



SURBHI

**23RD
Annual Report
2014-15**

M/S. SURBHI INDUSTRIES LIMITED

Regd. Office : Surbhi Estate, Mohanwadi, Katargam, SURAT - 395 004.

IMPORTANT COMMUNICATION TO MEMBERS

The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the companies and has issued circulars stating that service of notice/ documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participants.

SURBHI INDUSTRIES LIMITED

Board of Directors

1. Shri Bipinbhai J. Patel
Chairman (WTD) & CFO
2. Shri Ravjibhai P. Patel
Managing Director/CEO
3. Shri Pravinbhai Patel
4. Shri Nimishbhai N. Jariwala

Auditors:

M/s. D. C. Jariwala & Co.
Chartered Accountant
330, Royal Trading,
Opp. Ratan Cinema, Salabatpura,
Surat - 395003

Bankers:

Dena Bank
Sahara Gate Branch
Surat - 395004

Regd. Office

"Surbhi Estate",
Mohanwadi,
Katargam,
Surat - 395004

Plant:

Plot No. 249/1,
Village: Karanj, Ta. Mandvi,
Dist. Surat

SURBHI INDUSTRIES LIMITED

NOTICE OF THE ANNUAL GENERAL MEETING

NOTICE is hereby given that the Twenty Third **Annual General Meeting** of the Members of Surbhi Industries Limited will be held on Wednesday the 30th day of September 2015 at 05.00 p.m. at Surbhi Estate, Mohanwadi, Katargam, Surat to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2015, together with the Reports of the Board of Directors and the Auditors thereon.
2. To appoint a Director in place of Mr. Ravjibhai Parbatbhai Patel (DIN 00023332), who retires by rotation and being eligible, he offers himself for re-appointment.
3. To appoint Auditors and fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**.

“RESOLVED THAT Pursuant to section 139 of Companies act 2013 and rules made there under, and pursuant to recommendation of audit committee, M/s. D. C. Jariwala & Co, Chartered Accountants, Membership No. 037990 & FRN 104063W be and is hereby appointed as Statutory Auditors of the company to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the Company at such remuneration and reimbursement of out of pocket expenses, as shall be fixed by the Board of Directors of the Company

4. SPECIAL BUSINESS

To consider and if thought fit, to pass with or without modification, the following resolution as Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 196,197, 203 and all other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification from time to time or any re-enactment thereof for the time being in force) (the “Act”) read with Schedule V to the said Act, and partial modification of resolution passed at a meeting of shareholders held on 30.09.2011, consent of the members of the Company be and is hereby accorded for payment of remuneration of Rs. 200,000/ per month w.e.f. 1st April 2015 payable for financial year 2015-16 to Mr. Ravjibhai Parbatbhai Patel (holding DIN 00023332), Managing Director of the Company.

RESOLVED FURTHER THAT the Board of Directors (which term shall always be deemed to include any Committee as constituted or to be constituted by the Board to exercise its powers including the powers conferred under this resolution) be and is hereby authorised to vary or increase the remuneration specified above from time to time to the extent the Board of Directors may deem appropriate, provided that such variation or increase, as the case may be, is within the overall limits as specified under the relevant provisions of the

Companies Act, 2013 and /or any other provision/s for the time being in force.

RESOLVED FURTHER THAT in the event of inadequacy or absence of profit in any financial year during the tenure of the Managing Director, the Company shall pay to the Managing Director, the above remuneration as the minimum remuneration by way of salary and allowances as specified above and subject to receipt of the requisite approvals, if any.

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

RESOLVED THAT pursuant to provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) from time to time or any re-enactment thereof for the time being in force) read with Schedule V to the said Act, and partial modification of resolution passed at a meeting of shareholders held on 29.09.2012 consent of the members of the Company be and is hereby accorded for payment of remuneration of 1,50,000 per month w.e.f. 1st April 2015 to Mr. Bipinbhai Jasmatbhai Patel (holding DIN 00023447) a Whole-time Director of the Company.

RESOLVED FURTHER THAT the Board of Directors (which term shall always be deemed to include any Committee as constituted or to be constituted by the Board to exercise its powers including the powers conferred under this resolution) be and is hereby authorized to vary or increase the remuneration specified above from time to time to the extent the Board of Directors may deem appropriate, provided that such variation or increase, as the case may be, is within the overall limits as specified under the relevant provisions of the Companies Act, 2013 and /or any other provision/s for the time being in force.

RESOLVED FURTHER THAT in the event of inadequacy or absence of profit in any financial year during the tenure of the Wholetime Director, the Company shall pay to the Wholetime Director, the above remuneration as the minimum remuneration by way of salary and allowances as specified above and subject to receipt of the requisite approvals, if any.

Registered Office:
Surbhi Estate,
Mohanwadi, Katargam
Surat

Date: 21-08-2015
Place: Surat

By order of the Board

Sd/-
Bipinbhai Patel
Chairman
DIN: 00023447

NOTES:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member. Proxies in order to be effective must be duly stamped and received by the company at least 48 hours before the commencement of the meeting.
2. The Register of Members and Share Transfer Books of the Company will remain close from Saturday, the 19th September, 2015 to Wednesday, the 30th September, 2015(both days inclusive)
3. All documents referred to in the above Notice and the accompanying Explanatory Statements are open for inspection at the Registered Office of the Company during the business hours on any working day(except Sunday and holidays) between 10.00 a.m. and 12.30 p.m. up to the date of the Annual General Meeting.
4. A member desirous of getting any information on the accounts or operations of the Company is required to forward his/her queries to the Company at least 7 days prior to the Meeting so that the required information can be made available at the Meeting.
5. Copies of the Annual Report 2014-15 being sent by electronic mode only to all the members whose email address registered with the company/depository participant(s) for communication purpose unless any members has requested for a hard copy of the same. For members who have not registered their email addresses, physical copies of the Annual Report 2014-15 are being sent by permitted mode.
6. Members are requested to intimate if shares are held in the same name or in the same order and names, but in more than one account to enable the company to club said accounts into one account.
7. In order to comply with Ministry of Corporate Affairs circular on "Green Initiative in the Corporate Governance" members are requested to intimate their **email address** to the company.
8. Brief resume of Directors including those proposed to be appointed / re-appointed, nature of their expertise in specific functional areas, names of companies in which they hold directorships and memberships / chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, are provided in the Corporate Governance Report forming part of the Annual Report
9. Explanatory statement as required under section 102(1) of the Companies Act, 2013 relating to the Special Business to be transacted at the Meeting forms part of this notice is annexed herewith.
10. In compliance with the provisions of Section 108 of the Companies Act, 2013 and the Rules framed there under, the Members are being provided with the facility to cast their vote electronically, through the e-voting services provided by www.evotingindia.com on all the resolutions set forth in this Notice. The e-voting period commences on Sunday, September 27, 2015 (10:00 A.M. IST) and ends on Tuesday, September 29, 2015 (5:00 P.M. IST). During this period, Members of the Company, holding shares either in physical form or in

dematerialized form, as on September 23, 2015 (cutoff date), may cast their vote electronically. Thereafter the e-voting module shall be disabled. Once the vote on a resolution is cast by a Member, he/she shall not be allowed to change it subsequently.

11. **Voting Through Electronics Means- A detailed instructions and related write ups, on Electronic Voting Process, which forms part of this notice, is given at the end of this Annual Report, (before the form of attendance slip and proxy). Shareholders are requested to kindly follow the said process for casting their vote electronically.**
12. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.surbhi.com and on the website of www.evotingindia.com within two days of passing of the resolutions at the 23rd Annual General Meeting of the Company and communicated to the Bombay Stock Exchange Limited and, where the shares of the Company are listed.
13. Members are requested to quote Folio number in all their correspondences.
14. Members are requested to inform the company immediately the changes, if any, in their address specifying full address in Block Capital with Pin code of the post office.
15. As per clause 47 (f) of Listing Agreement with BSE, Company has designated email id: of the grievance redressal division/compliance officer exclusively for the purpose of registering complaints by investors. Investors are requested to send their communication on designated email id : grdsurbhi@gmail.com
16. Members are requested to bring their copy of Annual report of the meeting as the same shall not be circulated thereat.

Members are requested to bring with them the attendance slip and hand it over at entry gate.

E-VOTING

In terms of Clause 35B of the Listing Agreement read with Rule 20 of the Companies Management and Administration) Rules, 2014 as amended by the Companies Management and Administration) Rules, 2015, the Company is pleased to provide e-voting facility to the members in respect of business to be transacted at the 23rd Annual General Meeting to be held on **Wednesday, the 30th September, 2015 at 05.00 p.m.** The facility of casting votes by the members using electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by Central Depository Services India Ltd (CDSL).

The Company has engaged the services of CDSL to provide e-voting. The e-voting facility is available at the link www.evotingindia.com.

The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.

The Members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.

The e-voting facility will be available during the following voting period:

Commencement of e-voting	10.00 a.m. of Sunday, 27 th September, 2015
End of e-voting period	05.00 p.m. of Tuesday 29 th September, 2015

E-voting shall not be allowed beyond 05:00 p.m. on 29th September, 2015. The e-voting module shall be disabled by CDSL for voting thereafter. During the e-voting period, shareholders of the Company holding shares either in physical form or in dematerialized form, as on the Cut-off-Date may cast their votes electronically. The **Cut-off-Date for the purpose of e-voting is 23rd September, 2015**

Instructions for E-voting

Members are requested to follow the below mentioned instructions to cast their vote through e-voting.

- (i) The shareholders should log on to the e-voting website www.evotingindia.com.
- (ii) Click on Shareholders.
- (iii) Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID.
 - b. For NSDL: 8 Alpha-numeric DP ID followed by 8 Digits Client ID
 - c. Members holding shares in physical form should enter Folio Number registered with the Company.
- (iv) Next enter the Image Verification as displayed and Click on Login.
- (v) If you are holding shares in demat form and had logged on to www.evotingindia.com and cast your vote earlier for any company, then your existing password is to be used.
- (vi) If you are a first time user, follow the steps given in the table below:

For Members holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company/Depository Participant are requested to use the 10digits of the Sequence Number in the PAN Field. The Sequence Number is printed on the mailing address/covering letter.
DOB	Enter the Date of Birth as recorded in your demat account or in the Company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the Company records for the said demat account or folio. <ul style="list-style-type: none"> • Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or Company, please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iii).

- (vi) After entering these details appropriately, click on "SUBMIT" tab.
- (vii) Members holding shares in physical form will then directly reach the EVSN screen. However, members holding shares in demat form will now reach "Password Creation" menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to

- share your password with any other person and take utmost care to keep your password confidential.
- (viii) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on EVSN of SURBHI INDUSTRIES LTD.
- (x) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same, the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xi) Click on the "RESOLUTION FILE LINK" if you wish to view the entire set of Resolution details.
- (xii) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else, to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xv) If Demat account holder has forgotten the same password then enter the User ID and the image verification code and click on "Forgot Password" & enter the details as prompted by the system.
- (xvi) Any person, who acquires shares of the Company and becomes a member of the Company after dispatch of the Notice of the AGM and holding share as on the cut-off-date i.e. 23rd September, 2015, should follow the same procedure as mentioned above for e-voting. However, if a person is already registered with CDSL for e-voting then existing password can be used for casting vote.
- (xvii) **Note for Non-individual Shareholders and Custodians**
- Non-Individual shareholders (i.e. other than Individuals, HUF, and NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details, a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xviii) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.
- (xix) The results of e-voting will be announced by the Company on its website and also informed to the Stock Exchanges. Kindly note that once you have cast your vote, you cannot modify or vote on poll at the Annual General Meeting. However, you can attend the meeting and participate in the discussions, if any.
- (xx) Mr. Pragnesh M Joshi, Practicing Company Secretary, Ahmedabad, Gujarat (Membership No. FCS 7238 & Certificate of Practice No. 7743) has been

appointed as the Scrutinizer to scrutinize the e-voting, remote e-voting and poll process in the AGM in a fair and transparent manner.

- (xxi) The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of Scrutinizer, by use of "Ballot Paper"/Polling Paper" for all those members who are present at the AGM but have not cast their vote by availing the facility of e-voting.
- (xxii) The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast in the meeting and thereafter unblock the votes cast through e-voting in the presence of at least two witnesses who are not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated Scrutinizer's report of the total votes cast in favour or against, if any, -to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- (xxiii) The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company at www.surbhi.com and on the website of CDSL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Ltd.

STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 ("the Act")

Item 4: The Nomination and Remuneration Committee, at its meeting held on 31/03/2015 recommended and the Board of Directors, at its meeting held on 31/03/2015 approved for payment of remuneration of 2,00,000 /- per month payable for financial year to Mr. Ravjibhai Parbatbhai Patel (holding DIN 00023332), as Managing Director of the Company with effect from April 1, 2015, for remainder of duration of appointment subject to the approval of the shareholders in the General Meeting and the Central Government Disclosure as required under Schedule V to the Companies Act, 2013.

Mr. Ravjibhai Parbatbhai Patel is having experience of more than 3 decade and a Commerce Graduate. He is the Managing Director of the Company and is actively involved in the areas of category Finance, Business Development, negotiation & administration.

The appointment as well as payment of remuneration was approved by the Board based on industry standards, responsibilities handled by the Managing Director of the Company. However, in past years due to inadequacy of profit he had been paid managerial remuneration at a very lower amount. Due to his continuous efforts in long run company could provide a better result than earlier years. The turnover increased to 41.3 crores and profit increased to 3.95 Crore. Now, its company's turn to remunerate him properly.

The details of Mr. Ravjibhai Parbatbhai Patel in pursuance of the provisions of the Listing Agreement are mentioned hereunder

Name of Director	Mr. Ravjibhai P. Patel
Date of Birth	9 th November, 1956
Date of Appointment	21 st May, 1992
Qualification	B.com
Expertise in specific functional areas	Finance, Business Development, negotiation

	&administration
List of Companies in which directorship is held as on	N. A.
Chairman / Member of the committee of other companies	N. A.

Approval of the shareholders is sought for ratification of remuneration paid/remuneration payable to Mr. Ravjibhai Parbatbhai Patel as Managing Director of the Company.

Board of Directors considered the increase in remuneration payable to him for his current tenure as Managing Director.

The Board of Director recommends the relevant resolution for your consideration and approval as an Ordinary Resolution.

None of the other Directors, Key Managerial Personnel or their relatives other than Mr. Ravjibhai Parbatbhai Patel himself are concerned or interested in the resolution.

Item 5:

The Nomination and Remuneration Committee, at its meeting held on 31/03/2015 recommended and the Board of Directors, at its meeting held on 31/03/2015 approved for payment of remuneration of Rs. 150,000/- per month to Mr. Bipinbhai Jasmatbhai Patel (holding DIN 00023447), as Whole-time director of the Company with effect from April 1, 2015, for remaining duration of appointment subject to the approval of the shareholders in the General Meeting and the Central Government Disclosure as required under Schedule V to the Companies Act, 2013.

Mr. Bipinbhai Jasmatbhai Patel is a Diploma Mechanical Engineer. He is the Whole-time director of the Company and is actively involved in the areas of category Production Market development, Public Relation. Due to his continuous efforts company could provide a better result than earlier years. The turnover increased to 41.3 crores and and profit increased to 3.95 Crore. Now, its company's turn to remunerate him properly.

The appointment as well as payment of remuneration was approved by the Board based on industry standards, responsibilities handled by the Whole-time director of the Company.

Board of Directors considered the increase in remuneration payable to him for his current tenure as Wholetime Director.

The details of Mr. Bipinbhai Jasmatbhai Patel in pursuance of the provisions of the Listing Agreement are mentioned hereunder:

Name of Director	Shri Bipinbhai Patel	
Date of Birth	14th March 1970	
Date of Appointment	21st May 1992	
Qualification	Diploma Mechanical Engineer	
Expertise in specific functional areas	Production development, Relation	Market Public

List of Companies in which directorship is held as on	N. A.
Chairman / Member of the committee of other companies	N. A.

Approval of the shareholders is sought for payment of remuneration to Mr. Bipinbhai Jasmatbhai Patel as Whole-time Director of the Company.

The Board of Directors considered it to be desirable to approve ratification and approval of remuneration payable to him for his current tenure of appointment as Managing Director.

The Board of Director recommends the relevant resolution for your consideration and approval as an Ordinary Resolution.

None of the other Directors, Key Managerial Personnel or their relatives accept Mr. Bipinbhai Jasmatbhai Patel himself is concerned or interested in the resolution.

Registered Office:
Surbhi Estate,
Mohanwadi, Katargam
Surat

Date: 21-08-2015
Place: Surat

By order of the Board

Sd/-
Bipinbhai Patel
Chairman
DIN: 00023447

SURBHI INDUSTRIES LIMITED

DIRECTOR'S REPORT

**To,
Dear Shareholders,**

The Directors of your Company have pleasure in submitting their Twenty Third Annual Report together with the Audited Statement of Accounts for the year ended 31st March, 2015.

FINANCIAL RESULTS

During the year under review company has recorded turnover of Rs. 4134.02lakhas against the previous year turnover of 3532.25 lakh which show 17.04% increase in comparison with the previous year. Profit before tax rose to all most 92.18% as compared to previous year. The net profit after tax of the company increased to Rs.282.52 lakh against the Rs. 150.44lakh in previous year.

DIVIDEND

In view of requirement of financial resources and considering the future requirements of funds, your Directors are unable to recommend any Dividend for the year ended 31st March 2015.

TRANSFER TO RESERVES

No amount has been transferred to General Reserve Account.

EXTRACT OF ANNUAL RETURN

The extract of Annual Return, in format MGT -9, for the Financial Year 2014-15 has been enclosed with this report as Annexure –A1

BUSINESS

Efforts are being made to provide better result than earlier years. In view of the increased activities and expansions and programs to grab the emerging opportunities.

DIRECTOR

Pursuant to Section 152 of the Companies Act, 2013 Shri Ravjibhai Parbatbhai Patel Director of the Company is due to retire at the ensuing Annual General Meeting of the Company and is eligible for re-appointment. Your directors recommend for his appointment.

A brief resume of director(s) retiring by rotation seeking appointment at the ensuing Annual General Meeting, nature of their expertise in specific functional areas and names of companies in which they hold directorship and/or membership/ Chairmanship of Committees of Board, as stipulated under clause 49 of the Listing Agreement with the Stock Exchanges, are given in the section of Annual Report.

DEPOSITS FROM PUBLIC

The Company has not accepted any deposits from public and as such, no amount on account of principal or interest on deposits from public was outstanding as on the date of the balance sheet.

INSURANCE

All the properties and the insurable interest of the company including building, plants and machinery and stocks wherever necessary and to the extent required have been adequately insured.

AUDITORS

M/s. D. C. Jariwala & Co., Chartered Accountants, the auditors of the Company, retire at the conclusion of the ensuing Annual General Meeting of the Company. They being eligible for reappointment as Statutory Auditor of the Company and have expressed their willingness to accept office and have furnished certificate under Section 139 of the Companies Act, for their eligibility for re-appointment. Your directors recommend for their appointment.

AUDITORS' REPORT

In the opinion of the directors, the notes to the accounts are self-explanatory and adequately explained the matters, which are dealt with by the auditors.

DIRECTORS' RESPONSIBILITY STATEMENT

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

1. In the preparation of the annual accounts, the applicable accounting standards have been followed and there are no material departures.
2. They have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year ended on 31st March 2015 and of the profit of the Company for that period.
3. They have taken proper and sufficient care for the 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 fraud and other irregularities.
4. They have prepared the annual accounts on a going concern basis
5. They have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively.
6. They have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the internal, statutory and secretarial auditors and external consultants and the reviews performed by management and the relevant board committees, including the audit committee, the board is of the opinion that the Company's internal financial controls were adequate and effective during the financial year 2014-15.

RISK MANAGEMENT

Details of risk management committee is given under the Corporate Governance report, which is forming part of this report.

NUMBER OF MEETINGS OF THE BOARD

Eleven meetings of the board were held during the year. For details of the meetings of the board, please refer to the corporate governance report, which forms part of this report.

POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION AND OTHER DETAILS

The Company's policy on directors' appointment and remuneration and other matters provided in Section 178(3) of the Act has been disclosed in the corporate governance report, which forms part of the directors' report.

DECLARATION OF INDEPENDENT DIRECTORS

Pursuant to the provisions of Section 149 of the Act, which came into effect from April 1, 2014, Mr. Nimish N. Jariwala (DIN: 00421374) and Mr. Pravinchandra G. Patel (DIN: 00421416) were appointed as independent directors at the annual general meeting of the Company held on 30th September, 2014. The terms and conditions of appointment of independent directors are as per Schedule IV of the Act. They have submitted a declaration that each of them meets the criteria of independence as provided in Section 149(6) of the Act and there has been no change in the circumstances which may affect their status as independent director during the year.

AUDITORS' REPORT AND SECRETARIAL AUDITORS' REPORT

The auditors' report and secretarial auditors' report does not contain any qualifications, reservations or adverse remarks. Report of the secretarial auditor is given as an annexure-A3 which forms part of this report.

With reference to qualification stated in Secretarial Audit report Board reports that company has made several efforts to appoint a suitable candidate for the post of company Secretary and woman Director and is in the process of appointment of women Director and Company Secretary.

Board of directors are keen to appoint the person who can provide appropriate time and energy towards the corporate compliances. On selection of suitable candidates for both position company will take immediate action to appoint the same.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

The particulars of loans, guarantees and investments have been disclosed in the financial statements.

TRANSACTIONS WITH RELATED PARTIES

None of the transactions with related parties falls under the scope of Section 188(1) of the Act. Information on transactions with related parties pursuant to Section 134(3)(h) of the Act read with rule 8(2) of the Companies (Accounts) Rules, 2014 are given in Annexure A2 in Form AOC-2 and the same forms part of this report.

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

CONSERVATION OF ENERGY:

Company's texturing plants are running with electricity which are supplied by the Daxin Gujarat Vij Company Limited. Moreover, Company has one DG set as a standby arrangement. The plants are periodically checked as a measure of periodical maintenance to minimal break down and energy conservation. However company's production facilities do not offer much scope for energy conservation.

- a) **Steps taken or Impact on conservation of energy:** Company has installed wind mills to conserve the natural resources and to promote green energy.
During the year total 12.09 lakh units were generated through wind mill and credit of these units were given by DGVCL against its electricity consumption by the unit.
- b) **Steps taken by the company for utilizing alternate source of energy:** Company is using wind energy as alternate source of energy and the electricity generated by the wind mill was given as credit in the electricity bills raised by the DGVCL.
- c) **Capital investment on energy conservation equipment:** Company has made investment in wind mill only.

During the year under review Power and Fuel Consumption is as under:

Sr.	Particulars	2014-15	2013-14
1	Electricity		
(a.)	Purchased		
	Total Units (in lakh kw)	23.62	22.57
	Total Amount (in lakh Rs.)	157.33	147.18
	Rate / unit (In Rs.)	6.66	6.52
(b)	Own Generation		
	Wind Mill (units in lacs) (Credit was given in Electric Bill of Rs71.53lacs which amounts to Rs. 5.91 per unit (Credit was given in Electric Bill of Rs 82.19lacs which amounts to Rs. 6.18 per unit	12.09	13.29

Technology absorption

The Company's plant is running satisfactorily. Company is regularly upgrading its plant and machineries to maintain quality and market fashion requirement. No other technology is involved in Company's facility other than windmill power generation. No amount was used in research & development.

Foreign exchange inflow / out flow

	Year 2014-15	Year 2013-14
Foreign Exchange inflow	nil	nil
Foreign Exchange outflow	3,78,739	nil

CORPORATE SOCIAL RESPONSIBILITY:

Our company does not fall under the purview of Section 135 of companies Act, 2013. Hence no Corporate Social Responsibility initiatives have been taken during the year.

BOARD EVALUATION

The board of directors has carried out an annual evaluation of its own performance, Board committees and individual directors pursuant to the provisions of the Act and the corporate governance requirements as prescribed by Securities and Exchange Board of India ("SEBI") under Clause 49 of the Listing Agreements ("Clause 49").

The performance of the Board was evaluated by the Board after seeking inputs from all the directors on the basis of the criteria such as the Board composition and structure, effectiveness of board processes, information and functioning, etc.

The performance of the committees was evaluated by the board after seeking inputs from the committee members on the basis of the criteria such as the composition of committees, effectiveness of committee meetings, etc.

The Board and the Nomination and Remuneration Committee ("NRC") reviewed the performance of the individual directors on the basis of the criteria such as the contribution of the individual director to the Board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. In addition, the Chairman was also evaluated on the key aspects of his role.

In a separate meeting of independent Directors, performance of non-independent directors, performance of the board as a whole and performance of the Chairman was evaluated, taking into account the views of executive directors and non-executive directors. The same was discussed in the board meeting that followed the meeting of the independent Directors, at which the performance of the Board, its committees and individual directors was also discussed.

CORPORATE GOVERNANCE

As per clause 49 of the Listing Agreement with the Stock Exchange, the report of the Corporate Governance and the Certificate of the Auditors of the Company in respect of compliance thereof are appended hereto and forming part of this report.

LISITNG

At present your Company's securities are listed on the Bombay Stock Exchange Limited, Ahmedabad Stock Exchange Ltd and Vadodara Stock Exchange Limited. As a cost saving measures and to conserve the resources company had applied to voluntarily delist it shares from Ahmedabad Stock Exchange Ltd and Vadodara Stock Exchange and application is pending. Necessary steps are being taken to revoke the suspension at the Bombay Stock Exchange Limited

PARTICULARS OF EMPLOYEES

The information required under Section 197 of the Act read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

- a. **The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year*:**

Executive directors/ Non-executive director	Ratio to median
RavjibhaiParbatbhai Patel	21.23 :1
BipinbhaiJasmatbhai Patel	10.62 :1

b. The percentage increase in remuneration of each director, chief executive officer, chief financial officer, company secretary in the financial year

Directors, Chief Executive Officer, Chief Financial Officer and Company Secretary	% increase in remuneration in the financial year
Ravjibhai Parbatbhai Patel	100%
Bipinbhai Jasmatbhai Patel	100%

c. The percentage increase in the median remuneration of employees in the financial year* - 6-8 %

The remuneration of MD &WTD during the past years were less than 25000/- p.m. and Rs. 50000 p.m. respectively after hard work and dedication of MD &WTD company had delivered better result year to year and in order to compensate the same remuneration of MD &WTD was increase to some reasonable level of Rs. 100000/- p.m. and Rs. 50000/- p.m. respectively. Further, company operated in the field of textile where in most of the employees are daily wages basis most of them are of operator , helper and cleaner category and due to high attrition and irregular presence the salary of average employees are around approximate Rs. 362- per day. In our case comparison of median salary of employee and KMP is not comparable.

d. The number of permanent employees on the rolls of Company-

110 employees

e. The explanation on the relationship between average increase in remuneration and Company performance

On an average there is 6-8 % rise in the remuneration of the employees.

The increase in remuneration is in line with the market trends in the respective industries. Generally market rates are decided on the availability of the worker in the surrounding areas, sometimes during festive season daily wages workers travelled to their home location and during that period considering the requirement of organization and need of productions higher rates were also required to be paid. In order to ensure that remuneration reflects Company performance, the performance pay is also linked to organization performance, apart from an individual's performance.

f. Comparison of the remuneration of the key managerial personnel against the performance of the Company

Aggregate remuneration of key managerial personnel (KMP) in FY15	18,00,000
Revenue	41,34,01,734
Remuneration of KMPs (as % of revenue)	0.435%
Profit before Tax (PBT)	3,95,57,696
Remuneration of KMP (as % of PBT)	4.55%

g. Variations in the market capitalisation of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year:*

Particular	March 31, 2015	March 31, 2014	% Change
Market Capitalisation	-	-	-
Price Earnings Ratio	-	-	-

As on date status of company is suspended for trading and hence no trading data available on Bombay Stock Exchange Ltd. In absence of trading value and market capitalization the above data could not be comparable.

h. Percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer

Market Price (BSE)	As per note given below
-	-

As on date status of company is suspended for trading and hence no trading data available on Bombay Stock Exchange Ltd. In absence of trading value and market capitalization the above data could not be comparable. The shares of company's are thinly traded and there is no such volumes of trading in the scrip of the company. Company had issued shares before two decades and thereafter company was not in a good financial conditions and the shares of the company were delisted and thereafter company made efforts to revoke the trading and since then price of the company's scrip is showing thin trading. Hence the data pertain to above is not comparable.

i. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

j. Comparison of each remuneration of the key managerial personnel against the performance of the Company:

	Name of KMP (Ravjibhai Parbatbhai Patel)	Name of KMP Bipinbhai Jasmatbhai Patel
Remuneration in FY15	12,00,000	6,00,000
Revenue	41,34,01,734	
Remuneration as % of revenue	0.29%	0.145%
Profit before Tax	3,95,57,696	
Remuneration as % of PBT	3.03%	1.52%

k. The key parameters for any variable component of remuneration availed by the directors: N.A.

l. The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year: None

m. Affirmation that the remuneration is as per the remuneration policy of the Company:

The Directors of Company affirms remuneration is as per the remuneration policy of the Company.

a. Percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer

Market Price (BSE)	As per note given below
-	-

The shares of company's are thinly traded and there is no such volumes of trading in the scrip of the company. Company had issued shares before two decades and thereafter company was not in a good financial conditions and the shares of the company were delisted and thereafter company made efforts to revoke the trading and since then price of the company's scrip is showing thin trading. Hence the data pertain to above is not comparable.

TAXES:

Company is regularly paying Income tax, Sales Tax, RTO Tax and other statutory dues like Provident Fund, ESIC, as applicable. As regard to Service Tax appropriate provision and treatments have been made as per law. Details of the payment, refund and appeals and disputed amount have been adequately provided in audit report and the same is self explanatory and the amount of dispute is being dealt with various authorities and awaiting for final outcome.

MANAGEMENT DISCUSSION AND ANALYSIS:

1. INDUSTRY OUTLOOK:

During the period under review economy was passing through very hard phase, international financial crisis made things more challengeable and sudden drop in Rupee against dollar made import more costly and have greater impact in costing of the products of the company. However there was tremendous potential growth shown in the markets. Due to changes in government policies with respect to textile industries and increase in cotton prices plus government regulations current scenarios are very impressive there is lot of potential demand for the next years. Government support to textile industry is at most required and to meet competence of chinese market government time to time making efforts to protect trade and industries.

2. OPPORTUNITIES AND THREATS:

The company envisaged remarkable growth over previous years. Company's turn over shows increasing trends. Due to expansion the financial charges & depreciation are higher over the previous year. Government is providing various incentives under TUFs .The Customers also growing rapidly. At the same time, there is intense price pressure from the competitors and international financial crisis.

3. INITIATIVES

The initiatives are being taken by the Company for improving the quality standards and reduction of costs at appropriate level. New machineries are imported to provide better result and to cope up with changing requirement of the industry. The employees at all levels are being made aware of the changing conditions and the

challenges of the open market conditions and to train the personnel to tackle the difficult situations which will improve the overall productivity, profitability.

4. RISKS AND CONCERNS:

Major fluctuations Rupee v/s dollar price corresponding to fluctuation in the raw material price and stringent market conditions can affect the company's performance. China is a major player in textile market and Indian cotton and textile industry facing tough competition. Government is providing appropriate support to strengthen the textile and cotton industries. Change in government policies may affect performance of the company in both ways.

5. INTERNAL CONTROL SYSTEM:

The Company has an adequate internal audit system commensurate with its size and the nature of its business towards achieving efficiency in the operation, optimum utilization of resources and effective monitoring thereof and compliance with applicable laws.

6. HUMAN RESOURCES:

Employee's relations continue to be cordial. Training and development activities are identified, organizes and progress monitored as part of human resource development activities.

7. FUTURE PLAN:

As a long term planning strategy, company is planning to develop cotton based technology. Company intend to launch new project in the field of textile particularly embroidery based production.

Promoters are working very hard to lead company to new horizons and giving better results.

GENERAL

The notes forming part of Accounts, being self-explanatory are not being dealt with separately.

APPRECIATION:

Your Directors express their sincere gratitude for the assistance and co-operation extended by customers, various Government, Semi-Government and Local Authorities, suppliers, Shareholders, business associates.

Your Directors also wish to place on record their deep appreciation for the dedication and hard work put by the employees at all levels towards the growth of the Company. Last but not the least, the Board of Directors wish to thank the Investor/ Shareholders for their support, co-operation and faith in the Company.

Registered Office:
Surbhi Estate,
Mohanwadi,
Katargam
Surat
Date :21-08-2015
Place :Surat

For and on behalf of the Board
By order of the Board

Sd/-

BIPINBHAI PATEL
CHAIRMAN
DIN: 00023447

SURBHI INDUSTRIES LIMITED

CORPORATE GOVERNANCE

The Company pursuant to Clause 49 of the listing agreement with the Stock Exchanges furnishes its report on the code on Corporate Governance.

COMPANYS' PHILOSOPHY ON CORPORATE GOVERNANCE

The Company's philosophy on Corporate Governance envisages the attainment of the highest levels of transparency, accountability and equity, in all facets of its operations, and in all its interactions, Shareholders have right to have complete information about the Directors and Management and their interest in the company as well as governance practices followed by them. Towards this end, the company is making extensive disclosures from time to time.

Board of Directors

I. Composition and Category

The Board of Company as on date of report consists of four directors two executive and two independent non-executive directors. Company is in the process of appointing woman director to comply with the provision of section 149(1) of Companies Act, 2013 and clause 49 (II) A of Listing Agreement.

II. Board Meetings, attendance, position held in committee meetings

The Board duly met 11times on 02.04.2014, 07.04.2014, 12.04.2014, 26.05.2014, 05.06.2014, 16.06.2014, 30.07.2014, 30.10.2014, 06.11.2014, 31.01.2015 and 31.03.2015. Notice of the meetings with agenda along with necessary details were sent to the directors in time.

The names and categories of the Directors, their attendance at Board meetings and General Meeting as also position held by them in committees of other public limited companies as on 31st March 2015 are given below.

Name of the Director	Category	Attendance particular 2014-15				
		Board Meeting held During tenure of Director	Board Meeting Attended	Last AG M	No. of Directorship in other Public Ltd. Cos	Chairman/ Membershi p in other public limited Cos.
Shri Bipinbhai Patel	Executive	11	11	Y	-	-
Shri Ravjibhai Patel	Executive	11	11	Y	-	-
Shri Pravinbhai Patel	Independent	11	11	Y	-	-

Shri Jariwala	Nimish	Independent	11	11	Y	-	-
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III. Information on Directors Re-appointment

Mr. Ravjibhai P. Patel, retire by rotation at the ensuing Annual General Meeting. They being eligible, offers himself for reappointment.

Name of Director	Mr. Ravjibhai P. Patel
Date of Birth	9 th November, 1956
Date of Appointment	21 st May, 1992
Qualification	B.com
Expertise in specific functional areas	Finance, Business Development, negotiation & administration
List of Companies in which directorship is held as on	N. A.
Chairman / Member of the committee of other companies	N. A.

* only public limited companies are considered

IV. Audit Committee

Audit Committee, during the year under review, reconstituted and comprise of three members out of them two are independent directors, Shri Pravinbhai Patel, Independent Director, is a Chairman of the Audit Committee, and Shri Nimish Jariwala, independent director and Shri Bipinbhai Patel are members to the committee.

Committee met on 5 times for perusal of financial position and un-audited quarterly result and also met for the finalization of account for the year ended on 31.03.2015 and for the review of financial position of the company. The Accounts and Financial position perused by the Audit Committee were placed before board for their consideration.

Attendance

Sr. No	Name of the Members	Number of attended
1	Shri Pravin Patel	5
2	Shri Nimish Jariwal	5
3	Shri Bipinbhai Patel	5

V. REMUNERATION & NOMINATION COMMITTEE

Pursuant to Section 178 and in conformity with the requirements of code of Corporate Governance as well as under Schedule V of Companies Act, 2013 and under Clause 49 of the Listing Agreement Remuneration Committee is reconstitute as

REMUNERATION & NOMINATION COMMITTEE WHICH comprises of two members who are independent and non-executive directors namely Shri Pravinbhai Patel, Chairman and Shri Nimish Jariwala as per the requirement of Code of Corporate Governance as well as under Schedule XIII and under Clause 49 of the Listing Agreement. The Committee reviews and recommends the remuneration proposed to be paid to the Managing Director/Whole time Director and non-executive directors of the Company to the Board of Directors. The Committee is also empowered to decide on Employees' Stock Option Scheme as and when such scheme is considered for introduction in the Company.

As on date Company has a Managing Director and Whole-Time Director, remunerations of the executive directors has been duly approved by Committee, No remuneration were paid to Non-executive Directors including sitting fees for attending the meetings of the Board of Directors or committee thereof. Further the remunerations of the Managing Directors/Whole time Directors as recommended by the remuneration committee thereafter decided by the Board of Directors and then subsequently approved by the shareholders at the general meeting as required by the Companies Act, 1956 (or Companies Act, 2013). The Chairman & Managing Director /Whole-time Director are paid remuneration as per the terms and conditions approved by the Board of Directors and shareholders.

During the financial year 2014-15 the meeting of the Remuneration Committee was held 31/03/2015 to review the remuneration of Mr. Ravjibhai Parbatbhai Patel, MD and Mr. Bipinbhai Jasmatbhai Patel WTD and proposed and approved the increase of remuneration as proposed in the notice of annual general meeting. Both promoter is working very hard to lead company in better position and considering their devotion towards the company and current market position the remuneration proposed is normal. Committee recommend shareholders to approve the remuneration as proposed .

DETAILS OF REMUNERATIONS PAID TO MANAGING DIRECTORS / WHOLE TIME DIRECTORS DURING THE FINANCIAL YEAR 2014-15 IS GIVEN HERE BELOW:

(Amount in Rs.)

NAME OF DIRECTOR	REMUNERATION	SITTING FEES	TOTAL
Mr. Ravjibhai Parbatbhai Patel	1200000	NIL	1200000
Mr. Bipinbhai Jasmatbhai Patel	6,00,000	NIL	6,00,000

Notes:

- All the elements of remuneration of the Managing Directors and Whole-time Director i.e. Salary, Commission, Perquisites and other benefits etc. are given in Schedule annexed to and forming part of Profit & Loss Account. For the purpose of Gratuity, pension and other benefits, the services of Managing Directors and Joint Managing Directorship be considered continuous service with the Company from original date of joining.
- No sitting fees are paid for attending the meeting of the Board or sub committees of the Board.

VI. STAKEHOLDER'S RELATIONSHIP COMMITTEE (SHARE TRANSFER COMMITTEE /INVESTOR GRIEVANCE COMMITTEE)

Stakeholders Relationship Committee: The Board has constituted Stakeholders Relationship Committee in accordance with the provisions of the Companies Act,

2013 and Clause 49 of the Listing Agreement. The terms of reference of Shareholders' / Investors' Grievance (SIG) Committee was conferred on the Stakeholders Relationship Committee and consequently, the SIG Committee was dissolved.

The Committee looks into and investigate the investors complaints relating to non-receipt of transfer of shares, declared dividends, Annual Reports etc., and take necessary steps for redressed thereof. The Committee consists of the following members:

Sr No.	Name	Status	No. of meeting attended
1	Mr. Pravinbhai Patel	Chairman(Independent)	7
2	Mr. Bipinbhai Patel	Member (E)	7
3	Mr. Nimishbhai Jariwala	Member (Independent)	7

During the year 2014-15 six meetings of Committee were held on 26.04.2014, 30.04.2014, 26.07.2014, 30.09.2014, 04.10.2014, 03.01.2015 and 31.03.2015.

During the year 01 complaint was received from the shareholders directly as well as through the regulatory authorities. All the complaints have generally been solved to the satisfaction of complainants and one complaint is outstanding as on 31-03-2015.

All valid transfers received during the financial year 2014-15 have been acted upon and Company and there is no pending share transfer.

Risk Management committee

The Board of the Company has formed a risk management committee to frame, implement and monitor the risk management plan for the Company. The committee is responsible for reviewing the risk management plan and ensuring its effectiveness. The audit committee has additional oversight in the area of financial risks and controls. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis.

The development and implementation of risk management policy has been covered in the management discussion and analysis, which forms part of this report.

CODE OF CONDUCT

The Board approved the code of Conduct applicable to the Board Members and the senior management of the company for avoidance of conflicts of interest at its meeting dated 31.03.2014 and received necessary declaration affirming compliance with the Code of Conduct as may be applicable time to time.

Exclusive email id:

Further as per clause 47 (f) company has designated exclusive email id: grdsurbhi@gmail.com of grievance redressal service department exclusively for the purpose of registering complaints by investor. For, prompt disposal of any query or any matters Shareholders may contact to the Registrar and Share Transfer Agent and under the above referred email id.

VII. SHARE TRANSFER:

The company has appointed M/s Bigshare Services Private Limited, E-2/3, Ansa Industrial Estate, Sakivihar Road, Saki Naka, Andheri, Mumbai, as Registrar and

Share Transfer Agent and company is in process of transferring entire Share Transfer division with M/s Bigshare Services Private Limited.

IX. MARKET PRICE DATA:

There were no trading in the shares on any of the Stock Exchanges during the year 2014-15 and hence month wise detail of market prices of the shares could not be provided.

X. MANAGEMENT DISCUSSION AND ANALYSIS:

Report on Management discussion and analysis has been given separately in this Annual Report and form part of this report.

XI. ANNUAL GENERAL MEETINGS

23rd Annual General Meeting of the members of SURBHI INDUSTRIES LIMITED will be held on 30-09-2015, WEDNESDAY, at 05.00 P.M. at the registered office of the Company at Surbhi Estate, Mohanwadi, Katargam, Surat - 395004

Particulars of AGM held during last three years

Year	Date	Time	Place of Meeting	Nos. of Special Resolutions Passed
2013-14	30/09/2014	11:00 A.M.	Registered office	1
2012-13	30/09/2013	11:00 A.M.	Registered office	Nil
2011-12	29/09/2012	11:00 A.M.	Registered office	1

XII. COMPLIANCE OFFICER:

As on date Mr. Aswin Patel is the Compliance Officer of the company.

XIII. LISTING

At present your Company's securities are listed on the Bombay Stock Exchange Limited, Ahmedabad Stock Exchange Ltd and Vadodara Stock Exchange. As a cost saving measures and to conserve the resources company had applied to delist it shares from Ahmedabad Stock Exchange Ltd and Vadodara Stock Exchange and application is pending. Necessary steps are being taken to revoke the suspension at the Bombay Stock Exchange Limited.

XIV. STOCK CODE

- (1.) Trading Scrip Code at The Bombay Stock Exchange Ltd. : **514260**
- (2.) Trading Scrip Code at Ahmedabad Stock Exchange Ltd. : **58190**
- (3.) Trading Scrip Code at Vadodara Stock Exchange Ltd. : ----

XV. FINANCIAL RESULTS:

The quarterly/half yearly /yearly financial results were informed in time to stock exchanges.

XVI. BOOK CLOSURE

For updating records and shareholding information of the members of the company, the Share Transfer Books and Register of Members will remain closed from Saturday,

the 19th September, 2015 to Wednesday, the 30th September, 2015(both days inclusive)

XVII. SHAREHOLDING PATTERN:

Shareholding pattern as on 31.03.2015 is briefly given in the Form MGT-9 which is forming part of this report.

XVIII. REGISTERED OFFICE:

The registered office of the Company situated at Surbhi Estate, Mohanwadi, Katargam, Surat - 395004

Plant Location

Plot No. 249/1, Village :Karanj, Ta. Mandvi, Dist. Surat

Promoters are working very hard to lead company to new horizons and giving better results.

Registered Office:
Surbhi Estate,
Mohanwadi,Katargam
Surat – 395004

For and on behalf of the Board of Directors
By order of the Board

Sd/-
Bipinbhai Patel
Chairman
DIN: 00023447

Date :21.08.2015
Place :Surat

AUDITOR'S REPORT ON CORPORATE GOVERNANCE

To,
The Members of
SURBHI INDUSTRIES LIMITED.
Surat

We have examined the compliance of conditions of Corporate Governance by SURBHI INDUSTRIES LIMITED (the Company) for the year ended March 31, 2015, as stipulated in amended Clause 49 of the Listing Agreement of the said Company with the 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 with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, the **representation** made by the directors and **management**, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in amended Clause 49 of the above mentioned Listing Agreement.

As required by the Guidance Note issued by the Institute of Chartered Accountants of India, we have to state that no investor grievances is pending as on 31st March, 2015 no other investor grievances are pending for a period exceeding one month **against** the Company as per **the records** maintained by the Company which are presented to Shareholders/ Investors Grievance Committee.

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 D. C. Jariwala & Co.

Sd/-
(DEVENDRA JARIWALA)
PROPRIETOR
Membership No. 37990

Place : SURAT
Date : 21.08.2015

Whole-time Director / CFO Certification

To
The Board of Directors,
Surbhi Industries Limited,
Surat

We, Bipinbhai J. Patel - Whole-time Director (CFO) and Ravjibhai P. Patel – Managing Director (CEO) Surbhi Industries Limited hereby certify that:

- a) We have reviewed Financial Statements and the Cash Flow Statement for the Financial Year ended March 31, 2015 and that to the best of our knowledge and belief:
 - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- c) We are responsible for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d) We have indicated to the Auditors and the Audit committee that;
 - i. there have been no significant changes in internal control over financial reporting during the year;
 - ii. there have been no significant changes in accounting policies during the year; and
 - iii. there have been no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Sd/-
Bipinbhai Jasmatbhai Patel
Whole-time Director(CFO)
(DIN 00023447)

Sd/-
Ravjibhai Parbatbhai Patel
Managing Director(CEO)
(DIN 00023332)

Place: Surat
Dated: August, 21 2015

DECLARATION OF WHOLE-TIME DIRECTOR

Pursuant to the provisions of Clause 49 of the Listing Agreement, it is hereby declared that all the Board Members and Senior Management Personnel of Surbhi Industries Limited have affirmed compliance with the Code of Conduct for Directors and Senior Management for the Financial Year ended March 31, 2015.

Sd/-
Bipinbhai Jasmatbhai Patel
Whole-time Director
(DIN 00023447)

Annexure A-1

**FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN**

As on financial year ended on 31.03.2015

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

I. REGISTRATION & OTHER DETAILS:

1.	CIN	L17110GJ1992PLC017672
2.	Registration Date	21/05/1992
3.	Name of the Company	SURBHI INDUSTRIES LTD
4.	Category/Sub-category of the Company	PUBLIC COMPANY NON GOVERNMENT COMPANY LIMITED BY SHARES
5.	Address of the Registered office & contact details	SURBHI ESTATE MOHANWADIKATARGAM-395004, SURAT
6.	Whether listed company	YES
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	M/s Bigshare Services Private Limited, E-2/3, Ansa Industrial Estate, Sakivihar Road, Saki Naka, Andheri, Mumbai,

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Preparation and spinning of textile fibre including weaving of textile	1711	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

Sr. No	Name And Address Of The Company	CIN/GLN	Holding/ Subsidiary/ Associate	% Of Shares Held	Applicable Section
N.A.					

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

Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 01-April-2014]				No. of Shares held at the End of the year [As on 31-March-2015]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Dem	Physical	Total	% of Total Share	

					at			s	
A. Promoters									
(1) Indian									
a) Individual/ HUF	0	1170700	1170700	34.06	0	1342100	1342100	39.04	5.01
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.	0	100000	100000	2.91	0	100000	100000	2.91	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
Total shareholding of Promoter (A)	0	1270700	1270700	36.97	0	1442100	1442100	41.95	5.01
B. Public Shareholdin g									
1. Institutions	0	0	0	0	0	0	0	0	0
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI	0	0	0	0	0	0	0	0	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) FIIs	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)	0	0	0	0	0	0	0	0	0
Sub-total (B)(1):-	0	0	0	0	0	0	0	0	0
2. Non- Institutions									
a) Bodies Corp.	0	37400	37400	1.09	0	37400	37400	1.09	0
i) Indian	0	0	0	0	0	0	0	0	0
ii) Overseas	0	0	0	0	0	0	0	0	0

b) Individuals	0	0	0	0	0	0	0	0	0
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	0	787900	787900	22.92	0	780000	780000	22.69	0.23
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	0	1341400	1341400	39.02	0	1177900	1177900	34.27	4.75
c) Others (specify)	0	0	0	0	0	0	0	0	0
Ind. Director & Relatives	0	0	0	0	0	0	0	0	0
Non Resident Indians	0	0	0	0	0	0	0	0	0
Overseas Corporate Bodies	0	0	0	0	0	0	0	0	0
Foreign Nationals	0	0	0	0	0	0	0	0	0
Clearing Members	0	0	0	0	0	0	0	0	0
Trusts	0	0	0	0	0	0	0	0	0
Foreign Bodies - D R	0	0	0	0	0	0	0	0	0
Sub-total (B)(2):-	0	0	0	0	0	0	0	0	0
Total Public Shareholding (B) = (B)(1) + (B)(2)	0	0	0	0	0	0	0	0	0
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	0	3437400	3437400	100%	0	3437400	3437400	100%	0

B) Shareholding of Promoter-

SN	Shareholder's Name	Shareholding at the beginning of the year [As on 01-April-2014]	Shareholding at the end of the year [As on 31-March-2015]	% change in shareholdi
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		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	ng during the year
1	Ratilalbhai Parbatbhai Patel	123000	3.58	Nil	135500	3.94	Nil	0.36
2	Ravjibhai Parbatbhai Patel	129800	3.77	Nil	151900	4.42	Nil	0.65
3	Vrajlalbhai Parbatbhai Patel	124800	3.63	Nil	142800	4.15	Nil	0.52
4	Bipinkumar Jasmatbhai Patel	69000	2.01	Nil	97000	2.82	Nil	0.81
5	Jerambhai Parbatbhai Patel	125000	3.64	Nil	143200	4.17	Nil	0.53
6	Jasmatbhai Parbatbhai Patel	93800	2.73	Nil	93800	2.73	Nil	Nil
7	Vijaykumar Jasmatbhai Patel	22000	0.64	Nil	22000	0.64	Nil	Nil
8	Champaben Ratilal Patel	106000	3.08	Nil	106000	3.08	Nil	Nil
9	Rasilaben Ravjibhai Patel	94000	2.74	Nil	113500	3.30	Nil	0.56
10	Gauriben Vrajlalbhai Patel	70500	2.05	Nil	98600	2.87	Nil	0.82
11	Ujiben Parbatbhai Patel	79000	2.30	Nil	104000	3.03	Nil	0.73
12	Surbhi Textile Mills Pvt Ltd	100000	2.91	Nil	100000	2.91	Nil	Nil
13	Parvatiben Jasmatbhai Patel	15500	0.45	Nil	15500	0.45	Nil	Nil

14	Narmadaben Jerambhai Patel	60800	1.77	Nil	60800	1.77	Nil	Nil
15	Smitaben Bipinbhai Patel	57500	1.67	Nil	57500	1.67	Nil	Nil

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

SN	Particulars	Shareholding at the beginning of the year 01-04-2014		Cumulative Shareholding end of the year 31-03-2015	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Ratilalbhai Parbatbhai Patel				
	At the beginning of the year on 01-04-2014	123000	3.58	123000	3.58
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):	14.07.2014 12500 PURCHASE	0.36	12500	0.36
	At the end of the year on 31-03-2015	135500	3.94	135500	3.94
2.	Ravjibhai Parbatbhai Patel				
	At the beginning of the year on 01-04-2014	129800	3.77	129800	3.77
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):	14.07.2014 22100 PURCHASE	0.65	22100	0.65
	At the end of the year on 31-03-2015	151900	4.42	151900	4.42
3.	Vrajlabhai Parbatbhai Patel				
	At the beginning of the year on 01-04-2014	124800	3.63	124800	3.63
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):	14.07.2014 18000 PURCHASE	0.52	18000	0.52
	At the end of the year on 31-03-2015	142800	4.15	142800	4.15
4.	Bipinkumar Jasmatbhai Patel				
	At the beginning of the year on 01-04-2014	69000	2.01	69000	2.01
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons	14.07.2014 28000 PURCHASE	0.81	28000	0.81

	for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):				
	At the end of the year on 31-03-2015	97000	2.82	97000	2.82
5	Jerambhai Parbatbhai Patel				
	At the beginning of the year on 01-04-2014	125000	3.64	125000	3.64
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):	14.07.2014 18200 PURCHASE		18200	
			0.53		0.53
	At the end of the year on 31-03-2015	143200	4.17	143200	4.17
6	Rasilaben Ravjibhai Patel				
	At the beginning of the year on 01-04-2014	94000	2.74	94000	2.74
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):	14.07.2014 19500 PURCHASE		19500	
			0.56		0.56
	At the end of the year on 31-03-2015	113500	3.30	113500	3.30
7	GauribenVrajlalbhai Patel				
	At the beginning of the year on 01-04-2014	70500	2.05	70500	2.05
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):	14.07.2014 28100 PURCHASE		28100	
			0.82		0.82
	At the end of the year on 31-03-2015	98600	2.87	98600	2.87
8	Ujiben Parbatbhai Patel				
	At the beginning of the year on 01-04-2014	79000	2.30	79000	2.30
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):	14.07.2014 25000 PURCHASE		25000	
			0.73		0.73
	At the end of the year on 31-03-2015	104000	3.03	104000	3.03

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

SN	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year	Cumulative Shareholding end of the year
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		01-04-2014		31-03-2015	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year on 01-04-2014	AS PER ANNEXURE A-4			
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):				
	At the end of the year on 31-03-2015				

E) Shareholding of Directors and Key Managerial Personnel:

Sr. No	Name of the Share Holder	Reason	Date	Shareholding at the beginning of the year 01-04-2014		Cumulative Shareholding end of the year 31-03-2015	
				No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	RAVJIBHAI PARBATBHAI PATEL	1-Apr-2014	At the beginning of the year	129800	3.77	-	-
		31-Mar-2015	At the end of the year	-	-	151900	4.42
2.	BIPINBHAI JASMATBHAI PATEL	1-Apr-2014	At the beginning of the year	69000	2.01	-	-
		31-Mar-2015	At the end of the year	-	-	97000	2.82
3.	JARIWALA N. NIMISH	1-Apr-2014	At the beginning of the year	-	-	-	-
		31-Mar-2015	At the end of the year	-	-	-	-

4.	PRAVINCHA NDRA G. PATEL	1-Apr- 2014	At the beginni ng of the year	-	-	-	-
		31- Mar- 2015	At the end of the year	-	-	-	-

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	70450000	697536	-	71147536
ii) Interest due but not paid	780579	6119	-	786698
iii) Interest accrued but not due				0
Total (i+ii+iii)	71230579	703655	-	71934234
Change in Indebtedness during the financial year				0
* Addition	82443100	6200000	-	88643100
* Reduction	23032700	1008925	-	24041625
Net Change	59410400	5191075	-	64601475
Indebtedness at the end of the financial year				0
i) Principal Amount	129860400	5888611	-	135749011
ii) Interest due but not paid		43555	-	43555
iii) Interest accrued but not due				0
Total (i+ii+iii)	129860400	5932166	-	135792566

Note: Net working capital which is not included above (CC Limit during the FY Rs. 4 Crore) but actual utilization is as below:

	Principal	Interest due but not paid
Opening:	28857070	407361

Closing:	34249556	365181
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VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

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

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
1	Gross salary	1.RAVJIBHAI PARBATBHAI PATEL	1200000
		2. BIPINBHAI JASMATBHAI PATEL	600000
	(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		
2	Stock Option		
3	Sweat Equity		
4	Commission - as % of profit - others, specify...		
5	Others, please specify		
	Total (A)		
	Ceiling as per the Act		

B. Remuneration to other directors

SN.	Particulars of Remuneration	Name of Directors	Total Amount
1	Independent Directors		
	Fee for attending board committee meetings		
	Commission		
	Others, please specify		
	Total (1)		
2	Other Non-Executive Directors		
	Fee for attending board committee meetings		
	Commission		
	Others, please specify		
	Total (2)		
	Total (B)=(1+2)		
	Total Managerial Remuneration		
	Overall Ceiling as per the Act		

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN

MD/MANAGER/WTD

SN	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS	CFO	Total
1	Gross salary	NIL			
	(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				
2	Stock Option				
3	Sweat Equity				
4	Commission				
	- as % of profit				
	Others specify...				
5	Others, please specify				
	Total				

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	N.A.				
Punishment					
Compounding					
B. DIRECTORS					
Penalty	N.A.				
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty	N.A.				
Punishment					
Compounding					

Form No. AOC-2

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

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

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

SL. NO.	Particulars	Details
a)	Name(s) of the related party and nature of relationship	
b)	Nature of contracts/arrangements/transactions	
c)	Duration of the contracts / arrangements/transactions	
d)	Salient terms of the contracts or arrangements or transactions including the value, if any	
e)	Justification for entering into such contracts or arrangements or transactions	
f)	Date(s) of approval by the Board	
g)	Amount paid as advances, if any	
h)	Date on which the special resolution was passed in general meeting as required under first proviso to section 188	

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

2.1

SL. NO.	Particulars	Details
a)	Name(s) of the related party and nature of relationship	VRAJLALBHAI P. PATEL (RELATIVE OF DIRECTOR)
b)	Nature of contracts/arrangements/transactions	Rent
c)	Duration of the contracts / arrangements/transactions	One year
d)	Salient terms of the contracts or arrangements or transactions including the value, if any	Rs. 48,000/- per annum
e)	Date(s) of approval by the Board, if any	31.03.2015
f)	Amount paid as advances, if any	N.A.

2.2

SL. NO.	Particulars	Details
a)	Name(s) of the related party and nature of relationship	BIPINBHAI J. PATEL (DIRECTOR)
b)	Nature of contracts/arrangements/transactions	Rent

c)	Duration of the contracts / arrangements/transactions	One year
d)	Salient terms of the contracts or arrangements or transactions including the value, if any	Rs. 48,000/- per annum
e)	Date(s) of approval by the Board, if any	31.03.2015
f)	Amount paid as advances, if any	N.A.

2.3

SL. NO.	Particulars	Details
a)	Name(s) of the related party and nature of relationship	RASILABEN R. PATEL (RELATIVE OF DIRECTOR/KEY MANAGEMENT PERSONNEL)
b)	Nature of contracts/arrangements/transactions	Rent
c)	Duration of the contracts / arrangements/transactions	One year
d)	Salient terms of the contracts or arrangements or transactions including the value, if any	Rs. 48,000/- per annum
e)	Date(s) of approval by the Board, if any	31.03.2015
f)	Amount paid as advances, if any	N.A.

2.4

SL. NO.	Particulars	Details
a)	Name(s) of the related party and nature of relationship	CHAMPABEN R. PATEL (RELATIVE OF DIRECTOR/KEY MANAGEMENT PERSONNEL)
b)	Nature of contracts/arrangements/transactions	Rent
c)	Duration of the contracts / arrangements/transactions	One year
d)	Salient terms of the contracts or arrangements or transactions including the value, if any	Rs. 48,000/- per annum
e)	Date(s) of approval by the Board, if any	31.03.2015
f)	Amount paid as advances, if any	N.A.

Form No. MR-3
Secretarial Audit Report for the Financial Year Ended 31 March, 2015
[Pursuant to Section 204 (1) of the Companies Act, 2013 and Rule No. 9 of
the Companies Appointment and Remuneration of Managerial Personnel)
Rules, 2014]

To,
The Members,
SURBHI INDUSTRIES LTD
SURBHI ESTATE MOHANWADI,
KATARGAM,
SURAT GJ 395004

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2015, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2015 according to the provisions of:

- A. The Companies Act, 2013 ('the Act') and the rules made there under; except following non compliance :
 - i. there is non-compliance of Section 203 of Companies Act, 2013, with respect to appointment of Company Secretary during the Financial year ending on 31st March, 2015
 - ii. there is non-compliance of Section 149 of Companies Act, 2013, with respect to appointment of woman Director.
 - iii. During the period under review and as per the explanations and representations made by the management and subject to clarifications given to us, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, etc., mentioned above, except non-filing of certain forms under various sections with office of Registrar of Companies Gujarat, for which resolutions, approval and consent were accorded at general meeting including proceedings thereof and resolutions of board meetings, which were required to file under the provisions of Companies Act, 2013.
- B. The Securities Contracts and the rules made there under;
- C. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under
- D. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

- i. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- ii. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
- iii. Listing agreement with BSE

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

1. Secretarial Standards issued by The Institute of Company Secretaries of India (ICSI)
2. The Listing Agreements entered into by the Company with BSE Limited;

I further report that, there were no events/actions in pursuance of:

- a. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and amendments from time to time;
- b. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- c. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- 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; and
- f. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- g. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of
- h. Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

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 except appointment of Woman Director. There is no change in the composition of the Board of Directors.
- Further company has made noncompliance with some of the provisions of the requirement of listing agreement regarding Clause 47 and 49 II A of the listing agreement
- According information and information and explanation given to us adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent adequately 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, if any, are captured and recorded as part of the minutes.

I further report that, the compliance of applicable financial laws like direct and indirect tax laws and maintenance of financial records and books of accounts has not been reviewed in this Audit since the same have been subject to review by statutory financial audit and other designated professionals.

I further report that, based on the information provided and the representation made by the company and also on the review of the compliance reports of Company Secretary/ Chief Executive Officer taken on record by the Board of Directors of the Company, in my opinion, adequate systems and processes exist in the company to monitor and ensure compliance with provisions of applicable general laws like labour laws and environmental laws.

I further report that as represented by the Company and relied upon by us 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.

As informed, the Company has responded to notices for demands, claims, penalties etc levied by various statutory / regulatory authorities and initiated actions for corrective measures, wherever necessary.

I further report that during the audit period, there are no specific events / actions having a major bearing on the Company's affairs in pursuance of the laws, rules, regulations, guidelines, standards, etc, referred to above. As on date listing status of Company is suspended and there is no trading facility available at stock exchange BSE Ltd.

NOTE: This Report is to be read with our letter of even date which is annexed as Annexure MR-3A and Forms an integral part of this report.

Date : 21.08.2015
Place : Surat

Sd/-
Pragnesh M. Joshi
Practising Company Secretary
M.NO.FCS: 7238

Annexure-MR-3 A

To,
The Members
SURBHI INDUSTRIES LTD

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. I have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the process and practices, I

followed provide a reasonable basis for our opinion.

3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Sd/-

Place: Surat

Date: 21.08.2015

Pragnesh M. Joshi
Practising Company Secretary
FCS No: 7238 CP: 7743

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

SN	Particulars	Shareholding at the beginning of the year 1-Apr-2014		Cumulative Shareholding during the Year 31-Mar-2015	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	V. P. Bhatt				
	At the beginning of the year 1-Apr-2014	115500	3.36	115500	3.36
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):	NO CHANGES			
	At the end of the year 31-Mar-2015	115500	3.36	115500	3.36
2.	RAMOLIYA V. N.				
	At the beginning of the year 1-Apr-2014	69700	2.03	69700	2.03
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):	NO CHANGES			
	At the end of the year 31-Mar-2015	69700	2.03	69700	2.03
3.	NIRAJBHAI ARVINDBHAI PATEL				
	At the beginning of the year 1-Apr-2014	65900	1.92	65900	1.92
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):	NO CHANGES			

	At the end of the year 31-Mar-2015	65900	1.92	65900	1.92
4.	MADHAVIBEN V MEVCHA				
	At the beginning of the year1-Apr-2014	65700	1.91	65700	1.91
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):	NO CHANGES			
	At the end of the year 31-Mar-2015	65700	1.91	65700	1.91
5	N. D. RAMOLIYA				
	At the beginning of the year1-Apr-2014	64000	1.86	64000	1.86
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):	NO CHANGES			
	At the end of the year 31-Mar-2015	64000	1.86	64000	1.86
6	VINUBHAI V MEVCHA				
	At the beginning of the year1-Apr-2014	59100	1.72	59100	1.72
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):	NO CHANGES			
	At the end of the year 31-Mar-2015	59100	1.72	59100	1.72
7	CHAITALI D VIRATIA				
	At the beginning of the year1-Apr-2014	59100	1.72	59100	1.72
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):	NO CHANGES			

	etc.):				
	At the end of the year 31-Mar-2015	59100	1.72	59100	1.72
8	NIRAVKUMAR A PATEL				
	At the beginning of the year1-Apr-2014	54800	1.59	54800	1.59
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):	NO CHANGES			
	At the end of the year 31-Mar-2015	54800	1.59	54800	1.59
9	GOVINDBHAI PARBHUBHAI VIRATIA				
	At the beginning of the year1-Apr-2014	54000	1.57	54000	1.57
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):	NO CHANGES			
	At the end of the year 31-Mar-2015	54000	1.57	54000	1.57
10	HEMLATABEN M PATEL				
	At the beginning of the year1-Apr-2014	35600	1.04	35600	1.04
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):	NO CHANGES			
	At the end of the year 31-Mar-2015	35600	1.04	35600	1.04

ATTENDANCE SLIP

PLEASE FILL IN THE ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL joint holders may obtain additional slip on request.

S

FOLIO

NO:

NAME:

ADDRESS OF THE SHAREHOLDER

No of Shares held:

I hereby record my _____ at the Twenty Third **Annual General Meeting** of the Members of Surbhi Industries Limited held on Wednesday the 30th day of September 2015 at 05.00 p.m. at Surbhi Estate, Mohanwadi, Katargam, Surat.

Signature of the Shareholder of Proxy *

*Strike out whichever is not applicable

PROXY FORM

SURBHI INDUSTRIES LTD
SURBHI ESTATE MOHANWADI,
KATARGAM,
SURAT GJ 395004
FOLIO NO:

I/WE _____ of _____
_____ being a member /members of SURBHI
INDUSTRIES LTD hereby appoint
_____ of _____
_____ of _____ failing _____ of _____

_____ as my /our proxy to vote for me/us on my /our behalf at the Twenty Third **Annual General Meeting** of the Members of Surbhi Industries Limited held on Wednesday the 30th day of September 2015 and any adjournment signed this _____ day of 2015

affix a
Rs, 1/=
Revenue
Stamp

SURBHI INDUSTRIES LIMITED FY 2014-15

Independent Auditor's Report

To the Members of

SURBHI INDUSTRIES LIMITED, SURAT

Report on the Financial Statements

We have audited the accompanying financial statements of **SURBHI INDUSTRIES LIMITED** ("the company"), which comprise the Balance Sheet as at 31st March 2015, the Statement of Profit and Loss and Cash Flow statement for the year ended on that date and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements:

The Company's Board of Directors is responsible for the matters as per section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance 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 the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the 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 internal financial control, that are operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

We conducted our audit in accordance with the Standards on Auditing specified u/s 143(10) of the Act. Those Standards require that we comply with ethical requirements

and plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidences 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 true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2015 and its profit and its cash flows for the year ended on that date.

Report on other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ('the Order') issued by the Central Government of India in terms of subsection (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books
 - c) The reports on the accounts of the branch offices of the Company are not applicable as there are no branch offices.
 - d) the Balance Sheet, Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account.

- e) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- f) There is nothing to disclose which is having adverse effect on the functioning of the company.
- g) On the basis of written representations received from the directors as on 31st March, 2015, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015, from being appointed as a director in terms of Section 164(2) of the Act.
- h) With respect to the other matters as required to be included in the Auditor's Report as per Rule 11 of The Companies (Audit and Auditors) Rule 2014 in our opinion and to our best of our information and according to the explanations given to us, we state that
- i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company does not have any long-term contracts including derivatives contracts for which there are any material foreseeable losses.
 - iii. There is no amount that is required to be transferred, to the Investor Education and Protection Fund by the Company.

Date: 21st August, 2015

Place: Surat

**For D C Jariwala & Co,
Chartered Accountants**

**SD/-
CA Devendra Jariwala
Proprietor
M No.: 037990 FRN: 104063/W**

The Annexure referred to in paragraph 1 of the Our Report of even date to the members of SURBHI INDUSTRIES LIMITED on the accounts of the company for the year ended 31st March, 2015.

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of information available.
(b) As explained to us, fixed assets have been physically verified by the management reasonable intervals; no material discrepancies were noticed on such verification.
- (ii) (a) The inventories have been physically verified by the management at reasonable interval
(b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
(c) The Company has maintained proper records of inventories. As per the information and explanation given to us, no material discrepancies were noticed on physical verification.
- (iii) (a) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Consequently, the provisions of clauses iii(a) and iii(b) of the order are not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, there is generally an adequate internal control procedure commensurate with the size of the company and the nature of its business, for the purchase of inventories and fixed assets and for the sale of goods and services. During the course of our audit, no major instance of continuing failure to correct any weaknesses in the internal controls has been noticed.
- (v) In our opinion, and according to the information and explanation given to us, the company has not accepted any deposits; hence, clause (v) is not applicable to the company. Accordingly, directives issued by the Reserve Bank of India and the provisions of section 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under are not applicable.

- (vi) The Company has made and maintained cost records pursuant to the Rules made by the Central Government for maintenance of cost records under sub-section (1) of section 148 of the Act.
- (vii) (a) According to the records of the Company, undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Duty of Custom, Duty of Excise, Value added tax, cess to the extent applicable and any other statutory dues have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us there were no outstanding undisputed statutory dues as on 31st of March, 2015 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there is no amounts payable in respect of income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise or value added tax or cess which have not been deposited on account of any disputes.
- (c) Company does not have any amount required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made there under.
- (viii) The Company does not have any accumulated loss at the end of the financial year and has not incurred cash losses in the financial year and in the financial year immediately preceding such financial year.
- (ix) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues if any, to a financial institution, bank or debenture holders.
- (x) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by other from bank or financial institutions.
- (xi) According to the information and explanations given to us, the Company has applied term loans for the purpose for which the same have been raised during the year.
- (xii) According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year.

Date: 21st August, 2015

Place: Surat

**For D C Jariwala & Co,
Chartered Accountants**

**SD/-
CA Devendra Jariwala
Proprietor
M No.: 037990 FRN: 104063/W**

M/S. SURBHI INDUSTRIES LTD.
Surbhi Estate, Katargam Surat
BALANCE SHEET AS AT MARCH 31ST, 2015

Particulars	Note	Figures as at the end of current reporting period 31-03-2015	Figures as at the end of previous reporting period 31-03-2014
I. EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
(a) Share Capital	B.1	34348000	34348000
(b) Reserves and Surplus	B.2	72489752	44238055
(c) Money received against share warrants			
(2) Share Application money pending allotment			
(3) Non-Current Liabilities			
(a) Long-Term Borrowings	B.3	99428000	52702000
(b) Deferred Tax Liabilities (Net)	B.4	11572974	8333756
(c) Other Long Term Liabilities			
(d) Long Term Provisions	B.5	1837000	0
(4) Current Liabilities			
(a) Short-Term Borrowings	B.6	40181721	29560725
(b) Trade Payables	B.7	14983219	27532869
(c) Other Current Liabilities	B.8	30432000	18528579
(d) Short-Term Provisions	B.9	2433300	1359965
Total Equity & Liabilities		307705966	216603949
II.ASSETS			
(1) Non-Current Assets			
(a) Fixed Assets			
(i) Gross Block	B.10	325177534	212189152
(ii) Depreciation		119226801	94380601
(iii) Net Block		205950733	117808551
(b) Non-current investments	B.11	2173700	2173700
(c) Deferred tax assets (net)			
(d) Long term loans and advances	B.12	1706215	1776595
(e) Other non-current assets	B.13	20063126	16787516
(2) Current Assets			
(a) Current investments		0	0
(b) Inventories	B.14	15879640	21230859
(c) Trade receivables	B.15	57675076	54666709
(d) Cash and Bank Balances	B.16	265241	79330
(e) Short-term loans and advances	B.17	175000	94500
(f) Other current assets	B.18	3817236	1986189
Total Assets		307705966	216603949
Significant Accounting Policies	N.1		
Other Notes Forming Parts of Accounts	N.2		
For and on behalf of the Board		As per our report of even date,	
Sd/- Director RAVJIBHAI P. PATEL DIN: 00023332	Sd/- Director BIPINBHAI J. PATEL DIN :00023447	For D.C JARIWALA & CO. Chartered Accountants	
		Sd/- Devendra Jariwala Proprietor M.No.37990 FRN 104063W Surat 21st August, 2015	
Surat 21st August, 2015			

M/S. SURBHI INDUSTRIES LTD.

Surbhi Estate, Katargam Surat

PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDED MARCH 31ST, 2015

Sr. No	Particulars	Note	Figures as at the end of current reporting period 01-04-2014 to 31-03-2015	Figures as at the end of previous reporting period 01-04-2013 to 31-03-2014
I	Revenue from operations	P.1	413401734	353225245
II	Other Income	P.2	19586218	14374010
III	III. Total Revenue (I +II)		432987952	367599255
IV	Expenses:			
	Cost of materials consumed	P.3	285271694	267195243
	Purchase of Stock-in-Trade		402208	
	Changes in inventories of finished goods, work-in-progress and Stock-in-Trade - Increase(Decrease)	P.4	424124	6389805
	Employee Benefit Expense	P.5	18020551	10675812
	Financial Costs	P.6	22535129	15562100
	Depreciation and Amortization Expense	P.7	27989763	18750044
	Other Expenses	P.8	38786786	28443084
	Total Expenses (IV)		393430256	347016088
V	Profit before exceptional and extraordinary items and tax	(III - IV)	39557696	20583167
VI	Exceptional Items		0	0
VII	Profit before extraordinary items and tax (V - VI)		39557696	20583167
VIII	Extraordinary Items		0	0
IX	Profit before tax (VII - VIII)		39557696	20583167
X	Tax expense:			
	(1) Current tax		7914600	4153380
	(2) Deferred tax		3239218	1385385
	(3) Taxation of Earlier Year		152181	0
XI	Profit(Loss) from the perid from continuing operations	(IX-X)	28251697	15044402
XII	Profit/(Loss) from discontinuing operations		0	0
XIII	Tax expense of discounting operations		0	0
XIV	Profit/(Loss) from Discontinuing operations (XII - XIII)		0	0
XV	Profit/(Loss) for the period (XI + XIV)		28251697	15044402
XVI	Earning per equity share:			
	(1) Basic		8.22	4.38
	(2) Diluted		8.22	4.38
Significant Accounting Policies		N.1		
Other Notes Forming Parts of Accounts		N.2		
For and on behalf of the Board		As per our report of even date,		
Sd/-		For D.C JARIWALA & CO.		
Director		Chartered Accountants		
RAVJIBHAI P. PATEL		Sd/-		
DIN: 00023332		Devendra Jariwala		
Sd/-		Proprietor		
Director		M.No.37990 FRN 104063W		
BIPINBHAI J. PATEL		Surat 21st August, 2015		
DIN :00023447				
Surat 21st August, 2015				

M/S. SURBHI INDUSTRIES LTD.
Surbhi Estate, Katargam Surat

Cash Flow Statement for the year ended on 31.03.2015

	FY 2014-15		FY 2013-14	
A. Cash Flow from Operating Activities				
Net Profit Befor Tax	39557696		20583167	
Adjustments For :				
Add: Depreciation	27989763		18750044	
Financial Charges	22535129		15562100	
	50524892		34312144	
Less: Investment Income	3874284		669629	
Profit on sale of Fixed Assets	920957		486857	
	4795241		1156486	
Operating Profit before Working Capital Changes		85287347.41		53738825
Adjustment for Working Capital Changes				
Cash Inflow				
Decrease in Receivables	-		-	
Decrease in Other Current Assets	-		-	
Decrease in Trade & Other Receivable				
Increase in Long Term Provsions	1837000			
Increase in Short Term Provsions	1073335		4467934	
Increase in Other Cuirrent Liabilities	0		84930	
Increase in Trade Payables	-12549650		7150351	
	-9639315		11703215	
Cash Outflow				
Decrease in Trade Payables	-		-	
Decrease in Short Term Provsions				
Decrease in Other Cuirrent Liabilities				
Increase in Trade & Other Receivable	3008367		25331658	
Increase in Loans & Advances	80500		3242010	
Increase in Other Current Assets	1831047		1137013	
Increase in Inventory	-5351219		-9316544.3	
	-431304.696		20394136.7	
Net Cash Inlow(outflow) for working Capital		-9208010.304		-8690921.7
Cash From Operations				
Less: Direct Taxes Paid		-8066781		-4153380
Net Cash Flow from Operating Activities		68012556.11		40894523.3
B. Cash Flow from Investing Activities				
Cash Inflow				
Decrease in FD			-	
Investment Income	3874284		669629	
Decrease in Long Term Loans and Advances	70380		612955	
Sale of Fixed Assets	1086817		2044875	
Subsidy Received	0		0	
	5031481.36		3327459	
Cash Outflow				
Purchase of Fixed Assets	116297805		8830140	
Increase Investments	-		-	
Increase FD	-35891		35891	
Increase in other Non Current Assets	3275610		9694915	
	119537524		18560946	
Net Cash Inflow(Outflow) in Investing Activities		-114506042.6		-15233487

M/S. SURBHI INDUSTRIES LTD. Surbhi Estate, Katargam Surat					
Cash Flow Statement for the year ended on 31.03.2015					
		FY 2014-15		FY 2013-14	
C. Cash Flow from financing Activitie					
Cash Inflow					
Increase in working Capital Loans	5392486			24248216	
Increase in Term Loan(Net)					
	5392486			24248216	
Cash Outflow					
Financial Charges	22535129			15562100	
Repayment of Termloans	-58629421			10557893	
Repayment of Deposits	0			23645000	
Decrease in short term borrowing	-5228511			333630	
	-41322802			50098623	
Net Cash Inflow(Outflow) in Financing Activities		46715288			-25850407
Net Cash Flow		221802			-189370.696
Net Cash Changes					
Cash and Bank as on 1st April	43439			232810	
Cash and Bank as on 31st March	265241	-221802		43439	189371
			0		0
		As per our report of even date,			
For and on behalf of the Board		For D.C JARIWALA & CO.			
Sd/-	Sd/-				
Director	Director				
RAVJIBHAI P. PATEL	BIPINBHAI J. PATEL				
DIN: 00023332	DIN :00023447				
Surat 21st August, 2015		Sd/-			
		Devendra Jariwala			
		Proprietor			
		M.No.37990 FRN 104063W			
		Surat 21st August, 2015			

M/S. SURBHI INDUSTRIES LTD.

Notes Forming Integral Part of the Accounts For Year Ended March 31st, 2015

Note : B.1 Share Capital				
Particulars	Current Year 31-03-2015		Previous Year 31-03-2014	
	In No.	In Rs.	In No.	In Rs.
<u>AUTHORIZED CAPITAL</u>				
Equity Shares of Rs. 10/- each.	5000000	50000000	5000000	50000000
	5000000	50000000	5000000	50000000
<u>ISSUED , SUBSCRIBED & PAID UP CAPITAL</u>				
Equity Shares of Rs. 10/- each fully paid	3437400	34374000	3437400	34374000
Less: Amount in Arrears		26000		26000
Total	3437400	34348000	3437400	34348000
<u>Reconciliation of No. of Share for the Period ended 31/03/2015</u>	Authorized Capital	Issued/paid up Capital	Authorized Capital	Issued/paid up Capital
Opening Balance of Number of Shares	5000000	3437400	5000000	3437400
Addition during the year	0	0	0	0
Deduction During the year	0	0	0	0
Closing Balance of Number of Shares	5000000	3437400	5000000	3437400
<u>List of shareholder above 5 % of total shareholding</u>				
Name	No. of Shares	% of Shares Holding	No. of Shares	% of Shares Holding

Note : B.2 Reserve & Surplus		
Particulars	Current Year 31-03-2015	Previous Year 31-03-2014
Profit & Loss Account		
Opening Balance (Balance brought forward from previous year)	41738055	26693653
Add: Profit for the period	28251697	15044402
Closing Balance	69989752	41738055
Capital Reserve	2500000	2500000
Total	72489752	44238055

M/S. SURBHI INDUSTRIES LTD.

Notes Forming Integral Part of the Accounts For Year Ended March 31st, 2015

Note : B.3 Long Term Borrowings				
Particulars	Current Year	Current Year	Previous Year	Previous Year
	31-03-2015	31-03-2015	31-03-2014	31-03-2014
	Non Current	Current	Non Current	Current
Term Loans - Secured From Banks Terms loans are secured by - Hypothecation of plant and Machinery - Equitable mortgage of land and building	99428000	30432000	52702000	18528579
Repayments - Terms loans are repayable in monthly instalments after moratorium period.	99428000	30432000	52702000	18528579
Total	99428000	30432000	52702000	18528579
Aggregate amount of loans guranteed by directors and their relatives	99428000	30432000	52702000	18528579

Note : B.4 Deferred Tax Liability		
Particulars	Current Year	Previous Year
	31-03-2015	31-03-2014
Deferred Tax Liability	11572974	8333756
Total	11572974	8333756

Note : B.5 Long Term Provisions		
Particulars	Current Year	Previous Year
	31-03-2015	31-03-2014
Provisions for gratuity	1837000	0
Total	1837000	0

M/S. SURBHI INDUSTRIES LTD.

Notes Forming Integral Part of the Accounts For Year Ended March 31st, 2015

Note : B.6 Short Term Borrowings		
Particulars	Current Year 31-03-2015	Previous Year 31-03-2014
Secured Loans		
From Banks Working Capital	34249556	28857070
Short Term Borrowings are secured by -		
- Hypothecation of stock/inventory and book debts		
Other Loans & Advances Unsecured		
From Bank	5932166	703655
Total	40181721	29560725
Aggregate amount of loans guranteed by directors and their relatives	40181721	29560725

Note : B.7 Trades Payable		
Particulars	Current Year 31-03-2015	Previous Year 31-03-2014
-Sundry Creditors for Materiel/Supplies:		
Sundry Creditors for Goods	10270259	23277926
Sundry Creditors for Expenses	4712960	4254943
Total	14983219	27532869

Note : B.8 Other Current Liabilities		
Particulars	Current Year 31-03-2015	Previous Year 31-03-2014
Current Maturities of Long Term Debts	30432000	18528579
Other Creditors	0	0
Total	30432000	18528579

Note : B.9 Short Term Provisions		
Particulars	Current Year 31-03-2015	Previous Year 31-03-2014
Provisions for Taxation(Net of Tax Paid)	1262028	158307
Provisions for Expenses	615430	724573
Provision for VAT/Sales Tax	0	155698
Provision for TDS Payable	555842	321387
Total	2433300	1359965

M/S. SURBHI INDUSTRIES LTD.
Notes Forming Integral Part of the Balance Sheet as at 31st March, 2015

Note : B.10 Fixed Asset
Fixed Assets

Sr. No	Particulars	Gross Block				Depreciation				Net Block	
		Value at the beginning as on 01/04/2014	Addition during the year	Deduction during the year	Value at the end as on 31/03/2015	Value at the beginning as on 01/04/2014	Addition during the year	Deduction during the year	Value at the end as on 31/03/2015	WDV as on 31.03.2015	WDV as on 31.03.2014
I	<u>Tangible Assets</u>										
1	Land				-				-	-	-
	Leasehold Land				-				-	-	-
	Freehold Land	24,00,760	-	-	24,00,760	-	-	-	24,00,760	24,00,760	24,00,760
2	Building	1,96,27,977	5,07,431	-	2,01,35,408	63,21,950	8,26,043	-	71,47,993	1,29,87,415	1,33,06,027
3	Plant and Equipment	18,66,74,646	10,40,84,446	33,09,423	28,74,49,669	8,63,56,456	2,61,68,539	31,43,563	10,93,81,432	17,80,68,237	10,03,18,190
4	Furnitures & Fixtures	5,46,713	1,39,030	-	6,85,743	5,46,713	8,915	-	5,55,628	1,30,115	-
5	Vehicles	16,11,811	79,76,350	-	95,88,161	3,13,138	5,38,417	-	8,51,555	87,36,606	12,98,673
6	Other Equipment	8,72,038	6,61,245	-	15,33,283	5,07,111	2,57,395	-	7,64,506	7,68,777	3,64,927
7	Computer	4,55,207	6,56,311	-	11,11,518	3,35,233	1,54,065	-	4,89,298	6,22,220	1,19,974
8	Office Building	-	22,72,992	-	22,72,992	-	36,389	-	36,389	22,36,603	-
	SUB TOTAL (A)	21,21,89,152	11,62,97,805	33,09,423	32,51,77,534	9,43,80,601	2,79,89,763	31,43,563	11,92,26,801	20,59,50,733	11,78,08,551
II	<u>Intangible Assets</u>	-	-	-	-	-	-	-	-	-	-
	SUB TOTAL (B)	-	-	-	-	-	-	-	-	-	-
III	<u>Capital Work-in-progress</u>										
1	Building Under Construction	-	-	-	-	-	-	-	-	-	-
	SUB TOTAL (C)	-	-	-	-	-	-	-	-	-	-
IV	<u>Intangible Assets Under Development</u>	-	-	-	-	-	-	-	-	-	-
	SUB TOTAL (D)	-	-	-	-	-	-	-	-	-	-
	Total [A + B + C + D] (Current Year)	21,21,89,152	11,62,97,805	33,09,423	32,51,77,534	9,43,80,601	2,79,89,763	31,43,563	11,92,26,801	20,59,50,733	11,78,08,551
	(Previous Year)	21,95,21,600	88,30,140	1,61,62,588	21,21,89,152	9,02,35,127	1,87,50,044	1,46,04,570	9,43,80,601	11,78,08,551	12,92,86,473

Note: Assets amounting to Rs. 2,45,08,620 has its value at Nil (Consisting of Plant & Machinery), hence No Depreciation has claimed on this assets in the current Previous Year i.e. 2014-15

M/S. SURBHI INDUSTRIES LTD.**Notes Forming Integral Part of the Accounts For Year Ended March 31st, 2015**

Note : B.11 Non Current Investment		
Particulars	Current Year 31-03-2015	Previous Year 31-03-2014
Unquoted		
8150 Equity Shares of Surbhi Textile Mills Pvt. Ltd. Of Rs.100/- each (Unquoted)	2001000	2001000
1727 Share of Surat People's Co.Op Bank Ltd. (Unquoted) of Rs.100/- each.	172700	172700
Total	2173700	2173700

Note : B.12 Long Term Loans and Advances		
Particulars	Current Year 31-03-2015	Previous Year 31-03-2014
Deposits		
Unsecured, Considered Good :	1706215	1776595
Total	1706215	1776595

Note : B.13 Other Non Current Assets		
Particulars	Current Year 31-03-2015	Previous Year 31-03-2014
Unsecured Considered Good		
Fixed Deposit with Banks (with maturity above 12 months)	9660000	6050000
Accrued Interest on Fixed Deposits	2492571	1620061
Advance for Capital Goods	7910555	9117455
Total	20063126	16787516

Note : B.14 Inventories		
Particulars	Current Year 31-03-2015	Previous Year 31-03-2014
Raw Materials	4957883	9619978
Work In Progress	1058441	2242679
Finished Goods	9178316	8418202
Stores and Spares	285000	375000
Oil and Chemicles	210000	300000
Packing Materials	190000	275000
Total	15879640	21230859

M/S. SURBHI INDUSTRIES LTD.

Notes Forming Integral Part of the Accounts For Year Ended March 31st, 2015

Note : B.15 Trade Recievables		
Particulars	Current Year 31-03-2015	Previous Year 31-03-2014
Outstanding for more than six months		
a) Unsecured, Considered Good	1189812	0
Others		
a) Unsecured, Considered Good	56485264	54666709
Total	57675076	54666709

Note : B.16 Cash and Bank Balances		
Particulars	Current Year 31-03-2015	Previous Year 31-03-2014
Cash and Cash Equivalents		
Cash-in-Hand		
Cash Balance	31114	13884
Bank Balance		
Current Account	234127	29555
Total Cash and Cash Equivavlents	265241	43439
Other Bank Balances		
Bank Balances in Margin Money A/cs	0	0
Fixed Deposits with Banks (with maturity between 4 to 12 months)	0	34000
Accrued Interest on above FD	0	1891
Total Other Bank Balances	0	35891
Total	265241	79330

Note :17 Short Terms Loans and Advances		
Particulars	Current Year 31-03-2015	Previous Year 31-03-2014
Unseured, Considered good		
Advance to Staff	155000	94500
Other Advances	20000	0
Advance Tax & Tds	0	0
Total	175000	94500

Note : B.18 Other Current Assets		
Particulars	Current Year 31-03-2015	Previous Year 31-03-2014
P.F. Receivable	22284	13070
Prepaid Expenses	1209469	699626
Interest Subsidy Receiveable on TUFs	1962491	700000
Wind Mill Receivable	519057	555625
Other Receivables	103935	17868
Total	3817236	1986189

M/S. SURBHI INDUSTRIES LTD.

Notes Forming Integral Part of the Accounts For Year Ended March 31st, 2015

Note :P.1 Revenue from Operations		
Particulars	Current Year 31-03-2015	Previous Year 31-03-2014
Sales of Product		
Sales	412342363	353223311
Other Operating Revenue		
Jobwork Income	1059371	1934
Total	413401734	353225245

Note : P.2 Other Income		
Particulars	Current Year 31-03-2015	Previous Year 31-03-2014
F.D.Interest	970431	643724
Interest on L.C Margin	96806	20041
Interest on GEB Deposit	115317	146388
Other Interest	2877948	0
Interest Rebate on TUFs	3158727	1819700
Dividend Income	25905	25905
Discount Received	2712735	816715
Windmill Income	6661275	7633238
Carbon Credit Income	0	120630
Profit on Sale of Machinery	920957	486857
Interest Rebate on TUF(State Gov)	2046117	2660812
Total	19586218	14374010

Note : P.3 Cost of Material Consumed		
Particulars	Current Year 31-03-2015	Previous Year 31-03-2014
Opening Stock	9619978	12376717
Add: Purchases	273043617	255304193
Add : Other Direct Expenses	7565982	9134311
	290229577	276815221
Less: Closing Stock	4957883	9619978
	285271694	267195243
Total	285271694	267195243
Details of Consumption		
Yarn/POY	285271694	160478414
	285271694	160478414
Details of Closing Stock		
Yarn	4957883	9619978
	4957883	9619978

M/S. SURBHI INDUSTRIES LTD.

Notes Forming Integral Part of the Accounts For Year Ended March 31st, 2015

Note : P.4 Change in Inventories		
Particulars	Current Year 31-03-2015	Previous Year 31-03-2014
FINISHED GOODS		
Opening Stock	8418202	16176626
Less: Closing Stock	9178316	8418202
	(760114)	7758424
WORK IN PROGRESS		
Opening Stock	2242679	874060
Less: Closing Stock	1058441	2242679
	1184238	(1368619)
Total	424124	6389805
Details of Closing Stock		
Finished Goods		
Yarn	9178316	8418202
Knitted Fabrcis	0	0
	9178316	8418202
Work In Progress		
Yarn	1058441	2242679
	1058441	2242679

Note : P.5 Employment Benefit Expenses		
Particulars	Current Year 31-03-2015	Previous Year 31-03-2014
Salaries, Bonus, PF & ESIC,Gratuity	15569144	9593505
Director Remuneration	1800000	900000
Other Staff Welfare Exp	651407	182307
Total	18020551	10675812

Scedule : P.6 Financial Cost		
Particulars	Current Year 31-03-2015	Previous Year 31-03-2014
Interest on Term Loan	16267491	9935546
Interest on Unsecured Loan	0	380658
Interest on working Capital	5049154	4714087
Other Interest & Charges	266886	88902
Bank Commission & Charges	580761	442907
Interest on Car Loan	370838	0
Total	22535129	15562100

Note : P.7 Depreciation & Amortised Cost		
Particulars	Current Year 31-03-2015	Previous Year 31-03-2014
Depreciation	27989763	18750044
Total	27989763	18750044

M/S. SURBHI INDUSTRIES LTD.

Notes Forming Integral Part of the Accounts For Year Ended March 31st, 2015

Note : P.8 Other Expenses		
Particulars	Current Year 31-03-2015	Previous Year 31-03-2014
Manufacturing Expenses		
Twisting Charges	304850	554181
Electric Power & Fuel	14756298	13527266
Electric Expenses	224271	190716
Factory Expenses	918096	249217
Repairs to Machinery	1050235	871386
Stores Consumed	3685338	2172469
Consumption of Chemicals	2280456	2254645
Repairs & Maintenance	632364	31340
Wild Mill Expenses	835561	439169
Drawing Charges	48903	0
Dyeing Job Charges	225893	274870
Administrative and General Expenses		
Legal & Professional Charges	264154	250806
Postage	5535	43924
Printing & Stationery Expenses	158564	245282
Travelling Expenses	90036	0
Foreign Travelling	1013605	0
Telephone Expenses	51094	55320
Payment to Auditors		
As Auditors	15000	15000
Taxation Matter	25000	25000
For Other Services	10000	10000
Office Expense	56578	29410
Vehicle Expenses	411194	221122
Rent Rates & Taxes	245036	261214
Computer Expenses	28803	19132
Insurance Premium	176184	212129
Fess and Subscription	38114	9264
Security Charges	318000	318000
Garden Expenses	35224	34774
Loss on sale of P&M	65860	0
Donation	0	10001
Selling and Distribution Expenses		
Brokerage	6075454	2806155
Packing Expenses	1058488	802998
Advertisement Expenses	15000	1790
Transportation Charges	3039975	2270665
VAT / Sales Tax/Entry Tax	38874	99430
Rate Difference	342933	6178
Compa.Against Def. Goods	232427	130231
Sales Promotion Exp	13390	0
Total	38786786	28443084

NOTE : N.1

SIGNIFICANT ACCOUNTING POLICES & NOTES ON ACCOUNTS

1. Basis of Preparation of Financial Statements

The financial statements are prepared and presented under the historical cost convention on accrual basis of accounting in accordance with the generally accepted accounting principles in India ("GAAP"), applicable Accounting Standards issued by The Institute of Chartered Accountants of India and under the historical cost convention, on accrual basis.

2. Revenue Recognition :

Revenue is being recognized in accordance with the Guidance Note on Accrual Basis of Accounting issued by The Institute of Chartered Accountants of India. Accordingly, wherever there are uncertainties in the realization of income same is not accounted for till such time the uncertainty is resolved.

3. Treatment of Expenses :

All expenses are accounted for on accrual basis.

4. Fixed Assets:

Fixed Assets are stated at historical cost, less depreciation. Costs of fixed assets include taxes, duties, freight and other expense incidental and related there to the construction, acquisition and installation of respective assets.

5. Inventories :

- a. Stock of raw material and consumables are carried at cost (computed on first-in-first-out basis) or Net Realizable Value, whichever is lower.
- b. Stock of work-in-progress is value at cost upto the level of processed and includes cost of material consumed, labour and manufacturing overhead. However, there was no stock-in-progress at end the financial year.
- c. Finished goods are value at cost of manufacturing (computed on first-in-first-out basis) or net realizable value, whichever is lower.

6. Depreciation / Amortization :

Depreciation on fixed assets has been provided on Straight Line Method on pro-rata basis over the useful life prescribed in schedule II to the Companies Act, 2013 after considering salvage value of five percent of original cost. The Company has considered useful life of assets same as prescribed under the Companies Act, 2013.

Due to transition from schedule XIV to schedule II, depreciation on assets existing as on 31.03.2014, has been provided in such a way so that assets should be depreciated after considering salvage value of five percent of original cost of the assets over a useful life of assets as prescribed under schedule II of the companies Act, 2013. This has resulted in excess depreciation of Rs. 30.08 lacs during the year.

Assets of which useful life has already been expired but depreciation charged till previous financial year was less than 95% of original cost of the assets, difference of 95% of Original Cost and depreciation charged till last year has been charged to profit and loss account as depreciation.

Assets on which depreciation has already been charged above of 95% of Original Cost of the assets till previous financial year and written down value of the assets is less than 5% of Original Cost, salvage value has been considered remaining WDV as on first day of current financial year.

7 Taxes on Income :

- a. Provision for current tax has been made as per the provisions of Income Tax Act, 1961.
- b. Deferred tax has been recognized, subject to the consideration of prudence, on timing difference, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent period.

8. Earning Per Share :

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

9. Leases :

Leases where the lessor effectively retains, substantially all the risks and benefits of ownership of the leased term, are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term.

10. Employees Benefits :

- i. Provident Fund and Employee State Insurance

The Company's Contribution to the recognized Provident Fund and Employees State Insurance (Defined Contribution Scheme), paid/payable during the year, is debited to the Profit and Loss Account.

ii. **Gratuity Fund**

The company has estimated and provided gratuity liability as what is payable as per the Gratuity Act as per its own estimate for the first time during the year. However no actuarial valuation is made by the company.

iii. **Leave Encashment**

Leave Encashment (Defined Benefit Scheme) is provided annually based in accordance with the policies of the company and are charged to the Profit Loss Account on accrual basis.

11. Transaction in Foreign Currency :

Transactions in foreign currency and non-monetary assets are accounted for at the exchange rate prevailing on the date of the transaction duly approximated. All monetary items denominated in foreign currency are converted at the year-end exchange rate. The exchange differences arising on such conversion and on settlement of the transactions are dealt with in the statement of profit and loss if they relate to income and expenses and in fixed assets if they relate to particular fixed assets.

12. Investments :

Long term investments are carried at cost. However, provision is made for diminution in value (if any), other than temporary, on an individual basis.

13. Borrowing Cost :

Interest and other borrowing costs on specific borrowings, attributable to qualifying assets, are capitalized. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. Other borrowing costs are charged to revenue over the tenure of the loan.

14. Accounting for Provisions, Contingent Liabilities and Contingent Assets :

Provisions are recognized in terms of Accounting Standard 29 - Provisions, Contingent Liabilities and Contingent Assets (AS-29), notified by the Companies (Accounting Standards) Rules, 2006, when there is a present legal or statutory obligation as a result of past events, where it is probable that there will be outflow of resources to settle the obligation and when a reliable estimate of the amount of the obligation can be made. Contingent Liabilities are recognized only when there is a possible obligation arising from past events due to occurrence or non-occurrence of one or more uncertain future events, not wholly within the control of the Company, or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made. Obligations are assessed

on an ongoing basis and only those having a largely probable outflow of resources are provided for. Contingent Assets are not recognized in the financial statements.

NOTE: N.2 OTHER NOTES FORMING PART OF ACCOUNTS:

1. Contingent Liabilities :

Particulars	FY 2015-16	FY 2013-14
Contracts Remaining to be executed on capital accounts and not provided for (Net of Advances)	Rs. 760.42 Lacs	Rs. 891.36 lacs

2. Remuneration paid to Directors Rs.18,00,000,- (Previous year Rs. 9,00,000/-)

2 Small Scale Industries :-

The Company does not possess information as to which of its suppliers are ancillary Industrial undertaking / Small-Scale industrial undertaking. Consequently, the liability, if any of interest which could be payable under the interest of delayed payment to small-scale and ancillary industrial Act.,1993 cannot be ascertained. However, the company has not received any claim in respect of interest.

3 Imported raw materials, Spare Parts and components purchased during the year CIF value

Particulars	FY 204-15	FY 2013-14
Raw Materials	38618770	35386840
Stores and Spares	-	-
Capital Goods	99138362	6819600
Total	137757132	42206440

Imported and Indigenous Raw Materials, Spare Parts consumed during the year

Particulars	FY 2014-15		FY 2013-14	
	Amount	%	Amount	%
Raw Materials				
- Imported	49739352	17.44	46635929	17.45
Indigenous	235532342	82.56	220559314	82.55
Total	285271694	100.00	267195243	100.00
Stores and Spares				
- Imported	-	-	-	-
Indigenous	3685338	100.00	2172469	100.00
Total	3685338	100.00	2172469	100.00

Expenses in Foreign Currency:

Particulars	FY 2014-15	FY 2013-14
Foreign Travelling	3,78,739	Nil

Earning in Foreign Currency is Rs.Nil (Previous year Rs. Nil/-).

4 Amount remitted in foreign currency on account of dividend is Rs.Nil (Previous year Rs. Nil/-).

5 Related Party Disclosure is as below.

Name of Party	Relationship	Particulars	FY 2014-15	FY 2013-14
Ravjibhai P. Patel	Director	Interest	-	168435
		Remuneration	12,00,000	600000
		Balance O/s (Cr)	-	-
Bipinbhai J Patel	Director	Interest	-	212223
		Remuneration	6,00,000	300000
		Rent	48,000	48000
		Balance O/s (Cr)	-	-
Vrajlalbhai P Patel	Relative of Directors	Rent	48000	48000
Champaben R Patel	Relative of Directors	Rent	48000	48000
Rasilaben R Patel	Relative of Directors	Rent	48000	48000

6 Segment Reporting : The Company operates in a single segment viz. Textile only. There is no other distinguishable components of company which can be identified as segment.

FOR AND ON BEHALF OF THE BOARD

**FOR D.C JARIWALA & CO.
CHARTERED ACCOUNTANTS**

SD/-

SD/-
RAVJIBHAI P. PATEL
DIRECTOR
DIN: 00023332

SD/-
BIPINBHAI J. PATEL
DIRECTOR
DIN :00023447

CA D.C JARIWALA
PROPRIETOR
M.No.37990/FRN 104063W

PLACE : SURAT.

PLACE : SURAT.

DATED: 21st August, 2015

DATED: 21st August, 2015