



**SANTARAM**  
**SPINNERS LIMITED**

CIN No.: L17110GJ1983PLC006462

Regd. Office : 259, 3rd Floor, New Cloth Market, Sarangpur, Ahmedabad-380 002. (INDIA) Tel. : (O) 22167030, 22167040 Fax : 07922170077  
Email : santaramltd@gmail.com • www.santaramspinners.com

**Ref No: 20/SE/SSL/2017-18**

**Date: 2<sup>nd</sup> October, 2017**

To,  
Corporate Relationship Department  
BSE Limited  
Phiroze Jeejeebhoy Towers  
Dalal Street  
Mumbai – 400001

Dear Sir/Madam,

**Sub: Submission of Annual Report for the FY 2016-17.**

**Ref.: Script Code 531323- Santaram Spinners Limited**

Pursuant to the provisions of Regulation 34 (1) of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, please find enclosed herewith Annual Report of the company for the Financial Year 2016-17 approved and adopted by the Members of the Company in the Annual General Meeting of the Company held on 27<sup>th</sup> September, 2017 at 9:00 a.m. at 259 New Cloth Market, Outside Raipur Gate, Ahmedabad - 380002.

Kindly find the same in order and take on your record.

Thanking You

Yours faithfully,

For, Santaram Spinners Limited

**NIRAV SHAH**  
**CEO & DIRECTOR**  
**[DIN: 00397336]**

**Encl: As Above**



# SANTARAM SPINNERS LIMITED



**ANNUAL REPORT**  
2016-2017



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**CORPORATE INFORMATION****BOARD OF DIRECTORS:**

Shri Kalyan J. Shah  
 Shri Nirav K. Shah  
 Shri Janak G. Nanavaty  
 Shri Fenil R. Shah  
 Shri Paresh R. Shah  
 Smt Falguni G. Broker

Chairman & Managing Director  
 CEO & Director\*  
 Director  
 Director  
 Director  
 Director

\*designation has been changed from Jt. MD to CEO and Non Independent Director w.e.f. 28.08.2017

**REGISTERED OFFICE**

259, 3rd floor, New Cloth Market,  
 Outside Raipur Gate, Ahmedabad 380 002  
 Tel. (079) 22167030/40  
 Email Id – santaramltd@gmail.com  
 Website - www.santaramspinners.com  
 CIN: L17110GJ1983PLC006462

**BANKERS**

Union Bank of India  
 Punjab National Bank  
 State Bank of India  
 Nutan Nagarik Sahakari Bank Ltd.

**STATUTORY AUDITOR**

M/s. Jayesh M. Shah & Co.  
 Chartered Accountants,  
 Flat No.2, Shital Appt., 11, Shilp Park Soc.,  
 Ushmanpura, Ahmedabad-380013

**SECRETARIAL AUDITOR**

Patel & Associates  
 Practicing Company Secretaries  
 16, Arasuri Society, Near Vyasvadi, Nava Vadaj,  
 Ahmedabad – 380013 Email: cschintanpatel@gmail.com

**REGISTRAR AND SHARE TRANSFER AGENTS**

**Link Intime India Pvt. Ltd.**

**(Mumbai office)**

C-101, 247 Park,  
 L.B.S. Marg, Vikhroli (West),  
 Mumbai – 400 083  
 Tel: +91 22 49186270  
 E-mail id: [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)

**(Ahmedabad office)**

506-508, Amarnath Business Centre-1 (ABC-1),  
 Besides Gala Business Centre, Near XT Xavier's College  
 Corner, Off C G Road, Ellisebridge, Ahmedabad-380009  
 Tel : +91 79 26465179 /86 / 87  
 E-mail id : [ahmedabad@linkintime.co.in](mailto:ahmedabad@linkintime.co.in)

**FACTORY**

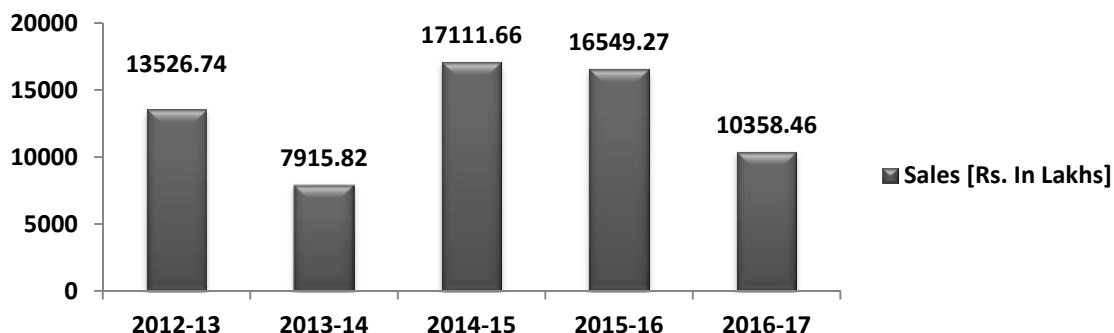
Survey No. 1433, Near Rajpur Bus Stand,  
 Taluka: Kadi, Dist.: Mehsana (North Gujarat).

## PERFORMANCE HIGHLIGHTS

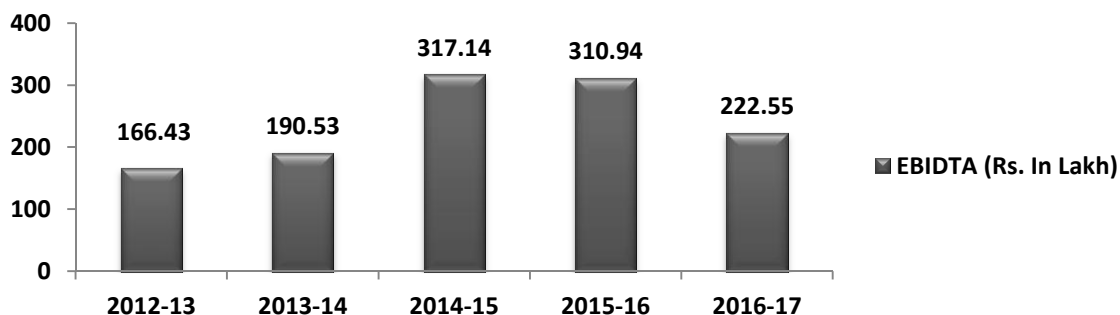
Particular	UOM*	2016-17	2015-16	2014-15	2013-14	2012-13
Total Income	Rs. In Lakhs	10515.79	16956.33	17398.62	8071.62	13665.62
EBIDTA	Rs. In Lakhs	222.55	310.94	317.14	190.53	166.43
Profit/(Loss) before Tax	Rs. In Lakhs	34.27	23.31	31.2	27.92	56.68
Profit/(Loss) after Tax	Rs. In Lakhs	17.50	24.91	20.91	-1.33	27.97
Equity	Rs. In Lakhs	615.3	615.3	615.3	615.3	615.3
Reserve & Surplus	Rs. In Lakhs	459.52	442.02	417.11	524.58	525.92
Borrowings	Rs. In Lakhs	1944.31	2365.2	2416.69	1230.02	1218.82
Net Block of Fixed Assets	Rs. In Lakhs	564.21	597.27	642.96	839.43	838.54
EPS	In Rs.	0.28	0.4	0.34	0.02	0.45
Net Profit Ratio	In %	0.17	0.15	0.12	-0.01	0.21
Debt Equity Ratio	In %	1.80	2.24	2.34	1.07	1.07

\* UOM: Unit of Measurement

## SALES



## EBIDTA



**NOTICE**

Notice is hereby given that the 33<sup>rd</sup> Annual General Meeting of the Members of Santaram Spinners Limited will be held as scheduled below:

Date : 27<sup>th</sup> September, 2017  
 Day : Wednesday  
 Time : 9:00 A.M.  
 Place : 259, New Cloth Market, Outside Raipur Gate, Ahmedabad 380 002

To transact the following business:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited profit and Loss Account for the year ended 31<sup>st</sup> March, 2017 and the balance Sheet as on that date along with Directors' and Auditors' Report thereon.
2. To appoint a Director in place of Shri. Nirav Shah, (DIN: 00397336), who retires by rotation and, being eligible, offers himself for re-appointment.
3. To appoint M/s. Keyur Bavishi & Co, Chartered Accountants, Ahmedabad (FRN 131191W ) as the statutory auditor of the company and to fix their remuneration.

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

**"RESOLVED THAT** pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and The companies (Audit and Auditors) Rules, 2014 as amended from time to time, M/s. Keyur Bavishi & Co. Chartered Accountants (ICAI Firm Reg. No. 131191W) be and are hereby appointed as Auditors of the Company in place of the retiring auditor M/s. Jayesh M Shah & Co, Chartered Accountants, Ahmedabad (Registration number 104173W) to hold the office for a period of five consecutive years commencing from the financial year 2017-18 (Subject to ratification of their appointment at every AGM if so required under the act ), on a remuneration that may be determined by the audit committee & Board in consultation with the auditors.

Date: 28<sup>th</sup> August, 2017  
 Place: Ahmedabad

For, Santaram Spinners Limited

Kalyan J Shah  
 Chairman & Managing Director  
 DIN: 00397398

**NOTES:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS / HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.

Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of not more than fifty members and holding in aggregate not more than ten percent of the total Share Capital of the Company. Members holding more than ten percent of the total Share Capital of the Company may appoint a single person as proxy, who shall not act as a proxy for any other Member. ***The instrument of Proxy, in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not later than 48 hours before the commencement of the meeting.*** A Proxy Form is annexed to this Report. Proxies submitted on behalf of limited companies, societies, etc., must be supported by an appropriate resolution / authority, as applicable.

2. **Members/Proxies should bring the Attendance Slip duly filled in for attending the Meeting.** Attendance Slip is attached to the Proxy Form. Members holding shares in dematerialized form are requested to bring their DP ID and Client ID for identification.
3. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
4. Corporate Members intending to send their Authorized Representatives to attend the Meeting are requested to send a Certified Copy of the Board Resolution authorizing their Representatives to attend and vote at the Annual General Meeting.
5. The Register of Members and Share Transfer Books of the Company will remain closed from Thursday, 21<sup>st</sup> September, 2017 to Wednesday, 27<sup>th</sup> September, 2017 (both days inclusive).
6. As a part of its Green initiative in Corporate Governance and Circulars issued by Ministry of Corporate Affairs allowing paperless compliances through electronic mode, soft copy of the Annual Report for 2016-17 will be sent along with the Notice to all the members whose email addresses are registered with the Company/its Registrar/ Depository Participant(s) unless any member requests for a hard copy of the same. For members who have not registered their email addresses, the Annual Report for the Financial Year 2016-17 along with the Notice will be sent in physical. All those members, who have not yet registered, are requested to register their email address with the Registrar/Depository Participants. Members of the Company, who have registered their e-mail address, are entitled to receive such communication in physical form upon request.
7. The Notice of 33<sup>rd</sup> Annual general Meeting and Annual Report 2016-17 will also be available on the company's website [www.santaramspinners.com](http://www.santaramspinners.com) for download by the members. The physical copies of the aforesaid documents will also be available at the Company's Registered Office at Ahmedabad for inspection during business hours.
8. **Voting through Electronic means:** Pursuant to Section 108 of the Companies Act, 2013, read with the Rule 20 of Companies (Management and Administration) Amendment Rules, 2015 in pursuance with the Regulation 44 of Securities and Exchange Board Of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide the facility to Members to exercise their right at the 33<sup>rd</sup> Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting services provided by Central Depository Services Limited (CDSL).

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

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

## PROCEDURE FOR E-VOTING

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on Sunday, 24<sup>th</sup> September, 2017 (9 A.M.) and ends on Tuesday, 26<sup>th</sup> September, 2017 (5 P.M). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (i.e. the record date), being Wednesday, 20<sup>th</sup> September, 2017, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

	<b>FOR MEMBERS HOLDING SHARES IN DEMAT FORM AND PHYSICAL FORM [EVSN – 170905017]</b>
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN Field. The sequence number is printed on address label/stickers affixed on the back page of the Annual Report.</li> <li>In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li> </ul>
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	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <ul style="list-style-type: none"> <li>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 (iv).</li> </ul>

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. 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.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the SANTARAM SPINNERS LIMITED.
- (xii) 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.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) 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.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

- (xvii) 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.
- (xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xix) Note for Non – Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

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](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

#### **IN CASE OF MEMBERS RECEIVING THE PHYSICAL COPY:**

- A.** Please follow all steps from sl. no. (i) to sl. no. (xviii) above to cast vote.
- B.** The Members, whose names appear in the Register of Members / list of Beneficial Owners as on 20<sup>th</sup> September, 2017, i.e. the date prior to the commencement of book closure date are entitled to vote on the Resolutions set forth in this Notice. Members who have acquired shares after the dispatch of the Annual Report and before the book closure may approach the Company for issuance of the User ID and Password for exercising their right to vote by electronic means.

The Company has appointed **M/s. Patel & Associates, Practicing Company Secretary**, to act as the Scrutinizer, for conducting the scrutiny of the votes cast. The Members desiring to vote through electronic mode may refer to the detailed procedure on e-voting given hereinabove.

9. The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of contracts or arrangements in which the Directors are interested under Section 189 of the Companies Act, 2013, will be available for inspection at the AGM.
10. Members holding shares in demat form are hereby informed that bank particulars registered with their respective Depository Participant(s), with whom they maintain their demat accounts, will be used by the Company for payment of dividend. The Company or its Registrar cannot act on any request received directly from the Members holding shares in demat form for any change in bank particulars. Members holding shares in demat form are requested to intimate any change in their address and / or bank mandate to their Depository Participants immediately.
11. Members holding shares in physical form are requested to intimate any change of address and / or bank to M/s. Link Intime India Private Limited, Registrar and Share Transfer agent of the Company immediately.



12. The Securities and Exchange Board of India has mandated submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in demat form are, therefore, requested to submit PAN details to the Depository Participants with whom they have demat accounts. Members holding shares in physical form can submit their PAN details to M/s. Link Intime India Private Limited, Registrar and Share Transfer agent of the Company.
13. For convenience of the Members and proper conduct of the meeting, entry to the meeting venue will be regulated by Attendance Slip. Members are requested to sign at the place provided on the Attendance Slip and hand it over at the registration counter.
14. Members desiring any information relating to the accounts are requested to write to the Company at its registered office well in advance so as to enable the management to keep the information ready.

**PROFILE OF THE DIRECTORS SEEKING APPOINTMENT/REAPPOINTMENT IN FORTHCOMING ANNUAL GENERAL MEETING:**

<b>Name of Director</b>	<b>SHRI. NIRAV SHAH</b>
Director Identification Number	<b>00397336</b>
Date of Birth	15.06.1973
Date of first appointment	31.01.2011
Qualifications	Post Graduate
Expertise in specific	Administration
Number of Equity shares held	160850
List of other Public Ltd. Co. in which Directorship held	1. Jayatma Spinners Limited 2. Arvind SmartSpace Ltd 3. DMCC Oil Terminals (Navlakhi) Limited
Chairman/ Member of the Committees of the Board of Directors of the other Co.	1. Jayatma Spinners Limited Member in Audit committee and Stakeholder relationship committee 2. Arvind SmartSpace Ltd - Member in Audit committee
Relationship between Directors inter-se	Mr. Nirav Shah is a son of Mr. Kalyan Shah, Chairman & Managing Director of the company.

**IMPORTANT COMMUNICATION TO MEMBERS**

The Ministry of Corporate Affairs has taken "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 Reports can be sent by e-mail to its members. This will also ensure prompt receipt of communication and avoid loss in postal transit. These documents can also be downloaded by the shareholders from the Company's website i.e. [www.santaramspinners.com](http://www.santaramspinners.com). 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 by sending e-mail to [ahmedabad@linkintime.co.in](mailto:ahmedabad@linkintime.co.in) with subject as 'E-mail for Green Initiative' mentioning their Folio No. / Client ID. Members holding shares in electronic form may register/update their e-mail addresses with the Depository through their concerned Depository Participant(s).

**Date: 28<sup>th</sup> August, 2017**

**Place: Ahmedabad**

**For, Santaram Spinners Limited**

**Kalyan J Shah**  
**Chairman & Managing Director**  
**DIN: 003973398**

**DIRECTORS' REPORT**

Dear Shareholders,

We have pleasure in presenting the 33<sup>rd</sup> Annual Report of the Company along with the audited statement of accounts for the year ended 31st March, 2017. The financial results for the year are shown below.

**1. FINANCIAL RESULTS:**

(Rs. in lakhs)		
Particulars	2016-17	2015-16
Total Revenue (including other income)	10515.79	16956.33
Total Expenditure (including Finance Cost & Depreciation)	(10481.52)	(16933.02)
Profit/(loss) before exceptional & extraordinary item & Tax.	<b>34.27</b>	<b>23.31</b>
Exceptional Item	0	0
Profit/(loss) before extraordinary item & Tax	<b>34.27</b>	<b>23.31</b>
Extraordinary Item	0	0
Profit/(loss) before Tax	<b>34.27</b>	<b>23.31</b>
Tax expense	(16.77)	1.60
Net profit/(loss) after tax for the year	<b>17.50</b>	<b>24.91</b>
Add: Balance brought forward from Previous year	20.29	0.36
Less : Adjustment for Transitional Depreciation for the year	0.00	0.00
Less : Investment revaluation Reserve	0.00	-4.98
Balance carried to next year	<b>37.79</b>	<b>20.29</b>

**2. FINANCIAL / OPERATIONAL PERFORMANCE:**

**Revenue from operations (gross):** The Company has achieved total Revenue of Rs. 10515.79 lakhs during the financial year 2016-17. Previous year the net operating profit before tax of the company was Rs. 23.31 lakhs. Against that, during the year under reference the company has achieved net profit before tax of Rs. 34.27 lakhs. During the year the company has earned net profit (profit after tax) of Rs. 17.50 lakh in March 31, 2017.

**3. DIVIDEND:**

Since the Company needs to plough back the profits for the future development and expansion, hence the Board of Directors has not recommended any dividend for the financial year 2016-17.

**4. SHARE CAPITAL:**

During the year under review the Company has not issued any shares. The total paid up capital of the company at the end of financial year 2016-17 stood Rs.6,17,44,000/- (Rupees six crores seventeen lakhs forty four thousand) consisting of 6174400 equity shares of Rs.10/- each.

**5. ANNUAL RETURN**

The extract of Annual Return pursuant to the provision of section 92 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 for the financial year 2016-17 in Form MGT - 9 is annexed hereto and form part of this report as **Annexure – II**.

**6. AUDITORS AND AUDITORS' REPORT:****Statutory Auditor:**

M/s. Jayesh M. Shah & Co., Chartered Accountants, statutory auditors of the Company has carried out the statutory Audit and submitted its report for the financial year ended on March 31, 2017. There is no qualification, disclaimer, reservation or adverse remark made by the Statutory Auditors in Auditors' Report.

The Company has proposed the appointment of M/s. Keyur Bavishi & Co. Chartered Accountants (ICAI Firm Reg. No. 131191W) as the Independent Statutory Auditors of the Company. The Auditors if appointed shall hold office for the period of 5 years from the conclusion of this Annual General Meeting. The Company has received a letter from the M/s. Keyur Bavishi & Co. Chartered Accountants to the effect that the approval of their appointment, if made at the forthcoming Annual General Meeting, would be in accordance with the limits prescribed under 141 (3) (g) of the Act.

**Secretarial Auditor:**

M/s Patel & Associates, Company Secretary in Practice, were reappointed as Secretarial Auditors of the company by the Board to carry out Secretarial Audit for the Financial Year 2016-17.

The Secretarial Auditors of the Company have submitted their Report in form No. MR - 3 as required under section 204, of the Companies Act, 2013 for the financial year ended 31<sup>st</sup> March 2017. This Report is self-explanatory and requires no comments. The Secretarial Audit Report forms part of this report as **Annexure - IV**.

**7. SUBSIDIARY, ASSOCIATES AND JOINT VENTURE COMPANIES:**

The Company doesn't have any Subsidiaries, Associates or Joint Venture Companies.

**8. REPORT ON THE PERFORMANCE AND FINANCIAL POSITION OF EACH OF THE SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES:**

The Company doesn't have any Subsidiaries, Associates or Joint Venture Companies.

**9. COMPANIES WHICH HAVE BECOME OR CEASED TO BE ITS SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES:**

There are no companies which have become or ceased to be Company's Subsidiaries, Joint ventures or Associate companies.

**10. CORPORATE GOVERNANCE REPORT:**

The Company is exempt under Regulation 27(2) SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, read with, Regulation 15 of Chapter IV SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015. Hence, Annual Report 2016-17 does not contain the corporate governance report. Further, as and when the company falls under the applicability to provide Corporate Governance Report, the company will comply with the same. Refer **Annex - III**.

**11. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:**

The Company has a proper and adequate system of internal control in all spheres of its activities to ensure that all its assets are safeguarded and protected against loss from unauthorized use or disposition and that the transactions are authorized, recorded and reported diligently. The Company ensures adherence to all internal control policies and procedures as well as compliances with all regulatory guidelines. The Audit Committee of the Board of Directors reviews the adequacy of internal controls from time to time.

A report on the Internal Financial Control under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 is annexed to Independent Audit Report on Financial Statement as **Annex B**.

**12. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE:**

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

**13. BOARD OF DIRECTORS:**

<b>Name of Director</b>	<b>Category</b>
Shri Kalyan J Shah	Chairman & Managing Director
Shri Nirav K Shah	CEO & Director
Shri Fenil R Shah	Director
Shri Pareshbhai R Shah	Director
Shri Janak G Nanavaty	Director
Shri Falguni G Broker	Director

**14. NUMBER OF MEETINGS AND ATTENDANCE:**

The Company sends notice of meetings of the Board well in advance so as to allow the Directors to block their calendars. There were four meetings of the board viz. 30.05.2016, 13.08.2016, 14.11.2016, 14.02.2017, held during the year, details which is required pursuant to section 134(3)(b) of the Companies Act, 2013 are given as under:

<b>Name of director</b>	<b>No. of Board meetings attended</b>	<b>Whether attended AGM held on 29.09.2016</b>
Shri Kalyan J Shah	4	Y
Shri Nirav K Shah	2	Y
Shri Fenil R Shah	4	Y
Shri Pareshbhai R Shah	4	Y
Shri Janak G Nanavaty	3	Y
Smt Falguni G Broker	4	N

**15. COMPOSITION OF COMMITTEES AND ATTENDANCE:****A. AUDIT COMMITTEE:**

Pursuant to provision of section 177 of the Companies act 2013, the Audit committee consists of four Members, Shri Janak G Nanavaty (designated as chairman of the committee), Shri Nirav K Shah, Shri Fenil R Shah and Shri Paresh R Shah. During the year under review, 4 meetings were held on 30.05.2016, 13.08.2016, 14.11.2016 & 14.02.2017. The attendance record of the members at the meeting was as follows:

Name of Member	Designation	Attendance
Shri Janak G Nanavaty	Chairman	3
Shri Nirav K Shah	Member	2
Shri Fenil R Shah	Member	4
Shri Pares R Shah	Member	4

#### B. NOMINATION AND REMUNERATION COMMITTEE:

Pursuant to provision of section 178 (1) of the Companies act 2013, the Nomination and Remuneration Committee consists of three Members, Shri Janak G Nanavaty (designated as chairman of the committee), Shri Fenil R Shah and Shri Pares R Shah. Not a single Meeting was held during the year under review.

#### C. STAKEHOLDER RELATIONSHIP COMMITTEE :

Pursuant to provision of section 178 (5) of the Companies act 2013, the Stakeholder Relationship Committee consists of three Members, Shri Janak G Nanavaty (designated as chairman of the committee), Shri Nirav K Shah and Shri Fenil R Shah. During the year under review, 4 meetings were held on 30.05.2016, 13.08.2016, 14.11.2016 & 14.02.2017. The attendance record of the members at the meeting was as follows:

Name of Member	Designation	Attendance
Shri Janak G Nanavaty	Chairman	3
Shri Nirav K Shah	Member	2
Shri Fenil R Shah	Member	4

#### 16. DIRECTORS' RESPONSIBILITY STATEMENT;

In terms of section 134 (3) (c) read with section 134 (5) of the Companies Act, 2013, in relation to financial statements for the year 2016-17, the Board of Directors state that:

- (a) In the preparation of Annual Accounts for the period ended March 31, 2017, the applicable accounting standards had been followed along with proper explanation relating to material departures.
- (b) The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the Profit/Loss of the Company for the year ended March 31, 2017.
- (c) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) The Directors had prepared the annual accounts for the financial year ended March 31, 2017 on a going concern basis.
- (e) The directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- (f) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

**17. DECLARATION AS TO INDEPENDENT DIRECTORS PURSUANT TO PROVISIONS OF SECTION 134(3)(D) READ WITH SECTION 149(6) OF THE COMPANIES ACT 2013;**

All the Independent Directors of the Company are neither Managing Director, nor a Whole Time Director nor a Manager or a Nominee Director.

- (a) All the Independent Directors in the opinion of the Board are persons of integrity and possesses relevant expertise and experience.
- (b) (i). Independent Directors are or were not a Promoter of the Company or its Holding or subsidiary or associate company.
- (ii) Independent Directors are or were not related to promoters or directors in the company, its holding, subsidiary or associate company.
- (c) Independent Directors have or had no pecuniary relationship with the company, its holding, subsidiary or associate company or their promoters or directors, during the two immediately preceding financial years or during the current financial year.
- (d) None of whose relatives has or had pecuniary relationship or transaction with the company, its holding, subsidiary, or associate company, or their promoters, or directors, amounting to two per cent or more of its gross turnover or total income or fifty lakhs rupees or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year,
- (e) That Independent Directors, neither himself, nor any of his relatives,
  - i. Holds or has held the position of a key managerial personnel or is or has been employee of the company or its holding, subsidiary or associate company in any of three financial years immediately preceding the financial year in which he is proposed to be appointed.
  - ii. Is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial years in which he is proposed to be appointed, of –
    - (A) A firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or
    - (B) Any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or Associate company amounting to ten per cent, or more of the gross turnover of such firm;
  - iii. Holds together with his relatives less than two per cent, or more of the total voting power of the company; or
  - iv. Is a Chief Executive or director, by whatever name called, or any non-profit organization that receives twenty five per cent or more of its receipts from the Company, any of its promoters, directors or its holding, subsidiary or associate company or that holds two per cent or more of the total voting power of the company; or
- (f) Independent Directors possesses such other qualifications as may be prescribed.

**18. RATIO OF THE REMUNERATION OF EACH DIRECTOR TO THE MEDIAN REMUNERATION OF THE EMPLOYEES OF THE COMPANY FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2017;**

The particulars of ratio of remuneration of each director to median remuneration of the employees of the Company for the financial year under report, percentage increase in remuneration to each Director and KMP, etc. more particularly described under Section 197(12) of the Companies Act, 2013 and Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are given as under;

Name of Director and KMP	Designation	Performance of the Company
Shri Kalyan J Shah	Managing Director	Net operating profit of the company was increased from Rs. 23.31 lakh as on March 31, 2016 to Rs. 34.27 lakh as on March 31, 2017. Though the profit after tax was decreased from Rs. 24.91 lakh to Rs. 17.50 due to the tax expenses.
Shri Nirav K Shah	CEO and Director *	
Shri Fenil R Shah	Director	
Shri Pareshbhai R Shah	Director	
Shri Janak G Nanavaty	Director	
Smt. Falguni G Broker	Director	

\*Designation has been changed from Jt. MD to CEO w.e.f. 28.08.2017

- I. The ratio of the remuneration of each director to the median remuneration of the employees of the company:

Total Remuneration: Rs.1635658.00

Allowances and Reimbursement to KMP: 530909.00

Remuneration to other Employee: Rs.1065999.00

Sitting Fees paid to other director: Rs. 38750.00

- II. The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year; NIL
- III. The Percentage (%) increase in the median remuneration of employees: 5%
- IV. Number of permanent Employees on the rolls of Company: 3
- V. Relationship between average increase in remuneration and company performance: The increase in the remuneration is determined based on the performance by the employee of the company.
- VI. Comparison of the remuneration of the Key Managerial Personnel against the performance of the company: The remuneration to the KMP i.e. Managing Director(s) kept constant and there is no increase during the year.
- VII. The Market Capitalisation of the Company as at 31<sup>st</sup> March 2017 is 275.37 lakhs against Rs. 295.13 lakhs as at 31<sup>st</sup> March 2016. There was a variation of Rs. 19.76 lakhs.

Price Earnings Ratio:

As on	Market Value per Shares (P)	Earnings Per Share (E)	P/E Ratio
31 <sup>st</sup> of March, 2016	Rs. 4.78	0.40	11.95
31 <sup>st</sup> of March, 2017	Rs. 4.46	0.28	15.93

- VIII. Average percentile increase 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; NOT APPLICABLE as there was no increase in the managerial remuneration.
- IX. Comparison of the each remuneration of the Key Managerial Personnel against the performance of the company: The Remuneration of KMP is given in point (I).
- X. The key parameters for any variable component of remuneration availed by the directors: Directors are paid sitting fees only. Components for the Sitting fees are variable. Sitting fee depends upon ones attendance of the meeting. The Key parameters therefore are as envisaged under the Companies Act.

- XI. The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year; and No employee is receiving remuneration in excess or higher than the remuneration of Director or Key Managerial Personnel.
- XII. Affirmation that the remuneration is as per the remuneration policy of the company. All remuneration of the Employees and directors are decided by Nomination & Remuneration Committee and by the Board of Directors within the organization

#### **19. FORMAL ANNUAL EVALUATION PROCESS BY BOARD PURSUANT TO SECTION 134(3)(P);**

The Company has in place a formal mechanism for evaluating its performance as well as that of its Committees and individual Directors, including the Chairman of the Board. The Board after taking into consideration the criteria of evaluation laid down by the Nomination and Remuneration Committee in its policy such as Board Composition, level of involvement, performance of duties, attendance etc. had evaluated its own performance, the performance of its committees and Independent Directors (excluding the Director being evaluated) and that of the Chairman and the Non-Independent Directors was carried out by the Independent Directors in their separate meeting held.

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

#### **20. RISK MANAGEMENT:**

The Company was already having risk management system to identify, evaluate and minimize the Business risks. The Company during the year had formalized the same by formulating and adopting Risk Management Policy. This policy intends to identify, evaluate, monitor and minimize the identifiable risks in the Organisation.

#### **21. COMMISSION:**

None of the Directors are receiving Commission from the company.

#### **22. RELATED PARTY TRANSACTIONS:**

All related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of the business. There are no materially significant related party transactions made by the company with Promoters, Key Managerial Personnel or other designated persons which may have potential conflict with interest of the company at large. However, details of transactions with related parties are given in 30 (K) of Accounting Policies by Auditors as per Accounting Standard 18.

#### **23. CORPORATE SOCIAL RESPONSIBILITY:**

As Company does not come under the ambit of 135 of the Companies Act, 2013 and Rules of Companies (Corporate Social Responsibility policy), 2014, Company has not formed Corporate Social Responsibility Committee and hence Rule 9 of Companies (Accounts) Rule, 2014 regarding disclosure of contents of Corporate Social Responsibility Policy is not applicable to the Company.

#### **24. PARTICULARS OF EMPLOYEES:**

Pursuant to the provisions of Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 read with the Companies Act, 2013, it is hereby informed that none of the employees of the Company was in receipt of remuneration of Rs.5 lakhs per month or Rs. 60 lakhs per annum during the year under review.

#### **25. DEPOSITS:**

During the year under review, the Company had not accepted any deposit from public during the year.



**26. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:**

Details of investments made and loans advanced by the company have been given in note no. 13, 14, & 16 to the Financial Statement. The Company has not given any Guarantee pursuant to the provision of 186 of the Companies Act, 2013.

**27. VIGIL MECHANISM/WHISTLE BLOWER POLICY:**

Pursuant to Section 177 of the Companies Act, 2013 the rules made thereunder and the Regulation 22 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has established a Vigil Mechanism for directors and employees to report genuine concerns about any instance of any irregularity, unethical practice and/or misconduct. This mechanism provides safeguards against victimisation of directors/employees who avail of the mechanism and provides for direct access to the Chairman of the Audit Committee in exceptional cases. The policy/vigil mechanism has been appropriately communicated to the employees within the organisation and has been put on the Company's website [www.santaramspinners.com](http://www.santaramspinners.com).

**28. SAFETY, HEALTH AND ENVIROMENT:**

- (a) Safety: The Company encourages a high level of awareness of safety issues among its employees and strives for continuous improvement. All incidents are analysed in the safety committee meetings and corrective actions are taken immediately. Employees are trained in safe practices to be followed at work place.
- (b) Health: Your Company attaches utmost importance to the health of its employees. Periodic checkup of employees is done to monitor their health. Health related issues if any are discussed with visiting Medical Officer.
- (c) Environment: Company always strives hard to give importance to environmental issues in normal course of operations. Adherence to Environmental and pollution control Norms as per Gujarat Pollution Control guidelines is of high concern to the Company.

**29. PREVENTION OF INSIDER TRADING**

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

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

**30. INDEPENDENT DIRECTORS' MEETING:**

In compliance with Section 149(8) of the Act read along with Schedule IV of the Act and As per SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015, the Independent Directors met on March 25, 2017, inter alia, to discuss:

- a) The performance of Non-Independent Directors and the Board of Directors;
- b) The performance of the Chairperson of the Company,
- c) Assess the quality, quantity and timeliness of flow of information between the management of the Company and the Board of Directors that is necessary for the Board of Directors to effectively and reasonably perform their duties.

All the Independent Directors were present at the meeting.

**31. LISTING:**

The Equity shares of the company are listed on BSE Limited and Company has paid Annual Listing Fees up to the Year 2017-18.

**32. DISCLOSURE OF SEXUAL HARASSMENT:**

Pursuant to section 22 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, entire staff in the Company is working in a most congenial manner and there are no occurrences of any incidents of sexual harassment during the year.

**33. ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO:**

As require by the section 134 (3) (m) Companies Act, 2013 read with rule 3 of the Company (Account) Rule 2014, the relevant data pertaining to Conservation of Energy, Technology Absorption and Foreign Exchange Earning and Outgo pursuant are given in **Annexure-I** to this Report.

**34. CAUTIONARY STATEMENT:**

Statements in the Board's Report and the Management Discussion & Analysis describing the Company's objectives, expectations or forecasts may be forward-looking within the meaning of applicable securities laws and regulations. Actual results may differ materially from those expressed in the statement. Important factors that could influence the Company's operations include global and domestic demand and supply conditions affecting selling prices of finished goods, input availability and prices, changes in government regulations, tax laws, economic developments within the country and other factors such as litigation and industrial relations.

**35. ACKNOWLEDGMENTS**

Your Company and its Directors wish to extend their sincerest thanks to the Members of the Company, Bankers, State Government, Local Bodies, Customers, Suppliers, Executives, Staff and workers at all levels for their continuous cooperation and assistance.

Date: 28<sup>th</sup> August, 2017  
Place: Ahmedabad

For, Santaram Spinners Limited

Kalyan J Shah  
Chairman & Managing Director  
DIN: 00397398

## ANNEXURE – I

Information as per Section 134 (3) (m) of The Companies Act, 2013 read with Rule 8 (3) of the Companies (Accounts) Rules, 2014 and forming part of the Director's Report for the year ended on 31<sup>st</sup> March, 2017.

**(A) CONSERVATION OF ENERGY:**

- Necessary precautions have been taken while designing process and equipment to ensure conservation of energy through the use of fuel efficient devices and advanced instrumentation systems.
- No additional investment was made during the year for reduction in consumption of energy.
- The measures taken have helped to conserve the energy and in turn, cost.
- Total energy consumption and energy consumption per unit of production.

**FORM 'A'****Form for Disclosure of particulars with respect to Conservation of energy.**

Power and fuel consumption:

Sr. No.	Particulars	2016 - 17	2015 - 16
1 (a)	<b>Electricity Purchased:</b>		
	Units	4115	89145
	Total Amount (Rs.)	52604	314682
1 (b)	<b>Electricity Own Generation:</b>		
(i)	Through Wind Turbine Generator units (MWH)	1468382	1338672
	Diesel Consumption (liter)	N.A.	N.A.
	Units per Ur. Of Diesel Oil	N.A.	N.A.
	Cost/Unit (Diesel Cost)	N.A.	N.A.
(ii)	Through Steam turbine Generator	N.A.	N.A.
2	<b>Coal</b>	N.A.	N.A.
3	<b>Furnace Oil</b>	N.A.	N.A.

**(B) TECHNOLOGY ABSORPTION:**

Research and Development: During the year under review company has not spent any amount for Research and Development; hence details under Form 'B' are not applicable.

Technology absorption adoption and innovation: The Company has taken necessary steps to improve technology for manufacturing coarse count yarn. The company has achieved progress in manufacturing the yarn at plant level.

**(C) FOREIGN EXCHANGE EARNING AND OUTGO:**

Particulars with regards to Foreign Exchange Earning and Outgo are set out in note 30(B) to the accounts.

Date: 28<sup>th</sup> August, 2017

Place: Ahmedabad

For, Santaram Spinners Limited

Kalyan J Shah  
Chairman & Managing Director  
DIN: 00397398

## ANNEXURE-II

## FORM MGT 9

## EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2017

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

I. REGISTRATION & OTHER DETAILS:									
1	CIN	L17110GJ1983PLC006462							
2	Registration Date	17th September, 1983							
3	Name of the Company	SANTARAM SPINNERS LIMITED							
4	Category/Sub-category of the Company	Company Limited by Shares							
		Indian Non-Government Company							
5	Address of the Registered office & contact details	259, 3rd Floor, New Clothe Market, Outside Raipur gate, Ahmedabad – 380002 Tel No: 079 - 22167040 Email ID - santaramltd@gmail.com							
6	Whether listed company	YES							
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	M/s. Link Intime India Pvt Ltd , 506-508, Amarnath Business Centre-1 (ABC-1), Besides Gala Business Centre, Near XT Xavier’s College Corner, Off C G Road, Ellisebridge, Ahmedabad-380009 Tel : +91 79 26465179 /86 / 87 E-mail id : <a href="mailto:ahmedabad@linkintime.co.in">ahmedabad@linkintime.co.in</a>							
II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10 % or more of the total turnover of the company shall be stated)									
Sr. No.	Name and Description of main products / services				NIC Code of the Product/service		% to total turnover of the company		
1	Cotton Ginning and related agro by product				01632		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
1	THE COMPANY DOES NOT HAVE ANY HOLDING, SUBSIDIARY OR ASSOCIATE COMPANIES.								
IV. SHARE HOLDING PATTERN (Equity share capital breakup as percentage of total equity)									
(i) Category-wise Share Holding									
Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of total Shares	Demat	Physical	Total	% of total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	2773604	0	2773604	44.92	2773604	0	2773604	44.92	0.00
b) Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
c) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
d) Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0.00
e) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
f) Any other	0	0	0	0.00	0	0	0	0.00	0.00
Sub Total (A) (1)	2773604	0	2773604	44.92	2773604	0	2773604	44.92	0.00

<b>(2) Foreign</b>									
a) NRI Individuals	0	0	0	0.00	0	0	0	0.00	0.00
b) Other Individuals	0	0	0	0.00	0	0	0	0.00	0.00
c) Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0.00
d) Any other	0	0	0	0.00	0	0	0	0.00	0.00
<b>Sub Total (A) (2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
<b>TOTAL (A)</b>	<b>2773604</b>	<b>0</b>	<b>2773604</b>	<b>44.92</b>	<b>2773604</b>	<b>0</b>	<b>2773604</b>	<b>44.92</b>	<b>0.00</b>
<b>B. Public shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	0	0	0	0.00	0	0	0	0.00	0.00
b) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
c) Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
d) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
e) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
f) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
g) FIIs	0	0	0	0.00	0	0	0	0.00	0.00
h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
i) Others (specify)	0	0	0	0.00	0	0	0	0.00	0.00
<b>Sub-total (B)(1):-</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
<b>2. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	15961	12200	28161	0.46	15532	12200	27732	0.45	-0.01
ii) overseas	0	0	0	0.00	0	0	0	0.00	0.00
b) Individuals	0	0	0	0.00	0	0	0	0.00	0.00
i) Individual shareholders holding nominal share capital up to Rs. 1 lakh	645818	808109	1453927	23.55	647852	806709	1454561	23.56	0.01
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	974410	735050	1709460	27.69	974410	735050	1709460	27.69	0.00
c) Others (specify)									
Non Resident Indians	170330	23000	193330	3.13	170330	23000	193330	3.13	0.00
Overseas Corporate Bodies	0	0	0	0.00	0	0	0	0.00	0.00
Foreign Nationals	0	0	0	0.00	0	0	0	0.00	0.00
Clearing Members	3012	0	3012	0.05	2807	0	2807	0.05	0.00
Trusts	0	0	0	0.00	0	0	0	0.00	0.00
HUF	12506	400	12906	0.21	12506	400	12906	0.21	0.00
Foreign Bodies	0	0	0	0.00	0	0	0	0.00	0.00
<b>Sub-total (B)(2):-</b>	<b>1822037</b>	<b>1578759</b>	<b>3400796</b>	<b>55.08</b>	<b>1823437</b>	<b>1577359</b>	<b>3400796</b>	<b>55.08</b>	<b>0.00</b>
<b>Total Public (B)</b>	<b>1822037</b>	<b>1578759</b>	<b>3400796</b>	<b>55.08</b>	<b>1823437</b>	<b>1577359</b>	<b>3400796</b>	<b>55.08</b>	<b>0.00</b>
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0.00	0	0	0	0.00	0.00
<b>Grand Total (A+B+C)</b>	<b>4595641</b>	<b>1578759</b>	<b>6174400</b>	<b>100.00</b>	<b>4597041</b>	<b>1577359</b>	<b>6174400</b>	<b>100.00</b>	<b>0.00</b>

**(ii) Shareholding Of Promoter & Promoter Group**

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Kalyan Jayantilal Shah	1647350	26.68	0.00	1647350	26.68	0.00	0.00
2	Shah Kalyan Jayantilal(HUF)	255250	4.13	0.00	255250	4.13	0.00	0.00
3	Dharini Kalyan Shah	180150	2.92	0.00	180150	2.92	0.00	0.00
4	Apurva Kalyanbhai Shah	420304	6.81	0.00	420304	6.81	0.00	0.00
5	Nirav Kalyanbhai Shah	160850	2.61	0.00	160850	2.61	0.00	0.00
6	Pradipbhai Rasiklal Shah	90700	1.47	0.00	90700	1.14	0.00	0.00
7	Pankaj R Shah	10000	0.16	0.00	10000	0.16	0.00	0.00
8	Sujay P Shah	9000	0.15	0.00	9000	0.15	0.00	0.00
	<b>Total</b>	<b>2773604</b>	<b>44.92</b>	<b>0.00</b>	<b>2773604</b>	<b>44.92</b>	<b>0.00</b>	<b>0.00</b>

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

SN	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
	NO CHANGE						

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

For each of the Top 10 shareholders	Shareholding at the beginning of the year		Shareholding at the end of the year	
	No. of shares	% of total shares	No. of shares	% of total shares
Shailesh M Thakkar	686000	11.11	686000	11.11
Amin Kanubhai C	167288	2.71	167288	2.71
Anuja A Shah	155750	2.52	155750	2.52
Jayendra R Shah	135500	2.19	135500	2.19
Niyati A Shah	119200	1.93	119200	1.93
Raghuvir A Makhija	100695	1.63	100695	1.63
Jagat S Shah	96400	1.56	96400	1.56
Dinesh R Gupta	45400	0.74	45400	0.74
Nandlal J Agarwal	45400	0.74	45400	0.74
Rakesh Prajapati	45400	0.74	45400	0.74

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

Sr. No	For each of the Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of shares	% of total shares	No. of shares	% of total shares
1	Kalyan J Shah	1647350	26.68	1647350	26.68
2	Nirav K Shah	160850	2.61	160850	2.61
3	Fenil R Shah	0	0.00	0	0.00
4	Janak G Nanavaty	0	0.00	0	0.00
5	Paresh R Shah	0	0.00	0	0.00
6	Falguni G Broker	0	0.00	0	0.00

**V. INDEBTEDNESS** (Indebtedness of the Company including interest outstanding/accrued but not due for payment.) (Amt. in Rs.)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	236520439.00	-	-	236520439.00
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>236520439.00</b>	-	-	<b>236520439.00</b>
<b>Change in Indebtedness during the financial year</b>				
* Addition	-	-	-	-
* Reduction	(42089907.00)	-	-	(42089907.00)
<b>Net Change</b>	<b>(42089907.00)</b>	-	-	<b>(42089907.00)</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	194430532.00	-	-	194430532.00
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>194430532.00</b>	-	-	<b>194430532.00</b>

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL****A. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD**

Sr. No.	Particulars of Remuneration	KALYAN SHAH Managing Director
<b>1</b>	<b>Gross salary</b>	
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	0.00
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	530909.00
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-
<b>2</b>	<b>Stock Option</b>	-
<b>3</b>	<b>Sweat Equity</b>	-
<b>4</b>	<b>Commission</b>	-
	- As % of profit	-
	- Others, specify	-
<b>5</b>	<b>Others, please specify</b>	-
	<b>Total</b>	<b>530909.00</b>

B. REMUNERATION TO OTHER DIRECTORS						
Sr. No	Particulars of Remuneration	PARESH R SHAH	JANAK G NANAVATY	FENIL R SHAH	FALGUNI G BROKER	Total Amt (Rs.)
1	Independent Directors					
	Fee for attending board committee meetings	11250.00	9500.00	12000.00	6000.00	38750.00
	Commission	-	-	-		-
	Others, please specify	-	-	-		-
	Total (1)	11250.00	9500.00	12000.00	6000.00	38750.00
2	Other Non-Executive Directors	-	-	-	-	-
	Fee for attending board committee meetings	-	-	-	-	-
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total (2)	-	-	-	-	-
	Total (B)=(1+2)	11250.00	9500.00	12000.00	6000.00	38750.00
	Total Remuneration					38750.00
	Overall Ceiling as per the Act					4200000.00
C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD - NIL						
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/ DIRECTORS/ OTHER OFFICERS IN DEFAULT						
Penalty	NIL					
Punishment						
Compounding						

Date: 28<sup>th</sup> August, 2017

Place: Ahmedabad

For, Santaram Spinners Limited

Kalyan J Shah  
Chairman & Managing Director  
DIN: 00397398



## ANNEXURE – III

**NON APPLICABILITY OF REGULATION 27(2) OF SEBI (LODR) REGULATIONS, 2015 REGARDING  
CORPORATE GOVERNANCE REPORT**

This is to certify that in order to comply with Regulation 27(2) SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, read with, Regulation 15 of Chapter IV SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 the Paid up capital of the Company Santaram Spinners Limited is not exceeding Rs. 10 crore i.e. Rs 6,17,44,000 crore (Rupees six crore seventeen lakhs forty four thousand) AND the Net worth is less than Rs. 25 Crore i.e. Rs. 10,74,82,177 ( Rupees ten crore seventy four lakh eighty two thousand one hundred seventy seven) as on the last day of the previous financial year i.e. 31<sup>st</sup> March, 2017. Therefore it is not required to submit Corporate Governance Report.

**Date: 28<sup>th</sup> August, 2017**  
**Place: Ahmedabad**

**For, Santaram Spinners Limited**

**Kalyan J Shah**  
**Chairman & Managing Director**  
**DIN: 00397398**

## ANNEXURE – IV

**FORM NO. MR - 3**  
**SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2017

*[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,  
**Santaram Spinners Limited.**

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Santaram Spinners Limited** (hereinafter called the Company) (CIN: L17110GJ1983PLC006462) having its registered office at **259 3<sup>rd</sup> Floor, New Cloth Market, Outside Raipur Gate, Ahmedabad - 380006**. Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my 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 my opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2017 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 **Santaram Spinners Limited** (the Company) for the financial year ended on 31<sup>st</sup> March, 2017 according to the provisions of:

- I. The Companies Act, 2013 (the Act) and the rules made thereunder;
- II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- IV. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

- (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (f) 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;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- (i) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with Bombay Stock Exchange.
- (iii) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

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

- A) The Company has maintained a Register of Directors' Attendance as prescribed in the Secretarial Standards.
- B) The Directors have signed against their respective names after the meeting has been held.
- C) The Company had received six proxy forms for the Annual General Meeting for the financial year ended 31<sup>st</sup> March, 2016.
- D) The Company has complied with requirements of at least one-third of the total number of directors as independent directors as stated in Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- E) The Company has complied with the of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- F) The Company has obtained all necessary approvals under the various provisions of the Act;
- G) There was no prosecution initiated and no fines or penalties were imposed during the year under review under the Act, SEBI Act, SCRA, Depositories Act, Listing Agreement and Rules, Regulations and Guidelines framed under these Acts against / on the Company, its Directors and Officers.

#### **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.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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

The following mentioned observations are made:

- A) The Directors have complied with the requirements as to disclosure of interests and concerns in contracts and arrangements, shareholdings and directorships in other companies and interests in other entities;
- B) The Directors have complied with the disclosure requirements in respect of their eligibility of appointment, their being independent and compliance with the Code of Business Conduct and ethics for Directors and Management Personnel;

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

**I further report that** during the audit period, the Company has no other major / specific events, actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above viz.

- i. Public/Right/Preferential issue of shares / debentures/sweat equity etc.
- ii. Redemption / buy-back of securities
- iii. Merger / amalgamation / reconstruction etc.
- iv. Foreign technical collaborations.

The members of the Company have passed the following Special Resolutions in the Annual General Meeting of the Company held on 29/09/2016 for:

- i. Approval of borrowings limits upto Rs. 200 Crore under section 180 (1) (a) of the Companies Act, 2013.
- ii. Approval to sell, lease or otherwise dispose the all kinds of assets of the Company upto Rs. 200 Crore under section 180 (1) (c) of the Companies Act, 2013.

**Date: 28<sup>th</sup> August, 2017**  
**Place: Ahmedabad**

**For, Patel & Associates,  
Company Secretaries**

**Chintan K Patel**  
**Partner**  
**Mem. No: A31987, COP: 11959**

**ANNEXURE - A TO THE SECRETARIAL AUDIT REPORT**

To,  
The Members,  
Santaram Spinners Limited

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

1. The Management of the company is responsible for maintenance of secretarial records, devise proper system to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.
2. Our responsibility is to express an opinion on these secretarial records and procedures followed by the company with respect to Secretarial Compliances.
3. We 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. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
4. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
5. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
6. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
7. The secretarial Audit Report is neither an assurance as to the future viability of the company nor of the efficacy of effectiveness with which the management has conducted the affairs of the company.

Date: 28<sup>th</sup> August, 2017  
Place: Ahmedabad

For, Patel & Associates,  
Company Secretaries

Chintan K Patel  
Partner  
Mem. No: A31987, COP: 11959

## MANAGEMENT DISCUSSION & ANALYSIS REPORT

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Your Director's have pleasure in presenting the Management Discussion and Analysis Report for the year ended on 31st March, 2017.

### INDUSTRY STRUCTURE & DEVELOPMENTS

Indian Textile Industry is one of the leading textile industries in the world. It is one of the key sectors of India's manufacturing segment as it contributes significantly to the economy in terms of employment generation and foreign exchange revenue. Textile Industry is the second largest employment provider in the country, next only to agriculture. Indian economy continued to grow at a strong pace albeit slower than previous year. Government Agencies expect the economy to grow at 7.1% in 2016-17, slowing from 7.6% in the previous financial year. Consumer spending got a huge shock when Government demonetised two highest denominated currency bills. While the demonetization of Rs. 500 and Rs. 1,000 currency bill impacted consumer demand. Further a few key acts including long awaited GST Act was finally approved paving the way for its implementation in the current financial year. The Goods and Services Tax (GST) implemented from July 2017 should help make India more of a single market and thus spur productivity, investment, competitiveness, job creation and incomes.

The major step taken by the Indian government i.e. demonetization has affected the consumer demand in short run basis but it will prove the most effective tool for economic growth in coming years. It is expected that the economy should grow in the coming years and the demand for and prices of textile products should improve which will enable the Company to regain steady or better performance.

### ORGANISATION PROFILE:

Santaram Spinners Limited is single focused textile company managing in a responsible way by the team having more than 31 years of experience in the field of textile industries. Santaram Spinners Limited (SSL) is the flagship company in the business of cotton ginning and agro by products along with yarn and other possible avenues in the textile value chain, Set up in 1988, SSL is engaged in the entire area of the cotton textiles. SSL has established market for its products with a marketing network spread across the country. The Company has its Business covering the major state of the country i.e. Punjab, Haryana, Delhi, Rajasthan, Madhya Pradesh, Maharashtra as well as Gujarat. Santaram Spinners Limited is certified under ISO 9001:2008.

### CONTRIBUTION TOWARD GREEN ENERGY DEVELOPMENT:

Santaram Spinners Limited is having a Wind Turbine Generator (wind Mill) at Dist- Jamnagar, Gujarat, India with aggregate installed capacity of 0.8 MW. During the Financial Year 2016-17 units generated through this WTG is 14.68 lakhs units. Out of the said power generation, 0.04 Lakhs unit were Used /utilized for captive consumption at the company's Unit at Rajpur, Ta- Kadi, Dist- Mehsana . The excess generation of the power Units was sold out to the UGVCL as per the agreement with the UGVCL.

### OPPORTUNITIES AND THREATS:

Government of India focus on improving the ease of business with its "Make in India" initiative is expected to relax regulations and reduce complex procedures. Demonitisation and Implementation of "The Goods and Services Tax (GST)" is the most effective steps taken by the Indian government to streamline the growth of the Indian industries. Textile sector plays a key role in the Indian economy by way of significant contribution to GDP, manufacturing output, employment generation and export earnings. As we enter the New Year we start with a lot of optimism. Global Growth is picking up and India has most probably seen its bottom. Textile and clothing demand is expected to pick up and the Company is well poised to take advantages of it. We therefore start with lot of hope and optimism of achieving new heights and taking the brand and company to new levels.

We are more focused on the value added segment and domestic sales which will de-risk the business and bring in more stability to turnover and margins. Further the other opportunities like Large, Potential Domestic and International Market, Investment and Foreign Direct Investment opportunities, shifting of customer towards Branded Readymade Garments, increase in the Purchasing Power of Indian Customer, increase in local demand and consumption for cotton because of increase in investments in spinning sector in Gujarat due to the Textile Policy etc. assist greater help for the growth of the company as well as industry.

**EXPANSION & FUTURE PROPOSAL:**

Future outlook for the Indian textile and apparel industry is promising. The new Government in India has a strong commitment to uplifting the complete value chain. While increasing disposable income, changing lifestyles and increasing demand for quality products are set to fuel the need for apparel, the Government's inclination towards skill development and Make in India branding is creating a conducive environment for increasing the manufacturing base as well as for large investments in the country.

**RISKS AND CONCERNS:**

Key factor in determining a company's performance is the company's ability to manage the risks in its business/environment effectively. Many risks exist in a company's operating environment and they emerge on a regular basis. Viz Currency Risk, Commodity price Risk, Human Resource Risk. Risk management is embedded in operating framework of your Company. Your Company believes that managing risks helps in maximizing returns. Risk management framework is reviewed periodically by the Board and the Audit Committee. Like any other industry, the textile industry is also exposed to risk of competition, government policies, fluctuation of commodity price, natural factor like change in climate etc.

**FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE:**

The financial performance of the Company for the year 2016-17 is described in the Directors' Report under the head Financial Result.

**INTERNAL CONTROL SYSTEM:**

Your Company maintains a system of internal controls designed to provide reasonable assurance regarding the following:

- Effectiveness and efficiency of operations
- Prevention and detection of frauds and errors
- Effective use of resources
- Adherence to applicable Accounting Standards and policies
- Timely preparation of reliable financial information

Internal controls and governance process are duly reviewed for their adequacy and effectiveness on periodical basis.

**MATERIAL DEVELOPMENTS IN HUMAN RESOURCES AND INDUSTRIAL RELATIONS FRONT:**

Company takes pride in the commitment, competence and dedication shown by its employees in all areas of business. Your Directors wish to convey their gratitude and place on record their appreciation for all the employees at all levels for their hard work, solidarity, cooperation and dedication during the year. Industrial relations were cordial throughout the year.

**DISCLAIMER:**

Readers are cautioned that the Statements in this Management Discussions and Analysis Report describing the Company objectives, projections, estimates, expectations or predictions may be 'forward looking statements' within the meaning of applicable security laws or regulations. These statements are based on reasonable assumptions and expectations of future events. Actual results could however, differ materially from those expressed or implied. Factors that could make a difference to the Company's operations include market price both domestic and overseas availability and cost of raw materials, change in Government regulations and tax structure, economic conditions affecting demand / supplies and other factors over which the Company does not have any control. The Company takes no responsibility for any consequence of decisions made based on such statements and holds no obligation to update these in future.

**Date: 28<sup>th</sup> August, 2017****Place: Ahmedabad****For, Santaram Spinners Limited**

**Kalyan J Shah**  
**Chairman & Managing Director**  
**DIN: 00397398**



**INDEPENDENT AUDITORS' REPORT**

To,  
The Members,  
**Santaram Spinners Limited**

1. We have audited the financial statements of **Santaram Spinners Limited ("the Company")** which comprise the Balance Sheet as at 31<sup>st</sup> March, 2017 and Profit and Loss Account and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information on that date annexed thereto.
2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act 2013 ( "the Act" ) with respect to the preparation of these financial statements that give true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent ; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of accounting records, relevant to the preparation and presentation of the financial statements that give true and fair view and are free from material misstatement, whether due to fraud or error.
3. 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, accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessment, the auditor considers internal financial control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Director, as well as evaluating the overall presentation of the financial statements.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

6. In our opinion and to the best of our information and according to the explanations given to us, the 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
- a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31<sup>st</sup> March, 2017 ; and
  - b) in the case of the Profit and Loss Account, of the profit for the year ended on that date ; and
  - c) In the case of Cash Flow statement, of the cash flows for the year ended on that date.
7. As required by the Companies (Auditor's report) Order, 2015 ("the Order) issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013 we hereby provide the details as required in the paragraph 3 and 4 of the said Order in Annexure-A to Independent Auditor's Report.
8. As required by section 143(3) of the Act, we further 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 purpose of our audit ;
  - (b) In our opinion, proper books of accounts as required by law have been kept by the Company so far as appears from our examination of those books;
  - (c) The Balance Sheet, Statement of Profit & Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid financial statements comply with applicable Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - (e) On the basis of written representation received from the directors, as on 31<sup>st</sup> March 2017 and taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March 2017, from being appointed as a director in terms of sub-section (2) of section 164 of the Act;
  - (f) With respect to the adequacy of Internal Financial Controls over Financial Reporting of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure B to Independent Auditor's Report.
  - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us ;
    - (a) The Company has disclosed the impact of pending litigations on its financial position in its financial statements as referred to in Note 30(A) to the financial statements.
    - (b) The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, and as required on long term contracts including derivative contracts.

- (c) There has not been an occasion in case of the Company during the year under report to transfer any sums to the Investor Education and Protection Fund. The question of delay in transferring such sums does not arise.
- (d) The Company has provided requisite disclosures in the standalone Financial Statements as regards its holding and dealing in Specified Bank Notes as defined in the Notification S.O. 3407(E) dated 8<sup>th</sup> November, 2016 of the Ministry of Finance, during the period from 8<sup>th</sup> November, 2016 to 30<sup>th</sup> December, 2016. Based on audit procedure performed and the representations provided to us by the management, we report that the disclosures are in accordance with the books of account maintained by the Company and as produced to us by the Management.

**FOR AND ON BEHALF OF**  
**JAYESH M. SHAH & CO.**  
**Chartered Accountants**  
**F.R.N. 104173W**

**Place : Ahmedabad**  
**Date : 30<sup>th</sup> May, 2017**

**JAYESH M. SHAH**  
**Proprietor**  
**Mem. No. : 30638**

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#### **ANNEXURE A TO THE AUDITORS' REPORT**

(Referred to in paragraph 7 of the Auditors' Report of even date to the members of Santaram Spinners Limited on the financial statements for the year ended 31<sup>st</sup> March, 2017.)

1. (a) The Company has maintained records showing full particulars including quantitative details and situation of its fixed assets.  
  
 (b) As explained to us, a substantial portion of the fixed assets have been physically verified by the management during the year and no material discrepancies have been noticed on such verification.  
  
 (c) As explained to us, the title deeds of immovable properties are held in the name of the Company.
2. (a) As per information and explanation given to us, inventory of raw materials/finished goods/traded goods/spares and consumables has been physically verified by the management at regular intervals. In our opinion the frequency of verification is reasonable.  
  
 (b) On the basis of our examination of the inventory records produced before us and in our opinion the Company is maintaining proper records of inventory. The discrepancies noticed on physical verification of inventory as compared to book records were not material and have been properly dealt with in books of accounts.
3. (a) The company has not granted loans secured or unsecured to firms, Companies or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Hence, paragraph 3(b) and 3(c) of the Order is not applicable.

4. As explained to us, there is no transaction of loans, investments, guarantees and security prescribed in the provision of Section 185 and 186 of the Companies Act, 2013 during the year under audit. Consequently, requirement of clause (iv) of paragraph of the Order is not applicable.
5. In our opinion and according to the information and explanations given to us, the Company has not accepted Deposits during the year and consequently directives issued by Reserve Bank of India and the provisions of Section 73 to 76 or any other relevant provision of the Companies Act and rules framed there under are not applicable to the Company.
6. We are informed that maintenance of cost records as prescribed by the Central Government of India under subsection (1) of Section 148 of the Companies Act, 2013 in respect of the Company products are not applicable. Hence, the provisions of Clause (vi) of paragraph 3 of the Order are not applicable to the Company.
7. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, custom duty, excise duty, cess and other material statutory dues to the extent applicable with the appropriate authorities in India. However, in case of delays in few instances the same has been deposited along with interest due thereon.  
  
(b) According to the information and explanations given to us and the records of the Company examined by us, the particulars of dues of income tax, sales tax as on 31<sup>st</sup> March, 2017 which have not been deposited on account of dispute are as under:

Name of the Statue	Nature of Dues	Amount (Rs. In Lacs)	Period to which the amount relates	Forum where the dispute is pending
Central Sales Tax Act and Local Sales Tax Act	Sales Tax Including Interest and Penalty, as applicable	956900/-	A.Y. 2007-08	Sales Tax Tribunal (Vat)
		914477/-	A.Y. 2007-08	Sales Tax Tribunal (Vat)

8. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to financial institution/bank/debenture holders during the year under audit. Hence, the provisions of Clause (viii) of paragraph 3 of the Order are not applicable to the Company.
9. According to the information and explanation given to us, the Company has not raised money by way of initial public offer or further public offer (including debt instruments) or term loans during the year under audit. Hence, the provisions of Clause (ix) of paragraph 3 of the Order are not applicable to the Company.
10. According to information and explanation given to us and the records of the Company examined by us, neither fraud on or by the Company has been noticed or reported during the year.

11. According to information and explanation given to us and the records of the Company examined by us, the Company has not paid or provided managerial remuneration in the books of account. Hence, the provisions of Clause (xi) of paragraph 3 of the Order are not applicable to the Company.
12. According to the information and explanation given to us, the Company is not a Nidhi Company. Hence, the provisions of Clause (xii) of paragraph 3 of the Order are not applicable to the Company.
13. According to information and explanation given to us, transaction with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 and details have been disclosed in the Financial Statements. As required by the applicable accounting standards.
14. According to information and explanation given to us and the records of the Company examined by us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Consequently clause (xiv) of paragraph 3 of the Order is not applicable to the Company.
15. According to information and explanation given to us and the records of the Company examined by us, the Company has not entered into any non-cash transaction with directors or persons connected with him. Consequently requirement of clause (xv) of paragraph 3 of the Order is not applicable to the Company.
16. According to information and explanation given to us and the records of the Company examined by us, the Company is not undertaking any activity which requires registration under Section 45-IA of the Reserve Bank of India Act, 1934. Consequently requirement of clause (xvi) of paragraph 3 of the Order is not applicable to the Company.

**FOR AND ON BEHALF OF  
JAYESH M. SHAH & CO.  
Chartered Accountants  
F.R.N. 104173W**

**Place : Ahmedabad  
Date : 30<sup>th</sup> May, 2017**

**JAYESH M. SHAH  
Proprietor  
Mem. No. : 30638**

#### **ANNEXURE-B TO THE INDEPENDENT AUDITOR'S REPORT**

(Referred to clause (f) of Paragraph 8 of the Auditor's Report of even date to the members of Santaram Spinners Limited on the financial statements for the year ended 31<sup>st</sup> March, 2017.)

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

We have audited the internal financial controls over financial reporting of Santaram Spinners Limited ("the Company") as of March 31, 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

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

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

## **Auditors' Responsibility**

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

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

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

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

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

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

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

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**FOR AND ON BEHALF OF  
JAYESH M. SHAH & CO.  
Chartered Accountants  
F.R.N. 104173W**

**Place : Ahmedabad  
Date : 30<sup>th</sup> May, 2017**

**JAYESH M. SHAH  
Proprietor  
Mem. No. : 30638**

**BALANCE SHEET as at 31st March, 2017**

(Rs.)

Particulars	Note No	As at 31st March, 2017	As at 31st March, 2016
<b>EQUITY AND LIABILITIES</b>			
1. Shareholder's Funds			
(a) Share Capital	3	61530000	61530000
(b) Reserves and Surplus	4	45952177	44202278
		107482177	105732278
2. Share application money pending allotment			
3. Non-Current Liabilities			
(a) Long-term borrowings	5	0	0
(b) Deferred Tax Liabilities (Net)	6	7044923	6021270
(c) Other Long-term Liabilities	7	44060558	44092981
(d) Long-term Provisions		0	0
		51105481	50114251
4. Current Liabilities			
(a) Short Term Borrowings	8	194430532	236520439
(b) Trade payables	9	57010654	4905611
(c) Other current liabilities	10	15369301	28412800
(d) Short-term provisions	11	816332	584389
		267626819	270423239
<b>Total</b>		426214477	426269768
<b>ASSETS</b>			
1. Non-current assets			
(a) Fixed assets			
(i) Tangible assets (Property, Plant and Equipment)	12	56420592	59720094
(ii) Intangible assets	12	1425	6449
	12	56422017	59726543
(b) Non-current investments	13	909275	909275
(c) Deferred Tax Assets (net)		0	0
(d) Long term loans and advances	14	31805065	31777968
(e) Other Non-Current Assets	15	24211235	28061493
		113347592	120475279
2. Current assets			
(a) Current Investments	16	1499900	999900
(b) Inventories	17	139704995	102875572
(c) Trade receivables	18	154630141	173621751
(d) Cash and cash equivalents	19	10286555	3949820
(e) Short-term loans and advances	20	5171965	6189123
(f) Other Current Assets	21	1573329	18158324
		312866885	305794490
<b>Total</b>		426214477	426269769
Significant Accounting Policies	2		

Notes 1 to 30 are an integral part of the Financial Statements. As per our report of even date attached

**For Jayesh M Shah & Co**

Chartered Accountants

Firm Reg.: 104173W

**For Santaram Spinners Ltd****Jayesh M. Shah**

Proprietor

M. No.: 30638

Place : Ahmedabad

Date : 30-05-2017

**Nirav K. Shah**

(Jt. Managing Director)

DIN: 00397336

Place : Ahmedabad

Date : 30-05-2017

**Fenil R. Shah**

(Director)

DIN:01558417



**STATEMENT OF PROFIT AND LOSS for the year ended on 31st March 2017**

(Rs.)

Particulars	Note No	As at 31st March, 2017	As at 31st March, 2016
Revenue from operations	22	1051144955	1692228365
Other Income	23	433562	3404884
<b>Total Revenue</b>		<b>1051578517</b>	<b>1695633249</b>
Expenses:			
Cost of Materials Purchased	24	445614496	471356503
Purchases of Stock-in-Trade	25	583465940	1149902578
Changes in Inventories of Finished Goods, Work in Progress and Stock in Trade	26	-36671741	1249208
Employee benefit expense	27	2738810	2341769
Other Operating & Administrative expenses	28	34176883	39688689
Financial costs	29	15523051	25296347
Depreciation and amortization expense	12	3304526	3466888
<b>Total Expenses</b>		<b>1048151965</b>	<b>1693301982</b>
Profit before exceptional and extraordinary items and tax		3426552	2331267
Exceptional Items		0	0
Profit before extraordinary items and tax		3426552	2331267
Extraordinary Items		0	0
Profit before tax		3426552	2331267
Tax expense:			
- Current tax		653000	445000
- Earlier Years tax		0	0
- Deferred tax Assets/Liabilities		1023653	-604835
Profit/(Loss) for the period		<b>1749899</b>	<b>2491102</b>
Earning per equity share:			
(1) Basic		0.28	0.40
(2) Diluted		0.28	0.40

Notes 1 to 30 are an integral part of the Financial Statements. As per our report of even date attached

**For Jayesh M Shah & Co**

Chartered Accountants

Firm Reg.: 104173W

**Jayesh M. Shah**

Proprietor

M. No.: 30638

Place : Ahmedabad

Date : 30-05-2017

**For Santaram Spinners Ltd**

**Nirav K. Shah**

(Jt. Managing Director)

DIN: 00397336

Place : Ahmedabad

Date : 30-05-2017

**Fenil R. Shah**

(Director)

DIN:01558417

**CASH FLOW STATEMENT for the period ended on 31<sup>st</sup> March, 2017**

(Rs.)

Particulars	2016-17		2015-16	
<b>CASH FLOWS FROM OPERATING ACTIVITIES :</b>				
Net Profit before tax as per Profit & Loss Account		3426552		2331267
Adjustment for :				
Dividend Income	-6045		-6045	
Interest Income	-98264		-101008	
Depreciation	3304526		3466888	
Profit on Sale of Assets	0		-153049	
Loss on Sale of Assets	0		365596	
Profit on Sale of Investments	0		-116835	
Interest paid	14527517	17727734	24019291	27474838
<b>Operating Profit before Working Capital Changes</b>		21154286		29806105
<b>Change in Working Capital</b>				
Adjustment for				
(Increase)/Decrease in operating assets				
Inventories	-36829423		-25146028	
Trade Receivables	22841868		135103327	
Loans & Advances & Others	16956787		-46766928	
Increase/(Decrease) in operating liabilities				
Trade Payables	52072620		-77971242	
Other Liabilities	-13909556	41132296	6469720	-8311151
<b>CASH FLOW FROM OPERATION</b>		62286582		21494954
Income Tax paid (Net off Refund)	1063268		2462951	
<b>NET CASH GENERATED BY OPERATING ACTIVITIES</b>		63349850		23957905
<b>CASH FROM INVESTING ACTIVITIES :</b>				
Purchase of Fixed Assets	0		-1102549	
Sale of Fixed Assets	0		1992778	
Purchase of Investment	-500000		0	
Sale of Investments	0		616835	
Dividend Income	6045		6045	
Interest Income	98264	-395691	101008	1614117
<b>CASH FLOW FROM FINANCING ACTIVITIES :</b>				
Interest paid	-14527517		-24019291	
Proceeds from Secured Loans	-42089907		-5148440	
Proceeds from Unsecured Loans	0	-56617424	0	-29167731
<b>NET INCREASE/(DECREASE) IN CASH &amp; CASH EQUIVALENTS</b>		6336735		-3595709
<b>CASH &amp; CASH EQUIVALENTS AT THE BEGIN. OF THE YEAR</b>		3949820		7545529
<b>CASH &amp; CASH EQUIVALENTS AT THE CLOSE OF THE YEAR</b>		10286555		3949820

Notes 1 to 30 are an integral part of the Financial Statements. As per our report of even date attached

**For Jayesh M Shah & Co**

Chartered Accountants

Firm Reg.: 104173W

**For Santaram Spinners Ltd****Jayesh M. Shah**

Proprietor

M. No.: 30638

Place : Ahmedabad

Date : 30-05-2017

**Nirav K. Shah**

(Jt. Managing Director)

DIN: 00397336

Place : Ahmedabad

Date : 30-05-2017

**Fenil R. Shah**

(Director)

DIN:01558417

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017****Note - 1 CORPORATE INFORMATION**

Santaram Spinners Limited is a public listed company incorporated as private limited company in 1983 and subsequently converted to public limited company in 1994. The company's shares are listed on Bombay Stock Exchange Limited. The operation of the Company is mainly in trading and manufacturing of cotton – Kapas, ginning cotton bales, raw oil and its agro by-products and yarn.

**Note - 2 SIGNIFICANT ACCOUNTING POLICIES****A. Basis of Preparation of Financial Statements**

The financial statements have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013 and the relevant provisions of the Companies Act, 2013 ("the Act"). The Financial statements have been prepared on accrual basis under the historical cost convention, except as otherwise stated, to the extent disclosed in the notes on Accounts. The accounting policies adopted in the preparation of financial statements are consistent with those followed in the previous year.

**B. Use of Estimates**

The presentation of financial statements requires that the management makes estimates and assumption that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Although, these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. Difference between the actual result and estimates are recognized in the period in which the results are known /materialized.

**C. Fixed Assets and Depreciation/amortization.**

1. Tangible Assets (Property, Plant and Equipment) are stated at cost less accumulated depreciation and impairment. All cost, including financing cost till commencement of assets put to use, effect of foreign exchange contracts and adjustment arising from exchange rate variations attributable to the fixed assets are capitalized. Intangible Assets are stated at cost less accumulated depreciation/amortization and impairment
2. Expenditure including finance costs related to borrowed funds for the fixed assets incurred on projects under implementation is included under "Capital Work in Progress". These expenses are transferred to fixed assets on commencement of respective projects.
3. **Depreciation and amortization.**
  - (i) Depreciation on Tangible Assets (Property, Plant and Equipment) is provided to the extent of depreciable amount on Straight Line Method based on balance useful lives of the Assets as per useful life prescribed in Schedule II to the Companies Act, 2013.
  - (ii) In absence of any specification of useful life of intangible assets under Schedule II to the Companies Act, 2013, the useful life of intangible asset is taken in line with that of useful life of respective tangible assets.

**D. Impairment of Assets**

The Company tests for impairments at the close of the accounting period if and only if there are indications that suggest a possible reduction in the recoverable value of an asset. If the recoverable value amount of an Asset, i.e. the net realizable value or the economic value in use of a cash generating unit, is lower than the carrying amount of the Assets the difference is provided for as impairment. However, if subsequently the position reverses and the recoverable amount become higher than the carrying value the provision to the extent of the then difference is reversed, but not higher than the amount provided for. There was no impairment loss on fixed assets on the basis of review carried out by the management in accordance with Accounting Standard 28 issued by The Institute of Chartered Accountant of India.

**E. Investments**

The Company tests for impairments at the close of the accounting period if and only if there are indications that suggest a possible reduction in the recoverable value of an asset. If the recoverable value amount of an Asset, i.e. the net realizable value or the economic value in use of a cash generating unit, is lower than the carrying amount of the Assets the difference is provided for as impairment. However, if subsequently the position reverses and the recoverable amount become higher than the carrying value the provision to the extent of the then difference is reversed, but not higher than the amount provided for. There was no impairment loss on fixed assets on the basis of review carried out by the management in accordance with Accounting Standard 28 issued by The Institute of Chartered Accountant of India.

**F. Inventories**

Cost of inventories have been computed to include all cost of purchase, cost of conversion and other cost incurred in bringing them to their respective present location and condition.

Raw materials and components, stores and spares are valued at cost. Cost is determined on Moving Average price basis.

**G. Employee Retirement Benefits**

Short Term Employees Benefits: The undiscounted amount of short term employee benefits expected to be paid in exchange for the service rendered by employees is recognized during the year when the employee render the services.

Post Employee Benefits: No provision is made for accrued liability for payment leave encashment & gratuity under the Payment of Gratuity Act, 1972 and encashment of leave as the liabilities are not ascertainable. The company will charge the same to the revenue in the year of actual payment.

**H. Revenue, Turnover & Expenses Recognition****In case of sale of goods:**

Revenue is recognizing when the significant risks and rewards of ownership of goods have passed to the buyer, which generally coincides with delivery.

The sales are recorded when supply of goods takes place in accordance with the terms of sale and on change of title in the goods and is net of Central Sales Tax, VAT, Sales return and rate difference.

**I. Income & Expenditure**

All Income and Expenses to the extent consider payable and receivable respectively, unless specifically stated to be otherwise, are accounted for on accrual basic except otherwise stated, considering the concept of materiality. Leave encashment and Gratuity Expenses are considered as payable when paid.

**J. Provisions and Contingent Liabilities**

The Company recognizes a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources. Where there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made.

**K. Prior Period Adjustment**

Transactions pertaining to prior period to current accounting year have been accounted under respective heads of account in Profit & Loss Account.

**L. Foreign Currency Transactions**

**Initial Recognition :** Transaction in foreign currencies are recorded in Indian Rupees using the forward booking rate to the extent available and for the balance amount using the rates of exchange prevailing on the dates of the transactions. At each balance sheet date, recorded monetary balances are reported in Indian Rupees at the rates of exchange prevailing at the balance sheet date.

**Exchange Difference:** Exchange difference arising on the settlement of the monetary items or on the reporting company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expense in the year in which they arise in the statement of Profit & Loss.

**M. Borrowing Costs**

Borrowing costs directly attributable to acquisition, construction and production of qualifying assets are capitalized as a part of the cost of such asset up to the date of completion. Other borrowing costs are charged to the profit & loss account.

**N. Taxes on Income**

**Deferred Taxation:** Deferred Tax resulting from timing differences between book and tax profits is accounted for under the liability method, at the current rate of tax, to the extent that the timing difference are expected to crystallize. In case of Deferred Tax Assets and Liabilities with reasonable certainty and in case of Deferred Tax Assets represented by unabsorbed depreciation and carried forward business losses, with virtual certainty that there would be adequate future taxable income against which deferred tax assets can be realized.

**Current Tax:** Provision for Taxation is made on the basis of the Taxable Profits computed for the current accounting period in accordance with the Income tax Act, 1961.

**O. Preliminary Expenses**

Preliminary expenses have been amortized to the extent of 1/10<sup>th</sup> during the year.

**P. Earnings per Share**

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

For the purpose of calculating diluted earnings per share, the net profit attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effect of the dilutive potential equity share. Share application money pending allotments have been ignored while calculating Basic and Diluted Earnings per share.

**NOTE 3: SHARE CAPITAL**

(Rs.)		
Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
<b>Equity share capital with voting rights</b>		
<b>Authorised share capital</b>		
7500000 Equity Shares of Rs.10/- each (7500000 Equity Shares of Rs.10/- each)	75000000	75000000
<b>Issued, subscribed &amp; fully paid up share cap.</b>		
6174400 Equity Shares of Rs.10/- each (6174400 Equity Shares of Rs.10/- each)	61744000	61744000
Less:		
Calls in Arrear	214000	214000
<b>Total</b>	<b>61530000</b>	<b>61530000</b>

**a. Reconciliation of the shares outstanding at the beginning & at the end of the reporting period :**

(Rs.)			
Particulars	Opening Bal.	Movement during the Period	Closing Bal.
<b>Equity share capital with voting rights</b>			
Year ended 31st March, 2017			
- Number of shares	6174400	-	6174400
- Amount (Rs.)	61530000	-	61530000
Year ended 31st March, 2016			
- Number of shares	6174400	-	6174400
- Amount (Rs.)	61530000	-	61530000

**b. Terms/right attached to the equity/preference shares:**

- 1) The Company has only one class of equity shares having a par value of Rs. 10 per share, each shareholder is eligible for one vote per share. The Company declares and pays dividend in Indian Rupees. Dividend Proposed by Board of Directors is subject to approval of Shareholders in the ensuing Annual General Meeting.
- 2) In the event of liquidation, the Equity Shareholders are eligible to receive the remaining Assets of the company after Distribution of all Preferential amount, in proportion to Shareholding.
- 3) Company has not allotted any bonus shares, Shares without consideration in cash and/or bought back any equity shares during the period of five years immediately preceding the Balance sheet date.

**c. Details of shareholders holding more than 5% shares in the Company :**

Equity Shares of Rs.10/- each fully paid	31 <sup>st</sup> March 2017		31 <sup>st</sup> March 2016	
Name	Nos.	%Held	Nos.	%Held
Apurva Kalyanbhai Shah	420304	6.81	420304	6.81
Kalyan Jayantilal Shah	1647350	26.68	1647350	26.68
Shailesh Manilal Thakkar	686000	11.11	686000	11.11

**NOTE 4: RESERVES & SURPLUS**

(Rs.)		
Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
Capital Reserve		
Opening Balance	3299308	3299308
Add : During the year	0	0
Closing Balance	3299308	3299308
Securities Premium		
Opening Balance	38376200	38376200
Add : During the year	0	0
Closing Balance	38376200	38376200
Investment Revaluation Reserve		
Opening Balance	498182	0
Add : During the year	0	498182
Closing Balance	498182	498182
Profit & Loss Account		
Opening Balance	2028588	35668
Add : Profit/(loss) for the year	1749899	2491102
Less : Investment Revaluation Reserve		498182
Less : Adjustment for Transitional Depreciation for the year	0	0
Closing Balance	3778487	2028588
<b>Total</b>	<b>45952177</b>	<b>44202278</b>

**NOTE 5: LONG TERM BORROWINGS**

(Rs.)		
Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
Secured Term Loan - From Banks	0	0
<b>Total</b>	<b>0</b>	<b>0</b>

**NOTE 6: DEFERRED TAX LIABILITIES**

(Rs.)		
Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
Opening Balance	6021270	6626105
Add : During the year due to depreciation & others	1023653	-604835
<b>Closing Balance</b>	<b>7044923</b>	<b>6021270</b>

**NOTE 7: OTHER LONG TERM LIABILITIES****(Rs.)**

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31st March, 2016
Trade Payables for period exceeding 12 months (Refer Point H of Note 29)	44060558	44092981
<b>Total</b>	<b>44060558</b>	<b>44092981</b>

**NOTE 8: SHORT TERM BORROWINGS****(Rs.)**

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31st March, 2016
Secured Loan		
- Working Capital Credit Facilities		
- From Bank	194430532	235101636
- Loan Installments payable within Twelve months	0	1418803
<b>Total</b>	<b>194430532</b>	<b>236520439</b>

Credit Facilities of the Bank are secured by :

1. Term loan/Cash Credit is secured by Hypothecation/pledge/charge over following prime security :  
 Packing Credit : Hypo. Of RM/WIP/FG & consumables meant for export  
 FDBP : Export Bills covering export of goods under confirmed contract/LC  
 CC Hypo. : Hypo of entire paid stocks & Book Debts. However, stock/book debts older than 90 days shall not rank for DP  
 Term Loan : Hypo of P & M  
 - Repayable in 72 Equal monthly installments starting from May 2012 and interest to be recovered separately as and when charged.
2. Collateral Security :  
 EM over the following assets:  
 Factory Land & Building situated at Rajpur. Tal: Kadi, Dist. Mehsana in the name of Company  
 Further, all the credit facilities are personally guaranteed by Kalyan J Shah, Managing Director of the Company.

**NOTE 9: TRADE PAYABLES****(Rs.)**

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31st March, 2016
Trade Payables (Refer Point H of Note 29)	57010654	4905611
<b>Total</b>	<b>57010654</b>	<b>4905611</b>



**NOTE 10: OTHER CURRENT LIABILITIES****(Rs.)**

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31st March, 2016
Advances from customers	12826006	27217178
Statutory Dues	2543295	1195622
<b>Total</b>	<b>15369301</b>	<b>28412800</b>

**NOTE 11: SHORT TERM PROVISIONS****(Rs.)**

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31st March, 2016
Provision for Current Tax	653000	445000
Provision for Expenses	163332	139389
<b>Total</b>	<b>816332</b>	<b>584389</b>

**NOTE 12: FIXED ASSETS****(Rs.)**

Sr No.	ASSETS	GROSS BLOCK				DEPRECIATION BLOCK				NET BLOCK	
		Balance as on 1-Apr-16	Addition During the Year	Deduction during the year	Balance as on 31-Mar-17	As on 1-Apr-16	Depri. Provided During	Deduction During Year	Balance As on 31-Mar-17	Bal. As on 31-Mar-17	Bal. As on 31-Mar-16
A	TANGIBLE ASSETS (Property, Plant and Equipment)										
1	Land	1871954	0	0	1871954	0	0	0	0	1871954	1871954
2	Building	18318434	0	0	18318434	7906018	484524	0	8390542	9927892	10412416
3	Plant & Machinery	47697988	0	0	47697988	4966023	2156864	0	7122887	40575101	42731965
4	Electric Installation	413036	0	0	413036	137600	43231	0	180831	232205	275436
5	Computer	217910	0	0	217910	197261	9753	0	207014	10896	20649
6	Vehicles	6032609	0	0	6032609	2782508	321664	0	3104172	2928437	3250101
7	Office Equipment	953757	0	0	953757	724880	96868	0	821748	132009	228877
8	Furniture & Fixtures	2990153	0	0	2990153	2061457	186598	0	2248055	742098	928696
	Total Tangible assets	78495841	0	0	78495841	18775747	3299502	0	22075249	56420592	59720094
B	Intangible Assets										
1	Software	28500	0	0	28500	22051	5024	0	27075	1425	6449
	<b>TOTAL</b>	<b>78524341</b>	<b>0</b>	<b>0</b>	<b>78524341</b>	<b>18797798</b>	<b>3304526</b>	<b>0</b>	<b>22102324</b>	<b>56422017</b>	<b>59726543</b>
	Previous Year	80958564	1102549	3536772	78524341	16662357	3466888	1331447	18797799	59726542	64296208

**NOTE 13: NON CURRENT INVESTMENTS****(Rs.)**

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
<b><u>Quoted Investments</u></b>		
<b>Investments in Equity Instruments</b>		
- Jayatma Spinners Ltd 20000 Shares of Rs.10/- each (20000 Shares of Rs.10/- each)	800000	800000
<b><u>Unquoted Investments</u></b>		
<b>Investments in Equity Instruments</b>		
- GSFC Ltd 900 Shares of Rs.10/- each (900 Shares of Rs.10/- each )	18000	18000
- Jayatma Comtex Pvt Ltd 4100 Shares of Rs.10/- each (4100 Shares of Rs.10/- each)	41000	41000
- Nutan Nagrik Sahakari Bank Ltd 2000 Shares of Rs.10/- each (2000 Shares of Rs.10/- each)	50275	50275
Total	<b>909275</b>	<b>909275</b>
M V of Quoted Investments	400000	400000
Book Value of Unquoted Investments	109275	109275

**NOTE 14: LONG TERM LOANS AND ADVANCES****(Rs.)**

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
Security Deposits (Unsecured, Considered good)	6363911	6363911
Advances to Suppliers	25441154	25414057
Total	<b>31805065</b>	<b>31777968</b>

**NOTE 15: OTHER NON CURRENT ASSETS****(Rs.)**

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
Trade Receivables outstanding for a period exceeding one year (Unsecured Considered Good)	24211235	28061493
Total	<b>24211235</b>	<b>28061493</b>

## NOTE 16: CURRENT INVESTMENTS

(Rs.)

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
<b><u>Unquoted Investments</u></b>		
<b>Investments in Mutual Fund</b>		
- Union KBC Trigger Fund Series 2 99990 Units (99990 Units)	999900	999900
- Union KBC Dynamic Band Fund Units (0 Units)	500000	0
Total	<b>1499900</b>	<b>999900</b>
M. V. of Unquoted Investments (Mutual Fund)	1661101	919808

## NOTE 17: INVENTORIES

(Rs.)

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
Raw Material	45181108	45135913
Finished Goods	73336031	51467332
Stock In Trade	20490430	5687388
Stores and Spares	697426	584939
Total	<b>139704995</b>	<b>102875572</b>

## NOTE 18: TRADE RECEIVABLES

(Rs.)

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
<b>Trade Receivables unless stated otherwise outstanding for a period exceeding six months</b>		
Unsecured Considered Good	1665553	1666192
<b>Other Receivables</b>	152964588	171955559
Total	<b>154630141</b>	<b>173621751</b>

## NOTE 19: CASH AND CASH EQUIVALENTS

(Rs.)

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
Cash in Hand	603250	1077863
Balances with Banks in Current A/c	8642801	1815673
Other Bank Balances in Fixed Deposit	1040504	1056284
Total	<b>10286555</b>	<b>3949820</b>

**NOTE 20: SHORT TERM LOANS AND ADVANCES**

(Rs.)

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31st March, 2016
Advances related to Trade & Others	1858453	1747942
Balance with Govt Authorities		
- TDS For Prior Years(Net of Provision)	2444913	2108230
- TDS For Current Years	618268	1882951
- VAT Receivables	250331	450000
Total	<b>5171965</b>	<b>6189123</b>

**NOTE 21: OTHER CURRENT ASSETS**

(Rs.)

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31st March, 2016
Prepaid Exps.	1100694	340049
Other Receivables	472635	17818275
Total	<b>1573329</b>	<b>18158324</b>

**NOTE 22: REVENUE FROM OPERATIONS**

(Rs.)

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31st March, 2016
Sale of Products	1035846426	1654926835
Other Operating Revenue	15298529	37301530
Total	<b>1051144955</b>	<b>1692228365</b>

**NOTE 23: OTHER INCOME**

(Rs.)

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31st March, 2016
Dividend Income	6045	6045
Interest Income	98264	101008
Rate Fluctuation	55967	691848
Commission & Brokerage Income	273286	507108
Amount Written Off	0	1828991
Profit on Sale of Assets	0	153049
Profit on Sale of Investments	0	116835
Total	<b>433562</b>	<b>3404884</b>

## NOTE 24: COST OF MATERIALS CONSUMED

(Rs.)		
Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
<b>Raw Material</b>		
Opening	45135913	18932121
Purchase	444905243	497506986
Closing	45181108	45135913
	444860048	471303194
<b>Stores &amp; Spares</b>		
Opening	584939	393495
Purchase	866935	244753
Closing	697426	584939
	754448	53309
Total	<b>445614496</b>	<b>471356503</b>

## NOTE 25: PURCHASES

(Rs.)		
Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
Trading Purchase	583465940	1149902578
Total	<b>583465940</b>	<b>1149902578</b>

## NOTE 26: CHANGE IN INVENTORIES OF FINISHED GOODS AND STOCK IN TRADE

(Rs.)		
Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
Finished Goods		
Inventories at the end of the year :	73336031	51467332
Inventories at the beginning of the year :	51467332	41593809
<b>Change in Finished Goods</b>	-21868699	-9873523
Stock in Trade		
Inventories at the end of the year :	20490430	5687388
Inventories at the beginning of the year :	5687388	16810119
	-14803042	11122731
Total	<b>-36671741</b>	<b>1249208</b>

## NOTE 27: EMPLOYEE BENEFITS EXPENSE

(Rs.)		
Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
Salary & Allowances	2732301	2338269
Staff Welfare Expense	6509	3500
Total	<b>2738810</b>	<b>2341769</b>

**NOTE 28: OTHER OPERATING AND ADMINISTRATIVE EXPENSES****(Rs.)**

<b>Particulars</b>	<b>As at 31<sup>st</sup> March, 2017</b>	<b>As at 31<sup>st</sup> March, 2016</b>
<b>Manufacturing Service Cost</b>		
Power and Fuel	0	21100
Repairs Maintenance Expenses	44950	328399
Other Manufacturing Costs	12864277	19350480
Power Generation Exps.	909826	800679
<b>Administrative &amp; General Exps.</b>		
Telephone Postage	255117	285835
Printing Stationery	108678	127058
Rent Rates and Taxes	75001	41393
Auditors Remuneration	175000	175000
Electricity Exps	291796	209997
Travelling Conveyance	1653996	3115798
Legal Professional Charges	1023750	1275417
Donations	0	79354
Subscriptions - Membership Fees	556130	242730
Amount Written Off	8488526	0
Other Administrative General Exps	4016256	3838208
Insurance	566300	535907
Bad Debts	0	0
<b>Selling Distribution Exps</b>		
Advertising Promotional Exps	29858	443818
Commission & Brokerage Exps.	1404308	2646829
Other selling Distribution Exps.	1713114	5805091
<b>Loss on Sale of Assets</b>	0	365596
<b>Total</b>	<b>34176883</b>	<b>39688689</b>

**NOTE 29: FINANCE COST****(Rs.)**

<b>Particulars</b>	<b>As at 31<sup>st</sup> March, 2017</b>	<b>As at 31<sup>st</sup> March, 2016</b>
Interest expenses	14527517	24019291
Bank Charges	31785	27332
Interest on TDS	3079	30250
Interest on VAT/CST	26881	
Processing Charges	933789	1219474
<b>Total</b>	<b>15523051</b>	<b>25296347</b>

**Note 30: Additional Information pursuant to Revised Schedule VI to the Companies Act 1956 is given as under so far as applicable to the Company.**

**A. Contingent Liabilities & Commitments :**

Particulars	2016-17	2015-16
Contingent Liabilities & Commitments to the extent not provided for		
Sales Tax Demand		
Pending before Sales Tax Tribunal(VAT) for the FY 2006-07	956900/-	956900/-
Pending before Sales Tax(CST) for the FY 2006-07	914477/-	914477/-
Pending before Sales Tax(CST) for the FY 2010-11	-	9794377/-
Pending before Sales Tax(CST) for the FY 2011-12	-	715864/-

**B. Foreign Expenditure and Earnings :**

Expenditure/Outgo in Foreign Currency

Particulars	2016-17	2015-16
For Purchases of Cotton Bales	-	12574810
For Expenses	510384	7223884
Total Foreign Currency outgo	510384	19798694

Earning/Receipt in Foreign Currency

Particulars	2016-17	2015-16
Export of Goods	16725484/-	93344650/-

**C.** During the year, there are no Capital Commitment Expenditures.

**D.** In the opinion of Board of Directors the current assets, loans and advances are approximately of the value stated if realized in the ordinary course of business. The provisions for all known liabilities are adequate.

**E.** We have verified the transactions recorded in the books with such documentary evidence as were made available and produced before us. Where such documentary evidence was not available we have accepted the voucher / entries as certified by management.

**F.** Confirmation letters/contra accounts of debit and credit balances of various parties are received by the Company. Balance due to or due by other parties, sundry debtors and sundry creditors, loan and advances, other account and all squared up accounts and other balances are therefore Subject to adjustment, if any on receipt of confirmation

**G. Contingent Liability related to Micro, Small and Medium Enterprises**

The Company has not received information from vendors regarding their status under the Micro, Small and Medium Enterprises Development Act 2006 and hence disclosures relating to amount unpaid to as at year end together with interest paid/payable under this Act have not been given.

**H. Impairment of Assets :**

The carrying amounts of assets are reviewed at each balance sheet date, if there is any indication of impairment based on internal/external factors. An impairment loss will be recognized wherever the carrying amount of an asset exceeds its estimated recoverable amount. The recoverable amount is higher of the assets' net selling price or value in use. In assessing the value in use the estimated future cash flows are discounted to the present value at the weighted average cost of capital. During the year there are no impairment losses on assets of the Company.

- I. In compliance of AS – 17 on “Segment Reporting” issued by the Institute of Chartered Accountants of India, in case of geographical segment, the domestic turnover of the Company is Rs.10191.21lacs and the export turnover of the Company is Rs.167.25lacs. The Company mainly deals in cotton and its by products. Since the by-products such as oil, khol etc. turnover is less than 10% of the total turnover, no separate segment is reported.
- J. In compliance of AS – 22 on “Accounting for taxes on Income” issued by Institute of Chartered Accountants of India, the Company has provided Accumulated net deferred tax liability in respect of timing difference as on 31<sup>st</sup> March,2017. The item wise details of deferred tax liability as on 31.03.2017 are as under :-

Particulars	2016-17	2015-16
Deferred Tax Liability		
Opening balance as on 01.04.2016	6021270	6626105
Add(Less) :On Account of Depreciation and Other Expenses	1023653	(604835)
Closing Balance as on 31.03.2017	7044923	6021270

- K. As per **Accounting Standard - 18** issued by The Institute of Chartered Accountants of India, the disclosures of transactions with the related parties as define in the Accounting Standards are given below:

<b>Key Managerial Personnel</b>	Shri. Kalyanbhai J. Shah Shri. Nirav Shah Shri. Paresh R. Shah Shri. Janak G. Nanavaty Shri. Fenil R. Shah Smt. FalguniBroker
<b>Relative Key Managerial Personnel</b>	No Transaction during the year

Particulars	KMP	RKMP
Director Sitting Fees	38750	-
(Previous Year)	(28500)	-
Perquisites	530909	-
(Previous Year)	-	-

**L. Earnings per Share :**

The earnings considered in ascertaining the Company's EPS represent profit for the year after tax. Basic EPS is computed and disclosed using the weighted average number of equity shares outstanding during the year.



Sr. No.	Particular	2016-17	2015-16
a)	Profit after Tax as per P & L for Eq. Share Holder	1749899	2491102
b)	Weighted Average No. of Eq. Share outstanding	61,74,400	61,74,400
c)	Nominal Value of Share	10.00	10.00
d)	Basic Earnings Per Share (Rs.)	0.28	0.40
e)	Diluted Earnings Per Share (Rs.)	0.28	0.40

**M.** Details of Specified Bank Notes (SBN) held and transacted during the period 8th November, 2016 to 30<sup>th</sup> December, 2016 as per the notification issued by the Ministry of Corporate Affairs (MCA) dated 30<sup>th</sup> March, 2017 are provided as below.

Particulars	Specified Bank Notes(SBN) Rs.	Other Denomination Notes Rs.	Total Rs.
<b>Closing Cash in Hand As on 08-11-2016</b>	0	20650.26	20650.26
Add: Permitted Receipts	0	359665.00	359665.00
Less: Permitted Payments	0	204395.00	204395.00
Less: Amount Deposited in Banks	0	0	0
<b>Closing Cash in Hand As on 30-12-2016</b>	0	175920.26	175920.26

**N.** Previous year figures have been regrouped, reconsider wherever necessary.

#### SIGNATURE TO NOTES '1' TO '30'

**For Jayesh M Shah & Co**  
Chartered Accountants  
Firm Reg.: 104173W

**For Santaram Spinners Ltd**

**Jayesh M. Shah**  
Proprietor  
M. No.: 30638

Place : Ahmedabad  
Date : 30-05-2017

**Nirav K. Shah**  
(Jt. Managing Director)  
DIN: 00397336

Place : Ahmedabad  
Date : 30-05-2017

**Fenil R. Shah**  
(Director)  
DIN:01558417

Registered Office: 259,3<sup>rd</sup> Floor,  
New Cloth Market, O/s Raipur Gate,  
Ahmedabad-380002  
Telephone Nos.: (079) 22167030/40  
Email: santaramltd@gmail.com  
Website: [www.santaramspinnners.com](http://www.santaramspinnners.com)  
CIN: L17110GJ1983PLC006462



**SANTARAM SPINNERS LIMITED**

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**ATTENDANCE SLIP**

Please complete this Attendance slip and hand it over at the entrance of the Meeting Hall. It helps us to make proper arrangements. Failures to bring this Attendance Slip create unnecessary inconvenience to you. Please write below

Reg. Folio No : \_\_\_\_\_

DP ID Client ID : \_\_\_\_\_

I hereby record my presence at the Thirty Third Annual General Meeting of the Company held at 259, New Cloth Market, O/s Raipur Gate, Ahmedabad-380002 on Wednesday, 27<sup>th</sup> Day of September, 2017 at 09.00 A.M.

Full Name of the Members/Proxy \_\_\_\_\_  
(In Block Letters, to be filled in if the proxy attends instead of the Member)

\_\_\_\_\_  
Members/ Proxy Signature

Application to the members holding shares in electronic form.

**NOTES:**

1. Members/ Proxy holders are requested to bring their copy of the Notice with them at the Meeting.
2. Please carry with you this Attendance Slip and hand over the same duly completed, stamped signed at the space provided, at the entrance of the Meeting Hall.
3. Shareholders / Proxy holders should bring their copy of the Annual Report for the meeting.

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Registered Office: 259, 3<sup>rd</sup> Floor,  
New Cloth Market, O/s Raipur Gate,  
Ahmedabad-380002  
Telephone Nos.: (079) 22167030/40  
Email: santaramltd@gmail.com  
Website: [www.santaramspinnners.com](http://www.santaramspinnners.com)  
CIN: L17110GJ1983PLC006462



## SANTARAM SPINNERS LIMITED

### PROXY FORM - MGT-11

### THIRTY THIRD ANNUAL GENERAL MEETING, 27<sup>TH</sup> SEPTEMBER, 2017

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the member (s): \_\_\_\_\_  
Registered address: \_\_\_\_\_  
E-mail ID: \_\_\_\_\_  
Folio No/Client ID\*: \_\_\_\_\_  
DP ID\*: \_\_\_\_\_

I/We, being the member (s) of the Company holding ..... shares, hereby appoint:

1. Name: _____ Address: _____	E-mail ID: _____ Signature: _____
----------------------------------	--------------------------------------

or failing him,

2. Name: _____ Address: _____	E-mail ID: _____ Signature: _____
----------------------------------	--------------------------------------

or failing him,

3. Name: _____ Address: _____	E-mail ID: _____ Signature: _____
----------------------------------	--------------------------------------

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Thirty Third Annual General Meeting of the company, to be held on Wednesday, 27<sup>th</sup> Day of September, 2017 at 09.00 A.M. at 259, New Cloth Market, O/s Raipur Gate, Ahmedabad-380002 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolution(s)
<b>ORDINARY BUSINESS</b>	
1	Receive, Consider and adopt the Audited Financial Statement of the company for the Financial Year ended 31 <sup>st</sup> March, 2017, Director's Report and Auditor's Report Thereon.
2	Appoint a Director in place of Shri. Nirav Shah, who retires by rotation and being eligible, offer himself for re-appointment.
3	Appointment of M/s. Keyur Bavishi & Co, Chartered Accountants, Ahmedabad (FRN 131191W) as the statutory auditor of the company and to fix their remuneration

Signed this..... day of..... 2017

Signature of Shareholder \_\_\_\_\_

Please  
Affix  
Revenue

Signature of Proxy holder \_\_\_\_\_

#### Note:

- This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
- Please complete all details including details of member(s) in above box before submission.

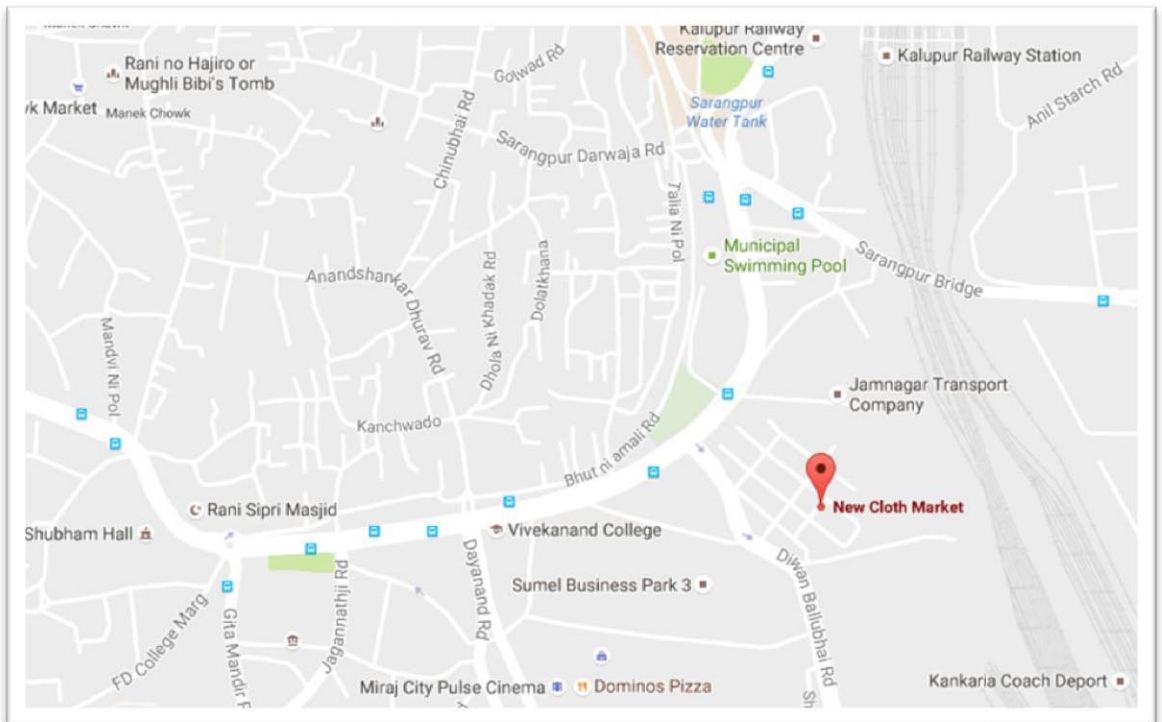
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## AGM VENUE

259, New Cloth Market,

O/s Raipur Gate, Ahmedabad-380002

[Pursuant to Secretarial Standard – 2 on General Meeting]



If undelivered, please return to : -

**Santaram Spinners Limited**

259,3<sup>rd</sup> Floor, New Cloth Market,

O/s Raipur Gate,

Ahmedabad-380002

Tel. No. : 079 - 22167030/40