

CONTENTS

REGISTERED OFFICE

No. 70, Mission Road
Bangalore 560 027, India

CHIEF FINANCIAL OFFICER

Mr. Sumit Keshan

COMPANY SECRETARY AND COMPLIANCE OFFICER

Ms. Ramya .K

STATUTORY AUDITORS

M/s S R Batliboi & Associates LLP
Chartered Accountants
Canberra Block, 12th Floor, UB City,
No 24, Vittal Mallya Road,
Bangalore - 560001

M/s Girish Murthy & Kumar
Chartered Accountants
4502, High Point IV
45, Palace Road,
Bangalore 560 001

INTERNAL AUDITORS

G. Balu Associates
Chartered Accountants
4 – A, Venkatesa Agraharam Road
Mylapore, Chennai - 600 004

BANKERS

Canara Bank
Corporation Bank

Board of Directors	2
Chairman's Statement	3
Directors' Report	4
Corporate Governance Report	22
Management Discussion and Analysis Report	36
Auditors' Report	41
Annexure to Auditors' Report	42
Balance Sheet	44
Statement of Profit & Loss	45
Cash Flow Statement	46
Notes to Financial Statements	48
Consolidated Financial Statements	72

Won highest number of export awards



BOARD OF DIRECTORS



Shri Richard B Saldanha
Chairman



Shri P. Ramababu
*Vice Chairman &
Managing Director*



Shri Mathew Cyriac
Director



Shri Arun K Thiagarajan
Independent Director



Shri J H Mehta
Independent Director



Dr Yashwant Shankarrao
Patil Thorat
Independent Director



Smt Smita Aggarwal
Independent Director

CHAIRMAN'S MESSAGE



Richard B Saldanha
Chairman

Dear Shareholders,

In the year 2014-15, the company has taken strategic initiatives towards a healthier product and customer portfolio mix with renewed focus on operating margins. The overall performance for the year has been challenging with noticeable improvement in operational profitability.

The endeavor of working closer with customers, with fresh innovative products, quicker turnaround in sampling and design processes have worked to our advantage.

There is a clear shift in consumer behavior affecting Brands and Retail Outlets: with new customers and different retail formats emerging. Our Mission is to be customer-centric and closely connect with our Customers and markets, both existing and emerging.

This industry has been adversely impacted by inflationary pressures but your Company has successfully offset these by taking measures toward cost

reduction, cost containment as well as wastage reduction, such that the total cost increase has been 3% in this year. All these measures have delivered a significant increase in operational profitability as well as a strong PBT.

Our people are our strength: closely monitoring and tracking market trends, analyzing & assimilating, and taking decisive initiatives for value creation and improve our speed to market.

Given the fast paced changes in the market, the company has re-organized its internal structure to be more nimble-footed, precise and quick at our go-to-market efforts. Further, the management has taken initiatives to enhance operational excellence in the supply change process, which is mission critical for your Company.

Customer focus, continuous and tangible operational improvement along with financial metrics' focus would be the strategic thrust areas for the company, going forward.

On behalf of the Team, I thank our valued customers who continue to support us. We truly value the trust they have reposed in the company and we will continue to serve and strive towards creating sustainable and consistent value for them.

We also thank our business partners, vendors, and other business associates, who form our extended partnership network. We depend on their continued support as key enablers to overcome the existing challenges. These relationships are the strong pillars and an intrinsic part of our business architecture.

Further, I thank this outstanding Board for their guidance on governance and strategic direction.

And last, but not the least, I wish to thank you and all stakeholders for continued patience, unstinted support, confidence, encouragement and trust, in the company.

DIRECTORS' REPORT

We have pleasure in presenting Twelfth Annual Report on the business and operations of the Company together with Audited Results for the financial year ended March 31, 2015.

Financial Results (Consolidated)

Your Company's performance during the year as compared with that during the previous year is summarized below: (Rs. In lakhs)

Particulars	Year ended March 31, 2015	Year ended March 31, 2014
Revenue	113,749	114,709
EBIDTA	7,206	5,473
Other Income	4,355	883
PBT	3,552	(373)

Review of Operations

Gokaldas Exports, on a consolidated basis, has reported total revenue of Rs.113,749 Lakhs which is constant over previous year 2013-14. There are positive indicators from the US markets as their economy is showing signs of improvement, while European markets are looking weak with Greece imbroglio and similar stress in few other countries like France and UK. The company has successfully adopted its strategy of expanding geo-footprint to countries like Latin America and doing development work in few other countries. There is focus on reviewing product mix for higher thrust on products with higher margins.

On the profitability front, the company has shown positive performance with growth in operational profits as well as at the PBT level. Profits from operations has grown in excess of 30% in 2014-15 over 2013-14, through proactive measures towards cost & waste reduction, cost containment & margin improvement. This has helped the company post an EBIDTA of Rs.7,206 Lakhs in 2014-15 as against Rs. 5,473 Lakhs in 2013-14. PBT for 2014-15 has also seen improvement to Rs.3,552 Cr in 2014-15 as against a small loss in 2013-14 aided by one time income.

Key Cost Metrics

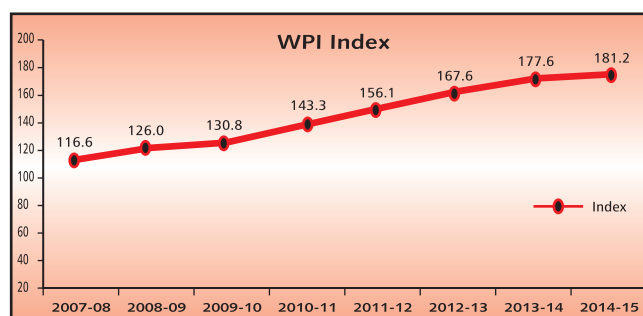
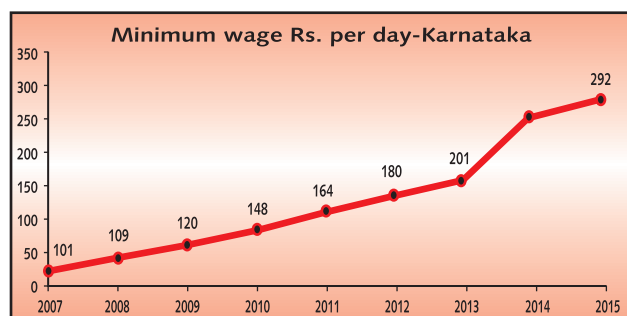
In the year 2014-15, there has been reduction in the key costs ratios as compared to previous year. The company had taken various measures towards creating an environment of effective cost management in the organization to keep the costs from spiraling as well as keep ourselves competitive in the market place. Among the key cost items, raw material costs to sales have reduced from 50% in 2013-2014 to 48% in 2014-15, and overhead costs from 15.7% to 13.5%. There has been increase in depreciation charge due to change in accounting standard. Interest subvention was not renewed by Ministry of Commerce for the year 2014-15 leading to hike in interest costs & resultant hit to the P&L.

(% to Sales)

	FY15	FY14
Raw Material Cost (Including inc/dec in Inventory)	48.0	50.0
Wage cost	33.0	29.4
Other Expenses	13.5	15.7
Depreciation and amortisation expense	3.0	2.4
Finance costs	4.0	3.5

Our strategy of cost management measures continues, which coupled with productivity enhancement initiatives would drive the overall performance improvement strategy in the coming years.

Wage costs form a significant part of our costs, which has seen increase in rates over the years as follows. As can be seen from the chart below, minimum wage in Karnataka has gone up 3 times over the past 8 years. Rising trend in wholesale price index (WPI) also reflects continuing inflationary pressure on operating costs.



We have undertaken substantive strategic measures to improve our performance, viz: focus on increasing share of business with existing customers, bring churn in customer set, develop new customers and markets, focus on high margin product basket, strengthen design capabilities, improve manufacturing efficiencies, and sustain focus on tighter financial management. These initiatives will help us achieve enhanced results in the coming years.

Dividend

No dividend has been recommended by the Directors for the year

Transfer to Reserves

No amount is transferred to the Reserves.

List of Subsidiaries

Your Company has 13 subsidiary companies. The names of these companies are as follows: All Colour Garments Private Limited, DeeJay Trading Private Limited, Glamourwear Apparels Private Limited, Madhin Trading Private Limited, Magenta Trading Private Limited, Rafter Trading Private Limited, Rajdin Apparels Private Limited, Reflexion Trading Private Limited, Rishikesh Apparels Private Limited, Seven Hills Clothing Private Limited, SNS Clothing Private Limited, Vignesh Apparels Private Limited and Robot Systems Private Limited.

Pursuant to provisions of Section 129(3) of the Companies Act, 2013 a statement containing salient features of the financial statements of the Subsidiary Companies in Form AOC-1 is given in Annexure to this report, the Audited Financial Statements along with the reports of the Board of Directors and the Auditors pertaining to the above subsidiaries have not been attached to this Report. The Financial Statements of the said subsidiaries will be kept for inspection by any investor at the registered office of your Company and that of the subsidiary companies. Investors who want to have a copy of the above may write to the Company Secretary at the registered office.

Deposits

During the year under review, your Company has not invited or accepted any deposits from the public under section 76 of the Companies Act, 2013 and Rules made there under.

ESOP- 2010

Your Company has introduced the Employee Stock Option Scheme – 2010 in accordance with the SEBI (Employees Stock Option Scheme and Employees Stock Purchase Scheme) Guidelines 1999. During the year 2,18,332 employee stock options were converted into equivalent number of equity shares. As required under SEBI (Share Based Employee Benefits Regulations, 2014), a disclosure is annexed herewith.

SHARE CAPITAL

Consequent to conversion of stock options into equity shares, your Company's Paid Up equity share capital has gone upto Rs.172,971,660 as on March 31, 2015 from 171,880,000 as on March 31, 2014.

Directors

During the year 2015-16, Mr. Gautam Chakravarti, Director, resigned from Directorship with effect from 25th May, 2015 and Mr.P. Ramababu has been appointed as Vice Chairman and Managing Director of the Company with effect from 25th May, 2015.

The Board of Directors places on record sincere appreciation to Mr. Gautam Chakravarti for his invaluable contribution to the Company during his tenure as Whole-time Director.

Mr. Richard B Saldanha, Director, retires by rotation at the forthcoming Annual General Meeting and being eligible, offers himself for re-appointment.

The brief resume/details relating to Director being re-appointed as stipulated under Clause 49 of the Listing Agreement is furnished in the Report on Corporate Governance.

At the Board Meeting of the Company held on September 29th, 2014 the Company had appointed Mrs. Smita Aggarwal (DIN: 01478327), a woman Director as Independent Director under the Companies Act, 2013, for 5 years.

BOARD EVALUATION:

Pursuant to the provisions of the Companies Act, 2013 and clause 49 of the Listing Agreement, a structured questionnaire was prepared after taking into consideration various aspects of

Board's functioning, composition of the Board and its Committees, execution and performance of specific duties, obligations and governance.

The performance evaluation of Independent Directors has been carried out. The performance evaluation of the Non-Independent Directors was carried out by the Independent Directors. The Board of Directors expressed their satisfaction with the evaluation process.

NUMBER OF MEETINGS OF THE BOARD

During the year, five Board Meetings were held on May 10, 2014, August 13, 2014, September 29, 2014, November 14, 2014 and February 14, 2015. The Particulars of Directors & their attendance during the financial year 2014-2015 has been disclosed in the Corporate Governance Report forming part of this Annual Report.

BOARD COMMITTEE

The Company has the following committees of the Board:

1. Audit Committee
2. Nomination and Remuneration Committee
3. Stakeholders' Relationship Committee
4. CSR Committee

The Composition of each of the above Committees, their respective roles and responsibility are as detailed in the report on Corporate Governance.

The Company's last Annual General Meeting was held on 29th September, 2014.

Directors' Responsibility Statement

Pursuant to the requirement under Section 134(5) of the Companies Act, 2013 with respect to the Directors' Responsibility Statement, the Management states that:

- I) In the preparation of the annual accounts for the year ended March 31, 2015, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- II) 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 and of its profits / losses for the year ended March 31, 2015;

- III) They have taken proper and sufficient care towards the maintenance of adequate accounting records in accordance with the provisions of this Act, to safeguard the assets of the Company and to prevent and detect fraud and other irregularities;
- IV) They have laid down Internal Financial Controls to be followed by the Company and the Audit Committee of the Board of Directors shall ensure that the Internal Control is adequate and robust;
- V) They have prepared the financial statements for the year ended March 31, 2015 on a going concern basis;
- VI) They have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Safety, Health, Environment

We, as a responsible manufacturer, are committed to take adequate measures related to environment, employee health and safety in developing, manufacturing, storing, handling and distribution of our products. It is our responsibility to provide a workplace free from accidents, injuries and exposure to hazardous substances, conserve natural resources and prevent pollution to protect the environment.

Besides, as a constructive partner in the communities in which it operates, the Company has been taking concrete actions to realize its social responsibility objectives, thereby building value for its various stakeholders. We respect human rights, value our employees, and invest in innovative technologies. In the past the Company has supported innumerable social and community initiatives and continues to do the same.

Some of the key initiatives taken by the company are:

- Regular fire safety audits along with mock drills at all locations
- Identification and implementation for

additional fire safety measures for high rising buildings

- Up-gradation of existing fire control and safety systems including training on fire prevention for employees
- Enhanced focus on product safety and safe working practices through training programs
- Implementation of a Reverse Osmosis plant in Denim Laundry for recycling of waste water

Corporate Governance

Your Company is committed to maintaining the highest standards of Corporate Governance. Your Directors adhere to the standards set out by the Securities and Exchange Board of India's (SEBI) Corporate Governance practices. Your Company's Corporate Governance Compliance Certificate is in line with Clause 49 of the Stock Exchange Listing Agreement and is given along with the Corporate Governance Report.

Management Discussion and Analysis

Management Discussion and Analysis Report is given separately, forming part of this Annual Report and is in accordance with the requirements laid out in Clause 49 of the Listing Agreement with Stock Exchanges.

Listing

The equity shares of the Company are listed on the Bombay Stock Exchange Limited (BSE) and National Stock Exchange of India Limited (NSE). The Company has paid the listing fees to the respective stock exchanges till date. The Company's shares are tradable compulsorily in the dematerialized form and the Company has entered into an agreement with National Securities Depository Limited (NSDL) and Central Depository Services India Limited (CDSL) for trading in electronic form.

Auditors

a) Statutory Auditor

At the AGM held on 29th September, 2014 the members approved the appointment of M/s S R Batliboi & Associates LLP, Chartered Accountants and M/s Girish Murthy & Kumar Chartered Accountants as Joint Statutory Auditors for a period of three (3) years from the eleventh AGM till the conclusion

of the thirteen AGM subject to the approval of the Audit Committee and ratification by the Members every year. As recommended by the Audit Committee, the Board has proposed the re-appointment of M/s S R Batliboi & Associates LLP, Chartered Accountants and M/s Girish Murthy & Kumar Chartered Accountants as Joint Statutory Auditors for fiscal 2015-16.

b) Secretarial Auditor

Pursuant to the Provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Mr. Nagendra D Rao, Practising Company Secretary (CP No : 7731, ACS No & 5553) to undertake the secretarial audit of the Company. The Secretarial Audit Report is given in Annexure to this Report.

Particulars of Employees

The Statement containing particulars of employees as required under Section 197(12) of the Companies Act, 2013 read with rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given in an annexure forming part of this Annual Report

Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

In pursuance of the Conservation of Energy, Technology Absorption, Foreign Exchange Earnings in such manner as prescribed under Rule 8 (3) of the Companies (Accounts) Rules, 2014, the particulars of the same are given below.

A. Conservation of Energy

The operations of the Company are not energy intensive. However, the Company takes continuous initiatives to curtail consumption of energy on an ongoing basis.

B. Technology absorption, adaptations and innovation

Not Applicable

C. Foreign Exchange Earnings and Outgo

Foreign Exchange earned: Rs. 82,664 lakhs

Out go : Rs. 21,755 lakhs

RELATED PARTY TRANSACTIONS

All related party transactions, that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. The Company presents a statement of all related party transactions before the Audit Committee. Prior omnibus approval of the Audit Committee has been obtained for the transactions which are of foreseen and repetitive nature. The transactions entered into pursuant to the omnibus approval so granted along with a statement giving details of all related party transactions is placed before the Audit Committee. Further there are no materially significant related party transactions during the year under review made by the Company with promoters, Directors, Key Managerial Personnel or designated persons which may have a potential conflict of interest with the Company at a large.

PARTICULARS OF LOAN, GUARANTEES AND INVESTMENT

In terms of Section 134 of the Companies Act, 2013 the particulars of Loan, Guarantees and Investment given by the Company under Section 186 of the Companies Act, 2013 is detailed in notes to accounts of the financial statements.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

Your Company has in place a policy on prevention, prohibition and Redressal of Sexual Harassment and Non-discrimination at work place in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. All employees (permanent, contractual temporary, trainees) are covered under this policy.

An Internal Complaints Committee (ICC) was set up to redress complaints received regarding sexual harassment and discrimination at work place.

During the year ended March 31, 2015, the ICC has received no complaints pertaining to Sexual harassment/discrimination at work place.

EXTRACT OF THE ANNUAL RETURN

Relevant extract of annual return to be filed with the Registrar of Companies for the financial year 2014-15 is given as Annexure to this Report.

INTERNAL CONTROL SYSTEMS

The Company has adequate system of internal control to safeguard and protect from loss, unauthorized use or disposition of its assets. All the transactions are properly authorized, recorded and reported to the Management. Internal Audit is carried out in a programmed way and follow up actions were taken for all audit observations.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

In terms of Section 135 and Schedule VII of the Companies Act, 2013, the Board of Directors of your Company has constituted a CSR Committee.

REMUNERATION POLICY FOR THE DIRECTORS, KEY MANAGERIAL PERSONNEL AND OTHER EMPLOYEES

In terms of the provisions of Section 178(3) of the Act and Clause 49(IV)(B)(1) of the Listing Agreement, the NRC is responsible for formulating criteria for determining qualification, positive attributes and independence of a Director. The NRC is also responsible for recommending to the Board a policy relating to remuneration of Directors, Key Managerial Personnel and other senior employees.

In line with this, Board has adopted

Remuneration Policy for Directors, Key Managerial Personnel and other senior employees of the Company. The copy of policy is available on the company's website www.gokaldasexports.com

DEVELOPMENT AND IMPLEMENTATION OF A RISK MANAGEMENT POLICY

Your Company has adopted a Risk Management Policy for addressing the requirements of risk identification, risk assessment, risk mitigation plans etc of the company.

RISK MANAGEMENT POLICY

In terms of Clause 49 of the listing agreement, the Board of Directors have formulated policy on risk management which can be accessed from the website of the Company at www.gokaldasexports.com

Acknowledgements and Appreciation

Your Directors take this opportunity to thank the customers, shareholders, suppliers, bankers, business partners and associates, financial institutions and the Central and State Governments for their consistent support and encouragement to the Company. I am sure you will join our Directors in conveying our sincere appreciation to all employees of the Company for their hard work and commitment.

On behalf of the Board of Directors

Richard B Saldanha
(Chairman)

P. Ramababu
(VC and MD)

Bangalore
12th August, 2015

ANNEXURE TO DIRECTORS' REPORT

FORM AOC-1 (Pursuant to first proviso to Sub-Section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014 Statement containing salient features of the financial statement of Subsidiaries/Associate Companies/Joint Ventures)

Part A - Subsidiaries

(Information in respect of each subsidiary to be present with amounts in Lakhs)

Sl. No.	Name of the Company Pvt Ltd	All Colour Garments Pvt Ltd	Deejay Trading Pvt Ltd	Glamourwear Apparels Pvt Ltd	Madhin Trading Pvt Ltd	Magenta Trading Pvt Ltd	Rafter Trading Pvt Ltd	Rajdin Trading Pvt Ltd	Reflexion Trading Pvt Ltd	Rishikesh Trading Pvt Ltd	Seven Hills Clothing Pvt Ltd	SNS Clothing Pvt Ltd	Vignesh Apparels Pvt Ltd	Robot Systems
1	Reporting period for the subsidiary concerned, if different from holding Company's reporting period	31st March, 2015	31st March, 2015	31st March, 2015	31st March, 2015	31st March, 2015	31st March, 2015	31st March, 2015	31st March, 2015	31st March, 2015	31st March, 2015	31st March, 2015	31st March, 2015	31st March, 2015
2	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	INR	INR	INR	INR	INR	INR	INR	INR	INR	INR	INR	INR	INR
3	Share Capital	2.00	2.00	2.00	2.00	2.00	2.00	2.00	1.00	2.00	2.00	2.00	2.00	12.00
4	Reserves & Surplus	346.87	115.80	151.81	72.23	70.42	68.87	200.30	21.95	96.64	323.72	0.02	83.11	-8.43
5	Total Assets	359.02	608.88	569.27	377.43	586.22	485.78	724.73	319.43	698.29	1733.82	1578.12	94.97	7.08
6	Total Liabilities	359.02	608.88	569.27	377.43	586.22	485.78	724.73	319.43	698.29	1733.82	1578.12	94.97	7.08
7	Investments	NIL	0.01	0.09	0.01	0.03	NIL	0.01	0.03	0.00	0.00	0.02	NIL	NIL
8	Turnover	0.00	2732.71	2102.50	1571.68	2731.61	3185.70	2736.08	2003.51	3263.39	7658.59	1722.99	0.00	NIL
9	Profit before taxation	-0.43	5.28	1.47	6.68	20.71	29.37	9.65	13.91	18.20	4.82	7.78	-0.66	-0.26
10	Provision for taxation	0.00	0.18	-2.46	5.53	15.80	23.88	6.49	10.86	16.07	1.57	5.46	0.00	0.00
11	Profit after taxation	-0.43	5.11	3.93	1.15	4.91	5.48	3.16	3.05	2.13	3.24	2.32	-0.66	-0.26
12	Proposed Dividend	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
13	% of Shareholding	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

Notes: The Following information shall be furnished at the end of the statement

- Names of Subsidiaries which are yet to commence operations - NA
- Names of Subsidiaries which have been liquidated or sold during the year - NA

ANNEXURE TO THE DIRECTORS' REPORT TO THE SHAREHOLDERS

Section 197 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company is as follows:

- 1) Ratio of remuneration of each director to the median remuneration of the employees of the Company for the financial year

Sl. No	Name	Designation	Remuneration Paid FY 2014-15 (Rs lacs)	Remuneration Paid FY 2013-14 (Rs lacs)	Increase in remuneration over previous year(Rs lacs)	Ratio/times per Median of employee remuneration
1	P. Ramababu *	VC & MD	Nil	Nil	NA	NA
2	Mr. Gautam Chakravarti**	CEO & WTD	110	135	Nil	0.012

Includes fixed and variable payments, does not include ESOP

*Appointed wef May 25, 2015

** resigned wef May 25 2015

- 2) The percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer, Company Secretary, in the financial year:
Mr. Gautam Chakravarti, Whole time Director & Chief Executive Officer – Nil
Mr. Sumit Keshan, Chief Financial officer – NIL
Ms. Ramya K, Company Secretary – 13.04%
- 3) The percentage increase in the median remuneration of employees in the financial year : 17.8%
- 4) The number of permanent employees on the rolls of Company as of 31 March 2015 : 26,591
- 5) The explanation on the relationship between average increase in remuneration and Company performance: Not Applicable
- 6) Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company.
During the year the Company has not done any fixed remuneration revision for CEO and CFO.
- 7) Variations in the market capitalization of the Company, price earnings ratio as at the closing date of the Current financial year and previous financial year:

Particulars	March 31, 2015	March 31, 2014	% Change
Market Capitalization (Rs. Crores)	143.4	187.3	(-)23.4%
P/E Ratio	4.1	(-)ve	NA

- 8) 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 : increase in non-managerial salaries were higher than the increase in managerial remuneration during 2014-15
- 9) Comparison of remuneration of each of the Key Managerial personnel against the performance of the Company (as % of revenue)

Mr. Gautam Chakravarti, WTD & CEO	0.09%
Mr. Sumit Keshan, Chief Financial Officer	0.08%
Ms. Ramya K	0.002%

*Excluding perquisite value of stock options exercised during the year ended March 31, 2015

- 10) Key parameters for any variable component of remuneration availed by the directors – revenue and operational profitability
- 11) The ratio of the remuneration of the highest paid director to that of the employees who are not directors but received remuneration in excess of the highest paid director during the year – None
- 12) Affirmation that the remuneration is as per the remuneration policy of the Company - The Company affirms that the remuneration is as per the remuneration policy of the Company.

ANNEXURE TO DIRECTORS' REPORT

DETAILS OF STOCK OPTIONS PURSUANT TO SEBI (SHARE BASED EMPLOYEE BENEFITS) REGULATION, 2014

	Description	ESOP Scheme- 2010
	No. of Options available under ESOP Scheme-2010	17,18,800
A)	No. of Options Granted during FY 2014-15	85,000
B)	The Pricing Formula	The exercise price for the purposes of the grant of options as decided by the ESOP Compensation Committee is Rs.32.25, 60.95 and 80.20, the price being not less than the Par value of the equity share of the Company and not more than the market price as on 20th May, 2013, 1st Feb, 2014 and 13th Aug, 2014 respectively being relevant date subject to the SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999.
C)	Options vested during FY2014-15	4,23,333
D)	Options Exercised during FY2014-15	2,18,332
E)	The total number of shares arising as a result of exercise of options	3.45,94,332
F)	Options lapsed FY2014-15	2,81,667
G)	Variation Terms of Options	Nil
H)	Money Realized by exercise of options	Rs.70,41,239
I)	Total Number of Options in Force as on March 31,2015	8,85,001
J)	Employee-wise details of options granted to	Details as under :
	i) Senior Managerial Personnel	Yes
	ii) Any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during the year	Nil
	iii) Identified employees who were granted option , during any one year , equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant	Nil
K)	Diluted Earnings Per share (EPS) pursuant to issue of shares on exercise of option calculated in accordance with Accounting Standard (AS) 20 "Earnings Per Share"	Rs. 9.87
L)	i) the Method of calculation of Employee Compensation Cost	Fair Value Method Black-Scholes-Merton
	ii) Difference between the employee compensation cost so computed at (i) above and the employee Compensation Cost that shall have been recognized if it had used the fair value of options	Nil
	iii) The impact of the difference on profits and on EPS of the Company	Nil
M)	Weighted average exercise prices and weighted average fair values of options shall be disclosed separately for options whose exercise price either equals or exceeds or is less than the market price	Exercise Price Rs. 40.89 Fair value Rs. 56.95
N)	A description of the method and significant assumptions used during the year to estimate the fair values of options, including the following weighted average information : 1) Risk-free interest rate 2) Expected life 3) Expected volatility 4) Expected dividends 5) Price of underlying share in market at the time of option grant	Fair Value Method – Black-Scholes-Merton 1) 7.95% 2) 10 yrs 3) 45.50% 4) 0.00 yield 5) Rs. 32.25