



**SPICE ISLANDS APPARELS LTD.**

27th Annual Report  
**2014-2015**



**SPICE ISLANDS APPARELS LTD.**

125-A, Mittal Tower, 12th Floor,  
210, Nariman Point, Mumbai - 400 021



In the presence of Mr. Umesh Katre ,Managing Director & Mr. Rohan Katre (CFO)  
a memento given on completion of 25 years of dedicated service  
to Mr. Radhakrishnan Nair, Jolly Philip & Mr. Ramesh Kamble





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### **TWENTY SEVENTH ANNUAL GENERAL MEETING**

Day : Tuesday

Date : 29th September 2015

Time : 10.30 am

Venue : M.C. Ghia Hall

Bhogilal Hargovindas Building,  
18/20 K. Dubash Marg,  
(Behind Prince of Wales Museum),  
Kala Ghoda, Mumbai - 400 001



## Board of Directors

### BOARD OF DIRECTORS

Chairman & Managing Director

**UMESH KATRE**

Whole-Time Director

**SEEMA KATRE**

Director

**ASHOK DARYANANI**

**CARL DANTAS**

**CHARUCHANDRA PATANKAR**

**RAHUL MEHTA**

Chief Financial Officer

**ROHAN KATRE**

Company Secretary

**PRAVIN KOKAM**

Bankers

**VIJAYA BANK**

Auditors

**M/s. T D JAIN & D I SAKARIA** (Chartered Accountants)

### REGISTERED OFFICE

Unit 43-48, 3rd Floor, Bhandup Industrial Estate, Pannalal Silk Mills Compound,  
L. B. S. Marg, Bhandup (W), Mumbai - 400 078. Tel.: 61992900

WEBSITE : [www.spiceislandsapparelslimited.in](http://www.spiceislandsapparelslimited.in) • Email: [sales@spiceislandsindia.com](mailto:sales@spiceislandsindia.com)  
Corporate Identification Number: L17121MH1988PLC050197

### CORPORATE OFFICE

125-A, Mittal Tower, 210 Nariman Point, Mumbai 400 021  
Tel.: 67400800 Fax : 22826167

### FACTORY

S. F. No. 287, Kuthampalayam,  
Thirumurgan Poondi (P. O.),  
P. N. Road, Tirupur - 641 652.  
Tel.: 0421-2350492/3

C/o. Vinayak International  
1349, 5th Cross, Muninagappa Layout,  
Kavalbyrasandra, R. T. Nagar Post,  
Bangalore – 560 032  
Tel. : 080-23652872

Unit 43-48,  
Bhandup Industrial Estate,  
Pannalal Silk Mills Compound,  
L. B. S. Marg, Bhandup (W),  
Mumbai - 400 078. Tel.: 61992900

### FOR LODGING INVESTOR GRIEVANCES :

[grievance\\_redressal@spiceislandsindia.com](mailto:grievance_redressal@spiceislandsindia.com)

### REGISTRAR & SHARE TRANSFER AGENT

**LINK INTIME INDIA PRIVATE LIMITED**

C-13, Bhandup Industrial Estate, Pannalal Silk Mills Compound, L. B. S. Marg,  
Bhandup (W), Mumbai - 400 078.  
Ph.: 022- 2596 3838 Fax : 022-2596 2691  
E-mail : [helpdesk@linkintime.co.in](mailto:helpdesk@linkintime.co.in)



## Notice of Annual General Meeting

### SPICE ISLANDS APPARELS LIMITED

Unit 43-48, 3rd Floor, Bhandup Industrial Estate, Pannalal Silk Mills Compound,

L. B. S. Marg, Bhandup (W), Mumbai - 400 078.

Corporate Identification Number : L17121MH1988PLC050197

Website: www.spiceislandsapparelslimited.in

Tel.: 61992900 Email: sales@spiceislansindia.com

### Notice Of Annual General Meeting.

Notice is hereby given that the Twenty Seventh Annual General Meeting of the members of SPICE ISLANDS APPARELS LIMITED will be held at M. C. Ghia Hall, Bhogilal Hargovindas Building, 18/20 K. Dubash Marg, (Behind Prince of Wales Museum), Kala Ghoda, Mumbai - 400 001 on Tuesday, 29th day of September, 2015 at 10.30 a.m. to transact the following business:

#### Ordinary Business

1. To receive, consider and adopt the audited financial statements of the Company for the financial year ended March 31, 2015, the reports of the Board of Directors and Auditors thereon.
2. To declare dividend on equity shares.
3. To appoint Auditors and fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013, the Companies (Audit and Auditor) Rules, 2014 and other applicable provisions, if any, M/s. T D Jain and D I Sakaria, Chartered Accountants (Registration No.002491S) be and are hereby appointed as Auditors of the Company, to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the Company at such remuneration as shall be fixed by the Board of Directors of the Company".

**"Resolved further that** Board of Directors of the Company be and is hereby authorised to do all acts, deeds, matters and things as may be considered necessary, desirable or expedient for giving effect to this Resolution."

For and on behalf of the Board of Directors,  
**SPICE ISLANDS APPARELS LIMITED**

PLACE : MUMBAI  
DATE : 29th May, 2015.

**UMESH M. KATRE**  
(Chairman & Managing Director)



## Notes

1. A member entitled to attend and vote at the Annual General Meeting (the “Meeting”) is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the Company. The instrument appointing the proxy, in order to be effective, must be deposited at the Registered Office of the Company, not less than forty-eight hours before the commencement of the Meeting. Proxies submitted on behalf of limited companies and trusts must be supported by appropriate resolution/authorisation, as applicable.

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 or shareholder.

2. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
3. Members are requested to bring their attendance slip along with their copy of Annual Report to the Meeting.
4. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names entitled to vote.
5. Relevant documents referred to in the accompanying Notice and the Statement are open for inspection by the members at the administrative office of the Company on all working days, except Saturdays, during business hours up to the date of the Meeting.
6. (a) The Company has notified closure of Register of Members and Share Transfer Books from Wednesday, 23rd September, 2015 to Tuesday, 29th September, 2015 (both days inclusive) for determining the names of members eligible for dividend on Equity Shares, if declared at the Meeting.  
(b) The Dividend on Equity Shares, if declared at the Meeting will be credited/dispatched within the statutory time limit to those members whose names shall appear on the Company's Register of Members on 22nd September, 2015, in respect of the shares held in de-materialized form, the dividend will be paid to members whose names are furnished by National Securities Depository Limited and Central Depository Services (India) Limited as beneficial owners as on that date.
7. (a) Members holding shares in electronic form may note that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its Registrar and Transfer Agents, Link Intime India Private Ltd. (Link) can not act on any request received directly from the members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant by the members.  
(b) Members holding shares in electronic form are requested to inform immediately any change in their address or bank mandates to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to advise any change in their address or bank mandates immediately to the Company/Link Intime.
8. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company/Link Intime.
9. Members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the Company.
10. Members who hold shares in Physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to Link Intime (Registrar and Share Transfer Agent) for consolidation into a single folio.
11. Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.



## Notes

### 12. Voting through Electronic means:

- (i) In compliance with the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to offer the facility of voting through electronic means, and the business set out in the Notice above may be transacted through such electronic voting. The facility of voting through electronic means is provided through the e-voting platform of Central Depository Services (India) Limited (“remote e-voting”)
- (ii) The Members whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the cut off date of September 22, 2015 shall be entitled to avail the facility of remote e-voting as well as voting at the AGM. Any recipient of the notice who has no voting rights as on the cut off date shall treat this notice as intimation only.
- (iii) A person who has acquired the shares and became member of the Company after the despatch of the notice of the annual general meeting and prior to the cut off date i.e. September 22, 2015, shall be entitled to exercise his votes either electronically i.e. remote e-voting or through the poll paper at the AGM by following the procedure mentioned in this part.
- (iv) The remote e-voting will commence on Saturday, September 26, 2015 at 10.00 a.m. and will end on Monday, September 28, 2015 at 5.00 p.m. During this period, the members of the Company holding shares either in physical form or in demat form as on the cut off date i.e. September 22, 2015 may cast their vote electronically. The Members will not be able to cast their vote electronically beyond the date and time mentioned above and the remote e-voting module shall be disabled for voting by CDSL thereafter.
- (v) Once the vote on a resolution is cast by the member, he shall not be allowed to change it subsequently or cast the vote again.
- (vi) The facility for voting through Poll Paper would be made available at the AGM and the Members attending the Meeting who have not already cast their votes by remote e-voting shall be able to exercise their right at the Meeting through Polling Paper. The Members who have already cast their vote by remote e-voting prior to the Meeting may also attend the Meeting but shall not be entitled to cast their vote again.
- (vii) The voting rights of the Members shall be in proportion to their share in the paid up equity share capital of the Company as on the cut off date of September 22, 2015.
- (viii) The Company has appointed Mr. Umesh Maskeri, Practicing Company Secretary (FCS No 4831 COP NO 12704), to act as the Scrutinizer for conducting the remote e-voting process as well as the voting through poll paper at the AGM in a fair and transparent manner.
- (ix) The procedure and instructions for remote e-voting are, as follows:
  - a. Open your web browser during the voting period and log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
  - b. Now click on “Shareholders” to cast your votes.
  - c. Now, fill up the following details in the appropriate boxes:

User-ID	<ol style="list-style-type: none"> <li>a. For CDSL: 16 digits beneficiary ID</li> <li>b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID</li> <li>c. Members holding shares in physical form should enter the Folio Number registered with the Company</li> </ol>
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- d. Next enter the Image Verification as displayed and Click on Login.
- e. If you are a first time user follow the steps given below:

For members holding shares in demat form and physical form	
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <p>Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence No. which is printed on postal ballot/attendance slip indicated in the pan field.</p>



## Notes

DOB*	Enter the Date of Birth as recorded in dd/mm/yyyy format.
Dividend Bank Details*	Enter the Dividend Bank Details as recorded in your demat account or the Company records for the said folio.  Please enter DOB or Dividend Bank details in order to log in. If the details are not recorded with the Depository or Company, Please enter the Member Id/Folio Number in the Dividend Bank details field.

- f. After entering these details appropriately, click on “SUBMIT” tab.
- g. Members holding shares in physical form will then directly reach the Company selection screen. However, Members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- h. For Members holding shares in physical form, the details can be used only for remote e-voting on the resolutions contained in this Notice.
- i. Now, select the Electronic Voting Sequence Number (“EVSN”) along with “SPICE ISLANDS APPARELS LIMITED” from the drop down menu and click on “SUBMIT”.
- j. On the voting page, you will see Resolution Description and against the same, the option “YES/NO” for voting. The option “YES” implies that you assent to the Resolution and Option “NO” implies that you dissent to the Resolution. Enter the number of shares (which represents number of votes) under “YES/NO” or alternatively you may partially enter any number in “YES” and partially in “NO”, but the total number in “YES” and “NO” taken together should not exceed your total shareholding.
- k. Click on the RESOLUTION FILE LINK if you wish to view the entire Notice.
- l. After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- m. Once you ‘CONFIRM’ your vote on the resolution, you will not be allowed to modify your vote.
- n. You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- o. If Demat account holder has forgotten the same password then Enter the user ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- p. Note for Non – Individual Members and Custodians:
  - Non-Individual Members (i.e. other than Individuals, HUF, NRI, etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details, a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.





## Notes

- (x) The Chairman shall, at the AGM, at the end of the discussion on the resolutions on which voting is to be held, allow voting, with the assistance of the Scrutinizer, by use of Poll Paper for all those Members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- (xi) The Scrutinizer shall immediately after the conclusion of voting at the AGM, first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of atleast two witnesses not in the employment of the Company and shall not later than three days of conclusion of the meeting, issue a consolidated Scrutinizers Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing who shall countersign the same. The Chairman or a person authorised by him in writing shall declare the Result of the voting forthwith.
- (xii) The Results declared, alongwith the Scrutinizer's Report, will be posted immediately, after the declaration of the same by the Chairman on the Company's website [www.spiceislandapparelslimited.in](http://www.spiceislandapparelslimited.in) and also on the website of CDSL [www.evotingindia.com](http://www.evotingindia.com)
- (xiii) In case you have any queries or issues regarding remote e-voting, please contact [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or Tel. No. 022-61992900 or [pravin.kokam@spiceislandsapparelslimited.in](mailto:pravin.kokam@spiceislandsapparelslimited.in)
- (xiv) In case of any query or grievance relating to e-voting, members may contact Mr. Pravin Kokam, Company Secretary at the Registered Office of the Company at Telephone No 022-61992900 or by email to [pravin.kokam@spiceislandsapparelslimited.in](mailto:pravin.kokam@spiceislandsapparelslimited.in).

### REQUEST TO THE MEMBERS

1. Members desiring any relevant information on the accounts at the Annual General Meeting are requested to write to the Company at least seven days in advance, so as to enable the Company to keep the information ready.
2. As a measure of economy, copies of the Annual Report will not be distributed at the Annual General Meeting. Members are requested to bring their copies of the Annual Report to the Meeting.
3. Members who hold shares in demat mode are requested to bring their Client ID and DP ID numbers for easy identification of membership at the Meeting.
4. For the convenience of Members, an Attendance Slip is annexed to the Proxy Form. Members are requested to fill in and affix their signatures at the space provided therein and hand over the Attendance Slip at the entrance of the place of the Meeting. Proxy / Representative of a Member should mark on the Attendance Slip as "Proxy" or "Representative", as the case may be.

For and on behalf of the Board of Directors,  
**SPICE ISLANDS APPARELS LIMITED**

PLACE : MUMBAI  
 DATE : 29th May, 2015.

**UMESH M. KATRE**  
 (Chairman & Managing Director)



## Directors' Report

To,  
The Members,

**Your Directors have pleasure in presenting their Twenty Seventh Annual Report on the business and operations of the Company and the accounts for the financial year ended March 31st, 2015.**

### 1. FINANCIAL RESULTS

The Company's financial performance, for the financial year ended March 31, 2015 is summarised as below:

	<b>STANDALONE</b>
	Rs (in lacs)
Revenue from operations(net) and other income	2489.13
<b>Profit Before Tax (PBT)</b>	<b>81.72</b>
Provision for tax (including previous year + deferred tax)	(20.70)
<b>Profit After Tax (PAT)</b>	<b>61.02</b>
Balance brought forward from previous year	402.73
Depreciation adjustment	19.18
Profit available for appropriations	444.58
<b>Appropriation</b>	
Proposed Equity Dividend	64.50
Tax on Proposed Equity Dividend	12.90
General Reserve	1.00
Surplus Carried to next year's account	366.18

During the year under review, the turnover of the Company registered an increase of about 49% over the financial year 2013-2014 and 95% over the financial year 2012-2013. In short the turnover has almost doubled in last two years. On the other hand other income has declined due to reasons beyond management's control.

The market in the Europe and Middle East looks brighter and the Management's efforts to push the sales in Middle East is yielding better results. The increased activity and tighter control over the expenses has resulted into a net profit of Rs.81.72 lacs as against Rs.48.41 lacs in the preceding year.

The current year has begun on a good note and the Company expects further improvement in its performance.

### 2. DIVIDEND

Your Directors are pleased to recommend a dividend of Rs. 1.50 per share. Dividend if approved by the shareholders, at the Annual General Meeting, will absorb Rs. 64.50 Lacs.

### 3. RESERVES

The Board proposes to transfer Rs. 1 Lac to General Reserve.

### 4. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

#### Industry structure & developments

The Textile & Garment Industry is booming – there are excitements all around and new opportunities to surge further ahead.

#### Opportunities and Threats

Market is growing both locally and internationally. There's an unprecedented retail boom on domestic front and the possibilities are immense although with consequent keen price war.