

34<sup>th</sup>  
Annual Report  
2015-16



**ADDI INDUSTRIES LIMITED**

CIN: L51109DL1980PLC256335

**Registered Office:**  
23, Eastern Avenue,  
Maharani Bagh, New Delhi - 110065

<b>BOARD OF DIRECTORS</b>	:	Shri C.L. Jain	-	Managing Director
	:	Dr. B.K. Behera	-	Independent Director
	:	Shri V.B. Aggarwal	-	Independent Director
	:	Shri S.R. Sharma	-	Independent Director
	:	Dr. Kusum Chopra	-	Independent Director
	:	Shri Hari Bansal	-	Director
<b>CHIEF FINANCIAL OFFICER</b>	:	Shri Atul Jain		
<b>COMPANY SECRETARY</b>	:	Smt. Heena Arora		
<b>BANKERS</b>	:	Punjab National Bank		
<b>AUDITORS</b>	:	M/s S.R. Dinodia & Co. LLP Chartered Accountants K-39 Connaught Circus New Delhi-110 001		
<b>REGISTERED OFFICE</b>	:	23, Eastern Avenue Maharani Bagh, New Delhi - 110065		
<b>WORKS &amp; CORPORATE OFFICE</b>	:	A-105, 106, Sector IV Noida – 201 301 (U.P.)		

<b>CONTENTS</b>		<b>PAGE NO.</b>
1.	Directors' Report	1
2.	Management Discussion and Analysis Report	12
3.	Report on Corporate Governance	13
4.	Auditors' Report (Standalone)	22
5.	Balance Sheet	25
6.	Statement of Profit and Loss	26
7.	Cash Flow Statement	27
8.	Auditors' Report (Consolidate)	44
10.	Consolidated Financial Statements	47
11.	Form AOC-1	65

**DIRECTORS' REPORT**

**Dear Members**

The Directors of your Company present their 34<sup>th</sup> Annual Report & the Audited Statements of Account of the Company for the financial year ended March 31, 2016.

**Financial Results**

The performance of your Company for the financial year ended March 31, 2016 is summarized below:

(Rs./Lakhs)

	2015-16	2014-15
Turnover & other Income	247.83	262.79
(incl. Exports)	Nil	Nil
Gross Profit before financial exp. & depreciation	151.88	127.72
Less: Financial Expenses	Nil	0.29
Depreciation	43.09	48.50
Exceptional Items	24.36	(0.73)
<b>Net Profit/(Loss) before Tax</b>	<b>84.43</b>	<b>79.66</b>
Less : Provision for Taxation	28.30	9.63
Income Tax adj. for earlier years	(0.25)	NIL
Less: Adj. for deferred tax	(8.03)	(10.33)
Mat credit entitlement	Nil	(9.63)
<b>Net Profit /(Loss) after tax</b>	<b>64.41</b>	<b>89.99</b>
Add: Amount b/f from last year	(7.95)	(88.35)
Impact of carrying amount of asset Where remaining useful life is Nil	Nil	(9.59)
Balance transferred to Balance Sheet	56.46	(7.95)

**Dividend**

In view of accumulated losses, the Directors are not in a position to recommend any dividend for the financial year 2015-16.

**Operations**

The performance of your Company during the financial year under review has been impacted substantially, due to scale-down of operations to negligible, higher input costs, low export orders and subdued cotton & textile markets.

**Future Business Prospects:**

The Board of Directors have been exploring and assessing various available business propositions for diversification including, inter-alia, the manufacturing of Woven Garments, for better prospects, and for augmenting the resources & the profitability of the Company. The Directors are hopeful of improved working results in the ensuing period.

**Technology upgradation, modernisation-cum-diversification**

The Company has not incurred any expenditure on technology upgradation & modernization of machinery and equipment during the year under report and during the preceding year.

**Future Prospects**

During the first quarter of the financial year 2016-17, the Company has achieved a nil turnover as against Rs. NIL in the corresponding first quarter of the previous year. Strict monitoring is being done to cut down costs and overheads wherever feasible to make the product more price competitive.

**Finances**

Your Company continues to have the support of its Bankers, Punjab National Bank, for the working capital requirements commensurate with its business activities no need basis.

**Deposits**

The Company has neither invited nor accepted any deposits from the Public during the year under report.



## **Particulars of Loans, Guarantees or Investments**

The Company has not given any loans or guarantees covered under the provisions of Section 186 of the Companies Act, 2013.

The details of the investments made by Company are given in the notes to the financial statements.

## **Internal Financial Control Systems and their adequacy**

The Company has an internal control system, commensurate with the size, scale and complexity of its operations. The scope and authority of the internal audit function is defined in the Internal Audit Manual. To maintain its objectivity and independence, the internal audit function reports to the Chairman of the Audit Committee of the Board and to the Managing Director.

Rajeev Shagun Gupta & Co were appointed as Internal Auditors in terms of Section 138 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2015 monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies of the Company. 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 recommendations, if any, along with corrective actions thereon are presented to the Audit Committee of the Board.

## **Directors**

Mr. Chaman Lal Jain, Director, retires by rotation at the ensuing Annual General Meeting and is eligible for re-appointment. Board of Directors recommends his re-appointment.

## **Board Evaluation**

Pursuant to the provisions of the Companies Act, 2013 and the requirements of the Listing agreement executed under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Board has carried out an evaluation of its own performance, the directors individually as well as the evaluation of the various Committees. The evaluation process focused on various aspects of the Board and Committees functioning such as composition of the Board and Committees, experience and competencies, performance of specific duties and obligations, governance issues etc. Separate exercise was carried out to evaluate the performance of individual Directors on parameters such as attendance, contribution and independent judgment. The Directors expressed their satisfaction with the evaluation process.

## **Remuneration Policy**

The Board on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The Remuneration Policy is stated in the Corporate Governance Report.

## **Meetings**

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

During the year four Board Meetings and four Audit Committee Meetings were convened and held. The details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

## **Audit Committee**

The Company has in place an Audit Committee in terms of the requirements of the Companies Act, 2013 read with the rules made thereunder and the requirements of the Listing agreement executed under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The details relating to the same are given in Report on Corporate Governance forming part of this Report.

## **Directors' Responsibility Statement**

In terms of Section 134(5) of the Companies Act, 2013 the directors would like to state that:

- i) In the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- ii) The directors have selected such accounting policies and have applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for the year under review;
- iii) The directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting any fraud or other irregularities;
- iv) The directors have prepared the annual accounts on a going concern basis;

- v) The directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- vi) The directors had devised proper system to ensure compliance with the provisions of all applicable laws and that such system were adequate and operating effectively.

**Related party transactions**

All related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of the business. There are no materially significant related party transactions made by the Company with Promoters, Key Managerial Personnel or other designated persons which may have potential conflict with the Company at large. Accordingly, no transactions are being reported in Form AOC-2 in terms of Section 134 of the Act read with rules made thereunder.

**Amount carried to Reserve**

The Company has not transferred any amount to the reserves during the current financial year.

**Material changes and commitments affecting the financial position of the Company between the end of the financial year and the date of the report**

There are no material changes and commitments affecting the financial position of the Company between the end of the financial year and the date of this Report.

**Code of Conduct**

The Board of Directors has approved a Code of Conduct which is applicable to the Members of the Board and all employees in the course of day to day business operations of the Company. The Company believes in "Zero Tolerance" against bribery, corruption and unethical dealings/behaviors of any form.

The Code lays down the standard procedure of business conduct which is expected to be followed by the Directors and the designated employees in their business dealings and in particular on matters relating to integrity at the work place, in business practices and in dealing with stakeholders. The Code gives guidance through examples on the expected behavior from an employee in a given situation and the reporting structure.

All the Board Members and the Senior Management personnel have confirmed compliance with the Code.

**Vigil Mechanism/Whistle Blower Policy**

The Company has a vigil mechanism policy to deal with the instance of fraud and mismanagement, if any.

In staying true to our values of strength, performance and passion and in line with our vision of being one of the Companies, having highest standards of Corporate Governance and stakeholder responsibility. The periodic report for any instance is to be reported before the Audit Committee.

**Prevention of Insider Trading**

The Company has adopted a Code of Conduct for prevention of insider trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading window is closed. The Board is responsible for implementation of the Code.

All Board members and the designated employees have confirmed compliance with the Code.

**Details of significant & material orders passed by the Regulators or Courts or Tribunals**

During the year under review, there were no material and significant orders passed by the regulators or courts or tribunals impacting the going concern status and the Company's operations in future.

**Secretarial Auditors**

As required under Section 204(1) of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of managerial Personnel) Rules, 2015 the Company had appointed Ms. Jyoti Sharma, Company Secretary in practice of JVS & Associates to undertake the Secretarial Audit of the Company for the financial year 2015-16. The Secretarial Audit Report for the financial year ended March 31, 2016 is annexed as **Annexure-A**.

**Auditors**

M/s. S.R. Dinodia & Co. LLP, Chartered Accountants, New Delhi, retire and being eligible, offer themselves for re-appointment as Auditors of the Company for the current financial year 2016-17, to hold office till the conclusion of



## ADDI INDUSTRIES LIMITED

the next Annual General Meeting. The Company has received the consent and the requisite Certificate(s) under the Companies Act, 2013, from them.

### **Auditor's Report/Secretarial Audit Report**

The observation made in the Auditors'/Secretarial Auditors' Report read together with relevant notes thereon are self-explanatory and hence do not call for any further comments under Section 134 of the Companies Act, 2013.

### **Extract of Annual Return**

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

### **Subsidiary Company**

During the year under review, M/s Aum Texfab Pvt. Ltd. continues to be a Subsidiary of the Company and the contribution of the said Subsidiary Company was insignificant. The consolidated financial statements of the Company and its above said subsidiary form part of the Annual Report.

### **Consolidated Financial Statements**

Your Directors have pleasure in attaching the Consolidated Financial Statements pursuant to Section 129(3) of the Companies Act, 2013 and in terms of the Listing Agreement entered with the Stock Exchanges and prepared in accordance with the Accounting Standards prescribed by the Institute of Chartered Accountants of India, in this regard.

The Auditors report to the shareholders does not contain any qualification, observation or adverse comment.

### **Corporate Governance**

The Management Discussion & Analysis Report and the Report on Corporate Governance, along with the Certificate from the Auditors of the Company regarding compliance with the conditions of Corporate Governance as stipulated under the requirements of the Listing agreement executed under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, is given in the Annexure, forming part of this Report. The Corporate Governance Report for the financial year ended March 31, 2016 is annexed as **Annexure-C**.

### **Particulars of Employees**

There was no employee who was in receipt of remuneration for the financial year under report in the aggregate of not less than Rs. 60 Lacs per annum, if employed throughout the year or Rs. 5 lacs per month, if employed for part of the financial year, within the meaning of Section 197 read with rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The information required pursuant to Section 197(12) of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company, is annexed to this Report as **Annexure-D**.

### **Energy Conservation, Technology Absorption and Foreign Exchange Earnings & Outgo**

The relevant information & data required to be disclosed in terms of the provisions of the Companies Act, 2013 and the rules made thereunder is given in the **Annexure- E** and forms part of this Report.

### **Acknowledgements**

Industrial relations continue to be cordial during the year under report. The Directors appreciate the effort and contribution made by the Workers, Staff Members and Executives at all levels. The Directors would also like to thank the Shareholders, Bankers, Customers, and Suppliers & Vendors for the continuous support given by them to the Company, and their confidence in its management.

**For and on behalf of the Board of Directors**

Place : New Delhi  
Dated : August 13, 2016

<b>C.L. Jain</b>	<b>Hari Bansal</b>
<b>Mg. Director</b>	<b>Director</b>
<b>(DIN00022903)</b>	<b>(DIN00022923)</b>

**Secretarial Audit Report  
(For the Financial Year ended March 31, 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, 2015]

To,  
The Board of Directors  
**ADDI INDUSTRIES LIMITED**  
23, EASTERN AVENUE, MAHARANI BAGH  
NEW DELHI – 110065

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **ADDI INDUSTRIES 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 my opinion thereon. Based on our verification of the 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 ended on 31<sup>st</sup> 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. I have examined the books, papers, minute books, forms and returns filed and other records maintained by **ADDI INDUSTRIES LIMITED** (“**The Company**”) for the period ended on 31<sup>st</sup> March, 2016 according to the provisions of:
  - I. The Companies Act, 2013 (**the Act**) and the Rules made thereunder;
  - II. The Securities Contracts (Regulation) Act, 1956 (**‘SCRA’**) and the Rules made thereunder;
  - III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
  - IV. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
  - V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (**‘SEBI Act’**) to the extent applicable to the Company :-
    - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
    - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
    - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
    - d. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
    - e. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
    - f. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
    - g. The Company has complied with the requirements under the Equity Listing Agreements entered into with BSE Limited, National Stock Exchange of India Limited; and
    - h. The Memorandum and Articles of Association.
2. I have also examined compliance with the applicable clauses of the following:
  - i) Secretarial Standards issued by The Institute of Company Secretaries of India.
  - ii) The Listing Agreements entered into by the Company with the BSE Limited.During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, Listing Agreements etc. mentioned above.
3. I further report that the Company has, in my opinion, complied with the provisions of the Companies Act, 1956 and the Rules made under that Act and the provisions of Companies Act, 2013 as notified by Ministry of Corporate Affairs and the Memorandum and Articles of Association of the Company, with regard to:
  - a) maintenance of various statutory registers and documents and making necessary entries therein;
  - b) closure of the Register of Members;
  - c) forms, returns, documents and resolutions required to be filed with the Registrar of Companies and the Central Government;
  - d) service of documents by the Company on its Members, Auditors and the Registrar of Companies;
  - e) notice of Board meetings and Committee meetings of Directors;
  - f) the meetings of Directors and Committees of Directors including passing of resolutions by circulation;
  - g) the 33<sup>rd</sup> Annual General Meeting was held on 30<sup>th</sup> September 2015;
  - h) minutes of proceedings of General Meetings and of the Board and its Committee meetings;



- i) approvals of the Members, the Board of Directors, the Committees of Directors and the government authorities, wherever required;
  - j) constitution of the Board of Directors / Committee(s) of Directors, appointment, retirement and reappointment of Directors including the Managing Director and Whole-time Directors;
  - k) payment of remuneration to Directors including the Managing Director;
  - l) appointment and remuneration of Auditors and Cost Auditors;
  - m) transfers and transmissions of the Company's shares and issue and dispatch of duplicate certificates of shares;
  - n) borrowings and registration, modification and satisfaction of charges wherever applicable;
  - o) investment of the Company's funds including investments and loans to others;
  - p) form of balance sheet as prescribed under Part I, form of statement of profit and loss as prescribed under Part II and General Instructions for preparation of the same as prescribed in Schedule III to the Act;
  - q) Directors' report;
  - r) contracts, common seal, registered office and publication of name of the Company; and
  - s) generally, all other applicable provisions of the Act and the Rules made under the Act.
4. I further report that:
- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
  - Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
  - Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.
  - The Company has obtained all necessary approvals under the various provisions of the Act.
  - There was no prosecution initiated and no fines or penalties were imposed during the year under review under the Act, SEBI Act, SCRA, Depositories Act, Listing Agreement and Rules, Regulations and Guidelines framed under these Acts against / on the Company, its Directors and Officers.
  - The Directors have complied with the disclosure requirements in respect of their eligibility of appointment, their being independent and compliance with the Code of Business Conduct & Ethics for Directors and Management Personnel.
5. The Company has complied with the provisions of the Securities Contracts (Regulation) Act, 1956 and the Rules made under that Act, with regard to maintenance of minimum public shareholding.
6. I further report that the Company has complied with the provisions of the Depositories Act, 1996 and the Byelaws framed thereunder by the Depositories with regard to dematerialization / rematerialisation of securities and reconciliation of records of dematerialized securities with all securities issued by the Company.
7. The Company has complied with the provisions of the FEMA, 1999 and the Rules and Regulations made under that Act to the extent applicable.
8. I further report that:
- a) the Company has complied with the requirements under the Equity Listing Agreements entered into with BSE Limited;
  - b) the Company has complied with the provisions of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 including the provisions with regard to disclosures and maintenance of records required under the said Regulations;
  - c) the Company has complied with the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 including the provisions with regard to disclosures and maintenance of records required under the said Regulations;
9. I further report that based on the information received and records maintained 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.
- I further report that** there are adequate systems and processes in the company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.



**EXTRACT OF ANNUAL RETURN**

**As on the financial year ended on 31<sup>st</sup> March, 2016**

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

**I. REGISTRATION AND OTHER DETAILS:**

CIN:-	L51109DL1980PLC256335
Registration Date:-	26-December-1980
Name of the Company	Addi Industries Ltd.
Category / Sub-Category of the Company:-	Company Limited by Shares Indian Non- Government Company
Address of the Registered office and Contact details	23, Eastern Avenue, Maharani Bagh, New Delhi-110065.
Whether Listed Company Yes/No	Yes
Name, Address and Contact Details of Registrar and Transfer Agent, If any	Beetal Financial & Computer Services (P) Ltd., Beetal House, 3rd Floor, 99, Madangir, Behind Local Shopping Centre, Near Dada Harsukh Das Mandir, New Delhi- 110 062

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

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

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Manufacture of textiles	Group - 131 Class- 1311 Sub class-13111	—

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

Sl. No.	Name & Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section(s)
	Aum Textfab Private Limited <b>Address-</b> B-44, Maharani Bagh, New Delhi-110065.	U17111DL1991PTC043448	Subsidiary	100	2(46) & 2(87) of the Companies Act, 2013



## ADDI INDUSTRIES LIMITED

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

#### (i) Category-wise Share Holding

Category of shareholders	No. of shares held at the beginning of the year				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	
<b>A. Promoters</b>									
(1) Indian									
(a) Individual/HUF	7460195	56000	7516195	69.62	7460195	56000	7516195	69.62	0
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	501980	0	501980	04.65	501980	0	501980	04.65	0
e) Banks/ FI	0	0	0	0	0	0	0	0	0
f) Any Other...	0	0	0	0	0	0	0	0	0
Sub Total (A) (1):-	7962175	56000	8018175	74.27	7962175	56000	8018175	74.27	0
(2) Foreign									
a) NRIs- Individuals	0	0	0	0	0	0	0	0	0
b) Other- Individuals	0	0	0	0	0	0	0	0	0
c) Bodies corp.	0	0	0	0	0	0	0	0	0
d) Banks/FI	0	0	0	0	0	0	0	0	0
e) Any other...	0	0	0	0	0	0	0	0	0
Sub Total (A) (2):-	0	0	0	0	0	0	0	0	0
Total Shareholding of Promoter (A) = (A) (1) + (A) (2)	7962175	56000	8018175	74.27	7962175	56000	8018175	74.27	0
<b>B. Public Shareholding</b>									
1. Institutions									
a) Mutual Funds	0	6400	6400	0.06	0	6400	6400	0.06	0
b) Banks /FI	200	5000	5200	0.05	200	5000	5200	0.05	0
c) Central govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)									
Sub Total (B)(1) :-	200	11400	11600	0.11	200	11400	11600	0.11	0
2. Non- Institutions									
a) Bodies Corp.									
i) Indian									
ii) Overseas	890357	4840	895197	8.29	1065110	4840	1069950	9.91	1.62
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 Lakh	791263	628766	1420029	13.15	823901	620454	1444355	13.37	0.22
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	407659	0	407659	3.78	209159	0	209159	1.93	1.85
c) Others									
NRIs	5580	200	5780	0.05	5580	200	5780	0.05	0.00
HUF	38134	0	38134	0.35	37555	0	37555	0.35	0.00
Sub Total (B)(2):-	2132993	633806	2766799	25.63	2141305	625494	2766799	25.63	0.00
Total public shareholding (B)=(B)(1)+(B)(2)	2133193	645206	2778399	25.73	2141505	636894	2778399	25.73	0.00
C. Shares held by Custodian for GDRs & ADRs				0				0	0
<b>Grand Total(A+B+C)</b>	<b>10095368</b>	<b>701206</b>	<b>10796574</b>	<b>100</b>	<b>10103680</b>	<b>692894</b>	<b>10796574</b>	<b>100</b>	

**(ii). Shareholding of Promoters**

Sl No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in the share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Urmila Jain	3714493	34.40	Nil	3714493	34.40	Nil	0
2	Chaman Lal Jain	1689818	15.65	Nil	1689818	15.65	Nil	0
3	Anu	56000	0.52	Nil	56000	0.52	Nil	0
4	Anju Kumari	59100	0.55	Nil	59100	0.55	Nil	0
5	Hari B. Bansal	996118	9.23	Nil	996118	9.23	Nil	0
6	Abhishek Bansal	1000666	9.27	Nil	1000666	9.27	Nil	0
7	Ultimate Investment LLP	501980	4.65	Nil	501980	4.65	Nil	0
	<b>Total</b>	<b>8018175</b>	<b>74.27</b>		<b>8018175</b>	<b>74.27</b>		<b>0</b>

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

There has been no change in the Promoters' holding during the year under review.

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

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	GLOBAL CREDIT CAPITAL LTD.#	798008	7.3913	798008	7.3913
2	PNR Capital Services Limited##	---	----	176905	1.6378
3	SANDEEP SARAF	143997	1.3337	143997	1.3337
4	QUANTUM SECURITIES PVT LTD	74190	0.6872	74190	0.6872
5	SAROJ RANI JUNEJA	71662	0.6637	71662	0.6637
6	SANTOSH GUPTA	23530	0.2179	23530	0.2179
7	BRIJ MOHAN RATHI	16328	0.1512	16328	0.1512
8	TARA CHAND JAIN	15965	0.1479	15965	0.1479
9	SAROSH MINOCHER MINOCHER HOMJEE	14026	0.1299	14026	0.1299
10	Subramanian P.###	905	0.0084	12184	0.1129

# in 2016 on March 18, 2016 it sold 1700 Shares.

##Acquired Shares on March 18, 2016

###Acquired 1900, 3765, 150, 860 Shares on January 8, 15, 22, 29 2016 respectively.

**(V) Shareholding of Directors and Key Managerial Personnel:**

Apart from the aforesaid Promoter Director, no other director(s) or Key Managerial Personnel holds any Share in the Company.



**V. INDEBTEDNESS**

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	NIL	NIL	NIL	NIL
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	NIL	NIL	NIL	NIL
<b>Total (i+ii+iii)</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>
Change in Indebtedness during the financial year				
• Addition	NIL	NIL	NIL	NIL
• Reduction	NIL	NIL	NIL	NIL
Net Change				
Indebtedness at the end of the financial year				
i) Principal Amount	NIL	NIL	NIL	NIL
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	NIL	NIL	NIL	NIL
<b>Total (i+ii+iii)</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

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

Sl. no.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount (Rs.)
		Mr. Chaman Lal Jain, Managing Director	
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	Rs. 15,00,000 p.a. NIL NIL	15,00,000 NIL NIL
2.	Stock Option	NIL	NIL
3.	Sweat Equity	NIL	NIL
4.	Commission - as % of profit - others, specify...	NIL	NIL
5.	Others, please specify	NIL	NIL
	Total (A)	Rs. 15,00,000 p.a.	15,00,000
	Ceiling as per the Act	Rs. 42,00,000 p.a.	

**B. Remuneration to other directors:**

Sl. no.	Particulars of Remuneration	Name of Directors				Total Amount
		Mr. V.B. Aggarwal	Dr. B.K. Behera	Mr. S.R. Sharma	Dr. Kusum Chopra	
	1. Independent Directors					
	Fee for attending board / committee meetings	58,500	33,000	27,500	27,500	1,46,500
	• Commission	NIL	NIL	NIL	NIL	NIL
	• Others, please specify	NIL	NIL	NIL	NIL	NIL
	<b>Total (1)</b>	<b>58,500</b>	<b>33,000</b>	<b>27,500</b>	<b>27,500</b>	<b>1,46,500</b>
	2. Other Non-Executive Directors					
	Mr. Hari Bansal					
	Fee for attending board / committee meetings	NIL				NIL
	• Commission	NIL				NIL
	• Others, please specify	NIL				NIL
	<b>Total (2)</b>	<b>NIL</b>				<b>NIL</b>
	<b>Total (B)=(1+2)</b>					<b>1,46,500</b>
	<b>Total Managerial Remuneration</b>					<b>16,46,500</b>
	Overall Ceiling as per the Act	Rs. 1 lac for each Board/ Committee meeting attended by these directors.				

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

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
			<b>Mrs. Heena Arora</b>	<b>Mr. Atul Jain</b>	
1.	Gross salary		1,77,000	496300	673300
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961				
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961		NIL	NIL	NIL
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961		NIL	NIL	NIL
2.	Stock Option		NIL	NIL	NIL
3.	Sweat Equity		NIL	NIL	NIL
4.	Commission - as % of profit - others, specify...		NIL	NIL	NIL
5.	Others, please specify		NIL	NIL	NIL
	<b>Total</b>		<b>177000</b>	<b>496300</b>	<b>673300</b>

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**
**NIL**

**MANAGEMENT DISCUSSION & ANALYSIS REPORT****1. INDUSTRY STRUCTURE & DEVELOPMENTS**

It is a recognized fact that the knitwear sector in the textile industry plays an important role in the Indian Economy. This industry, however, is highly competitive and fragmented. During the year 2015-16 the exports of readymade garments have been reduced substantially and the export growth was severely affected due to several internal and external developments. Stiff Global Competition, Changing Technology & Fashion industry and above all failure to resume production have an adverse impact on business prospects and profitability.

**2. OPPORTUNITIES & THREATS**

The opportunities in the Textile Industry and the increasing growth in export of knitted garments augur well for this vital segment. There is a perceptible change in the outlook and shift for diversified and high value added products. Textile Companies are always experiencing pricing pressures, lately due to stiff international competition. Besides, lack of modern technology and archaic personnel laws are some of the other areas of significant threats.

Addi Industries is seized of all such factors having adverse effect on its exports. It is always eager and endeavoring to constantly update its plant & equipment for producing the best quality products. A capital expenditure of Nil was incurred during the year on technology upgradation and modernization of machinery & equipment, wherever considered necessary.

Sales in Company's domestic retail outlets are gradually improving. Keeping in view the market requirements, new and diversified product lines are continuously being added in the domestic market.

**3. SEGMENT-WISE PERFORMANCE**

The Company operates in one segment only i.e. manufacturing of garments. Hence, no segment-wise performance reporting is available.

**4. OUTLOOK**

Exports in the current year 2015-16 have gone down drastically. The Company has achieved negligible Income from operation of Rs. Nil (upto 30.06.2016) in the first quarter of the Current Financial Year as compared to the turnover of Rs.Nil in the corresponding first quarter of the previous year.

**5. RISKS & CONCERNS**

The Company places its thrust on product excellence. Judicious risk management policies, strong systems, constant monitoring of various risk factors and a focus on greater market penetration continue to guide the business strategy of the Company. Strict monitoring is done to cut-down costs and overheads, whatever feasible, to make the product more prices competitive.

**6. INTERNAL CONTROL SYSTEMS**

The Company has instituted a system of internal control and checks, which are supplemented by an on-going programme of internal audits and Management Information System (MIS). An annual planning and budgeting system has been put into practice. The Audit Committee of the Board actively reviews internal control systems as well as financial disclosures normally on every quarterly period.

**7. MATERIAL DEVELOPMENTS IN HR**

Personal relations during the year under report have been cordial. To conform to international standards, the Company conducts different training programs in-house. The Company has also identified and included specific programs on Health, Safety & Environment in every employee/s performance targets. A self-assessment system is in vogue amongst the staff, and a code of conduct amongst the senior management personnel, which is reviewed by the top management from time to time.

**CAUTIONARY STATEMENT**

The Statements in the Report of the Board of Directors and the Management Discussion & Analysis Report describing the Company's projections, estimates, expectations or predictions may be forward looking statements within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied since the company's operations are influenced by many external and internal factors beyond the control of the company.

For and on behalf of the Board of Directors

Place : New Delhi  
Dated : August 13, 2016

C.L. Jain  
Mg. Director  
(DIN00022903)

Hari Bansal  
Director  
(DIN00022923)

**REPORT ON CORPORATE GOVERNANCE**

(Pursuant to Chapter IV read with Clause C of Schedule V of the SEBI  
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

**1. Corporate Philosophy**

The Company is committed to good Corporate Governance. It makes best efforts for and monitors, full compliance with the requirements of Corporate Governance under the Chapter IV read with Clause C of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**Regulations**) and in terms of Regulation 15 (2) of the Regulations, the Company's Net Worth and paid up share capital is less than the prescribed limit and hence Regulations 17 to 27 and Clauses (b) to (i) of Sub-regulation (2) of regulation 46 and para C,D and E of Schedule V of the Regulations is not applicable to the Company and this is being provided voluntarily.

There is a conscious endeavour to bring about transparency in operations and for maintaining professional approach and accountability so that the return to the shareholders is optimized. Regular meetings of the Board and Committee/s thereof are held for transparency in management, effective leadership and for supervision and control. Risk management and internal control functions are monitored on a regular basis and are geared up to meet the progressive governance standards.

**2. Board of Directors**

The composition of the Board of Directors, as at 31<sup>st</sup> March 2016, is six, two Promoter Directors (out of which 1 is executive and other non-executive) and four Non-executive independent Directors. The Agenda and other documents along with relevant information on the business to be discussed and decided in the Board/Committee Meeting/s are circulated well in advance. The Managing Director is responsible for the conduct of the business as also the day-to-day affairs of the Company. A Certificate of Statutory Compliance of the various rules and regulations, laws & clauses applicable to the Company is placed before the Board at every Meeting on a quarterly basis. The Statutory Auditors are special invitee/s to the Board/ Committee Meeting/s as and when required, and particularly at the time of Annual & Quarterly Financial Statements.

**Brief Profile of the Directors:**

**Shri Chaman Lal Jain**, aged 72 years (D.O.B 08.09.1944)(DIN 00022903) is a promoter director and designated as Managing Director of the Company since 01.10.1988. He is B.Com and has about 48 years of rich experience in Textile Industry. Work experience inter-alia includes the Setting up of the existing textile business and makes it possible for an upward surge in its business activities, turnover / exports and profitability over the years and efficiently manages day-to-day monitoring and exercise effective control over the affairs of the Company, helps to achieve its targets. Shri Jain has taken several initiatives to focus on growth, value addition and cost effectiveness besides overseeing the Company's business. He has successfully and in a sustained way, contributed significantly towards improvement and growth of the Company. He is holding 16,89,818 Equity Shares of Rs.5/- each which constitute 15.65% of the Equity Share Capital of the Company.

**Shri Hari Bansal**, aged 41 years (D.O.B 14.09.1975) (DIN 00022923) is a promoter director of the Company since 12.11.2002 and presently is holding the position of Director in the Company. He is B.Chem. (Engineering) and has about 15 years of rich experience in Textile Industry. Work experience inter-alia includes the expertise knowledge of domestic and export industry pertaining to textile business. He is holding 9,96,118 Equity Shares of Rs.5/- each which constitute 9.23% of the Equity Share Capital of the Company.

**Shri V.B. Aggarwal**, aged 79 years (D.O.B 12.05.1937) (DIN 00022967) is an independent non-executive director of the Company since 28.06.2004. He is B.Com (H), FICWA, ACS and has about 45 years of rich experience of varied Industries. He has expertise knowledge in Finance, Cost Accounting and Audit & Management. He does not hold any Equity Share in the Company.

**Dr. B. K. Behera**, aged 57 years (D.O.B 17.04.1959) (DIN 01139185) is an independent non-executive director of the Company since 28.06.2004. He is Ph.D, M. Tech. and has about 30 years of rich experience of Textile Industries and latest textile technology. He does not hold any Equity Share in the Company.

**Mr. Sukh Raj Sharma**, aged 78 years (D.O.B 01.01.1938) (DIN 05288842) is a Grad.(Econ.), Punjab University, Fellow Member of the Institute of Company Secretaries of India and is also a Fellow Member of the Institute of Cost & Management Accountant. He is having 44 years of vast experience in the field of Finance, Accounts and Secretarial. His last Assignment was as a Director (Finance) with the Central Electricity Authority, Ministry of Power, Government of India before taking VRS in 1995. Presently he is practicing as a Company Secretary in Whole-time Practice.

**Dr. Kusum Chopra** aged 69 years (D.O.B 02.03.1947) (DIN 07137842) is an independent non-executive women director of the Company since 30.03.2016. She is Ph.D. (Textile Technology) from I.I.T. Delhi and M.Sc.(Clothing & Textiles) from M.S. University, Prof. Chopra has around 41 years of teaching, research and professional experience. She joined National Institute of Fashion Technology (NIFT), New Delhi in 1992 after working in Universities of



## ADDI INDUSTRIES LIMITED

Delhi and Punjab for several years. During her tenure at NIFT she has held the positions of Chairperson – Fashion Design and co-ordinated the setting up of NIFT Centres at Mumbai, Chennai & Kolkatta.

The Board met 4 times on May 30, August 8, November 13, 2015, and February 12, 2016 during the financial year ended March 31, 2016:

Name of the Director & Designation	Executive/ Non Executive/ Independent	No. of Board Meetings held during the year	No. of Board Meeting attended	Attendance at the last AGM on 30.09.2015	Directorships In other Cos. incorporated In India	No. of other Cos. Board Committees, of Which Member /Chairman
Shri C.L. Jain (Mg. Dir.)	Executive (Promoter Grp)	4	4	Present	Nil	NIL
Shri V.B. Aggarwal	Non-executive (Independent)	4	4	Present	NIL	NIL
Dr. Kusum Chopra	Non-executive (Independent)	4	4	Present	1	NIL
Dr. B.K. Behera	Non-executive (Independent)	4	2	Present	1	NIL
Sh. S.R. Sharma	Non-executive (Independent)	4	4	Present	Nil	NIL
Shri Hari Bansal	Non-executive (Promoter Grp)	4	4	Present	1	NIL

None of the Directors on the Board hold the office of Director in more than 10 Companies as Director or as Member of Committee/s of the Board. Particulars of a Director retiring by rotation and being re-elected are given elsewhere in this Report.

None of the non-executive independent Directors hold any shares in the company, either in their own name or in the name of their relatives/associates, or hold shares in any other company exceeding 2% of the share capital of that company.

Shri C.L. Jain, and Shri Hari Bansal are related to each other (as Father-Son relationship), except them none of the other Director of the Company is related with other.

### Directors resigned during the year.

There is no change in the Directorship/s of the Company during the year under report.

### 3. Committee/s of the Board

#### A. Audit Committee

An Audit Committee is duly constituted in terms of Section 177 of the Companies Act 2013 and the rules made thereunder and in compliance with the requirements of the Listing Agreement. Shri V.B. Aggarwal, a non-Executive Independent Director, is the Chairman of the Audit Committee. Dr. B.K. Behera, Non-Executive Director and Shri C.L. Jain, Managing Director are the other members of this Committee.

Shri V.B. Aggarwal is a professionally qualified Cost Accountant & Company Secretary, and has the requisite financial acumen and a rich & varied expertise on financial matters. He attended and was present at the Annual General Meeting of the Members held on September 30, 2015.

The Committee relies on the expertise and knowledge of the management, the Statutory Auditors, and the Professionals in carrying out its oversight responsibilities, and for effectively looking after all the financial and other matters specified in the Act *ibid*. The Committee discharges such duties and functions indicated in the Listing Agreement with the Stock Exchange and such other functions as may be specifically delegated to the Committee by the Board from time to time. The Auditors are permanent invitee/s to the meeting/s of the Committee, especially at the time of consideration of Quarterly and Annual Accounts.

Four Meetings of the Audit Committee were held on May 30, August 8, November 13, 2015 and February 12, 2016 during the financial year ended 31<sup>st</sup> March, 2016. All the members of the Audit Committee attended each and every meeting held during the year.

The Company has a "Whistle Blower Policy." Every employee has a right of access to the Audit Committee and its Members, without any information to their Superiors. The Company hereby affirms that it has not denied any personnel access to the Audit Committee of the Company and has provided protection to whistle blowers from



any unfair termination and other unfair or prejudicial employment practices.

**B. Nomination & Remuneration Committee**

The Nomination & Remuneration Committee of the Company comprises of three non-executive independent Directors namely Shri V.B. Aggarwal, Shri S.R. Sharma & Dr. B.K. Behera and Shri C.L. Jain, Mg. Director, as its members. The Remuneration Committee is empowered to review the remuneration of the Managing Director and Executive Directors. No meeting of the Nomination & Remuneration Committee was held during the Financial Year 2015-16.

**C Stakeholders Relationship Committee**

The Stakeholders Relationship Committee has been constituted under the Chairmanship of Dr. B.K. Behera. The other members of the Committee are S/Shri V.B. Aggarwal, C.L. Jain and Hari Bansal. The terms of reference to the Committee inter-alia includes the redressal of Shareholders/Investors grievances, de-materialisation/ re-materialisation of Shares, to consider the status of Quarterly Complaints received and redressed. Apart from these a general authority has been given to Shri C.L. Jain, Mg. Director of the Company to approve the Share Transfer, Transmission, Transposition and other related matters.

Four Meetings of the Investor Grievance cum Share Transfer Committee were held on May 30, August 8, November 13, 2015 and February 12, 2016 during the financial year ended 31<sup>st</sup> March, 2016. All the members of the Committee attended each and every meeting held during the year.

During the year under review, Shri C.L. Jain in his independent capacity and as per the authority delegated to him has approved the Share Transfer/Transmission/issue of duplicate Share Certificate/s & other related matters, upto 2500 Equity Shares per case, held in physical form. Proceedings of all the Share Transfers/ Transmissions/ other matters approved are placed at the ensuing Board Meeting/s, from time to time.

Smt. Heena Arora, Company Secretary acts as the Compliance Officer of the Committee. The Company attends the Shareholders'/investors' communications/ grievances expeditiously. No Demat request was pending at the close of the last Financial Year.

**D Committee of Independent Directors**

During the year 2015-16, the Committee of independent Director was held on May 30, 2015.

**4. Remuneration to Directors**

The Mg. Director & the Whole-time Directors are paid remuneration as decided & approved by the Nomination & Remuneration Committee, the Board and the Shareholders, & thereafter, the approval of the Central Govt. is obtained wherever required. The Company does not have any Stock Option Scheme.

The appointment of the Mg. Director & the Whole-time Directors is generally for a period of 5 years or as approved by the Board, and the Central Govt. if required, which can be terminated by giving one month Notice on either side. No severance fee is payable. There are no retirement benefits, but only provision for Leave Encashment and Gratuity to which the Mg. Director & other Whole-time Director/s are entitled at the end of their tenure or as per the rules of the Company.

The details of the remuneration paid to the Mg. Director and the Whole-time Director during the year under report are given below.

Structure of managerial remuneration during the financial year: (Rs./Lacs)

Name	Designation	Salary	Perquisites	Commission	Sitting Fees	Total
Sh. C.L. Jain	Mg. Dir.	15.000	Nil	Nil	Nil	15,000
Sh. V.B. Aggarwal	Director	Nil	Nil	Nil	0.585	0.585
Dr. B.K. Behera	Director	Nil	Nil	Nil	0.330	0.330
Sh. S.R. Sharma	Director	Nil	Nil	Nil	0.275	0.275
Sh. Hari Bansal	Director	Nil	Nil	Nil	Nil	Nil
Dr. Kusum Chopra	Director	Nil	Nil	Nil	0.275	0.275
<b>Total</b>		<b>15.000</b>	<b>Nil</b>	<b>Nil</b>	<b>1.465</b>	<b>16.465</b>

Perquisites include rent paid. The sitting fees are for attendance of Board/ Committee Meetings.

**5 SUBSIDIARY COMPANY:**

The Company has a wholly-owned non-listed Subsidiary Company. The Audit Committee reviews the financial statements of the Subsidiary, which are placed before the Audit Committee at its meetings, on quarterly basis. Such Financial Statements are also placed before, and reviewed by the Board of Directors of the Company.

**6. General Body Meeting/s**

The detail of last three Annual General Meetings is as under:

Date	Time	Location (U.P.)	No. of Special Resolutions Passed
30.09.2013	9.00 a.m.	Community Hall, Block-7, Trilok Puri, New Bal Vikas Vidyalay Delhi-110091	Nil
30.09.2014	9.00 a.m.	Community Hall, Block-7, Vikas Vidyalay Trilok Puri, New Bal Delhi-110091	1
30.09.2015	9.00 a.m.	Community Hall, Block-7, Vikas Vidyalay, Trilok Puri, New Bal Delhi-110091	Nil

**POSTAL BALLOT**

During the financial year 2015-16, no resolution was passed through Postal Ballot.

**7. Disclosures**

There were no transactions of a materially significant nature with the Promoters, the Directors or the Management, their subsidiaries or relatives that may have potential conflict with the interest of the Company at large, other than transactions with related party as disclosed in the Financial Statements.

The Company has complied with the requirements of the Stock Exchange, SEBI and other statutory authorities on all matters related to Capital Markets during last three years. There were no penalties imposed nor any strictures passed on the Company by the Stock Exchange, SEBI or any other Statutory Authority relating to the above.

Certificate/s of Compliance signed by the Compliance Officer &/or the Authorised Signatory for the provisions of all applicable laws are regularly being placed before the Board of Directors, which are taken on record in the Board Meeting/s on a quarterly basis.

**8. Means of Communication****Financial Results:**

The Quarterly, Half Yearly and Annual Financial Results were sent by email followed by speed post to the Bombay Stock Exchange Ltd. on the prescribed format immediately after the conclusion of the Board Meeting at which the results were taken on record. The Results were published in the Pioneer (English) & Hari Bhoomi (Hindi), newspapers.

The Management Discussion and Analysis Report for the year ended 31<sup>st</sup> March, 2016 forms part of this Annual Report.

**9. General Shareholder Information****A. Annual General Meeting :**

Date and Time	:	Friday, September 30, 2016 at 9.00 A.M.
Venue	:	Community Hall, Block-7, Trilok Puri, New Bal, Vikas Vidyalaya, Delhi - 110091
Financial Calendar*	:	a) 1st Quarter Results – By the mid of Aug '16. b) 2nd Quarter Results – By the mid of Nov., '16. c) 3rd Quarter Results – By the mid of Feb., '17. d) 4th Quarter Results – By the mid of May '17.

\*Tentative and subject to change.

Date of Book Closure : 23.09.2016 to 30.09.2016 (both days inclusive)

**B. Listing on Stock Exchange :** Bombay Stock Exchange Ltd., Dalal Street, Mumbai– 400 001.

**C. (i). Stock Price Data:**

The trading in the Equity Shares of the Company is confined to the Mumbai Stock Exchange, being on-line connectivity:

Period	High (in Rs.)	Low (in Rs.)	Close (in Rs.)	Total Turnover
April 2015	3.41	3.41	3.41	2,387
May 2015	3.58	3.41	3.48	8,436
June 2015	3.64	3.31	3.50	71,544
July 2015	5.56	3.67	5.56	23,285
August 2015	5.50	4.56	4.56	14,039
September 2015	4.35	4.04	4.04	2,614
October 2015	4.45	4.02	4.02	7,678
November 2015	4.01	3.63	4.01	1,531
December 2015	5.04	3.81	5.04	11,921
January 2016	6.55	5.04	6.55	103,467
February 2016	8.08	6.87	7.27	92,482
March 2016	8.08	6.92	7.70	14,71,016

**D. Registrar & Transfer Agents**

M/s. Beetal Financial & Computer Services (P) Ltd.,  
Beetal House, 3<sup>rd</sup> Floor, 99, Madangir, Behind Local Shopping Centre  
Near Dada Harsukh Das Mandir, New Delhi-110 062  
Phone : 29961281-82 Fax : 29961284

**E. Investors' queries/requests** for transfer, transmission, issue of duplicate share certificates, etc. may be sent either to the Regd Office of the Company at 23, Eastern Avenue, Maharani Bagh, New Delhi-110 065, or to the Registrar & Transfer Agents, M/s. Beetal Financial & Computer Services (P) Ltd. at the address given above. No Investor queries/ complaints/ grievance was pending for a period of 30 days or more as at 31<sup>st</sup> March, 2016.

**F. Share Transfer System**

The Shares of the Company are in compulsory demat mode. Hence, most of the transfers are executed electronically. However, a few cases of transfer/transmission are received by the company/registrar in physical mode. The Mg. Director as per the authority delegated by the Board approves all share transfers in physical mode upto 2500 shares per transfer. There has been no instance of share transfers beyond 2500 shares in physical mode, however, if there is any case, such transfers are approved by the Share Transfer Committee/ Board of Directors who meet periodically, and as and when required.

**10. Distribution of Shareholding as on 31<sup>st</sup> March, 2016**

Distribution of Shareholding as on 31st March:

No. of equity shares held	2016				2015			
	No. of Share holders	% of share holders	No. of shares held	% Share holding	No. of Share holders	% of share holders	No. of shares held	% Share holding
Upto 5000	3000	93.31	9,11,884	8.45	2996	93.13	9,18,405	8.51
5001 to 10000	123	3.82	1,86,320	1.73	129	4.01	1,92,443	1.78
10001 to 20000	45	1.40	1,31,645	1.22	48	1.49	1,42,212	1.32
20001 to 30000	13	0.40	63,299	0.59	12	0.37	59,429	0.55
30001 to 40000	7	0.22	47,671	0.44	6	0.19	42,158	0.39
40001 to 50000	6	0.19	54,542	0.50	7	0.22	64,133	0.59
50001 to 100000	8	0.26	1,02,946	0.95	6	0.19	79,762	0.74
Above 100001	13	0.40	92,98,267	86.12	13	0.40	92,98,032	86.12
<b>Total</b>	<b>3215</b>	<b>100</b>	<b>1,07,96,574</b>	<b>100.00</b>	<b>3217</b>	<b>100</b>	<b>1,07,96,574</b>	<b>100.00</b>

**Shareholding Pattern as on 31<sup>st</sup> March:**

Particulars	2016		2015	
	No. of Shares held	% of Shareholding	No. of Shares held	% of Shareholding
Promoters & Associates	8018175	74.27	8018175	74.27
Mutual Funds, UTI & Bank	11600	0.11	11600	0.11
Private Corporate Bodies	1069950	9.90	895197	8.29
Indian Public	1653514	15.32	1827688	16.93
NRI's	43335	0.40	43914	0.40
<b>Total</b>	<b>10796574</b>	<b>100.00</b>	<b>10796574</b>	<b>100.00</b>

**11. Dematerialisation of Equity Shares**

The Equity Shares of the Company are in compulsory demat mode. Out of the total number of 1,07,96,574 Equity Shares of Rs. 5 each, 93.58% i.e. 1,01,03,680 No. of Equity Shares are held in demat form as on 31.03.2016, as against 93.50 % i.e. 1,00,95,368 Equity Shares as on 31.03.2015.

12. There are no GDRs/ADRs/Warrants or any convertible instruments in the Company.

**13. Locations of the Plant and address of the Regd. Office/ Corporate Office:**

- a. Registered Office : 23, Eastern Avenue, Maharani Bagh, New Delhi-110065.  
b. Works & Corporate Office : A-106, Sector-IV, Noida – 201 301 (U.P.)

14. The Company has not declared any dividends in the last three financial years and the amounts outstanding as unpaid dividend as on 31<sup>st</sup> March, 2016 is Nil.

**15. Compliance Officer and Contact Address**

Smt. Heena Arora  
Company Secretary  
Addi Industries Limited  
Corp. Off.: A-106, Sector-IV, Noida – 201 301 (U.P.)  
Tel : 95120-2529336 Fax: 95120-2529334

**16. COMPLIANCE WITH NON-MANDATORY REQUIREMENTS:**

**The status of compliance in respect of non-mandatory requirements of Clause 49 of the Listing Agreement is as follows:**

- i) **The Board:** The Company does not have a Non-Executive Chairman on its Board.  
All Independent Directors are appointed for a period of 5 Years.
- ii) **Nomination & Remuneration Committee:** Details are given under the heading "Nomination & Remuneration Committee".
- iii) **Shareholders Rights:** The half yearly financial results including any significant events in the last six months were published in the newspapers pursuant to the listing agreement.
- iv) **Audit Qualifications:** During the year under review, there was no qualification on the Company's financial statements for the period ended March 31, 2016.
- v) **Training of Board Members:** The Directors interact with the management in a very free and open manner on information that may be required by them.
- vi) **Mechanism for evaluation on non-executive Board Members:** The performance evaluation of non-executive member is done by the Board annually based on criteria of attendance and contributions at Board/Committee meetings, as also role played/ contributions other than at meetings.
- vii) **Whistle Blower Mechanism:** The Audit Committee had framed a Whistle-Blower Policy, which provides a formal mechanism for all employees of the Company to approach the Management and/ or Audit Committee, and make protective disclosures to the management about unethical behaviour, actual or suspected fraud. The Whistle-Blower Policy requires every employee to promptly report to the Management any possible violation that could affect the business or reputation of the Company. No employee of the Company has been denied access to the Audit Committee.

# ADDI INDUSTRIES LIMITED



## DECLARATION BY THE CEO/CFO UNDER OF THE LISTING AGREEMENT REGARDING ADHERENCE TO THE CODE OF CONDUCT

In accordance with of the Listing Agreement with the Stock Exchange, I hereby confirm that, all the Directors and the Senior Management personnel of the Company have affirmed compliance to their respective codes of conduct, as applicable to them in the company, for the Financial Year ended March 31, 2016.

For ADDI INDUSTRIES LIMITED

Place : New Delhi  
Date : August 13, 2016

Atul Jain  
Chief Financial Officer

C.L.JAIN  
Mg. Director  
(DIN No. 00022903)

## AUDITORS' CERTIFICATE

To  
The Members of  
**Addi Industries Limited**

We have examined the compliance of conditions of Corporate Governance by Addi Industries Limited for the year ended on 31st March 2016 as stipulated in Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and pursuant to the Listing agreement of the said Company with Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to 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 statement of the Company.

In our opinion and best to of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the provisions specified in Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and pursuant to the Listing Agreement of the said Company with stock exchanges.

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 S. R. Dinodia & Co. LLP.**  
Chartered Accountants,  
Firm's Registration Number 001478N/N500005

**(Sandeep Dinodia)**  
Partner  
Membership Number 083689

Place : New Delhi  
Date : August 13, 2016



**Annexure-D**

A) Ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year 2015-16, the percentage increase in remuneration of each Director & Company Secretary during the financial year 2015-16 and comparison of the remuneration of each of the Key Managerial Personnel against the performance of the Company.

Name of the Director/KMP	2015-16				
	Designation	Total Remuneration (Rs. p.a.)	Ratio of Remuneration of director to the median remuneration of employees	% age increase in remuneration	Comparison of the remuneration of the KMP against the performance of the Company
Chaman Lal Jain	Managing Director	15,00,000	6.13	NIL	Profit before tax was Rs. 84,42,715 as compared to Rs. 79,66,270 for the previous FY. Similarly Profit after Tax was Rs. 64,41,597 as compared to Rs. 89,98,920 of the previous FY.
V.B. Aggarwal	Independent Director	58,500	.24	14.70%	There has been change in the sitting fees for attending the meeting of the Board or Committee thereof during the financial year 2015-16. Board Meeting fees has been increased from Rs. 5000 to Rs. 7500 for each meeting of the Board and Committee Meeting fees has been increased from Rs. 3000 to Rs. 5000 for each committee meeting.
Dr. B.K. Behera	Independent Director	33,000	.13	(35.29%)	
S.R. Sharma	Independent Director	27,500	0.11	(23.61%)	
Dr. Kusum Chopra (Appointed w.e.f. March 30, 2015)	Independent Director	27,500	0.11	450%	
Heena Arora	Company Secretary	1,77,000	0.72	N.A.	
Atul Jain	CFO	4,96,300	2.03	9.24%	

**B. Percentage increase in the median remuneration of all employees in the financial year 2015-16:**

The median remuneration of employees of the Company during the financial year was Rs. 2,44,500. In the financial year, there was a decrease of 26.42%.

**C) Number of permanent employees on the rolls of the Company as March 31, 2016:**

There were 8 permanent employees on the rolls of Company as on March 31, 2016.

**ANNEXURE E**

**Energy Conservation, Technology Absorption and Foreign Exchange earnings & outgo**

**Conservation of Energy**

The Company has been regularly monitoring the process of energy conservation through improved operational and maintenance activities. Various measures namely maximum use of natural day light, arresting leakages of air and steam and proper insulation for preventing loss of heat etc. have been implemented, to minimise losses. These measures have and are resulting in cost savings for the Company.

Total energy consumption & consumption per unit during the year ended 31<sup>st</sup> March, 2016, is as per Form 'A' below :

**FORM 'A'**

A. Power and Fuel Consumption:



		Current year	Previous Year
		31.3.2016	31.3.2015
1.	ELECTRICITY		
(a)	Purchased		
	Units	22061	55773
	Total amount (Rs./Lacs)	2.37	5.58
	Rate/unit (Rs.)	10.75	9.99
(b)	Own Generation		
i)	Through diesel generator Units	Nil	Nil
	Unit per ltr. of diesel oil	Nil	Nil
	Cost/unit (Rs.)	Nil	Nil
ii)	Through steam turbine/generator	N.A.	N.A.
2	COAL		
	Qty. (Kgs.)	N.A.	N.A.
	Value (Rs./Lacs)	N.A.	N.A.
3	FURNACE OIL/ LDO/HSD		
	Qty. (Ltrs.)	Nil	Nil
	Value (Rs./Lacs)	Nil	Nil
	Rate/Unit (Rs.)	Nil	Nil
4	OTHERS : INTERNAL GENERATION		

B. Consumption per unit of production:

Product	(Unit)	Electricity (Units)		Furnace Oil(KL)		Coal (KG.)	
		Curr. Yr.	Prev. Yr.	Curr. Yr.	Prev. Yr.	Curr. Yr.	Prev. Yr.
Ready made Garments	1000 Pcs.	N.A.#	N.A.#	-----	---	---	---

# Company has not produced finished goods, therefore this information is not applicable.

**Technology Absorption**

The requisite particulars are given in Form B below:

**FORM 'B'**

**Research and Development (R&D) :** R&D has always been a crucial factor, being carried out in manufacturing operations. The Company continues to give due attention and stress on R&D activities to achieve maximum benefit for process and product by adapting all round technological development This is of utmost important in today's customer-driven market, where both quality and lower cost are dominant factors. Beside development of new designs, high value added specifications/ product and such like measures are imperative in the trade. The cumulative measures taken to update and use the latest technology for improvement in productivity are yielding positive results and are enabling the Company to concentrate upon high value added products. Expenditure on R&D is booked to respective heads as it is not separately identified.

**Technology Absorption, Adoption and Innovation:** The Company puts proper emphasis on absorption of design and manufacturing technology. Priority is given in using latest technology for improving productivity, product quality and reducing wastage in consumption of raw materials, consumables and fuels. No technology import is required, since the product manufacturing is specific and subjective operation.

**Foreign Exchange Earnings and Outgo :** Total Foreign exchange earned and used :

	31.3.2016	(Rs./Lacs) 31.3.2015
Earnings:	Nil	Nil
Outgoings:	Nil	27.68

For and on behalf of the Board of Directors

Place : New Delhi  
Dated : August 13, 2016

C.L. Jain  
Mg. Director  
(DIN00022903)

Hari Bansal  
Director  
(DIN00022923)

**INDEPENDENT AUDITOR'S REPORT**

**To The Members of Addi Industries Limited**

**Report on the Standalone Financial Statements**

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

**Management's Responsibility for the Standalone 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 standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies(Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 standalone financial statements based on our audit.

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

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

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

**Opinion**

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

**Report on Other Legal and Regulatory Requirements**

1. As required by section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.



- (e) On the basis of the written representations received from the directors as on 31st March, 2016 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. On the basis of written representations received from the management of the Company, the Company does not have any pending litigations, which would impact its financial position; *except for the cases which are disclosed under sub-note “Contingent Liabilities” under Note No. 6(a) of the financial statements.*
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii. There has been no delay in transferring amount, required to be transferred, to the Investor Education and Protection Fund by the Company.
2. As required by the Companies (Auditor’s Report) Order, 2016 (“the Order”) issued by the Central Government of India in terms of section 143 (11) of the Act, we give in the **Annexure B**, a statement on the matters specified in the paragraph 3 and 4 of the order.

**For S. R. Dinodia & Co. LLP**  
*Chartered Accountants,*  
Firm Registration Number 001478N / N500005

**(Sandeep Dinodia)**  
*Partner*  
Membership Number 083689

Place of Signature: New Delhi  
Date: May 28, 2016

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**Annexure 'A' to the Independent Auditors' Report of even date on the standalone financial statement of Addi Industries 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 **Addi Industries Limited (“the Company”)** as of March 31, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

**Management’s Responsibility for Internal Financial Controls**

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

**Auditors’ Responsibility**

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial



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

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

**Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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

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

**Opinion**

In our opinion, 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 S. R. Dinodia & Co. LLP**  
*Chartered Accountants,*  
Firm Registration Number 001478N / N500005

**(Sandeep Dinodia)**  
*Partner*  
Membership Number 083689

Place of Signature: New Delhi  
Date: May 28, 2016

**Annexure 'B' To the Independent Auditors' Report**

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

- i) In respect of fixed assets:
  - a) *In the earlier years, the fixed assets register of the company was misplaced and the company is still in the process of retrieval and updating the fixed assets register. The same still needs to be updated in line with the prescribed requirements*
  - b) *As explained to us, physical verification of major fixed assets has been conducted by the management at appropriate intervals. In our opinion, the program is reasonable having regard to the size of the Company and the nature of the fixed assets. Further, in view of our comments in para (a) above, the discrepancies, if any, between the book records and the physical verification has not been ascertained.*
  - c) *On the basis of information and explanation provided by the management, out of the four immovable properties, title deeds of two properties are still in the erstwhile name of the Company.*
- ii) In respect of its inventory:
  - a) *On the basis of information and explanation provided by the management, inventories have been physically verified by the management during the year. In our opinion the frequency of physical verification followed by the management is reasonable. However there was no inventory at the close of the year.*

- b) No material discrepancies were noticed on verification between the physical stocks and the book records.
- iii) (a) to (c) According to the information and explanation given to us, the Company had not granted loans, secured or unsecured, to any of the Companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Therefore, the provisions of paragraph 3(iii) (a) to (c) of the Companies (Auditor's Report) Order, 2016 are not applicable to the Company
- iv) According to the information and explanation given to us, the Company has no loans, guarantees, and security covered under the provisions of section 185 and 186 of the Companies Act, 2013. During the year, Company has made investment in compliance with the provisions of the section 186 of the Companies Act, 2013.
- v) In our opinion and according to the information and explanation given to us, since the Company has not accepted any deposits therefore the question of the compliance of any directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under does not arise.
- vi) On the basis of available information and explanation provided to us, the Central Government has not prescribed maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013 read with Companies (Cost Records and Audit) Amendment Rules, 2014 dated December 31, 2014 to the current operations carried out by the Company. Accordingly, the provisions of clause 3(vi) of the Companies (Auditor's Report) Order, 2016 are not applicable to the Company.
- vii) (a) The Company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with appropriate authorities. Further there were no undisputed outstanding statutory dues as on the last day of the financial year concerned for a period of more than six months from the date they became payable.  
 (b) According to the records of the Company examined by us and the information and explanations given to us, there were no dues of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax, *except the following*, which have not been deposited on account of any dispute:

S. No.	Name of the Statute	Nature of Dues	Amount (Rs.)	Period to which the amt. relates	Forum where the dispute is pending
1	ESI Act	ESI	7,742,020	During 1995-1996 to 1998-1999	Civil court Ghaziabad

- viii) The Company does not have any loans or borrowings from any financial institution, banks, government or debenture holders during the year. Accordingly, paragraph 3(viii) of the Order is not applicable.
- ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3(ix) of the Order is not applicable.
- x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- xi) The Company has paid / provided managerial remuneration to its directors during the year in accordance with provisions of section 197 read with Schedule V to the Companies Act, 2013 as applicable to the Company.
- xii) The Company is not a Nidhi Company; accordingly paragraph 3(xii) of the Order is not applicable.
- xiii) During the course of our examination of the books and records of the Company, all transactions entered with the related parties are in compliance with section 177 & 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements etc, as required by the applicable accounting standards.
- xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of paragraph 3(xiv) of the Order are not applicable to the Company.
- xv) The Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of paragraph 3(xv) of the Order are not applicable to the Company.
- xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

**For S. R. Dinodia & Co. LLP**  
 Chartered Accountants,  
 Firm Registration Number 001478N / N500005

**(Sandeep Dinodia)**  
 Partner  
 Membership Number 083689

Place of Signature: New Delhi  
 Date: May 28, 2016



## ADDI INDUSTRIES LIMITED

### Balance Sheet As At March 31, 2016

(Amount in ₹)

Particulars	Note No.	As At March 31, 2016	As At March 31, 2015
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' funds</b>			
Share Capital	3	54,000,370	54,000,370
Reserves and surplus	4	143,295,516	136,853,919
		<u>197,295,886</u>	<u>190,854,289</u>
<b>Non-current liabilities</b>			
Deferred tax liabilities (Net)	5	1,466,545	2,270,164
Long-term provisions	6	853,500	700,291
		<u>2,320,045</u>	<u>2,970,455</u>
<b>Current liabilities</b>			
Trade payables	7		
Total Outstanding dues of micro and small enterprises		-	-
Total Outstanding dues of creditors other than micro and small enterprises		765,847	1,935,018
Other current liabilities	8	764,871	324,671
Short-term provisions	6	1,018,922	1,533,071
		<u>2,549,640</u>	<u>3,792,760</u>
<b>TOTAL</b>		<u><u>202,165,571</u></u>	<u><u>197,617,504</u></u>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Fixed assets	9		
Tangible assets		36,742,858	43,695,523
Capital work in progress		456,012	456,012
Non-current investments	10	36,313,396	32,493,396
Long-term loans and advances	11	74,776,511	71,304,133
Other non-current assets	14	-	394,370
		<u>148,288,777</u>	<u>148,343,434</u>
<b>Current assets</b>			
Inventories	12	-	1,707,293
Trade receivables	13	719,749	695,423
Cash and other Bank Balance	15	47,525,661	21,296,330
Short-term loans and advances	11	128,807	20,372,645
Other current assets	14	5,502,577	5,202,379
		<u>53,876,794</u>	<u>49,274,070</u>
<b>TOTAL</b>		<u><u>202,165,571</u></u>	<u><u>197,617,504</u></u>
Summary of Significant Accounting policies	2		

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

As per our Audit Report of even date attached

**For S.R. Dinodia & Co. LLP.**

**For & on behalf of Board of Directors**

Chartered Accountants

Firm's Registration Number 001478N/N500005

**(Sandeep Dinodia)**

Partner  
Membership Number 083689

**(C.L. Jain)**

Mg. Director  
(DIN No.00022903)

**(V.B. Aggarwal)**

Director  
(DIN No.00022967)

**(S. R. Sharma)**

Director  
(DIN No.05288842)

**(Heena Arora)**

Company Secretary  
M. No. 031081

**(Atul Jain)**

Chief Financial Officer

Place of Signataure: New Delhi  
Date: May 28, 2016

**Statement of Profit & Loss for the year ended March 31, 2016**

(Amount in ₹)

Particulars	Note No.	For the year ended March 31, 2016	For the year ended March 31, 2015
<b>Income</b>			
Revenue from operations (Gross)	16	1,701,431	2,005,747
Less : Excise Duty		-	-
Revenue from operations (Net)		1,701,431	2,005,747
Other income	17	23,081,482	24,272,763
<b>Total Revenue</b>		<b>24,782,913</b>	<b>26,278,510</b>
<b>Expenses:</b>			
Cost of materials consumed	18	-	271,957
Purchase of Stock in trade/Cost of Goods sold	19	1,707,293	1,561,875
Employee benefits expense	20	3,534,149	4,114,138
Finance costs	21	-	29,122
Depreciation and amortization expense	9	4,309,746	4,849,807
Other expenses	22	4,353,300	7,558,819
<b>Total expenses</b>		<b>13,904,488</b>	<b>18,385,718</b>
<b>Profit before exceptional items and tax</b>		<b>10,878,425</b>	<b>7,892,792</b>
Exceptional items	23	2,435,710	(73,478)
<b>Profit Before Tax</b>		<b>8,442,715</b>	<b>7,966,270</b>
<b>Tax expense:</b>			
Current Tax		2,829,987	963,000
Mat Credit Entitlement		-	(963,000)
Deferred Tax	5	(803,619)	(1,032,649)
Tax Adjustment for earlier years		(25,250)	-
<b>Profit (Loss) of the year</b>		<b>6,441,597</b>	<b>8,998,920</b>
<b>Earnings per equity share:</b>			
Basic / diluted earning per share	24	0.60	0.83
Summary of Significant Accounting policies	2		
The accompanying notes are an integral part of the financial statements.			

As per our Audit Report of even date attached

**For S.R. Dinodia & Co. LLP.**

Chartered Accountants

Firm's Registration Number 001478N/N500005

**(Sandeep Dinodia)**

Partner

Membership Number 083689

**(C.L. Jain)**

Mg. Director

(DIN No.00022903)

**(V.B. Aggarwal)**

Director

(DIN No.00022967)

**(S. R. Sharma)**

Director

(DIN No.05288842)

**(Heena Arora)**

Company Secretary

M. No. 031081

**(Atul Jain)**

Chief Financial Officer

Place of Signataure: New Delhi

Date: May 28, 2016



## ADDI INDUSTRIES LIMITED

### Cash Flow Statement for the year ended March 31, 2016

(Amount in ₹)

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net profit before Tax & extraordinary items	8,442,715	7,966,270
Adjustments For :		
Depreciation	4,309,746	4,849,807
Amount written off	1,088	-
Provision no longer required	-	-
(Profit) /Loss on sale of Fixed Assets	2,435,710	(73,478)
Interest paid	-	29,122
Interest Received	(13,720,938)	(14,900,253)
Dividend Received	-	-
<b>Operating profit before working capital Changes</b>	<b>1,468,321</b>	<b>(2,128,532)</b>
Adjustments For :		
(Increase)/ Decrease in Trade Receivables	(24,326)	867,432
(Increase)/ Decrease in Inventories	1,707,293	(1,707,293)
(Increase)/ Decrease in long term loan and advance	(6,078,194)	(2,514,590)
(Increase)/ Decrease in short term loan and advance	20,243,838	1,127,873
(Increase)/ Decrease in other current assets	(300,198)	(1,961,941)
(Increase)/ Decrease in other non current assets	394,370	44,901
Increase/ (Decrease) in Trade Payables	(1,169,171)	1,360,648
Increase/ (Decrease) in Other current Liabilities	440,200	(1,893,778)
Increase/ (Decrease) in long term Provisions	153,209	1,073,059
Increase/ (Decrease) in short term Provisions	(514,149)	(1,122,956)
<b>Cash generated from operations before extraordinary items</b>	<b>16,321,194</b>	<b>(6,855,177)</b>
Direct Tax Paid	(200,000)	-
<b>Cash generated from operations after extraordinary items</b>	<b>16,121,194</b>	<b>(6,855,177)</b>
<b>NET CASH FLOW FROM OPERATING ACTIVITIES (A)</b>	<b>16,121,194</b>	<b>(6,855,177)</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of fixed assets, including CWIP	(106,100)	-
Proceeds from sale of fixed assets	313,300	398,800
(Purchase)/sale of Investment	(3,820,000)	-
Interest Received	13,720,938	14,900,253
Advance for purchase of property & ICD	-	-
Proceeds from sale of keyman Insurance Policy	-	-
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>10,108,138</b>	<b>15,299,053</b>

# ADDI INDUSTRIES LIMITED



Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>		
Loans given		
Interest paid	-	(29,122)
Loans and advances given	-	-
Bank Borrowings	-	-
<b>NET CASH FLOW FROM FINANCING ACTIVITIES</b>	<b>-</b>	<b>(29,122)</b>
<b>D NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A)+(B)+(C)</b>	<b>26,229,331</b>	<b>8,414,754</b>
Cash & Cash equivalents as at 01-4-2015( Op. Balance)	<b>21,296,330</b>	12,881,576
Cash & Cash equivalents as at 31-3-2016( Cl. Balance)	<b>47,525,661</b>	21,296,330
<b>Cash and Cash Equivalentants include:</b>	<b>47,525,661</b>	21,296,330
-Cash in hand	<b>356,535</b>	240,420
Balances with Schduled Banks		
-In Current Accounts	<b>983,995</b>	296,767
-In Deposit Account	<b>46,185,131</b>	20,759,143

As per our Audit Report of even date attached

**For S.R. Dinodia & Co. LLP.**

Chartered Accountants

Firm's Registration Number 001478N/N500005

**For & on behalf of Board of Directors**

**(Sandeep Dinodia)**

Partner

Membership Number 083689

**(C.L. Jain)**

Mg. Director

(DIN No.00022903)

**(V.B. Aggarwal)**

Director

(DIN No.00022967)

**(S. R. Sharma)**

Director

(DIN No.05288842)

Place of Signataure: New Delhi

Date: May 28, 2016

**(Heena Arora)**

Company Secretary

M. No. 031081

**(Atul Jain)**

Chief Financial Officer

**Notes to financial statements for the year ended March 31,2016****Note 1: Corporate Information**

Addi Industries limited (the company) is a public limited company incorporated in the year 1980 under the provisions of the Companies Act, 1956. Its shares are listed on Bombay Stock Exchange in India. The Company is engaged in the manufacturing and marketing of readymade garments.

**Note 2: Summary of Significant Accounting Policies****i Basis of Accounting**

The financial statements are prepared under the historical cost convention on an accrual basis and in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) The company has prepared these financial statements to comply in all material respects with accounting standards notified under the Companies (Accounting Standard) Rules, 2006 and other relevant provisions of the Companies Act, 1956 and guidelines issued by the Security Exchange Board of India as adopted consistently by the Company

**ii Uses of Estimates**

The financial statements are prepared using estimates and assumptions that effect the reported balances of the assets and liabilities and disclosures relating to contingent assets and liabilities as at the date of balance sheet and the statement of profit and loss during the year. Contingencies are recorded when it is probable that a liability has been incurred and amount can be reasonably estimated. Actual results could differ from these estimates. The actual results are recognized in the year in which the results are known/ materialised.

**iii Fixed Assets:**

- Fixed Assets are stated at cost , less accumulated depreciation.
- Leasehold Land is shown at Cost less amortisation.

**iv Method of Depreciation & Amortisation**

- a) Depreciation is provided at the rates calculated on the basis of life (s) specified in the Schedule II of the Companies Act,2013 by using the Straight Line Method.
- b) Depreciation on additions to Fixed Assets is calculated prorata from the date of such addition.
- c) Assets costing less than Rs. 5,000/- has been depreciated fully in the year of purchase.
- d) Leasehold Improvements have been written off on prorata basis during the period of lease.

**v Inventories****Valuation of Inventories**

- a) Raw Material
- b) Finished Goods
- c) Stock-in-Process
- d) Stores & Spares

**Method of Valuation**

- At Lower of Cost or Net realisable value.\*
- \*The cost is determined on Weighted Average basis.
- At Lower of Cost or Net realisable value.
- At Cost
- At Cost

\* Cost comprises expenditure incurred in the normal course of business in bringing such inventories to the present location and condition. Finished Goods and Work- in Progress includes cost of conversion.

**vi Foreign Currency Transactions**

- a) Transactions denominated in Foreign Currencies are recorded at the exchange rate prevailing at the time of the transaction.
- b) Monetary Items denominated in foreign currency at the year end and not covered by forward exchange contracts are translated at year end rates and those covered by forward exchange contracts are translated at the rate ruling on the date of transaction as increased or decreased by the proportionate difference between the forward rate and exchange rate on the date of transaction, such difference having been recognised over the life of the contract.
- c) Any income or expense on account of exchange difference either on settlement or on translation is recognised in the statement of profit and loss.

**vii Employee Benefits**

Expenses and Liabilities in respect of employee benefits are recorded in accordance with Revised Accounting Standard 15 - Employees Benefits (Revised 2005).

**a) Post Employment Benefit Plans**

Payments to Defined Contribution Retirements Benefit Schemes are charged as an expense as they fall due.

**For Defined Benefit Shemes:** the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuation being carried out at each balance sheet date. Actuarial gains and losses are recognized in full in the statement of profit and loss for the period in which they occur.



Past service cost is recognized immediately to the extent that the benefits are already vested.

The retirement benefit obligation recognised in the balance sheet represents the present value of the defined benefit obligation as adjusted for unrecognized past service cost, plus the present value of available refunds and reductions in future contributions to the scheme.

**b) Short Term Employee Benefits.**

The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees is recognized during the period when the employee renders the service.

**viii Revenue Recognition**

- a) Export Sales are booked on the basis of date of Foreign Cargo Receipt.
- b) Domestic sales are recognised (net of sales tax, sales returns and trade discount) at the point of despatch of goods .
- c) Duty Drawbacks, DEPB and Other exports benefits are recognised in the Statement of Profit & Loss on accrual basis.
- d) Interest income is recognized on accrual basis.

**ix Purchases**

Purchases are booked at the time of receipt of material at Factory Gate.

**x Investments**

- a) Current Investments are stated at lower of cost and fair value.
- b) Long Term Investments are stated at Cost unless there is a diminution of permanent nature, if any in the opinion of the management.

**xi Earnings Per Share**

- a) Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by weighted average number of equity shares outstanding during the year.
- b) For calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of options outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

**xii Cash Flow Statement**

Cash flow Statement is made as per the indirect method prescribed under Accounting Standard - 3 " Cash Flow Statement notified under Companies (Accounting Standard) Rules, 2006.

**xiii Taxes on Income**

**Current Tax**

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

**Deferred Tax**

Deferred Tax resulting from timing difference between book and taxable profit is accounted for using the tax rate and laws that have been enacted or substantively enacted as on the Balance Sheet Date. Deferred Tax assets subject to consideration of prudence, are recognized and carried forward only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized .

**xiv Provision, Contingent Liabilities and Contingent Assets**

Provision involving 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 notes. contingent Assets are neither recognized nor disclosed in the financial statements.

**xv Leases**

- a) In respect of lease transactions entered into prior to April 1, 2001, lease rentals of assets acquired are charged to statement of profit & loss.
- b) Lease transactions entered into on or after April 1, 2001:  
Assets acquired under leases where the company has substantially all the risks and rewards of ownership are classified as finance leases. Such assets are capitalised at the inception of the lease at the lower of the value or the present value of minimum lease payments and a liability is created for an equivalent amount .Each lease rental paid is allocated between the liability and the interest cost, so as to obtain a constant periodic rate of interest on the liability for each period.  
Assets acquired under leases where a significant portion of all risks and rewards of ownership are retained by the lessor are classified as operating leases. Lease rentals are charged to the statement of profit & loss on accrual basis.



## ADDI INDUSTRIES LIMITED

### Note 3 : Share Capital

(Amount in ₹)

	As At March 31, 2016	As At March 31, 2015
<b>Authorised</b>		
15,000,000 (March 31, 2015: 15,000,000) Equity Shares of ₹. 5/- each	<b>75,000,000</b>	75,000,000
	<b><u>75,000,000</u></b>	<u>75,000,000</u>
<b>Issued, Subscribed &amp; Paid-up</b>		
10,796,574 (March 31, 2015: 10,796,574) Equity Shares of ₹ 5/- each fully paid up	<b>53,982,870</b>	53,982,870
Add: amount paid up on shares forfeited (3,400 nos (March, 2015: 3,400) of equity shares of ₹ 5 each)	<b>17,500</b>	17,500
	<b><u>54,000,370</u></b>	<u>54,000,370</u>

#### (a) Reconciliation Statement of Share Capital (in Nos. of Shares)

	March 31, 2016		March 31, 2015	
	No. of shares	Amount	No. of shares	Amount
<b>Equity Share Capital</b>				
Balances of Shares at the begning of year	<b>10,796,574</b>	<b>53,982,870</b>	10,796,574	53,982,870
Add:- Addition during the year	-	-	-	-
Less:- Buy back during the year	-	-	-	-
Balances of Shares at the end of the year	<b>10,796,574</b>	<b>53,982,870</b>	10,796,574	53,982,870

#### (b) Terms/rights attached to equity shares

The company has only one class of equity shares having a par value of ₹ 5/- per share. Each holder of Equity shares is entitled to one vote per share. The company declares and pays dividend in Indian Ruppees. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribuion will be in proprtion to the number of equity shares held by the shareholders

#### (c) Details of shareholders holding more than 5% shares in the company

	March 31, 2016		March 31, 2015	
	No. of shares	% Holding	No. of shares	% Holding
(a) Mr. Hari B. Bansal	<b>996,118</b>	<b>9.23</b>	996,118	9.23
(b) Mr. Abhishek Bansal	<b>1,000,666</b>	<b>9.27</b>	1,000,666	9.27
(C) Mr. Chaman Lal Jain	<b>1,689,818</b>	<b>15.65</b>	1,689,818	15.65
(d) Mrs. Urmila Jain	<b>3,714,493</b>	<b>34.40</b>	3,714,493	34.40
(e) Global Credit Capital Ltd.	-	-	798,008	7.39
	<b>7,401,095</b>	<b>68.55</b>	8,199,103	75.94

(Amount in ₹)

	As At March 31, 2016	As At March 31, 2015
<b>Note 4 : Reserves And Surplus</b>		
<b>Capital Reserve</b>		
Balances at the beginning of year	<b>5,799,016</b>	5,799,016
Add:- Addition during the year	-	-
Less:- Utilise during the year	-	-
Balances at the close of year	<b><u>5,799,016</u></b>	<u>5,799,016</u>

	As At March 31, 2016	As At March 31, 2015
<b>Security Premium Reserve</b>		
Balances at the beginning of year	131,850,587	131,850,587
Add:- Addition during the year	-	-
Less:- Utilise during the year	-	-
Balances at the close of year	<u>131,850,587</u>	<u>131,850,587</u>
<b>Surplus / (deficit) in the statement of profit and loss</b>		
Balances at the begning of year	(795,684)	(8,835,171)
Add:- Addition during the year		
Balance of Statement of Profit & Loss	6,441,597	8,998,920
Less: impact of carrying amount of asset where remaining useful life of asset is nil (net of deferred tax of ₹ 427,673)	-	959,433
Balances at the end of year	<u>5,645,913</u>	<u>(795,684)</u>
<b>Total Reserve and Surplus</b>	<u>143,295,516</u>	<u>136,853,919</u>

**Note 5 : Deferred tax liabilities (net)**

(Amount in ₹)

	As At March 31, 2016	As At March 31, 2015
<b>Deferred Tax Liabilities</b>		
Fixed assets: Impact of difference between tax depreciation and depreciation amortization charged for the financial reporting	2,768,555	3,674,659
<b>Total A</b>	<u>2,768,555</u>	<u>3,674,659</u>
<b>Deferred Tax Assets</b>		
Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes on payment basis	593,658	696,143
Provision for Doubtful advances	708,352	708,352
<b>Total B</b>	<u>1,302,010</u>	<u>1,404,495</u>
<b>Deferred tax liability (net)</b>	<u>1,466,545</u>	<u>2,270,164</u>

Note :

Keeping in view the principle of prudence as per Accounting Standard – “22 “Accounting for Taxes on Income”, read with ASI- 3; since there is no virtual certainty of future profits to absorb the entire business losses, the company has not recognized deferred tax assets on the brought forward losses and unabsorbed depreciation.

**Note 6 : Provisions**

(Amount in ₹)

	Non Current		Current	
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
<b>Provisions for Employee Benefits (Refer Note 20)</b>				
Provision for Gratuity	486,180	377,311	1,009,060	1,524,644
Provision for Leave Encashment	367,320	322,980	9,862	8,427
<b>Other Provisions</b>				
Provision for Income Tax (Net of Advance tax & TDS of ₹ 3,721,847 (March 31, 2015: ` Nil)	-	-	-	-
	<u>853,500</u>	<u>700,291</u>	<u>1,018,922</u>	<u>1,533,071</u>

a) **Contingent Liabilities**

- i) Claims against the company, not accepted and not provided for : ₹ 7,742,020 towards Employees State Insurance (March 31, 2015: ₹ 7,742,020). The Company is of the view that there will be no outflow in the financial statement.



## ADDI INDUSTRIES LIMITED

### Note 7 : Trade Payables

(Amount in ₹)

	As At March 31, 2016	As At March 31, 2015
Amount due to Micro Small and Medium Enterprise		
- Principal Amount	-	-
- Interest Payable on Outstanding Amount	-	-
Amount due to others	765,846	1,935,018
(refer note (a) below for details of dues to micro and small enterprises)		
	<b>765,846</b>	<b>1,935,018</b>

As per Schedule III of the Companies Act, 2013 and notification number GSR 719 (E) dated November 16, 2007, the amount due as at the year end due to Micro, small & medium enterprises as defined in Industries (Development and Regulation) Act, 1951 is as given below :

	<b>Details of dues to micro and small enterprises as defined under the MSMED Act, 2006</b>	As At March 31, 2016	As At March 31, 2015
	Principal amount due to micro and small enterprises	-	-
	Interest due on above	-	-
	The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payments made to the supplier beyond the appointed day during each accounting year.	Nil	Nil
	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006	Nil	Nil
	The amount of interest accrued and remaining unpaid at the end of each accounting year.	Nil	Nil
	The amount of further interest remaining due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006	Nil	Nil
b)	It does not include any amount due to be transferred to Investor Education and Protection Fund.		

### Note 8 : Other Current Liabilities

(Amount in ₹)

	As At March 31, 2016	As At March 31, 2015
<b>Other Liabilities</b>		
Book Overdraft	446,495	-
Statutory Dues	318,376	324,671
	<b>764,871</b>	<b>324,671</b>

**Note 9 : Fixed Assets**

**Note to Financial Statement for the year ended March 2016**

**(Amount in ₹)**

Particulars	Gross Block			Depreciation/Amortization						Net Block		
	As At April 01, 2015	Addi-tion	Deduction	As At March 31, 2016	As At April 01, 2015	For the Year	Deletion	Written Back	Un-planned Adjust-ments as per Sched-ule II	As At March 31, 2016	As At March 31, 2016	As At March 31, 2015
<b>A. Tangible Assets</b>												
Leasehold Land	14,821,097	-	-	14,821,097	3,451,234	172,032	-	-	-	3,623,266	11,197,831	11,369,863
Buildings	41,251,456	-	-	41,251,456	29,421,836	1,139,606	-	-	-	30,561,442	10,690,014	11,829,620
Building (Office)	7,674,212	-	-	7,674,212	1,595,597	122,719	-	-	-	1,718,316	5,955,896	6,078,615
Plant and Equipment	46,777,235	-	16,759,386	30,017,849	33,963,513	2,056,938	595,926	14,054,452	-	22,561,926	7,455,923	12,813,722
Furniture and fixtures	12,116,031	-	202,680	11,913,351	11,491,662	5,515	-	192,767	-	11,304,411	608,940	624,369
Vehicles	3,082,656	-	-	3,082,656	2,448,308	181,850	-	-	-	2,630,158	452,633	634,348
Electric Installation	3,850,960	-	-	3,850,960	3,551,477	15,277	-	-	-	3,566,754	284,206	299,483
Computers	910,041	-	686,125	223,916	864,536	-	-	651,819	-	212,717	11,199	45,505
Office Equipment	-	106,100	-	106,100	-	19,883	-	-	-	19,883	86,217	-
<b>Total</b>	<b>130,483,688</b>	<b>106,100</b>	<b>17,648,191</b>	<b>112,941,597</b>	<b>86,788,165</b>	<b>3,713,820</b>	<b>595,926</b>	<b>14,899,038</b>	<b>-</b>	<b>76,198,874</b>	<b>36,742,858</b>	<b>43,695,523</b>
<b>B. Capital work in progress</b>												
CWIP*	456,012	-	-	456,012	-	-	-	-	-	-	456,012	456,012
<b>Total</b>	<b>456,012</b>	<b>-</b>	<b>-</b>	<b>456,012</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>456,012</b>	<b>456,012</b>
<b>Grand Total (A+B)</b>	<b>130,939,700</b>	<b>106,100</b>	<b>17,648,191</b>	<b>113,397,609</b>	<b>86,788,165</b>	<b>3,713,820</b>	<b>595,926</b>	<b>14,899,038</b>	<b>-</b>	<b>76,198,874</b>	<b>37,198,870</b>	<b>44,151,535</b>
Previous Year	132,296,502	-	1,356,802	130,939,700	81,581,367	4,849,807	1,031,479	-	1,388,470	86,788,165	44,151,535	50,259,123

Note:

\* The capital work in progress represent the the borrowing cost during the year ended March 31, 2016 ₹ 456,012 ( March 31, 2015: ₹ 456,012).

**Note 10 :Non-Current Investment**

**(Amount in ₹)**

	As At March 31, 2016	As At March 31, 2015
<b>Trade Investments (Valued at cost unless otherwise stated)</b>		
<b>Unquoted Trade Investment</b>		
Investment in Subsidiary Equity shares of Aum Texfab Pvt. Ltd. (790,007 (March 31, 2015: 790,007) Equity shares of ₹ 10/ each fully paid-up)	<b>7,523,831</b>	7,523,831
<b>Non Trade</b>		
Quoted Investment Investments in Equity Shares * 63,100 (March 31, 2015: 63,100 Equity Shares of ₹ 10/- each fully paid up of PNR Capital Services Ltd.	<b>9,829,403</b>	9,829,403
<b>Gold Coins</b> 13 Nos. of 92 Grams (March 31, 2015: 13 Nos. of 92 gms)	<b>140,163</b>	140,163
<b>Investment in Tax Free Bonds</b>		
Investment in infrastructure bonds of HUDCO (15,000 bonds (March 31, 2015: 15,000 nos) of ₹ 1,000/- each)	<b>15,000,000</b>	15,000,000
Investment in infrastructure bonds of NTPC (1,510 bonds (March 31, 2015: Nil) of ₹ 1,000/- each)	<b>1,510,000</b>	-
Investment in infrastructure bonds of NHAI (1,428 bonds (March 31, 2015: Nil) of ₹ 1,000/- each)	<b>1,428,000</b>	-
Investment in infrastructure bonds of IRFC (625 bonds (March 31, 2015: Nil) of ₹ 1,000/- each)	<b>625,000</b>	-
Investment in infrastructure bonds of PFC (257 bonds (March 31, 2015: Nil) of ₹ 1,000/- each)	<b>257,000</b>	-
	<b>36,313,396</b>	<b>32,493,396</b>

\* Aggregate market value of quoted investment ₹ 97,805/- (March 31 2015: ₹ 97,805/-)



## ADDI INDUSTRIES LIMITED

### Note 11 : Loans and Advances

(Amount in ₹)

	Non Current		Current	
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
<b>Capital Advances</b>				
Unsecured, considered good	<b>69,597,499</b>	63,419,042	-	-
<b>Security Deposit</b>				
Unsecured, considered good	<b>1,900,546</b>	1,905,546	-	-
<b>Other Loans and Advances</b>				
Intercompany Deposit	-	-	-	20,000,000
Advance Tax (Including TDS)	<b>752,813</b>	1,907,645	-	-
[Net of provisions of ₹ 4,403,614 (March 31, 2015: ₹ 2,530,500)]				
Advances recoverable in cash or in Kind or for value to be received	<b>13,696</b>	13,696	<b>53,272</b>	357,583
Balance with Government authorities	<b>1,208,151</b>	1,208,121	-	-
Prepaid Expenses	<b>183,396</b>	319,583	<b>75,535</b>	15,062
Mat Credit Entitlement	<b>1,120,410</b>	2,530,500	-	-
	<b><u>74,776,511</u></b>	<u>71,304,133</u>	<b><u>128,807</u></b>	<u>20,372,645</u>

**Capital Commitment:** Estimated amount of contracts remaining to be executed on the capital account and not provided for in the account ₹ 4,522,960 (March 31, 2015: ₹ 8,579,438).

### Note 12 : Inventories

(Amount in ₹)

	As At March 31, 2016	As At March 31, 2015
<b>(As taken, valued &amp; certified by the management)</b>		
Raw Materials (Refer Note 19)	-	1,707,293
	-	<u>1,707,293</u>

### Note 13 : Trade Receivables

(Amount in ₹)

	As At March 31, 2016	As At March 31, 2015
<b>Outstanding for a period exceeding six months from the date they are due for payment</b>		
Unsecured, considered good	<b>719,751</b>	695,425
Unsecured, considered doubtful	<b>860,161</b>	860,161
	<b>1,579,912</b>	1,555,586
Less Provision for Doubtful Debts	<b>860,161</b>	860,161
	<b><u>719,751</u></b>	<u>695,425</u>

**Note 14 : Other Assets**

(Amount in ₹)

	Non Current		Current	
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
<b>Unsecured, considered good unless stated otherwise</b>				
Non-current bank balances*	-	367,643	-	-
<b>(Refer Note 15)</b>				
<b>Others</b>				
Interest Accured but not due	-	26,727	<b>2,482,690</b>	379,593
Export Incentives Receivable	-	-	<b>1,013,440</b>	1,013,440
	-	-	<b>1,432,238</b>	1,432,238
	-	-	<b>2,445,678</b>	2,445,678
Less Provision for Doubtful Debts	-	-	<b>1,432,238</b>	1,432,238
	-	-	<b>1,013,440</b>	1,013,440
Interest Receivable	-	-	<b>2,006,447</b>	3,809,346
	-	394,370	<b>5,502,577</b>	5,202,379

**Note 15 : Cash And Other Bank Balance**

(Amount in ₹)

	Non Current		Current	
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
<b>Cash &amp; Cash Equivalents</b>				
Balances with Scheduled banks : on Current Accounts	-	-	<b>983,995</b>	296,767
Deposits accounts with original maturity less than 3 months	-	-	-	9,900,000
Cash on hand	-	-	<b>356,535</b>	240,420
<b>Other Bank Balances</b>				
Balances with Scheduled banks :				
Deposit Accounts with original maturity more than 3 months but less than 12 months	-	-	<b>46,185,131</b>	-
Deposits with original maturity of more than 12 months	-	367,643	-	10,859,143
	-	367,643	<b>47,525,661</b>	21,296,330
Amount disclosed under non-current assets (Note :14)	-	367,643	-	-
	-	-	<b>47,525,661</b>	<b>21,296,330</b>



## ADDI INDUSTRIES LIMITED

### Note 16: Revenue From Operations

(Amount in ₹)

	For the year ended March 31, 2016	For the year ended March 31, 2015
<b>Sale of Product</b>		
Finished Goods	-	338,100
Traded Goods	1,697,438	1,561,875
<b>Other Operating Revenues</b>		
Scrap Sale	3,993	105,772
<b>Revenue From Operations (Gross)</b>	1,701,431	2,005,747
Less: Excise duty	-	-
<b>Revenue From Operations (Net)</b>	1,701,431	2,005,747
a) <b>Detail of Products sold</b>		
<u>Finished Goods</u>		
Cotton Knitted & Woven Garments	-	338,100
<u>Traded Goods</u>		
Raw Material-Fabric	1,697,438	1,561,875
	1,697,438	1,899,975

### Note 17: Other Income

(Amount in ₹)

	For the year ended March 31, 2016	For the year ended March 31, 2015
<b>Interest Income on</b>		
Fixed deposits with banks	3,810,052	1,033,530
Tax free bonds	1,211,042	1,126,500
On Intercompany Deposit	-	4,200,000
Income tax refund	73,692	-
Others (from Garden Galleria)	8,626,152	8,540,223
	1,3720,938	1,49,00,253
<b>Other Non- Operating Income</b>		
Maturity amount of Key man's Insurance Policy	9,359,456	9,359,456
Misc Income	1,088	13,054
<b>Total</b>	23,081,482	24,272,763

### Note 18: Cost Of Material Consumed

(Amount in ₹)

	For the year ended March 31, 2016	For the year ended March 31, 2015
<b>Raw Material</b>		
Inventory at the beginning of the year	1,707,293	-
Add : Purchases	-	1,979,250
Less: Inventory at the end of the year	-	1,707,293
Less: Cost of goods sold during the year	1,707,293	-
<b>Cost of Raw Material Consumed</b>	-	271,957
a) <b>Details of Material Consumed</b>		
<b>Raw Material</b>		
Yarn/Fabric	-	271,957
	-	271,957
b) <b>Details of Inventory</b>		
<b>Raw Material</b>		
Yarn	-	1,707,293
	-	1,707,293



<b>C. Details of Imported and Indigenous Raw materials Consumed</b>				
	%	Value (Rs.)	%	Value (Rs.)
<b>Imported</b>	-	-	-	-
<b>Indigenous</b>	-	-	100.00	271,957
	-	-	100.00	271,957

**Note 19: Purchase of Stock In Trade/Cost of Goods sold** (Amount in ₹)

	For the year ended March 31, 2016	For the year ended March 31, 2015
Finished Goods Purchased/cost of goods sold	1,707,293	1,561,875
	<u>1,707,293</u>	<u>1,561,875</u>
<b>Details of Purchases/Cost of Goods Sold</b>		
Raw Material-Fabric	1,707,293	1,561,875
	<u>1,707,293</u>	<u>1,561,875</u>

**Note 20 : Employee Benefits Expense** (Amount in ₹)

	For the year ended March 31, 2016	For the year ended March 31, 2015
Salaries, Wages & Bonus	3,303,388	3,930,906
Contribution to Provident and Other fund	111,216	65,609
Gratuity	102,131	84,664
Staff Welfare Expenses	17,414	32,959
	<u>3,534,149</u>	<u>4,114,138</u>

a) **Employee Benefits**

The Company has classified the various benefits provided to employees as under:-

(i) **Defined Contribution Plans**

Contribution to Defined Contribution Plan, recognized as expenses for the year are as under :

(Amount in ₹)

	For the year ended March 31, 2016	For the year ended March 31, 2015
Employer's Contribution to Provident Fund/ Pension Fund	93,433	48,027
Employer's Contribution to Employee State Insurance	17,783	17,582

(ii) **Defined Benefit plans**

The employee's gratuity fund scheme defined unfunded benefit plan. The present value of obligation is determined based on actuarial valuation using the projected unit credit method, which recognizes each period of service as giving rise to additional unit of employees benefit entitlement and measures each unit separately to built up the final obligation. The obligation for leave encashment is a defined unfunded benefit plan, which is recognized in the same manner as gratuity.



## ADDI INDUSTRIES LIMITED

Actuarial Valuation is as under:-

As at / for the year ended on March 31 2016	Gratuity (funded)						Earned Leave (unfunded)				
	2016	2015	2014	2013	2012	2016	2015	2014	2013	2012	
<b>I. Change in Defined Benefit Obligations (DBO)</b>											
Present value of DBO at beginning of year	1,901,955	1,923,906	1,936,206	2,419,341	4,313,739	331,407	359,353	286,882	136,865	697,014	
Current service cost	67,223	91,493	104,310	111,549	164,838	21,864	21,073	37,115	29,514	21,306	
Interest cost	152,156	163,532	164,578	205,644	366,668	26,513	30,545	24,385	11,634	59,246	
Actuarial (gains)/ losses	(117,248)	(170,361)	(212,650)	(16,129)	(1,683,162)	(2,603)	(45,981)	21,954	143,212	702,396	
Benefits paid	508,846	106,615	68,538	784,199	742,742	0	33,583	10,983	34,343	1,343,097	
Present value of DBO at the end of year	1,495,240	1,901,955	1,923,906	1,936,206	2,419,341	377,181	331,407	359,353	286,882	136,865	
<b>II. Change in fair value of assets</b>											
Plan assets at beginning of year	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	
Actual return on plan assets	-	-	-	-	-	-	-	-	-	-	
Actual company contributions	-	-	-	-	-	-	-	-	-	-	
Benefits paid	-	-	-	-	-	-	-	-	-	-	
Plan assets at the end of year	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	
<b>III. Net asset/(liability) recognised in Balance Sheet</b>											
Present value of Defined Benefit Obligation	1,495,240	1,901,955	1,923,906	1,936,206	2,419,341	377,181	331,407	359,353	286,882	136,865	
Fair value of plan assets	-	-	-	-	-	-	-	-	-	-	
Net asset/(liability) recognised in Balance Sheet	1,495,240	1,901,955	1,923,906	1,936,206	2,419,341	377,181	331,407	359,353	286,882	136,865	
<b>IV. Components of employer expense recognized during the year</b>											
Current service cost	67,223	91,493	104,310	111,549	164,838	21,864	21,073	37,115	29,514	21,306	
Interest cost	152,156	163,532	164,578	205,644	366,668	26,513	30,545	24,385	11,634	59,246	
Expected return on plan assets	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	
Actuarial losses / (gains)	(117,248)	(170,361)	(212,650)	(16,129)	(1,683,162)	(2,603)	(45,981)	21,954	143,212	702,396	
Total expense recognised in the Profit and Loss Statement	102,131	84,664	56,238	301,064	(1,151,656)	45,774	5,637	83,454	184,360	782,948	
<b>V. Actual contribution and benefit payments</b>											

	<b>Actual benefit payments</b>	-	-	-	-	-	-	-	-	-	-
	Actual contributions	-	-	-	-	-	-	-	-	-	-
VI.	<b>Actuarial assumptions</b>										
	Discount rate (p. a.)	8%	8%	8.5%	8.5%	8.5%	8%	8%	8.5%	8.5%	8.5%
	Future increase in compensation	8%	8%	8.5%	8.5%	8.5%	8%	8%	8.5%	8.5%	8.5%
	Expected return on plan assets	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A
	In Service Mortality	IALM (2006-08) Ultimate	IALM (2006-08) Ultimate	IALM (2006-08) Ultimate	L.I.C. 1994-96 Ultimate	L.I.C. 1994-96 Ultimate	IALM (2006-08) Ultimate	IALM (2006-08) Ultimate	IALM (2006-08) Ultimate	L.I.C. 1994-96 Ultimate	L.I.C. 1994-96 Ultimate
	Retirement age	60 years	60 years	60 years	58 years	58 years	60 years	60 years	60 years	58 years	58 years
	Withdrawal Rates (p.a.)	10% to 2%	10% to 2%	10% to 2%	10% to 2%	1%	10% to 2%	10% to 2%	10% to 2%	10% to 2%	1%
	Upto 30 Years	3%	3%	3%			3%	3%	3%		
	From 31 to 44 Years	2%	2%	2%			2%	2%	2%		
	Above 44 years	1%	1%	1%			1%	1%	1%		

**Note :**

The Estimate of rate of escalation in Salary considered in actuarial valuation, takes into account inflation, seniority, promotion and other relevant factors on long term basis including supply and demand in the Employment market.

**Note 21 : Finance Cost**

(Amount in ₹)

	For the year ended March 31, 2016	For the year ended March 31, 2015
Interest Expense	-	29,122
	-	29,122

**Note 22 : Other Expenses**

(Amount in ₹)

	For the year ended March 31, 2016	For the year ended March 31, 2015
Electricity Expenses	<b>237,123</b>	570,481
Rent	<b>61,131</b>	961,131
Repairs		
- Building	<b>188,563</b>	121,028
- Machinery	<b>9,260</b>	24,300
- Other	<b>124,351</b>	86,548
Insurance	<b>26,091</b>	26,596
Rates & Taxes	<b>304,241</b>	295,826
Payment to the Auditors (Refer details below)	<b>203,498</b>	228,685
Bad debts written off	-	1,655,250
Legal and Professional	<b>802,099</b>	667,652
Security Service Charges	<b>1,146,935</b>	1,022,390
Processing Charges	-	94,548
Miscellaneous expenses	<b>1,250,008</b>	1,804,384
	<b>4,353,300</b>	7,558,819



## ADDI INDUSTRIES LIMITED

<b>a) Payment to Auditors</b>		
<b>As Auditor:</b>		
Audit Fees	114,500	112,360
Tax Audit Fees	28,625	28,090
Limited review	34,300	33,708
<b>In other Capacity:</b>		
Taxation Matters	-	19,663
Other Matters	22,900	22,472
For Reimbursement of expenses	3,173	12,392
	<b>203,498</b>	<b>228,685</b>
<b>b) Expenditure in foreign currency</b>		
Travelling Expenses	-	276,755
	-	276,755

### Note 23 : Exceptional Items

(Amount in ₹)

	For the year ended March 31, 2016	For the year ended March 31, 2015
Loss/ (Profit) on Sale Of Fixed Assets	2,435,710	(73,478)
	<b>2,435,710</b>	<b>(73,478)</b>

### Note 24: Earnings Per Share(EPS)

(Amount in ₹)

	For the year ended March 31, 2016	For the year ended March 31, 2015
Profit/(Loss) attributable to the equity shareholders	6,441,597	8,998,920
Number/Weighted Average number of equity shares	10,796,574	10,796,574
Nominal value of equity shares	5.00	5.00
<b>Basic/Diluted Earnings per share</b>	<b>0.60</b>	<b>0.83</b>

### Note 25: Disclosure of Related parties/ Related parties transactions :

#### A. Name of the Related Parties and description of relationship

- |  |   |
|--|---|
| <ul style="list-style-type: none"> <li>i) Wholly owned Subsidiary Company</li> <li>ii) Key Management Personnel</li> </ul> | Aum Texffab Pvt. Ltd.<br>Mr. C.L. Jain, Managing Director<br>Mr. Hari Bansal, Director<br>Mr. Atul Jain, Chief Financial Officer<br>Mrs. Heena Arora, Company Secretary |
|--|---|

#### B. Disclosure of Related Party Transactions

(Amount in ₹)

Particulars	Wholly owned Subsidiary Company	Key Management Personnel	Total
i) Managerial Remuneration	-	1,500,000	1,500,000
	(-)	(2,327,155)	(2,327,155)
ii) Salary	-	666,300	666,300
	(-)	(-)	(-)
ii) Rent paid	-	-	-
	(-)	(900,000)	(900,000)
<b>C Balance outstanding as at 31st March, 2016</b>			
i) Investment	7,523,831	-	-
	(7,523,831)	(-)	-

Note : Figures in brackets represents corresponding amounts of previous years.

**D Details of transactions with related parties, the amount of which is in excess of 10% of the total related party transactions of the same type:**

Nature of transaction		For the year ended March 31, 2016		For the year ended March 31, 2015	
		(Amount in ₹)	% ge	(Amount in ₹)	% ge
i)	Managerial & KMP Remuneration				
	Mr. C.L Jain	1,500,000	100.00%	1,500,000	64.46%
	Mrs. Urmila Jain	-	0%	600,000	25.78%
ii)	Salary				
	Mr. Atul Jain	496,300	74.49%	-	0%
	Mrs. Heena Arora	170,000	25.51%	-	0%
ii)	Rent paid				
	Urmila Jain	-	0%	900,000	100%

**Note 26:**

In view of the management, the current assets, loans and advances have a value on realization in the ordinary course of business at least equal to the amount at which they are stated in the balance sheet as at 31.03.2016.

**Note 27:**

The company is in business of single product "Readymade Garments". Therefore, the requirements in context of the Accounting Standard - 17 "Segmental Reporting" are not applicable.

**Note 28:**

The closing balances of creditors and loans and advances are subject to confirmation.

**Note 29:**

Previous year figures have been regrouped/ rearranged wherever considered necessary.

As per our Audit Report of even date attached

**For S.R. Dinodia & Co. LLP.**

Chartered Accountants  
Firm's Registration Number 001478N/N500005

**For & on behalf of Board of Directors**

**(Sandeep Dinodia)**

Partner  
Membership Number 083689

**(C.L. Jain)**

Mg. Director  
(DIN No.00022903)

**(V.B. Aggarwal)**

Director  
(DIN No.00022967)

**(S. R. Sharma)**

Director  
(DIN No.05288842)

Place of Signataure: New Delhi  
Date: May 28, 2016

**(Heena Arora)**  
Company Secretary  
M. No. 031081

**(Atul Jain)**  
Chief Financial Officer



**Independent Auditors` Report**

To the Members of

**Addi Industries Limited**

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **Addi Industries Limited** (“the Holding Company”) and its subsidiary comprising of the Consolidated Balance Sheet as at **March 31, 2016**, and the Consolidated Statement of Profit and Loss and 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 Holding Company’s Board of Directors is responsible for the preparation of the consolidated financial statements in terms of the requirements of the Companies Act, 2013 (“the Act”) that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated 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. The Board of Directors of the Company is responsible for 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, which have been used for the purpose of preparation of the consolidated financial statements by the directors of the Holding Company, as aforesaid.

**Auditors’ 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 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 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 true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Holding Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Holding Company’s directors, as well as evaluating the overall presentation of the consolidated financial statements.

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

**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 Holding and, its subsidiary as at March 31, 2016, their consolidated profit, and their consolidated cash flows for the year ended on that date.

**Other Matters**

We did not audit the total assets of ₹ 13,587,368 as at March 31, 2016, total revenues and profit before tax of ₹ 1,025,183 and ₹ 1,008,889 respectively for the year then ended, included in the accompanying consolidated financial statements in respect of its subsidiary not audited by us, whose financial statements and other financial information have been audited by other auditors and whose reports have been furnished to us. Our opinion, in so far as it relates to the affairs of such subsidiary is based solely on the report of other auditors. Our opinion is not qualified in respect of this matter.

**Report on Other Legal & 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.
  - (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.
  - (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2016 taken on record by the Board of Directors of the Holding Company and report of the statutory auditor of the subsidiary, none of the directors of the Holding Company is disqualified as on March 31, 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 separate 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 Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. On the basis of written representations received from the management of the Company, the Company does not have any pending litigations which would impact its consolidated financial position; except for the cases which are disclosed under sub-note "Contingent Liabilities" under Note No. 6(a) of the consolidated financial statements.
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii. There 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 incorporated in India.

**For S.R. Dinodia & Co. LLP.**

Chartered Accountants,  
Firm Registration Number 001478N/N500005

**(SandeepDinodia)**

Partner

Place of Signature: New Delhi

Date: May 28, 2016

**Annexure- A to the Independent Auditors' Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2016, we have audited the internal financial controls over financial reporting of Addi Industries Limited (hereinafter referred to as "the Holding Company") and its subsidiary which are companies incorporated in India, as of that date.

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

The respective Board of Directors of the Holding Company and its subsidiary, which is company 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 Companies Act, 2013.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by ICAI 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 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 judgment, 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 and its subsidiary, which is company 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 S. R. Dinodia & Co. LLP**

Chartered Accountants,  
Firm Registration Number 001478N/ N500005

**(Sandeep Dinodia)**

Partner

Membership Number : 083689

Place of Signature: New Delhi

Date: May 28, 2016



# ADDI INDUSTRIES LIMITED



## Consolidated Balance Sheet As At March 31, 2016

(Amount in ₹)

Particulars	Note No.	As At March 31, 2016	As At March 31, 2015
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' funds</b>			
Share Capital	3	54,000,370	54,000,370
Reserves and surplus	4	149,238,340	141,835,853
		<u>203,238,710</u>	<u>195,836,223</u>
<b>Non-current liabilities</b>			
Deferred tax liabilities (Net)	5	1,466,545	2,270,164
Long-term provisions	6	853,500	700,291
		<u>2,320,045</u>	<u>2,970,455</u>
<b>Current liabilities</b>			
Trade payables	7	-	-
Total Outstanding dues of micro and small enterprises		-	-
Total Outstanding dues of creditors other than micro and small enterprises		822,435	1,943,445
Other current liabilities	8	764,871	408,042
Short-term provisions	6	1,042,695	1,533,071
		<u>2,630,001</u>	<u>3,884,558</u>
<b>TOTAL</b>		<u><b>208,188,756</b></u>	<u><b>202,691,236</b></u>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Fixed assets	9		
Tangible assets		36,742,858	43,695,523
Capital work in progress		456,012	456,012
Non-current investments	10	39,628,772	35,101,566
Long-term loans and advances	11	74,776,511	71,294,061
Other non-current assets	14	-	394,370
		<u>151,604,153</u>	<u>150,941,531</u>
<b>Current assets</b>			
Inventories	12	-	1,707,293
Trade receivables	13	719,749	695,423
Cash and other Bank Balance	15	50,233,470	23,425,397
Short-term loans and advances	11	128,807	20,719,213
Other current assets	14	5,502,577	5,202,379
		<u>56,584,603</u>	<u>51,749,705</u>
<b>TOTAL</b>		<u><b>208,188,756</b></u>	<u><b>202,691,236</b></u>
Summary of Significant Accounting policies	2		

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

As per our Audit Report of even date attached

**For S.R. Dinodia & Co. LLP.**

Chartered Accountants

Firm's Registration Number 001478N/N500005

**(Sandeep Dinodia)**

Partner

Membership Number 083689

**(C.L. Jain)**

Mg. Director

(DIN No.00022903)

**(V.B. Aggarwal)**

Director

(DIN No.00022967)

**(S. R. Sharma)**

Director

(DIN No.05288842)

**(Heena Arora)**

Company Secretary

M. No. 031081

**(Atul Jain)**

Chief Financial Officer

Place of Signataure: New Delhi

Date: May 28, 2016



## ADDI INDUSTRIES LIMITED

### Consolidated Statement of Profit & Loss for the year ended March 31, 2016

Particulars	Note No.	(Amount in ₹)	
		For the year ended March 31, 2016	For the year ended March 31, 2015
<b>Income</b>			
Revenue from operations (Gross)	16	1,701,431	2,005,747
Less : Excise Duty		-	-
Revenue from operations (Net)		1,701,431	2,005,747
Other income	17	24,106,665	25,230,022
<b>Total Revenue</b>		<b>25,808,096</b>	<b>27,235,769</b>
<b>Expenses:</b>			
Cost of materials consumed	18	-	271,957
Purchase of Stock in trade/cost of goods sold	19	1,707,293	1,561,875
Employee benefits expense	20	3,534,149	4,114,138
Finance costs	21	1,089	38,098
Depreciation and amortization expense	9	4,309,746	4,849,807
Other expenses	22	4,368,505	7,579,986
<b>Total expenses</b>		<b>13,920,782</b>	<b>18,415,861</b>
<b>Profit before exceptional items and tax</b>		<b>11,887,314</b>	<b>8,819,908</b>
Exceptional items	23	2,435,710	(73,478)
<b>Profit Before Tax</b>		<b>9,451,604</b>	<b>8,893,386</b>
<b>Tax expense:</b>			
Current Tax		2,877,987	993,000
Mat Credit Entitlement		-	(963,000)
Deferred Tax	5	(803,619)	(1,032,649)
Tax Adjustment for earlier years		(25,250)	-
<b>Profit (Loss) of the year</b>		<b>7,402,486</b>	<b>9,896,035</b>
<b>Earnings per equity share:</b>			
Basic / diluted earning per share	24	0.69	0.92
Summary of Significant Accounting policies	2		

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

As per our Audit Report of even date attached

**For S.R. Dinodia & Co. LLP.**

Chartered Accountants  
Firm's Registration Number 001478N/N500005

**(Sandeep Dinodia)**  
Partner  
Membership Number 083689

**(C.L. Jain)**  
Mg. Director  
(DIN No.00022903)

**For & on behalf of Board of Directors**

**(V.B. Aggarwal)**  
Director  
(DIN No.00022967)

**(S. R. Sharma)**  
Director  
(DIN No.05288842)

Place of Signataure: New Delhi  
Date: May 28, 2016

**(Heena Arora)**  
Company Secretary  
M. No. 031081

**(Atul Jain)**  
Chief Financial Officer

**Consolidated Cash Flow Statement for the year ended March 31, 2016**

Particulars	(Amount in ₹)	
	For the year ended March 31, 2016	For the year ended March 31, 2015
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Net profit before Tax &amp; extraordinary items</b>	<b>9,451,604</b>	8,893,386
Adjustments For :		
Depreciation	4,309,746	4,849,807
Amount written off	1,088	-
Provision no longer required	-	-
(Profit) /Loss on sale of Fixed Assets	2,435,710	(73,478)
Interest paid	1,089	38,098
Interest Received	(14,746,121)	(15,857,512)
Dividend Received	-	-
<b>Operating profit before working capital Changes</b>	<b>1,453,116</b>	(2,149,699)
Adjustments For :		
(Increase)/ Decrease in Trade Receivables	(24,326)	867,432
(Increase)/ Decrease in Inventories	1,707,293	(1,707,293)
(Increase)/ Decrease in long term loan and advance	(6,136,266)	(1,212,053)
(Increase)/ Decrease in short term loan and advance	20,590,406	1,127,872
(Increase)/ Decrease in other current assets	(300,198)	(1,961,941)
(Increase)/ Decrease in other non current assets	394,370	44,901
Increase/ (Decrease) in Trade Payables	(1,121,010)	(572,154)
Increase/ (Decrease) in Other current Liabilities	356,829	-
Increase/ (Decrease) in long term Provisions	153,209	(61,137)
Increase/ (Decrease) in short term Provisions	(490,376)	-
<b>Cash generated from operations before extraordinary items</b>	<b>16,583,048</b>	(5,624,072)
Direct Tax Paid	(200,000)	(1,307,194)
<b>Cash generated from operations after extraordinary items</b>	<b>16,383,048</b>	(6,931,266)
<b>NET CASH FLOW FROM OPERATING ACTIVITIES (A)</b>	<b>16,383,048</b>	(6,931,266)
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of fixed assets, including CWIP	(106,100)	-
Proceeds from sale of fixed assets	313,300	398,800
(Purchase)/sale of Investment	(4,527,206)	-
Interest Received	14,746,121	15,857,512
Advance for purchase of property & ICD	-	-
Proceeds from sale of keyman Insurance Policy	-	-
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>10,426,115</b>	16,256,312



## ADDI INDUSTRIES LIMITED

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>		
Loans given		
Interest paid	(1,089)	(38,098)
Loans and advances given	-	-
Bank Borrowings	-	-
<b>NET CASH FLOW FROM FINANCING ACTIVITIES</b>	<b>(1,089)</b>	<b>(38,098)</b>
<b>D NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A)+(B)+(C)</b>	<b>26,808,073</b>	<b>9,286,948</b>
Cash & Cash equivalents as at 01-4-2015( Op. Balance)	<b>23,425,397</b>	<b>14,138,449</b>
Cash & Cash equivalents as at 31-3-2016( Cl. Balance)	<b>50,233,470</b>	<b>23,425,397</b>
<b>Cash and Cash Equivalents include:</b>	<b>50,233,470</b>	<b>23,425,397</b>
-Cash in hand	<b>369,503</b>	<b>253,388</b>
Balances with Scheduled Banks		
-In Current Accounts	<b>1,125,077</b>	<b>338,536</b>
-In Deposit Account	<b>48,738,890</b>	<b>22,833,473</b>

As per our Audit Report of even date attached

**For S.R. Dinodia & Co. LLP.**

Chartered Accountants

Firm's Registration Number 001478N/N500005

**For & on behalf of Board of Directors**

**(Sandeep Dinodia)**

Partner

Membership Number 083689

**(C.L. Jain)**

Mg. Director

(DIN No.00022903)

**(V.B. Aggarwal)**

Director

(DIN No.00022967)

**(S. R. Sharma)**

Director

(DIN No.05288842)

Place of Signataure: New Delhi

Date: May 28, 2016

**(Heena Arora)**

Company Secretary

M. No. 031081

**(Atul Jain)**

Chief Financial Officer

**Notes to consolidated financial statements for the year ended March 31,2016**

**Note 1: Basis of Consolidation:**

The Consolidated financial statements relate to Addi Industries Limited (the Company) and its subsidiary company. The Company and its subsidiary constitute the Group.

**Basis of Accounting:**

The Financial Statements of the subsidiary Company used in the consolidation are drawn upto the same reporting date as of the Company i.e. year ending March 31, 2016

The Financial Statements of the Group have been prepared in accordance with the Accounting Standards issued by the Institute of Chartered Accountants of India, and other generally accepted accounting principles.

**Principles of Consolidation:**

The Financial Statement of the Company and its subsidiary company 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 unrealized profits or losses have been fully eliminated.

The excess of cost to the Company of its investments in the subsidiary company over its share of equity of the subsidiary company, at the dates on which the investments in the subsidiary company are made, is recognized as "goodwill" being as assets in the Consolidated Financial Statements. Alternatively, where the share of equity in the subsidiary company as on the date of investment is in excess of cost of investment of the Company, it is recognized as "Capital reserve" and shown under the head "Reserves and Surplus", in the consolidated Financial Statements.

The Consolidated Financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the Company's separate financial statements.

The following subsidiary company is considered in the Consolidated financial statements:

Name of the Company	Country of Incorporation	% of holding either directly or through subsidiary	
		March 31, 2016	March 31, 2016
Aum Texfab Pvt. Ltd.	India	100%	100%

**Note 2: Summary of Significant Accounting Policies**

**i Uses of Estimates**

The financial statements are prepared using estimates and assumptions that effect the reported balances of the assets and liabilities and disclosures relating to contingent assets and liabilities as at the date of balance sheet and the statement of profit and loss during the year. Contingencies are recorded when it is probable that a liability has been incurred and amount can be reasonably estimated. Actual results could differ from these estimates. The actual results are recognized in the year in which the results are known/materialised.

**Fixed Assets:**

- Fixed Assets are stated at cost, less accumulated depreciation.
- Leasehold Land is shown at Cost less amortisation.

**iii Method of Depreciation & Amortisation**

- a) Depreciation is provided at the rates calculated on the basis of life (s) specified in the Schedule II of the Companies Act,2013 by using the Straight Line Method.
- b) Depreciation on additions to Fixed Assets is calculated prorata from the date of such addition.
- c) Assets costing less than Rs. 5,000/- has been depreciated fully in the year of purchase.
- d) Leasehold improvements have been written off on prorata basis during the period of lease.

**iv Inventories**

**Valuation of Inventories**

**Method of Valuation**

- |                     |  |
|---------------------|--|
| a) Raw Material     | At Lower of Cost or Net realisable value.*         |
|                     | *The cost is determined on Weighted Average basis. |
| b) Finished Goods   | At Lower of Cost or Net realisable value.          |
| c) Stock-in-Process | At Cost.   |
| d) Stores & Spares  |  |

\* Cost comprises expenditure incurred in the normal course of business in bringing such inventories to the present location and condition. Finished Goods and Work- in Progress includes cost of conversion.

**v Foreign Currency Transactions**

- a) Transactions denominated in Foreign Currencies are recorded at the exchange rate prevailing at the time of the transaction.
- b) Monetary Items denominated in foreign currency at the year end and not covered by forward exchange contracts are translated at year end rates and those covered by forward exchange contracts are translated at the rate ruling on the date of transaction as increased or decreased by the proportionate difference between the forward rate and exchange rate on the date of transaction, such difference having been recognised over the life of the contract.
- c) Any income or expense on account of exchange difference either on settlement or on translation is recognised in

- the statement of profit and loss.
- vi **Employee Benefits**  
Expenses and Liabilities in respect of employee benefits are recorded in accordance with Revised Accounting Standard 15 - Employees Benefits (Revised 2005).
- a) **Post Employment Benefit Plans**  
Payments to Defined Contribution Retirements Benefit Schemes are charged as an expense as they fall due.  
For Defined Benefit Schemes: the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuation being carried out at each balance sheet date. Actuarial gains and losses are recognized in full in the statement of profit and loss for the period in which they occur. Past service cost is recognized immediately to the extent that the benefits are already vested.  
The retirement benefit obligation recognised in the balance sheet represents the present value of the defined benefit obligation as adjusted for unrecognized past service cost, plus the present value of available refunds and reductions in future contributions to the scheme.
- b) **Short Term Employee Benefits.**  
The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees is recognized during the period when the employee renders the service
- vii **Revenue Recognition**
- a) Export Sales are booked on the basis of date of Foreign Cargo Receipt.  
b) Domestic sales are recognised (net of sales tax, sales returns and trade discount) at the point of despatch of goods.  
c) Duty Drawbacks, DEPB and Other exports benefits are recognised in the Statement of Profit & Loss on accrual basis.  
d) Interest income is recognized on accrual basis.
- viii **Purchases**  
Purchases are booked at the time of receipt of material at Factory Gate.
- ix **Investments**
- a) Current Investments are stated at lower of cost and fair value.  
b) Long Term Investments are stated at Cost unless there is a diminution of permanent nature, if any in the opinion of the management.
- x **Earnings Per Share**
- a) Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by weighted average number of equity shares outstanding during the year.  
b) For calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of options outstanding during the year are adjusted for the effects of all dilutive potential equity shares.
- xi **Cash Flow Statement**  
Cash flow Statement is made as per the indirect method prescribed under Accounting Standard - 3 "Cash Flow Statement notified under Companies (Accounting Standard) Rules, 2006.
- xii **Taxes on Income**  
**Current Tax**  
Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of Income Tax Act, 1961.  
**Deferred Tax**  
Deferred Tax resulting from timing difference between book and taxable profit is accounted for using the tax rate and laws that have been enacted or substantively enacted as on the Balance Sheet Date. Deferred Tax assets subject to consideration of prudence, are recognized and carried forward only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized .
- xiii **Provision, Contingent Liabilities and Contingent Assets**  
Provision involving 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 notes. contingent Assets are neither recognized nor disclosed in the financial statements.
- xiv **Leases**
- a) In respect of lease transactions entered into prior to April 1, 2001, lease rentals of assets acquired are charged to statement of profit & loss.  
b) Lease transactions entered into on or after April 1, 2001:  
Assets acquired under leases where the company has substantially all the risks and rewards of ownership are classified as finance leases. Such assets are capitalised at the inception of the lease at the lower of the value or the present value of minimum lease payments and a liability is created for an equivalent amount .Each lease rental paid is allocated between the liability and the interest cost, so as to obtain a constant periodic rate of interest on the liability for each period.  
Assets acquired under leases where a significant portion of all risks and rewards of ownership are retained by the lessor are classified as operating leases. Lease rentals are charged to the statement of profit & loss on accrual basis.

# ADDI INDUSTRIES LIMITED



## Note 3 : Share Capital

(Amount in ₹)

	AS AT March 31, 2016	AS AT March 31, 2015
<b>Authorised</b>		
15,000,000 (March 31, 2015: 15,000,000) Equity Shares of ₹ 5/- each	75,000,000	75,000,000
	<u>75,000,000</u>	<u>75,000,000</u>
<b>Issued, Subscribed &amp; Paid-up</b>		
10,796,574 (March 31, 2015: 10,796,574) Equity Shares of ₹ 5/- each fully paid up	53,982,870	53,982,870
Add: amount paid up on shares forfeited (3,400 nos (March, 2015: 3,400) of equity shares of ₹ 5/- each)	17,500	17,500
	<u>54,000,370</u>	<u>54,000,370</u>

### (a) Reconciliation Statement of Share Capital (in Nos. of Shares)

Equity Share Capital	March 31, 2016		March 31, 2015	
	No. of shares	Amount	No. of shares	Amount
Balances of Shares at the begning of year	10,796,574	53,982,870	10,796,574	53,982,870
Add:- Addition during the year	-	-	-	-
Less:- Buy back during the year	-	-	-	-
Balances of Shares at the end of the year	10,796,574	53,982,870	10,796,574	53,982,870

### (b) Terms/rights attached to equity shares

The company has only one class of equity shares having a par value of ₹ 5/- per share. Each holder of Equity shares is entitled to one vote per share. The company declares and pays dividend in Indian Ruppess. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribuion will be in proprtion to the number of equity shares held by the shareholders

### (c) Details of shareholders holding more than 5% shares in the company

	March 31, 2016		March 31, 2015	
	No. of shares	% Holding	No. of shares	% Holding
(a) Mr. Hari B. Bansal	996,118	9.23	996,118	9.23
(b) Mr. Abhishek Bansal	1,000,666	9.27	1,000,666	9.27
(C) Mr. Chaman Lal Jain	1,689,818	15.65	1,689,818	15.65
(d) Mrs. Urmila Jain	3,714,493	34.40	3,714,493	34.40
(e) Global Credit Capital Ltd.	-	-	798,008	7.39
	<u>7,401,095</u>	<u>68.55</u>	<u>8,199,103</u>	<u>75.94</u>

## Note 4 : Reserves And Surplus

(Amount in ₹)

	As At March 31, 2016	As At March 31, 2015
<b>Capital Reserve</b>		
Balances at the beginning of year	6,175,255	6,175,255
Add:- Addition during the year	-	-
Less:- Utilise during the year	-	-
Balances at the close of year	<u>6,175,255</u>	<u>6,175,255</u>



## ADDI INDUSTRIES LIMITED

<b>Security Premium Reserve</b>		
Balances at the beginning of year	<b>131,850,587</b>	131,850,587
Add:- Addition during the year	-	-
Less:- Utilise during the year	-	-
Balances at the close of year	<u><b>131,850,587</b></u>	<u>131,850,587</u>
<b>Surplus / (deficit) in the statement of profit and loss</b>		
Balances at the begning of year	<b>3,810,011</b>	(5,126,592)
Add:- Addition during the year		
Balance of Statement of Profit & Loss	<b>7,402,486</b>	9,896,035
Less: impact of carrying amount of asset where remaining useful life of asset is nil (net of deferred tax of ₹ 427,673)	-	959,433
Balances at the end of year	<u><b>11,212,497</b></u>	<u>3,810,011</u>
<b>Total Reserve and Surplus</b>	<u><b>149,238,339</b></u>	<u>141,835,853</u>

### Note 5 : Deferred tax liabilities (net)

(Amount in ₹)

	As At March 31, 2016	As At March 31, 2015
<b>Deferred Tax Liabilities</b>		
Fixed assets: Impact of difference between tax depreciation and depreciation amortization charged for the financial reporting	<b>2,768,555</b>	3,674,659
<b>Total A</b>	<u><b>2,768,555</b></u>	<u>3,674,659</u>
<b>Deferred Tax Assets</b>		
Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes on payment basis	<b>593,659</b>	696,143
Provision for Doubtful advances	<b>708,351</b>	708,352
<b>Total B</b>	<u><b>1,302,010</b></u>	<u>1,404,495</u>
<b>Deferred tax liability (net)</b>	<u><b>1,466,545</b></u>	<u>2,270,164</u>

#### Note :

Keeping in view the principle of prudence as per Accounting Standard – “22 ‘Accounting for Taxes on Income;’ read with ASI- 3; since there is no virtual certainty of future profits to absorb the entire business losses, the company has not recognized deferred tax assets on the brought forward losses and unabsorbed depreciation.

### Note 6 : Provisions

(Amount in ₹)

	Non Current		Current	
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
<b>Provisions for Employee Benefits (Refer Note 20)</b>				
Provision for Gratuity	486,180	377,311	1,009,060	1,524,644
Provision for Leave Encashment	367,320	322,980	9,862	8,427
<b>Other Provisions</b>				
Provision for Income Tax (Net of Advance tax & TDS of ₹ 40,352 (March 31, 2015: ₹ Nil)	-	-	23,773	-
	<u><b>853,500</b></u>	<u><b>700,291</b></u>	<u><b>1,042,695</b></u>	<u><b>1,533,071</b></u>

#### a) Contingent Liabilities

- i) Claims against the company, not accepted and not provided for : ₹ 7,742,020 towards Employees State Insurance (March 31, 2015: ₹ 7,742,020)



# ADDI INDUSTRIES LIMITED



## Note 7 : Trade Payables

(Amount in ₹)

	As At March 31, 2016	As At March 31, 2015
Amount due to Micro Small and Medium Enterprise		
- Principal Amount	-	-
- Interest Payable on Outstanding Amount	-	-
Amount due to others	<b>822,434</b>	1,943,445
(refer note (a) below for details of dues to micro and small enterprises)		
	<b><u>822,434</u></b>	<u>1,943,445</u>

As per Schedule III of the Companies Act, 2013 and notification number GSR 719 (E) dated November 16, 2007, the amount due as at the year end due to Micro, small & medium enterprises as defined in Industries (Development and Regulation) Act, 1951 is as given below :

Details of dues to micro and small enterprises as defined under the MSMED Act, 2006	As At March 31, 2016	As At March 31, 2015
Principal amount due to micro and small enterprises	-	-
Interest due on above	-	-
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payments made to the supplier beyond the appointed day during each accounting year.	<b>Nil</b>	Nil
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006	<b>Nil</b>	Nil
The amount of interest accrued and remaining unpaid at the end of each accounting year.	<b>Nil</b>	Nil
The amount of further interest remaining due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006	<b>Nil</b>	Nil
b) It does not include any amount due to be transferred to Investor Education and Protection Fund.		

## Note 8 : Other Current Liabilities

(Amount in ₹)

	As At March 31, 2016	As At March 31, 2015
<b>Other Liabilities</b>		
Book Overdraft	446,495	-
Statutory Dues	318,376	408,042
	<b><u>764,871</u></b>	<u>408,042</u>



## ADDI INDUSTRIES LIMITED

### Note To Consolidated Financial Statements for the year ended March 31, 2016

#### Note 9 : Fixed Assets

(Amount in ₹)

Particulars	Gross Block				Depreciation/Amortization						Net Block	
	As at April 01, 2015	Addition	Deduction	As at March 31, 2016	As at April 01, 2015	For the Year	Deletion	Written Back	Unplanned Adjustments as per Schedule II	As at March 31, 2016	As at March 31, 2016	As at March 31, 2015
<b>A. Tangible Assets</b>												
Leasehold Land	14,821,097	-	-	14,821,097	3,451,234	172,032	-	-	-	3,623,266	11,197,831	11,369,863
Buildings	41,251,456	-	-	41,251,456	29,421,836	1,139,606	-	-	-	30,561,442	10,690,014	11,829,620
Building (Office)	7,674,212	-	-	7,674,212	1,595,597	122,719	-	-	-	1,718,316	5,955,896	6,078,615
Plant and Equipment	46,777,235	-	16,759,386	30,017,849	33,963,513	2,056,938	595,926	14,054,452	-	22,561,926	7,455,923	12,813,722
Furniture and fixtures	12,116,031	-	202,680	11,913,351	11,491,662	5,515	-	192,767	-	11,304,411	608,940	624,369
Vehicles	3,082,656	-	-	3,082,656	2,448,308	181,850	-	-	-	2,630,158	452,633	634,348
Electric Installation	3,850,960	-	-	3,850,960	3,551,477	15,277	-	-	-	3,566,754	284,206	299,483
Computers	910,041	-	686,125	223,916	864,536	-	-	651,819	-	212,717	11,199	45,505
Office Equipment	-	106,100	-	106,100	-	19,883	-	-	-	19,883	86,217	-
<b>Total</b>	<b>130,483,688</b>	<b>106,100</b>	<b>17,648,191</b>	<b>112,941,597</b>	<b>86,788,165</b>	<b>3,713,820</b>	<b>595,926</b>	<b>14,899,038</b>	<b>-</b>	<b>76,198,874</b>	<b>36,742,858</b>	<b>43,695,523</b>
<b>B. Capital work in progress</b>												
CWIP*	456,012	-	-	456,012	-	-	-	-	-	-	456,012	456,012
<b>Total</b>	<b>456,012</b>	<b>-</b>	<b>-</b>	<b>456,012</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>456,012</b>	<b>456,012</b>
<b>Grand Total (A+B)</b>	<b>130,939,700</b>	<b>106,100</b>	<b>17,648,191</b>	<b>113,397,609</b>	<b>86,788,165</b>	<b>3,713,820</b>	<b>595,926</b>	<b>14,899,038</b>	<b>-</b>	<b>76,198,874</b>	<b>37,198,870</b>	<b>44,151,535</b>
Previous Year	132,296,502	-	1,356,802	130,939,700	81,581,367	4,849,807	1,031,479	-	1,388,470	86,788,165	44,151,535	50,259,123

**Note:**

\* The capital work in progress represent the the borrowing cost during the year ended March 31, 2016 ₹456,012 ( March 31, 2015: ₹ 456,012).

\* Negative figures in retained earnings represents reinstatement of balances to 5% salvage value. The same has been adjusted with retained earnings as specified in Schedule II of the Companies Act 2013

#### Note 10 :Non-Current Investment

(Amount in ₹)

	As At March 31, 2016	As At March 31, 2015
<b>Trade Investments (Valued at cost unless otherwise stated)</b>		
<b>Unquoted Trade Investment</b>		
Investment in Subsidiaries	-	-
Equity shares of Aum Texfab Pvt. Ltd. (790,007 (March 31, 2015: 790,007) Equity shares of ₹ 10/ each fully paid-up @ ₹ 9.50 per Equity Share)		
<b>Non Trade</b>		
<b>Quoted Investment</b>		
Investments in Equity instruments *	<b>9,829,403</b>	9,829,403
63,100 (March 31, 2015: 63,100 Equity Shares of ₹ 10/- each fully paid up of PNR Capital Services Ltd.		
<b>Gold Coins</b>		
13 Nos. of 92 Grams (March 31, 2015: 13 Nos. of 92 gms)	<b>140,163</b>	140,163
<b>Investment in Tax Free Bonds</b>		
Investment in infrastructure bonds of HUDCO (15,000 bonds (March 31, 2015: Nil) of ₹ 1,000/- each)	<b>15,000,000</b>	15,000,000
Investment in infrastructure bonds of NTPC (1,510 bonds (March 31, 2015: Nil) of ₹ 1,000/- each)	<b>1,510,000</b>	-
Investment in infrastructure bonds of NHAI (1,428 bonds (March 31, 2015: Nil) of ₹ 1,000/- each)	<b>1,428,000</b>	-
Investment in infrastructure bonds of IRFC (625 bonds (March 31, 2015: Nil) of ₹ 1,000/- each)	<b>625,000</b>	-
Investment in infrastructure bonds of PFC (257 bonds (March 31, 2015: Nil) of ₹ 1,000/- each)	<b>257,000</b>	-
Investments in Government securities (including Interest accrued)	<b>10,839,207</b>	10,132,000
	<b>39,628,773</b>	35,101,566

\* Aggregate market value of quoted investment ₹ 485,870 (March 31 2015: ₹ 97,805/-)

**Note 11 : Loans and Advances**

(Amount in ₹)

	Non Current		Current	
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
<b>Capital Advances</b>				
Unsecured, considered good	<b>69,597,499</b>	63,419,042	-	-
<b>Security Deposit</b>				
Unsecured, considered good	<b>1,900,546</b>	1,905,546	-	-
<b>Other Loans and Advances</b>				
Intercorporate Deposit	-	-	-	20,000,000
Advance Tax (Including TDS)	<b>752,813</b>	1,897,572	-	-
[Net of provisions of ₹ 1,567,500 (March 31, 2015: ₹ 2,570,340)]				
Advances recoverable in cash or in Kind or for value to be received	<b>13,696</b>	13,696	<b>53,272</b>	704,151
Balance with Government authorities	<b>1,208,151</b>	1,208,121	-	-
Prepaid Expenses	<b>183,396</b>	319,583	<b>75,535</b>	15,062
Mat Credit Entitlement	<b>1,120,410</b>	2,530,500	-	-
	<b><u>74,776,511</u></b>	<u>71,294,060</u>	<b><u>128,807</u></b>	<u>20,719,213</u>

Capital Commitment: Estimated amount of contracts remaining to be executed on the capital account and not provided for in the account ₹ 4,522,960 (March 31, 2015: ₹ 8,579,438).

**Note 12 : Inventories**

(Amount in ₹)

	As At	As At
	March 31, 2016	March 31, 2015
<b>(As taken, valued &amp; certified by the management)</b>		
Raw Materials (Refer Note 19)	-	1,707,293
	-	1,707,293

**Note 13 : Trade Receivables**

(Amount in ₹)

	As At	As At
	March 31, 2016	March 31, 2015
<b>Outstanding for a period exceeding six months from the date they are due for payment</b>		
Unsecured, considered good	<b>719,751</b>	695,425
Unsecured, considered doubtful	<b>860,161</b>	860,161
	<b>1,579,912</b>	1,555,586
Less Provision for Doubtful Debts	<b>860,161</b>	860,161
	<b><u>719,751</u></b>	<u>695,425</u>



## ADDI INDUSTRIES LIMITED

### Note 14 : Other Assets

(Amount in ₹)

	Non Current		Current	
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
<b>Unsecured, considered good unless stated otherwise</b>				
Non-current bank balances* <b>(Refer Note 15)</b>	-	367,643	-	-
<b>Others</b>				
Interest Accured but not due	-	26,727	2,482,690	379,593
Export Incentives Receivable				
Considered Good	-	-	1,013,440	1,013,440
Considered Doubtful	-	-	<b>1,432,238</b>	<b>1,432,238</b>
	-	-	2,445,678	2,445,678
Less Provision for Doubtful Debts	-	-	<b>1,432,238</b>	<b>1,432,238</b>
	-	-	1,013,440	1,013,440
Interest Receivable	-	-	2,006,447	3,809,346
	-	<b>394,370</b>	<b>5,502,577</b>	<b>5,202,379</b>

### Note 15 : Cash And Other Bank Balance

(Amount in ₹)

	Non Current		Current	
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
<b>Cash &amp; Cash Equivalents</b>				
Balances with Scheduled banks :				
on Current Accounts	-	-	<b>1,125,077</b>	338,536
Deposits accounts with original maturity less than 3 months	-	-		10,090,000
Cash on hand	-	-	<b>369,503</b>	253,388
<b>Other Bank Balances</b>				
Balances with Scheduled banks :				
Deposit Accounts with original maturity more than 3 months but less than 12 months	-	-	<b>48,738,890</b>	-
Deposits with original maturity of more than 12 months	-	367,643	-	12,743,473
	-	367,643	<b>50,233,470</b>	23,425,397
Amount disclosed under non-current assets	-	367,643		-
<b>(Note :14)</b>	-	-	<b>50,233,470</b>	<b>23,425,397</b>

# ADDI INDUSTRIES LIMITED



## Note 16: Revenue From Operations

(Amount in ₹)

	For the year ended March 31, 2016	For the year ended March 31, 2015
<b>Sale of Product</b>		
Finished Goods	-	338,100
Traded Goods	1,697,438	1,561,875
<b>Other Operating Revenues</b>		
Scrap Sale	3,993	105,772
Income from export incentives	-	-
<b>Revenue From Operations (Gross)</b>	<u>1,701,431</u>	<u>2,005,747</u>
Less: Excise duty	-	-
<b>Revenue From Operations (Net)</b>	<u>1,701,431</u>	<u>2,005,747</u>
<b>a) Detail of Products sold</b>		
<u>Finished Goods</u>		
Cotton Knitted & Woven Garments	-	338,100
<u>Traded Goods</u>		
Raw Material-Fabric	1,697,438	1,561,875
	<u>1,697,438</u>	<u>1,899,975</u>

## Note 17: Other Income

(Amount in ₹)

	For the year ended March 31, 2016	For the year ended March 31, 2015
<b>Interest Income on</b>		
Fixed deposits with banks	3,977,036	1,140,229
Tax free bonds	2,069,241	1,977,060
Bonds (Taxable)	47,870	4,200,000
Income tax refund	73,692	-
Others (from Garden Galleria)	8,578,282	8,540,223
	<u>14,746,121</u>	<u>15,857,512</u>
<b>Other Non- Operating Income</b>		
Maturity amount of Key man's Insurance Policy	9,359,456	9,359,456
Misc Income	1,088	13,054
<b>Total</b>	<u>24,106,665</u>	<u>25,230,022</u>

## Note 18: Cost Of Material Consumed

(Amount in ₹)

	For the year ended March 31, 2016	For the year ended March 31, 2015
<b>Raw Material</b>		
Inventory at the beginning of the year	1,707,293	-
Add : Purchases	-	1,979,250
Less: Inventory at the end of the year	-	1,707,293
Less: Cost of goods sold during the year		
<b>Cost of Raw Material Consumed</b>	<u>1,707,293</u>	<u>271,957</u>
<b>a) Details of Material Consumed</b>		
<u>Raw Material</u>		
Yarn/Fabric	-	271,957
	<u>-</u>	<u>271,957</u>
<b>b) Details of Inventory</b>		
<u>Raw Material</u>		
Yarn	-	1,707,293
	<u>-</u>	<u>1,707,293</u>



**c) Details of Imported and Indigenous Raw materials Consumed**

	%	Value (Rs.)	%	Value (Rs.)
Imported	-	-	-	-
Indigenous	-	-	100.00	271,957
	-	-	100.00	271,957

**Note 19: Purchase of Stock In Trade**

(Amount in ₹)

	For the year ended March 31, 2016	For the year ended March 31, 2015
Finished Goods Purchased/cost of goods sold	1,707,293	1,561,875
	<b>1,707,293</b>	<b>1,561,875</b>
<b>Details of Purchases</b>		
Raw Material-Fabric	<b>1,707,293</b>	<b>1,561,875</b>

**Note 20 : Employee Benefits Expense**

(Amount in ₹)

	For the year ended March 31, 2016	For the year ended March 31, 2015
Salaries, Wages & Bonus	<b>3,303,388</b>	3,930,906
Contribution to Provident and Other fund	<b>111,216</b>	65,609
Gratuity	<b>102,131</b>	84,664
Staff Welfare Expenses	<b>17,414</b>	32,959
	<b>3,534,149</b>	<b>4,114,138</b>

**a) Employee Benefits**

The Company has classified the various benefits provided to employees as under:-

**(i) Defined Contribution Plans**

Contribution to Defined Contribution Plan, recognized as expenses for the year are as under :

	For the year ended March 31, 2016	For the year ended March 31, 2015
Employer's Contribution to Provident Fund/ Pension Fund	<b>93,433</b>	48,027
Employer's Contribution to Employee State Insurance	<b>17,783</b>	17,582

**(ii) Defined Benefit plans**

The employee's gratuity fund scheme defined unfunded benefit plan. The present value of obligation is determined based on actuarial valuation using the projected unit credit method, which recognizes each period of service as giving rise to additional unit of employees benefit entitlement and measures each unit separately to built up the final obligation. The obligation for leave encashment is a defined unfunded benefit plan, which is recognized in the same manner as gratuity.

Actuarial Valuation is as under:-

As at / for the year ended on March 31 2016	Gratuity (funded)						Earned Leave (unfunded)				
	2016	2015	2014	2013	2012	2016	2015	2014	2013	2012	
<b>I. Change in Defined Benefit Obligations (DBO)</b>											
Present value of DBO at beginning of year	1,901,955	1,923,906	1,936,206	2,419,341	4,313,739	331,407	359,353	286,882	136,865	697,014	
Current service cost	67,223	91,493	104,310	111,549	164,838	21,864	21,073	37,115	29,514	21,306	
Interest cost	152,156	163,532	164,578	205,644	366,668	26,513	30,545	24,385	11,634	59,246	
Actuarial (gains)/ losses	(117,248)	(170,361)	(212,650)	(16,129)	(1,683,162)	(2,603)	(45,981)	21,954	143,212	702,396	
Benefits paid	508,846	106,615	68,538	784,199	742,742	0	33,583	10,983	34,343	1,343,097	
Present value of DBO at the end of year	1,495,240	1,901,955	1,923,906	1,936,206	2,419,341	377,181	331,407	359,353	286,882	136,865	
<b>II. Change in fair value of assets</b>											
Plan assets at beginning of year	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	
Actual return on plan assets	-	-	-	-	-	-	-	-	-	-	
Actual company contributions	-	-	-	-	-	-	-	-	-	-	
Benefits paid	-	-	-	-	-	-	-	-	-	-	
Plan assets at the end of year	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	
<b>III. Net asset/(liability) recognised in Balance Sheet</b>											
Present value of Defined Benefit Obligation	1,495,240	1,901,955	1,923,906	1,936,206	2,419,341	377,181	331,407	359,353	286,882	136,865	
Fair value of plan assets	-	-	-	-	-	-	-	-	-	-	
Net asset/(liability) recognised in Balance Sheet	1,495,240	1,901,955	1,923,906	1,936,206	2,419,341	377,181	331,407	359,353	286,882	136,865	
<b>IV. Components of employer expense recognized during the year</b>											
Current service cost	67,223	91,493	104,310	111,549	164,838	21,864	21,073	37,115	29,514	21,306	
Interest cost	152,156	163,532	164,578	205,644	366,668	26,513	30,545	24,385	11,634	59,246	
Expected return on plan assets	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	
Actuarial losses / (gains)	(117,248)	(170,361)	(212,650)	(16,129)	(1,683,162)	(2,603)	(45,981)	21,954	143,212	702,396	
Total expense recognised in the Profit and Loss Statement	102,131	84,664	56,238	301,064	(1,151,656)	45,774	5,637	83,454	184,360	782,948	



## ADDI INDUSTRIES LIMITED

V.	<b>Actual contribution and benefit payments</b>										
	Actual benefit payments	-	-	-	-	-	-	-	-	-	-
	Actual contributions	-	-	-	-	-	-	-	-	-	-
VI.	<b>Actuarial assumptions</b>										
	Discount rate (p. a.)	8%	8%	8.5%	8.5%	8.5%	8%	8%	8.5%	8.5%	8.5%
	Future increase in compensation	8%	8%	8.5%	8.5%	8.5%	8%	8%	8.5%	8.5%	8.5%
	Expected return on plan assets	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A
	In Service Mortality	IALM (2006-08)	IALM (2006-08)	IALM (2006-08)	L.I.C. 1994-96	L.I.C. 1994-96	IALM (2006-08)	IALM (2006-08)	IALM (2006-08)	L.I.C. 1994-96	L.I.C. 1994-96
		Ultimate	Ultimate	Ultimate	Ultimate	Ultimate	Ultimate	Ultimate	Ultimate	Ultimate	Ultimate
	Retirement age	60 years	60 years	60 years	58 years	58 years	60 years	60 years	60 years	58 years	58 years
	Withdrawal Rates (p.a.)	10% to 2%	10% to 2%	10% to 2%	10% to 2%	1%	10% to 2%	10% to 2%	10% to 2%	10% to 2%	1%
	Upto 30 Years	3%	3%	3%			3%	3%	3%		
	From 31 to 44 Years	2%	2%	2%			2%	2%	2%		
	Above 44 years	1%	1%	1%			1%	1%	1%		

**Note :**

The Estimate of rate of escalation in Salary considered in actuarial valuation, takes into account inflation, seniority, promotion and other relevant factors on long term basis including supply and demand in the Employment market.

**Note 21 : Finance Cost**

(Amount in ₹)

	For the year ended March 31, 2016	For the year ended March 31, 2015
Interest Expense	1,089	38,098
	<b>1,089</b>	<b>38,098</b>



**Note 22 : Other Expenses**

(Amount in ₹)

	For the year ended March 31, 2016	For the year ended March 31, 2015
Power and fuel	237,123	570,481
Rent	61,131	961,131
Repairs		
-Building	188,563	121,028
-Machinery	9,260	24,300
-Other	124,351	86,548
Insurance	26,091	26,596
Rates & Taxes	304,241	300,026
Payment to the Auditors (Refer details below)	212,086	237,112
Bad debts written off	-	1,655,250
Legal and Professional	805,799	674,552
Security Service Charges	1,146,935	1,022,390
Processing Charges	-	94,688
Miscellaneous expenses	1,252,925	1,805,885
	<b>4,368,505</b>	<b>7,579,986</b>
<b>a) Payment to Auditors</b>		
<b>As Auditor:</b>		
Audit Fees	123,088	143,259
Tax Audit Fees	28,625	28,090
Limited review	34,300	33,708
<b>In other Capacity:</b>		
Taxation Matters	-	19,663
Other Matters	22,900	-
For Reimbursement of expenses	3,173	12,392
	<b>212,086</b>	<b>237,112</b>
<b>b) Expenditure in foreign currency</b>		
Travelling Expenses	-	276,755
	-	276,755

**Note 23 : Exceptional Items**

(Amount in ₹)

	For the year ended March 31, 2016	For the year ended March 31, 2015
Loss/ (Profit) on Sale Of Fixed Assets	2,435,710	(73,478)
	<b>2,435,710</b>	<b>(73,478)</b>

**Note 24: Earnings Per Share(EPS)**

(Amount in ₹)

	For the year ended March 31, 2016	For the year ended March 31, 2015
Profit/(Loss) attributable to the equity shareholders	7,402,486	9,896,035
Number/Weighted Average number of equity shares	10,796,574	10,796,574
Nominal value of equity shares	5.00	5.00
<b>Basic/Diluted Earnings per share</b>	<b>0.69</b>	<b>0.92</b>

**Note 25: Disclosure of Related parties/ Related parties transactions :**

**A. Name of the Related Parties and description of relationship**

- i) Wholly owned Subsidiary Company
- ii) Key Management Personnel



## ADDI INDUSTRIES LIMITED

### B. Disclosure of Related Party Transactions

(Amount in ₹)

Particulars	Wholly owned Subsidiary Company	Key Management Personnel	Enterprises owned or substantially influenced by key management personnel or their relatives	Total
i) Managerial Remuneration	-	2,166,300	-	2,166,300
	(-)	(2,327,155)	(-)	(2,327,155)
ii) Rent paid	-	-	-	-
	(-)	(900,000)	(-)	(900,000)
<b>C Balance outstanding as at 31st March, 2013</b>				
i) Investment	7,523,831	-	-	7,523,831
	(7,523,831)	(-)	(-)	(7,523,831)

Note : Figures in brackets represents corresponding amounts of previous years.

### D Details of transactions with related parties, the amount of which is in excess of 10% of the total related party transactions of the same type:

	Nature of transaction	For the year ended March 31, 2016		For the year ended March 31, 2015	
		(Amount in ₹)	% ge	(Amount in ₹)	% ge
i)	Managerial Remuneration				
	Mr. C.L Jain	1,500,000	69.24%	1,500,000	64.46%
	Mrs. Urmila Jain	-	0%	600,000	25.78%
ii)	Salary				
	Mr. Atul Jain	496,300	22.91%	-	0%
ii)	Rent paid				
	Urmila Jain	-	0%	900,000	100%

**Note 26:**

In view of the management, the current assets, loans and advances have a value on realization in the ordinary course of business at least equal to the amount at which they are stated in the balance sheet as at 31.03.2016.

**Note 27:**

The company is in business of single product "ready garments". Therefore, the requirements in context of the Accounting Standard - 17 "Segmental Reporting" are not applicable.

**Note 28:**

The closing balances of creditors and loans and advances are subject to confirmation.

**Note 29:**

Previous year figures have been regrouped/ rearranged wherever considered necessary.

As per our Audit Report of even date attached

**For S.R. Dinodia & Co. LLP.**

Chartered Accountants  
Firm's Registration Number 001478N/N500005

**For & on behalf of Board of Directors**

**(Sandeep Dinodia)**

Partner  
Membership Number 083689

**(C.L. Jain)**

Mg. Director  
(DIN No.00022903)

**(V.B. Aggarwal)**

Director  
(DIN No.00022967)

**(S. R. Sharma)**

Director  
(DIN No.05288842)

**(Heena Arora)**

Company Secretary  
M. No. 031081

**(Atul Jain)**

Chief Financial Officer

Place of Signataure: New Delhi  
Date: May 28, 2016



**Form AOC-I**

(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 presented with amounts in Rs )

S. No	Name Of Subsidiary	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	Share capital	Reserves & surplus	Total assets	Total Liabilities	Investments	Turnover	Profit before Taxation	Provision for Taxation	Profit After Taxation	Proposed Dividend	% of Share-holding
1	Aum Textfab Private Limited	N.A.	N.A.	7900070	5566585.27	13587357.58	120713.31	10839206.97	1025183.30	1008889.52	48000	960889.52	0	100

For & on behalf of Board of Directors

**(C.L. JAIN)**  
MANAGING DIRECTOR  
DIN No.00022903

**(V.B. AGGARWAL)**  
DIRECTOR  
DIN No.00022967

**(S. R. SHARMA)**  
DIRECTOR  
DIN No.05288842

**(HEENA ARORA)**  
COMPANY SECRETARY

**(ATUL JAIN)**  
CHIEF FINANCIAL OFFICER

**SPEED/REGISTERED POST/COURIER**

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Corp. Office : A-106, Sector-IV,

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