of Promoter & Promoter Group**		
	Promoters		
	Aura Securities Private Limited	97362318	37.70%
	Sanjaybhai Shrenikbhai Lalbhai	811464	0.31%
	Punit Sanjaybhai	3714	0.00%
	Sanjaybhai Shrenikbhai Lalbhai (as a trustee of Sanjay Family Trust)	100	0.00%
	Jayshreeben Sanjaybhai Lalbhai	345	0.00%
2	**Promoter Group**		
	Kalpanaben Shripalbhai Morakhia	12	0.00%
	Arvind J & M Limited	100	0.00%
	AML Employees' Welfare Trust	6327317	2.45%
	Samvegbhai Arvindbhai Lalbhai	220144	0.09%
	Anamikaben Samvegbhai Lalbhai	40032	0.02%
	Saumya Samvegbhai Lalbhai	20000	0.01%
	Hansaben Niranjanbhai Lalbhai	38052	0.01%
	Badlani Manini Rajiv	5402	0.00%
	Adore Investments Private Limited	132296	0.05%
	Aeon Investments Private Limited	179244	0.07%

Sr. No.	Category	No. of shares held	Percentage of Shareholding
	Amardeep Holdings Private Limited	94250	0.04%
	Amazon Investments Private Limited	1152962	0.45%
	Sunil Lalbhai	3437	0.00%
	Swati S Lalbhai	7712	0.00%
	Vimlaben S Lalbhai	970	0.00%
	Taral S Lalbhai	4074	0.00%
	Aayojan Resources Pvt. Ltd	84505	0.03%
	Adhinami Investment Pvt Ltd	6000	0.00%
	Anusandhan Investments Limited	115000	0.04%
	Akshita Holdings Pvt. Limited	136	0.00%
	Atul Limited	4127471	1.60%
	Aagam Holdings Private Limited	1876258	0.73%
	Lalbhai Realty Finance Pvt. Ltd	455000	0.18%
	Total Promoter Group holding	**113068307**	**43.78%**
3	Mutual Funds and UTI	29946308	11.60%
4	Financial Institutions, Banks, Insurance Companies & Central/State Government	12373481	4.79%
5	Foreign Portfolio Investers, Foreign Institutional Investors, NRIs/OCBs, Foreign Banks	59467681	23.03%
6	Bodies Corporate	8619254	3.34%
7	Individuals	33029233	12.79%
8	Trusts	635514	0.25%
9	Clearing Members	1103291	0.43%
	Total Non-Promoter holding	**145174762**	**56.22%**
	GRAND TOTAL	**258243069**	**100.00%**

- The names of 'Relatives of above Individuals' are as per disclosures made as on 31st March, 2016 under the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.

10.10 Distribution of shareholding as on 31st March, 2016:

	PHYSICAL MODE		ELECTRONIC MODE		TOTAL		TOTAL	
No. of Shares	**No. of Holders**	**No. of Shares**	**No. of Holders**	**No. of Shares**	**No. of Holders**	**%**	**No. of Shares**	**%**
1-500	69897	2749911	98800	11074656	168697	4.29	13824567	5.35
501-1000	274	191819	4896	3899934	5170	1.51	4091753	1.58
1001-2000	92	122029	2083	3147008	2175	1.22	3269037	1.27
2001-3000	8	20176	661	1685522	669	0.65	1705698	0.66
3001-4000	7	25026	310	1110052	317	0.43	1135078	0.44
4001-5000	10	45013	264	1237885	274	0.48	1282898	0.50
5001-10000	3	21889	400	2953724	403	1.14	2975613	1.15
10001-20000	4	59076	147	2121290	151	0.82	2180366	0.84
Above 20000	1	100000	349	227678059	350	88.16	227778059	88.21
TOTAL	**70296**	**3334939**	**107910**	**254908130**	**178206**	**100.00**	**258243069**	**100.00**

10.11 Dematerialisation of shares and liquidity:

The Company's shares are available for dematerialisation on both the Depositories viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). Shares of the Company are compulsorily to be delivered in the demat form on Stock Exchanges by all investors. As on 31st March, 2016, 25,49,08,130 shares representing 98.71%of the issued capital have been dematerialised by investors and bulk of transfers take place in the demat form.

Demat ISIN:

Equity Shares fully paid: INE034A01011

10.12 Outstanding GDRs / ADRs / Warrants or any convertible instruments and conversion date and likely impact on equity: Not Applicable

10.13 Commodity price risk or foreign exchange risk and hedging activities:

Company is exposed to foreign exchange risk on account of import and export transactions entered. Also it is a sizable user of various commodities including cotton which exposes it to the price risk on account of procurement of commodities. The company is proactively mitigating these risks by entering into commensurate hedging transactions with banks and / or Commodity Exchanges as per applicable guidelines.

10.14 Plant Locations:

- Lifestyle Fabrics-Denim, Naroda Road, Ahmedabad – 380 025, Gujarat.
- Lifestyle Fabrics – Voiles, Ankur Textiles, Outside Raipur Gate, Ahmedabad – 380 022, Gujarat.
- Lifestyle Fabrics-Shirting, Khakis & Knitwear, Santej, PO Khatrej, Taluka Kalol, Dist. Gandhinagar-382721, Gujarat.
- Lifestyle Apparel-Knits, PO Khatrej, Taluka Kalol, Dist. Gandhinagar – 382 721, Gujarat.
- Lifestyle Apparel-Jeans, # 26/2, 27/2, Kenchenahalli, Mysore Road, Near Bangalore University, Bangalore-560 059.
- Lifestyle Apparel-Shirts, # 63/9, Doddathogur Village, Electronic City Post, Bangalore – 560100.
- Arvind Intex, Rajpur Road, Gomtipur, Ahmedabad – 380 021, Gujarat.
- Arvind Polycot, Khatrej, Taluka Kalol, Dist. Gandhinagar- 382 721, Gujarat.
- Arvind Cotspin, D-64, MIDC, Gokul Shirgaon, Tal. Karveer, Kolhapur – 416 234, Maharashtra.

10.15 Unclaimed Dividend:

(1) Unclaimed dividends up to and including the financial years 1993-94 have been transferred to the General Revenue Account of the Central Government. Shareholders who have not encashed their dividend warrants relating to any financial year up to 1993-94 are requested to claim the amounts from the Registrar of Companies, Gujarat, ROC Bhavan, Near Ankur Bus Stand, Naranpura, Ahmedabad 380 013 in the prescribed form. Investors may write to the Secretarial Department of the Company or the Registrars and Transfer Agents for a copy of the form.

(2) Dividends on equity shares for the financial years 1994-95 to 1997-98 and 2004-05 to 2005-06 remaining unclaimed for 7 years from their due dates have been transferred by the Company to the Investor Education and Protection Fund (IEPF) established by the Central Government pursuant to Section 205C of the Companies Act, 1956.

(3) The Company did not declare any dividends on equity shares for the financial years 1998-99 to 2003-04 and 2006-07 to 2010-11.

(4) The dividends on equity shares for the following years remaining unclaimed for 7 years from the dates of declaration are required to be transferred by the Company to IEPF and the various dates for transfer of such amounts are as under:

Financial Year	Date of Declaration	Due for transfer to IEPF*
2011-12	28th September, 2012	3rd November, 2019
2012-13	29th July, 2013	3rd September, 2020
2013-14	30th July, 2014	4th September, 2021
2014-15	6th August, 2015	11th September,2022

* Actual dates of transfer to IEPF may vary.

Members who have so far not enchased their dividend warrants in the respect of the above years are requested to claim their dividend from the Company. Such members may write to the Company's Registrar and Transfer Agent, Link Intime India Private Limited (from 16th June, 2016) and Sharepro Services (I) Pvt. Ltd. (upto 15th June, 2016) for payment of unclaimed dividend amount.

10.16 Nomination Facility:

Shareholders holding shares in physical form and desirous of making a nomination in respect of their shareholding in the Company, as permitted under Section 72 of the Companies Act, 2013 are requested to submit the prescribed Form SH-13 for this purpose. Shareholders may write to the Secretarial Department of the Company for a copy of the Form.

10.17 Address for correspondence:

Shareholders may correspond with the Company at the Registered Office of the Company or at the office of Registrar and Transfer Agent of the Company:

Arvind Limited Secretarial Department Naroda Road, Ahmedabad - 380 025. Phone Nos: 079-30138000/30138108-09 Fax No. : 079-30138668 e-mail : investor@arvind.in Web-site address: www.arvind.com	Link Intime India Private Limited (from 16th June, 2016) Registrar and Transfer Agent 303, Shopper's Plaza – V, Opp. Municipal Market Off. C. G. Road, Navrangpura Ahmedabad-380009. Phone & Fax No. 079-26465179 E-mail : ahmedabad@linkintime.co.in Sharepro Services (I) Pvt. Ltd. (upto 15th June, 2016)

11. OTHER DISCLOSURES :

11.1 There are no materially significant transactions with the related parties viz. promoters, directors or the management or their relatives or subsidiaries etc. that had potential conflict with the company's interest. Suitable disclosure as required by the Accounting Standard (As 18) has been made in the Annual Report. The Related Party Transaction Policy as approved by the Board is uploaded on the Company's Website at http://www.arvind.com/pdf/shareholding/2015/Policies/RelatedParty TransactionsPolicy.pdf.

11.2 Transactions with related parties are disclosed in detail in Note No. 39 in "Notes forming part of the Accounts" annexed to the financial statements for the year. There were no related party transactions having potential conflict with the interest of the Company at large.

11.3 There are no pecuniary relationships or transactions of Non-executive Directors vis-à-vis the Company which has potential conflict with the interests of the company at large.

11.4 No Strictures or penalties have been imposed on the company by the Stock Exchanges or by the Security Exchange Board of India (SEBI) or by any statutory authority on any matters related to capital markets during the last three years.

11.5 During the year ended 31st March, 2016, the Company has one Material Unlisted Subsidiary Company as defined in Regulation 16 of the SEBI (LODR) Regulations, 2015. The Company has formed the policy for determining material subsidiary as required by under Regulation 16 of the SEBI (LODR) Regulations, 2015 and the same is disclosed on the Company's website. The web link is http://www.arvind.com/pdf/shareholding/015/Policies/PolicyforDeterminationofMaerialityofEvent.pdf.

The Audited Annual Financial Statements of Subsidiary Companies are tabled at the Audit Committee and Board Meetings.

Copies of the Minutes of the Audit Committee / Board Meetings of Subsidiary Companies are individually given to all the Directors and are tabled at the subsequent Board Meetings.

11.6 Vigil Mechanism :

In staying true to our values of Strength, Performance and Passion and in line with our vision of being one of the most respected companies in India, the Company is committed to the high standards of Corporate Governance and stakeholder responsibility.

The Company has a Whistleblower Policy (WB Policy) that provides a secured avenue to directors, employees, business associates and all other stakeholders of the company for raising their concerns against the unethical practices, if any. The WB Policy ensures that strict confidentiality is maintained whilst dealing with concerns and also that no discrimination will be meted out to any person for a genuinely raised concern.

Pursuant thereto, a dedicated helpline "Arvind Ethics Helpline" has been set up which is managed by an independent professional organization. The Ethics Helpline can be contacted to report any suspected or confirmed incident of fraud / misconduct on:

Online Portal: https://www.ethicscentre.co.in/

Toll Free Hotline: 1800 220 256

Ethics Email ID: contact@ethicscentre.co.in

Whistle blower Committee has been constituted which looks into the complaints raised. The Committee reports to the Audit Committee and the Board.

No personnel have been denied access to the Chairman of the Audit Committee, for making compliant on any integrity issue.

11.7 Details of compliance with mandatory requirements and adoption of the non-mandatory requirements :

During the year, the Company has fully complied with the mandatory requirements as stipulated under SEBI (LODR) Regulations, 2015.

The status of compliance with discretionary recommendations and adoption of the non-mandatory requirements as specified in regulation 27(1) of the SEBI (LODR) Regulations, 2015, is provided below:

a. **The Board:** The Chairman of the Company is Executive Director.

b. **Shareholder Rights:** Half-yearly and other Quarterly financial statements are published in newspapers, uploaded on company's website www.arvind.com and same are not being sent to the shareholders.

c. **Modified Opinion(s) in Audit Report:** The Company already has a regime of un-qualified financial statement. Auditors have raised no qualification on the financial statements.

d. **Separate posts of Chairperson and Chief Executive Officer:** Mr. Sanjay S. Lalbhai is the Chairman and Managing Director of the Company.

e. **Reporting of Internal Auditor:** The Internal Auditor reports to the Audit Committee.

The above Report was placed before the Board at its meeting held on 12th May, 2016 and the same was approved.

For and on behalf of the Board

Place: Ahmedabad
Date: May 12, 2016

SANJAY S. LALBHAI
Chairman & Managing Director

Compliance of conditions of Corporate Governance

To the Members of Arvind Limited

We have examined the compliance of regulations of Corporate Governance by ARVIND LIMITED for the year ended on 31st March, 2016, as stipulated in Regulations Part C of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

The compliance of regulations of Corporate Governance is the responsibility of the management. Our examination was limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the management, we certify that the Company has complied with the regulations of Corporate Governance as stipulated in the above mentioned Listing Regulations.

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

For **Sorab S. Engineer & Co.**
Firm Registration No. 110417W
Chartered Accountants

CA. N. D. Anklesaria
Partner
Membership No. 10250

Ahmedabad
May 12, 2016

CEO / CFO certification

(Under Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

The Board of Directors
Arvind Limited
Ahmedabad.

Re: Financial Statements for the year 2015-16 – Certification by CEO and CFO

We, Sanjay Lalbhai, Chairman & Managing Director and Jayesh Shah, Wholetime Director & Chief Financial Officer of Arvind Limited certify that:

A. We have reviewed financial statements and the cash flow statement for the financial year ending 31st March, 2016 and that to the best of our knowledge and belief :
   1. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
   2. these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.

C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

D. We have indicated to the auditors and the Audit committee:
   1. significant changes in internal control over financial reporting during the year;
   2. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
   3. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

Ahmedabad
May 12, 2016

Sanjay Lalbhai
Chairman & Managing Director

Jayesh Shah
Wholetime Director & CFO

DECLARATION REGARDING COMPLIANCE WITH CODE OF CONDUCT FOR DIRECTORS AND SENIOR MANAGEMENT PERSONNEL

This is to confirm that the Company has adopted a Code of Conduct for Directors and Senior Management Personnel, which is available on the Company's website www.arvind.com

I hereby declare that all the Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct for the year ended 31 March 2016.

Ahmedabad
May 12, 2016

Sanjay Lalbhai
Chairman & Managing Director

MANAGEMENT DISCUSSION & ANALYSIS

DISCLAIMER

Readers are cautioned that this discussion and analysis contains forward-looking statements that involve risks and uncertainties. When used in this discussion, the words "anticipate," "believe," "estimate," "intend," "will," and "expected" and other similar expressions as they relate to the Company or its business are intended to identify such forward-looking statements. The Company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. Actual results, performances or achievements, risks and opportunities could differ materially from those expressed or implied in these forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements as these are relevant at a particular point of time & adequate restrain should be applied in their use for any decision making or formation of an opinion.

The following discussion and analysis should be read in conjunction with the Company's financial statements included herein and the notes thereto.

OVERVIEW OF THE ECONOMY

In 2015, world economy grew at slower pace of 2.4 percent as against 2.6 percent in 2014. Overall growth in developing-countries slowed in 2015 to 4.3 percent, its weakest since 2009. In contrast to other developing countries, growth in India remained robust, buoyed by strong investor sentiment due to positive government initiatives and higher real incomes due to recent fall in oil prices. The Indian economy is trending as bright spot amidst a flat global economy. The economic growth accelerated to 7.5 percent in 2015-16, as compared to 7.2 percent in 2014-15. India's foreign exchange reserves have touched highest ever level of about USD 350 billion. India is now ranked at the top among 12 Asia Pacific markets on the New World of Work (NWOW) index, as per Microsoft's New World of Work Study.

Monetary and fiscal restraint, the fall in global crude oil prices and a moderation in food price inflation have contributed to a steep drop in inflation and a narrowing of current account and fiscal deficits.

Compared to most other major developing countries, India is well positioned to withstand near-term headwinds and volatility in global financial markets due to reduced external vulnerabilities, a strengthening domestic business cycle and a supportive policy environment. Progress on infrastructure improvements and government efforts to boost investments are expected to offset the impact of any tightening of borrowing conditions resulting from tighter U.S. monetary policy. Such investment will also lift potential growth over the medium term. On the other hand, although India has made good progress on reducing external vulnerabilities and strengthening the credibility of the macro policy framework, high levels of non performing loans in the banking sector, concentrated in construction, natural resource and infrastructure sectors, could impede a pickup in investment if left unaddressed.

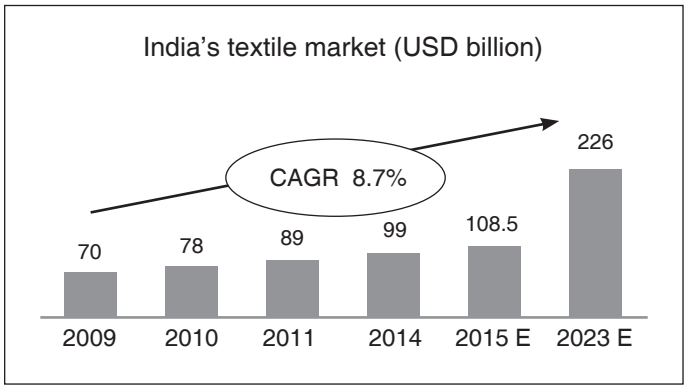
One key critical legislative reforms - GST is still pending. Nevertheless, the government has made progress in key areas, such as energy and in November announced major reforms to liberalize FDI in several sectors. The central bank, meanwhile, has liberalized the medium-term framework for foreign portfolio investment, in an effort to increase its role in market development and for attracting long-term investors. Human skill development and infrastructure challenges remain in India, which the Government is willing to address.

While public investment and urban consumption were the major drivers of growth in FY 2015, a revival of private investment and rural consumption is critical if growth is to remain strong in FY 2016 and FY 2017, given the likely sluggish recovery in the advanced economies and the anemic outlook for global trade. A good monsoon, after 2 years of drought, will certainly be a key factor in uplifting the Indian Economy to a higher trajectory.

INDIAN TEXTILE INDUSTRY

The fundamental strength of Indian Textile Industry flows from its strong production base of wide range of fibres/yarns - from natural fibres like cotton, jute, silk and wool to synthetic/man-made fibres like polyester, viscose, nylon and acrylic.

The Indian textile industry is likely to continue its strong growth, buoyed by both strong domestic consumption as well as export demand. It is currently estimated at around USD 108 billion and is expected to grow at a CAGR of 8.7 percent to reach USD 223 billion by 2021.

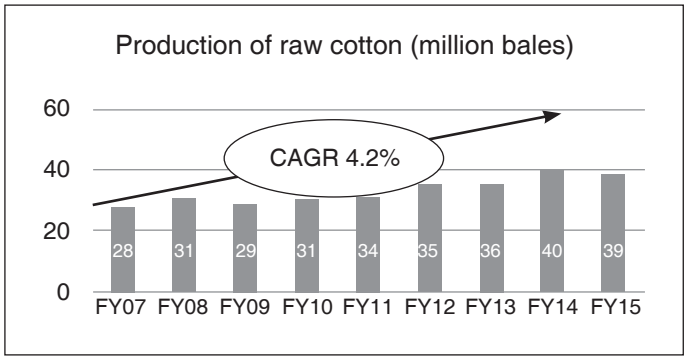


The industry is the second largest employer after agriculture, providing employment to over 45 million people directly and 60 million people indirectly. The Indian Textile Industry contributes approximately 5 percent to India's gross domestic product (GDP) and 14 percent to overall Index of Industrial Production (IIP). India accounts for 63 percent of global market share of textiles and garments. India accounts for about 14 percent of world's production of textile fibres and yarns.

Government has been overall supportive in encouraging textile industry in India. Textiles and garment industry has been included in list of 25 sectors of 'Make in India' initiative of the Government of India. With the right Government policies, we believe that the Indian Textile Industry is well poised to benefit from the large opportunity offered in the domestic and export market.

COTTON

Cotton production is concentrated among only a few countries, with the world's five largest cotton-producing countries forecast to produce nearly 80 percent of world production in 2015/16. India and China together account for more than 50 percent of global cotton production, but production in China is declining while increasing in India. In 2015/16, India is expected to surpass China as the world's largest cotton producer for the first time on record, with a crop forecast at 29.5 million bales, pushing India's share of world production to 26.5 percent. A good monsoon this year would add to increase in productivity.



(Source: IBEF)

In terms of the global trade picture, government policies in China and India will play a role in the outlook for the coming year. Domestically, under the current climate of higher market prices, an increase in Minimum Support Price (MSP) for the 2016 crop will cause a significant amount of India's production to move into government stocks. However, continued fall in the prices of polyester, lower global demand and offloading of inventories by China are likely to keep domestic cotton prices under pressure in 2016-17.

TEXTILE OUTLOOK

For several years, India has enjoyed the position of being the second largest producer exporter of textiles in the world. Statistics reveal that India has overtaken countries such as Italy, Germany and Bangladesh, to emerge as the second largest textile exporter, the largest being China. The good news for India is that due to rising labour costs, China is gradually losing its competitive edge. Other factors contributing to the downfall of China's textile exports include appreciating currency value, rising material & energy costs and a high focus on the domestic market. The decline in China's market share in textiles provides an opportunity for India to excel in this sector. Further, the abundant availability of raw materials, huge domestic market, improved economic conditions and Government initiatives such as "Make In India" are some of the advantages that fuel the solid performance of the Indian textile industry for export.

The Technology Upgradation Fund Scheme is anticipated to render a growth of 11.5 percent in cloth production, 15 percent in value exports and an additional employment of almost 15.81 million workers.

In spite of immense factors fuelling the growth of the Indian textile industry, there are certain challenges faced by the country in terms of scarcity of trained manpower, escalating energy costs, high transportation costs, obsolete labour laws, low level of technology and lack of economies of scale.

Irrespective of a handful of unfavourable conditions, the future appears bright for the Indian textile industry, which is set for strong growth, buoyed by massive domestic as well as export demand. Further, the growing Indian economy and rising disposable income will render a strong tailwind to the textile sector.

Your company is looking to grow selectively in high value added segments within textiles, for maximum capital efficiency as well as de-risked business model. It is moving steadily towards a verticalised setup of fabrics along with garmenting, which offers much better returns profile along with more robust business model.

In the near term, the impact of The Trans-Pacific Partnership Agreement (TPPA) on the apparel exports from India remains to be seen. To pre-empt any loss of business and guard against increasing cost and falling margins in the mid-term, your Company has embarked on a strategic investment in Ethiopia by setting up garmenting factories to take advantage of lower labour cost, duty savings and lower shipment time to US markets.

Indian Apparel Retail Market

The Indian retail industry has emerged as one of the most dynamic and fast-paced industries due to the entry of several new players. According to IBEF, it accounts for over 10 percent of the country's Gross Domestic Product (GDP) and around 8 percent of the employment. India is the world's fifth-largest global destination in the retail space. India's retail market is expected to nearly double to USD 1 trillion by 2020 from USD 600 billion in 2015, driven by income growth, urbanisation and attitudinal shifts.

While the overall retail market is expected to grow at 12 percent per annum, modern trade is likely to expand twice as fast at 20 percent per annum and traditional trade at 10 percent. Retail spending in the top seven Indian cities amounted to USD 53.7 billion, with organised retail penetration at 19 percent as of 2014. Online retail is expected to be at par with the physical stores in the next five years.

Your company's strong portfolio of foreign brands allows it to offer consumers a whole range of products across all price segments. Our Power Brands like Arrow, US Polo Association, Tommy Hilfiger and Flying Machine continue to demonstrate rapid growth and are dominating their respective space. While, our growth brands like Nautika, Calvin Klein & Gant are poised to lead in the next growth phase. After the recent restructuring of Megamart operations, our value retail format, signs of higher operational efficiency are clearly visible. Your Company's specialty retail segment is growing stronger with brands like GAP, TCP, Sephora & Aeropostale.

E-Commerce

Over the last decade, the Internet has changed the way people buy and sell goods and services. Online retail or e-commerce is transforming the shopping experience of customers. The sector has seen unprecedented growth especially in the last two years. The adoption of technology is enabling the e-commerce sector to be more reachable and efficient. Devices like smartphones, tablets and technologies like 3G, 4G, Wi-Fi and high speed broadband is helping to increase the number of online customers. Banks and other players in e-commerce ecosystem are providing a secured online platform to pay effortlessly via payments gateways.

India is expected to become the world's fastest growing e-commerce market, driven by robust investment in the sector and rapid increase in the number of internet users. Morgan Stanley Research has revised its estimate of India's e-commerce market for 2020 from USD 102 billion to USD 119 billon.

Keeping in view the changing trend in consumer buying behavior and to positively gain from the rapid growth of e-commerce as a sales channel, your Company has recently launched India's first True Omni Channel Experience - NNNow.com. This new initiative is your Company's attempt to move away from the discount driven e-commerce market to a brand led shopping journey. We believe that NNNow.com will redefine shopping for Indian consumers by linking online and offline retail shopping experience. In the near future, the success of this initiative will unlock a huge market for our brands. It will not only provide a higher volume growth, but will also improve our overall operating margins in retail business in the near term.

RESULT REVIEW

Your Company has been able to achieve a growth of 8% in Consolidated Revenues and 5% in Operating Earnings (excluding other income) before Interest Depreciation and Taxes (EBITDA). This has been achieved by a strong performance by Brands and Retail which grew by 16%. Consolidated PBT was higher by 5% and PAT was lower by 6% as compared to previous year due to higher taxation.

In FY16, the standalone performance of your Company has been constrained as compared to last year. We have closed the financial year 2015-16 with 3% growth in sales, 4% reduction in Operating Earnings (excluding other income) before Interest Depreciation and Taxes (EBITDA) and 10% reduction in PBT (excluding Exceptional Items).

The Standalone Financials of the company is as under:

₹ in Crores

Particulars	For Year Ended Only			
	March 31, 2016		March 31, 2015	
	Amount	% of sales	Amount	% of sales
Revenue from Operations (Net)	5,407		5,225	
Other Income	106		128	
Total Revenue	**5,513**		**5,353**	
Cost of materials & accessories consumed	2,078	38%	2,174	42%
Purchases of Stock-in-trade	117	2%	98	2%
Project Expenses	10	0%	8	0%
Changes in inventories of finished goods, Work-in-progress and stock-in-trade	(52)	-1%	(94)	-2%
Employee Benefits Expense	652	12%	571	11%
Other Expenses	1,794	33%	1,639	31%
Total Expenses	**4,599**	**85%**	**4,398**	**84%**
EBITDA	915	17%	955	18%
Depreciation and Amortization Expense	147	3%	126	2%
Finance Costs	311	6%	320	6%
Profit Before Extraordinary Items and Tax	457	8%	510	10%
Exceptional items	8		32	
Profit Before Tax	**449**	**8%**	**478**	**9%**
Tax expense:	130		100	
Profit After Tax	**319**	**6%**	**377**	**7%**

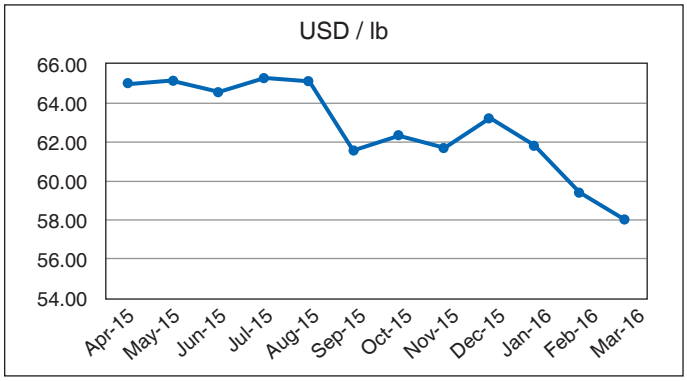
Revenue, Sales and Operating Income

Total Revenue of the Company under review increased by 3% compared to previous year. Sales and operating income also increased by 3%. The Revenue from Denim has declined by 3% due to constraints on plant utilisation on account of change in product mix. The expansion in the Woven Business has stabilized and the Business has registered a growth of 4% in revenue this year. Voiles Business has registered a decline in revenue by 4%, whereas Knits Business continues to demonstrate high growth trajectory and has registered a growth of 10%. The Garments Business has had a very good year and has grown by 24%. Other income aggregating to ₹ 106 Crs. mainly consisting of Interest Income, Profit on Sale of Land, Sale of Scrap & Rent Income.

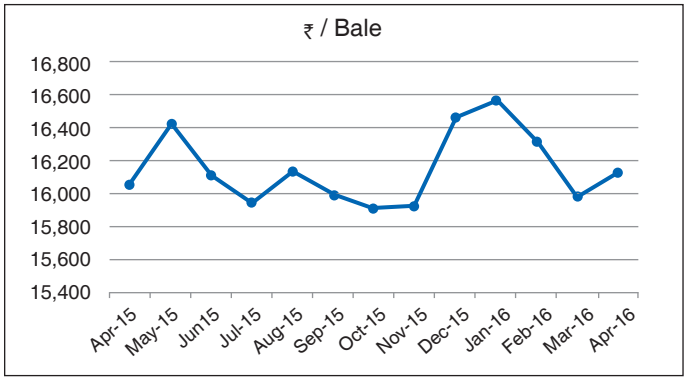
Raw Materials

The raw material cost in absolute terms has decreased by around 4% compared to the previous year. Raw material cost, as a percentage to sales, has also reduced by 4% from 42% to 38% during the year compared to the previous year. The average price of cotton consumed during the year 2015-16 was lower by 6% compared to the previous year. Following chart shows the movement of cotton prices from April 2015 to March 2016 domestically as well as globally:

Cotton Price movement on ICE, USA - $/Lbs



Cotton Price movement on MCX, India – ₹/bale



Direct Materials

The direct materials costs largely include cost of Dyes & Chemicals & Spare parts consumed which were higher than previous year at ₹ 445 Crores, showing an increase by 3% in absolute terms and as a percentage of Sales, it stands at 8% similar to that in the previous year.

Power & Fuel

Power & Fuel cost this year is ₹ 460 crores which has increased by 1% in absolute terms compared to the previous year. As a percentage of Sales, it has remained steady at 9%.

Manpower Cost

The Manpower cost for the year is higher by 14% in absolute value; however, as a percentage to Sales, it was at 12% which is 1% higher than previous year.

Other Costs

The other costs have gone up by 9% exceeding overall sales growth. As a percentage to sales, it was 33% in the current year.

Operating Margins (Profit)

During the year under review, company's EBITDA margin has diminished by 1% to 17%. Similarly, EBIDTA (excluding Other Income) also has reduced by 1% at 15%.

Finance Costs

The finance cost for the current financial year is ₹ 311 Crores as against ₹ 320 Crores for the previous financial year. The reduction in finance cost in absolute term is due to benefits received under interest subvention scheme of the Government of India as well as lowering of interest rate by banks. Finance Cost as a percentage to Sales has remained same at 6%.

Exchange differences arising from foreign currency borrowing to the extent of the difference between interest on local currency borrowings and interest on foreign currency borrowings are booked in Finance Costs.

Depreciation

Depreciation in absolute terms has increased to ₹ 147 crores as compared to ₹ 126 crores in the previous financial year; as a percentage to sales it has increased to 3% for the year as compared to 2% in the previous year.

Profit before Tax (PBT)

Profit before tax and exceptional items for the year was ₹ 457 Crores compared to ₹ 510 Crores in the previous year, reflecting a reduction in PBT margin from 10% to 8%.

Net Profit (PAT)

Profit after tax stood at ₹ 319 Crores in the current financial year compared to 377 Crores in the previous year marking a decline of 15%.

Debt

The total debt (including due within one year) of the Company as on 31st March, 2016 stood at ₹ 2,926 Crores against ₹ 2,750 Crores as on 31st March, 2015. The increase in total debt is a result of additional borrowing during the year for financing capital expenditure as well as higher working capital requirement. Further, the company has raised part of this debt under TUFS which entitles Interest Rate Subsidy to the extent of 5%.

Working Capital & Liquidity

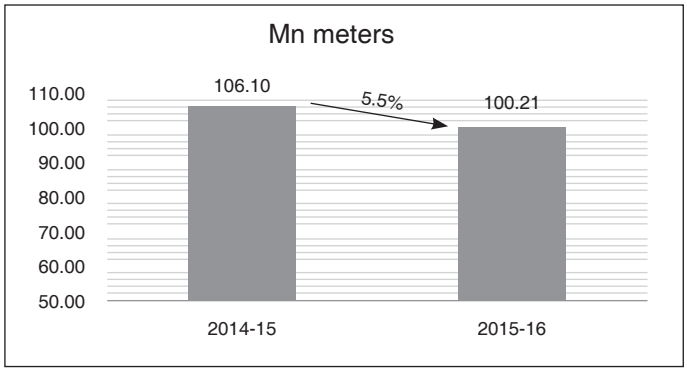
The Current Assets during the year has gone up by 1% in absolute terms & Current Liabilities has largely remained same as compared to last year.

BUSINESS REVIEW & DEVELOPMENTS

Denim Fabrics

Denim fabric has witnessed de-growth in volume to 100.21 mn Mtrs. as well as revenue by 3%. This is on account of bottlenecks in capacity utilization due to changes in product mix. The average price realization per mtr. has grown marginally during the year, partially due to conscious effort to avoid low margin product categories.

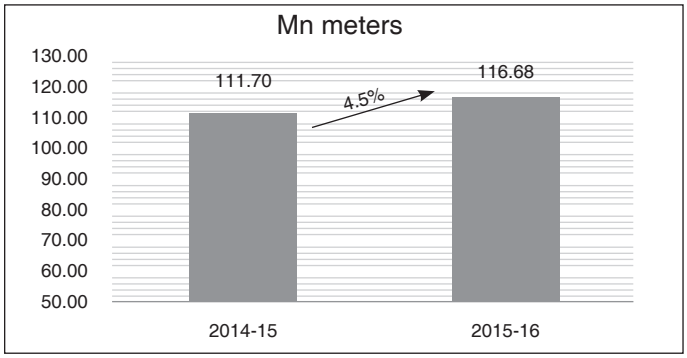
Denim Volume



Woven Fabrics

Woven Fabrics achieved 4.5% growth in volume at 116.9 mn. Mtrs. and 5% increase in revenues. The average price realization per mtr. remained flat as compared to last year.

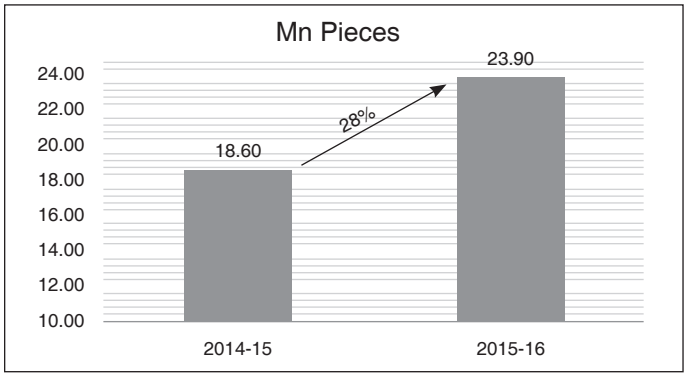
Woven Fabrics Volume



Garments

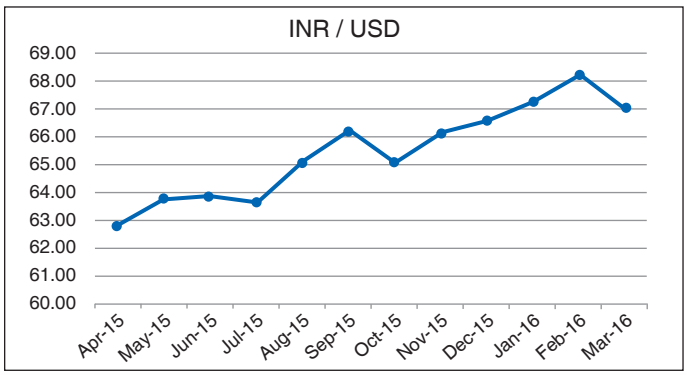
Garments, which is part of Arvind's verticalisation strategy, continues to be on growth momentum. During the year, Garment's revenue has registered 24% growth. Your Company manufactures Jeans, Shirts & Knitted garments at its Garments plants situated in & around the city of Bangalore. The revenues from Garments are likely to be higher next year with expected stabilisation of operations at the new plant in Ethiopia. The joint venture company set up to manufacture Suits, Arvind Goodhill Suit Manufacturing Private Limited, has grown from ₹ 15 crores in 2015 to ₹ 49 crores in 2016.

Garments Volume



Exchange Rate

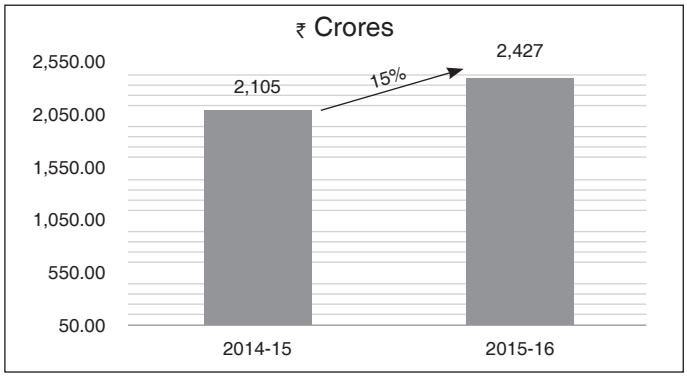
The exchange rate of INR against USD, which was 62.20 in April 2015 has fluctuated between 61.90 and 68.80 throughout the year, with a negative bias. The average exchange rate for the entire year was in range of INR 65.40 to a US dollar which was INR 62.4 in the previous year. The Company had taken forward cover on net dollar exposure.



SUBSIDIARIES

Overview of performance of Arvind Lifestyle Brands Limited:

Arvind Lifestyle Brands Limited (ALBL) has registered robust revenues growth of 15% during the year compared to the previous year.



During the year, 119 stores were added for Brands business, whereas 20 stores were introduced for specialty retail. The MegaMart model of business has undergone a facelift and re-christened as Unlimited. Under the new strategy, 48 stores have been reduced during the year. With this overall addition, the distribution strength of the ALBL businesses stands at 953 stores.

Anup Engineering Limited

Anup Engineering Limited is engaged in engineering and fabrication business. The Company registered after tax profit of ₹ 24 Crores during the year compared to ₹ 18 Crores during the previous year.

OUTLOOK

Your Company's future growth is built on two parallel growth drivers, domestic consumption in apparel & branded retail as well as large global opportunity in textiles & clothing world trade. The company is expected to grow around 15%-16% at consolidated level in next 4-5 years. However, the growth shall be driven by its B2C business model. It is expected that B2C business shall constitute about 35% of revenue & about 30% of EBIDTA at the consolidated level.

In Brands & Retail space, your company has built a breakthrough growth portfolio of Power Brands & Specialty Retail. With such a strong portfolio of brands & retail format, your company is well poised to achieve CAGR of over 25% in next 4-5 years. To achieve this goal, the company is making category extension of its existing brands and rapid expansion of its distribution footprint. In next 4-5 years the company is planning to cover almost 300 cities with over 3 million square feet retail space.

In Textiles, the company is driving the growth through asset-light Garmenting Business as part of vertical integration strategy so as to capture entire value in textile chain. Building garmenting factories in Ethopia will also enable your Company to compete more vigorously in the international market. Your Company is also expanding its knits fabrics capacities after having expanded woven fabric capacity in the recent times. It is expected that Textile Business shall continue to grow at 8%-9%.

Your company continues to build on to the Technical Textiles Business and is constantly looking for newer opportunities for joint venture with global companies who either bring the technology or access to international customers.

The recently launched online platform is the first major step forward in the Company's E-Commerce strategy. Your company is looking to develop multiple 'Differentiated Online Formats' to play in E-Commerce space.

For the financial year 2016-17, the revenue of the company at the consolidated level is expected to grow by around 12%-15% driven by around 20%-22% growth in Brands & Retail Business and growth of 8%-9% in Textile Business. The company is expecting that the weighted margins going forward will be slightly lower due to change in revenue mix in favour of Brands & Retail. Nevertheless, EBIDTA margin for Brands & Retail Business is also expected to improve by around 75 bps.

On the whole the outlook for the company continues to remain positive.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ARVIND LIMITED

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

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

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

Opinion

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

Emphasis of Matter

We draw attention to the following matters in the Notes to the financial statements

a) As mentioned in Note No. 43 in respect of early adoption of Accounting Standard (AS) – 30 on 'Financial Instruments: Recognition and Measurement' issued by the Institute of Chartered Accountants of India and the clarification issued on Application of AS 30, the Company has measured all its Financial Assets and Liabilities at their respective Fair Values or at Amortised Cost except for those items whose accounting treatment is covered by the existing accounting standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. Accordingly, the carrying amount of Long Term Borrowings would have been higher by ₹ 6.51 Crores (Previous year ₹ 6.98 Crores) and carrying value of Hedge Reserve would have been lower by ₹ 13.46 Crores (Previous year higher by ₹ 8.24 Crores).

Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, we report that:
   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
   (b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
   (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
   (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under section 133 of the Act, Read with Rule 7 of the Companies (Accounts) Rules, 2014 and Accounting Standard (AS) – 30 on 'Financial Instruments: Recognition and Measurement' issued by the Institute of Chartered Accountants of India (ICAI);
   (e) On the basis of the written representations received from the directors as on 31st March, 2016 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
   (f) 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".
   (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 19 to the financial statements;
      ii. The Company did not have any material foreseeable losses on any long-term contracts including derivative contracts;
      iii. There has been no delay in transferring amount, required to be transferred, to the Investor Education and Protection Fund by the Company.

For **Sorab S. Engineer & Co.**
Chartered Accountants
Firm Registration No. 110417W
CA. N. D. Anklesaria
Partner
Membership No. 10250

Ahmedabad
May 12, 2016

ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT

Re: ARVIND LIMITED

Referred to in Paragraph 1 under the heading "Report on other legal and regulatory requirements" of our Independent Auditor's Report of even date,

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

(b) As explained to us, the fixed assets have been physically verified by the management during the year in accordance with a phased programme of verification, which in our opinion provides for physical verification of all the fixed assets at reasonable intervals. We are informed that no material discrepancies were noticed on such verification.

(c) The title deeds of immovable properties other than self-constructed immovable property (buildings), as disclosed in fixed assets to the financial statements, are held in the name of the Company except for the following:

Nature of Property	No. of Cases based on Block No.	Gross Block as at 31-03-2016 ₹ in Crores	Net Block as at 31-03-2016 ₹ in Crores
Freehold Land	46	84.96	84.96
Buildings	6	1.20	0.88

Formalities for change of name are in progress.

(ii) As explained to us, physical verification of inventory has been conducted at reasonable intervals by the management and the discrepancies noticed on verification between the physical stocks and the book records were not material having regard to the size of the Company, and the same have been properly dealt with in the books of account.

(iii) The Company has not granted secured/unsecured loans to Companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Consequently, requirements of clause (iii) of paragraph 3 of the order are not applicable.

(iv) In our opinion and according to the information and explanations given to us, the Company has not advanced any loan or given any guarantee or provided any security or made any investment covered under section 185 of the Act. However, the Company has advanced loans or given guarantees or provided security or made investments covered under section 186 of the Act. We are of the opinion that provisions of section 186 of the Act have been complied with.

(v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Sections 73 to 76 or any other relevant provisions of the Act and rules framed thereunder. No order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal.

(vi) We have broadly reviewed the cost records maintained by the Company as specified by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete

(vii) (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Wealth Tax, Sales Tax, Service Tax, Duty of Custom, Duty of Excise, Value added tax, Cess and other material statutory dues applicable to it. According to the information and explanations given to us, no undisputed amounts payable in respect of outstanding statutory dues were in arrears as at March 31, 2016 for a period of more than six months from the date they became payable.

(b) Following amounts have not been deposited as on March 31, 2016 on account of any dispute :

Nature of Statute	Nature of the dues	₹ in Crores	Period to which the amount relates	Forum where matter is pending
Sales Tax Act	Sales Tax	11.51	1998-99, 2002-03, 2003-04, 2004-05, 2005-06, 2007-08	High Court(VAT & CST)
		2.23	2006-07	JCCT Appeal (VAT)
		0.90	2006-07	JCCT Appeal (CST)
		0.05	2002-03, 2003-04	Appellate Tribunal
Central Excise Act	Excise Duty	9.91	2000-2001, 2001-2002	High Court
		1.55	2000-01, 2001-02, 2002-03, 2003-04, 2004-05, 2005-06, 2008-09	CESTAT
		0.16	2002-03, 2003-04, 2005-06	Commissioner Appeal
		9.17	1999-00, 2000-01, 2001-02, 2002-03, 2008-09	Supreme Court
Customs Act	Custom Duty	0.72	1998-99 to 2006-07	CESTAT
		0.05	2005-06, 2006-07, 2007-08	Joint Commissioner

Nature of Statute	Nature of the dues	₹ in Crores	Period to which the amount relates	Forum where matter is pending
Finance Act	Service Tax	2.12	2004-05, 2005-06, 2006-07, 2007-08, 2012-13, 2013-14, 2014-15	Additional Commissioner
		0.37	2007-08, 2012-13, 2013-14	CESTAT
		0.05	2005-06, 2006-07	Assistant Commissioner
		0.77	2013-14, 2014-15	Principal Commissioner
		0.57	2004-05, 2005-06, 2006-07, 2007-08, 2009-10	Commissioner
Income Tax Act	Fringe Benefit Tax	0.13	2005-06	CIT Appeal
	Income Tax	4.69	2000-01, 2004-05, 2010-11, 2012-13	CIT Appeal
		2.11	2006-07	ITAT

(viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to financial institutions and banks.

(ix) To the best of our knowledge and belief and according to the information and explanations given to us, the Company has not raised moneys by way of initial public offer or further public offer. However, the term loans obtained during the year were, *prima facie*, applied by the Company for the purpose for which they were raised, other than temporary deployment pending application.

(x) To the best of our knowledge and belief and according to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.

(xi) To the best of our knowledge and belief and according to the information and explanations given to us, managerial remuneration has been paid/provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

(xii) The Company is not a Nidhi Company. Consequently, requirements of clause (xii) of paragraph 3 of the order are not applicable.

(xiii) To the best of our knowledge and belief and according to the information and explanations given to us, all transactions with the related parties are in compliance with section 177 and 188 of the Act where applicable and the details have been disclosed in the Financial Statements etc. as required by the applicable accounting standards.

(xiv) To the best of our knowledge and belief and according to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Consequently, requirements of clause (xiv) of paragraph 3 of the order are not applicable.

(xv) To the best of our knowledge and belief and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him.

(xvi) According to the nature of the business, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **Sorab S. Engineer & Co.**
Chartered Accountants
Firm Registration No. 110417W

CA. N. D. Anklesaria
Partner
Membership No. 10250

Ahmedabad
May 12, 2016

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF ARVIND LIMITED

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

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

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

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

For **Sorab S. Engineer & Co.**
Chartered Accountants
Firm Registration No. 110417W

CA. N. D. Anklesaria
Partner
Membership No. 10250

Ahmedabad
May 12, 2016

Balance Sheet as at 31st March, 2016

₹ in Crores

	Note	As at March 31, 2016	As at March 31, 2015
Equity and Liabilities			
Shareholders' funds			
Share Capital	3	**258.24**	258.24
Reserves and Surplus	4	**2,756.24**	2,587.04
Non-current liabilities			
Long Term Borrowings	5	**1,332.01**	1,171.32
Deferred Tax Liabilities (Net)	6	**120.05**	96.64
Long Term Provisions	7	**15.48**	14.36
Current liabilities			
Short Term Borrowings	8	**1,325.28**	1,331.57
Trade Payables	9		
- Total outstanding dues of micro enterprises and small enterprses		**-**	-
- Total outstanding dues of creditors other than micro enterprises and small enterprses		**795.75**	721.72
Other Current Liabilities	10	**400.67**	378.82
Short Term Provisions	7	**79.32**	92.71
Total		**7,083.04**	6,652.42
Assets			
Non-current assets			
Fixed Assets			
Tangible Assets	11	**2,797.16**	2,610.83
Intangible Assets	12	**14.90**	9.44
Capital Work-in-progress	-	**74.08**	75.53
Intangible Assets under development	-	**23.79**	-
Non-current Investments	13	**1,098.76**	885.39
Long Term Loans and Advances	14	**380.11**	407.84
Other Non-current Assets	15	**5.05**	5.15
Current assets			
Inventories	16	**1,137.20**	1,040.54
Trade Receivables	17	**419.66**	462.27
Cash and Bank Balances	18	**23.41**	45.02
Short Term Loans and Advances	14	**800.87**	800.88
Other Current Assets	15	**308.05**	309.53
Total		**7,083.04**	6,652.42
Significant Accounting Policies	2		

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

As per our report of even date attached
For **Sorab S. Engineer & Co.**
Firm Registration No. 110417W
Chartered Accountants

CA. N. D. Anklesaria
Partner
Membership No.10250

Ahmedabad
May 12, 2016

SANJAY S. LALBHAI — Chairman & Managing Director

JAYESH K. SHAH — Director & Chief Financial Officer

R. V. BHIMANI — Company Secretary

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

₹ in Crores

	Note	Year ended March 31, 2016	Year ended March 31, 2015
Revenue from Operations (Gross)	21	**5,414.81**	5,228.45
Less : Excise Duty		**7.55**	3.76
Revenue from Operations (Net)		**5,407.26**	5,224.69
Other Income	22	**106.32**	128.25
Total Revenue		**5,513.58**	5,352.94
Expenses:			
Cost of Materials and Accessories Consumed	23	**2,078.47**	2,174.04
Purchases of Stock-in-trade	24	**116.90**	98.40
Project Expenses	-	**9.71**	8.43
Changes in Inventories of Finished Goods, Work-in-progress and Stock-in-trade	25	**(52.35)**	(93.67)
Employee Benefits Expense	26	**651.90**	571.07
Finance Costs	27	**311.13**	320.06
Depreciation and Amortization Expense	28	**146.60**	125.83
Other Expenses	29	**1,794.27**	1,639.23
Total Expenses		**5,056.63**	4,843.39
Profit Before Exceptional and Extraordinary Items and Tax		**456.95**	509.55
Exceptional Items	30	**7.95**	31.93
Profit Before Extraordinary Items and Tax		**449.00**	477.62
Extraordinary Items	-	**-**	-
Profit Before Tax		**449.00**	477.62
Profit from Continuing Operations Before Tax		**449.00**	476.90
Current Tax		**95.99**	100.67
Deferred Tax		**23.41**	68.87
MAT Credit Entitlement		**10.75**	(15.64)
Excess Provision of Earlier Year Written Back		**-**	(53.86)
Profit from Continuing Operations After Tax		**318.85**	376.86
Profit from Discontinuing Operations Before Tax		**-**	0.72
Current Tax		**-**	0.15
Profit from Disontinuing Operations After Tax		**-**	0.57
Profit for the Year		**318.85**	377.43
Earnings Per Equity Share	35		
(Nominal Value Per Share ₹ 10/-, Previous Year ₹ 10/-):			
Basic		**12.35**	14.62
Diluted		**12.34**	14.62
Significant Accounting Policies	2		

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

As per our report of even date attached
For **Sorab S. Engineer & Co.**
Firm Registration No. 110417W
Chartered Accountants

CA. N. D. Anklesaria
Partner
Membership No.10250

Ahmedabad
May 12, 2016

SANJAY S. LALBHAI — Chairman & Managing Director

JAYESH K. SHAH — Director & Chief Financial Officer

R. V. BHIMANI — Company Secretary

Cash Flow Statement for the year ended on 31st March, 2016

₹ in Crores

		Year ended March 31, 2016		Year ended March 31, 2015	
A	**CASH FLOW FROM OPERATING ACTIVITIES**				
	Profit Before taxation		**449.00**		477.62
	Adjustments for:				
	Depreciation/Amortization	**146.60**		125.83	
	Interest Income	**(59.66)**		(59.66)	
	Interest and Other Borrowing Cost	**311.13**		320.06	
	Dividend Income	**(1.21)**		(1.01)	
	Share of Profit in LLP	**-**		0.05	
	Bad Debts Written Off	**0.33**		0.10	
	Provision for Bad Debts	**0.59**		0.30	
	Provision for Retirement Benefits	**7.70**		9.02	
	Provision for Wealth Tax	**-**		0.05	
	Sundry Debit Written off	**0.61**		0.24	
	Sundry Credit Balances Appropriated	**(1.38)**		(0.68)	
	Foreign Exchange Difference	**(2.01)**		0.25	
	Fixed Assets written off	**0.44**		0.68	
	(Profit)/Loss on Sale of Tangible/Intangible assets	**(13.76)**		(14.31)	
	Excess Provision Written Back	**-**		(1.98)	
	Profit on sale of Investments	**-**		(18.15)	
			389.38		360.79
	Operating Profit before Working Capital Changes		**838.38**		838.41
	Working Capital Changes:				
	Changes in Inventories	**(96.66)**		(97.93)	
	Changes in trade payables	**75.41**		7.21	
	Changes in other current liabilities	**2.27**		19.43	
	Changes in provisions	**(7.31)**		(5.43)	
	Changes in loans and advances	**10.80**		15.17	
	Changes in trade receivables	**41.69**		56.26	
	Changes in other current assets	**14.73**		(9.67)	
	Changes in Other Bank Balances	**19.39**		(7.75)	
	Net Changes in Working Capital		**60.32**		(22.71)
	Cash Generated from Operations		**898.70**		815.70
	Direct Taxes paid (Net of Income Tax refund)		**(100.34)**		(104.29)
	Net Cash from Operating Activities		**798.36**		711.41
B	**Cash Flow from Investing Activities**				
	Purchase of tangible/intangible assets	**(412.22)**		(381.94)	
	Sale of tangible assets	**57.56**		55.49	
	Changes in Capital Advances	**23.56**		10.55	
	Change in Long Term Investments	**(306.43)**		(164.84)	
	Changes in Loans given	**(13.63)**		(311.30)	
	Dividend Income	**1.21**		1.01	
	Demerger of Real Estate Undertaking	**5.94**		-	
	Share of Profit in LLP	**-**		(0.05)	
	Interest Income	**59.87**		59.52	
	Net cash flow from Investing Activities		**(584.14)**		(731.56)

Cash Flow Statement for the year ended on 31st March, 2016 (Contd.)

₹ in Crores

	Year ended March 31, 2016		Year ended March 31, 2015	
C Cash Flow from Financing Activities				
Issue of Share Capital	-		0.07	
Securities Premium received	-		0.42	
Dividend Paid including Additional Dividend	(65.27)		(60.11)	
Dividend Distribution Tax Paid	(13.17)		(10.31)	
Changes in long term Borrowings	182.91		94.86	
Changes in short term borrowings	(4.38)		236.06	
Interest and Other Borrowing Cost Paid	(316.73)		(322.79)	
Net Cash flow from Financing Activities		(216.64)		(61.80)
Net Increase/(Decrease) in cash & cash equivalents		(2.42)		(81.95)
Cash & Cash equivalent at the beginning of the period		19.01		100.96
Cash & Cash equivalent at the end of the period		16.59		19.01

a. Particulars	**As at March 31, 2016**	As at March 31, 2015
Cash and cash equivalents comprise of: (Note 18)		
Cash on Hand	0.46	0.92
Cheques on Hand	-	(₹ 840/-)
Balances with Banks*	16.22	18.08
Cash and cash equivalents	16.68	19.00
Effect of Exchange Rate Changes	0.09	(0.01)
Cash and cash equivalents as restated	16.59	19.01
* Includes the following balance which is not available for use by the Company		
Unpaid dividend account	1.85	1.27

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

As per our report of even date attached
For **Sorab S. Engineer & Co.**
Firm Registration No. 110417W
Chartered Accountants

CA. N. D. Anklesaria
Partner
Membership No.10250

Ahmedabad
May 12, 2016

SANJAY S. LALBHAI — Chairman & Managing Director

JAYESH K. SHAH — Director & Chief Financial Officer

R. V. BHIMANI — Company Secretary

Notes to financial statements

1. COMPANY BACKGROUND

Arvind Limited is one of India's leading vertically integrated textile companies with the presence of almost eight decades in this industry. It is among the largest denim manufacturers in the world. It also manufactures a range of cotton shirting, denim, knits and bottom weights (Khakis) fabrics and Jeans and Shirts Garments. Arvind, through its subsidiary company Arvind Lifestyle Brands Limited, is marketing in India the branded apparel under various brands and is also licensee in India for various international brands. The brands portfolio of the company includes International brands like Arrow, US Polo, Izod, Elle, Cherokee etc. It also operates apparel Value Retail stores MEGAMART. Arvind also has the presence in Telecom business directly and through joint venture companies. Recently Arvind has made foray in to Technical Textiles on its own and in joint venture with leading global players.

2. SIGNIFICANT ACCOUNTING POLICIES

(A) BASIS OF PREPARATION

These financial statements have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP) under the historical cost convention on accrual basis (except so far as they relate to (a) revaluation of fixed assets and providing for depreciation on revalued amounts and (b) items covered under Accounting Standard (AS) – 30' on "Financial Instruments: Recognition and Measurement" which have been measured at their fair value). Indian GAAP comprises mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013 ('the Act') read with Rule 7 of the Companies (Accounts) Rules, 2014 and the provisions of the Act (to the extent notified). Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

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

(B) USE OF ESTIMATES

The preparation of Financial Statements in conformity with Indian GAAP requires the management to make estimates and assumptions in the reported amounts of assets and liabilities (including contingent liabilities) as of the date of the financial statements and the reported income and expenses during the reporting period. Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ from these estimates. Difference between the actual results and estimates are recognized in the period in which the results are known or materialize.

(C) INFLATION

Assets and liabilities are recorded at historical cost to the Company (except so far as they relate to (a) revaluation of fixed assets and providing for depreciation on revalued amounts and (b) items covered under 'Accounting Standard (AS) – 30' on 'Financial Instruments: Recognition and Measurement" which have been measured at their fair value). These costs are not adjusted to reflect the changing value in the purchasing power of money.

(D) REVENUE RECOGNITION

Sales and operating income includes sale of products, by-products and waste, income from job work services and gain or loss on forward contracts. Sales are recognized based on passage of title to goods which generally coincides with dispatch and on transfer of all significant risk and rewards of ownership to the buyer. Revenue from export sales are recognized on shipment basis. The company presents sales net of returns, excise duty and Sales tax. Export incentives are accounted on accrual basis at the time of export of goods, if the entitlement can be estimated with reasonable accuracy and conditions precedent to claim are fulfilled.

Revenue from job work services is recognized based on the services rendered in accordance with the terms of contracts.

Revenue in respect of projects for Construction of Plants and Systems, execution of which is spread over different accounting periods, is recognised on the basis of percentage of completion method in accordance with Accounting Standard 7 – Accounting for Construction Contracts. Percentage of completion is determined by the proportion that contract costs incurred for work done till date bears to the estimated total contract cost. Difference between costs incurred plus recognised profit/less recognised losses and the amount invoiced is treated as contract in progress. Determination of revenues under the percentage of completion method necessarily involves making estimates by the Company, some of which are of a technical nature, relating to the percentage of completion, costs to completion, expected revenue from the contract and the foreseeable losses to completion.

Dividend is accounted for as and when right to receive payment is established.

Interest income is recognised on time proportion basis taking into account the amount outstanding and the rate applicable.

Profit or Loss on sale of investments is recorded on transfer of title from the Company, and is determined as the difference between the sale price and carrying value of investment and other incidental expenses.

Claims receivable on account of Insurance are accounted for to the extent the Company is reasonably certain of their ultimate collection.

(E) VALUATION OF INVENTORY

The stock of Raw Material, Work-in-progress, Stock in trade and finished goods has been valued at the lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is measured on actual average for the year and includes cost of materials and cost of conversion.

All other inventories of stores, consumables, project material at site are valued at cost. The stock of waste is valued at market price. Excise duty wherever applicable is provided on finished goods lying within the factory and bonded warehouse at the end of the year.

(F) FIXED ASSETS AND DEPRECIATION/AMORTISATION

Tangible Assets

Fixed assets are stated at their original cost of acquisition/revalued cost wherever applicable less accumulated depreciation and impairment losses. Cost comprises of all costs incurred to bring the assets to their location and working condition.

Subsequent expenditure related to an item of fixed assets are added to its book value only if they increase future benefits from the existing assets beyond its previously assessed standard of performance.

Items of fixed assets that have been retired from active use and are held for disposal are stated at the lower of their net book value and net realisable value and are shown separately in the financial statements. Any expected loss is recognised immediately in the Statement of Profit and Loss.

Losses arising from the retirement of, and gains or losses arising from disposal of fixed assets are recognised in the Statement of Profit and Loss except to the extent such a loss is related to an increase which

was previously recorded as a credit to revaluation reserve and which has not been subsequently reversed or utilized, it is charged directly to that account. The amount standing in revaluation reserve following the retirement or disposal of an asset which relates to that asset is transferred to general reserve.

Exchange rate gain or loss on foreign currency loans related to acquisition of depreciable assets are being capitalized as per the notification dated 31st March, 2009 as amended from time to time issued by Ministry of Corporate Affairs, New Delhi.

Additions to fixed assets after 1st October 2006 have been stated at cost net of CENVAT wherever applicable.

Directly identifiable preoperative expenses of new projects of capital nature under implementation are carried forward under capital work-in-progress, pending capitalization.

Intangible Assets

Intangible assets are stated at their cost of acquisition, less accumulated amortization and impairment losses. An intangible asset is recognised, where it is probable that the future economic benefits attributable to the asset will flow to the enterprise and where its value/cost can be reliably measured.

The Company capitalizes software and related implementation costs where it is reasonably estimated that the software has an enduring useful life.

Gains or losses arising from disposal or retirement of intangible assets are recognised in the Statement of Profit and Loss.

Depreciation of Tangible Assets

The carrying value of the tangible fixed assets as on April 1, 2014 is depreciated over remaining useful life of the assets based on independent technical evaluation carried out by external valuer.

Depreciation on additions to tangible fixed assets is provided on the straight line method over useful lives of the assets as prescribed under Part C of Schedule II to the Companies Act 2013 except for Plant and Machinery other than Lab Equipments and Leasehold Improvements.

When parts of an item of Property, Plant and Equipment have different useful life, they are accounted for as separate items (Major Components) and are depreciated over the useful life respectively.

Depreciation on Plant and Machinery other than Lab Equipments and Leasehold Improvements is provided on straight line basis over the useful lives of the assets as estimated by management based on internal assessment. The management estimates the useful lives as follows:

Assets	Useful Life
Plant & Machinery other than Lab Equipments	20 Years
Leasehold Improvements	6 Years

The management believes that the useful life as given above best represent the period over which management expects to use these assets. Hence the useful lives for these assets are different from the useful lives as prescribed under Part C of Schedule II to the Companies Act 2013.

Depreciation for assets purchased/sold during a period is proportionately charged for the period of use.

Depreciation on exchange rate difference capitalized is provided over the balance life of the assets as per the notification dated 31st March, 2009 as amended from time to time issued by the Ministry of Corporate Affairs.

Amortisation of Intangible Assets

Software is amortized over management estimate of its useful life of 5 years or License Period whichever is lower and Patent/Knowhow is amortized over its useful validity period. Website is amortized over 5 years.

(G) IMPAIRMENT OF ASSETS

An asset is considered as impaired in accordance with Accounting Standard 28 on Impairment of Assets when at balance sheet date there are indications of impairment and the carrying amount of the asset, or where applicable the cash generating unit to which the asset belongs, exceeds its recoverable amount (i.e. the higher of the asset's net selling price and value in use). The carrying amount is reduced to the recoverable amount and the reduction is recognized as an impairment loss in the Statement of Profit and Loss

Assessment is also done at each Balance Sheet date as to whether there is any indication that an impairment loss recognised for an asset in prior accounting periods may no longer exist or may have decreased.

(H) INVESTMENTS

Investments are classified as Long Term Investments and Current Investments. Long term investments are stated at cost less permanent diminution in value, if any. Current Investments are stated at lower of cost and fair value.

Investments in subsidiaries are valued at cost less any provision for impairment.

Investments are reviewed for impairment if events or changes in circumstances indicate that the carrying amount may not be recoverable.

Investment property: Investment in Land and buildings that are not intended to be occupied substantially for use by, or in the operations of the Company, have been classified as investment property. Investment properties are carried at cost less accumulated depreciation.

(I) FOREIGN CURRENCY TRANSACTIONS

Transactions denominated in foreign currencies are normally recorded at the exchange rate prevailing at the time of the transaction.

Foreign currency monetary items are restated using exchange rate prevailing at the reporting date.

Non-monetary foreign currency items are carried at cost.

The Company has opted to avail the choice provided under paragraph 46A of AS 11: The Effects of Changes in Foreign Exchange Rates inserted vide Notification dated December 29, 2011. Consequently, all long term foreign currency monetary items consisting of loans which relate to acquisition of depreciable capital assets at the end of the year have been restated at the rate prevailing at the balance sheet date. The difference arising as a result has been added to or deducted from the cost of the assets. Exchange rate difference on other long term foreign currency monetary items is carried to 'Foreign Currency Monetary Item Translation Difference Account' to be amortized up to the period of such foreign currency monetary items.

Any income or expense on account of exchange difference either on settlement or on translation other than as mentioned above is recognised in the Statement of Profit and Loss.

Expenses of overseas offices are translated and accounted at the monthly average rate.

(J) DERIVATIVES & COMMODITY HEDGING TRANSACTIONS

The company uses forward contracts and options to hedge its risk associated with fluctuations in foreign currency relating to foreign currency assets and liabilities and highly probable forecast transactions. The use of aforesaid financial instruments is governed by the Company's overall risk management strategy. The Company neither holds nor issues any derivative financial instruments for speculative purposes.

Derivative financial instruments are initially recorded at their fair value on the date of the derivative transaction and are re-measured at their fair value at subsequent balance sheet dates.

Changes in the fair value of derivatives that are designated and qualify as cash flow hedges and are determined to be an effective hedge are recorded in hedging reserve account. To designate a forward contract or option as an effective hedge, management objectively evaluates and evidences with appropriate supporting documents at the inception of each contract whether the contract is effective in achieving offsetting cash flows attributable to hedged risk. Any cumulative gain or loss on the hedging instrument recognised in hedging reserve is kept in hedging reserve until the forecast transaction occurs or the hedged accounting is discontinued. Amounts deferred to hedging reserve are recycled in the Statement of Profit and Loss in the periods when the hedged item is recognised in the Statement of Profit and Loss or when the portion of the gain or loss is determined to be an ineffective hedge.

Derivative financial instruments that do not qualify for hedge accounting are marked to market at the balance sheet date and gains or losses are recognised in the Statement of Profit and Loss immediately.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated or exercised, or no longer qualifies for hedge accounting. If a hedged transaction is no longer expected to occur, the net cumulative gain or loss recognised in hedging reserve is transferred to profit or loss for the year.

(K) EMPLOYEE BENEFITS

The Company has Defined Contribution Plans for post employment benefits namely Provident Fund and Superannuation Fund which are recognized by the Income Tax Authorities. These funds are administered through trustees and the Company's contributions thereto are charged to revenue every year. The Company also pays insurance premiums to fund a post-employment medical assistance scheme, a Defined Contribution Plan administered by ICICI Lombard General Insurance Company Limited which is charged to revenue every year. The Company's Contribution to State Plans namely Employee's State Insurance Fund and Employee's Pension Scheme are charged to revenue every year.

The Company has Defined Benefit Plans namely leave encashment / compensated absences and Gratuity for all the employees, the liability for which is determined on the basis of an actuarial valuation at the year end and incremental liability, if any, is provided for in the books. The actuarial valuation is done based on Projected Unit Credit Method. Gratuity scheme is administered through trust recognised by the Income Tax Authorities and / or by Life Insurance Corporation of India.

Actuarial Gains and Losses comprise of experience adjustments and the effects of changes in actuarial assumptions are recognised immediately in the Statement of Profit and Loss as income or expense.

(L) BORROWING COST

Borrowing costs include interest, fees and other charges incurred in connection with the borrowing of funds. It is calculated on the basis of effective interest rate in accordance with Accounting Standard (AS) -30 and considered as revenue expenditure and charged to Statement of Profit and Loss over the period of borrowing except for borrowing costs either generally or specifically attributed directly to the acquisition/improvement of qualifying assets up to the date when such assets are ready for intended use which are capitalised as a part of the cost of such asset.

(M) LEASE ACCOUNTING

Assets acquired under Finance Lease are segregated from the assets owned and recognized as asset at an amount equal to the fair value of the leased assets at the inception of the lease or the present value of the minimum lease payments whichever is lower with corresponding outstanding liability.

Lease rental payable on such finance lease has been apportioned between finance charge and the reduction in the outstanding liability. The finance charge has been allocated to periods during the lease term so as to produce constant periodic rate of interest on the remaining balance of liability for each period.

Lease Rentals for assets acquired under operating lease are recognised as an expense in Statement of Profit and Loss on a straight line basis over the lease term.

(N) TAXES ON INCOME

Tax expense consists of both current as well as deferred tax. Current tax represents amount of income tax payable including the tax payable u/s 115JB, if any, in respect of taxable income for the year.

Minimum Alternate Tax Credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax within the specified period. The said asset is created by way of a credit to the Statement of Profit and Loss and is shown as MAT Credit Entitlement.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts.

Deferred tax is recognised on timing difference between the accounting income and the taxable income for the year that originates in one period and are capable of reversal in one or more subsequent periods. Such deferred tax is quantified using the tax rates and laws enacted or substantively enacted as on the Balance Sheet date.

Deferred tax asset is recognised and carried forward to the extent that there is a virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax asset can be realized.

(O) GOVERNMENT GRANTS AND SUBSIDIES

Grants/Subsidies from the government are recognised when there is reasonable assurance that the Company will comply with the conditions attached to them and the grant/subsidy will be received.

When the grant/subsidy relates to revenue, it is recognised as income on a systematic basis in the Statement of Profit and Loss over the periods necessary to match them with the related costs, which they are intended to compensate. Where the grant/subsidy relates to an asset, it is shown as a deduction from the gross value of the asset concerned in arriving at its book value.

(P) EARNING PER SHARE

The Company reports basic and diluted Earnings Per Share (EPS) in accordance with Accounting Standard 20 on Earnings Per Share. Basic EPS is computed by dividing the net profit or loss for the year by the weighted average number of Equity shares outstanding during the year. Diluted EPS is computed by dividing the net profit or loss for the year by the weighted average number of equity shares outstanding during the year as adjusted for the effects of all dilutive potential equity shares, except where the results are anti-dilutive.

(Q) PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Provisions involving a substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognized but are disclosed in the accounts by way of a note. Contingent assets are neither recognized nor disclosed in the financial statements.

(R) CAPITAL ISSUE EXPENSES

Expenses on issue of Shares, Debentures and GDRs are being adjusted against Securities Premium Account as permitted by section 52 of the Companies Act, 2013.

Notes to financial statements

₹ in Crores

3 Share Capital	As at March 31, 2016	As at March 31, 2015
Authorised		
Equity Shares		
565,000,000 Shares (Previous Year 565,000,000) Par Value of ₹10/- per share	**565.00**	565.00
Preference Shares		
10,000,000 Shares (Previous Year 10,000,000) Par Value of ₹100/- per share	**100.00**	100.00
	665.00	665.00
Issued		
Equity Shares		
258,243,969 Shares (Previous Year 258,243,969) Par Value of ₹10/- per share	**258.24**	258.24
	258.24	258.24
Subscribed and fully paid up		
Equity Shares		
258,243,069 Shares (Previous Year 258,243,069) Par Value of ₹ 10/- per share fully paid up	**258.24**	258.24
Forfeited Shares		
900 Shares (Previous Year 900) (₹ 4,500/- originally paid up (Previous Year ₹ 4,500/-)		
Total	**258.24**	258.24

a Reconciliation of Number of Equity Shares

Particulars	As At March 31, 2016		As At March 31, 2015	
	No. of Shares	**₹ in Crores**	No. of Shares	₹ in Crores
Balance at the beginning of the year	**258,243,069**	**258.24**	258,176,389	258.17
Add :				
Shares alloted parsuant to exercise of Employee Stock Option Plan	**-**	**-**	66,680	0.07
Balance at the end of the year	**258,243,069**	**258.24**	258,243,069	258.24

b Rights, Preferences and Restrictions attached to Shares

Equity Shares:

The Company has one class of shares referred to as equity shares having a par value of ₹ 10 each. Each shareholder is entitled to one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

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

Particulars	As at March 31, 2016	As at March 31, 2015
Aura Securities Private Limited	**97,362,310**	95,325,590
	37.70%	36.91%
Life Insurance Corporation of India	**-**	15,591,817
	-	6.04%

d Shares reserved for issue under options

Refer note 36 for details of shares to be issued under options

e Shares allotted as fully paid up pursuant to contract without payment being received in cash (during 5 years immediately preceding March 31, 2016)

3,410,528 Equity Shares of ₹ 10 each were issued during the year 2012-2013 to the erstwhile shareholders of Arvind Products Limited pursuant to the Scheme of Amalgamation without payment being received in cash.

f Proposed Dividend

The final dividend proposed for the year is as follows:

Particulars	As at March 31, 2016	As at March 31, 2015
On Equity Shares of ₹ 10/- each		
Dividend per Equity Share (₹)	**2.40**	2.55
Percentage of Dividend Proposed	**24.00%**	25.50%

Notes to financial statements

₹ in Crores

4 Reserves and Surplus	As at March 31, 2016	As at March 31, 2015
Captial Reserve		
Balance as per last financial statements	**26.71**	26.71
General Reserve		
Balance as per last financial statements	**35.65**	90.78
Less : Adjustment of Depreciation (Net of Deferred Tax of ₹ 32.25 Crores) (Note 45)	**-**	(60.93)
Add: Transfer from Revaluation Reserve	**2.01**	5.80
Balance at the end of the year	**37.66**	35.65
Securities Premium Account		
Balance as per last financial statements	**654.81**	654.39
Add: Addition during the year	**-**	0.42
Less: Utilized during the year (Note 46)	**99.97**	-
Balance at the end of the year	**554.84**	654.81
Captial Redemption Reserve		
Balance as per last financial statements	**69.50**	69.50
Revaluation Reserve (Note 11c)		
Balance as per last financial statements	**268.76**	274.56
Less: Loss on Compulsory Acquisition adjusted	**0.66**	-
Less: Transfer to General Reserve	**2.01**	5.80
Balance at the end of the year	**266.09**	268.76
Hedge Reserve (Note 43)		
Balance as per last financial statements	**(8.24)**	21.71
Add: Adjustment during the year (Net)	**21.70**	(29.95)
Balance at the end of the year	**13.46**	(8.24)
Foreign Currency Monetary Item Translation Difference Account (Note 44)		
Balance as per last financial statements	**(3.88)**	(5.00)
Add: Adjustment during the year (Net)	**3.88**	1.12
Balance at the end of the year	**-**	(3.88)
Surplus in Statement of Profit and Loss		
Balance as per last financial statements	**1,543.73**	1,245.33
Add: Profit for the year	**318.85**	377.43
	1,862.58	1,622.76
Less : Appropriation		
Additional dividend on Equity Shares	**-**	0.01
Dividend distribution tax on additional dividend on Equity Shares	**-**	(₹ 13,315/-)
Proposed dividend on Equity Shares for the year	**61.98**	65.85
Dividend distribution tax on Proposed dividend on Equity Shares	**12.62**	13.17
Balance at the end of the year	**1,787.98**	1,543.73
Total	**2,756.24**	2,587.04

Notes to financial statements

₹ in Crores

5 Long Term Borrowings	Non- Current portion		Current Maturities	
	As at March 31, 2016	As at March 31, 2015	**As at March 31, 2016**	As at March 31, 2015
Secured:				
Term Loans :				
From Banks	**1,182.77**	1,086.96	**259.37**	212.83
From Financial Institutions and Others	**61.64**	81.78	**10.00**	34.44
Unsecured:				
From Financial Institutions	**2.58**	2.58	**-**	-
From Related Party	**85.02**	-	**-**	-
	1,332.01	1,171.32	**269.37**	247.27
Amount disclosed under the head "Other Current Liabilities" (Note 10)	**-**	-	**269.37**	247.27
Total	**1,332.01**	1,171.32	**-**	-

a Borrowings	**As at March 31, 2016**	As at March 31, 2015
At Amortized Cost	**1,601.38**	1,418.59
At Original Cost	**1,607.89**	1,425.57

b Nature of Security:

Term Loans of ₹ 1513.78 Crores

i Loans amounting to ₹ 1499.36 Crores are secured by (a) first charge on all the Immovable Properties, Movable Properties, Intangible Properties and General Assets of the Company presently relating to the Textile Plants excluding Immovable properties of Asoka Spintex Textile Plant and Arvind International Textile Plant and all Immovable Properties, Movable Properties, Intangible Properties and General Assets acquired by the Company at any time after execution of and during the continuance of the Indenture of Mortgage; (b) additional charge by way of mortgage on Immovable Properties at villages Jethlaj, Karoli, Vadsar, Moti Bhoyan, Santej and Khatrej; (c) charge on the Company's Trademarks; (d) Secured by second charge on all the Company's Current Assets both present and future relating to the Textile Plants and (e) first charge on Movable Fixed Assets of Jeans and Shirts Garment divisions at Bangalore.

ii Loans of ₹ 14.42 Crores are secured by hypothecation of related vehicles.

c Rate of Interest and Terms of Repayment

Particulars	₹ in Crores	Range of Interest (%)	Terms of Repayment from Balance sheet date
From Banks			
Rupee Loans	1,373.22	9.50% to 11.20%	Repayable in quarterly instalments ranging between 4 to 26 with moratorium period in some of the loans
Hire Purchase Loan	14.42	10.25%	Monthly payment of Equated Monthly Instalments beginning from the month subsequent to taking the loans
Foreign Currency Loans	54.50	LIBOR+3.40%	Repayable in 8 equal half yearly instalments starting from September 2015
From Financial Institutions and Others			
Rupee Loans	71.64	10.75%	Repayable in 18 equal quarterly instalments
Unsecured Loans from Related Party	85.02	10.30%	Bullet Repayment at the end of 15 months.

Notes to financial statements

₹ in Crores

6	Deferred Tax Liabilities (Net)	As at March 31, 2016	As at March 31, 2015
	Deferred Tax Liability		
	Fixed Assets	**136.80**	111.40
	Others	**1.02**	2.13
		137.82	113.53
	Deferred Tax Asset		
	Expenditure allowable on payment basis	**6.81**	4.95
	Unabsorbed loss/ Depreciation	**-**	11.24
	Others	**10.96**	0.70
		17.77	16.89
	Deferred Tax Liabiities (Net)	**120.05**	96.64

₹ in Crores

7	Provisions	Long Term		Short Term	
		As at March 31, 2016	As at March 31, 2015	As at March 31, 2016	As at March 31, 2015
	Provision for Employee Benefits	**15.48**	14.36	**3.79**	3.78
	Provision for Losses on Derivative Contracts	**-**	-		8.24
	Proposed Dividend	**-**	-	**61.98**	65.85
	Dividend Distribution Tax	**-**	-	**12.62**	13.17
	Provision for Wealth tax	**-**	-	**0.10**	1.33
	Provision for Loyalty Program Reward Points (Note a)	**-**	-	**0.83**	0.34
	Total	**15.48**	14.36	**79.32**	92.71

a Provision for Loyalty Program Reward Points

The Company has made provision for customer loyalty program reward points. The movement in provision for those reward points are given below:

₹ in Crores

Particulars	As at March 31, 2016	As at March 31, 2015
Balance as per last financial statements	**0.34**	0.07
Add : Provision made during the year (Net)	**0.49**	0.27
Balance at the end of the year	**0.83**	0.34

₹ in Crores

8	Short Term Borrowings	As at March 31, 2016	As at March 31, 2015
	Secured:		
	Working Capital Loans repayable on demand from Banks	**1,067.69**	1,044.10
		1,067.69	1,044.10
	Unsecured:		
	Under Buyer's Credit Arrangement	**157.06**	129.79
	Intercorporate Deposits		
	From Related Parties	**0.53**	2.80
	From Others	**-**	4.88
	Commercial Papers	**100.00**	150.00
		257.59	287.47
	Total	**1,325.28**	1,331.57

Notes to financial statements

a Nature of Security

Cash Credit and Other Facilities from Banks

Secured by first charge on all the Company's Current Assets presently relating to the Textile Plants and all the Current Assets acquired by the Company at any time after the execution of and during the continuance of the Indenture of Mortgage. They are also secured by a second charge over all the Immovable Properties, Movable Properties, Intangible Properties and General Assets of the Company presently relating to the Textile Plants and all Immovable Properties, Movable Properties, Intangible Properties and General Assets acquired by the Company at any time after execution of and during the continuance of the Indenture of Mortgage. Some of the facilities are additionally secured by second charge on movable Plant and Machinery of the Jeans and Shirts Garment divisions at Bangalore.

b Rate of Interest

i. Working Capital Loans from banks carry interest rates ranging from 6.30% to 11.50% per annum.

ii Inter Corporate Deposit carries interest rate of 10.25% per annum.

iii. Commercial Papers carry interest rates ranging from 9.20% to 9.35%per annum.

₹ in Crores

9 Trade Payables	**As at March 31, 2016**	As at March 31, 2015
Total outstanding dues of micro enterprises and small enterprises (Note a)	**-**	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	**515.65**	490.68
Acceptances	**280.10**	231.04
Total	**795.75**	721.72

a The Company has not received any intimation from suppliers regarding their status under the Micro, Small and Medium Enterprise Development (MSMED) Act, 2006 and hence disclosures as required under Section 22 of The Micro, Small and Medium Enterprise Development (MSMED) Act, 2006 regarding:

(a) Principal amount and the interest due thereon remaining unpaid to any suppliers as at the end of accounting year;

(b) Interest paid during the year;

(c) Amount of payment made to the supplier beyond the appointed day during accounting year;

(d) Interest due and payable for the period of delay in making payment;

(e) Interest accrued and unpaid at the end of the accounting year; and

(f) Further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise. have not been given.

The Company is making efforts to get the confirmations from the suppliers as regard to their status under the said Act.

₹ in Crores

10 Other Current Liabilities	**As at March 31, 2016**	As at March 31, 2015
Current maturities of long-term borrowings (Note 5)	**269.37**	247.27
Interest accrued but not due on borrowings	**2.90**	6.00
Advances from Customers	**13.69**	30.05
Payable to employees	**84.67**	61.81
Statutory dues including Provident Fund and TDS	**11.63**	9.12
Security Deposits	**8.49**	10.90
Investor Education and Protection Fund shall be credited by the following amount namely :		
Unpaid dividend (Note a)	**1.85**	1.27
Book Overdraft	**0.78**	0.18
Current Account with Limited Liability Partnerships	**-**	0.05
Others	**7.29**	12.17
Total	**400.67**	378.82

a There are no amounts due for payment to Investor Education and Protection Fund under Section 205C of the Companies Act, 1956 (1 of 1956) as at the year end.

Notes to financial statements

11 Tangible Assets

₹ in Crores

Particulars	Gross Block							Depreciation / Amortization							Net Block	
	As on 01.04.2015	Adjustment Due to Merger (Note 47)	Additions	Adjustment Due to Demerger (Note 46)	Disposals	Other Adjustments	As on 31-03-2016	As on 01.04.2015	Adjustment Due to Merger (Note 47)	Other Adjustment	For the year	Adjustment Due to Demerger (Note 46)	Deductions	As on 31-03-2016	As on 31-03-2016	As on 31.03.2015
Leasehold Land	263.34	-	-	-	-	-	263.34	-	-	-	-	-	-	-	263.34	263.34
	(263.26)	-	(0.08)	-	-	-	(263.34)	-	-	-	-	-	-	-	(263.34)	(263.26)
Own Assets																
Freehold Land	936.12	-	37.23	-	9.83	-	963.52	-	-	-	-	-	-	-	963.52	936.12
	(962.20)	-	(0.36)	-	(26.44)	-	(936.12)	-	-	-	-	-	-	-	(936.12)	(962.20)
Building	667.55	-	62.47	8.61	11.06	-	710.35	260.05	-	-	19.87	3.39	3.61	272.92	437.43	407.50
	(606.23)	-	(61.40)	-	(0.08)	-	(667.55)	(221.28)	-	(21.07)	(17.70)	-	(₹ 15,291/-)	(260.05)	(407.50)	(384.95)
Plant and Machinery	2,315.71	0.09	215.24	-	93.60	5.60	2,443.04	1,396.96	(₹ 6,067/-)	-	100.54	-	61.53	1,435.97	1,007.07	918.75
	(2,109.03)	-	(266.27)	-	(65.60)	(6.01)	(2,315.71)	(1,292.03)	-	(67.77)	(89.61)	-	(52.45)	(1,396.96)	(918.75)	(817.00)
Computer, Server and Network	36.99	2.08	6.99	-	1.05	-	45.01	27.91	0.62	-	4.49	-	1.03	31.99	13.02	9.08
	(31.96)	-	(5.80)	-	(0.77)	-	(36.99)	(23.36)	-	(1.77)	(3.52)	-	(0.74)	(27.91)	(9.08)	(8.60)
Furniture and Fixtures	46.06	2.96	19.62	0.69	0.68	-	67.27	17.49	0.30	-	5.57	0.21	0.26	22.89	44.38	28.58
	(35.34)	-	(11.43)	-	(0.71)	-	(46.06)	(12.28)	-	(1.04)	(4.42)	-	(0.25)	(17.49)	(28.57)	(23.06)
Office Equiptments	20.70	1.92	6.70	0.35	0.12	-	28.85	9.34	0.25	-	3.94	0.19	0.08	13.26	15.59	11.36
	(15.43)	-	(5.44)	-	(0.17)	-	(20.70)	(4.88)	-	(1.52)	(3.03)	-	(0.09)	(9.34)	(11.36)	(10.55)
Leasehold Improvements	20.12	2.85	12.07	-	0.51	-	34.53	3.67	0.22	-	4.12	-	0.11	7.90	26.63	16.45
	(8.94)	-	(12.07)	-	(0.89)	-	(20.12)	(1.35)	-	-	(2.53)	-	(0.21)	(3.67)	(16.45)	(7.59)
Vehicles	30.56	0.93	11.02	-	4.28	-	38.23	10.90	0.14		3.22	-	2.21	12.05	26.18	19.65
	(23.58)	-	(9.48)	-	(2.50)	-	(30.56)	(10.17)	-	(0.01)	(2.20)	-	(1.48)	(10.90)	(19.66)	(13.41)
Total	**4,337.15**	**10.83**	**371.34**	**9.65**	**121.13**	**5.60**	**4,594.14**	**1,726.32**	**1.53**	**-**	**141.75**	**3.79**	**68.83**	**1,796.98**	**2,797.16**	**2,610.83**
Previous Year	4,055.97	-	372.33	-	97.16	6.01	4,337.15	1,565.35	-	93.18	123.01	-	55.22	1,726.32	2,610.83	2,490.62

Notes :

Notes :

1 Freehold Land includes some lands which are pending for registration in favour of the Company.

2 Buildings includes ₹ 0.79 Crores (Previous year ₹ 0.79 Crores) in respect of ownership flats in Co-Operative Housing Society and (₹ 500/-) (Previous year ₹ 500/-) in respect of shares held in Co-Operative Housing Society.

3 Gross block was revalued by external valuers which resulted in a net increase of (a) ₹ 8.34 Crores as on 31st March, 2013 and ₹ 56.15 Crores as on 1st April, 2009. Land Block was revalued on 31st March 2011 which resulted in an increase of ₹ 230.98 Crores.

4 Deduction in Building and Depreciation Fund includes transfer to Investment Properties of ₹ 11.02 Crores and ₹ 3.61 Crores (Previous year ₹ 0.08 Crores and (₹ 15,291/-)) respectively.

5 Deduction of Gross Block includes Capital Subsidy of ₹ 16.36 Crores (Previous year ₹ 3.77 Crores)

6 Details of Borrowing Cost and Exchange Differences Capitalised:

₹ in Crores

Particulars	Other Adjustments				Addition in Capital Work in Progress	
	For the year		Transfer from Capital Work in Progress		For the year	
	2015-2016	2014-2015	**2015-2016**	2014-2015	**2015-2016**	2014-2015
Borrowing Cost	**1.85**	2.75	**0.66**	1.58	**0.65**	0.66
Exchange Differences	**3.68**	3.43	**(0.59)**	(1.75)	**0.08**	(0.59)
Total	**5.53**	6.18	**0.07**	(0.17)	**0.73**	0.07

Notes to financial statements

12 Intangible Assets

₹ in Crores

Particular	Gross Block						Amortization					Net Block	
	As on 01.04.2015	Adjustment Due to Merger (Note 47)	Additions	Disposals	Other Adjustments	As on 31-03-2016	As on 01.04.2015	Adjustment Due to Merger (Note 47)	For the year	Deduction	As on 31-03-2016	As on 31-03-2016	As on 31.03.2015
Own Assets													
Patent and Technical Knowhow	0.49	-	0.51	-	-	1.00	0.36	-	0.08	-	0.44	0.56	0.13
	(0.49)	-	-	-	-	(0.49)	(0.34)	-	(0.02)	-	(0.36)	(0.13)	(0.15)
Computer Software	33.90	0.19	3.62	0.12	-	37.59	24.59	0.05	3.25	0.11	27.78	9.81	9.31
	(27.63)	-	(6.27)	-	-	(33.90)	(22.20)	-	(2.39)	-	(24.59)	(9.31)	(5.43)
Website	-	6.55	-	-	-	6.55	-	0.92	1.10	-	2.02	4.53	-
	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	**34.39**	**6.74**	**4.13**	**0.12**	**-**	**45.14**	**24.95**	**0.97**	**4.43**	**0.11**	**30.24**	**14.90**	**9.44**
Previous Year	28.12	-	6.27	-	-	34.39	22.54	-	2.41	-	24.95	9.44	5.58

13 Non Current Investments

₹ in Crores

Particulars	Face Value Per Share (₹)	No of Shares	As at March 31, 2016	As at March 31, 2015
Investment Property (at cost less accumulated depreciation)				
Land given on Operating Lease			**21.44**	21.44
Building given on Operating Lease			**31.19**	20.17
Less: Accumulated Depreciation			**9.88**	5.85
			42.75	35.76
Trade Investments (Valued at Cost unless stated otherwise)				
Investments in Government Trust Securities				
National Saving Certificates			**(₹ 23,000/-)**	(₹ 23,000/-)
(Lodged with Sales Tax and Government Authorities)				
Investments in Fully Paid Equity Shares				
In Subsidiaries				
Unquoted				
Anup Engineering Limited**	100	315,912	**6.21**	3.50
(15,912 Shares acquired during the year)				
(Delisted during the year)				
Arvind Brands and Retail Limited	2	80,220,890	**799.44**	554.68
(25,233,290 Shares acquired during the year)				
Asman Investments Limited	10	440,500	**22.07**	22.07
(At cost less provision for other than temporary diminution of				
₹ 1.98 Crores, Previous Year ₹ 1.98 Crores)				
Syntel Telecom Limited	10	50,000	**0.05**	0.05
Arvind Accel Limited	10	50,000	**0.05**	0.05
Arvind Infrastructure Limited	1	-	**-**	100.05
(100,500,000 shares adjusted under the Scheme of Arrangement)				
Arvind Worldwide Inc., Delaware* (Share without par value)		500	**0.07**	0.07
Arvind Textile Mills Limited	10 Taka	6,473,200	**9.27**	9.27
Dholka Textile Park Private Limited	10	10,000	**0.01**	0.01
Arvind Garments Park Private Limited	10	10,000	**0.01**	0.01
Arvind Lifestyle Apparel Manufacturing PLC	1,000 ETB	82,883	**24.78**	13.58
(35,400 Shares acquired during the year)				

Notes to financial statements

13 Non Current Investments (Contd.)

₹ in Crores

Particulars	Face Value Per Share (₹)	No of Shares	As at March 31, 2016	As at March 31, 2015
Arvind Foundation (Shares acquired during the year)	10	10,000	**0.01**	-
In Joint ventures (Unquoted)				
Arya Omnitalk Wireless Solutions Private Limited	10	1,000,000	**1.00**	1.00
Arya Omnitalk Radio Trunking Services Private Limited	10	1,005,000	**6.01**	6.01
In Joint ventures Subsidiaries (Unquoted)				
Arvind Goodhill Suit Manufacturing Private Limited (81,600 Shares acquired during the year)	10	428,400	**20.92**	16.84
Arvind OG Nonwowen Private Limited	10	1,981,710	**19.72**	19.72
Arvind PD Composites Private Limited	10	129,639	**11.95**	11.95
Arvind Niloy Exports Private Limited	100 Taka	63,000	**0.46**	0.46
Westech Advanced Materials Limited (Shares acquired during the year)	USD 1	2,828,363	**18.13**	-
Investment in Limited Liability Partnership				
Arvind and Smart Value Homes LLP			**67.79**	67.79
Ahmeadabad East Infrastructure LLP			**(₹ 7,000/-)**	(₹ 7,000/-)
Maruti & Ornet Infrabuild LLP (Contribution made during the year)			**25.35**	-
Investments in Debentures				
Centerac eMarket Places Private Limited 0.00001% Fully & Compulsorily Convertible Unsecured Debenture (Debentures acquired during the year)	10	40,525	**5.00**	-
Others				
Investments in Fully Paid Equity Shares				
Ahmedabad Cotton Merchants' Co-operative Shops and Warehouses Society Limited	250	140	**(₹ 35,000/-)**	(₹ 35,000/-)
Gujarat Cloth Dealers Co-operative Shops and Warehouses Society Limited	100	10	**(₹ 1,000/-)**	(₹ 1,000/-)
Amazon Textile Private Limited	10	50,000	**0.87**	0.87
Other Investments (Valued at Cost)				
In Quoted Equity Shares				
Atul Limited	10	648,641	**9.00**	9.00
Amol Decalite Limited**	10	16,500	**0.06**	0.06
			1,048.23	837.04
Share Application Money			**7.78**	12.59
Total			**1,098.76**	885.39

* Revalued and adjusted in 2001-2002 as per the scheme of arrangement and the direction of High Court.

a	Aggregate amount of quoted investments	**9.06**	12.56
	Market value of quoted investments	**99.58**	76.99
	Aggregate amount of unquoted investments	**1,039.17**	824.48
	Value of investment property	**42.75**	35.76
	Aggregate provision for diminution in value of investments	**1.98**	1.98

** Listed but not quoted and book value is taken as market value.

b Disclosure as per AS 13 - Accounting for Investments

Long Term Investments	**1,048.23**	837.04
Current Investments	**-**	-
Investment Property	**42.75**	35.76
Total	**1,090.98**	872.80

Notes to financial statements

₹ in Crores

14 Loans and Advances	Long Term		Short Term	
(Unsecured, Considered good unless otherwise stated)	**As at March 31, 2016**	As at March 31, 2015	**As at March 31, 2016**	As at March 31, 2015
Capital Advances	**52.93**	76.49	**-**	-
Security Deposits				
To Related Parties	**1.08**	1.08	**-**	-
To Others	**38.51**	34.32	**2.72**	1.00
Loans:				
To Related Parties	**-**	-	**274.12**	318.99
To Employees	**2.76**	3.81	**1.04**	1.35
To Others	**-**	-	**307.29**	247.43
Advance Tax	**64.76**	60.41	**-**	-
(Net of Provision for Income Tax of ₹ 435.30 Crores, Previous Year ₹ 339.31 Crores)				
MAT Credit Entitlement	**219.71**	231.28	**12.19**	11.37
Advances recoverable in cash or in kind or for value to be received				
Considered Good				
To Related Parties	**-**	-	**21.95**	21.95
To Others	**-**	-	**150.65**	166.97
Considered Doubtful	**-**	-	**0.49**	0.52
	-	-	**0.49**	0.52
Less: Provision for Doubtful Advances	**-**	-	**0.49**	0.52
	-	-	**-**	-
Prepaid Expenses	**0.36**	0.45	**12.08**	13.67
Balances with Government Authorities	**-**	-	**0.15**	0.05
CENVAT/Custom Duty Receivable	**-**	-	**18.68**	18.10
Total	**380.11**	407.84	**800.87**	800.88

₹ in Crores

15 Other Assets	Non Current		Current	
	As at March 31, 2016	As at March 31, 2015	**As at March 31, 2016**	As at March 31, 2015
Non Current Bank Balances (Note 18)	**5.05**	5.15	**-**	-
Land held for Sale	**-**	-	**75.57**	75.57
Interest Accrued	**-**	-	**0.67**	0.88
Income Receivable	**-**	-	**54.37**	28.17
Receivable other than trade	**-**	-	**115.86**	131.68
Export Incentive Receivable	**-**	-	**61.58**	73.23
Total	**5.05**	5.15	**308.05**	309.53

₹ in Crores

16 Inventories	As at March 31, 2016	As at March 31, 2015
Raw Materials and Accessories	**240.94**	191.30
In Transit	**0.41**	0.92
Fuel	**2.48**	4.75
Stores and Spares	**73.05**	77.63
Work-in-Progress	**444.38**	437.70
Finished Goods	**288.26**	258.64
In Transit	**2.22**	1.00
By Product	**0.75**	0.32
Stock in Trade	**72.17**	59.89
Project Work in Progress	**10.14**	7.05
Waste	**2.40**	1.34
Total	**1,137.20**	1,040.54

₹ in Crores

16 Inventories (Contd.)	As at March 31, 2016	As at March 31, 2015
a Details of Inventory		
Raw Material and Accessories		
Cotton	**124.20**	96.45
Yarn	**67.18**	61.06
Fibre	**17.09**	14.11
Fabric	**19.28**	11.11
Accessories	**11.52**	7.14
Electronics	**1.67**	1.43
Total	**240.94**	191.30
Work-in-Progress		
Fabric including Grey	**317.06**	288.58
Sizing/Yarn/Fibre	**126.36**	144.15
Electronics	**0.96**	1.22
Garments	**-**	3.75
Total	**444.38**	437.70

Notes to financial statements

₹ in Crores

16 **Inventories** (Contd.)	**As at March 31, 2016**	As at March 31, 2015
Finished Goods		
Fabric	**235.18**	228.83
Garments	**42.52**	26.38
Yarn/Fibre	**5.91**	3.29
Electronics	**4.65**	0.14
Total	**288.26**	258.64
Stock in Trade		
Fabric	**35.22**	26.96
Garments	**30.64**	18.93
Electronics	**-**	4.04
Agri Products	**6.31**	9.96
Total	**72.17**	59.89

₹ in Crores

17 **Trade Receivables**	**As at March 31, 2016**	As at March 31, 2015
(Unsecured, considered good unless otherwise stated)		
Outstanding for a period exceeding six months from the date they are due for payment		
Considered Good	**4.07**	5.31
Considered doubtful	**0.95**	0.75
Less: Provision for Doubtful Debts	**(0.95)**	(0.75)
	4.07	5.31
Others	**415.59**	456.96
Total	**419.66**	462.27

₹ in Crores

18 **Cash and Bank Balances**	**Non Current**		**Current**	
	As at March 31, 2016	As at March 31, 2015	**As at March 31, 2016**	As at March 31, 2015
Cash and Cash Equivalents:				
Cash on Hand	**-**	-	**0.46**	0.92
Cheques on Hand	**-**	-	**-**	(₹ 840/-)
Balances with Banks				
In Current Accounts	**-**	-	**5.80**	13.92
In Unpaid Dividend Accounts	**-**	-	**1.85**	1.27
In Exchange Earners Foreign Currency A/c	**-**	-	**0.41**	-
In Cash Credit Account	**-**	-	**8.16**	2.89
In Saving Accounts	**-**	-	**(₹ 45,808/-)**	(₹ 45,808/-)
	-	-	**16.68**	19.00
Other Bank Balances:				
In Deposits Accounts				
With original maturity more than 3 months but less than 12 months	**-**	-	**6.01**	14.88
With original maturity more than 12 months	**5.01**	5.14	**0.14**	4.38
Held as Margin Money				
(Under lien with bank as Security for Guarantee Facility)	**0.04**	0.01	**(₹ 43,247/-)**	6.18
Lodged with Court	**-**	-	**0.58**	0.58
Lodged with Sales Tax Department	**(₹ 43,987/-)**	(₹ 43,987/-)	**-**	-
	5.05	5.15	**6.73**	26.02
Amount disclosed under the head "Other Non Current Assets" (Note 15)	**5.05**	5.15	**-**	-
Total	**-**	-	**23.41**	45.02

Notes to financial statements

₹ in Crores

19 Contingent Liabilities	As at March 31, 2016	As at March 31, 2015
(to the extent not provided for)		
(a) Bills Discounted	**175.59**	198.36
(b) Claims against the Company not acknowledged as debts	**6.77**	5.68
(c) Guarantees given by the Banks on behalf of the Company	**73.89**	83.94
(d) Guarantees given by the Company to Banks on behalf of Subsidiaries/ Joint Ventures	**684.80**	631.96
(e) Disputed Demands in respect of		
Excise/Custom Duty	**28.18**	32.47
Sales Tax	**20.37**	20.37
Income Tax	**9.04**	6.22
Service Tax	**3.88**	3.00

Note: Future cash outflows in respect of (e) above are determinable only on receipt of judgements/ decisions pending with various forums/ authorities.

20 Capital and Other Commitments		
Capital Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for	**22.91**	76.31
Other Commitments	**-**	-

₹ in Crores

21 Revenue from Operations	Year ended March 31, 2016	Year ended March 31, 2015
Sale of Products		
Finished Goods and Stock-in-Trade	**5,181.21**	4,966.31
Less : Excise Duty	**7.55**	3.76
	5,173.66	4,962.55
Sale of Services	**15.97**	11.86
Other Operating Revenues		
Gain/(Loss) on Forward Contracts	**(8.57)**	16.08
Export Incentives	**140.59**	144.33
Waste Sale	**76.18**	78.57
Others	**9.43**	11.30
Total	**5,407.26**	5,224.69

₹ in Crores

21 Revenue from Operations (Contd.)	Year ended March 31, 2016	Year ended March 31, 2015
a Details of Sales and Services		
Sale of Products (Net of Excise Duty)		
Fabric	**4,127.43**	4,110.76
Garments	**873.88**	716.71
Grey Fabric	**43.67**	38.12
Yarn	**23.91**	15.69
Engineering	**28.81**	0.19
Electronics Items	**53.51**	55.59
Agri Products	**21.38**	24.92
Accessories	**1.07**	0.57
	5,173.66	4,962.55
Sale of Services		
Processing Income	**15.97**	11.86
	15.97	11.86
Total	**5,189.63**	4,974.41

22 Other Income		
Interest Income	**59.66**	59.66
Dividend Income on:		
Long Term Investments	**1.21**	1.01
Rent	**4.10**	6.77
Sundry Credit Balances Appropriated	**1.38**	0.68
Profit on Sale of Fixed Assets (Net)	**13.76**	14.31
Profit on Sale of Investments (Net)	**-**	18.15
Scrap Income	**13.59**	16.51
Miscellaneous Income	**11.64**	5.51
Provision No Longer Required	**0.98**	5.65
Total	**106.32**	128.25

23 Cost of Materials and Accessories Consumed		
Stock at the beginning of the year	**191.30**	203.16
Purchases	**2,128.11**	2,162.18
	2,319.41	2,365.34
Less: Stock at the end of the year	**240.94**	191.30
Total	**2,078.47**	2,174.04

Notes to financial statements

₹ in Crores

	Year ended March 31, 2016	Year ended March 31, 2015
23 Cost of Materials and Accessories Consumed (Contd.)		
a Materials and Accessories Consumed		
Cotton	**589.14**	833.10
Yarn	**1,003.10**	908.90
Fibre	**112.16**	91.74
Grey Cloth/Fabric	**271.21**	246.36
EPABX	**12.18**	14.18
Accessories	**90.68**	79.76
Total	**2,078.47**	2,174.04
b Value of imported and indigenous materials consumed		
Raw Materials and Accessories		
Imported	**313.28**	374.57
	15.07%	17.23%
Indigenous	**1,765.19**	1,799.47
	84.93%	82.77%
Total	**2,078.47**	2,174.04
24 Purchase of Stock In Trade		
Cloth	**39.21**	24.65
Garments	**13.55**	32.83
Electronic Items	**23.68**	21.59
Accessories	**25.24**	0.28
Agri Products	**15.22**	19.05
Total	**116.90**	98.40
25 Changes in Inventories of Finished Goods, Work-in-progress andStock in Trade		
(Increase)/Decrease in stocks		
Stock at the end of the year		
Finished Goods	**288.26**	258.64
Stock-in-trade	**72.17**	59.89
Work-in-Progress	**444.38**	437.70
Project Work-in-Progress	**10.14**	7.05
Waste	**2.40**	1.34
	817.35	764.62
Stock at the beginning of the year		
Finished Goods	**258.64**	199.81
Stock-in-trade	**59.89**	56.57
Work-in-Progress	**437.70**	407.07
Project Work-in-Progress	**7.05**	5.33
Waste	**1.34**	2.22
	764.62	671.00
Adjustment due to Merger	**0.34**	-
Excise Duty in Value of Stock - Increase / (Decrease)	**0.04**	(0.05)
(Increase)/Decrease in stocks	**(52.35)**	(93.67)

₹ in Crores

	Year ended March 31, 2016	Year ended March 31, 2015
26 Employee Benefits Expense		
Salaries and Wages	**590.38**	511.42
Contribution to Provident Fund and Other Funds	**48.49**	48.79
Staff Welfare Expenses	**13.03**	10.86
Total	**651.90**	571.07
27 Finance Costs		
Interest		
On Term Loans	**132.31**	123.37
On working capital loans	**99.37**	144.67
Others	**73.48**	37.83
Exchange Difference to the extent considered as an adjustment to Borrowing Costs	**5.87**	13.73
Other Borrowing Costs	**0.10**	0.46
Total	**311.13**	320.06
28 Depreciation / Amortization Expense		
Depreciation of Tangible Assets	**141.75**	123.01
Amortization of Intangible Assets	**4.43**	2.41
Depreciation of Investment Property	**0.42**	0.41
Total	**146.60**	125.83
29 Other Expenses		
Power and fuel	**459.47**	454.51
Stores Consumed	**445.79**	433.26
Insurance	**8.19**	6.30
Processing Charges	**280.12**	223.88
Printing, Stationery & Communication	**14.24**	11.22
Rent	**72.12**	73.71
Commission, Brokerage and Discounts	**52.91**	54.64
Rates and taxes	**17.68**	14.67
Repairs:		
To Buildings	**2.34**	2.01
To Machineries (Including Spares Consumption)	**123.59**	114.13
To others	**7.01**	5.29
Freight, Insurance and Clearing Charges	**58.43**	54.68
Excise Duty borne by Company	**0.38**	0.20
Legal and Professional Fees	**24.71**	19.47

Notes to financial statements

₹ in Crores

	Year ended March 31, 2016	Year ended March 31, 2015
29 Other Expenses (Contd.)		
Conveyance and Travelling Expenses	**28.60**	25.16
Advertisement and Publicity	**24.28**	24.94
Directors' sitting fees	**0.04**	0.04
Miscellaneous Labour Charges	**53.81**	42.15
Provision for Doubtful Debts	**0.59**	0.30
Bad Debts Written off	**0.33**	0.10
Sundry Debits Written off	**0.61**	0.24
Fixed Assets Written off	**0.44**	0.68
Share of Loss from Limited Liability Partnership	**-**	0.05
Payments to the auditor as		
(a) Auditor	**0.85**	0.70
(b) For tax audit matters	**0.14**	0.14
(c) For taxation matters	**0.04**	0.04
(d) For Company law matters	**0.22**	0.22
(e) For Other Certification work	**0.95**	0.53
(f) For reimbursement of expenses	**0.05**	0.05
Expenditure on Corporate Social Responsibility (CSR) Activities (Note 49)	**6.92**	4.44
Bank Charges	**20.96**	17.88
Exchange Difference (Net)	**5.19**	(12.79)
Miscellaneous Expenses	**83.27**	66.39
Total	**1,794.27**	1,639.23
a Value of imported and indigenous Spare Parts consumed		
Imported	**27.97**	19.23
	22.63%	16.85%
Indigenous	**95.62**	94.90
	77.37%	83.15%
Total	**123.59**	114.13
30 Exceptional Item		
Retrenchment Compensation	**7.95**	29.04
Deferred Electricity Duty	**-**	2.89
Total	**7.95**	31.93
31 CIF Value of Imports		
Capital Goods	**130.79**	139.32
Raw Materials & Accessories	**271.71**	380.20
Stock-in-Trade	**0.20**	-
Dyes & Chemicals, Stores and Spares Parts	**82.69**	102.18

₹ in Crores

	Year ended March 31, 2016	Year ended March 31, 2015
32 Expenditure in Foreign Currency		
Interest	**4.33**	5.32
Commission	**5.94**	6.38
Professional and Consultation Fees	**6.95**	5.38
Royalty on Sales	**-**	0.14
Other Matters	**21.21**	24.49
Total	**38.43**	41.71
33 Earning in Foreign Currency		
Export of goods calculated on F.O.B. basis	**2,053.49**	1,978.66
Agriculture Income	**-**	0.44
34 Amount remitted during the year in foreign currency on account of dividend :		
i) Amount remitted	**(₹ 5,992)**	(₹ 5,522)
ii) Number of shares held of ₹ 10 each	**2,350**	2,350
iii) Number of Non-resident Shareholders	**7**	7
iv) Year to which dividend relates	**2014-2015**	2013-2014

35 Earning Per Share (EPS) :

₹ in Crores, unless otherwise stated

Particulars		Year ended March 31, 2016	Year ended March 31, 2015
Profit after Tax available to Equity Shareholders		**318.85**	377.43
Weighted average no. of Equity Shares			
For Basic EPS	Nos.	**258,243,069**	258,219,777
For Diluted EPS	Nos.	**258,361,770**	258,240,691
Nominal value of Equity Shares	₹	**10.00**	10.00
Basic Earning Per Share	₹	**12.35**	14.62
Diluted Earning Per Share	₹	**12.34**	14.62
Weighted average number of Equity Shares			
Weighted average number of shares considered for Calculation Basic EPS		**258,243,069**	258,219,777
Dilutive Effect of ESOS		**118,701**	20,914
Weighted average number of shares considered for calculating Diluted EPS		**258,361,770**	258,240,691

Notes to financial statements

36 Employee Share Based Payment:

i The Company has formulated Employee Stock Option Scheme (ESOS 2008), the features of which are as follows :

Scheme	**ESOS 2008 Tranche - III**
Date of Grant	May 23, 2014
Number of options granted	1,050,000
Exercise Price per option	₹ 200.45
Vesting Period	At the end of 5 years from the date of grant Vesting is based on continued employment with the Company and fulfilment of performance parameters
Exercise Period	Within 3 years from the date of vesting
Method of settlement	Through allotment of one Equity Share for each option granted.

ii Intrinsic Value Method has been used to account for the employee share based payment plans. The intrinsic value of each stock option granted under the ESOS 2008 plan is ₹ Nil since the market price of the underlying share at the grant date was same as the exercise price and consequently the accounting value of the option (compensation cost) is ₹ Nil.

iii Further details of the stock option plans ESOS 2008 is as follows :

Particulars	**ESOS 2008**		**ESOS 2008**	
	Tranche-II		**Tranche-III**	
	2015-2016	2014-2015	**2015-2016**	2014-2015
Options				
Outstanding at the beginning of year	**-**	-	**10,50,000**	-
Vested but not exercised at the beginning of year	**-**	66,680	**-**	-
Granted During the year	**-**	-	**-**	10,50,000
Lapsed during the year	**-**	-	**-**	-
Exercised during the year	**-**	66,680	**-**	-
Vested but not exercised at the end of year	**-**	-	**-**	-
Not vested at the end of year	**-**	-	**10,50,000**	10,50,000
Weighted Average Exercise Price per Option	**-**	₹ 73.70	**200.45**	200.45

Notes to financial statements

iv Had the compensation cost for the stock options granted under ESOS 2008 been determined on fair value approach, the Company's net profit and earning per share would have been as per pro forma amounts indicated below:

Particulars	Year ended March 31, 2016	Year ended March 31, 2015
Profit after Tax available to equity shareholders	**318.85**	377.43
Less : Amortization of Compensation Cost (pro forma)	**2.13**	1.82
Profit after Tax and amoritzation of Compensation	**316.72**	375.61
Cost (pro forma)		
Earning Per Share		
Basic		
- as reported	**12.35**	14.62
- pro forma	**12.27**	14.55
Diluted		
- as reported	**12.34**	14.62
- pro forma	**12.26**	14.54

37 Employee Benefits

As per Accounting Standard on Employee Benefits (AS 15), the following disclosures have been made as required by the Standard:

(i) Defined Contribution Plans

The Company has recognised the following amounts in the Statement of Profit and Loss for Defined Contribution Plans:

₹ in Crores

Particulars	Year ended March 31, 2016	Year ended March 31, 2015
Provident Fund	**21.28**	20.61
Contributory Pension Scheme	**0.74**	0.55
Superannuation Fund	**1.86**	1.99

The Company's Provident Fund is administered by the Trust. The Rules of the Company's Provident Fund administered by a Trust require that if the Board of the Trustees are unable to pay interest at the rate declared for Employees' Provident Fund by the Government under Para 60 of the Employees' Provident Fund Scheme, 1952 for the reason that the return on investment is less or for any other reason, then the deficiency shall be made good by the Company. Having regard to the assets of the fund and the return on the investments, the Company does not expect any deficiency in the foreseeable future.

(ii) State Plans

The Company has recognised the following amounts in the Statement of Profit and Loss for Contribution to State Plans:

₹ in Crores

Particulars	Year ended March 31, 2016	Year ended March 31, 2015
Employee's State Insurance	**8.42**	8.58
Employee's Pension Scheme	**16.49**	13.99

(iii) Defined Benefit Plans

(a) Leave Encashment/Compensated Absences

Salaries, Wages and Bonus include ₹ 7.70 Crores (Previous Year ₹ 9.02 Crores) towards provision made as per actuarial valuation in respect of accumulated leave encashment/compensated absences.

(b) Contribution to Gratuity Funds

The details of the Company's Gratuity Fund for its employees including Managing Director are given below which is certified by the actuary and relied upon by the auditors:

₹ in Crores

Particulars	Year ended March 31, 2016	Year ended March 31, 2015
Change in the Benefit Obligations :		
Liability at the beginning of the year	**81.20**	75.65
Interest Cost	**6.56**	7.04
Current Service Cost	**8.83**	6.95
Benefits Paid	**(12.47)**	(16.63)
Actuarial Loss/(Gain)	**2.59**	8.19
Liability at the end of the year	**86.71**	81.20
Fair Value of Plan Assets :		
Fair Value of Plan Assets at the beginning of the year	**93.55**	83.80
Expected Return on Plan Assets	**7.56**	6.71
Contributions	**0.00**	16.63
Benefits Paid	**0.00**	(16.63)
Actuarial gain/(loss) on Plan Assets	**(0.80)**	3.04
Fair Value on Plan Assets at the end of the year	**100.31**	93.55
Total Actuarial(Loss) /Gain to be recognized	**(3.39)**	(5.15)
Actual Return on Plan Assets :		
Expected Return on Plan Assets	**7.56**	6.71
Actuarial gain/(loss) on Plan Assets	**(0.80)**	3.04
Actual Return on Plan Assets	**6.76**	9.75
Amount Recognized in the Balance Sheet :		
Liability at the end of the year	**86.71**	81.20
Fair Value of Plan Assets at the end of the year	**100.31**	93.55
Amount recognized in the Balance Sheet under "Advances Recoverable"	**(13.60)**	(12.35)
Expense Recognized in the Statement of Profit and Loss:		
Interest Cost	**6.56**	7.04
Current Service Cost	**8.83**	6.95
Expected Return on Plan Assets	**(7.56)**	(6.71)
Net Actuarial loss/(gain) to be recognized	**3.39**	5.15
Expense recognized in the Statement of Profit and Loss under "Employee	**11.22**	12.43
Benefits Expense"		
Reconciliation of the Liability Recognized in the Balance Sheet :		
Opening Net Liability	**(12.35)**	(8.15)
Expense Recognized	**11.22**	12.43
Contribution by the Company	**(12.47)**	(16.63)
Amount recognized in the Balance Sheet under "Advances Recoverable"	**(13.60)**	(12.35)

Notes to financial statements

Based on the above allocation and the prevailing yields on these assets, the long-term estimate of the expected rate of return on fund assets has been arrived at.

Principal Assumptions:

Particulars	Year ended March 31, 2016	Year ended March 31, 2015
Discount Rate (%)	**7.96**	8.08
Salary Escalation Rate (%)	**4.00**	4.00
Attrition Rate (%)	**2.00**	2.00
Return on Plan Assets (%)	**7.96**	8.08

Investment Pattern:

Particulars	% Invested in Current Year	% Invested in Previous Year
Central Government Securities	**0.25**	0.27
Public Sector/Financial Institutional Bonds	**0.30**	2.14
Portfolio with Mutual Fund	**99.41**	97.51
Others (including bank balances)	**0.04**	0.08
Total	**100.00**	100.00

Amount of Current and Previous four years are as follows:

₹ in Crores

Particulars	Gratuity				
	2015-2016	2014-2015	2013-2014	2012-2013	2011-2012
a. Present Value of Defined Benefit Obligation	**86.71**	81.20	75.65	77.86	64.51
b. Fair Value of Plan Asset	**100.31**	93.55	83.80	70.51	61.24
c. Surplus/(Deficit) in the plan	**13.60**	12.35	8.15	(7.35)	(3.27)
d. Experience Adjustments on plan liabilities losses/ (gains)	**1.73**	0.78	2.83	8.82	1.64
e. Experience Adjustments on plan asset (losses)/gain	**(0.80)**	3.04	0.30	2.31	(0.07)

38 Segment Reporting

(A) Primary Segment (Business Segment)

₹ in Crores

Particulars	Year ended March 31, 2016	Year ended March 31, 2015
Segment Revenue		
a) Textiles	**5,153.29**	5,053.53
b) Brands and Retail	**114.15**	83.49
c) Real Estate	**-**	-
d) Others	**200.81**	132.55
e) Unallocable	**-**	-
Total Sales	**5,468.25**	5,269.57
Less :Inter Segment Revenue	**60.99**	44.88
Net Sales	**5,407.26**	5,224.69
Segment Results		
Segment Results before Interest & Finance Cost		
a) Textiles	**837.41**	794.33
b) Brands and Retail	**(22.90)**	(18.18)
c) Real Estate	**-**	0.79
d) Others	**(47.24)**	(15.71)
e) Unallocable	**(7.14)**	36.45
Total Segment Results	**760.13**	797.68
Less : Interest & Finance Cost	**311.13**	320.06
Profit from Ordinary Activities	**449.00**	477.62
Extra Ordinary Items (Net)	**-**	-
Profit before Tax	**449.00**	477.62
Other Information		
Segment Assets		
a) Textiles	**3,730.26**	3,639.87
b) Brands and Retail	**132.70**	96.49
c) Real Estate	**-**	139.61
d) Others	**389.70**	179.23
e) Unallocable	**2,830.38**	2,597.22
Total Assets	**7,083.04**	6,652.42

Notes to financial statements

₹ in Crores

Particulars	Year ended March 31, 2016	Year ended March 31, 2015
Segment Liabilities		
a) Textiles	**819.04**	761.93
b) Brands and Retail	**27.56**	16.91
c) Real Estate	**-**	0.61
d) Others	**43.69**	29.40
e) Unallocable	**251.61**	248.13
Total Liabilities	**1,141.90**	1,056.98
Segment Depreciation/Impairment		
a) Textiles	**119.24**	108.05
b) Brands and Retail	**5.76**	3.98
c) Real Estate	**-**	0.29
d) Others	**10.98**	4.70
e) Unallocable	**10.62**	8.81
Total Depreciation/Impairment	**146.60**	125.83
Capital Expenditure		
a) Textiles	**243.13**	308.48
b) Brands and Retail	**17.79**	18.53
c) Real Estate	**-**	0.01
d) Others	**93.13**	30.46
e) Unallocable	**64.43**	30.34
Total Capital Expenditure	**418.48**	387.82
Non cash expenses other than Depreciation		
a) Textiles	**1.11**	0.55
b) Brands and Retail	**0.01**	0.77
c) Real Estate	**-**	-
d) Others	**0.64**	-
e) Unallocable	**0.20**	-
Total Non cash expenses other than Depreciation	**1.96**	1.32

(B) Secondary Segment (Geographical by Customers)

Particulars	Year ended March 31, 2016	Year ended March 31, 2015
Segment Revenue		
a) In India	**3,353.77**	3,246.03
b) Outside India	**2,053.49**	1,978.66
Total Sales	**5,407.26**	5,224.69
Carrying Cost of Assets by location of Assets		
a) In India	**7,019.31**	6,500.86
b) Outside India	**63.73**	151.56
Total	**7,083.04**	6,652.42
Addition to Tangible and Intangible Assets		
a) In India	**418.48**	387.77
b) Outside India	**-**	0.05
Total	**418.48**	387.82

Notes:

1 The Company has considered business segment as the primary reporting segment. Segments have been identified taking into account the nature of the products and services, differential risks and returns, the Organizational structure and internal reporting system. Consequently, the geographical segment has been considered as a secondary segment.

2 The business segment comprise of the following:

Textiles : Fabric, Yarn and Garments

Brands and Retail : Retailing of Branded Garments, Apparels and Fabrics

Real Estate : Real Estate Development

Others : Electronics, Technical Textile, Construction, e-Commerce and Project Activity

3 The Company has demerged Real Estate undertaking w.e.f. April 1, 2015 (Note 46).

4 Geographical segment is considered based on sales within India and outside India.

5 Intersegment Revenues are recognised at sales price.

Notes to financial statements

39 Related Party Disclosures :

As per the Accounting Standard on "Related Party Disclosures" (AS 18), the related parties of the Company are as follows :

a Name of Related Parties and Nature of Relationship :

1	Asman Investment Limited	Subsidiary Company
2	The Anup Engineering Limited	Subsidiary Company
3	Arvind Lifestyle Brands Limited	Subsidiary Company
4	Arvind Accel Limited	Subsidiary Company
5	Syntel Telecom Limited	Subsidiary Company
6	Arvind Brands and Retail Limited	Subsidiary Company
7	Arvind Internet Limited	Subsidiary Company
8	Arvind Worldwide Inc., USA	Subsidiary Company
9	Arvind Worldwide (M) Inc., Mauritius	Subsidiary Company
10	Arvind Garments Park Private Limited	Subsidiary Company
11	Arvind Spinning Limited, Mauritius	Subsidiary Company
12	Arvind Textile Mills Limited, Bangladesh	Subsidiary Company
13	Dholka Textile Park Private Limited	Subsidiary Company
14	Arvind Lifestyle Apparel Manufacturing PLC, Ethiopia	Subsidiary Company
15	Arvind Beauty Brands Retail Private Limited	Subsidiary Company
16	Arvind Envisol Private Limited	Subsidiary Company
17	Arvind Foundation	Subsidiary Company
18	Premium Garments Wholesale Trading Private Limited	Joint Venture
19	Arya Omnitalk Wireless Solutions Private Limited	Joint Venture
20	Tommy Hilfiger Arvind Fashions Private Limited	Joint Venture
21	Arya Omnitalk Radio Trunking Services Private Limited	Joint Venture
22	Arudrama Developers Private Limited	Joint Venture
23	Arvind PD Composites Private Limited	Joint Venture Subsidiary Company
24	Arvind Goodhill Suit Manufacturing Private Limited	Joint Venture Subsidiary Company
25	Arvind Niloy Exports Private Limited, Bangladesh	Joint Venture Subsidiary Company
26	Westech Advance Materials Limited	Joint Venture Subsidiary Company
27	Arvind OG Nonwovens Private Limited	Joint Venture Subsidiary Company
28	Maruti Ornet and Infrabuild LLP	Limited Liability Partnership
29	Arvind and Smart Value Homes LLP	Limited Liability Partnership
30	Aura Securities Private Limited	Company under the control of Key Managerial Personnel
31	Amplus Capital Advisors Private Limited	Company under the control of Key Managerial Personnel
32	Arvind Infrastructure Limited	Company under the control of Key Managerial Personnel
33	Shri Sanjay S. Lalbhai, Chairman and Managing Director	Key Management Personnel
34	Shri Jayesh K. Shah, Director & Chief Financial Officer	Key Management Personnel
35	Shri Punit S. Lalbhai, Executive Director	Key Management Personnel
36	Shri Kulin S. Lalbhai, Executive Director	Key Management Personnel

Note: Related party relationship is as identified by the Company and relied upon by the Auditors.

b Transactions and Balances :

₹ in Crores

Particulars	Subsidiary Companies		Key Management Personnel and relatives		Joint Venture/ Limited Liability Partnership		Company under the control of Key Managerial Personnel	
	Year ended		Year ended		Year ended		Year ended	
	March 31, 2016	March 31, 2015	**March 31, 2016**	March 31, 2015	**March 31, 2016**	March 31, 2015	**March 31, 2016**	March 31, 2015
Transactions								
Purchase of Goods and Materials	**54.26**	27.21	**-**	-	**0.19**	0.35	**-**	-
Purchase of Fixed Assets	**0.70**	9.02	**-**	-	**-**	-	**-**	-
Sales of Goods and Materials	**20.37**	15.59	**-**	-	**7.60**	10.32	**-**	-
Sale of Fixed Assets	**-**	0.09	**-**	-	**-**	-	**-**	-
Rendering of Services	**2.29**	3.06			**2.79**	2.63	**-**	-
Remuneration		-	**17.70**	14.62	**-**	-	**-**	-
Receiving of Services	**10.13**	8.50	**-**	-	**-**	-	**-**	-
Interest Expense	**2.77**	-	**-**	-	**-**	-	**0.08**	0.60
Donation Given	**5.16**	-	**-**	-	**-**	-	**-**	-
Other Expenses	**0.56**	0.25	**-**	-	**0.04**	0.05		-
Interest Income	**27.36**	27.77	**-**	-	**-**	-	**0.91**	6.29
Other Income	**1.18**	1.30	**-**	-	**-**	-	**0.01**	0.02
Loan Given/(Repaid) (Net)	**(125.07)**	222.68	**-**	-	**-**	-	**(4.56)**	(2.80)
Share Application Money Given	**7.78**	12.59	**-**	-	**-**	-	**-**	-
Investments adjusted against Securities Premium	**(100.05)**	-	**-**	-	**-**	-	**-**	-
Investments (Net)	**280.89**	300.61	**-**	-	**25.35**	12.89	**-**	-
Balances as at year end								
Guarantees	**673.23**	590.90	**-**	-	**11.57**	41.06	**-**	-
Trade and Other Receivable	**35.25**	66.08	**-**	-	**3.04**	31.10	**-**	(₹ 46,527)
Receivable/(Payable) in respect of Loans	**187.75**	318.99	**-**	-	**-**	-	**0.82**	(2.80)
Trade and Other Payable	**25.11**	15.49	**-**	-	**0.23**	0.80	**-**	-

Notes to financial statements

c Disclosure in respect of Related Party Transactions :

₹ in Crores

Nature of Transactions	Year ended March 31, 2016	Year ended March 31, 2015
Purchase of Goods and Materials		
Arvind Lifestyle Brands Limited	**37.67**	19.69
Syntel Telecom Limited	**5.39**	4.59
Arvind Envisol Private Limited	**0.64**	0.78
Arvind Goodhill Suit Manufacturing Private Limited	**0.56**	0.44
Arvind PD Composites Private Limited	**4.65**	1.26
Arvind OG Nonwovens Private Limited	**5.35**	0.44
Arvind Internet Limited	**-**	(₹ 47,745)
Tommy Hilfiger Arvind Fashions Private Limited	**0.19**	0.35
Purchase of Fixed Assets		
Arvind Envisol Private Limited	**0.18**	9.02
Arvind PD Composites Private Limited	**0.01**	-
Arvind OG Nonwovens Private Limited	**0.51**	-
Sales of Goods and Materials		
Asman Investment Limited	**0.55**	0.33
Arvind Lifestyle Brands Limited	**14.45**	12.42
Arvind Envisol Private Limited	**0.69**	-
Arvind PD Composites Private Limited	**0.17**	0.14
Arvind Infrastructure Limited	**-**	0.01
Arvind Internet Limited	**0.20**	1.28
Arvind Goodhill Suit Manufacturing Private Limited	**0.12**	0.01
The Anup Engineering Limited	**0.03**	0.01
Arvind OG Nonwovens Private Limited	**1.80**	1.39
Syntel Telecom Limited	**0.29**	-
Westech Advance Materials Limited	**2.07**	-
Arya Omnitalk Wireless Solutions Private Limited	**7.60**	-
Arya Omnitalk Wireless Solutions Private Limited	**-**	10.32
Sale of Fixed Assets		
Dholka Textile Park Private Limited	**-**	0.05
Arvind OG Nonwovens Private Limited	**-**	0.02
Arvind Internet Limited	**-**	0.02
Rendering of Services		
Arvind Lifestyle Brands Limited	**0.01**	0.22
Arvind OG Nonwovens Private Limited	**2.09**	1.94
Arvind Internet Limited	**0.19**	0.90
Arya Omnitalk Wireless Solutions Private Limited	**1.32**	1.24
Arya Omnitalk Radio Trunking Services Private Limited	**1.47**	1.39

c Disclosure in respect of Related Party Transactions :

₹ in Crores

Nature of Transactions	Year ended March 31, 2016	Year ended March 31, 2015
Remuneration		
Shri Sanjay S. Lalbhai, Chairman and Managing Director	**8.15**	7.32
Shri Jayesh K. Shah, Director & Chief Financial Officer	**4.59**	4.34
Shri Punit S. Lalbhai	**2.48**	1.48
Shri Kulin S. Lalbhai	**2.48**	1.48
Receiving of Services		
Arvind Worldwide Inc., USA	**8.53**	7.21
Arvind PD Composites Private Limited	**-**	(₹ 632)
Arvind Envisol Private Limited	**1.60**	1.29
Interest Expense		
The Anup Engineering Limited	**2.12**	-
Arvind Envisol Private Limited	**0.04**	-
Dholka Textile Park Private Limited	**0.02**	-
Arvind Internet Limited	**0.59**	-
Aura Securities Private Limited	**0.08**	0.60
Donation Given		
Arvind Foundation	**5.16**	-
Other Expenses		
Asman Investment Limited	**0.21**	0.25
Arvind Lifestyle Brands Limited	**0.35**	-
Arya Omnitalk Wireless Solutions Private Limited	**0.04**	0.05
Interest Income		
Arvind Worldwide (M) Inc., Mauritius	**-**	0.24
Arvind Worldwide Inc., USA	**0.12**	0.11
Asman Investment Limited	**1.62**	1.08
The Anup Engineering Limited	**-**	0.28
Arvind Lifestyle Brands Limited	**10.49**	21.52
Syntel Telecom Limited	**0.01**	0.01
Arvind Accel Limited	**6.86**	2.68
Arvind Envisol Private Limited	**0.73**	1.67
Arvind Brands Retail Limited	**3.32**	-
Arvind Internet Limited	**0.04**	-
Arvind Beauty Brands Retail Private Limited	**0.06**	
Arvind Infrastructure Limited	**0.91**	6.29
Dholka Textile Park Private Limited	**1.64**	0.07
Arvind Garments Park Private Limited	**2.47**	0.11

Notes to financial statements

Disclosure in respect of Related Party Transactions :

₹ in Crores

Nature of Transactions	Year ended March 31, 2016	Year ended March 31, 2015
Other Income		
Arvind Lifestyle Brands Limited	**0.65**	0.72
Arvind PD Composites Private Limited	**0.48**	0.43
Arvind Internet Limited	**0.05**	0.15
Amplus Capital Advisors Private Limited	**0.01**	0.02
Loan Given/(Repaid) (Net)		
Asman Investment Limited	**1.46**	14.67
Arvind Lifestyle Brands Limited	**(76.37)**	85.71
Arvind Accel Limited	**8.59**	56.52
Arvind Envisol Private Limited	**16.99**	20.58
Arvind Infrastructure Limited	**(7.36)**	5.35
Dholka Textile Park Private Limited	**(82.56)**	15.96
Arvind Garments Park Private Limited	**2.76**	23.88
Syntel Telecom Limited	**0.01**	0.01
Arvind Beauty Brands Retail Private Limited	**4.05**	-
Aura Securities Private Limited	**2.80**	(2.80)
Share Application Money		
Arvind PD Composites Private Limited	**2.50**	-
Arvind Brands and Retail Limited	**-**	11.40
Arvind OG Nonwovens Private Limited	**4.50**	-
Arvind Niloy Exports Private Limited, Bangladesh	**0.78**	0.78

Disclosure in respect of Related Party Transactions :

₹ in Crores

Nature of Transactions	Year ended March 31, 2016	Year ended March 31, 2015
Arvind Lifestyle Apparel Manufacturing PLC, Ethiopia	**-**	0.41
Investments adjusted against Securities Premium		
Arvind Infrastructure Limited	**(100.05)**	-
Investments (Net)		
Arvind PD Composites Private Limited	**-**	3.98
The Anup Engineering Limited	**2.71**	-
Arvind Brands and Retail Limited	**244.76**	240.58
Asman Investment Limited	**-**	19.97
Arvind Textile Mills Limited, Bangladesh	**-**	7.74
Arvind Lifestyle Apparel Manufacturing PLC, Ethiopia	**11.20**	13.58
Arvind Goodhill Suit Manufacturing Private Limited	**4.08**	10.20
Arvind OG Nonwovens Private Limited	**-**	4.61
Westech Advanced Materials Limited	**18.13**	-
Arvind Foundation	**0.01**	-
Arvind Internet Limited	**-**	(0.05)
Maruti Ornet and Infrabuild LLP	**25.35**	-
Arudrama Developers Private Limited	**-**	(22.00)
Tommy Hilfiger Arvind Fashions Private Limited	**-**	(31.55)
Arvind and Smart Value Homes LLP	**-**	66.44

d Disclosures pursuant to the Regulation 34(3) read with para A of Schedule V to the SEBI (Listing obligations and disclosure requirements) Regulations, 2015 read with section 186(4) of the Companies Act, 2013.

Loans and Advances in the nature of loans to subsidiaries

₹ in Crores

Name of Subsidiary	Purpose	Closing Balance		Maximum Outstanding	
		March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
Loans and Advances					
Asman Investments Limited	General Business Purpose	**17.19**	15.73	**17.19**	16.81
Arvind Worldwide (M) Inc.	General Business Purpose	**6.30**	6.30	**6.30**	6.43
Arvind Worldwide Inc. USA	General Business Purpose	**3.22**	2.93	**10.47**	2.93
Arvind Accel Limited	General Business Purpose	**68.14**	59.55	**68.14**	59.55
Arvind Infrastructure Limited	General Business Purpose	**0.82**	5.93	**9.18**	5.92
The Anup Engineering Limited	General Business Purpose	**-**	-	**-**	15.00
Arvind Lifestyle Brands Limited	General Business Purpose	**89.75**	166.12	**182.36**	263.83
Arvind Envisol Private Limited	General Business Purpose	**39.45**	22.46	**39.86**	22.50
Syntel Telecom Limited	General Business Purpose	**0.14**	0.13	**0.14**	0.13
Dholka Textile Park Private Limited	General Business Purpose	**18.42**	15.96	**18.42**	15.96
Arvind Beauty Brands Retail Private Limited	General Business Purpose	**4.05**	-	**6.88**	-
Arvind Garments Park Private Limited	General Business Purpose	**26.64**	23.88	**26.64**	23.88
Total(A)		**274.12**	318.99	**385.58**	432.94
Corporate Gurantee					
Arvind Lifestyle Brands Limited	Facilitate Trade Finance	**660.84**	590.90	**-**	-
Arvind Envisol Private Limited	Facilitate Trade Finance	**12.39**	-	**-**	-
Arya Omnitalk Wireless Solutions Private Limited	Facilitate Trade Finance	**9.88**	8.89	**-**	-
Arya Omnitalk Radio Trunking Services Private Limited	Facilitate Trade Finance	**1.69**	3.00	**-**	-
Tommy Hilfiger Arvind Fashion Private Limited	Facilitate Trade Finance	**-**	29.17	**-**	-
Total(B)		**684.80**	631.96	**-**	**-**
Total(A+B)		**958.92**	950.95	**385.58**	432.94

Note : No repayment schdule has been fixed in case of above mentioned Loans & Advances in the nature of loans given to Subsidiary Companies and are repayable on demand.

Notes to financial statements

40 Lease Rent

Operating Lease

(A) Factory Building is taken on lease period of 8 to 20 years with no option of renewal, no sub lease of the building and having an escalation clause for increase in lease rental by 15% after every 3 years

The particulars of these leases are as follows: ₹ in Crores

Particulars	**Year ended March 31, 2016**	Year ended March 31, 2015
Future Minimum lease payments obligation on non-cancellable operating leases:	**68.47**	91.43
Not later than one year	**13.88**	9.87
Later than one year and not later than five years	**24.11**	43.82
Later than five years	**30.48**	37.74
Lease Payment recognised in Statement of		
Profit and Loss	**7.31**	11.80

(B) Plant & Machineries are taken on operating lease for a period of 8 years with the option of renewal

The particulars of these leases are as follows: ₹ in Crores

Particulars	**Year ended March 31, 2016**	Year ended March 31, 2015
Future Minimum lease payments obligation on non-cancellable operating leases:	**40.04**	241.98
Not later than one year	**15.17**	43.53
Later than one year and not later than five years	**21.13**	149.92
Later than five years	**3.74**	48.53
Lease Payment recognised in Statement of		
Profit and Loss	**29.80**	40.76

(C) The Company has taken various residential and office premises under operating lease or leave and license Agreements. These are generally cancellable, having a term between 11 months and 9 years and have no specific obligation for renewal. Payments are recognised in the Statement of Profit and Loss under 'Rent' in Note 29.

(D) Rent Income also includes Lease Rental received towards Land and Buildings. Such operating lease is generally for a period from 12 to 15 years with the option of renewal on mutual consent and premature termination of agreement through agreed notice period.

The particulars of these leases are as follows: ₹ in Crores

Particulars	**Year ended March 31, 2016**	Year ended March 31, 2015
Future Minimum lease rental under non-cancellable operating leases:	**7.87**	68.63
Not later than one year	**0.56**	5.38
Later than one year and not later than five years	**1.99**	21.50
Later than five years	**5.32**	41.75
Lease income recognised in Statement of Profit		
and Loss	**3.59**	5.98

Notes to financial statements

41 Disclosures in respect of Joint Venture

(a) List of Joint Ventures:

Sr. No	Name of Joint Venture	Description of Interest	Proportion of ownership interest	Country of Incorporation	Country of Residence
1	Arya Omnitalk Wireless Solutions Private Limited	Jointly Controlled Entity	50%	India	India
2	Tommy Hilfiger Arvind Fashion Private Limited	Jointly Controlled Entity	50%	India	India
3	Arya Omnitalk Radio Turnking Services Private Limited	Jointly Controlled Entity	50%	India	India
4	Premium Garments Wholesale Trading Private Limited	Jointly Controlled Entity	49%	India	India
5	Arudrama Developers Private Limited	Jointly Controlled Entity	50%	India	India

(b) Financial interest in Jointly Controlled Entities:

₹ in Crores

Sr. No	Name of Joint Venture	Company's share in			
		Assets As at		Liabilities As at	
		March 31, 2016	March 31, 2015	**March 31, 2016**	March 31, 2015
1	Arya Omnitalk Wireless Solutions Private Limited	**28.50**	29.11	**11.48**	15.74
2	Tommy Hilfiger Arvind Fashion Private Limited	**96.58**	86.73	**48.85**	43.39
3	Arya Omnitalk Radio Trunking Services Private Limited	**12.76**	11.46	**6.50**	4.86
4	Premium Garments Wholesale Trading Private Limited	**55.43**	40.62	**47.55**	43.68
5	Arudrama Developers Private Limited	**2.71**	2.64	**0.66**	0.59

₹ in Crores

Sr. No	Name of Joint Venture	Company's share in			
		Income		Expenses	
		Year ended March 31, 2016	Year ended March 31, 2015	**Year ended March 31, 2016**	Year ended March 31, 2015
1	Arya Omnitalk Wireless Solutions Private Limited	**36.12**	38.15	**30.31**	32.78
2	Tommy Hilfiger Arvind Fashion Private Limited	**139.52**	130.21	**128.61**	117.37
3	Arya Omnitalk Radio Trunking Services Private Limited	**13.77**	11.42	**12.25**	10.43
4	Premium Garments Wholesale Trading Private Limited	**53.57**	41.81	**57.33**	46.32
5	Arudrama Developers Private Limited	**-**	-	**-**	-

₹ in Crores

Sr. No	Company's share in:	**Year ended March 31, 2016**	Year ended March 31, 2015
1	Contingent Liability in respect of guarantee given by Bank	**5.78**	5.62
2	**Disputed Demand in respect of :**		
	Income Tax	**-**	0.08
	Sales Tax	**0.02**	0.02
	Excise Duty	**1.04**	1.04
	Service Tax	**0.44**	0.44
3	**Capital commitments**		
	Estimated amount of contracts remaining to be executed on capital account and not provided for	**0.07**	0.11
4	Claims against the Company not acknowledged as debts	**0.61**	0.61

Note : The above figures are considered based on unaudited financial statements of the respective Jointly Controlled Entities.

Notes to financial statements

42 Impairment of Fixed Assets

In accordance with the Accounting Standard (AS-28) on 'Impairment of Assets' , the Company has reassessed its fixed assets and is of the view that no further impairment/reversal is considered to be necessary in view of its expected realisable value.

43 Early adoption of AS 30, Financial Instruments :Recognition and Measurement

(a) Consequent to the Announcement of the Institute of Chartered Accountants of India (ICAI), the Company had chosen to early adopt 'Accounting Standard – 30, Financial Instruments: Recognition and Measurement' in its entirety, read with the clarification issued on application of AS -30. Accordingly, the Company has changed the designation and measurement of all its significant financial assets and liabilities. All the financial assets and financial liabilities and derivatives have been remeasured at their respective fair values or at amortized cost as against cost except for those items whose accounting treatment is covered by the existing accounting standards.

(b) As a result, as on Balance Sheet date, Long Term Borrowings are lower by ₹ 6.51 Crores, (Previous year ₹ 6.98 Crores) and Hedge Reserve account is credited by ₹ 13.46 Crores (Previous year debited by ₹ 8.24 Crores) on account of fair valuation of outstanding derivatives.

44 Foreign Exchange Differences

As per the notification issued by the Ministry of Corporate Affairs dated 31st March, 2009 as amended from time to time, the Company had already exercised the option for accounting of exchange rate differences with effect from April 1, 2007.

Consequent to the adoption of that option:

(a) Exchange rate differences of long-term foreign currency loans which are related to acquisition of depreciable fixed assets have been added to or deducted from the cost of the assets and depreciated over the balance life of the assets and;

(b) Exchange rate differences on other long-term foreign currency loans have been transferred to 'Foreign Currency Monetary Item Translation Difference Account' to be amortized over the balance period of loans.

As a result:

(a) An amount of ₹ 3.76 Crores being the exchange rate loss for the year (Previous year ₹ 2.84 Crores) has been adjusted against the fixed assets.

(b) An amount of ₹ Nil being the exchange rate loss for the year (Previous year ₹ 3.88 Crores) remains to be amortized as at the balance sheet date.

45 Effective from April 1, 2014, the Company has revised useful lives of tangible fixed assets based on an independent evaluation. Accordingly, the carrying value of fixed assets as on that date, net of residual value, has been depreciated over the revised remaining useful lives. Further, an amount of ₹ 60.93 Crores (Net of deferred tax of ₹ 32.25 Crores) representing the carrying value of assets, whose remaining useful life is Nil as at April 1, 2014, has been charged to general reserve pursuant to the provisions of the Companies Act, 2013 on April 1, 2014.

46 Scheme of Arrangement

i A Composite Scheme of Arrangement ("the Scheme") in the nature of Demerger and transfer of Real Estate Undertaking of Arvind Limited ("the Company") to Arvind Infrastructure Limited ("AIL") and Restructuring of Share Capital, under sections 391 to 394 read with sections 78, 100 and 103 of the Companies Act, 1956 has been sanctioned by the High Court of Gujarat at Ahmedabad on April 22, 2015. The Scheme has become effective from the appointed date 1st April 2015.

ii Pursuant to the Scheme, the Real Estate Undertaking stood demerged from the Comapny and transferred to and vested in AIL as a going concern with effect from the appointed date 1st April 2015. Upon the Scheme becoming effective:

a. From the appointed date, the assets and liabiities of the Real Estate Undertaking of the Company (Demerged Undertaking) have been transferred to AIL at their respective Book values.

b. AIL has credited its Share Capital Account with the aggregate face value of the equity shares issued 1 (One) fully paid Equity Shares of ₹ 10/- each of AIL for every 10 (Ten) fully paid up Equity Shares of ₹ 10/- each held by the shareholders of the Company.

c. The existing shares of AIL held by the Company and its nominees shall stand cancelled and the amount of such investment in the books of the Company shall be written off against the Securities Premium Account.

d. The amount of difference in the net value of assets transferred pursuant to the Scheme and the amount of consideration as issued, netted by existing share capital cancelled shall be adjusted against the Securities Premium Account.

iii Pursuant to the Scheme, Demerged Undertaking has been demerged from the Company with effect from 1st April 2015, (the appointed date):

a. As on appointed date, all the assets and the liabilities have been transferred to AIL at their respective book values.

b. As consideration, AIL has subsequently issued and allotted Equity Shares of ₹ 10/- each fully paid up in the ratio of 1 (One) EquityShare of ₹ 10/- each for every 10 (Ten) Equity Shares of ₹ 10/- each of the Company, to the shareholders of the Company.

c. The amount of investment in AIL in the books of the Company of ₹ 100.05 Crores has been adjusted against the Securities Premium Account.

d. The difference between the value of assets and liabilities transferred of ₹ 0.08 Crores has been adjusted against the Securities Premium Account.

Notes to financial statements

47 Business Purchase

The Company has purchased all rights, interest and title in the Business known as "Creayte & MBO Division" of Arvind Internet Limited, a subsidiary of the Company as going concern basis for the lump sum consideration of ₹ 11.52 Crores..

48 Derivatives and Unhedged Foreign Currency Exposure:

a Category-wise Quantitative data about derivative instruments outstanding:

Particulars	**Currency**	**March 31, 2016**			March 31, 2015		
		In Mn	**Avg. Ex. Rate**	**₹ in Crores**	In Mn	Avg. Ex. Rate	₹ in Crores
Forward Sales	USD	**86.93**	**69.2818**	**602.27**	121.15	64.8933	786.18
Interest Swap	USD	**-**	**-**	**-**	10.00	56.7325	56.73
Option Deals	USD	**-**	**-**	**-**	142.20	62.0000	881.64

b The year end foreign currency exposures that have not been hedged by a derivative instrument or otherwise:

Particulars	**Currency**	**March 31, 2016**		March 31, 2015	
		In Mn	**₹ in Crores**	In Mn	₹ in Crores
Payable towards Borrowings	USD	**28.67**	**189.95**	34.42	215.14
	EUR	**3.02**	**22.79**	-	-
	JPY	**63.36**	**3.74**	-	-
Payable to Creditors	USD	**3.65**	**24.16**	5.24	32.72
	EUR	**0.39**	**2.94**	0.37	2.52
	GBP	**(193)**	**(18,426)**	(193)	(17,847)
	JPY	**0.57**	**0.03**	1.40	0.07
	CHF	**(620)**	**(42,768)**	-	-
	HKD	**(6,577)**	**0.01**	(6,577)	0.01
Receivable from Debtors	USD	**18.27**	**121.07**	19.97	124.81
	EUR	**1.78**	**13.40**	0.37	2.52
	GBP	**0.11**	**1.06**	0.33	3.09
Receivable towards Loans	USD	**1.42**	**9.41**	1.42	8.88

Notes to financial statements

49 Corporate Social Resposibility (CSR) Activities:

a. The Company is required to spend ₹ 7.27 Crores (Previous Year ₹ 4.39 Crores) on CSR activities.

b. Amount spent during the year on:

Particulars	Year ended March 31, 2016			Year ended March 31, 2015		
	In cash	**Yet to be paid in cash**	**Total**	In cash	Yet to be paid in cash	Total
(i) Construction/acquisition of any asset	**-**	**-**	**-**	-	-	-
(ii) Contribution to various Trusts / NGOs / Societies / Agencies and utilization thereon	**6.92**		**6.92**	4.44		4.44
(iii) Expenditure on Administrative Overheads for CSR	**0.36**	**-**	**0.36**	-	-	-

c. Related Party Disclosures :

As per the Accounting Standard on "Related Party Disclosures" (AS 18), the related parties of the Company are as follows :

a Name of Related Parties and Nature of Relationship :

Arvind Foundation (Incorporated under Section 8 of the Companies Act, 2013)	Subsidiary Company

b Disclosure in respect of Related Party Transactions :

Nature of Transactions	**Year ended March 31, 2016**	Year ended March 31, 2015
Arvind Foundation		
Donation given	**5.16**	-
Capital Contribution	**0.01**	-

50 Disclosure in respect of Construction/Job work Contracts

Particulars	**Year ended March 31, 2016**	Year ended March 31, 2015
Amount of Contract Revenue recognized	**7.40**	8.69
Disclosure in respect of contracts in progress at the reporting date		
Contract cost incurred and recognised profits less recognised losses		
up to the reporting date	**68.99**	51.45
Advance received from customers	**0.55**	0.50
Amount of Retention	**0.24**	0.35
Due from customers	**8.12**	5.37

51 Expenditure on Research and Development:

The Company has separate In-House Research & Development Centre at Naroda and Santej locations. Both the centres are involved into new product development, new process development etc. and are duly recognised and approved by Department of Scientific and Industrial Research, Ministry of Science and Technology, Government of India. The details of Capital and Revenue Expenditure incurred on Research and Development by both the Centres are as under:

Particulars	**Year ended March 31, 2016**	Year ended March 31, 2015
Naroda Centre		
Captial Expenditure	**-**	0.67
Revenue Expenditure	**4.09**	2.55
Total Expenditure at Naroda Centre	**4.09**	3.22
Santej Centre		
Capital Expenditure	**8.23**	14.59
Revenue Expenditure	**20.95**	13.52
Total Expenditure at Santej Centre	**29.18**	28.11

52 Figures less than ₹ 50,000/- which are required to be shown seperately, have been shown as actual in brackets.

53 In the opinion of the Board, all assets other than fixed assets have a value on realization in the ordinary course of business at least equal to the amount at which they are stated except for reconciliation adjustments in respect of some of the payables and receivables.

54 Previous year figures have been regrouped or recast wherever necessary to make them comparable with those of the current year.

As per our report of even date attached
For **Sorab S. Engineer & Co.**
Firm Registration No. 110417W
Chartered Accountants

CA. N. D. Anklesaria
Partner
Membership No.10250

Ahmedabad
May 12, 2016

SANJAY S. LALBHAI — Chairman & Managing Director

JAYESH K. SHAH — Director & Chief Financial Officer

R. V. BHIMANI — Company Secretary

INDEPENDENT AUDITOR'S REPORT To the Members of Arvind Limited

Report on the Consolidated Financial Statements

We have audited the accompanying Consolidated Financial Statements of **Arvind Limited** (hereinafter referred to as "the Holding Company") and its subsidiary Companies (the Holding Company and its subsidiaries together referred to as "the Group") and its jointly controlled entities; comprising of the Consolidated Balance Sheet as at March 31, 2016, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").

Management's Responsibility for the Consolidated Financial Statements

The Board of Directors of the Holding Company is responsible for the preparation of these Consolidated Financial Statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its Jointly controlled entities in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group and of its jointly controlled entities are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these Consolidated Financial Statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and the matter which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

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

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Financial Statements.

Opinion

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

Emphasis of Matter

As mentioned in Note No. 36 in respect of early adoption of Accounting Standard (AS) – 30 on 'Financial Instruments: Recognition and Measurement' issued by the Institute of Chartered Accountants of India and the clarification issued on Application of AS 30, the Company has measured all its Financial Assets and Liabilities at their respective Fair Values or at Amortised Cost except for those items whose accounting treatment is covered by the existing accounting standards. Accordingly, the carrying amount of Long Term Borrowings would have been higher by ₹ 6.51 Crores (previous year ₹ 6.98 crores) and carrying value of Hedge Reserve would have been lower by ₹ 13.46 crores (previous year higher by ₹ 8.24 Crores).

Our opinion is not modified in respect of this matter.

Other Matter

(a) We did not audit the financial statements of 6 subsidiary companies, and 2 joint controlled entities, whose financial statements reflect total assets of ₹ 319.36 Crores as at 31st March, 2016, total revenues of ₹ 180.63 Crores and net cash flows amounting to ₹ 2.87 Crores for the year ended on that date, as considered in the Consolidated Financial Statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and jointly controlled entities, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and jointly controlled entities, is based solely on the reports of the other auditors.

(b) We did not audit the financial statements of 3 subsidiary companies, 3 jointly controlled entities and 1 limited liability partnership entity, whose financial statements reflect total assets of ₹ 299.65 Crores as at 31st March, 2016, total revenues of ₹ 246.22 Crores and net cash outflows amounting to ₹ 4.33 Crores for the year ended on that date, as considered in the Consolidated Financial Statements. These

financial statements are unaudited and have been furnished to us by the Management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and jointly controlled entities, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act in so far as it relates to the aforesaid subsidiaries and jointly controlled entities, is based solely on such unaudited financial statements.

Our opinion on the Consolidated Financial Statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report, to the extent applicable, that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Financial Statements.

   (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

   (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Financial Statements.

   (d) In our opinion, the aforesaid Consolidated Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and Accounting Standard (AS) – 30 on 'Financial Instruments: Recognition and Measurement' issued by the Institute of Chartered Accountants of India (ICAI);

   (e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2016 and taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies and jointly controlled companies incorporated in India, none of the directors of the Group companies and jointly controlled companies incorporated in India is disqualified as on 31st 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 Group and the operating effectiveness of such controls, refer to our report in "Annexure A"; and

   (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 Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

      i. The Consolidated Financial Statements disclose the impact of pending litigations on the consolidated financial position of the Group and jointly controlled entities– Refer Note 19 to the Consolidated Financial Statements.

      ii. Provision has been made in the Consolidated Financial Statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

      iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies and jointly controlled companies incorporated in India.

For **Sorab S. Engineer & Co.**
Firm Registration No. 110417W
Chartered Accountants

CA. N. D. Anklesaria
Partner
Membership No. 10250

Ahmedabad
May 12, 2016

ANNEXURE-A TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF ARVIND LIMITED

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

We have audited the internal financial controls over financial reporting of Arvind Limited ("the holding Company") and its subsidiary companies and its jointly controlled entities which are companies incorporated in India, for the year ended March 31, 2016 in conjunction with our audit of the Consolidated Financial Statements of the Company.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

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

For **Sorab S. Engineer & Co.**
Firm Registration No. 110417W
Chartered Accountants

CA. N. D. Anklesaria
Partner
Membership No. 10250

Ahmedabad
May 12, 2016

Consolidated Balance Sheet as at 31st March, 2016

₹ in Crores

	Note	As at March 31, 2016	As at March 31, 2015
Equity and Liabilities			
Shareholders' funds			
Share Capital	3	**258.24**	258.24
Reserves and Surplus	4	**2,653.47**	2,465.64
Minority Interest	-	**52.89**	34.76
Non-current liabilities			
Long Term Borrowings	5	**1,491.68**	1,394.09
Deferred Tax Liabilities (Net)	6	**69.88**	47.08
Other Long Term Liabilities	7	**42.73**	32.78
Long Term Provisions	8	**23.56**	20.76
Current liabilities			
Short Term Borrowings	9	**1,717.36**	1,700.58
Trade Payables	10		
- Total outstanding dues of micro enterprises and small enterprses		**28.61**	9.04
- Total outstanding dues of creditors other than micro enterprises and small enterprses		**1546.17**	1340.35
Other Current Liabilities	7	**594.81**	564.11
Short Term Provisions	8	**92.45**	108.22
Total		**8,571.85**	7,975.65
Assets			
Non-current assets			
Fixed Assets			
Tangible Assets	11	**3,231.13**	3,000.86
Intangible Assets	12	**228.40**	207.37
Capital Work-in-progress	-	**98.38**	95.57
Intangible Assets under development	-	**48.52**	4.44
Non-current Investments	13	**69.06**	57.13
Long Term Loans and Advances	14	**578.94**	610.41
Other Non-current Assets	15	**9.12**	8.49
Current assets			
Current Investments	13	**3.58**	1.42
Inventories	16	**1,831.88**	1,845.03
Trade Receivables	17	**1,417.25**	1,165.81
Cash and Bank Balances	18	**65.08**	83.32
Short Term Loans and Advances	14	**668.93**	634.36
Other Current Assets	15	**321.58**	261.44
Total		**8,571.85**	7,975.65
Significant Accounting Policies	2		

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

As per our report of even date attached
For **Sorab S. Engineer & Co.**
Firm Registration No. 110417W
Chartered Accountants

CA. N. D. Anklesaria
Partner
Membership No.10250

Ahmedabad
May 12, 2016

SANJAY S. LALBHAI — Chairman & Managing Director

JAYESH K. SHAH — Director & Chief Financial Officer

R. V. BHIMANI — Company Secretary

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

₹ in Crores

	Note	Year ended March 31, 2016	Year ended March 31, 2015
Revenue from operations (Gross)	21	**8,581.26**	7,956.27
Less : Excise Duty/VAT		**130.85**	104.87
Revenue from operations (Net)		**8,450.41**	7,851.40
Other Income	22	**96.41**	93.20
Total Revenue		**8,546.82**	7,944.60
Expenses:			
Cost of materials and accessories consumed	23	**2,270.42**	2,292.23
Purchases of Stock in Trade	-	**1,434.66**	1,403.60
Project Expense	-	**28.98**	70.64
Changes in inventories of finished goods, work-in-progress and stock-in-trade	24	**(27.68)**	(201.95)
Employee benefits expense	25	**927.75**	802.28
Finance costs	26	**381.14**	394.60
Depreciation and amortization expense	27	**255.94**	212.35
Other expenses	28	**2,751.14**	2,471.75
Total Expenses		**8,022.35**	7,445.50
Profit before exceptional and extraordinary items and tax		**524.47**	499.10
Exceptional items	29	**7.95**	54.33
Profit before extraordinary items and tax		**516.52**	444.77
Extraordinary Items		**-**	-
Profit before Tax		**516.52**	444.77
Profit from Continuing Operations Before Tax		**516.52**	427.12
Current Tax		**125.03**	115.64
Deferred Tax		**21.82**	55.00
MAT Credit Reversal / (Entitlement)		**4.47**	(16.44)
Short / (Excess) Provision of Taxation of Earlier Years		**0.37**	(53.82)
Profit from Continuing Operations After Tax		**364.83**	326.74
Profit from Discontinuing Operations Before Tax		**-**	17.65
Current Tax		**-**	6.51
Deferred Tax		**-**	(0.03)
MAT Credit Entitlement		**-**	0.29
Profit from Disontinuing Operations After Tax		**-**	10.88
Profit for the year before adjustment for Minority Interest		**364.83**	337.62
Share of Profit/(Loss) transferred to Minority Interest		**2.13**	(3.48)
Net Profit for the year after adjustment for Minority Interest		**362.70**	341.10
Earnings per equity share	30		
(Nominal Value per Share ₹ 10/- (Previous year ₹ 10/-):			
Basic		**14.05**	13.21
Diluted		**14.04**	13.21
Significant Accounting Policies	2		

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

As per our report of even date attached
For **Sorab S. Engineer & Co.**
Firm Registration No. 110417W
Chartered Accountants

CA. N. D. Anklesaria
Partner
Membership No.10250

Ahmedabad
May 12, 2016

SANJAY S. LALBHAI — Chairman & Managing Director

JAYESH K. SHAH — Director & Chief Financial Officer

R. V. BHIMANI — Company Secretary

Consolidated Cash Flow Statement for the year ended on 31st March, 2016

₹ in Crores

		Year ended March 31, 2016		Year ended March 31, 2015	
A	**Cash Flow from Operating Activities**				
	Profit Before taxation		**516.52**		444.77
	Adjustments for:				
	Depreciation/Amortization/Impairment	**255.94**		212.35	
	Provision for Diminution in Value of Investments in Subsidiaries	**-**		0.32	
	Interest Income	**(41.61)**		(29.39)	
	Interest Expenses	**381.14**		394.60	
	Dividend Income	**(0.67)**		(0.58)	
	Bad Debts Written Off (Including Provision)	**3.72**		2.88	
	Provision for Wealth Tax	**-**		0.06	
	Sundry Debit Written off	**0.80**		0.79	
	Sundry Credit Balances Appropriated	**(2.25)**		(0.78)	
	Foreign Exchange Difference	**(2.14)**		(0.54)	
	Fixed Assets written off	**0.73**		0.74	
	Share of Profit from Partnership Firm	**0.07**		(0.16)	
	(Profit)/Loss on Sale of Tangible/Intangible assets	**(13.71)**		(14.29)	
	Profit on sale of Investment	**(0.05)**		(7.36)	
			581.97		558.64
			1,098.49		1,003.41
	Operating Profit before Working Capital Changes				
	Working Capital Changes:				
	Changes in Inventories	**13.15**		(216.89)	
	Changes in trade payables	**227.74**		101.41	
	Changes in other liabilities	**7.35**		(69.99)	
	Changes in provisions	**(0.56)**		11.55	
	Changes in loans and advances	**(32.89)**		(28.42)	
	Changes in trade receivables	**(255.23)**		(159.38)	
	Changes in other assets	**(46.26)**		44.58	
	Changes in Other Bank Balances	**9.94**		2.96	
	Net Changes in Working Capital		**(76.76)**		(314.18)
	Cash Generated from Operations		**1,021.73**		689.23
	Direct Taxes paid (Net of Income Tax refund)		**(122.50)**		(130.81)
	Net Cash from Operating Activities		**899.23**		558.42
B	**Cash Flow from Investing Activities**				
	Purchase of tangible/intangible assets	**(620.57)**		(596.73)	
	Sale of tangible assets	**65.50**		58.13	
	Changes in Investments	**(7.03)**		(2.63)	
	Capital Advances	**23.12**		34.40	
	Changes in Loan Given	**(0.52)**		(110.45)	
	Dividend Income	**0.67**		0.58	
	Share of Profit from Partnership Firm	**(0.07)**		0.16	
	Interest Income	**41.19**		29.15	
	Net cash flow from Investing Activities		**(497.71)**		(587.39)

Consolidated Cash Flow Statement for the year ended on 31st March, 2016 (Contd.)

₹ in Crores

	Year ended March 31, 2016		Year ended March 31, 2015	
C Cash Flow from Financing Activities				
Issue of Share Capital	-		0.07	
Securities Premium received	-		0.42	
Demerger and Consolidation Adjustment	(116.22)		-	
Dividend Paid	(65.27)		(60.10)	
Dividend Distribution Tax	(13.14)		(10.31)	
Changes in Minority Interest	16.00		14.00	
Changes in long term Borrowings	132.63		153.20	
Changes in short term borrowings	16.78		251.81	
Interest Paid	(380.07)		(397.59)	
Net Cash flow from Financing Activities		(409.29)		(48.50)
Net Increase/(Decrease) in cash & cash equivalents		(7.77)		(77.47)
Cash & Cash equivalent at the beginning of the period		45.89		123.36
Cash & Cash equivalent at the end of the period		38.12		45.89

a Particulars	As at March 31, 2016	As ar March 31, 2015
Cash and cash equivalents comprise of: (Note 18)		
Cash on Hand (Including Foreign Currency)	0.52	1.30
Cheques on Hand	3.21	0.03
Balances with Banks*	34.48	44.55
Cash and cash equivalents	38.21	45.88
Effect of Exchange Rate Changes	0.09	(0.01)
Cash and cash equivalents as restated	38.12	45.89
* Includes the following balance which is not available for use by the Company		
Unpaid dividend account	1.86	1.28

As per our report of even date attached
For **Sorab S. Engineer & Co.**
Firm Registration No. 110417W
Chartered Accountants

CA. N. D. Anklesaria
Partner
Membership No.10250

Ahmedabad
May 12, 2016

SANJAY S. LALBHAI — Chairman & Managing Director

JAYESH K. SHAH — Director & Chief Financial Officer

R. V. BHIMANI — Company Secretary

Notes to consolidated financial statement:

1. BASIS OF CONSOLIDATION

Basis

(i) The Consolidated Financial Statements have been prepared in accordance with Accounting Standard – 21 on "Consolidated Financial Statements" and Accounting Standard – 27 on "Financial Reporting of Interest in Joint Ventures and relevant clarifications issued by the Institute of Chartered Accountants of India. The Consolidated Financial Statements comprise the financial statements of Arvind Limited, its Subsidiaries and Joint Venture Entities (collectively referred to as "the Group").

(ii) The Notes and Significant Accounting Policies to the Consolidated Financial Statements are intended to serve as a guide for better understanding of the Group's position. In this respect, the Company has disclosed such notes and policies, which represent the needed disclosure.

Principles

(i) Subsidiaries are consolidated from the date on which control is transferred to the group and are not consolidated from the date that control ceases. The financial statements of the Company and its subsidiary companies have been combined on a line-by-line basis by adding together like items of assets, liabilities, income and expenses. The intra-group balances and intra-group transactions and unrealised profits or losses are fully eliminated.

(ii) The difference between cost to the Company of its investments in the subsidiary companies and its share of the equity of the subsidiary companies, at each point of time of making the investments in the subsidiary companies are made, is recognised as Goodwill or Capital Reserve as the case may be.

(iii) Minority interest in the net assets of consolidated subsidiaries consists of the amount of equity attributable to the minority shareholders at the dates on which investments are made by the Company in the subsidiary companies and further movements in their share in the equity subsequent to the dates of investments.

(iv) In case of Foreign Subsidiaries, revenue items are consolidated at the average rate prevailing during the year. All assets and Liabilities are converted at rates prevailing at the end of the year. Any exchange difference arising on translation is accumulated in a "Reserve on Exchange Rate Fluctuation" in the Balance Sheet.

(v) The Company's interest in the Joint Ventures has been consolidated on line to line basis by adding together the value of assets, liabilities, income and expenses, after eliminating the unrealised profits/losses of intra group transactions. Joint Venture accounts have been included in segment to which they relate.

(vi) Investments in Associates have been accounted for by using the equity method of accounting whereby the investment is initially recorded at cost, identifying any goodwill/capital reserve arising at the time of acquisition. The carrying amount of investment is adjusted thereafter for the post acquisition change in the investor's share of net asset of the investee.

a. The List of Subsidiaries included in the Consolidated Financial Statements are as under :

Sr. No.	Name of Subsidiary	Country of Incorporation	Proportion of ownership as on 31st March 2016
1	Asman Investments Limited	India	91.77%
2	The Anup Engineering Limited	India	92.92%
3	Arvind Lifestyle Brands Limited	India	100%
4	Arvind Brands and Retail Limited	India	100%
5	Arvind Accel Limited	India	100%
6	Arvind Envisol Private Limited	India	100%
7	Arvind Worldwide Inc.	USA	100%
8	Arvind Textile Mills Limited	Bangladesh	100%
9	Syntel Telecom Limited	India	100%
10	Westech Advanced Materials Limited	Canada	51%
11	Dholka Textile Park Private Limited	India	100%
12	Arvind Garments Park Private Limited	India	100%
13	Arvind PD Composites Private Limited	India	51%
14	Arvind Goodhill Suit Manufacturing Private Limited	India	51%
15	Arvind Niloy Exports Private Limited	Bangladesh	70%
16	Arvind OG Nonwovens Private Limited	India	74%
17	Arvind Internet Limited	India	100%
18	Arvind Lifestyle Apparel Manufacturing PLC	Ethiopia	100%
19	Arvind Beauty Brands Retails Pvt. Ltd.	India	100%

b. The following Joint Venture entities and Limited Liability Partnerships have been included in the Consolidated Financial Statements :

Sr. No.	Name of the Entity	Country of incorporation	Proportion of ownership as on 31st March 2015
1	Arya Omnitalk Wireless Solutions Private Limited	India	50%
2	Arya Omnitalk Radio Trunking Services Private Limited	India	50%
3	Tommy Hilfiger Arvind Fashions Private Limited	India	50%
4	Premium Garments Wholesale Trading Private Limited	India	49%
5	Arudrama Developers Private Limited	India	50%
6	Arvind and Smart Value Homes LLP	India	50%
7	Maruti & Ornet Infrabuild LLP	India	100%

d. The following subsidiaries have not been included in the Consolidated Financial Statements being defunct status:

Sr. No.	Name of the Entity	Country of incorporation	Proportion of ownership as on 31st March 2014
1	Arvind Overseas (Mauritius) Limited	Mauritius	100%
2	Arvind Spinning Limited	Mauritius	100%
3	Arvind Worldwide (M) Inc.	Mauritius	100%

2. SIGNIFICANT ACCOUNTING POLICIES

(A) BASIS OF PREPARATION

These Consolidated Financial Statements have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP) under the historical cost convention on accrual basis (except so far as they relate to (a) revaluation of fixed assets and providing for depreciation on revalued amounts and (b) items covered under 'Accounting Standard (AS) – 30' on 'Financial Instruments: Recognition and Measurement" which have been measured at their fair value). Indian GAAP comprises mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013 ('the Act') read with Rule 7 of the Companies (Accounts) Rules, 2014 and the provisions of the Act (to the extent notified). Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The Accounts of the foreign subsidiaries have been prepared in accordance with local laws and applicable accounting standard/generally accepted accounting principles.

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

A summary of applicable accounting policies which have been applied consistently are set out below.

(B) USE OF ESTIMATES

The preparation of Consolidated Financial Statements in conformity with Indian GAAP requires the management to make estimates and assumptions in the reported amounts of assets and liabilities (including contingent liabilities) as of the date of the financial statements and the reported income and expenses during the reporting period. Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ from these estimates. Difference between the actual results and estimates are recognized in the period in which the results are known or materialize.

(C) INFLATION

Assets and liabilities are recorded at historical cost to the Company (except so far as they relate to (a) revaluation of fixed assets and providing for depreciation on revalued amounts and (b) items covered under 'Accounting Standard (AS) – 30' on 'Financial Instruments: Recognition and Measurement" which have been measured at their fair value). These costs are not adjusted to reflect the changing value in the purchasing power of money.

(D) REVENUE RECOGNITION

Sales and operating income includes sale of products, by-products and waste, income from job work services and gain or loss on forward contracts. Sales are recognised based on passage of title to goods which generally coincides with dispatch and on transfer of all significant risk

and rewards of ownership to the buyer. Revenue from export sales are recognised on shipment basis. Sales are stated net of returns, excise duty & Sales Tax/VAT. Export incentives are accounted on accrual basis at the time of export of goods, if the entitlement can be estimated with reasonable accuracy and conditions precedent to claim are fulfilled.

Retail sales and revenues are recognised on delivery of the merchandise to the customer, when the property in the goods is transferred for a price, when significant risks and rewards have been transferred and no effective ownership control is retained. Sales are net of discount. Sales tax and VAT are reduced from Retail Turnover.

The property in the merchandise of third party consignment stock does not pass to the Company. Since, however, the sale of such stock forms a part of the activities of the Company's departmental stores, the gross sales values and cost of the merchandise are displayed separately in the Statement of Profit and Loss.

In respect of gift vouchers and point award schemes operated by the Company, sales are recognised when the gift vouchers or points are redeemed and the merchandise is sold to the customer.

Revenue from store displays and sponsorships are recognised based on the period for which the products or the sponsors' advertisements are promoted/ displayed. Facility management fees are recognised pro-rata over the period of the contract.

Revenue from job work services and Rental Income are recognised based on the services rendered in accordance with the terms of contracts.

Revenue in respect of projects for Construction of Plants and Systems, execution of which is spread over different accounting periods, is recognised on the basis of percentage of completion method in accordance with Accounting Standard 7 – Accounting for Construction Contracts. Percentage of completion is determined by the proportion that contract costs incurred for work done till date bears to the estimated total contract cost. Difference between costs incurred plus recognised profit / less recognised losses and the amount invoiced is treated as contract in progress. Determination of revenues under the percentage of completion method necessarily involves making estimates by the Company, some of which are of a technical nature, relating to the percentage of completion, costs to completion, and the expected revenue from the contract and the foreseeable losses to completion.

Rental income from radio sets and Annual Maintenance Contracts are recognised proportionately over the period of the contract.

Interest income is recognised on time proportion basis taking into account the amount outstanding and the rate applicable.

Dividend is accounted for as and when right to receive payment is established.

Profit or Loss on sale of investments is recorded on transfer of tittle from the Company, and is determined as the difference between the sale price and carrying value of investment and other incidental expenses.

Claims receivable on account of Insurance are accounted for to the extent the Company is reasonably certain of their ultimate collection.

(E) VALUATION OF INVENTORY

The stock of Work-in-progress, Stock in trade and finished goods has been valued at the lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is measured on actual average/FIFO basis as applicable for the year and includes cost of materials and cost of conversion.

All other inventories of stores, consumables, project material at site are valued at cost. The stock of waste is valued at market price. Excise duty wherever applicable is provided on finished goods lying within the factory and bonded warehouse at the end of the year.

Merchandise received under consignment and concessionaire arrangements belong to the consignors/concessionaires and are therefore excluded from the Company's inventories.

Direct expenditure relating to development of project is inventorised. Indirect expenditure during the period of project is inventorised to the extent the expenditure is indirectly related to construction or is incidental thereto. Other indirect expenditure incurred during the construction period which is neither related to the construction activity nor is incidental thereto is charged to revenue.

Unsold Developed Plots and Units have been valued at lower of cost or realizable value.

(F) FIXED ASSETS

Tangible Assets

Fixed assets are stated at their original cost of acquisition or construction / revalued amount wherever applicable less accumulated depreciation and impairment losses. Cost comprises of all costs incurred to bring the assets to their location and working condition and includes all expenses incurred up to the date of launching new stores to the extent they are attributable to the new store.

Subsequent expenditure related to an item of fixed assets are added to its book value only if they increase future benefits from the existing assets beyond its previously assessed standard of performance.

Items of fixed assets that have been retired from active use and are held for disposal are stated at the lower of their net book value and net

realisable value and are shown separately in the financial statements. Any expected loss is recognised immediately in the Statement of Profit and Loss.

Losses arising from the retirement of, and gains or losses arising from disposal of fixed assets are recognised in the Statement of Profit and Loss except to the extent such a loss is related to an increase which was previously recorded as a credit to revaluation reserve and which has not been subsequently reversed or utilized, it is charged directly to that account. The amount standing in revaluation reserve following the retirement or disposal of an asset which relates to that asset is transferred to general reserve.

Exchange rate gain or loss on foreign currency loans related to acquisition of depreciable assets are being capitalized as per the notification dated 31st March, 2009 as amended from time to time issued by Ministry of Corporate Affairs, New Delhi.

Additions to fixed assets after 1st October 2006 have been stated at cost net of CENVAT wherever applicable.

Directly identifiable preoperative expenses of new projects of capital nature under implementation are carried forward under capital work-in-progress, pending capitalization.

Intangible Assets

Intangible assets are stated at their cost of acquisition, less accumulated amortization and impairment losses. An intangible asset is recognised, where it is probable that the future economic benefits attributable to the asset will flow to the enterprise and where its value/cost can be reliably measured.

The Company capitalizes software and related implementation costs where it is reasonably estimated that the software has an enduring useful life.

Directly identifiable preoperative expenses of new projects of capital nature under implementation are carried forward under capital work-in-progress, pending capitalization.

Gains or losses arising from disposal or retirement of intangible assets are recognised in the Statement of Profit and Loss.

(G) Depreciation of Tangible Assets

For Arvind Limited and Arvind Lifestyle Brands Limited:

The carrying value of the tangible fixed assets as on April 1, 2014 is depreciated over remaining useful life of the assets based on independent technical evaluation carried out by external valuer.

Depreciation on addition to tangible fixed assets is provided on the straight line method over useful lives of the assets as prescribed under Part C of Schedule II to the Companies Act 2013 except for certain class of assets as mentioned below.

Depreciation on assets having useful life other than as prescribed under Part C of Schedule II to the Companies Act 2013 is provided on straight line basis over the useful lives of the assets as estimated by management based on internal assessment. The management estimates the useful lives as follows:

For Arvind Limited:

Assets	Useful Life
Plant and Machinery other than Lab Equipments	20 Years
Leasehold Improvements	6 Years

For Arvind Lifestyle Brands Limited:

Assets	Useful Life
Furniture and Fixtures	6 Years
Leasehold Improvements	6 Years
Plant and Machinery	5 Years
Vehicles	4 Years

The management believes that the useful life as given above best represent the period over which management expects to use these assets. Hence the useful lives for these assets are different from the useful lives as prescribed under Part C of Schedule II to the Companies Act 2013.

When the Parts of Tangible Fixed Assets have different useful life, they are accounted for as separate items (Major Components) and are depreciated over the useful life as assigned respectively.

For Other Companies and LLPs:

The carrying value of the tangible fixed assets as on April 1, 2014 is depreciated over remaining useful life of the assets specified in Part C of Schedule II to the Companies Act 2013 read with the relevant notifications issued by the Department of Company affairs.

Depreciation on addition to tangible fixed assets is provided on the straight line method over useful lives of the assets as prescribed under Part C of Schedule II to the Companies Act 2013.

For Foreign Subsidiaries

In the case of foreign subsidiaries, depreciation has been provided as per the rates permitted under the local laws/ at such rate so as to write off the assets over its useful life.

Other Matters

Premium on Leasehold Land is amortized over the period of Lease.

Depreciation for assets purchased/sold during a period is proportionately charged for the period of use.

Depreciation on exchange rate difference capitalized is provided over the balance life of the assets as per the notification dated 31st March, 2009 as amended from time to time issued by the Ministry of Corporate Affairs.

Amortisation of Intangible Assets

Software is depreciated over management estimate of its useful life of 3 to 5 years or License Period whichever is lower and Patent/Knowhow and Trademark is depreciated over its useful validity period. Website is amortized over 5 years.

Job Workers' Network Value, Vendors' Network Value and Distribution Network Value have been amortized on Straight Line basis over the period of five years. Value of License Brands and Brand Value have been amortized in the ratio of revenue expected to be generated from these brands over the period of ten years.

(H) IMPAIRMENT OF ASSETS

An asset is considered as impaired in accordance with Accounting Standard 28 on Impairment of Assets when at balance sheet date there are indications of impairment and the carrying amount of the asset, or where applicable the cash generating unit to which the asset belongs, exceeds its recoverable amount (i.e. the higher of the asset's net selling price and value in use). The carrying amount is reduced to the recoverable amount and the reduction is recognized as an impairment loss in the Statement of Profit and Loss.

Assessment is also done at each Balance Sheet date as to whether there is any indication that an impairment loss recognised for an asset in prior accounting periods may no longer exist or may have decreased.

(I) INVESTMENTS

Investments are classified as Long Term Investments and Current Investments. Long term investments are stated at cost less permanent diminution in value, if any. Current Investments are stated at lower of cost and fair value.

Investments in subsidiaries which are not consolidated are valued at cost less any provision for impairment.

Investments are reviewed for impairment if events or changes in circumstances indicate that the carrying amount may not be recoverable.

Investment Property: Investment in Land and buildings that are not intended to be occupied substantially for use by, or in the operations of the Company, have been classified as investment property. Investment properties are carried at cost less accumulated depreciation.

(J) FOREIGN CURRENCY TRANSACTIONS

Transactions denominated in foreign currencies are normally recorded at the exchange rate prevailing at the time of the transaction.

Foreign currency monetary items are restated using exchange rate prevailing at the reporting date.

Non-monetary foreign currency items are carried at cost.

The Company has opted to avail the choice provided under paragraph 46A of AS 11: The Effects of Changes in Foreign Exchange Rates inserted vide Notification dated December 29, 2011. Consequently, all long term foreign currency monetary items consisting of loans which relate to acquisition of depreciable capital assets at the end of the year have been restated at the rate prevailing at the balance sheet date. The difference arising as a result has been added to or deducted from the cost of the assets. Exchange rate difference on other long term foreign currency monetary items is carried to 'Foreign Currency Monetary Item Translation Difference Account' to be amortized up to the period of such foreign currency monetary items

Any income or expense on account of exchange difference either on settlement or on translation other than as mentioned above is recognised in the Statement of Profit and Loss.

Expenses of overseas offices are translated and accounted at the monthly average rate.

(K) DERIVATIVES & COMMODITY HEDGING TRANSACTIONS

For Arvind Limited

In order to hedge its exposure to foreign exchange, interest rate and commodity price risks, the Company enters into forward, option, swap contracts and other derivative financial instruments. The Company neither holds nor issues any derivative financial instruments for speculative purposes.

Derivative financial instruments are initially recorded at their fair value on the date of the derivative transaction and are re-measured at their fair value at subsequent balance sheet dates.

Changes in the fair value of derivatives that are designated and qualify as cash flow hedges and are determined to be an effective hedge are recorded in hedging reserve account. To designate a forward contract or option as an effective hedge, management objectively evaluates and evidences with appropriate supporting documents at the inception of each contract whether the contract is effective in achieving offsetting cash flows attributable to hedged risk. Any cumulative gain or loss on the hedging instrument recognised in hedging reserve is kept in hedging reserve until the forecast transaction occurs or the hedged accounting is discontinued. Amounts deferred to hedging reserve are recycled in the Statement of Profit and Loss in the periods when the hedged item is recognised in the Statement of Profit and Loss or when the portion of the gain or loss is determined to be an ineffective hedge.

Derivative financial instruments that do not qualify for hedge accounting are marked to market at the balance sheet date and gains or losses are recognised in the Statement of Profit and Loss immediately.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated or exercised, or no longer qualifies for hedge accounting. If a hedged transaction is no longer expected to occur, the net cumulative gain or loss recognised in hedging reserve is transferred to profit or loss for the year.

For Others

The premium or discount arising at the inception of forward exchange contracts entered into to hedge an existing asset/liability, is amortised as expense or income over the life of the contract. Exchange differences on such a contract are recognised in the Statement of Profit and Loss in the reporting period in which the exchange rates change.

Any profit or loss arising on cancellation or renewal of such a forward exchange contract are recognised as income or as expense for the period.

Forward exchange contracts outstanding as at the year end on account of firm commitment / highly probable forecast transactions are marked to market and the losses, if any, are recognised in the Statement of Profit and Loss and gains are ignored in accordance with the Announcement of Institute of Chartered Accountants of India on 'Accounting for Derivatives'.

(L) EMPLOYEE BENEFITS

The Company has Defined Contribution Plans for post employment benefits namely Provident Fund and Superannuation Fund which are recognised by the Income Tax Authorities. These funds are administered through trustees and the Company's contributions thereto are charged to revenue every year. The Company also pays insurance premiums to fund a post-employment medical assistance scheme, a Defined Contribution Plan administered by ICICI Lombard General Insurance Company Limited which is charged to revenue every year. The Company's Contribution to State Plans namely Employee's State Insurance Fund and Employee's Pension Scheme are charged to revenue every year.

The Company has Defined Benefit Plans namely leave encashment/ compensated absences and Gratuity for all the employees, the liability for which is determined on the basis of an actuarial valuation at the year end and incremental liability, if any, is provided for in the books. The actuarial valuation is done based on Projected Unit Credit Method. Gratuity scheme is administered through trust recognised by the Income Tax Authorities and / or by LIC.

Actuarial Gains and Losses comprise of experience adjustments and the effects of changes in actuarial assumptions are recognised immediately in the Statement of Profit and Loss as income or expense.

(M) BORROWING COST

For Arvind Limited

Borrowing costs include interest, fees and other charges incurred in connection with the borrowing of funds. It is calculated on the basis of effective interest rate in accordance with Accounting Standard (AS) -30 and considered as revenue expenditure and charged to Statement of Profit and Loss over the period of borrowing except for borrowing costs either generally or specifically attributed directly to the acquisition/ improvement of qualifying assets up to the date when such assets are ready for intended use which are capitalised as a part of the cost of such asset.

For Others

Borrowing costs includes interest, fees and other charges incurred in connection with the borrowing of funds and is considered as revenue expenditure for the year in which it is incurred except for borrowing costs attributed to the acquisitions/improvement of qualifying capital asset and incurred till the commencement of commercial use of the asset and which is capitalised as cost of that asset.

(N) LEASE ACCOUNTING

Assets acquired under Finance Lease are segregated from the assets owned and recognised as asset at an amount equal to the fair value of the leased assets at the inception of the lease or the present value of the minimum lease payments whichever is lower with corresponding outstanding liability.

Lease rental payable on such finance lease has been apportioned between finance charge and the reduction in the outstanding liability. The finance charge has been allocated to periods during the lease term so as to produce constant periodic rate of interest on the remaining balance of liability for each period.

Lease Rentals for assets acquired under operating lease are recognised as an expense in the Statement of Profit and Loss on a straight line basis over the lease term.

(O) TAXES ON INCOME

Tax expense consists of both current as well as deferred tax. Current tax represents amount of income tax payable including the tax payable u/s 115JB, if any, in respect of taxable income for the year.

Minimum Alternate Tax Credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax within the specified period. The said asset is created by way of a credit to the Statement of Profit and Loss and is shown as MAT Credit Entitlement.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts.

Deferred tax is recognised on timing difference between the accounting income and the taxable income for the year that originates in one period and are capable of reversal in one or more subsequent periods. Such deferred tax is quantified using the tax rates and laws enacted or substantively enacted as on the Balance Sheet date.

Deferred tax assets are recognised and carried forward to the extent that there is a virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realized.

(P) GOVERNMENT GRANTS AND SUBSIDIES

Grants/Subsidies from the government are recognised when there is reasonable assurance that the Company will comply with the conditions attached to them and the grant/subsidy will be received.

When the grant/subsidy relates to revenue, it is recognised as income on a systematic basis in the Statement of Profit and Loss over the periods necessary to match them with the related costs, which they are intended to compensate. Where the grant/subsidy relates to an asset, it is shown as a deduction from the gross value of the asset concerned in arriving at its book value.

(Q) EARNING PER SHARE

The Company reports basic and diluted Earnings per Share (EPS) in accordance with Accounting Standard 20 on Earnings per Share. Basic EPS is computed by dividing the net profit or loss for the year by the weighted average number of Equity shares outstanding during the year. Diluted EPS is computed by dividing the net profit or loss for the year by the weighted average number of equity shares outstanding during the year as adjusted for the effects of all dilutive potential equity shares, except where the results are anti-dilutive.

(R) PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

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

(S) CAPITAL ISSUE EXPENSES

Expenses on issue of Shares, Debentures and GDRs are being adjusted against Share Premium Account as permitted by section 52 of the Companies Act, 2013.

(T) ACCOUNTING FOR JOINT VENTURE

Accounting for Joint Venture has been done as follows:

Type of Joint Venture	Accounting Treatment
Jointly Controlled Entity	Company's share of profit or loss is accounted on determination of profit or loss by the Joint Ventures.

Joint Venture interests accounted as above have been included in segments to which it relates.

Notes to consolidated financial statement:

3 Share Capital	As at March 31, 2016	₹ in Crores As at March 31, 2015
Authorised		
Equity Shares		
565,000,000 Shares (Previous Year 565,000,000)	**565.00**	565.00
Par Value of ₹ 10/- per share		
Preference Shares		
10,000,000 Shares (Previous Year 10,000,000)	**100.00**	100.00
Par Value of ₹ 100/- per share		
	665.00	665.00
Issued		
Equity Shares		
258,243,969 Shares (Previous Year 258,243,969)	**258.24**	258.24
Par Value of ₹ 10/- per share		
	258.24	258.24
Subscribed and fully paid up		
Equity Shares		
258,243,069 Shares (Previous Year 258,243,069)	**258.24**	258.24
Par Value of ₹ 10/- per share fully paid up		
Forfeited Shares		
900 Shares (Previous Year 900)		
(₹ 4,500/- originally paid up (Previous Year ₹ 4,500/-)		
Total	**258.24**	258.24

a Reconciliation of Number of Equity Shares

Particulars	As At March 31, 2016		As at March 31, 2015	
	No. of Shares	₹ in Crores	No. of Shares	₹ in Crores
Balance at the beginning of the year	**258,243,069**	**258.24**	258,176,389	258.17
Add :				
Shares alloted parsuant to exercise of Employee Stock Option Plan	**-**	**-**	66,680	0.07
Balance at the end of the year	**258,243,069**	**258.24**	258,243,069	258.24

b Rights, Preferences and Restrictions attached to Shares

Equity Shares:

The Company has one class of shares referred to as equity shares having a par value of ₹ 10 each. Each shareholder is entitled to one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

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

Particulars	As at March 31, 2016	As at March 31, 2015
Aura Securities Private Limited	**97,362,310**	95,325,590
	37.70%	36.91%
Life Insurance Corporation of India	**-**	15,591,817
	-	6.04%

d Shares reserved for issue under options

Refer note 31 for details of shares to be issued under options

e Shares allotted as fully paid up pursuant to contract without payment being received in cash (during 5 years immediately preceding March 31, 2016)

3,410,528 Equity Shares of ₹ 10 each were issued during the year 2012-2013 to the erstwhile shareholders of Arvind Products Limited pursuant to the Scheme of Amalgamation without payment being received in cash.

f Proposed Dividend

The final dividend proposed for the year is as follows:

Particulars	As at March 31, 2016	As at March 31, 2015
On Equity Shares of ₹ 10/- each		
Dividend per Equity Share (₹)	**2.40**	2.55
Percentage of Dividend Proposed	**24.00%**	25.50%

Notes to consolidated financial statement:

₹ in Crores

4	**Reserves and Surplus**	**As at March 31, 2016**	As at March 31, 2015
	Captial Reserve		
	Balance as per last financial statements	**28.91**	28.91
	Less: Adjustment on Consolidation	**0.38**	-
	Add: Addition during the year	**0.69**	-
	Balance at the end of the year	**29.22**	28.91
	Capital Reserve on Consolidation (Note 42)		
	Balance as per last financial statements	**28.35**	85.01
	Less: Adjustment on Consolidation	**25.12**	56.66
	Balance at the end of the year	**3.23**	28.35
	Special Reserve		
	Balance as per last financial statements	**-**	0.51
	Less: Transfer to General Reserve	**-**	0.51
	Balance at the end of the year	**-**	-
	Reserve on Exchange Rate Fluctuation		
	Balance as per last financial statements	**(1.18)**	(1.03)
	Add: Adjustment on Consolidation	**2.38**	(0.04)
	Add: Addition during the year	**(0.97)**	(0.11)
	Balance at the end of the year	**0.23**	(1.18)
	General Reserve		
	Balance as per last financial statements	**1.95**	90.83
	Add: Adjustment on Consolidation	**0.02**	0.05
	Less : Adjustment of Depreciation (Net of Deferred Tax of ₹ 48.62 Crores) (Note 38)	**-**	(95.24)
	Add: Transfer from Special Reserve	**-**	0.51
	Add: Transfer from Revaluation Reserve	**2.01**	5.80
	Balance at the end of the year	**3.98**	1.95
	Securities Premium Account		
	Balance as per last financial statements	**654.81**	654.39
	Less: Utilized during the year (Note 43)	**99.97**	-
	Add: Addition during the year	**-**	0.42
	Balance at the end of the year	**554.84**	654.81
	Captial Redemption Reserve		
	Balance as per last financial statements	**69.50**	69.50
	Revaluation Reserve (Note 11c)		
	Balance as per last financial statements	**268.76**	274.56
	Less: Loss on Compulsory Acquisition adjusted	**0.66**	-
	Less: Transfer to General Reserve	**2.01**	5.80
	Balance at the end of the year	**266.09**	268.76
	Hedge Reserve (Note 36)		
	Balance as per last financial statements	**(8.24)**	21.71
	Add: Adjustment during the year (Net)	**21.70**	(29.95)
	Balance at the end of the year	**13.46**	(8.24)
	Foreign Currency Monetary Item Translation Difference Account (Note 37)		
	Balance as per last financial statements	**(3.88)**	(5.00)
	Add: Adjustment during the year (Net)	**3.88**	1.12
	Balance at the end of the year	**-**	(3.88)
	Surplus in Statement of Profit and Loss		
	Balance as per last financial statements	**1,426.66**	1,105.42
	Add/(Less): Adjustment on Consolidation	**(1.62)**	59.16
		1,425.04	1,164.58
	Add : Profit for the year	**362.70**	341.10
		1,787.74	1,505.68
	Less: Appropriations		
	Transfer to General Reserve	**-**	36.15
	Proposed dividend on Equity Shares for the year	**61.98**	65.85
	Dividend distribution tax on Proposed dividend on Equity Shares	**12.84**	13.17
	Balance at the end of the year	**1,712.92**	1,426.66
	Total	**2,653.47**	2,465.64

Notes to consolidated financial statement:

₹ in Crores

5	Long Term Borrowings	Non- Current portion As at		Current Maturities As at	
		March 31, 2016	March 31, 2015	**March 31, 2016**	March 31, 2015
	Secured:				
	Term Loans :				
	From Banks	**1,346.31**	1,286.18	**320.80**	267.09
	From Financial Institutions and Others	**61.77**	82.26	**10.33**	34.89
	Unsecured:				
	From Financial Institutions and Others	**8.60**	25.65	**-**	-
	Non Convertible Debentures	**75.00**	-	**-**	-
		1,491.68	**1,394.09**	**331.13**	301.98
	Amount disclosed under the head "Other Current Liabilities" (Note 7)	**-**	-	**331.13**	301.98
	Total	**1,491.68**	**1,394.09**	**-**	-

a	Borrowings	As at March 31, 2016	As at March 31, 2015
	At Amortized Cost	**1,822.81**	1,696.07
	At Original Cost	**1,829.32**	1,703.05

₹ in Crores

6	Deferred Tax Liabilities (Net)	As at March 31, 2016	As at March 31, 2015
	Deferred Tax Liability		
	Fixed Assets	**110.80**	94.78
	Others	**1.03**	2.13
		111.83	96.91
	Deferred Tax Asset		
	Expenditure allowable on payment basis	**14.02**	15.43
	Unabsorbed loss/ Depreciation	**14.72**	33.10
	Others	**13.21**	1.30
		41.95	49.83
	Deferred Tax Liabiities (Net)	**69.88**	47.08

₹ in Crores

7	Other Liabilities	Non- Current As at		Current As at	
		March 31, 2016	March 31, 2015	**March 31, 2016**	March 31, 2015
	Current maturities of long-term borrowings (Note 5)	**-**	-	**331.13**	301.98
	Interest accrued but not due on borrowings	**-**	-	**14.09**	7.49
	Interest accrued and due			**0.11**	3.14
	Income received in advance	**0.03**	0.04	**2.46**	2.26
	Advances from Customers	**-**	-	**37.35**	66.93
	Statutory dues including Provident Fund and TDS	**-**	-	**42.53**	39.52
	Security Deposits	**41.80**	32.06	**14.26**	16.19
	Investor Education and Protection Fund shall be credited by the following amount namely :				
	Unpaid dividend (Note a)	**-**	-	**1.86**	1.28
	Book Overdraft	**-**	-	**16.65**	16.16
	Payable in respect of Captial Goods	**-**	-	**16.65**	10.42
	Payable to employees	**-**	-	**104.30**	79.19
	Others	**0.90**	0.68	**13.42**	19.55
	Total	**42.73**	32.78	**594.81**	564.11

a There are no amounts due for payment to Investor Education and Protection Fund under Section 205C of the Companies Act, 1956 (1 of 1956) as at the year end.

Notes to consolidated financial statement:

₹ in Crores

8 Provisions	Long Term As at		Short Term As at	
	March 31, 2016	March 31, 2015	**March 31, 2016**	March 31, 2015
Provision for Employee Benefits	**23.56**	20.76	**8.62**	9.76
Provision for Losses on Derivative Contracts	**-**	-	**-**	8.24
Provision for Premium of Forward Contract	**-**	-	**0.53**	0.62
Proposed Dividend	**-**	-	**61.98**	65.85
Dividend Distribution Tax	**-**	-	**12.87**	13.17
Provision for Wealth tax	**-**	-	**0.11**	1.35
Provision for Warranties	**-**	-	**1.13**	3.55
Provision for Loyalty Points	**-**	-	**4.21**	2.68
Provision for Litigation/Disputed Matters	**-**	-	**3.00**	3.00
Total	**23.56**	20.76	**92.45**	108.22

a Provision for Warranties

The Company has made provision for warranty expenses. The movement in provision for warranties are given below:

₹ in Crores

Particulars	As at March 31, 2016	As at March 31, 2015
Balance as per last financial statements	**3.55**	0.71
Add : Provision made during the year	**-**	3.12
Less :Payment/Reversal made during the year	**2.42**	0.28
Balance at the end of the year	**1.13**	3.55

b Provision for Customer Loyalty Program Reward Points

The Company has made provision for customer loyalty program reward points. The movement in provision for those reward points are given below:

₹ in Crores

Particulars	As at March 31, 2016	As at March 31, 2015
Balance as per last financial statements	**2.68**	1.06
Add : Provision made during the year	**3.69**	3.99
Less :Redeemed/Reversal made during the year	**2.16**	2.37
Balance at the end of the year	**4.21**	2.68

c Provision for Litigation/Disputed Matters

The Company has made provisions for pending disputed matters in respect of Indirect Taxes like Sales Tax, Excise Duty and Custom Duty, the liability which may arise in the future, the quantum whereof will be determined as and when the matters are disposed off. The movement in the provision account is as under:

₹ in Crores

Particulars	As at March 31, 2016	As at March 31, 2015
Balance as per last financial statements	**3.00**	2.81
Add : Provision made during the year	**-**	0.19
Balance at the end of the year	**3.00**	3.00

Notes to consolidated financial statement:

₹ in Crores

9 Short Term Borrowings	As at March 31, 2016	As at March 31, 2015
Secured:		
Working Capital Loans repayable on demand		
From Banks	**1,381.55**	1,351.24
	1,381.55	1,351.24
Unsecured:		
Under Buyer's Credit Arrangement from Banks	**235.30**	183.76
Intercorporate Deposits		
From Related Parties	**-**	2.80
From Others	**0.51**	12.78
Commercial Papers	**100.00**	150.00
	335.81	349.34
Total	**1,717.36**	1,700.58

₹ in Crores

10 Trade Payables	As at March 31, 2016	As at March 31, 2015
Total outstanding dues of micro enterprises and small enterprises (Note a)	**28.61**	9.04
Total outstanding dues of creditors other than micro enterprises and small enterprises	**1,069.95**	995.96
Acceptances	**476.22**	344.39
Total	**1,574.78**	1,349.39

a Based on the information available, the disclosures as required under Section 22 of The Micro, Small and Medium Enterprise Small Enterprise Development (MSMED) Act, 2006 are presented as follows:

₹ in Crores

	As at March 31, 2016	As at March 31, 2015
(a) Principal amount and the interest due thereon remaining unpaid to any suppliers as at the end of accounting year;	**31.06**	12.18
(b) Interest paid during the year;	**1.09**	1.44
(c) Amount of payment made to the supplier beyond the appointed day during accounting;	**67.94**	69.41
(d) Interest due and payable for the period of delay in making payment;	**2.44**	3.14
(e) Interest accrued and unpaid at the end of the accounting year; and	**2.44**	3.14
(f) Further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise.	**2.44**	3.14

Notes to consolidated financial statement:

11 Tangible Assets

₹ in Crores

Particulars	Gross Block							Depreciation / Amortization							Net Block	
	As on 01.04.2015	Adjustment on Consolidation	Additions	Adjustment due to Demerger (Note 43)	Deduction	Other Adjustments	As on 31.03.2016	As on 01.04.2015	Adjustment on Consolidation	Opening Adjustments (Note 38)	For the year	Adjustment due to Demerger (Note 43)	Deductions	As on 31.03.2016	As on 31.03.2016	As on 31.03.2015
Leasehold Land	264.22	-	-	-	-	-	264.22	-	-	-	-		-	-	264.22	264.22
Own Assets																
Freehold Land	962.71	-	37.75	-	9.83	-	990.63	-	-	-	-	-	-	-	990.63	962.71
Building	686.62	-	63.07	8.61	11.06	-	730.02	263.64	-	-	20.63	3.39	3.61	277.27	452.75	422.98
Plant and Machinery	2,522.65	(1.54)	244.75	-	103.35	5.60	2,668.11	1,456.95	(0.34)	-	122.19	-	64.91	1,513.89	1,154.22	1,065.70
Computers, Server and Network	68.31	(0.30)	15.36	-	1.68	-	81.69	46.80	0.07	-	10.31	-	1.69	55.49	26.20	21.51
Furniture and Fixtures	170.85	(0.53)	62.84	0.69	3.50	-	228.97	71.18	(0.06)	-	27.84	0.21	2.84	95.91	133.06	99.67
Vehicles	39.99	(1.14)	15.26	-	5.39	-	48.72	13.70	(0.28)	-	5.04	-	2.85	15.61	33.11	26.29
Office Equipments	42.71	(0.33)	12.96	0.35	0.91	-	54.08	20.17	(0.06)	-	7.93	0.19	0.85	27.00	27.08	22.54
Leasehold Improvements	228.89	-	72.42	-	11.45	-	289.86	113.65	0.09	-	36.10	-	9.84	140.00	149.86	115.24
Total	**4,986.95**	**(3.84)**	**524.41**	**9.65**	**147.17**	**5.60**	**5,356.30**	**1,986.09**	**(0.58)**	**-**	**230.04**	**3.79**	**86.59**	**2,125.17**	**3,231.13**	**3,000.86**
Previous Year	4,476.49	24.09	580.22	-	101.97	8.12	4,986.95	1,705.69	3.15	143.86	191.14	-	57.75	1,986.09	3,000.86	2,770.80

a Freehold Land includes some lands which are pending for registration in favour of the Company.

b Buildings includes ₹ 0.79 Crores (Previous year ₹ 0.79 Crores) in respect of ownership flats in Co-Operative Housing Society and (₹ 500/-) (Previous year ₹ 500/-) in respect of shares held in Co-Operative Housing Society.

c Gross block was revalued by external valuers which resulted in a net increase of (a) ₹ 8.34 Crores as on 31st March, 2013 and ₹ 56.15 Crores as on 1st April, 2009. Land Block was revalued on 31st March 2011 which resulted in an increase of ₹ 230.98 Crores.

d Deduction in Building and Depreciation Fund includes transfer to Investment Properties of ₹ 11.02 Crores and ₹ 3.61 Crores (Previous year ₹ 0.08 Crores and (₹ 15,291/-)) respectively.

e Deduction of Gross Block includes Capital Subsidy of ₹ 22.21 Crores (Previous year ₹ 3.77 Crores).

f Details of Borrowing Cost and Exchange Differences Capitalised:

Particulars	Other Adjustments				Addition in Capital Work in Progress	
	For the year		Transfer from Capital Work in Progress		For the year	
	2015-2016	2014-2015	**2015-2016**	2014-2015	**2015-2016**	2014-2015
Borrowing Cost	**1.85**	3.44	**0.66**	3.00	**0.65**	0.66
Exchange Differences	**3.68**	3.43	**(0.59)**	(1.75)	**0.08**	(0.59)
Total	**5.53**	6.87	**0.07**	1.25	**0.73**	0.07

Notes to consolidated financial statement:

12 Intangible Assets

₹ in Crores

Particular	Gross Block					Amortization						Net Block	
	As on 01.04.2015	Adjustment on Consolidation	Additions	Disposals	As on 31.03.2016	As on 01.04.2015	Adjustment on Consolidation	For the year	Impairment	Deductions	As on 31.03.2016	As on 31.03.2016	As on 31.03.2015
Own Assets													
Goodwill on Consolidation	109.98	-	-	-	109.98	-	-	-	-	-	-	109.98	109.98
Goodwill	0.36	-	16.77	-	17.13	0.27	-	0.07	-	-	0.34	16.79	0.09
Patent and Technical Knowhow	13.99	-	0.51	-	14.50	4.30	-	1.54	-	-	5.84	8.66	9.69
Trademark and License Fee	19.47	-	-	-	19.47	4.59	-	1.31	-	-	5.90	13.57	14.88
Computer Software	56.44	(0.16)	9.68	0.12	65.84	40.43	(0.51)	7.49	-	0.11	47.30	18.54	16.01
Website	6.54	-	-	-	6.54	0.62	-	1.39	-	-	2.01	4.53	5.92
Brand Value & License Brands	81.79	-	5.09	-	86.88	33.10	-	10.82	-	-	43.92	42.96	48.69
Distribution Network	4.31	-	14.12	-	18.43	2.22	-	1.51	1.35	-	5.08	13.35	2.09
Vendors' Network	6.27	-	-	-	6.27	6.25	-	-	-	-	6.25	0.02	0.02
Jobworkers' Network	1.73	-	-	-	1.73	1.73	-	-	-	-	1.73	0.00	0.00
Total	**300.88**	**(0.16)**	**46.17**	**0.12**	**346.77**	**93.51**	**(0.51)**	**24.13**	**1.35**	**0.11**	**118.37**	**228.40**	**207.37**
Previous Year	194.41	0.36	106.57	0.46	300.88	72.53	0.20	20.80	-	0.02	93.51	207.37	121.88

a Intangible Asset under Development includes amortization capitalised ₹ Nil (Previous Year ₹ 0.01 Crores)

13 Investments

Particulars	Non-Current As at March 31, 2016	Non-Current As at March 31, 2015	Current As at March 31, 2016	Current As at March 31, 2015
Investment Property (at cost less accumulated depreciation)				
Cost of Land given on Operating Lease	**21.44**	21.44	**-**	-
Cost of Office Building given on Operating Lease	**31.19**	20.17	**-**	-
Less: Accumulated Depreciation	**9.88**	5.85	**-**	-
	42.75	35.76	**-**	-
Trade Investments (Valued at Cost unless stated otherwise)				
Investments in Government Trust Securities	**0.02**	0.02	**-**	-
Investments in Fully Paid Equity Shares (Unquoted)				
In Subsidiaries	**0.02**	-	**-**	-
(Net of Provision for other than temporary diminution of ₹ 0.32 Crores, Previous Year ₹ 0.32 Crores)				
Investment in Partnership Firm	**0.19**	-	**-**	-
Other Investments				
Quoted				
In Equity Shares	**20.21**	21.08	**-**	-
Unquoted				
In Debentures	**5.00**	-	**-**	-
In Mutual Funds	**-**	-	**3.58**	1.42
Others	**0.87**	0.27	**-**	-
	26.31	21.37	**3.58**	1.42
Total	**69.06**	57.13	**3.58**	1.42

a Disclosure as per AS 13 - Accounting for Investments

	As at March 31, 2016	As at March 31, 2015
Long Term Investments	**26.31**	21.37
Current Investments	**3.58**	1.42
Investment Property	**42.75**	35.76
Aggregate provision for diminution in value of investments	**0.32**	0.32

Notes to consolidated financial statement:

₹ in Crores

14 Loans and Advances (Unsecured, Considered good unless otherwise stated)	Long Term As at		Short Term As at	
	March 31, 2016	March 31, 2015	**March 31, 2016**	March 31, 2015
Capital Advances	**70.62**	93.74	**-**	-
Considered doubtful	**0.12**	0.12	**-**	-
Less: Provision	**0.12**	0.12	**-**	-
	70.62	93.74	**-**	-
Security Deposits	**205.21**	163.76	**5.83**	3.35
Considered doubtful	**-**	-	**-**	-
Less: Provision	**-**	-	**-**	-
	205.21	163.76	**5.83**	3.35
Advance tax paid (Net of Provision)	**67.89**	68.87	**-**	-
Loans:				
To Related Parties	**-**	-	**6.30**	-
To Employees	**3.20**	3.90	**2.76**	2.73
To Others	**-**	42.49	**337.06**	299.68
MAT Credit Entitlement	**229.32**	235.58	**12.22**	11.37
Advances recoverable in cash or in kind or for value to be received				
To Related Parties	**0.27**	-	**-**	-
To Others	**0.93**	0.23	**223.03**	256.56
Considered doubtful	**-**	-	**6.53**	5.16
Less: Provision	**-**	-	**6.53**	5.16
	0.93	0.23	**223.03**	256.56
Prepaid Expenses	**0.40**	0.45	**49.14**	36.81
Deferred Premium on Forward Contracts	**-**	-	**0.28**	0.36
Balances with Government Authorities	**1.10**	1.39	**11.67**	4.68
CENVAT/Custom Duty Receivable	**-**	-	**20.64**	18.82
Total	**578.94**	610.41	**668.93**	634.36

₹ in Crores

15 Other Assets	Non Current		Current	
	As March 31, 2016	As March 31, 2015	**As March 31, 2016**	As March 31, 2015
Non Current Bank Balances (Note 18)	**9.12**	8.49	**-**	-
Preliminary Expenses	**-**	-	**0.01**	0.01
Land held for Sale	**-**	-	**75.57**	75.57
Interest Accrued	**-**	-	**1.80**	1.38
Unbilled Revenue	**-**	-	**2.67**	6.06
Income Receivable	**-**	-	**58.59**	31.31
Receivable other than trade	**-**	-	**116.37**	71.35
Entry Tax Refund Receivable	**-**	-	**-**	0.63
Export Incentive Receivable	**-**	-	**66.57**	75.13
Total	**9.12**	8.49	**321.58**	261.44

₹ in Crores

16 Inventories	As at March 31, 2016	As at March 31, 2015
Raw Materials and Accessories	**270.63**	210.66
In Transit	**0.65**	1.01
Fuel	**2.56**	4.80
Stores and Spares	**75.89**	79.52
Work-in-Progress	**458.38**	450.08
Finished Goods	**287.48**	254.89
In Transit	**2.35**	1.00
By Product	**0.75**	0.32
Stock in Trade	**611.52**	627.34
In Transit	**5.40**	4.91
Waste	**2.40**	1.34
Packing Material	**5.91**	6.24
Material at Site	**1.50**	5.58
Project work-in-progress	**64.70**	196.09
Unsold Plot of Lands	**-**	1.25
Land held for Stock in Trade	**41.76**	-
Total	**1,831.88**	1,845.03

Notes to consolidated financial statement:

17 Trade Receivables

₹ in Crores

(Unsecured, considered good unless otherwise stated)	As at March 31, 2016	As at March 31, 2015
Outstanding for a period exceeding six months from the date they are due for payment		
Considered Good	**131.22**	28.67
Considered doubtful	**5.77**	6.58
Less: Provision for Doubtful Debts	**5.77**	6.58
	131.22	28.67
Others		
Unsecured	**1,286.03**	1,137.14
Total	**1,417.25**	1,165.81

₹ in Crores

	Non Current As at		Current As at	
18 Cash and Bank Balances	**March 31, 2016**	March 31, 2015	**March 31, 2016**	March 31, 2015
Cash and Cash Equivalents:				
Cash on Hand	**-**	-	**0.51**	1.30
Foreign Currency on Hand	**-**	-	**0.01**	(₹ 15,192/-)
Silver Coins on Hand	**-**	-	**(₹ 9,137/-)**	(₹ 9,137/-)
Cheques on Hand	**-**	-	**3.21**	0.03
Balances with Banks				
In Current Accounts	**-**	-	**18.73**	28.37
In Unpaid Dividend Accounts	**-**	-	**1.86**	1.28
In Exchange Earners Foreign Currency A/c	**-**	-	**0.41**	-
In Cash Credit Account	**-**	-	**9.34**	13.04
In Saving Accounts	**-**	-	**(₹ 45,808/-)**	(₹ 45,808/-)
In Deposit Account (with original maturity upto 3 months)	**-**	-	**4.14**	1.86
	-	-	**38.21**	45.88
Other Bank Balances:				
In Deposits Accounts				
With original maturity more than 3 months but less than 12 months	**-**	-	**7.50**	18.31
With original maturity more than 12 months	**5.12**	5.14	**0.59**	5.06
Held as Margin Money				
(Under lien with bank as Security for Guarantee Facility)	**3.18**	3.33	**17.88**	13.48
Lodged with Court	**-**	-	**0.58**	0.58
Lodged with Sales Tax Department	**0.82**	0.02	**0.32**	0.01
	9.12	8.49	**26.87**	37.44
Amount disclosed under the head "Other Non Current Assets" (Note 15)	**9.12**	8.49	**-**	-
Total	**-**	-	**65.08**	83.32

Notes to consolidated financial statement:

₹ in Crores

19 Contingent Liabilities (to the extent not provided for)	As at March 31, 2016	As at March 31, 2015
(a) Bills Discounted	**181.47**	201.00
(b) Claims against the Company not acknowledged as debts	**10.03**	8.88
(c) Guarantees given by the Banks on behalf of the Company	**180.85**	130.70
(d) Guarantees given by the Company to Banks on behalf of Joint Ventures	**5.79**	20.53
(e) Guarantees given by the Company to Banks on behalf of Other Companies	**101.44**	91.06
(f) Disputed Demands in respect of		
Excise/Custom Duty	**29.41**	33.99
Sales Tax	**91.27**	57.84
Income Tax	**9.88**	8.74
Service Tax	**4.32**	3.52
Textile Committee Cess	**0.11**	0.11

Notes:

(1) Future cash outflows in respect of (f) above are determinable only on receipt of judgements/ decisions pending with various forums/ authorities.

(2) Disputed demand for Sales Tax and VAT includes demand raised mainly due to non-submission of various statutory forms to appropriate authority. Subsequent to the demand, the Company has collected forms covering substantial amount of demand. The Company is in the process of collecting balance forms and hence no provision is considered necessary for the same.

₹ in Crores

20 Capital and Other Commitments	As at March 31, 2016	As at March 31, 2015
Capital Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for	**87.09**	87.17
Other Commitments	**3.73**	3.73

₹ in Crores

	Year ended March 31, 2016	Year ended March 31, 2015
21 Revenue from Operations		
Sale of Products		
Finished Goods and Stock in Trade	**8,304.34**	7,644.05
Less : Excise Duty/ VAT	**130.85**	104.87
	8,173.49	7,539.18
Sale of Services	**36.12**	49.09
Other Operating Revenues		
Export Incentives	**145.44**	146.18
Waste Sales	**76.40**	78.66
Commission Income	**5.10**	6.17
Gain / (Loss) on Forward Contracts	**(8.57)**	16.08
Other Operating Income	**22.43**	16.04
Total	**8,450.41**	7,851.40
22 Other Income		
Interest Income	**41.61**	29.39
Dividend Income on Long Term Investments	**0.67**	0.58
Rent	**3.70**	5.70
Sundry Credit Balances Appropriated	**2.25**	0.78
Profit on Sale of Fixed Assets (Net)	**13.71**	14.29
Profit on Sale of Investments (Net)	**0.05**	7.36
Provision no longer required	**2.60**	3.96
Share of Profit from Partnership Firm	**-**	0.16
Other non-operating income	**31.82**	30.98
Total	**96.41**	93.20
23 Cost of Materials and Accessories Consumed		
Stock at the beginning of the year	**210.66**	221.62
Purchases	**2,330.39**	2,281.27
	2,541.05	2,502.89
Less: Stock at the end of the year	**270.63**	210.66
Total	**2,270.42**	2,292.23
24 Changes in Inventories of Finished Goods, Work-in-progress and Stock in Trade		
(Increase)/Decrease in stocks		
Stock at the end of the year		
Finished Goods	**287.48**	254.89
Stock-in-trade	**611.52**	627.34
Work-in-Progress	**458.38**	450.08
Project Work-in-Progress	**64.70**	196.09
Unsold Plot of Lands	**-**	1.25
Waste	**2.40**	1.34
	1,424.48	1,530.99

Notes to Consolidated Financial Statements

₹ in Crores

	Year ended March 31, 2016	Year ended March 31, 2015
Changes in Inventories of Finished Goods, Work-in-progress and Stock in Trade (Contd.)		
Stock at the beginning of the year		
Finished Goods	**254.89**	242.86
Stock-in-trade	**627.34**	452.34
Work-in-Progress	**450.08**	423.07
Project Work-in-Progress	**196.09**	195.44
Unsold Plot of Lands	**1.25**	2.13
Waste	**1.34**	2.22
	1,530.99	1,318.06
Add : Adjusted on account of Consolidation	**(134.67)**	9.17
	1,396.32	1,327.23
Add : Transferred from Capital Work in Progress	**-**	1.72
	1,396.32	1,328.95
Excise Duty in Value of Stock - Increase / (Decrease)	**0.48**	0.09
(Increase)/Decrease in stocks	**(27.68)**	(201.95)
25 Employee Benefits Expense		
Salaries and Wages	**834.13**	717.99
Contribution to Provident Fund and Other Funds	**67.06**	62.81
Staff Welfare Expenses	**26.56**	21.48
Total	**927.75**	802.28
26 Finance Costs		
Interest		
On Term Loans	**153.21**	147.97
On working capital loans	**112.62**	173.72
Others	**96.16**	48.24
Exchange Difference to the extent considered as an adjustment to Borrowing Costs	**5.91**	13.73
Forward Contract Premium Amortisation	**1.87**	1.26
Interest on Shortfall in Payment of Advance Income Tax	**0.20**	0.30
Other Borrowing Costs	**11.17**	9.38
Total	**381.14**	394.60
27 Depreciation / Amortization Expense		
Depreciation of Tangible Assets	**230.04**	191.14
Depreciation of Investment Property	**0.42**	0.41
Amortization of Intangible Assets	**24.13**	20.80
Impairment of Intangible Assets	**1.35**	-
Total	**255.94**	212.35

₹ in Crores

	Year ended March 31, 2016	Year ended March 31, 2015
28 Other Expenses		
Power and fuel	**494.89**	488.24
Stores Consumed	**465.88**	447.42
Jobwork and Processing Charges	**295.76**	239.37
Insurance	**11.11**	9.22
Printing, Stationery & Communication	**27.48**	22.85
Rent	**271.22**	252.50
Commission, Brokerage and Discounts	**130.56**	127.70
Rates and taxes	**29.67**	27.89
Repairs:		
To Builings	**4.99**	4.40
To Machineries (Including Spares Consumption)	**124.70**	116.71
To Others	**43.14**	40.55
Freight, Insurance and Clearing Charges	**94.72**	84.50
Excise Duty borne by Company	**0.68**	0.20
Legal and Professional Fees	**38.59**	29.43
Conveyance and Travelling Expenses	**57.08**	50.96
Advertisement and Publicity	**176.20**	157.76
Directors' Sitting Fees	**0.04**	0.04
Miscellaneous Labour Charges	**134.87**	112.55
Royalty on Sales	**104.03**	76.07
Provision for Doubtful Debts/Advances	**3.39**	2.51
Bad Debts Written off	**0.33**	0.37
Sundry Debits Written off	**0.80**	0.79
Fixed Assets Written off	**0.73**	0.74
Share of Loss from Partnership Firm	**0.07**	-
Payments to the auditor as		
(a) Auditor	**1.98**	1.48
(b) For tax audit matters	**0.32**	0.24
(c) For taxation matters	**0.04**	0.07
(d) For Company law matters	**0.22**	0.22
(e) For Other Certification work	**1.20**	0.63
(f) For reimbursement of expenses	**0.11**	0.10
Expenditure on Corporate Social Responsibility (CSR) Activities (Note 40)	**7.48**	4.44
Exchange Difference (Net)	**7.43**	(8.44)
Provision for Diminution in Value of Investments in Subsidiaries	**-**	0.32
Bank Charges	**27.48**	22.83
Product Warranties	**16.22**	-
Miscellaneous Expenses	**177.73**	157.09
Total	**2,751.14**	2,471.75

Notes to Consolidated Financial Statements

₹ in Crores

	Year ended March 31, 2016	Year ended March 31, 2015
29 Exceptional items		
Retrenchment Compensation	**7.95**	29.04
Deferred Electricity Duty	**-**	2.89
Settlement Charges	**-**	22.40
Total	**7.95**	54.33

30 Earning Per Share (EPS) : ₹ in Crores, unless otherwise stated

Particulars		Year ended March 31, 2016	Year ended March 31, 2015
Profit after Tax available to Equity Shareholders		**362.70**	341.10
Weighted average no. of Equity Shares			
For Basic EPS	Nos.	**258,243,069**	258,219,777
For Diluted EPS	Nos.	**258,361,770**	258,240,691
Nominal value of Equity Shares	₹	**10.00**	10.00
Basic Earning Per Share	₹	**14.05**	13.21
Diluted Earning Per Share	₹	**14.04**	13.21
Weighted average number of Equity Shares			
Weighted average number of shares considered for Calculation Basic EPS		**258,243,069**	258,219,777
Dilutive Effect of ESOS		**118,701**	20,914
Weighted average number of shares considered for calculating Diluted EPS		**258,361,770**	258,240,691

31 Employee Share Based Payment:

i The Company has formulated Employee Stock Option Scheme (ESOS 2008), the features of which are as follows ::

Scheme	ESOS 2008 Tranche - III
Date of Grant	May 23, 2014
Number of options granted	1,050,000
Exercise Price per option	₹ 200.45
Vesting Period	At the end of 5 years from the date of grant Vesting is based on continued employment with the Company and fulfilment of performance parameters
Exercise Period	Within 3 years from the date of vesting
Method of settlement	Through allotment of one Equity Share for each option granted.

ii Intrinsic Value Method has been used to account for the employee share based payment plans. The intrinsic value of each stock option granted under the ESOS 2008 plan is ₹ Nil since the market price of the underlying share at the grant date was same as the exercise price and consequently the accounting value of the option (compensation cost) is ₹ Nil.

iii Further details of the stock option plans ESOS 2008 is as follows :

Particulars	ESOS 2008 Tranche-II		ESOS 2008 Tranche-III	
	2015-2016	2014-2015	**2015-2016**	2014-2015
Options				
Outstanding at the beginning of year	**-**	-	**1,050,000**	-
Vested but not exercised at the beginning of year	**-**	66,680	**-**	-
Granted During the year	**-**	-	**-**	1,050,000
Lapsed during the year	**-**	-	**-**	-
Exercised during the year	**-**	66,680	**-**	-
Vested but not exercised at the end of year	**-**	-	**-**	-
Not vested at the end of year	**-**	-	**1,050,000**	1,050,000
Weighted Average Exercise Price per Option	-	₹ 73.70	**200.45**	200.45

iv Had the compensation cost for the stock options granted under ESOS 2008 been determined on fair value approach, the Company's net profit and earning per share would have been as per pro forma amounts indicated below:

Particulars	Year ended March 31, 2016	Year ended March 31, 2015
Profit after Tax available to equity shareholders	**362.70**	341.10
Less : Amortization of Compensation Cost (pro forma)	**2.13**	1.82
Profit after Tax and amoritzation of Compensation Cost (pro forma)	**360.57**	339.28
Earning Per Share		
Basic		
- as reported	**14.05**	13.21
- pro forma	**13.96**	13.14
Diluted		
- as reported	**14.04**	13.21
- pro forma	**13.95**	13.14

Notes to Consolidated Financial Statements

32 Segment Reporting

(A) Primary Segment (Business Segment)

₹ in Crores

Particulars	Year ended March 31, 2016	Year ended March 31, 2015
Segment Revenue		
a) Textiles	**5,201.86**	5069.10
b) Brands and Retail	**2,729.66**	2349.92
c) Real Estate	**21.35**	109.28
d) Others	**586.02**	396.87
e) Unallocable	**-**	-
Total Sales	**8538.89**	7925.17
Less :Inter Segment Revenue	**88.48**	73.77
Net Sales	**8450.41**	7851.40
Segment Results		
Segment Results before Interest & Finance Cost		
a) Textiles	**837.94**	788.11
b) Brands and Retail	**82.72**	30.20
c) Real Estate	**(0.64)**	26.59
d) Others	**12.52**	4.85
e) Unallocable	**(34.88)**	(10.38)
Total Segment Results	**897.66**	839.37
Less : Interest & Finance Cost	**381.14**	394.60
Profit from Ordinary Activities	**516.52**	444.77
Extra Ordinary Items (Net)	**-**	-
Profit before Tax	**516.52**	444.77
Other Information		
Segment Assets		
a) Textiles	**3,889.99**	3776.73
b) Brands and Retail	**2,332.81**	1939.80
c) Real Estate	**115.56**	339.36
d) Others	**732.84**	440.09
e) Unallocable	**1,500.65**	1479.67
Total Assets	**8571.85**	7975.65
Segment Liabilities		
a) Textiles	**826.90**	763.18
b) Brands and Retail	**828.24**	681.44
c) Real Estate	**7.99**	45.56
d) Others	**152.19**	82.41
e) Unallocable	**251.76**	247.77
Total Liabilities	**2067.08**	1820.36

32 Segment Reporting (Contd.)

(A) Primary Segment (Business Segment)

₹ in Crores

Particulars	Year ended March 31, 2016	Year ended March 31, 2015
Segment Depreciation/Impairment		
a) Textiles	**121.49**	110.11
b) Brands and Retail	**99.62**	76.96
c) Real Estate	**0.06**	0.97
d) Others	**24.15**	15.50
e) Unallocable	**10.62**	8.81
Total Depreciation/Impairment	**255.94**	212.35
Capital Expenditure		
a) Textiles	**250.53**	337.53
b) Brands and Retail	**189.34**	224.60
c) Real Estate	**0.04**	1.38
d) Others	**118.73**	90.85
e) Unallocable	**64.43**	30.34
Total Capital Expenditure	**623.07**	684.70
Non cash expenses other than Depreciation		
a) Textiles	**1.12**	0.75
b) Brands and Retail	**1.62**	2.89
c) Real Estate	**-**	-
d) Others	**2.31**	1.09
e) Unallocable	**0.20**	-
Total Non cash expenses other than Depreciation	**5.25**	4.73

(B) Secondary Segment (Geographical by Customers)

₹ in Crores

Particulars	Year ended March 31, 2016	Year ended March 31, 2015
Segment Revenue		
a) In India	**6259.41**	5824.40
b) Outside India	**2191.00**	2027.00
Total Sales	**8450.41**	7851.40
Carrying Cost of Assets by location of Assets		
a) In India	**8432.72**	7797.76
b) Outside India	**139.13**	177.89
Total	**8571.85**	7975.65
Addition to Assets		
a) In India	**587.07**	670.36
b) Outside India	**36.00**	14.34
Total	**623.07**	684.70

Notes:

1 The Company has considered business segment as the primary reporting segment. Segments have been identified taking into account the nature of the products and services, differential risks and returns, the Organizational structure and internal reporting system. Consequently, the geographical segment has been considered as a secondary segment.

2 The business sgement comprise of the following:
Textiles : Fabric, Yarn and Garments
Brands and Retail : Retailing of Branded Garments, Apparels and Fabric, Cosmetics
Real Estate : Real Estate Development
Others : Electronics, Technical Textile, e-Commerce, Construction and Project Activity

3 The Company has demerged Real Estate undertaking w.e.f. April 1, 2015 (Note 43).

4 Geographical segment is considered based on sales within India and outside India.

5 Intersegment Revenues are recognised at sales price.

Notes to Consolidated Financial Statements

33 Related Party Disclosures

As per the Accounting Standard on "Related Party Disclosures" (AS 18), the related parties of the Company are as follows :

a Name of Related Parties and Nature of Relationship :

1	Shri Sanjay S. Lalbhai, Chairman and Managing Director	Key Management Personnel
2	Shri Jayesh K. Shah, Director & Chief Financial Officer	Key Management Personnel
3	Shri Punit S. Lalbhai, Executive Director	Key Management Personnel
4	Shri Kulin S. Lalbhai, Executive Director	Key Management Personnel
5	Premium Garments Wholesale trading Private Limited	Joint Venture
6	Tommy Hilfiger Arvind fashion Private Limited	Joint Venture
7	Arya Omnitalk Wireless Solutions Private Limited	Joint Venture
8	Arya Omnitalk Radio Trunking Services Private Limited	Joint Venture
9	Arvind Worldwide (M) Inc.	Subsidiary Company
10	Arvind Foundation	Subsidiary Company
11	Aura Securities Private Limited	Company under the control of Key Managerial Personnel
12	Amplus Capital Advisors Private Limited	Company under the control of Key Managerial Personnel
13	Arvind Infrastructure Limited (w.e.f. 01.04.2015)	Company under the control of Key Managerial Personnel

Note: Related party relationship is as identified by the Company and relied upon by the Auditors.

b Transactions and Balances :

₹ in Crores

Nature of Transactions	Key Management Personnel and relatives		Company under the control of Key Managerial Personnel		Subsidiary Companies		Joint Venture	
	Year ended		Year ended		Year ended		Year ended	
	March 31, 2016	March 31, 2015	**March 31, 2016**	March 31, 2015	**March 31, 2016**	March 31, 2015	**March 31, 2016**	March 31, 2015
Transactions								
Sales of Goods and Materials	**-**	-	**40.02**	12.83	**-**	-	**-**	-
Sales of Fixed Assets	**-**	-	**2.37**	-				
Remuneration	**17.70**	14.62	**-**	-	**-**	-	**-**	-
Donation Given	**-**	-	**-**	-	**5.16**	-	**-**	-
Other Income	**-**	-	**0.01**	0.02	**-**	-	**-**	-
Interest Expense	**-**	-	**0.08**	0.60	**-**	-	**-**	-
Interest Income	**-**	-	**0.91**	-	**-**	-	**-**	-
Investments made	**-**	-	**-**	-	**0.01**	-	**-**	-
Investments adjusted against Securities Premium	**-**	-	**(100.05)**	-	**-**	-	**-**	-
Loans Received/(Repaid)(Net)	**-**	-	**(2.80)**	2.79	**-**	-	**-**	-
Loans Given/(Repaid)(Net)			**(7.36)**	-				
Balances as at year end								
Guarantees	**-**	-	**-**	-	**-**	-	**5.79**	20.53
Trade and other receivables	**-**	-	**12.53**	4.69	**0.12**	-	**-**	-
Trade and other payables	**-**	-	**3.69**	0.51	**1.19**	-	**-**	-
Payable in respect of loans	**-**	-	**-**	2.80	**-**	-	**-**	-
Receivable in repsect of loans	**-**	-	**0.82**	-	**6.30**	-	**-**	-

Notes to Consolidated Financial Statements

c Disclosure in respect of Related Party Transactions :

₹ in Crores

Nature of Transactions	Year ended	
	March 31, 2016	March 31, 2015
Sales of Goods and Materials		
Aura Securities Private Limited	**40.02**	12.83
Sale of Fixed Assets		
Aura Securities Private Limited	**2.37**	-
Remuneration		
Shri Sanjay S. Lalbhai, Chairman and Managing Director	**8.15**	7.32
Shri Jayesh K. Shah, Director & Chief Financial Officer	**4.59**	4.34
Shri Punit S. Lalbhai	**2.48**	1.48
Shri Kulin S. Lalbhai	**2.48**	1.48
Other Income		
Amplus Capital Advisors Private Limited	**0.01**	0.02
Interest Expense		
Aura Securities Private Limited	**0.08**	0.60
Interest Income		
Arvind Infrastructure Limited	**0.91**	-
Donation Given		
Arvind Foundation	**5.16**	-
Loan Given/(Repaid) (Net)		
Arvind Infrastructure Limited	**(7.36)**	-
Loan Received/(Repaid) (Net)		
Aura Securities Private Limited	**(2.80)**	2.79
Investments made		
Arvind Foundation	**0.01**	-
Investments adjusted against Securities Premium		
Arvind Infrastructure Limited	**(100.05)**	-
Trade and other payable		
Aura Securities Private Limited	**2.50**	0.51
Arvind Worldwide (M) Inc.	**1.19**	-
Trade and other receivable		
Aura Securities Private Limited	**11.87**	4.68
Amplus Capital Advisors Private Limited	**-**	(₹ 46527/-)
Arvind Infrastructure Limited	**0.54**	-
Arvind Worldwide (M) Inc.	**0.12**	-
Payable in respect of Loans		
Aura Securities Private Limited	**-**	2.80
Receivable in respect of Loans		
Arvind Infrastructure Limited	**0.82**	-
Arvind Worldwide (M) Inc.	**6.30**	-

Notes to Consolidated Financial Statements

34 Lease Rent

Operating Lease:

(A) Factory Building is taken on lease period of 8 to 20 years with no option of renewal, no sub lease of the building and having an escalation clause for increase in lease rental by 15% after every 3 years.

The particulars of these leases are as follows: ₹ in Crores

Particulars	Year ended March 31, 2016	Year ended March 31, 2015
Future Minimum lease payments obligation on non-cancellable operating leases:	**68.47**	91.43
Not later than one year	**13.88**	9.87
Later than one year and not later than five years	**24.11**	43.82
Later than five years	**30.48**	37.74
Lease Payment recognised in Statement of Profit and Loss	**9.71**	11.80

(B) Plant & Machineries are taken on operating lease for a period of 5 to 8 years with the option of renewal.

The particulars of these leases are as follows: ₹ in Crores

Particulars	Year ended March 31, 2016	Year ended March 31, 2015
Future Minimum lease payments obligation on non-cancellable operating leases:	**40.04**	241.98
Not later than one year	**15.17**	43.53
Later than one year and not later than five years	**21.13**	149.92
Later than five years	**3.74**	48.53
Lease Payment recognised in Statement of Profit and Loss	**29.80**	40.76

(C) Rent expense includes lease rental payments towards office premises, showrooms and other facilities. Such leases are generally for a period of 11 to 108 months with the option of renewal against increased rent.

The particulars of these leases are as follows: ₹ in Crores

Particulars	Year ended March 31, 2016	Year ended March 31, 2015
Future Minimum lease payments obligation on non-cancellable operating leases:	**108.96**	80.35
Not later than one year	**60.94**	57.64
Later than one year and not later than five years	**46.77**	20.17
Later than five years	**1.25**	2.54
Lease Payment recognised in Statement of Profit and Loss	**192.96**	173.98

(D) Rent Income also includes Lease Rental received towards Land and Buildings. Such operating lease is generally for a period from 12 years to 15 years with the option of renewal on mutual consent and premature termination of agreement through agreed notice period.

The particulars of these leases are as follows: ₹ in Crores

Particulars	Year ended March 31, 2016	Year ended March 31, 2015
Future Minimum lease payments under non-cancellable operating leases:	**0.95**	68.63
Not later than one year	**0.08**	5.38
Later than one year and not later than five years	**0.25**	21.50
Later than five years	**0.62**	41.75
Lease income recognised in Statement of Profit and Loss	**3.16**	5.35

35 Impairment of Fixed Assets

In accordance with the Accounting Standard (AS -28) on 'Impairment of Assets', the Company has reassessed its fixed assets and is of the view that no further impairment/reversal is considered to be necessary in view of its expected realisable value.

36 Early adoption of AS 30, Financial Instruments :Recognition and Measurement

(a) Consequent to the Announcement of the Institute of Chartered Accountants of India (ICAI), the Company had chosen to early adopt 'Accounting Standard – 30, Financial Instruments: Recognition and Measurement' in its entirety, read with the clarification issued on application of AS -30. Accordingly, the Company has changed the designation and measurement of all its significant financial assets and liabilities. All the financial assets and financial liabilities and derivatives have been remeasured at their respective fair values or at amortized cost as against cost except for those items whose accounting treatment is covered by the existing accounting standards.

(b) As a result, as on Balance Sheet date, Long Term Borrowings are lower by ₹ 6.51 Crores, (Previous year ₹ 6.98 Crores) and Hedge Reserve account is credited by ₹ 13.46 Crores (Previous year debited by ₹ 8.24 Crores) on account of fair valuation of outstanding derivatives.

37 Foreign Exchange Differences

As per the notification issued by the Ministry of Corporate Affairs dated 31st March, 2009 as amended from time to time, the Company had already exercised the option for accounting of exchange rate differences with effect from April 1, 2007. Consequent to the adoption of that option:

(a) Exchange rate differences of long-term foreign currency loans which are related to acquisition of depreciable fixed assets have been added to or deducted from the cost of the assets and depreciated over the balance life of the assets and;

(b) Exchange rate differences on other long-term foreign currency loans have been transferred to 'Foreign Currency Monetary Item Translation Difference Account' to be amortized over the balance period of loans.

As a result:

(a) An amount of ₹ 3.76 Crores being the exchange rate loss for the year (Previous year ₹ 2.84 Crores) has been adjusted against the fixed assets.

(b) An amount of ₹ Nil being the exchange rate loss for the year (Previous year ₹ 3.88 Crores) remains to be amortized as at the balance sheet date.

Notes to Consolidated Financial Statements

38 Effective from April 1, 2014, the Company has revised useful lives of tangible fixed assets based on an independent evaluation. Accordingly, the carrying value of fixed assets as on that date, net of residual value, has been depreciated over the revised remaining useful lives. Further, an amount of ₹ 95.24 Crores (Net of deferred tax of ₹ 48.62 Crores) representing the carrying value of assets, whose remaining useful life is Nil as at April 1, 2014, has been charged to general reserve pursuant to the provisions of the Companies Act, 2013 on April 1, 2014.

39 Disclosure in respect of Derivative Instruments and Unhedged Foreign Currency Transactions

a Category-wise Quantitative data about derivative instruments outstanding:

Particulars	**Currency**	**As at 31st March, 2016**			As at 31st March, 2015		
		In Mn	**Avg. Ex. Rate**	**₹ in Crores**	In Mn	Avg. Ex. Rate	₹ in Crores
Forward Sales	USD	**86.93**	**69.28**	**602.27**	121.15	62.50	757.19
Forward Purchase	USD	**6.37**	**67.22**	**42.82**	3.73	62.50	23.29
Interest Swap	USD	**-**	**-**	**-**	10.00	62.50	62.50
Option Deals	USD	**-**	**-**	**-**	142.20	62.50	888.75

b Unhedged Foreign Currency Transactions:

Particulars	**Currency**	**As at 31st March, 2016**		As at 31st March, 2015	
		In Mn	**₹ in Crores**	In Mn	₹ in Crores
Payable towards royalty	USD	**3.24**	**21.47**	1.53	9.56
	SEK	**1.71**	**1.39**	0.57	0.41
	EUR	**0.12**	**0.88**	0.22	1.45
	GBP	**-**	**-**	0.03	0.24
Payable for purchase of goods	USD	**7.32**	**48.51**	7.89	49.29
	GBP	**(34,275)**	**0.03**	0.01	0.05
	EUR	**0.86**	**6.46**	0.64	4.30
	JPY	**0.89**	**0.05**	2.17	0.11
	SEK	**0.08**	**0.06**	-	-
	CHF	**(620)**	**(₹ 4,277)**	-	-
	HKD	**(6,577)**	**0.01**	(6,577)	0.01
Receivable on sale of goods	USD	**20.77**	**137.64**	21.09	131.81
	GBP	**0.09**	**0.89**	0.43	4.03
	EUR	**1.84**	**13.91**	0.40	2.73
Payable towards Foreign Currency Loans	USD	**40.48**	**268.19**	39.22	245.14
	EUR	**3.02**	**22.77**	-	-
	JPY	**63.36**	**3.74**	-	-
Payable towards Settlement Agreement	USD	**-**	**-**	3.20	20.00
Receivable towards Foreign Currency Loans	USD	**1.42**	**9.41**	-	-

40 Corporate Social Resposibility (CSR) Activities:

a. The Company is required to spend ₹ 7.84 Crores (Previous Year ₹ 4.39 Crores) on CSR activities.

b. Amount spent during the year on:

	Particulars	**Year ended March 31, 2016**			Year ended March 31, 2015		
		In cash	**Yet to be paid in cash**	**Total**	In cash	Yet to be paid in cash	Total
(i)	Construction/acquisition of any asset	**-**	**-**	**-**	-	-	-
(ii)	Contribution to various Trusts/NGOs/Societies/ Agencies and utilization thereon	**7.48**		**7.48**	4.44		4.44
(iii)	Expenditure on Administrative Overheads for CSR	**0.36**	**-**	**0.36**	-	-	-

Notes to Consolidated Financial Statements

c. Related Party Disclosures :

As per the Accounting Standard on "Related Party Disclosures" (AS 18), the related parties of the Company are as follows :

a Name of Related Parties and Nature of Relationship:

Arvind Foundation (Incorporated under Section 8 of the Companies Act, 2013)	Subsidiary Company

b Disclosure in respect of Related Party Transactions:

₹ in Crores

Nature of Transactions	Year ended March 31, 2016	Year ended March 31, 2015
Arvind Foundation		
Donation given	**5.16**	-
Capital Contribution	**0.01**	-

41 Disclosure in respect of Construction/Job work Contracts

₹ in Crores

Particulars	Year ended March 31, 2016	Year ended March 31, 2015
Amount of Contract Revenue recognized	**7.40**	14.05
Disclosure in respect of contracts in progress at the reporting date		
Contract cost incurred and recognised profits less recognised losses up to the reporting date	**68.99**	55.80
Advance received from customers	**0.55**	3.50
Amount of Retention	**0.24**	0.35
Due from customers	**8.12**	6.60

42 Capital Reserve on Consolidation

Capital Reserve on Consolidation includes the losses in the value of the investments in subsidiary companies provided by the Arvind Limited (Holding Company) in accordance with the scheme of arrangement sanctioned in earlier years.

43 Scheme of Arrangement

i A Composite Scheme of Arrangement ("the Scheme") in the nature of Demerger and transfer of Real Estate Undertaking of Arvind Limited ("the Company") to Arvind Infrastructure Limited ("AIL") and Restructuring of Share Capital, under sections 391 to 394 read with sections 78, 100 and 103 of the Companies Act, 1956 has been sanctioned by the High Court of Gujarat at Ahmedabad on April 22, 2015. The Scheme has become effective from the appointed date 1st April 2015.

ii Pursuant to the Scheme, the Real Estate Undertaking stood demerged from the Company and transferred to and vested in AIL as a going concern with effect from the appointed date 1st April 2015. Upon the Scheme becoming effective:

a. From the appointed date, the assets and liabilities of the Real Estate Undertaking of the Company (Demerged Undertaking) have been transferred to AIL at their respective Book values.

b. AIL has credited its Share Capital Account with the aggregate face value of the equity shares issued 1 (One) fully paid Equity Shares of ₹ 10/- each of AIL for every 10 (Ten) fully paid up Equity Shares of ₹ 10/- each held by the shareholders of the Company.

c. The existing shares of AIL held by the Company and its nominees shall stand cancelled and the amount of such investment in the books of the Company shall be written off against the Securities Premium Account.

d. The amount of difference in the net value of assets transferred pursuant to the Scheme and the amount of consideration as issued, netted by existing share capital cancelled shall be adjusted against the Securities Premium Account.

iii Pursuant to the Scheme, Demerged Undertaking has been demerged from the Company with effect from 1st April 2015, (the appointed date):

a. As on appointed date, all the assets and the liabilities have been transferred to AIL at their respective book values.

b. As consideration, AIL has subsequently issued and allotted Equity Shares of ₹ 10/- each fully paid up in the ratio of 1 (One) Equity Share of ₹ 10/- each for every 10 (Ten) Equity Shares of ₹ 10/- each of the Company, to the shareholders of the Company.

c. The amount of investment in AIL in the books of the Company of ₹ 100.05 Crores has been adjusted against the Securities Premium Account.

d. The difference between the value of assets and liabilities transferred of ₹ 0.08 Crores has been adjusted against the Securities Premium Account.

44 Expenditure on Research and Development:

The Company has separate In-House Research & Development Centre at Naroda and Santej locations. Both the centres are involved into new product development, new process development etc. and are duly recognised and approved by Department of Scientific and Technology, Government of India. The details of Capital and Revenue Expenditure incurred on Research and Development by both the Centres are as under:

₹ in Crores

Particulars	Year ended March 31, 2016	Year ended March 31, 2015
Naroda Centre		
Captial Expenditure	**-**	0.67
Revenue Expenditure	**4.09**	2.55
Total Expenditure at Naroda Centre	**4.09**	3.22
Santej Centre		
Capital Expenditure	**8.23**	14.59
Revenue Expenditure	**20.95**	13.52
Total Expenditure at Santej Centre	**29.18**	28.11

Notes to Consolidated Financial Statements

45 Additional Information as required under Schedule III to the Companies Act, 2013

Name of the Entity	2015-16				2014-15			
	Net Assets i.e. total assets minus total liabilities		Share in profit		Net Assets i.e. total assets minus total liabilities		Share in profit	
	As % of Consolidated Net Assets	₹ in Crores	As % of Consolidated Profit/(Loss)	₹ in Crores	As % of Consolidated Net Assets	₹ in Crores	As % of Consolidated Profit/(Loss)	₹ in Crores
Parent:								
Arvind Limited	**60.71%**	**1,767.71**	**85.26%**	**309.27**	59.35%	1,616.62	106.32%	362.65
Subsidiaries:								
Indian:								
Arvind Accel Limited	**0.77%**	**22.30**	**0.84%**	**3.06**	0.15%	4.06	-1.01%	(3.43)
Arvind Brands & Retail Limited	**2.98%**	**86.86**	**-0.11%**	**(0.41)**	2.83%	77.14	0.03%	0.09
Arvind Envisol Private Limited	**0.25%**	**7.15**	**3.15%**	**11.43**	0.88%	24.03	1.19%	4.05
Arvind Garments Park Private Limited	**0.84%**	**24.48**	**0.00%**	**-**	0.88%	23.95	-0.02%	(0.08)
Arvind Goodhill Suit Manufacturing Private Ltd	**1.18%**	**34.47**	**0.01%**	**0.05**	0.99%	26.89	-1.65%	(5.64)
Arvind Hebbal Homes Private Limited**	**-**	**-**	**-**	**-**	0.00%	-	0.03%	0.09
Arvind Infrastructure Limited**	**-**	**-**	**-**	**-**	3.76%	102.30	2.62%	8.93
Arvind Internet Limited	**0.00%**	**0.06**	**-1.51%**	**(5.48)**	0.72%	19.67	-4.41%	(15.03)
Arvind Lifestyle Brands Limited	**20.58%**	**599.13**	**5.99%**	**21.74**	17.20%	468.51	-9.54%	(32.54)
Arvind OG Nonwovens Private Limited	**0.89%**	**25.92**	**0.02%**	**0.08**	0.95%	25.97	-1.20%	(4.10)
Arvind PD Composites Private Limited	**0.58%**	**17.03**	**0.17%**	**0.61**	0.50%	13.68	-0.85%	(2.91)
Asman Investments Limited	**1.32%**	**38.48**	**-0.03%**	**(0.11)**	1.37%	37.21	-0.14%	(0.47)
Dholka Textile Park Private Limited	**0.57%**	**16.71**	**0.00%**	**-**	0.58%	15.89	-0.02%	(0.08)
Syntel Telecom Limited	**0.02%**	**0.55**	**0.18%**	**0.65**	-0.03%	(0.91)	0.05%	0.18
The Anup Engineering Limited	**1.58%**	**45.92**	**6.62%**	**24.00**	2.50%	68.00	5.32%	18.15
Arvind Beauty Brands Retails Private Limited*	**1.17%**	**34.04**	**-1.06%**	**(3.86)**	0.00%			
Foreign:								
Arvind Lifestyle Apparel Manufacturing PLC , Ethiopia	**0.75%**	**21.93**	**-0.37%**	**(1.33)**	0.47%	12.77	-0.04%	(0.14)
Arvind Niloy Exports Private Limited	**-0.02%**	**(0.64)**	**-0.06%**	**(0.23)**	-0.01%	(0.29)	-0.30%	(1.01)
Arvind Textile Mills Limited	**0.03%**	**0.87**	**-0.10%**	**(0.38)**	0.05%	1.27	-0.24%	(0.83)
Arvind Worldwide Inc., USA	**0.09%**	**2.65**	**0.09%**	**0.33**	0.05%	1.46	0.09%	0.32
Westech Advance Materials Limited, Canada	**1.19%**	**34.66**	**0.05%**	**0.17**	0.00%	-	0.00%	-
Arvind Worldwide (M) Inc., Mauritius #	**-**	**-**	**-**	**-**	0.00%	(0.08)	-0.08%	(0.26)
Arvind Spinning Limited #	**-**	**-**	**-**	**-**	0.00%	-	0.00%	-
Arvind Overseas (M) Limited #	**-**	**-**	**-**	**-**	0.00%	-	0.00%	-
Minority Interest in all subsidiaries	**-1.82%**	**(52.89)**	**-0.59%**	**(2.13)**	-1.28%	(34.76)	1.02%	3.48
Joint Ventures:								
Indian:								
Arya Omnitalk Radio Trunking Services Private Limited	**0.25%**	**7.18**	**0.30%**	**1.08**	0.12%	3.33	0.07%	0.25
Arya Omnitalk Wireless Solutions Private Limited	**0.65%**	**18.83**	**1.01%**	**3.66**	0.66%	18.01	0.94%	3.20
Arudrama Developers Private Limited	**0.07%**	**2.05**	**0.00%**	**-**	0.08%	2.05	0.00%	-
Premium Garments Wholesale Trading Private Limited	**0.31%**	**9.13**	**-1.03%**	**(3.75)**	0.10%	2.64	-0.51%	(1.74)
Tommy Hilfiger Arvind Fashions Private Limited	**1.64%**	**47.62**	**1.21%**	**4.40**	1.59%	43.21	1.58%	5.40

45 Additional Information as required under Schedule III to the Companies Act, 2013 (Contd.)

Name of the Entity	2015-16				2014-15			
	Net Assets i.e. total assets minus total liabilities		Share in profit		Net Assets i.e. total assets minus total liabilities		Share in profit	
	As % of Consolidated Net Assets	₹ in Crores	As % of Consolidated Profit/(Loss)	₹ in Crores	As % of Consolidated Net Assets	₹ in Crores	As % of Consolidated Profit/(Loss)	₹ in Crores
Limited Liability Partnerships:								
Indian:								
Ahmedabad East Infrastructure LLP**	-	-	-	-	1.60%	43.55	-0.27%	(0.91)
Arvind Industrial Infrastructure (One) LLP**	-	-	-	-	0.98%	26.75	0.00%	(0.01)
Arvind Alcove LLP**	-	-	-	-	0.00%	0.13	0.00%	-
Arvind Altura LLP**	-	-	-	-	0.00%	0.03	0.00%	-
Arvind Five Homes LLP**	-	-	-	-	0.29%	7.79	-0.09%	(0.29)
Arvind Infracon LLP**	-	-	-	-	0.00%	0.02	0.00%	-
Arvind Bsafal Homes LLP**	-	-	-	-	0.44%	12.12	0.90%	3.07
Arvind Beyond Five Club LLP**	-	-	-	-	0.00%	0.06	0.00%	-
Changodar Industrial Infrastructure (One) LLP**	-	-	-	-	0.00%	0.03	0.00%	-
Maruti & Ornet Infrabulild LLP*	**1.27%**	**36.85**	**0.00%**	-	0.00%	-	0.00%	-
Arvind and Smart Value Homes LLP	**2.15%**	**62.66**	**-0.04%**	**(0.15)**	2.23%	60.78	0.21%	0.71
Total	**100.00%**	**2,911.71**	**100.00%**	**362.70**	**100.00%**	**2,723.88**	**100.00%**	**341.10**

** Not consolidated during the year due to Scheme of Arrangement (Refer Note 43)
# Not consolidated during the year due to defunct status.

46 Figures less than ₹ 50,000/- which are required to be shown seperately, have been shown as actual in brackets.

47 Previous year figures have been regrouped or recast wherever necessary to make them comparable with those of the current year. As the Real Estate Undertaking of the Company has been demerged and transfer to Arvind Infrastructure Limited w.e.f. April 1, 2015, the previous year's figures are not strictly comparable with those of current year.

As per our report of even date attached
For **Sorab S. Engineer & Co.**
Firm Registration No. 110417W
Chartered Accountants

CA. N. D. Anklesaria
Partner
Membership No.10250

Ahmedabad
May 12, 2016

SANJAY S. LALBHAI Chairman & Managing Director

JAYESH K. SHAH Director & Chief Financial Officer

R. V. BHIMANI Company Secretary

FROM AOC - 1

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

STATEMENT CONTAINING SAILENT FEATURES OF THE FINANCIAL STATEMENT OF SUBSIDIARIES/JOINT VENTURES

Part "A" : Subsidiaries

₹ in crores

Sr. no.	Name of Subsidiary	Reporting Period	Exchange Rate	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Details of Investment	Turnover	Profit/ (Loss) before Taxation	Provision for Taxation	Profit/ (Loss) after Taxation	Proposed Dividend	% of Share Holding
		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)
1	Asman Investments Limited	March 31, 2016	INR	0.48	(1.14)	19.15	19.81	11.15	6.99	(0.25)	(0.13)	(0.12)	Nil	91.77%
2	The Anup Engineering Limited	March 31, 2016	INR	3.40	85.98	133.10	43.72	0.00	133.72	37.41	13.40	24.01	Nil	92.92%
3	Arvind Internet Limited	March 31, 2016	INR	33.06	(21.64)	12.12	0.70	0.00	0.71	(5.49)	(0.01)	(5.48)	Nil	100%
4	Arvind Lifestyle Brands Limited	March 31, 2016	INR	33.64	464.75	1925.50	1427.11	0.02	2427.30	28.35	6.17	22.18	Nil	100%
5	Arvind Accel Limited	March 31, 2016	INR	0.05	(13.22)	55.79	68.96	0.00	17.91	(4.47)	(7.03)	2.56	Nil	100%
6	Syntel Telecom Limited	March 31, 2016	INR	0.05	(0.52)	0.96	1.43	0.00	5.66	0.78	0.13	0.65	Nil	100%
7	Arvind Brands and Retail Limited	March 31, 2016	INR	16.76	795.21	815.33	3.36	0.19	0.00	(0.41)	0.00	(0.41)	Nil	100%
8	Arvind PD Composites Private Limited	March 31, 2016	INR	0.25	14.50	37.59	22.84	0.00	39.03	0.61	0.00	0.61	Nil	51%
9	Arvind Envisol Pvt. Ltd.	March 31, 2016	INR	0.01	10.46	100.20	89.73	0.00	101.83	15.74	4.30	11.44	Nil	100%
10	Arvind Goodhill Suit Manufacturing Private Limited	March 31, 2016	INR	0.84	34.44	79.22	43.94	0.00	49.15	0.05	0.00	0.05	Nil	51%
11	Dholka Textile Park Pvt Limited (Formerly Known as Arvind Spinning Park Pvt. Ltd.)	March 31, 2016	INR	0.01	(0.09)	89.42	89.50	0.00	0.00	0.00	0.00	0.00	Nil	100%
12	Arvind Garments Park Pvt Limited (Formerly Known as Arvind Processing Park Pvt. Ltd.)	March 31, 2016	INR	0.01	(0.09)	27.23	27.31	0.00	0.00	0.00	0.00	0.00	Nil	100%
13	Arvind OG Nonwovens Pvt. Limited	March 31, 2016	INR	2.68	19.59	54.79	32.52	0.00	33.04	0.08	0.00	0.08	Nil	74%
14	Arvind Worldwide Inc. USA	March 31, 2016	1 USD = ₹66.2550	2.19	2.29	6.96	2.48	0.00	8.36	0.30	(0.03)	0.33	Nil	100%
15	Arvind Lifestyle Apparel Manufacturing PLC, Ethiopia (from 20/03/2015)	March 31, 2016	1 ETB = ₹ 3.0813	25.47	(2.71)	24.26	1.50	0.00	0.00	(1.33)	0.00	(1.33)	Nil	100%
16	Arvind Textile Mills Limited, Bangladesh	March 31, 2016	1 TAKA = ₹0.8449	5.17	(4.30)	1.01	0.14	0.00	0.26	(0.37)	0.01	(0.38)	Nil	100%
17	Arvind Niloy Exports Pvt. Ltd., Bangladesh	March 31, 2016	1 TAKA = ₹0.8449	0.65	(2.62)	0.23	2.20	0.00	0.00	(0.23)	0.00	(0.23)	Nil	70%
18	Westech Advanced Materials Limited (From F.Y. 2015-16)	March 31, 2016	1 CAN$ = ₹ 51.23	31.63	1.17	42.93	10.13	0.00	31.76	0.33	0.16	0.17	Nil	51%
19	Arvind Beauty Brands Retail Pvt Ltd (From F.Y. 2015-16)	March 31, 2016	INR	3.32	27.83	58.50	27.35	0.00	27.18	(3.81)	0.05	(3.86)	Nil	100%

Notes

(A) Investments Exclude Investments in Subsidiaries, Joint Ventures and LLPs

(B) The Following Subsidiaries are yet to commence operation :

[1] Dholka Textile Park Pvt Limited (Formerly Known as Arvind Spinning Park Pvt. Ltd.)

[2] Arvind Garments Park Pvt Limited (Formerly Known as Arvind Processing Park Pvt. Ltd.)

[3] Arvind Lifestyle Apparel Manufacturing PLC, Ethiopia (from 20/03/2015)

(C) In the above statement following Foreign Subsidiaries not included as they are treated as "Defunct Company" during the year.

[1] Arvind Worldwide (M) Inc. Mauritius

FROM AOC - 1

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

STATEMENT CONTAINING SAILENT FEATURES OF THE FINANCIAL STATEMENT OF SUBSIDIARIES/JOINT VENTURES

Part "B" : Joint Venture

₹ in crores

Sr. no.	Particulars	Arya Omnitalk Wireless Solutions Private Limited	Arya Omnitalk Radio Trunking Services Private Limited	Tommy Hilfiger Arvind Fashions Private Limited	Premium Garments Wholesale Trading Private Limited	Arudrama Developers Private Limited
		(a)	(b)	(c)	(d)	(e)
1	Latest Audited Balance Sheet Date	31/03/2016	31/03/2016	31/03/2015	31/03/2015	31/03/2015
2	Shares of Joint Ventures held by company on the year end					
	i) Number	1000000	1005000	11461839	22050	50000
	ii) Amount of Investment in Joint Ventures	1	6.01	37.82	80.81	2.05
	iii) Extend of Holding%	50%	50%	50%	49%	50%
3	Description of how there is significant influence	Note A	Note A	Note A	Note A	Note A
4	Reason why the joint venture is not consolidated	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
5	Net worth attributable to shareholding as per latest Audited Balance sheet	17.03	6.26	43.33	(12.86)	2.05
6	Profit/(Loss) for the year					
	i) Considered in Consolidation	3.66	1.08	5.41	(1.74)	-
	ii) Not Considered in Consolidation	-	-	-	(5.67)	-

Note :

A There is Significant influence due to percentage(%) of Share Capital.

SANJAY S. LALBHAI Chairman & Managing Director

JAYESH K. SHAH Director & Chief Financial Officer

R. V. BHIMANI Company Secretary

LOCATION & SITES FOR THE YEAR 2015-16

Locations & Sites

Lifestyle Fabrics – Denim
Arvind Limited
Naroda Road
Ahmedabad – 380 025
Gujarat, India
Tel : +91-79-30138000/30138181
Fax : +91-79-30138671
E-mail : saurabh.samnol@arvind.in

Lifestyle Fabrics – Voiles
Ankur Textiles
Outside Raipur Gate
Ahmedabad – 380 022
Gujarat, India
Tel : +91-79-30137200
Fax : +91-79-30137350
E-mail : brijesh.bhati@arvind.in

Lifestyle Fabrics – Shirting, Khakis and Knitwear
Arvind Limited
PO Khatrej, Taluka Kalol
Dist. Gandhinagar – 382 721
Gujarat, India
Tel : +91-2764-395000
Fax : +91-2764-395040
E-mail : pranav.dave@arvind.in

Lifestyle Apparel – Knits
Arvind Limited
PO Khatrej, Taluka Kalol
Dist. Gandhinagar – 382 721
Gujarat, India
Tel : +91-2764-395410
E-mail : nitin.seth@arvind.in

Lifestyle Apparel – Jeans
Arvind Limited
#26/2 ,27/2, Kenchenahalli
Mysore Road
Near Bangalore University
Bangalore – 560 059
Tel : +91-80-33719000
E-mail : ashish.kumar@arvindexports.com

Lifestyle Apparel – Shirts
Arvind Limited
63/9, Dodda Thogur Village
Electronic City, Hosur Road
Bangalore-560100, Karnataka, India.
Tel : +91-80-33717000
E-mail : ashish.kumar@arvindexports.com

Arvind Intex
Rajpur Road, Gomtipur
Ahmedabad - 380 021
Gujarat, India.
Tel : +91-79-30139200
E-mail : jigger.shastri@arvind.in

Arvind Polycot
Khatrej, Taluka Kalol
Dist. Gandhinagar- 382 721
Gujarat, India.
Tel : +91-2764-395000

Arvind Cotspin
D-64, MIDC, Gokul Shirgaon
Tal. Karveer, Kolhapur – 416 234
Maharashtra, India.
Tel : +91-0231-2672455/56/57
E-mail : cr.jamdar@arvind.in

Subsidiaries & Joint Ventures

Arvind Lifestyle Brands Limited
8th Floor, Du Park Trinity
17, M. G. Road, Bangalore-560001
Tel : +91-80-41550650
Fax : +91-80-41550651
E-mail : sureshj@arvindbrands.com

Arvind Goodhill Suit Manufacturing
Private Limited
Plot No.50 B1 & 50 C1, Survey No. 299
Bommasandra Industrial Area
Bangalore - 560099
Tel : 080-49461005
E-mail : arun.babu@arvindexports.com

Arvind PD Composites Private Limited
Village: Moti Bhoyan Ta: Kalol
Dist: Gandhinagar, Gujarat –382721
Tel :02764 396223-02764 395000
Fax: 02764-396220
E-mail : shreyans.patel@arvind-pd.in

Arvind OG Nonwovens Pvt. Ltd.
Block No. 315/p, Plot No. 92
Village : Kharanti, P.O. Simej, Ta. Dholka
Dist. Ahmedabad - 382 265, Gujarat
Phone No. : 02764 395000
E-mail : amit.pal@arvind.in

The Anup Engineering Limited
Behind 66KV Electric Sub Station
Odhav Road, Ahmedabad-382415
Gujarat, India
Tel : +91-079-22870622, 079-40258920
Fax : +91-079-22870642
E-mail : paresh.shah@anupengg.com

Arvind Envisol Private Limited
Arvind Mill Premises, Naroda Road
Ahmedabad – 380 025.
Tel: 079-30138456/8454
Fax: 079-30138677
E-mail : dinesh.yadav@arvind.in

Arya Omnitalk Wireless Solutions Private Limited
3rd Floor, Ling Field Plaza
S.No.66/67, Salunke Vihar Road
Wanowrie, Pune – 411 040
Tel : +91-20-26851072, 40118100
Fax : +91-20-26851077
E-mail:manoj.kottil@aryaomnitalk.com

Overseas Offices

Arvind Worldwide Inc.
584, Broadway Suite # 801
New York, NY 10012, USA
Tel +(212)768-4815X102
E-mail : viresh@arvinddenimlab.com

Arvind Limited
Plot No.221
Bir Uttam Mir Shawkat Road
(Gulshan – Tejgaon Link Road)
Tejgaon I/A, Dhaka – 1208
Bangladesh
Tel : +880-2-9887123/124
E-mail : p.anilkumar@arvind.in

Arvind

ATTENDANCE SLIP

ARVIND LIMITED

(CIN: L17119GJ1931PLC000093)
Regd. Office : Naroda Road, Ahmedabad-380 025.
Email: investor@arvind.in, Website : www.arvind.com
Phone: 079-30138000, Fax: 079-30138668

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OFTHE MEETING HALL.
Joint shareholders may obtain additional Slip at the venue of the meeting.

DP Id*		Folio No.	
Client Id*		No. of Shares	

NAME AND ADDRESS OF THE SHAREHOLDER

I hereby record my presence at the **85TH ANNUAL GENERAL MEETING** of the Company held on Thursday, 4th August, 2016 at 9:30 a.m. at Thakorebhai Desai Hall, Near Law Garden, Ellisbridge, Ahmedabad – 380 006.

* Applicable for investors holding shares in electronic form.

Signature of Shareholder / proxy

Arvind

FORM OF PROXY

ARVIND LIMITED

(CIN: L17119GJ1931PLC000093)
Registered Office : Naroda Road, Ahmedabad-380 025.
Email: investor@arvind.in Website : www.arvind.com
Phone: 079-30138000, Fax: 079-30138668

Name of the member (s):

Registered address:

E-mail Id:

Folio No/ Client Id:

DP ID:

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

1. Name: _____ Address: _____
   E-mail Id: _____ Signature: _____ or failing him;
2. Name: _____ Address: _____
   E-mail Id: _____ Signature: _____ or failing him;
3. Name: _____ Address: _____
   E-mail Id: _____ Signature: _____

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 85th Annual General Meeting of the Company, to be held on the 4th August, 2016 at 9:30 a.m. at Thakorebhai Desai Hall, Near Law Garden, Ellisbridge, Ahmedabad – 380 006 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	RESOLUTIONS	Optional *	
Ordinary Business		For	Against
1	Ordinary Resolution for adoption of Audited Financial Statements including Consolidated Financial Statements for the financal year 31st March, 2016 and Reports of Directors and Auditors thereon.		
2	Ordinary Resolution for declaration of dividend on equity shares.		
3	Ordinary Resolution for re-appointment of Mr. Kulin Lalbhai as Director of the Company, liable to retire by rotation.		
4	Ordinary Resolution for appointment of Sorab S. Engineer & Co., Chartered Accountants as Auditors of the Company and fixing their remuneration.		

Resolution No.	RESOLUTIONS	Optional *	
Special Business			
5	Ordinary Resolution for Ratification of the remuneration of M/s. Kiran J. Mehta & Co., Cost Accountants for the financial year ending 31st March, 2017.		
6	Special Resolution for re-appointment of Mr. Sanjay Lalbhai as Chairman and Managing Director of the Company for a period of five years from 1st April, 2017 to 31st March, 2022 and remuneration payable to him.		
7	Special Resolution for approval of offer and invitation to subscribe to Non-convertible Debentures on private placement basis upto ₹ 500 crores.		

Signed this _____ day of _____, 2016

Signature of shareholder _____

Signature of Proxy holder(s) _____

Affix Revenue Stamp

Note:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of the 85th Annual General Meeting.

*3. It is optional to put a 'X' in the appropriate column against the Resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all Resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.

4. Please complete all details including details of member(s) in above box before submission.

NOTE

NOTE

Arvind Limited

Regd. Office: Naroda Road, Ahmedabad - 380 025

For any enquiry, suggestion or feedback, e-mail us on customer.care@arvind.com

The holder of this coupon will be entitled to a 15% discount on the price of Arvind Limited fabrics purchased at any retail shop in Ahmedabad and a 12.5% discount at other retail shops mentioned below. This facility is not available on purchases made by Credit Cards.

THE ARVIND STORE

These coupons can be redeemed at the following locations:

ANDHRA PRADESH: Anantapur: Raju Road, Ph: (08554) 228399 **Bhimavaram:** Juvvala Palem Road, Ph: (08816) 232255 **Guntur:** Arundalpet, Ph: (0863) 2228618 **Kadapa:** Railway Station Road, Ph: (08562) 220076 **Kakinada:** Main Road, Ph: (0884) 6668116 **Kurnool:** Opp. SV Regency, Ph: (08518) 227599 **Nellore:** Ramalingapuram, Ph: (0861) 2343343 **Ongole:** Market Road, Ph: 09703643334 **Proddattur:** Mydukar Road, Ph: (08564) 254988 **Srikakulam:** Palakonda Road, Ph: (08942) 222355 **Tirupati:** Mask Road, Ph: (0877) 6666466 **Vijayawada:** MG Road, Ph: (0866) 6673618 **Vishakapatnam:** Daba Garden Ph: (0891) 6589399, Gajuwaka Ph: (0891) 6450406, Rama Talkies Road Ph: (0891) 2558866 **Vizianagaram:** MG Road, Ph: (08922) 236194 **ASSAM: Guwahati:** GS Road, Ph: (0361) 2467117 **BIHAR: Begusarai:** Kalisthan, Ph: (0624) 3220351 **Bhagalpur:** Khalifabad, Ph: (0641) 2429020 **Dharbhanga:** Lalbag, Ph: (06272) 251455 **Patna:** Boring Road, Ph: (0612) 2541059/3210278, Kankarbagh, Ph: 09308649790, Anisabad, Ph: (0612) 2250065 **GUJARAT: Ahmedabad:** Bapunagar Ph: (079) 22775430, CG Road Ph: (079) 26401550, Chandkheda Ph: (079) 23290605, Maninagar Ph: (079) 65446534, Prahaladnagar Ph: (079) 26937032, Relief Road Ph: (079) 25504801 **Anand:** Opp. Town hall, Ph: (02692) 267202 **Bardoli:** Laxmi House, Ph: (02622) 227640 **Bharuch:** Near IOC Petrol Pump, Ph: (0264) 2260014 **Bhavnagar:** Waghawadi Road, Ph: (0278) 2525000 **Bhuj:** Jubilee Circle, Ph: (02832) 223880 **Jamnagar:** Appurva Plaza, Ph: (0288) 3015000 **Junagadh:** Motibaugh, Ph: (0285) 2672500 **Kutch:** Gandhidham, Ph: (02836) 230251 **Mehsana:** T B Road, Ph: (02762) 233234 **Morbi:** Ravpara Road, Ph: (0282) 2225008 **Nadiad:** Waniawad Circle, Ph: (0268) 2529452 **Palanpur:** Abu Road, Ph: 09979967027 **Patan:** Nr. Patan District Court, Ph: (02766) 226222 **Porbandar:** Nr Sahyog Hospital, Ph: (0286) 2243444/2242444 **Rajkot:** Race Course, Ph: (0281) 2472144, Trikon Baug Ph: (0281) 2230144 **Surat:** Bhatar Char Rasta Ph: (0261) 2238343/3992099, Lalgate Ph: (0261) 2443640 **Vadodara:** Alka Puri, Ph: (0265) 2322202, Fateh Gunj Ph (0265) 2750014 **Vapi:** Fortune Square, Ph: (0260) 3260574 **HARYANA: Ambala:** Nicolson Road, Ph: 09896927842 **Hisar:** Delhi Road, Ph: (0166) 2248405 **Karnal:** Kunjpura Road, Ph: (0184) 4049650 **JHARKHAND:** Bokaro Steel City: Bokaro Mall, Ph: (06542) 222201 **Dumka:** Bhagalpur Road, Ph: (06434) 224461 **Deoghar:** Tower Chowk, Ph: (06432) 240755 **Dhanbad:** Centre Point Mall: (0326) 2305100, Saraidhella Ph: (0326) 2211120 **Jamshedpur:** Sakchi, Ph: (0657) 2221400 **Ranchi:** Main Road, Ph: (0651) 2332048 **KARNATAKA: Bangalore:** Basaweshwaranagar Ph: (080) 40959168, BEL Road Ph: (080) 41666689, DVG Road Ph: (080) 40978486, HSR Layout Ph: 09342472677, Jayanagar Ph: (080) 65655626, J P Nagar Ph: (080) 41231020/41603040, Kammanahali Ph: (080) 41531219, Kathriguppe Ph: (080) 42152333, KG Road Ph (080) 41471212, Malleshwaram Ph: (080) 41657771, Vidyaranyapura Ph: (080) 88660505, VR Mall Ph: (080) 46524037, Yelahanka Ph: (080) 41105944 **Belgaum:** Khade Bazaar, Ph: (0831) 2423075 **Bellary:** Infantry Road, Ph: (0839) 2244343 **Davangere:** AVK College Road, Ph: (08192) 255151/255152 **Gulbarga:** Super Market, Ph: (08472) 237477 **Gangavathi:** Veersawarkar Marga: Ph: (08533) 234260 **Hassan:** BM Road, Ph: (08172) 232388 **Hubli:** Kopikar Road, Ph: (0836) 4265686 **Mangalore:** Krangalpady, Ph: (0824) 4281333 **Mysore:** D Deveraj URS Road Ph: (0821) 4266634, New Kantraj URS Road Ph: (0821) 2540555 **Udupi:** Kunjibettu, Ph: (0820) 2523935 **KERALA: Calicut:** Cherroty Road, Ph: (0495) 2761080 **Kochi:** Geetanjali Junction, Ph: (0484) 4022422 **Kottakal:** Chenkuvetty, Ph: (0483) 2750900 **Kottayam:** Kanjikuzhy, Ph: (0481) 2572093 **Palakkad:** College Road, Ph: (0491) 2548877 **Thiruvalla:** Ramachira, Ph: (0469) 2600717 **Thrissur:** Sobha Mall, Ph: (0487) 2379889 **Tirur:** Flexi Mini Mall, Ph: (0494) 2428222 **Trivandrum:** Kowdiar, Ph: (0471) 6555677 **MADHYA PRADESH: Gwalior:** Padav, Ph: (0751) 4001792 **MAHARASHTRA: Ahmednagar:** Savedi Road, Ph: (0241) 6609004 **Amravati:** Jaistambh Chowk, Ph: (0721) 2576432 **Chandrapur:** Kasturba Road, Ph: (07172) 251931 **Jalgaon:** Navi Peth, Ph: (0257) 2222444 **Latur:** Old Gul Market, Ph: (02382) 255550 **Kolhapur:** Rajarampuri, Ph: (0231) 6615005, Reliance Mega Ph: (0231) 2643377 **Malegaon:** Satana Road, Ph: (02554) 255012 **Mumbai:** Borivali Ph: (022) 28911311, Gokhale Road Thane Ph: (022) 41008718 Mira Bhayandar Main Road, Ph: (022) 28117050, Vasai Road Ph: (0250) 2332982 **Nagpur:** Law College Square Ph: (0712) 6631159, SBM Marg Ph: (0712) 2724422 **Nanded:** G G Road, Ph: (02462) 232789 **Nashik:** Sharanpur, Ph: (0253) 2319339 **Pune:** Seasons Mall Ph: (020) 67072915, Westend Mall Ph: (020) 27207409 **Sangli:** Kapad Peth, Ph: (0233) 6615777 **Solapur:** Saraswati Chowk, Ph: (0217) 2325872 **ORISSA: Bhubaneshwar:** Saheed Nagar, Ph: (0674) 2549790 **Jajpur:** Jajpur Road, Ph: (06726) 220155 **Jharsuguda:** Station Road: Ph: (06645) 270310 **PONDICHERRY:** Nehru Street, Ph: (0413) 4306555 **PUNJAB: Ludhiana:** Westend Mall, Ph: (0161) 4666535 Patiala: Bhupinder Road, Ph: (0175) 5004579 **RAJASTHAN: Jaipur:** Tonk Road Ph: (0141) 4026761, Vaishali Nagar Ph: (0141) 4027116, Vidhyadhar Nagar, Ph: (0141) 2339890 **Kota:** Kotri Circle Ph: (0744) 2391199 **TAMIL NADU: Chennai:** Annanagar Ph: (044) 43506611 ECR, Ph: (044) 43504170, Forum Vijaya Mall Ph: (044) 66528322, R K Salai Ph: (044) 43081100, Tambaram Ph: (044) 42300088 **Coimbatore:** R S Puram, Ph: (0422) 4365557 **Erode:** Perundurai Road, Ph: (0424) 6506501 **Madurai:** Thallakulam, Ph: (0452) 4200466 **Nagercoil:** KP Road, Ph: (04652) 420722 **Salem:** Sarada College Road, Ph: (0427) 455400 **Trichy:** Cantonment, Ph: (0431) 4011044 **Vellore:** New Katpadi Road: Ph: (0416) 2223399 **TELANGANA: Habsiguda:** Habsiguda Main Road, Ph: (040) 40064406 **Hanamkonda:** Nakalgutta, Ph: (0870) 2555477 **Hyderabad-Secunderabad:** A S Rao Nagar Ph: (040) 27133383, Ameerpet Ph: (040) 40068883, Attapur Ph: (040) 40184222, Chandanagar Ph: (040) 23030314, Dilsukh Nagar Ph: (040) 40047537, Himayat Nagar Ph: (040) 40404051, Jubilee Hills Ph: (040) 23549610, Kothapet Ph: (040) 24031617, Kukatpally Ph: (040) 64530492, Parklane Ph: (040) 66510044, Suncity Ph: (040) 64543626, Tolichowki Ph: (040) 65292333, Trimulgherry Ph: (040) 40172780, Vanasthalipuram Ph: (040) 24114295 **Jagtial:** Ram Bazaar, Ph: (08724) 228883 **Karim Nagar:** Osmanpura, Ph: (0878) 2232255 **Khammam:** Kasba Bazaar, Ph: (08742) 225455 **Kothagudem:** MG Road, Ph: (08744) 246654 **Mancherial:** Market Road, Ph: (08736) 252123 **Mahbubnagar:** Raichur Road, Ph: (0854) 2245143 **Warangal:** Bandila Shetty 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