



# Sybly Industries Ltd.

Dated: 13.10.2016

The Manager,  
Department of Corporate Relationship  
BSE Limited  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
MUMBAI-400 001

**Scrip CODE : 531499**

**Scrip ID: SYBYL**

**Sub : Submission of Annual Report for the F.Y. ending 31<sup>st</sup> March, 2016**

Please find enclosed herewith the Annual Report for the year ending as on 31<sup>st</sup> March 2016 under Regulation 34(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Please take the same on record.

Thanking you,

Sincerely yours,  
For SYBLY INDUSTRIES LIMITED

  
(Sahil Agarwal)  
Company Secretary  
Mem No.: A36817  
Encl : as above

### Board of Directors :

|                         |                           |
|-------------------------|---------------------------|
| Mahesh Chand Mittal     | Managing Director         |
| Nishant Mittal          | Whole Time Director & CFO |
| Virendra Pratap Mishra* | Independent Director      |
| Lallan Tripathi         | Independent Director      |
| Mamta Garg              | Independent Director      |
| Dhan Pal Jain           | Independent Director      |

### Audit Committee :

|                     |          |
|---------------------|----------|
| Lallan Tripathi     | Chairman |
| Mahesh Chand Mittal | Member   |
| Dhan Pal Jain       | Member   |

### Nomination & Remuneration Committee :

|                 |          |
|-----------------|----------|
| Lallan Tripathi | Chairman |
| Dhan Pal Jain   | Member   |
| Mamta Garg      | Member   |

### Stakeholder Relationship Committee :

|                 |          |
|-----------------|----------|
| Lallan Tripathi | Chairman |
| Dhan Pal Jain   | Member   |
| Mamta Garg      | Member   |

### Company Secretary :

Sahil Agarwal

### Statutory Auditors :

M/s. V.S. Gupta & Co.  
Chartered Accountants

### Secretarial Auditor :

M/s. D.K. Gupta & Co.  
Company Secretaries

### Cost Auditors :

M/s. M.K. Singhal & Co.  
Cost Accountants

### Bankers :

Bank of Baroda

\* Mr. Virendra Pratap Mishra, resigned w.e.f. 26 May, 2016

### Registered Office :

Pawan Puri, Muradnagar - 201 206  
Distt. Ghaziabad (U.P.)  
CIN : L17111UP1988PLC009594

### Listed At :

BSE Limited

### Registered & Transfer Agents :

Beetal Financial & Computer Services (P) Ltd.  
Beetal House, 3rd Floor, 99 Madangir,  
Behind Local Shopping Center,  
Near Dada Harsukhdas Mandir, New Delhi - 110 062  
Telephone : 011-29961281, 29961282  
Fax : 29961284  
E-mail : beetalrta@gmail.com

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### 28th Annual General Meeting

Date : 28th September, 2016

Day : Wednesday

Time : 11:30 A.M.

Place : Pawan Puri, Muradnagar - 201 206  
Distt. Ghaziabad (U.P.)

**NOTICE**

To,  
The Members,

Notice is hereby given that the **28<sup>th</sup> Annual General Meeting** of the Company will be held at the registered office of the Company at **Pawan Puri, Muradnagar, Ghaziabad 201206 on Wednesday, the 28th September, 2016, at 11:30 A.M.** to transact the following businesses:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Standalone and Consolidated Financial Statements of the Company for the financial year ended 31<sup>st</sup> March, 2016 together with the reports of the Board of Directors' and the Auditors' thereon.
2. To appoint a director in place of Mr. Nishant Mittal (DIN: 02766556) who retires by rotation, and being eligible, offers himself for re-appointment.
3. Appointment of Auditors

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

**“RESOLVED THAT** pursuant to the provisions of Section 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013, M/s V. S. Gupta & Co., Chartered Accountants, be and are hereby appointed as Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting till the conclusion of next Annual General Meeting of the Company at a remuneration as may be fixed by the Board of Directors of the Company.”

**SPECIAL BUSINESS**

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

**RE-APPOINTMENT OF MR. MAHESH CHAND MITTAL AS MANAGING DIRECTOR**

**“RESOLVED THAT** pursuant to the provisions of sections 196, 197, Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (“Act”), read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), and as per recommendations of Nomination and Remuneration committee, the consent be is hereby given for re-appointment of Mr. Mahesh Chand Mittal as Managing Director of the Company w.e.f. 18th May, 2016 on the following terms and conditions;

a. Tenure: 3 years w.e.f. 18th May, 2016

b. Salary & Perquisites : Not Exceeding Rs. 42,00,000/- Per Annum including perks,

However, the following shall not form part of perquisites:

- I. Contribution to Provident fund, Superannuation Fund or annuity fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.
- II. Gratuity payable at the rate of half a month's salary for each completed year of service;
- III. Encashment of leave at the end of tenure.”

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

**APPOINTMENT OF MR. DHAN PAL JAIN AS INDEPENDENT DIRECTOR**

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualifications of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and relevant regulations of SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015, Mr. Dhan Pal Jain (DIN: 07514659), a Non-Executive Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as Independent Director of the Company w.e.f. 26.05.2016 to hold office for 5 consecutive years for a term up to the conclusion of the Annual General Meeting of the Company to be held in the calendar year 2021”

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

**RATIFICATION OF COST AUDITOR'S REMUNERATION**

**“RESOLVED THAT** pursuant to the provisions of Sections 141, 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), M/s. M. K. Singhal & Co. the Cost Auditors firm appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year ending March 31, 2017 be paid the remuneration as set out in the Explanatory Statement annexed to the Notice convening this Meeting”.

7. To consider and, if thought fit, to pass with or without modification(s) the following resolution as a Special Resolution;

**BORROWING POWERS**

**“RESOLVED THAT** in supersession of all the resolutions passed by shareholders in the past and pursuant to Section 180(1)(c) and any other applicable provisions, if any, of the Companies Act, 2013 and the Rules made there under (including any statutory modifications or amendments thereof), consent of the shareholders be and is hereby accorded to the Board of Directors and its Committee(s) to borrow any sum or sums of money, from time to time, not exceeding at any time, a sum of Rs. 50 Crore (Rupees Fifty Crore Only) for the purpose of business of the Company notwithstanding, that such borrowing(s), together with the monies already borrowed by the Company (apart from temporary loans, if any, obtained from the Company's bankers in the ordinary course of business) may exceed the aggregate of the paid-up share capital and free reserves of the Company, that is to say, reserves not set apart for any specific purpose.”

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8. To consider and, if thought fit, to pass with or without modification(s) the following resolution as a Special Resolution;

### **MORTGAGING/CHARGING OF IMMOVABLE /MOVABLE PROPERTIES OF THE COMPANY**

**“RESOLVED THAT** in supersession of all the resolutions passed by shareholders in the past and pursuant to the provisions of Section 180(1)(a) and other applicable provisions, if any of the Companies Act, 2013 (including any statutory modifications or amendments thereof) and Rules made there under, consent of the Shareholders be and is hereby accorded to the Board of Directors and its Committee(s), to mortgage or create charge on all or any of the immovable and movable properties (including pledge of securities held in subsidiaries/associates) of the Company, its subsidiaries and associates where so ever situated, present and future, and /or conferring power to enter upon and to take possession of assets of the Company in certain events, to or in favour of any Bank(s)or Financial Institution(s) situated within or outside India (hereinafter referred to as “the Lenders”) to secure repayment of rupee term loans or foreign currency loans or a combination of both lend, advanced or agreed to lend and advanced by the lender(s) to the Company either jointly or severally or in any other combination thereof, as the case may be, in terms of the loan agreement(s), entered into/ to be entered into by the Company with each of the lenders for the purpose of implementation of the project(s) of the Company, its subsidiaries and associates.”

**By Order of the Board  
FOR SYBLY INDUSTRIES LIMITED  
Sd/-**

**(Maresh Chand Mittal)  
Managing Director  
DIN : 00284866**

**Address: FLAT NO.603,  
OC-2, ORANGE COUNTY, AHINSA KHAND-1,  
INDIRAPURAM, GHAZIABAD-201014**

**Place : Muradnagar  
Date : 11th August, 2016**

### **NOTES :**

- 1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT OF PROXY I.E. FORM MGT 11, IN ORDER TO BE EFFECTIVE, SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY, DULY COMPLETE AND SIGNED, NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING. PROXIES SUBMITTED ON BEHALF OF THE COMPANIES / BODIES CORPORATE ETC., MUST BE SUPPORTED BY AN APPROPRIATE RESOLUTION/ AUTHORITY, AS APPLICABLE. A BLANK FORM MGT-11 IS ATTACHED WITH THIS NOTICE.**
2. As per Section 105 of the Companies Act, 2013 and relevant rules made there under, a person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent (10%) of the total share capital of the company carrying voting rights. Further, a member holding more than ten percent (10%) of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.
3. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided that not less than three days of notice in writing is given to the Company.
4. The explanatory statement pursuant to Section 102 of the Companies Act, 2013 in respect of item nos. 4, 5, 6, 7 & 8 of the accompanying notice is annexed thereto.
5. Additional information pursuant to regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Clause 1.2.5 of Secretarial Standard II in respect of all Directors seeking appointment/ reappointment as mentioned under items nos. 2, 4 and 5 contained in the notice of Annual General Meeting are annexed to the notice. The said Directors have furnished necessary consents/ declarations for their appointment.
6. Copies of all documents referred to in the notice are available for inspection at the registered office of the Company during normal business hours on all working days up to and including the date of the annual general meeting of the Company.
7. Members seeking any information with regard to accounts are requested to write to the Compliance Officer at least ten days in advance of the annual general meeting, to enable the Company to keep the information ready.
8. Members are requested to:
  - a. Bring their copy of the annual report at the meeting and duly filled attendance Slip enclosed herewith along with a valid identity proof such as the PAN card, passport, AADHAR card, or driving license to attend the meeting.
  - b. Note that all correspondence relating to share transfers should be addressed to registrar and transfer agents of the Company, viz. Beetal Financial and Computer Services (P) Ltd. Beetal House, 3<sup>rd</sup> Floor, 99, Madangir, Behind Local Shopping Centre, Near Dada Harsukhdas Mandir, New Delhi- 110062, India.
  - c. Quote their DP ID No. /Client ID No. or folio number in all their correspondence.
9. The annual report for 2015-16 along with the notice of annual general meeting, attendance slip and proxy form is being sent by electronic mode to all the shareholders who have registered their Email IDs with the depository participants/ registrar and share transfer agent unless where any member has requested for the physical copy. Members who have not registered their email ids, physical copies of the annual report 2015-16 along with the notice of annual general meeting, attendance slip and proxy form are being sent by the permitted

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mode. Members may further note that the said documents will also be available on the Company's website [www.sybly.com](http://www.sybly.com) for download. Physical copies of the aforesaid documents will also be available at the Company's registered office for inspection during normal business hours on working days. For any communication, the shareholders may also send requests to the Company's email id viz. [sybly\\_investors@rediffmail.com](mailto:sybly_investors@rediffmail.com).

10. Pursuant to Section 101 and 136 of the Companies Act, 2013 and rules made there under, the companies are allowed to send communication to shareholders electronically. We thus, request you to kindly register/update your email Id's with your respective depository participant and Company's registrar and share transfer agent (in case of physical shares) and make this initiative a success.
11. SEBI has made the submission of PAN by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company/Beetal Financial & Computer Services (P) Ltd.
12. Members holding shares in physical form are requested to consider converting their holdings to dematerialized form to eliminate risks associated with physical shares and for ease in portfolio management. Members can contact the Company or Beetal Financial & Computer Services (P) Ltd. for assistance in this regard.
13. Members who hold shares in physical form in multiple folios in identical names or joint holding in same order of names are requested to send share certificates to Beetal Financial & Computer Services (P) Ltd., for consolidation in to single folio.
14. The Register of Directors and Key Managerial Personnel and their Shareholding maintained under Section 170 of the Companies Act, 2013 will be available for inspection at the Annual General Meeting.
15. The route map along with prominent land mark for easy location of the 28th Annual General Meeting venue is printed on the last page of the Annual report.

#### Facility for voting:

In Compliance with the provisions of section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has provided a facility to the members to exercise their votes electronically through the remote e-voting service facility arranged by Central Depository Services Limited. The facility for voting, through ballot paper, will also be made available at the Annual General Meeting (AGM) and the members attending the AGM who have not already cast their votes by remote e-voting shall be able to exercise their right at the AGM through ballot paper. 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 votes again. The instructions for e-voting are given below.

Shareholders can also cast their vote electronically using CDSL's mobile app m-Voting available for android, Iphone and windows based mobiles. The m-Voting app can be downloaded from Google Play Store, App store and the windows phone store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.

#### The instructions for shareholders voting electronically are as under:

The voting period begins on 25th September, 2016 (10:00 AM) and ends on 27th September, 2016 (5:00 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 (record date) of 22.09.2016, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

- (i) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (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</b> |  |
|---|--|
| PAN   | <ul style="list-style-type: none"> <li>● Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</li> <li>● Members who have not updated their PAN with the Company/Depository Participant are requested to use the the first two letters of their name and the 8 digits of the sequence number in the PAN field. Sequence number is printed on address label.</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> |
| Dividend Bank Details OR Date of Birth (DOB)                      | <p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> <li>● If both 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 (v).</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 relevant 'SYBLY INDUSTRIES LIMITED' on which you choose to vote.
- (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.
- (viii) 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 changed 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) 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.
- (xix) Any person, who acquires shares of the Company and become Member of the Company after dispatch of the Notice and holding shares as on the cut-off date i.e. 22.09.2016 may follow the same instructions as mentioned above for e-Voting.
- (xx) 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)
- (B) The Company has appointed Mr. R. S. Bhatia, Practicing Company Secretary, (C.P. No. 2514 and FCS No. 2599) as the "Scrutinizer" to scrutinize the e-voting process (including the Ballot Forms received from the members who do not have any access to e-voting process) in fair and transparent manner.
- (C) The Scrutinizer shall, within a period not exceeding three (3) working days from the conclusion of e-Voting period, unblock the votes in the presence of at least 2 witnesses not in employment of the company and make a Scrutinizers Report for the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- (D) Results declared along with the scrutinizer's report shall be placed on the Company's website [www.sybly.com](http://www.sybly.com) and on the website on CDSL within two days of passing the resolution at 28<sup>th</sup> Annual General Meeting of the company on 28<sup>th</sup> September, 2016 and will be communicated to BSE where the shares of the company are listed.

#### **REQUEST TO THE MEMBERS**

1. Members are requested to bring their attendance slip.
2. Members who have multiple folios in identical names in the same order are requested to send all the Share Certificates to the Company Secretary or to the Registrar and Transfer Agent, M/s Beetal Financial & Computer Services (P) Ltd for consolidation of such folios into one to facilitate better services.

#### **EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

##### **Item No. 4**

The tenure of appointment of Mr. Mahesh Chand Mittal as Managing Director expired on 17.05.2016.

The Board of Director, on recommendation of Nomination and Remuneration committee, at their meeting held on 26.05.2016 considering the overall contribution of Mr. Mahesh Chand Mittal, Managing Director, to the growth of the Company, reappointed him on the terms and conditions as set out in the resolution with effect from 18.05.2016 on a remuneration of Rs. 42,00,000/- p.a. subject to the approval of Shareholders. His appointment shall not be subject to retirement by rotation as per the Articles of Association of the Company but he shall be eligible for re-appointment.

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Members approval for the appointment and remuneration payable to Mr. Mahesh Chand Mittal as Managing Director as given in resolution is sought by way of an Ordinary Resolution.

The resolution as set out in item No. 4 of the accompanying notice together with Explanatory Statement are and should be read as an abstract required to be given under section 190 of the Companies Act, 2013 in respect of re-appointment of Mr. Mahesh Chand Mittal.

Save and except Mr. Mahesh Chand Mittal himself, Mr. Nishant Mittal being his relative, to the extent of their shareholding interest, if any, in the Company, none of the other Directors and Key Managerial Personnel(s) of the Company and their relatives are concerned or interested, financially or otherwise in the resolution set out at Item No. 4

The Board recommends the Ordinary Resolution set out at Item no. 4 of the Notice for approval by the shareholders.

### **Item No. 5**

As per the provisions of Section 149 of the Act which has come in to force with effect from April 01, 2014, an Independent Director shall hold office for a term up to five consecutive years on the Board of a company and is not liable to retire by rotation.

Mr. Dhan Pal Jain has given a declaration to the Board that they meet the criteria of independence as provided under Section 149(6) of the Act. In the opinion of the Board, Mr. Dhan Pal Jain fulfills the conditions specified in the Act, and the Rules made there under for the appointment of Independent Directors and he is Independent of the management.

In compliance with the provisions of Section 149 read with Schedule IV of the Act, the appointment of Mr. Dhan Pal Jain as Independent Director is now being placed before the members for their approval.

The terms and conditions of the appointment of Mr. Dhan Pal Jain pursuant to the provisions of Schedule IV of the Act, shall be open for inspection at the Registered Office of the Company by any Member during the normal business hours on any working day of the Company.

None of the Directors except Mr. D.P. Jain himself and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise in the resolution set out at Item No. 5

The Board recommends the Ordinary Resolution set out at Item no. 5 of the Notice for approval by the shareholders.

### **ITEM No. 6**

The Board on the recommendation of the Audit Committee has approved the appointment of M/s. M. K. Singhal & Co, Cost Accountants to conduct the audit of the cost records of the company for the financial year ending 31st March 2017 at the remuneration of Rs. 30,000/-plus Service Tax as applicable.

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the company.

Accordingly, consent of the members is sought for passing an ordinary resolution as set out at item no. 6 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending 31st March 2016.

None of the Directors/key managerial personnel of the company/their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at item no. 6 of the Notice.

The Board recommends the Ordinary Resolution set out at Item no. 6 of the Notice for approval by the shareholders.

### **ITEM NO. 7 & 8**

The members of the Company in the past had approved resolutions for mortgaging the properties of the company in favour of the lenders and also for exercising the borrowing limits for the purpose of business of the company.

Pursuant to notification of Section 180 of the Companies Act, 2013, prior consent of the Shareholders by a special resolution is required to enable the Board of Directors to exercise these powers which, in aggregate, may exceed the paid-up capital and free reserves of the Company and to create charge on movable/immovable properties of the Company in favour of the lenders.

Further, the Ministry of Corporate Affairs vide their Circular No.4 dated: 25-03-2014 had clarified that all such resolutions passed in this regard are valid and effective only for a period of one year up to 11-09-2014. Any such mortgages and borrowings after this date would require a fresh prior approval of the shareholders under Section 180 of the Companies Act, 2013 through a Special Resolution. It is imperative that such an authority is required to be delegated to the Board of Directors or its Committee for carrying on the business of the Company in the ordinary course and the Board is of the view that borrowing limits of up to Rs. 50 Crores would be sufficient to carry on the business. Accordingly, the Board of Directors of the company at its meeting held on 11.08.2016 had approved these proposals subject to your approval.

None of the Directors / Key Managerial Personnel and their relatives are interested or concerned, financially or otherwise in the above special resolution set out under Item No: 7 & 8 of the Notice.

**BY Order of the Board  
FOR SYBLY INDUSTRIES LIMITED**

Sd/-

(Mahesh Chand Mittal)

Managing Director

DIN : 00284866

Address : FLAT NO. 603,

OC-2, ORANGE COUNTY, AHINSA KHAND-1,  
INDIRAPURAM, GHAZIABAD-201 014

Place : Muradnagar  
Date : 11<sup>th</sup> August, 2016

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## ANNEXURE TO THE NOTICE

Details of Directors seeking re-appointment at the 28th Annual General Meeting of the Company:

[Pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Clause 1.2.5 of Secretarial Standards.

| Name  | Mr. Nishant Mittal  | Mr. Mahesh Chand Mittal  | Mr. Dhan Pal Jain  |
|---|---|--|--|
| Designation   | Whole Time Director & CFO   | Managing Director  | Independent Director   |
| Date of Birth   | 26-10-1987  | 26-09-1952   | 15-07-1951   |
| Date of first appointment   | 28-08-2012  | 05-05-1988   | 26-05-2016   |
| Qualification   | B. Tech (ECE), Dip. in TTM  | B.E. (Electrical)  | B.E. (Electrical)<br>B.Sc. (Hons.)   |
| Experience  | Total 6 years work experience in higher management of Sybly Industries Limited.   | Total work experience since 1988 in higher management of Sybly Industries Ltd.   | UPSEB/UPPCL/UPPTCL (Sept. 1976-July 2011)<br><br>Worked in Hythropower Corporation Limited Gurgaon as DGM for the Project of Construction of 132 KV & 220 KV for UPPTCL & MPPTCL Responsible for execution and P&L of Project. |
| Directorship held in other Companies  | 1. Dux Textiles Pvt. Ltd.<br>2. Pisces Systems Software Pvt. Ltd.<br>3. Sybly Techno Fibres Ltd.<br>4. Shreenathji Ashiana Developers (P) Ltd.<br>5. Space Incubiatrics Technologies Ltd. | 1. Sybly Techno Fibres Ltd.<br>2. Pisces Systems Software Pvt. Ltd.<br>3. Vartex Fabrics Private Ltd.<br>4. Space Incubiatrics Technologies Ltd. | 1. Space Incubiatrics Technologies Ltd.  |
| Directorship held in Listed entities (other than Sybly Industries Limited)  | -   | -  | -  |
| Membership of Committees of the Borad (only Listed Entities) in which Chairmanship/ membership is held (includes only Audit Committee and Stakeholder Relationship Committee) | -   | 1  | 3  |
| Numbers of shares held in the Company as on 31.03.2016  | 875475 equity shares  | 3367137 equity shares  | NIL  |
| No. of Board Meeting attended during the year   | 6   | 6  | -  |
| Terms & Conditions of appointment/re-appointment along with details of remuneration   | Appointment Remuneration : As per Appointment Letter  | Appointment Remuneration : As per Appointment Letter   | Appointment Remuneration : As per Appointment Letter   |
| Past Remuneration   | Rs. 1,46,000/- P.M.   | Rs. 1,89,000/- P.M.  | NIL  |
| Relationship with other Directors   | Son of Mr. Mahesh Chand Mittal  | Father of Mr. Nishant Mittal   | NA   |

**BY Order of the Board  
FOR SYBLY INDUSTRIES LIMITED**

Sd/-  
(Mahesh Chand Mittal)  
Managing Director  
DIN NO. 00284866

Address : FLAT NO. 603,  
OC-2, ORANGE COUNTY, AHINSA KHAND-1,  
INDIRAPURAM, GHAZIABAD-201 014

Place : Muradnagar  
Date : 11<sup>th</sup> August, 2016



**BOARD'S REPORT**

To the Members,

Your Directors are pleased to present the 28th Annual Report on the business and operations of the Company along with Audited Statement of Accounts for the Financial Year ended March 31, 2016.

**1. FINANCIAL RESULTS**

The standalone financial performance of the Company for the financial Year ended 31st March 2016 is as follows:

(Audited) (Rs. in Lac)

| PARTICULARS                                     | For The Year<br>Ended 31.03.2016 | For the Year<br>Ended 31-03-2015 |
|---|----------------------------------|----------------------------------|
| Receipt from Operations                         | 6930.46                          | 8286.24                          |
| Other Income                                    | 203.98                           | 82.46                            |
| Operating Profit Before Interest & Depreciation | 223.81                           | 214.59                           |
| Less : Interest                                 | 177.73                           | 160.62                           |
| Gross Profit / (Loss)                           | 46.08                            | 53.97                            |
| Less : Depreciation                             | 35.89                            | 38.50                            |
| Net Profit for the year                         | 10.19                            | 15.47                            |
| Less : Provision for Current Tax                | 1.94                             | 2.94                             |
| Provision for Deferred Tax                      | 4.98                             | 8.12                             |
| Profit / (Loss) After Tax                       | 3.27                             | 4.71                             |
| Add : Balance Brought Forward                   | (508.91)                         | (513.13)                         |
|   | (505.64)                         | (508.42)                         |
| Less : Appropriation                            | (2.56)                           | (0.49)                           |
| Balance Carried Over to Balance Sheet           | (508.20)                         | (508.91)                         |

**2. FINANCIAL HIGHLIGHTS**

During the period under review turnover of the Company declined from Rs. 8266.24 Lac to Rs. 6930.46 Lac i.e. a decline of 16.36%. Consequently, the net profit after Tax also declined from Rs. 4.71 Lac to Rs. 3.27 Lac resulting in a decline of 30.6%. Your directors hope for better results in the coming years.

**3. CHANGE IN THE NATURE OF BUSINESS**

There is no change in the nature of the Business during the Financial year under review.

**4. STATEMENT OF AFFAIRS**

During the year under review your company has experimented by using recycled polyester fibre and successfully produced quality yarn. This yarn has been well accepted in the market. By manufacturing yarn from recycled fibre the profitability margins have also improved. This way your company has also joined companies which are environment friendly. Big brands like ADDIDAS are getting their products manufactured using recycled yarn.

**RESTRUCTURING PLAN**

Your directors have approved a Composite Scheme of Arrangement which includes demerger and merger under which non performing assets of the company will be transferred to another company and two small companies which are in the same line of activities and which belong to the promoters will be merged with your company. The idea is that the company will focus on core activity of manufacturing polyester yarn. An application in this regard has already been made with BSE seeking approval.

**5. CAPITAL STRUCTURE**

As at 31 March 2016, the paid-up share capital of the Company stood at Rs. 40,71,61,000 consisting of 4,07,16,100 equity shares of face value of Rs.10 each fully paid-up. During the year under review, the Company has neither issued any equity shares nor issued any shares with differential voting rights nor has granted any stock options or sweat equity.

After deep slowdown industries growth is on increase trend. The demand for Company's product is also increasing. Your management is optimistic for growth in near future.

**6. DIVIDEND**

As there are insufficient appropriable profits in the Company, Your Board do not recommend any dividend for the financial year 2015-16.

**7. TRANSFER TO RESERVE**

During the year under review, the company has not transferred any amount to the General Reserves.

**8. MATERIAL CHANGES**

No material change and commitments have occurred between the end of the financial year of the Company to which the financial

# S **SYBLY INDUSTRIES LIMITED**

statements relate and the date of the report, which may affect the financial position of the Company.

## 9. **NUMBER OF BOARD MEETINGS HELD**

The Board of Directors duly met 6 times during the financial year from 1st April, 2015 to 31st March, 2016. The dates on which the meetings were held are as follows:

30<sup>th</sup> May, 2015, 07<sup>th</sup> August, 2015, 24<sup>th</sup> September, 2015, 09<sup>th</sup> November, 2015, 10<sup>th</sup> February, 2016 and 28<sup>th</sup> March, 2016.

## 10. **DIRECTORS AND KEY MANAGERIAL PERSONNEL**

The Board of Directors, at its meeting held on 26th May, 2016, appointed Mr. Dhan Pal Jain, (DIN 07514659) as an additional director (Independent). His tenure is upto the conclusion of forthcoming AGM. The Board at its meeting held on 11<sup>th</sup> August, 2016 on the recommendation of Nomination and Remuneration committee has appointed of Mr. Dhan Pal Jain as an Independent Director for a tenure of 5 years from 26.05.2016 to 25.05.2021 subject to the approval of shareholders in the ensuing Annual General Meeting.

In accordance with the requirements of the Companies Act, 2013 and the Company's Articles of Association, Mr. Nishant Mittal, Whole Time Director & CFO of the Company, retires by rotation and being eligible offers himself for re-appointment.

Mr. Virendra Pratap Mishra, resigned from the Position of the Independent Director of the Company w.e.f. - 26.05.2016. Your board would like to place on record its appreciation for the valuable services rendered by him during his tenure as a director.

Mr. Mahesh Chand Mittal has been re-appointed as managing Director w.e.f. 18<sup>th</sup> May, 2016 for a tenure of 3 years subject to the approval of shareholders in ensuing Annual General Meeting.

## 11. **DECLARATION BY INDEPENDENT DIRECTORS**

The Independent directors have submitted their disclosure to the Board that they fulfill all the requirements as to qualify for their appointment as an Independent Director under the provisions of Section 149 read with Schedule IV of the Companies Act, 2013 and regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Board confirms that the independent directors meet the criteria as laid down under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

## 12. **DIRECTORS' RESPONSIBILITY STATEMENT**

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

- i. in the preparation of annual accounts the applicable accounting standards had been followed and there are no material departures.
- ii. 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 as at the end of the financial year and of the profit of the Company for that period;
- iii. the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- iv. the directors had prepared the annual accounts on a going concern basis;
- v. the directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and are operating effectively; and
- vi. 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.

## 13. **INFORMATION ABOUT THE FINANCIAL PERFORMANCE/ FINANCIAL POSITION OF THE SUBSIDIARY**

M/s Sybly International FZE, Sharjah (UAE) is the non material wholly owned subsidiary of the Company.

The Member may refer to Form AOC-1 (attached as Annexure- A under the provisions of section 129(3) of the Companies Act, 2013.) for the financial statement of the subsidiary.

### **Performance highlight of Subsidiary**

A summary of consolidated financial performance for Financial Year 2015- 2016 consolidating the results of wholly owned subsidiary SYBLY FZEINTERNATIONAL

| PARTICULARS                  | (In Rs. In Lac)                  |                                  |
|------------------------------|----------------------------------|----------------------------------|
|                              | For the Year<br>Ended 31.03.2016 | For the Year<br>Ended 31.03.2015 |
| Total Income                 | 7134.45                          | 8368.70                          |
| Interest and Finance Charges | 178.21                           | 161.06                           |
| Operating Expenses           | 6948.1                           | 8390.18                          |
| Loan Losses and Provisions   | -                                | -                                |
| Profit Before Tax            | 8.14                             | (182.54)                         |
| Profit After Tax             | 1.22                             | (193.29)                         |

**14. 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 and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

**15. DISCLOSURES REQUIRED WITH RESPECT TO SECTION 197(12) OF THE COMPANIES ACT, 2013 PARTICULARS OF EMPLOYEES**

The statement containing particulars of employees as required under section 197(12) of the Companies Act, 2013 read with rule 5 of the Companies (Appointment of Managerial Personnel) Rules, 2014 is given in an Annexure-B and forms part of this Report.

**16. RISK MANAGEMENT POLICY**

Pursuant to Section 134(3)(n) of the Companies Act, 2013, the Company has developed and implement the Risk Management Policy for the Company including identification therein of elements of risk, if any, which is in the opinion of the Board may threaten the existence of the Company.

These are discussed at the meeting of the Audit Committee and the Board of Directors of the Company.

At present the Company has not identified any element of risk which may threaten the existence of the Company.

**17. CORPORATE SOCIAL RESPONSIBILITY (CSR)**

Pursuant to the provisions of Section 135 of the Companies Act, 2013 every company having net worth of rupees five hundred crore or more, or turnover of rupees one thousand crore or more or a net profit of rupees five crore or more during any financial year shall constitute a Corporate Social Responsibility Committee of the Board and shall formulate a Corporate Social Responsibility Policy. Your Company is not falling under the preview of said section during the year.

**18. FORMAL ANNUAL EVALUATION**

SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, mandates that the Board shall monitor and review the Board evaluation framework. The framework includes the evaluation of directors on various parameters such as:

- Board dynamics and relationships
- Information flows
- Decision-making
- Relationship with stakeholders
- Company performance and strategy
- Tracking Board and committees' effectiveness
- Peer evaluation

The Companies Act, 2013 states that a formal annual evaluation needs to be made by the Board of its own performance and that of its committees and individual directors. Schedule IV of the Companies Act, 2013 states that the performance evaluation of independent directors shall be done by the entire Board of Directors, excluding the director being evaluated. The evaluation of all the directors and the Board as a whole was conducted based on the criteria and framework adopted by the Board and as collated by Nomination and Remuneration Committee and expressed its satisfaction.

**19. INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The Board has adopted the policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the 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 disclosures.

The Company's Internal Control Systems are commensurate with the nature of its business and the size and complexity of its operations. It comprises audit and compliance by internal audit checks by M/s K. Kant and Co., Internal Auditors of the Company.

The Internal Auditors independently evaluate the adequacy of internal controls and concurrently audit the financial transactions and review various business processes. Independence of the Internal Auditors and therefore compliance is ensured by the direct report of internal audit division and Internal Auditors to the Audit Committee of the Board.

**20. AUDIT COMMITTEE**

As per the provisions of Section 177 of the Companies Act, 2013 your Company has Constituted Audit committee. The Company's Audit Committee comprise of majority of the Independent Directors. All the members of the Committee have relevant experience in financial matters. The details of the composition of the Committee are set out in the following table:

| S.No. | Name                        | Designation                     |
|-------|-----------------------------|---------------------------------|
| 1.    | Mr. Lallan Tripathi         | Chairman (Independent Director) |
| 2.    | Mr. Virendra Pratap Mishra* | Member (Independent Director)   |
| 3.    | Mr. Mahesh Chand Mittal     | Member (Managing Director)      |
| 4.    | Mr. Dhan Pal Jain**         | Member (Independent Director)   |

\* Mr. Virendra Pratap Mishra, resigned from the Position of the Independent Director of the Company w.e.f. 26.05.2016.

\*\* Mr. Dhan Pal Jain, was appointed as a member w.e.f. 26.05.2016.

**21. NOMINATION AND REMUNERATION COMMITTEE**

As per the provisions of Section 178 of the Companies Act, 2013 your Company has Constituted Nomination and Remuneration committee. The Company's Nomination and Remuneration Committee comprise of all non executive Independent Directors. The details of the composition of the Committee are set out in the following table:

| S.No. | Name                        | Designation                     |
|-------|-----------------------------|---------------------------------|
| 1.    | Mr. Lallan Tripathi         | Chairman (Independent Director) |
| 2.    | Mr. Virendra Pratap Mishra* | Member (Independent Director)   |
| 3.    | Mrs. Mamta Garg             | Member (Independent Director)   |
| 4.    | Mr. Dhan Pal Jain**         | Member (Independent Director)   |

\* Mr. Virendra Pratap Mishra, resigned from the Position of the Independent Director of the Company w.e.f. 26.05.2016.

\*\* Mr. Dhan Pal Jain, was appointed as a member w.e.f. 26.05.2016.

**22. POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION**

The Policy of the Company on Directors' appointment and remuneration, including criteria for determining qualifications, positive attributes, independence of a Director and other matters provided under sub-section (3) of Section 178 of the Companies Act, 2013, adopted by the Board, is available on the website of the Company.

[http://sybly.com/wp-content/uploads/2015/05/Nomination\\_Remuneration\\_Policy.pdf](http://sybly.com/wp-content/uploads/2015/05/Nomination_Remuneration_Policy.pdf).

We affirm that the remuneration paid to the directors is as per the terms laid out in the nomination and remuneration policy of the Company.

**23. ESTABLISHMENT OF VIGIL MECHANISM FOR DIRECTORS AND EMPLOYEES**

The Company has formulated a Vigil Mechanism Policy to encourage all employees and directors of the Company to report any unethical behaviour, actual or suspected fraud or violation of the Code of the Company and to provide a secure environment to such employees acting in good faith and safeguarding them from any adverse action by the management. This policy is in line with the requirements of the provisions of the section 177(9) of the Companies Act, 2013, read with rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014. The Vigil Mechanism is available on the website of the Company.

[http://sybly.com/wp-content/uploads/2015/05/Whistle\\_Blower\\_Policy.pdf](http://sybly.com/wp-content/uploads/2015/05/Whistle_Blower_Policy.pdf)

**24. DEPOSIT FROM PUBLIC**

The company has neither any outstanding deposit nor accepted any deposits from public during the period under review and as such, no amount on account of principal or interest on deposits from public was outstanding as on the date of the balance sheet.

**25. STATUTORY AUDITORS & AUDITOR'S REPORT**

The Statutory Auditors of the Company, M/s V. S. Gupta & Co., Chartered Accountants, Meerut, (Firm Regn No: 00724C) hold office till the conclusion of the ensuing Annual General Meeting of the Company and being eligible, offer themselves for re-appointment. The Company has received their written consent and certificate that they meet the criteria provided under Section 141 of the Companies Act, 2013 and that the appointment, if made, shall be in accordance with the applicable provisions of the Companies Act, 2013 and rules framed thereunder. The Audit Committee and the Board of Directors recommends the re-appointment of M/s V. S. Gupta & Co., Chartered Accountants, as the Auditors of the Company in relation to the financial year 2016-17. The re-appointment proposed is within the time frame for transition under the third provision to sub-section (2) of Section 139 of the Companies Act, 2013. Auditors Report does not contain any qualification; hence same does not call for any explanation.

**26. SECRETARIAL AUDITORS & SECRETARIAL AUDITORS' REPORT**

The Board had appointed M/s D. K. Gupta & Co. (CP No. 3599) Practicing Company Secretaries, to carry out Secretarial Audit in accordance with the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, for the financial year ended March 31, 2016. The Secretarial Audit Report for the financial year ended March 31, 2016 has been obtained and does not contain any qualification, which requires any comments from the Board. The Secretarial Audit Report for financial year ended March 31, 2016 is annexed to this report as Annexure C.

**27. COST AUDITOR**

Pursuant to relevant provisions of the Companies Act, 2013, the Board has appointed M/s. M. K. Singhal & Co., Cost Accountants, on the recommendation of Audit Committee as the Cost Auditors of the Company for the financial year 2015-2016.

Pursuant to the provisions of Section 148 of the Companies Act, 2013 and the Rules made thereunder, Members are requested to consider the ratification of the remuneration payable to M/s . M. K Singhal & Co. Cost Accountants.

**28. LISTING OF SHARES**

Equity Shares of the Company are listed on BSE Limited. Company has complied with all the requirement of listing agreement during the period of review. Listing Fee has been paid for the Financial Year 2015-16 and 2016-17.

**29. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENT**

Details of loans and guarantees covered under the provisions of section 186 of the Companies Act, 2013 given in the Notes to the Financial Statements.

**30. PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

Information required under section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, is given in the Annexure-D to this report.

**31. EXTRACT OF ANNUAL RETURN**

The details forming part of the extract of the Annual Return in form MGT-9, as required under Section 92(3) of the Companies Act, 2013, is included in this Report as Annexure-E.

**32. RELATED PARTY TRANSACTIONS**

All the related party transactions are entered on an arm's length basis and are in compliance with the applicable provisions of the Companies Act and the Listing Regulations. There are no materially significant related party transactions made by the Company with Promoters, Directors or Key Managerial Personnel etc. which may have potential conflict with the interest of the Company at large. All Related Party Transactions are presented to the Audit Committee. Omnibus approval is obtained for the transactions which are foreseen and repetitive in nature. A statement of all related party transactions is presented before the Audit Committee on a quarterly basis, specifying the nature, value and terms and conditions of the transactions.

The Related Party Transactions Policy as approved by Board on recommendation of the Audit Committee is uploaded on the Company's website at the following weblink : [http://sybly.com/wp-content/uploads/2015/05/Material\\_Policies\\_RPT.pdf](http://sybly.com/wp-content/uploads/2015/05/Material_Policies_RPT.pdf)

Your Company does not have any contracts or arrangements with its related parties under Section 188(1) of the Companies Act, 2013, which are not on arm's length basis or material in nature. Hence, the details of such contracts or arrangements with its related parties are not disclosed in Form AOC-2 Annexure-F as prescribed under the Companies Act, 2013 and the Rules framed thereunder.

**33. MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

As required under Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Management Discussion and Analysis Report is included in this Report as Annexure-G.

**34. CORPORATE GOVERNANCE**

Pursuant to the Listing Regulations, a separate section titled 'Corporate Governance' has been included in this Annual Report, along with the 'Management Discussion and Analysis' and 'General Shareholder Information'.

All Board members and Senior Management personnel have affirmed compliance with the code of conduct for FY2016. A declaration to this effect signed by the Managing Director of the Company is included in this Annual Report.

The Managing Director and Chief Financial Officer have certified to the Board with regard to the financial statements and other matters as specified in the SEBI Listing Regulations, 2015.

As per clause 27(2) of SEBI (Listing Obligations and Disclosure Regulations) Regulations Corporate Governance Report is annexed as Annexure -H & forms part of this Board Report.

**35. Prevention of Sexual Harassment at Workplace**

Your Company has a Policy on Prohibition, Prevention and Redressal of Sexual Harassment of Women at Workplace and matters connected therewith or incidental thereto covering all the aspects as required under the "The Sexual Harassment of Women at Workplace (Prohibition, Prevention and Redressal) Act, 2013. The Company has constituted Internal Complaints Committee (ICC) known as Prevention of Sexual Harassment (POSH) Committee to enquire in to complaints of Sexual Harassment and recommend appropriate action. There were no complaints received under the aforesaid policy during the year.

**36. ACKNOWLEDGMENT**

The Board of Directors acknowledges with gratitude the co-operation extended by the Company's Bankers and also appreciates the continued trust and confidence reposed by the Shareholders in the management. They also place on record their appreciation for the valuable contribution and whole hearted support extended by the Company's employees at all levels.

by order of the Board  
For SYBLY INDUSTRIES LIMITED

Place : Muradnagar  
Date : 11th August, 2016  
Registered Office :  
Pawan Puri, Muradnagar  
Distt. Ghaziabad (U.P.) – 201206

Sd/-  
(Mahesh Chand Mittal)  
Managing Director  
DIN : 00284866  
Res. Add: FLAT NO.603, OC-2,  
Orange County, Ahinsa  
Khand-1, Indirapuram,  
Ghaziabad, 201014

Sd/-  
(Nishant Mittal)  
WTD & CFO  
DIN : 02766556  
Res. Add: FLAT NO.603, TOWER-2,  
Orange County, Ahinsa Khand-1,  
Shipra Sun City, Indirapuram,  
Ghaziabad, 201014

# SYBLY INDUSTRIES LIMITED

ANNEXURE- A

Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)  
Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

**Part "A": Subsidiaries**

(Information in respect of each subsidiary to be presented with amounts in Rs.)

| Sl.No. | Particulars   | Details                              |
|--------|---|--------------------------------------|
| 1.     | Name of the Subsidiary  | SYBLY INTERNATIONAL FZE              |
| 2.     | Reporting period for the subsidiary concerned, if different from the holding company's reporting period                     | 2015-16                              |
| 3.     | Reporting currency and exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries | AED<br>1AED=Rs. 18.017<br>31.03.2016 |
| 4.     | Share Capital   | Rs. 6,30,595                         |
| 5.     | Reserve & Surplus   | Rs. 94,10,049                        |
| 6.     | Total Assets  | Rs. 50,23,22,554                     |
| 7.     | Total Liabilities   | Rs. 49,22,81,910                     |
| 8.     | Investments   | Nil                                  |
| 9.     | Turnover  | Nil                                  |
| 10.    | Profit before taxation  | (Rs. 2,04,944)                       |
| 11.    | Provision for taxation  | Nil                                  |
| 12.    | Profit after taxation   | (Rs. 2,04,944)                       |
| 13.    | Proposed Dividend   | Nil                                  |
| 14.    | % of shareholding   | 100%                                 |

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

1. Names of subsidiaries which are yet to commence operations : NA
2. Names of subsidiaries which have been liquidated or sold during the year. NIL

by order of the Board  
For SYBLY INDUSTRIES LIMITED

Place : Muradnagar  
Date : 11th August, 2016  
Registered Office :  
Pawan Puri, Muradnagar  
Distt. Ghaziabad (U.P.) - 201206

Sd/-  
(Mahesh Chand Mittal)  
Managing Director  
DIN : 00284866  
Res. Add: FLAT NO.603, OC-2,  
Orange County, Ahinsa  
Khand-1, Indirapuram,  
Ghaziabad, 201014

Sd/-  
(Nishant Mittal)  
WTD & CFO  
DIN : 02766556  
Res. Add: FLAT NO.603, TOWER-2,  
Orange County, Ahinsa Khand-1,  
Shipra Sun City, Indirapuram,  
Ghaziabad, 201014

**1. Particulars of Employees**

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

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

| Executive Directors :      | Ratio to Median Remuneration |
|----------------------------|------------------------------|
| Mr. Mahesh Chand Mittal    | 16.78:1                      |
| Mr. Nishant Mittal         | 12.94:1                      |
| Non Executive Directors :  |                              |
| Mr. Virendra Pratap Mishra | -                            |
| Dr. Lallan Tripathi        | -                            |
| Mrs. Mamta Garg            | -                            |

- b. The per the percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;

| Directors, Chief Financial Officer, Chief Executive Officer, Company Secretary | Ratio   | % Increase in remuneration in the financial years |
|--|---------|---|
| Mr. Mahesh Chand Mittal, Managing Director                                     | 16.78:1 | 27.17   |
| Mr. Nishant Mittal, Whole Time Director, CFO                                   | 12.94:1 | 34.10   |
| Mr. Virendra Pratap Mishra   | -       | -   |
| Dr. Lallan Tripathi  | -       | -   |
| Mrs. Mamta Garg  | -       | -   |
| Ms. Varsha Choudhary, Company Secretary*                                       | 0.30:1  | -   |
| Mr. Sahil Agarwal**  | 1.37:1  | -   |

\* Ms. Varsha Choudhary resigned from the Position of the Company Secretary of the Company w.e.f. - 30.05.2015.

\*\* Mr. Sahil Agarwal who was appointed as Company Secretary of the Company on 01.06.2015.

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

- d. The number of permanent employees on the rolls of company: **75**

- e. The explanation on the relationship between average increase in remuneration and company performance:

On an average, employees received an annual increase of 9%. The individual increments varied from 6% to 12%, based on individual performance.

In order to ensure that remuneration reflects Company performance, the performance pay is also linked to organization performance, apart from an individual's performance.

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

The average annual increase was around 9%. However, during the course of the year, the total increase is approximately 12%, after accounting for promotions and other events based compensation revisions.

- g. Affirmation that the remuneration is as per the remuneration policy of the company :

The Board of Director of the Company affirms that the remuneration is as per the remuneration policy of the Company.

# SYBLY INDUSTRIES LIMITED

## 2. Information required with respect to Section 197(2) of the Companies Act, 2013 Read With Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rule, 2014

| Employee Name    | Designation         | Gross Remuneration for the year ended 31.03.2016 (Rs.) | Nature of employment | Qualification | Experience (in years) | Year of commencement of employment | Age | Last employment              | % of Equity Shares | Whether employee is relative of Director or Manager |
|------------------|---------------------|--|----------------------|---------------|-----------------------|------------------------------------|-----|------------------------------|--------------------|---|
| Suman Mittal     | Sr. Manager Admn.   | 17,45,000  | Permanent            | Post Graduate | 7                     | 2009                               | 59  | NA                           | 11.19              | Yes   |
| Rashi Mittal     | Executive Operation | 10,45,000  | Permanent            | Post Graduate | 4                     | 2012                               | 29  | NA                           | NIL                | Yes   |
| Rakesh Verma     | Manager Finance     | 9,78,600   | Permanent            | Graduation    | 11                    | 2005                               | 49  | NA                           | NIL                | No  |
| A.K. Goel        | Technical Manager   | 5,40,000   | Permanent            | B.Tech        | 5                     | 2011                               | 63  | Eastern Silk Industries Ltd. | NIL                | No  |
| R.P. Dhyani      | Account Asstt.      | 4,83,900   | Permanent            | Post Graduate | 7                     | 2009                               | 56  | NA                           | NIL                | No  |
| Puran Singh      | Maintenance Manager | 4,00,120   | Permanent            | Graduation    | 7                     | 2009                               | 52  | Punjab Fibre Ltd.            | NIL                | No  |
| Rekha Agarwal    | Sr. Manager Admn.   | 2,40,000   | Permanent            | Post Graduate | 8                     | 2008                               | 52  | NA                           | NIL                | No  |
| Brijesh Singh    | Electrician Foremen | 2,40,000   | Permanent            | High School   | 4                     | 2012                               | 51  | Punjab Fibre Ltd.            | NIL                | No  |
| Saroj Kumar Sahu | HOD Reeling         | 2,39,318   | Permanent            | Graduation    | 4                     | 2012                               | 38  | Eastern Silk Industries Ltd. | NIL                | No  |
| Mohd. Aslam      | HOD Cone Winding    | 2,23,800   | Permanent            | Intermediate  | 4                     | 2012                               | 35  | Indian Yarn Ltd.             | NIL                | No  |

by order of the Board  
For SYBLY INDUSTRIES LIMITED

Place : Muradnagar  
Date : 11th August, 2016  
Registered Office :  
Pawan Puri, Muradnagar  
Distt. Ghaziabad (U.P.) - 201206

Sd/-  
(Mahesh Chand Mittal)  
Managing Director  
DIN : 00284866  
Res. Add: FLAT NO.603, OC-2,  
Orange County, Ahinsa  
Khand-1, Indirapuram,  
Ghaziabad, 201014

Sd/-  
(Nishant Mittal)  
WTD & CFO  
DIN : 02766556  
Res. Add: FLAT NO.603, TOWER-2,  
Orange County, Ahinsa Khand-1,  
Shipra Sun City, Indirapuram,  
Ghaziabad, 201014



**FORM NO. MR – 3**

**SECRETARIAL AUDIT REPORT**

**FOR THE FINANCIAL YEAR ENDED ON 31<sup>ST</sup> MARCH 2016**

**[Pursuant to section 204 (1) of the Companies Act, 2013 and Rule No. 9 of the Companies  
(Appointment and Remuneration Personnel Rules, 2014)]**

To  
The Members,  
Sybly Industries Limited.  
CIN: L17111UP1988PLC009594

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by Sybly Industries Limited ('the Company') its officers, agents, and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has during the audit period covering the financial year ended on 31<sup>st</sup> March 2016 complied with the statutory provision 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 :

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2016 according to the provision of :

- I. The Companies Act, 2013 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 and The Securities and Exchange Board of India(Prohibition of Insider Trading ) Regulations, 2015.
  - (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 and The Securities and Exchange Board of India (Shares Based Employees Benefits) Regulations 2014;
  - (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;
- VI. As informed by management other laws applicable to the Company are:-
  1. Income Tax Act of India, 1922
  2. Wealth Tax Act of India
  3. Uttar Pradesh Commercial Tax (VAT) Act
  4. Air (Prevention and Control of Pollution) Act, 1981
  5. Environment (Protection) Act, 1986
  6. Employees' Provident Funds and Miscellaneous Provisions Act, 1952
  7. Employees' State Insurance Act, 1948
  8. Equal Remuneration Act, 1976
  9. Factories Act, 1948
  10. Industrial Employment (Standing Orders) Act, 1946
  11. Maternity Benefit Act, 1961
  12. Legal Metrology Act, 2009
  13. Minimum Wages Act, 1948
  14. Payment of Wages Act, 1936

## **S** **SYBLY INDUSTRIES LIMITED**

15. Payment of Gratuity Act, 1972
16. Payment of Bonus Act, 1965
17. Negotiable Instruments Act, 1881
18. Water (Prevention and Control of Pollution) Act, 1974
19. Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

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

- (i) Secretarial Standards issued by the The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with BSE Limited read with the 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.

I Further Report that :

The Board of Directors of the Company is duly constituted with executive, non executive and independent directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

As informed adequate notices were 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.

All decisions at Board meeting were taken unanimously.

I Further Report that there are adequate systems and process in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

Place : Meerut  
Date : 11<sup>th</sup> August, 2016

For D.K. Gupta & Co.  
(Company Secretaries)

Sd/-  
CS. Dinesh Kumar Gupta  
Proprietor  
FCS No. 5226  
C. P No. 3599

*Note : This report is to be read with our letter of even date which is annexed as 'ANNEXURE A' and forms an integral part of this report.*

**'ANNEXURE - A'**

To  
The Members,  
Sybly Industries Limited.  
CIN: L17111UP1988PLC009594

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

1. Maintenance of Secretarial record is the responsibility of the management of the Company. My responsibility is to express as opinion on these secretarial records based on my audit.
2. I have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct fact are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, Rules, Regulations, Standards is the responsibility of management. My examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place : Meerut  
Date : 11<sup>th</sup> August, 2016

For D.K. Gupta & Co.  
(Company Secretaries)

Sd/-  
CS. Dinesh Kumar Gupta  
Proprietor  
FCS No. 5226  
C. P No. 3599

FORM - A

**DISCLOSURE OF PARTICULARS IN RESPECT TO CONSERVATION OF ENERGY:**

**1. THE STEPS TAKEN OR IMPACT ON CONSERVATION OF ENERGY:**

Energy conservation and management continued to be key area for all the manufacturing units of the Company. Regular monitoring of energy generation, distribution and consumption trends were carried out for effective control on Utilization of energy.

The Company is committed to improve energy performance on a continuous basis by looking at new options/innovations in the fields of electrical and thermal energy.

**2. THE STEPS TAKEN BY THE COMPANY FOR UTILIZING ALTERNATE SOURCE OF ENERGY: NIL**

**3. THE CAPITAL INVESTMENT ON ENERGY CONSERVATION EQUIPMENTS:**

| A. POWER & FUEL CONSERVATION                       | CURRENT YEAR | PREVIOUS YEAR |
|--|--------------|---------------|
| <b>1. ELECTRICITY :</b>                            |              |               |
| <b>(A) Purchased :</b>                             |              |               |
| Units  | 4676070      | 4452973       |
| Total Amount (Rs.)                                 | 38153564     | 34615080      |
| Average Rate Per Unit                              | 8.16         | 7.77          |
| <b>(B) Own Generation :</b>                        |              |               |
| Through Diesel Generator:                          |              |               |
| Units  | 221564       | 142846        |
| Units Per Ltr. of Diesel/Oil                       | 3.58         | 3.80          |
| Cost Per Unit                                      | 12.85        | 13.68         |
| <b>2. FIRE WOOD/DRY BAGGAS, KHOI, RICE HUSK :</b>  |              |               |
| Quantity (M.T.)                                    | -            | -             |
| Total Cost (RS.)                                   | -            | -             |
| Rate Per M.T.                                      | -            | -             |
| <b>Consumption Per Unit of Production :</b>        |              |               |
| Production (M.T.)                                  | 1996771      | 2015213       |
| Electricity & Generator (Unit/Kg.)                 | 2.45         | 2.28          |
| Compressor Furnace Oil (Ltr.)                      | Nil          | Nil           |
| Coal & Fire Wood/Dry Baggas, Khoi, Rice Husk (Kg.) | Nil          | Nil           |

FORM - B

**DISCLOSURE OF PARTICULARS WITH RESPECT TO TECHNOLOGY ABSORPTION :**

|   |     |     |
|---|-----|-----|
| <b>1. Research &amp; Development</b>  |     |     |
| (i) Specific area in which R & D carried out by the Company   | Nil | Nil |
| (ii) Benefits desired as a result of the above R & D  | Nil | Nil |
| (iii) Future plan of action   | Nil | Nil |
| (iv) Expenditure of R & D :   |     |     |
| (A) Capital   | Nil | Nil |
| (B) Recurring   | Nil | Nil |
| (C) Total   | Nil | Nil |
| (D) Total R & D Expenditure   | Nil | Nil |
| <b>2. TECHNOLOGY ABSORPTION, ADOPTION AND INNOVATION :</b>  |     |     |
| (A) Efforts in brief, made towards technology absorption, adoption and innovation   | Nil | Nil |
| (B) Benefits desired as a result of the above efforts e.g. product improvement, Cost Reduction, Product Development, Import Substitution etc. | Nil | Nil |
| <b>3. PARTICULARS OF IMPORTED TECHNOLOGY IN THE LAST 5 YEARS</b>  |     |     |
|   | Nil | Nil |

FORM - C

|  |             |             |
|--|-------------|-------------|
| <b>4. FOREIGN EXCHANGE EARNING AND OUTGO</b> |             |             |
| (a) Expenditure in Foreign Currency:         | Rs. in Lacs | Rs. in Lacs |
| (b) Earning in Foreign Exchange:             | Nil         | Nil         |
| Interest Income                              | Nil         | Nil         |

by order of the Board

For SYBLY INDUSTRIES LIMITED

Place : Muradnagar  
Date : 11th August, 2016  
Registered Office :  
Pawan Puri, Muradnagar  
Distt. Ghaziabad (U.P.) – 201206

Sd/-  
(Mahesh Chand Mittal)  
Managing Director  
DIN : 00284866  
Res. Add: FLAT NO.603, OC-2,  
Orange County, Ahinsa  
Khand-1, Indirapuram,  
Ghaziabad, 201014

Sd/-  
(Nishant Mittal)  
WTD & CFO  
DIN : 02766556  
Res. Add: FLAT NO.603, TOWER-2,  
Orange County, Ahinsa Khand-1,  
Shipra Sun City, Indirapuram,  
Ghaziabad, 201014

# SYBLY INDUSTRIES LIMITED

FORM NO. MGT 9

ANNEXURE-E

EXTRACT OF ANNUAL RETURN

as on financial year ended on 31.03.2016

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

## I REGISTRATION & OTHER DETAILS:

|     |  |  |
|-----|--|--|
| i   | CIN  | L17111UP1988PLC009594  |
| ii  | Registration Date  | 02/5/1988  |
| iii | Name of the Company  | SYBLY INDUSTRIES LIMITED   |
| iv  | Category/Sub-category of the Company                                       | Category-Company Limited by Share<br>Sub-category of the Company-Indian Non-Government Company   |
| v   | Address of the Registered office & contact details                         | PAWAN PURI, MURADNAGAR, GHAZIABAD<br>Tel : 01232-261765, 261288<br>E.mail : info@sybly.com, sybly@rediffmail.com<br>Web : www.sybly.com  |
| vi  | Whether listed company   | Yes  |
| vii | Name, Address & contact details of the Registrar & Transfer Agent, if any. | Beetal Financial and Computer Services (P) Ltd.<br>Beetal House, 3rd Floor 99 Madangir, Behind<br>Local Shopping Centre, Near Dada Harsukhdas<br>Mandir, New Delhi- 110062<br>Phone- 91-11-2996 1281-83 Fax- 91-11-2996 1284<br>Email- beetalrta@gmail.com |

## 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

### As per NIC Code List 2008

| Sl. No. | Name & Description of main products/services | "NIC Code of the Product /service" | % to total turnover of the company |
|---------|--|------------------------------------|------------------------------------|
| 1       | Wholesale of Textiles, Clothing & Footwear   | 4641                               | 66                                 |
| 2       | Preparation & Spinning of Textiles Fibres    | 1311                               | 34                                 |

## III PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES

| Sl. No | Name & Address of the Company  | CIN/GLN               | HOLDING/<br>SUBSIDIARY/<br>ASSOCIATE | % OF<br>SHARES<br>HELD | APPLICABLE<br>SECTION |
|--------|--|-----------------------|--------------------------------------|------------------------|-----------------------|
| 1      | Sybly International FZE, Sharjah (UAE)                               | NA                    | SUBSIDIARY                           | 100                    | 2(87)                 |
| 2      | Space Incubiatrics Technologies Ltd.<br>(Incorporated on 29-06-2016) | U74999UP2016PLC084473 | SUBSIDIARY                           | 100                    | 2(87)                 |

## IV SHAREHOLDING PATTERN (Equity Share capital Break up as % to total Equity)

| 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 | No. of Shares            | Change in % |
| <b>A. Promoters</b>               |   |          |                |                   |   |          |                |                   |                          |             |
| <b>(1) Indian</b>                 | -   | -        | -              | -                 | -   | -        | -              | -                 | -                        | -           |
| a) Individual/HUF                 | 4754708   | -        | 4754708        | 11.68             | 9681130                                   | -        | 9681130        | 23.78             | 4926422                  | 12.10       |
| "b) Central Govt. or State Govt." | -   | -        | -              | -                 | -   | -        | -              | -                 | -                        | -           |
| c) Bodies Corporates              | 898500  | -        | 898500         | 2.20              | -   | -        | -              | -                 | -898500                  | -2.20       |
| d) Bank/FI                        | -   | -        | -              | -                 | -   | -        | -              | -                 | -                        | -           |
| e) Any other                      | -   | -        | -              | -                 | -   | -        | -              | -                 | -                        | -           |
| <b>SUB TOTAL:(A) (1)</b>          | <b>5653208</b>                                  | <b>-</b> | <b>5653208</b> | <b>13.88</b>      | <b>9681130</b>                            | <b>-</b> | <b>9681130</b> | <b>23.78</b>      | <b>4027922</b>           | <b>9.90</b> |



## SYBLY INDUSTRIES LIMITED

| 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 | No. of Shares            | Change in % |
| <b>(2) Foreign</b>  |   |              |                 |                   |   |              |                 |                   |                          |             |
| a) NRI- Individuals   | -   | -            | -               | -                 | -   | -            | -               | -                 | -                        | -           |
| b) Other Individuals  | -   | -            | -               | -                 | -   | -            | -               | -                 | -                        | -           |
| c) Bodies Corp.   | -   | -            | -               | -                 | -   | -            | -               | -                 | -                        | -           |
| d) Banks/FI   | -   | -            | -               | -                 | -   | -            | -               | -                 | -                        | -           |
| e) Any other...   | -   | -            | -               | -                 | -   | -            | -               | -                 | -                        | -           |
|   | -   | -            | -               | -                 | -   | -            | -               | -                 | -                        | -           |
| <b>SUB TOTAL (A) (2)</b>  | -   | -            | -               | -                 | -   | -            | -               | -                 | -                        | -           |
|   |   |              |                 |                   |   |              |                 |                   |                          |             |
| <b>"Total Shareholding of Promoter (A)=(A)(1)+(A)(2)"</b>                           | <b>5653208</b>                                  | <b>-</b>     | <b>5653208</b>  | <b>13.88</b>      | <b>9681130</b>                            | <b>-</b>     | <b>9681130</b>  | <b>23.78</b>      | <b>4027922</b>           | <b>9.90</b> |
| <b>B. PUBLIC SHAREHOLDING</b>   |   |              |                 |                   |   |              |                 |                   |                          |             |
| <b>(1) Institutions</b>   |   |              |                 |                   |   |              |                 |                   |                          |             |
| a) Mutual Funds   | -   | -            | -               | -                 | -   | -            | -               | -                 | -                        | -           |
| b) Banks/FI   | -   | -            | -               | -                 | -   | -            | -               | -                 | -                        | -           |
| c) Central Govt   | -   | -            | -               | -                 | -   | -            | -               | -                 | -                        | -           |
| d) State Govt.  | -   | -            | -               | -                 | -   | -            | -               | -                 | -                        | -           |
| e) Venture Capital Fund   | -   | -            | -               | -                 | -   | -            | -               | -                 | -                        | -           |
| f) Insurance Companies  | -   | -            | -               | -                 | -   | -            | -               | -                 | -                        | -           |
| g) FIIS   | -   | -            | -               | -                 | -   | -            | -               | -                 | -                        | -           |
| h) Foreign Venture Capital Funds"   | -   | -            | -               | -                 | -   | -            | -               | -                 | -                        | -           |
| i) Others (specify)   | -   | -            | -               | -                 | -   | -            | -               | -                 | -                        | -           |
|   |   |              |                 |                   |   |              |                 |                   |                          |             |
| <b>SUB TOTAL (B)(1):</b>  | <b>-</b>  | <b>-</b>     | <b>-</b>        | <b>-</b>          | <b>-</b>                                  | <b>-</b>     | <b>-</b>        | <b>-</b>          | <b>-</b>                 | <b>-</b>    |
| <b>(2) Non Institutions</b>   |   |              |                 |                   |   |              |                 |                   |                          |             |
| a) Bodies Corporates  | -   | -            | -               | -                 | -   | -            | -               | -                 | -                        | -           |
| i) Indian   | 22849190  | 500          | 22849690        | 56.12             | 16895055                                  | 500          | 16895555        | 41.496            | -5954135                 | -14.6       |
| ii) Overseas  | -   | -            | -               | -                 | -   | -            | -               | -                 | -                        | -           |
| b) Individuals  | -   | -            | -               | -                 | -   | -            | -               | -                 | -                        | -           |
| i) Individual shareholders holding nominal share capital upto Rs. 1 lakhs           | 3308255   | 45325        | 3353580         | 8.24              | 3492276                                   | 45325        | 3537601         | 8.69              | 184021                   | 0.45        |
| ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakhs | 8022684   | -            | 8022684         | 19.70             | 9333703                                   | -            | 9333703         | 22.92             | 1311019                  | 3.22        |
| c) Others (specify)   |   |              |                 |                   |   |              |                 |                   |                          |             |
| i) NRI  | 32358   | -            | 32358           | 0.08              | 227448                                    | -            | 227448          | 0.5587            | 195090                   | 0.48        |
| ii) CLEARING MEMBERS  | 16104   | -            | 16104           | 0.04              | 23862                                     | -            | 23862           | 0.058             | 7758                     | 0.02        |
| iii) HUF  | 788476  | -            | 788476          | 1.94              | 1016801                                   | -            | 1016801         | 2.4973            | 228325                   | 0.56        |
| <b>SUB TOTAL (B)(2):</b>  | <b>35017067</b>                                 | <b>45825</b> | <b>35062892</b> | <b>86.12</b>      | <b>30989145</b>                           | <b>45825</b> | <b>31034970</b> | <b>76.22</b>      | <b>-4027922</b>          | <b>9.90</b> |
| <b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>                                  | <b>35017067</b>                                 | <b>45825</b> | <b>35062892</b> | <b>86.12</b>      | <b>30989145</b>                           | <b>45825</b> | <b>31034970</b> | <b>76.22</b>      | <b>-4027922</b>          | <b>9.90</b> |
| <b>C. Shares held by Custodian for GDRs &amp; ADRs</b>                              | -   | -            | -               | -                 | -   | -            | -               | -                 | -                        | -           |
| <b>Grand Total (A+B+C)</b>  | <b>40670275</b>                                 | <b>45825</b> | <b>40716100</b> | <b>100.00</b>     | <b>40670275</b>                           | <b>45825</b> | <b>40716100</b> | <b>100.00</b>     | <b>-</b>                 | <b>-</b>    |

**II. SHARE HOLDING OF PROMOTERS**

| Sl No. | Shareholders Name              | Shareholding at the beginning of the year |                                  |  | Shareholding at the end of the year |                                  |  | % change in share holding during the year |
|--------|--------------------------------|---|----------------------------------|--|-------------------------------------|----------------------------------|--|---|
|        |                                | No of shares                              | % of total shares of the company | % of shares pledged encumbered to total shares | No. of shares                       | % of total shares of the company | % of shares pledged encumbered to total shares |   |
| 1      | Mahesh Chand Mittal            | 3367137                                   | 8.27                             | -  | 3367137                             | 8.27                             | -  | -   |
| 2      | Nishant Mittal                 | 166667                                    | 0.41                             | -  | 875475                              | 2.15                             | -  | 1.74                                      |
| 3      | Satya Prakesh Mittal           | 108                                       | -                                | -  | 108                                 | -                                | -  | -   |
| 4      | Shilpi Mittal                  | 1600                                      | -                                | -  | -                                   | -                                | -  | -   |
| 5      | Parul Mittal                   | 57208                                     | 0.14                             | -  | -                                   | -                                | -  | -0.14                                     |
| 6      | Suman Mittal                   | 1056788                                   | 2.60                             | -  | 4555205                             | 11.19                            | -  | 8.59                                      |
| 7      | Mahesh Chand Mittal HUF        | 105200                                    | 0.26                             | -  | 883205                              | 2.17                             | -  | 1.91                                      |
| 8      | Pisces Systems Software P Ltd. | 248500                                    | 0.61                             | -  | -                                   | -                                | -  | -0.61                                     |
| 9      | Sybly Techno Fibers Ltd.       | 650000                                    | 1.60                             | -  | -                                   | -                                | -  | -1.60                                     |
|        | <b>Total</b>                   | <b>5653208</b>                            | <b>13.89</b>                     | <b>-</b>                                       | <b>9681130</b>                      | <b>23.78</b>                     | <b>-</b>                                       | <b>6.50</b>                               |

**III. CHANGE IN PROMOTERS' SHAREHOLDING (PLZ SPECIFY, IF THERE IS NO CHANGE)**

| Sl No. |                                      |                              | Share holding at the beginning of the year |              | Cumulative Share holding during the year |            |
|--------|--------------------------------------|------------------------------|--|--------------|--|------------|
|        |                                      |                              | No of shares shares of the company         | % of total   | No of shares shares of the company       | % of total |
| 1      | Mr. Nishant Mittal                   | At the beginning of the year | 166667                                     | 0.41         | -  | -          |
|        |                                      | 24 July, 2015 Purchase       | 58808                                      | 0.14         | 225475                                   | 0.55       |
|        |                                      | 31 July, 2015 Purchase       | 650000                                     | 1.60         | 875475                                   | 2.15       |
|        |                                      | At the end of the year       | <b>875475</b>                              | <b>2.15</b>  | -  | -          |
| 2      | Mahesh Chand Mittal HUF              | At the Beginning of the year | 105200                                     | 0.26         | -  | -          |
|        |                                      | 17 July, 2015 Purchase       | 51125                                      | 0.13         | 156325                                   | 0.39       |
|        |                                      | 24 July, 2015 Purchase       | 6520                                       | 0.02         | 162845                                   | 0.40       |
|        |                                      | 31 July, 2015 Purchase       | 720360                                     | 1.77         | 883205                                   | 2.17       |
|        |                                      | At the end of the year       | <b>883205</b>                              | <b>2.17</b>  | -  | -          |
| 3      | Mrs. Suman Mittal                    | At the Beginning of the year | 1056788                                    | 2.60         | -  | -          |
|        |                                      | 24 April, 2015 Purchase      | 1505000                                    | 3.70         | 2561788                                  | 6.30       |
|        |                                      | 12 June, 2015 Purchase       | 1993417                                    | 4.89         | 4555205                                  | 11.19      |
|        |                                      | At the end of the year       | <b>4555205</b>                             | <b>11.19</b> | -  | -          |
| 4      | Mrs. Shilpi Mittal                   | At the Beginning of the year | 1600                                       | -            | -  | -          |
|        |                                      | 24 July, 2015 Sale           | 1600                                       | -            | -  | -          |
| 5      | Mrs. Parul Mittal                    | At the Beginning of the year | 57208                                      | 0.14         | -  | -          |
|        |                                      | 24 July, 2015 Sale           | 57208                                      | 0.14         | -  | -          |
| 6      | M/s. Pisces Systems Software P. Ltd. | At the Beginning of the year | 248500                                     | 0.61         | -  | -          |
|        |                                      | 31 July, 2015 Sale           | 248500                                     | 0.61         | -  | -          |
| 7      | M/s. Sybly Techno Fibers Ltd.        | At the Beginning of the year | 650000                                     | 1.60         | -  | -          |
|        |                                      | 31 July, 2015 Sale           | 650000                                     | 1.60         | -  | -          |

## SYBLY INDUSTRIES LIMITED

### (iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters & Holders of GDRs & ADRs)

| Sl. No |                                   | Shareholding at the beginning of the year<br>01-04-2015 |                                  | Cumulative Shareholding during the year 31-03-2016 |                                  |
|--------|-----------------------------------|---|----------------------------------|--|----------------------------------|
|        |                                   | No. of shares   | % of total shares of the company | No. of shares                                      | % of total shares of the company |
| 1      | CCL International Limited         | 8750735   | 21.49                            | 8650735  | 21.2465                          |
| 2      | Webwiztec Solution Pvt. Ltd.      | 2980278   | 7.32                             | 2323146  | 5.7057                           |
| 3      | Dristi Textile Private Limited    | 2200000   | 5.4                              | 2200000  | 5.4033                           |
| 4      | Quest Securities Limited          | 2214129   | 5.44                             | 718348   | 1.7643                           |
| 5      | Vijay Kumar                       | 681246  | 1.67                             | 681246   | 1.6732                           |
| 6      | Anubhav Sharma                    | 649660  | 1.60                             | 649660   | 1.5956                           |
| 7      | Ajay Kumar Sival                  | 505937  | 1.24                             | 505937   | 1.2426                           |
| 8      | Sangeeta Pareekh                  | -   | -                                | 490854   | 1.2056                           |
| 9      | Sathya S                          | 458849  | 1.13                             | 458849   | 1.1269                           |
| 10     | Mansukha Lal Amrit Lal Sanghrajka | -   | -                                | 400000   | 0.9824                           |

### (v) Shareholding of Directors & KMP

| Sl. No. | Name of director and key managerial personnel | Date                  | Shareholding at the end of the year |                                  | Cumulative Shareholding during the year |                                  |
|---------|---|-----------------------|-------------------------------------|----------------------------------|---|----------------------------------|
|         |   |                       | No. of Share                        | % of total shares of the company | No. of Share                            | % of total shares of the company |
| 1       | Mr. Mahesh Chand Mittal                       | Beginning of the Year | 3367137                             | 8.27                             | -                                       | -                                |
|         |   | At the end of         | 3367137                             | 8.27                             | -                                       | -                                |
| 2       | Mr. Nishant Mittal                            | Beginning of the Year | 166667                              | 0.41                             | -                                       | -                                |
|         |   | 24 July, 2015         | 58808                               | 0.1444                           | 225475                                  | 0.5544                           |
|         |   | 31 July, 2015         | 650000                              | 1.5964                           | 875475                                  | 2.1508                           |
|         |   | At the end of         | 875475                              | 2.15                             | -                                       | -                                |

## V INDEBTEDNESS

| Indebtedness of the Company including interest outstanding/accrued but not due for payment |                     |                    |                      |
|--|---------------------|--------------------|----------------------|
|  | "Secured Loans"     | "Unsecured Loans"  | "Total Indebtedness" |
| Indebtness at the beginning of the financial year  |                     |                    |                      |
| i) Principal Amount  | 111968188.00        | 66473586.00        | 178441774.00         |
| ii) Interest due but not paid  | -                   | -                  | -                    |
| iii) Interest accrued but not due  | 1256244.00          | -                  | 1256244.00           |
| <b>Total (i+ii+iii)</b>  | <b>113224432.00</b> | <b>66473586.00</b> | <b>179698018.00</b>  |
| <b>Change in Indebtedness during the financial year</b>                                    |                     |                    |                      |
| Additions  | 1384646.00          | 16893233.00        | 18277879.00          |
| Reduction  | 1061998.00          | 19840571.00        | 20902569.00          |
| <b>Net Change</b>  | <b>322648.00</b>    | <b>-2947338.00</b> | <b>-2624690.00</b>   |
| <b>Indebtedness at the end of the financial year</b>                                       |                     |                    |                      |
| i) Principal Amount  | 112290836.00        | 63526248.00        | 175817084.00         |
| ii) Interest due but not paid  | -                   | -                  | -                    |
| iii) Interest accrued but not due  | 1519022.00          | -                  | 1519022.00           |
| <b>Total (i+ii+iii)</b>  | <b>113809858.00</b> | <b>63526248.00</b> | <b>177336106.00</b>  |



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### VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

#### A. Remuneration to Managing Director, Whole time director and/or Manager:

| Sl.No | Particulars of Remuneration   | Name of the MD/WTD/Manager                    |   | Total Amount        |
|-------|---|---|---|---------------------|
|       |   | Mr. Mashesh Chand Mittal<br>Managing Director | Mr. Nishant Mittal<br>Whole Time Director |                     |
| 1     | Gross salary  | 22,70,000.00                                  | 17,50,000.00                              | 40,20,000.00        |
|       | (a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961 | -   | -   | -                   |
|       | (b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961                      | -   | -   | -                   |
|       | (c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961       | -   | -   | -                   |
| 2     | Stock option  | -   | -   | -                   |
| 3     | Sweat Equity  | -   | -   | -                   |
| 4     | Commission  | -   | -   | -                   |
|       | as % of profit  | -   | -   | -                   |
|       | others (specify)  | -   | -   | -                   |
| 5     | Others, please specify  | -   | -   | -                   |
|       | <b>Total (A)</b>  | <b>22,70,000.00</b>                           | <b>17,50,000.00</b>                       | <b>40,20,000.00</b> |
|       | <b>Celling as per the Act</b>   | <b>42,00,000.00</b>                           | <b>40,00,000.00</b>                       | <b>82,00,000.00</b> |

#### B. Remuneration to other directors.

| Sl.No | Particulars of Remuneration                    | Name of the Directors  |                            |                 | Total Amt. |
|-------|--|--|----------------------------|-----------------|------------|
|       |  | Mr. Lallan Tripathi  | Mr. Virendra Pratap Mishra | Mrs. Mamta Garg |            |
| 1     | Independent Directors                          | -  | -                          | -               | -          |
|       | (a) Fee for attending board committee meetings | -  | -                          | -               | -          |
|       | (b) Commission                                 | -  | -                          | -               | -          |
|       | (c) Others, please specify                     | -  | -                          | -               | -          |
|       | <b>Total (1)</b>                               | -  | -                          | -               | -          |
| 2     | Other Non Executive Directors                  | -  | -                          | -               | -          |
|       | (a) Fee for attending board committee meetings | -  | -                          | -               | -          |
|       | (b) Commission                                 | -  | -                          | -               | -          |
|       | (c) Others, please specify.                    | -  | -                          | -               | -          |
|       | <b>Total (2)</b>                               | -  | -                          | -               | -          |
|       | <b>Total (B)=(1+2)</b>                         | -  | -                          | -               | -          |
|       | <b>Total Managerial Remuneration</b>           |  |                            |                 |            |
|       | <b>Overall Ceiling as per the Act.</b>         | upto Rs. 1 lac Board/committe meeting and reimbursement of Expenses if any |                            |                 |            |

# SYBLY INDUSTRIES LIMITED

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

| Sl.No | Particulars of Remuneration  | Key Managerial Personnel |                     |                    | Total Amt.      |
|-------|--|--------------------------|---------------------|--------------------|-----------------|
|       |  | Company Secretary        |                     | CFO                |                 |
|       |  | Ms. Varsha Choudhary*    | Mr. Sahil Agarwal** | Mr. Nishant Mittal |                 |
| 1     | <b>Gross Salary</b>  | 40,000                   | 1,85,417            | -                  | 2,25,417        |
|       | (a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961. | -                        | -                   | -                  | -               |
|       | (b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961                       | -                        | -                   | -                  | -               |
|       | (c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961        | -                        | -                   | -                  | -               |
| 2     | Stock Option   | -                        | -                   | -                  | -               |
| 3     | Sweat Equity   | -                        | -                   | -                  | -               |
| 4     | Commission   | -                        | -                   | -                  | -               |
|       | as % of profit   | -                        | -                   | -                  | -               |
|       | others, specify  | -                        | -                   | -                  | -               |
| 5     | Others, please specify   | -                        | -                   | -                  | -               |
|       | <b>Total</b>   | <b>40,000</b>            | <b>1,85,417</b>     | <b>-</b>           | <b>2,25,417</b> |

\*Ms. Varsha Choudhary resigned from the Position of the Company Secretary of the Company w.e.f. 30.05.2015.

\*\*Mr. Sahil Agarwal who was appointed as Company Secretary of the Company on 01.06.2015.

## 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) |
|-------------------------------------|------------------------------|-------------------|---|------------------------------|------------------------------------|
| <b>A. COMPANY</b>                   |                              |                   |   |                              |                                    |
| Penalty                             | -                            | -                 | -   | -                            | -                                  |
| Punishment                          | -                            | -                 | -   | -                            | -                                  |
| Compounding                         | -                            | -                 | -   | -                            | -                                  |
| <b>B. DIRECTORS</b>                 |                              |                   |   |                              |                                    |
| Penalty                             | -                            | -                 | -   | -                            | -                                  |
| Punishment                          | -                            | -                 | -   | -                            | -                                  |
| Compounding                         | -                            | -                 | -   | -                            | -                                  |
| <b>C. OTHER OFFICERS IN DEFAULT</b> |                              |                   |   |                              |                                    |
| Penalty                             | -                            | -                 | -   | -                            | -                                  |
| Punishment                          | -                            | -                 | -   | -                            | -                                  |
| Compounding                         | -                            | -                 | -   | -                            | -                                  |

by order of the Board  
For SYBLY INDUSTRIES LIMITED

Place : Muradnagar  
Date : 11th August, 2016  
Registered Office :  
Pawan Puri, Muradnagar  
Distt. Ghaziabad (U.P.) - 201206

Sd/-  
(Mahesh Chand Mittal)  
Managing Director  
DIN : 00284866  
Res. Add: FLAT NO.603, OC-2,  
Orange County, Ahinsa  
Khand-1, Indirapuram,  
Ghaziabad, 201014

Sd/-  
(Nishant Mittal)  
WTD & CFO  
DIN : 02766556  
Res. Add: FLAT NO.603, TOWER-2,  
Orange County, Ahinsa Khand-1,  
Shipra Sun City, Indirapuram,  
Ghaziabad, 201014

**Form No. AOC-2**

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

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

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

|   |            |
|---|------------|
| Name (s) of the related party and nature of relationship  | <b>NIL</b> |
| Nature of contracts/arrangements/transactions   |            |
| Duration of the contracts/arrangements/transactions   |            |
| Salient terms of the contracts or arrangements or transactions including the value, if any                        |            |
| Justification for entering into such contracts or arrangement or transactions                                     |            |
| Date(s) of approval by the Board  |            |
| Amount paid as advances, if any   |            |
| Date on which the special resolution was passed in general meeting as required under first proviso to Section 188 |            |

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

|  |            |
|--|------------|
| Name (s) of the related party and nature of relationship                                   | <b>NIL</b> |
| Nature of contracts/arrangements/transactions  |            |
| Duration of the contracts/arrangements/transactions  |            |
| Salient terms of the contracts or arrangements or transactions including the value, if any |            |
| Date(s) of approval by the Board   |            |
| Amount paid as advances, if any  |            |

by order of the Board  
For SYBLY INDUSTRIES LIMITED

Place : Muradnagar  
Date : 11th August, 2016  
Registered Office :  
Pawan Puri, Muradnagar  
Distt. Ghaziabad (U.P.) – 201206

Sd/-  
(Mahesh Chand Mittal)  
Managing Director  
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ORANGE COUNTY, AHINSA  
KHAND-1, INDIRAPURAM,  
GHAZIABAD, 201014

Sd/-  
(Nishant Mittal)  
WTD & CFO  
DIN : 02766556  
Res. Add: FLAT NO.603, TOWER-2,  
ORANGE COUNTY, AHINSA KHAND-1,  
SHIPRA SUN CITY, INDIRAPURAM,  
GHAZIABAD, 201014

**Management's Discussion and Analysis**

ANNEXURE-G

Pursuant to the Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 your Directors have pleasure in presenting the management discussion and analysis report for the year ended on March 31, 2016.

**Industrial Scenario****Indian Textile Industry -An Engine for growth and one of largest employment creators in Indian Economy**

Gaining momentum, India was positioned as the fastest growing major economy with a five-year high growth rate of 7.6 per cent for the full fiscal 2015-16 on robust manufacturing growth.

Enthused by the impressive numbers for 2015-16, as against 7.2 per cent in previous fiscal, the government expects that the growth rate can go up to 8 per cent in the current fiscal on the back of good monsoon.

The country has overtaken China since 2014-15, becoming the fastest growing economy in the world. The World Economic Outlook report noted that in India, monetary conditions remain consistent to achieve the inflation target of five per cent in the first half of 2017. The manufacturing sector accelerated to 9.3 per cent, up from 5.5 per cent in the previous fiscal.

The Central Government has taken a number of steps to attract domestic and foreign investments with strong focus towards promoting "Make in India" policy and building world class infrastructure. Additional structural reforms to address legacy impediments to growth like GST implementation, Ujjwala scheme for providing LPG below BPL, implementation of the recommendations of the 7th pay commission, strengthening of the Banking Sector, education and revised policy on 'Housing for all' etc could help sustain the strong pace of growth in the coming years. Innovation in product, design, brand, channels along with re-engineered business processes will help companies be ready for future growth opportunities. Once embraced, they can quickly outsmart competition.

**AN OVERVIEW INDIAN TEXTILE INDUSTRY**

The Indian textile industry is set for strong growth, buoyed by both strong domestic consumption as well as export demand. Abundant availability of raw materials such as cotton, wool, silk and jute and a skilled workforce has allowed India to cement its identity as a vital sourcing hub. With the emergence of 'Smart Cities', improvement in technology and a substantial development in international trade have brightened prospects for the vertical. As such, the Indian textile industry, currently estimated at around US\$ 108 billion, is expected to go past the US\$ 223 billion-mark by 2021. The industry is the second largest employer after agriculture, providing employment to over 45 million people directly. (Source: TEXPROCIL) The close linkage of the textile industry to agriculture (for raw materials such as cotton) makes the Indian textiles sector unique in comparison to those of other countries. The textile industry (including dyed and printed) attracted FDI worth US\$ 1.77

**Strengths**

- India is one of the largest producers of cotton in the world and is also enjoys abundant supplies of polyester, silk, viscose, among others.
- Low labour charges means that the manufacturing cost rarely spins out of control.
- India has availability of abundant raw material which helps to control the costs and reduces the lead time.
- Availability of large varieties of fibre and has a fast growing synthetic fibre industry.
- Industry has large and diversified segments that provide wide variety of products.
- Indian textile industry is a self reliant industry which has complete value chain from the procurement of raw materials to the production of finished goods.
- The Company's own quality control department equipped with latest computerised machines and personnel also adds to the strength of the Company.
- The Company owns land measuring 25909 sq. yards at Muradnagar, District Ghaziabad, Uttar Pradesh, India, which is also sufficient to meet future expansion plans of the Company.

**Weakness**

- Lack of technological development affects productivity and other activities across the value chain.
- The Indian industry falls short on the economies-of-scale front therefore unable to compete with nations like China.
- Indian Textile Industry is highly Fragmented Industry.
- Rigid & unfavorable labor Laws.
- Lack of Trade Membership, which restrict to tap other potential market.
- Lacking to generate Economies of Scale.
- Use of outdated technology resulted in low productivity & production capacities as compared to China.
- Comparatively high expenses like indirect taxes, power & interest.

**Opportunities**

- A number of initiatives have been announced to support the handloom and powerloom industries.
- A number of e-marketing platforms have been developed to simplify marketing issue.
- Greater Investment and FDI opportunities are available.
- Large, Potential Domestic and International Market.
- Product development and Diversification to cater global needs.
- Elimination of Quota Restriction leads to greater Market Development.
- Market is gradually shifting towards Branded Readymade Garment.

**Threats**

- Low-cost players like Pakistan and Bangladesh may hinder India's exports prospects.
- Another disadvantage is India's geographical distance from major global markets of US, Europe and Japan in contrast to its rivals

# **S** **SYBLY INDUSTRIES LIMITED**

like Mexico, China, among others which are comparatively nearer. This results in high shipping expenses and lengthy lead times.

- Polyester manufacturers struggled to pass on high raw material costs due to sluggish demand and declining cotton prices.
- Continuous Quality Improvement is need of the hour as there are different demand patterns all over the world.
- Threat for Traditional Market for Powerloom and Handloom Products and forcing them for product diversification.
- Geographical Disadvantages relating to Export & Import of goods.
- To make balance between price and quality in order to compete with cheaper imports.

## **Outlook**

- The Company wishes to capture the growth in Textiles & plans to grow by investing mainly in blended Textiles & to intend to be a leader in the segment.
- With a view to support the 'Make in India' initiative, the Central Government launched ATUFS (Amended Technology Upgradation Fund Scheme) in place of the existing RRTUFS (Revised Restructure Technology Upgradation Fund Scheme), for technology upgradation of textiles industry with one time capital subsidy for eligible machinery. A budgetary provision of Rs.7,822 crore has been approved towards TUFS scheme for the next seven years (2015-16 to 2021-22); this scheme is expected to attract an investment of Rs.1 lac crore and generate employment for 30 lac people.
- It is the endeavor of the Company to improve its performance by adopting new techniques of production, improve product acceptability and cutting/reducing costs wherever possible. Your Company has already initiated steps in this regard.

## **Segment-wise Performance**

During the year 2015-16 Company's major activity remained confined to Manufacturing of Polyester Yarn and trading in fabrics.

## **Risks and Concerns**

Although the yarn market is very competitive in respect of its margins, still there is plenty of demand for polyester yarn all over India as well as in abroad.

## **Internal Control System and their adequacy**

The Company has developed an internal control system and procedures to ensure efficient conduct of business and security of its assets. Management Information System has been developed through which production performance and financial dealings are monitored by management on regular basis.

## **FINANCIAL AND OPERATIONAL PERFORMANCE**

During the year under review your company has experimented by using recycled polyester fibre and successfully produced quality yarn. This yarn has been well accepted in the market. By manufacturing yarn from recycled fibre the profitability margins have also improved.

Your directors have also approved a Composite Scheme of Arrangement which includes demerger and merger with an idea to focus on core activities of manufacturing polyester yarn which would directly effect the financial performance of the Company. An application in this regard has already been made with BSE seeking approval.

The financial statements have been prepared in the true and fair view of the state of affairs of the company, complying with the Accounting Standards notified under section 133 of the Companies Act, 2013 and are in the form as provided in Schedule III.

During the period under review turnover of the Company declined from Rs. 8266.24 Lac to Rs. 6930.46 Lac i.e. a decline of 16.36%. Consequently, the net profit after Tax also declined from Rs. 4.71 Lac to Rs. 3.27 Lac resulting in a decline of 30.6%.

## **Human Resources**

The Company believes that the workers are the backbone of the Company. It is providing an opportunity to all the employees to utilize their full potential and grow in the Organization. There was no strike or labour unrest during the last financial year. As on 31.03.2016 the total numbers of employees were 75.

## **Risk Management**

Pursuant to Section 134(3)(n) of the Companies Act, 2013, the Company has developed and implement the Risk Management Policy for the Company including identification therein of elements of risk, if any, which is in the opinion of the Board may threaten the existence of the Company. These are discussed at the meeting of the Audit Committee and the Board of Directors of the Company. At present the Company has not identified any element of risk which may threaten the existence of the Company. The assets of the Company are adequately insured and Board reviews the same from time to time.

**by order of the Board  
For SYBLY INDUSTRIES LIMITED**

**Place : Muradnagar**  
**Date : 11th August, 2016**  
**Registered Office :**  
Pawan Puri, Muradnagar  
Distt. Ghaziabad (U.P.) – 201206

**Sd/-**  
**(Mahesh Chand Mittal)**  
**Managing Director**  
DIN : 00284866  
Res. Add: FLAT NO.603, OC-2,  
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Ghaziabad, 201014

**Sd/-**  
**(Nishant Mittal)**  
**WTD & CFO**  
DIN : 02766556  
Res. Add: FLAT NO.603, TOWER-2,  
Orange County, Ahinsa Khand-1,  
Shipra Sun City, Indirapuram,  
Ghaziabad, 201014

**CORPORATE GOVERNANCE REPORT**

On 2 September 2015, SEBI notified the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations, 2015') to be effective from 1 December 2015, repealing the listing agreement with stock exchanges. These Regulations have been structured to provide ease of reference by consolidating existing listing agreements across various types of securities listed on the stock exchanges into one single document.

This report states compliance against the provisions of the clause 49 of the erstwhile listing agreement as well as the SEBI Listing Regulations, 2015 (hereinafter collectively referred to as 'Listing Regulations').

As will be seen, the Company's corporate governance practices and disclosures have gone well beyond complying with the statutory and regulatory requirements in accordance with the provisions of the Listing Regulations.

Corporate Governance is all about maintaining a valuable relationship and trust with all stakeholders. We consider stakeholders as partners in our success, and we remain committed to maximizing stakeholders' value, be it shareholders, employees, suppliers, customers, investors, communities or policy makers. This approach to value creation emanates from our belief that sound governance system, based on relationship and trust, is integral to create enduring value for all.

**PHILOSOPHY**

The Company's Governance policy is based on trusteeship, transparency and accountability. As a corporate citizen, our business fosters a culture of ethical behavior and disclosures aimed at building trust of our stakeholders. As a corporate citizen, our business fosters a culture of ethical behavior and disclosures aimed at building trust of our stakeholders.

**GOVERNANCE STRUCTURE**

The Corporate Governance structure at Sybly Industries Limited is as follows:

**1. Board of Directors:**

The Board is entrusted with the ultimate responsibility of the management, directions and performance of the Company. As its primary role is fiduciary in nature, the Board provides leadership, strategic guidance, objective and independent view to the Company's Management while discharging its responsibilities, thus ensuring that the management adheres to ethics, transparency and disclosure.

**2. Committees of the Board:**

The Board has constituted the following Committees viz, Audit Committee, Nomination and Remuneration Committee, Stakeholder Relationship Committee and Risk Management Committee. Each of the said Committee has been mandated to operate within a given framework.

**BOARD OF DIRECTORS**

**Size and Composition of the Board and Attendance Status**

The composition of the board is in line with the Listing Agreement. The Board of Directors of the Company consists of 5 Directors; out of which 3 are Non Executive Directors and rest 2 are Executive Directors of the Company.

**The composition of the Board and category of Directors along with Attendance Status at the Board meeting and AGM are as under :**

| Name of the Director               | Category                                       | Relationship with other directors | No. of membership in Boards of other companies | No. of Board Meetings Attended | Attendance of each director at last AGM |
|------------------------------------|--|-----------------------------------|--|--------------------------------|---|
| Mr. Mahesh Chand Mittal (Promoter) | Managing Director                              | Father of Mr. Nishant Mittal      | 4  | 6                              | Yes                                     |
| Mr. Nishant Mittal (Promoter)      | Executive Director & Whole-Time Director & CFO | Son of Mr. Mahesh Chand Mittal    | 5  | 6                              | Yes                                     |
| Mrs. Mamta Garg                    | Non-Promoter & Independent Director            | -                                 | 3  | 6                              | Yes                                     |
| Mr. Lallan Tripathi                | Non-Promoter & Independent Director            | -                                 | NIL  | 6                              | Yes                                     |
| Mr. Virendra Pratap Mishra*        | Non-Promoter & Independent Director            | -                                 | 1  | 6                              | Yes                                     |
| Mr. Dhan Pal Jain**                | Non-Promoter & Independent Director            | -                                 | 1  | NA                             | NA                                      |

\* Mr. Virendra Pratap Mishra, resigned from the Position of the Non-Promoter & Independent Director of the Company w.e.f. 26.05.2016.

\*\* Mr. Dhan Pal Jain, was appointed as an Additional Director (Independent) of the company w.e.f. 26.05.2016.

None of the Directors on the Board is a member of more than ten Committees and Chairman of more than five Committees across all companies in which they are Directors.

**INDEPENDENT DIRECTORS**

The Non-Executive Independent Directors fulfill the conditions of independence specified in Section 149(6) of the Companies Act, 2013 and Rules made there under and meet with requirement of Clause 49 of the Listing Agreement and Regulations 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 entered into with the Stock Exchanges. A formal letter of appointment to Independent Director as provided in Companies Act, 2013 and the Listing Regulations were issued.

**BOARD MEETINGS**

Six Board Meetings were held during the financial year 2015-2016. The interval between two meetings was well within the maximum period mentioned under Section 173 of the Companies Act, 2013 and the Listing Agreement/SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

The details of Board meetings are given below:

| Date               | Board Strength | No. of Directors Present |
|--------------------|----------------|--------------------------|
| May 30, 2015       | 5              | 5                        |
| August 07, 2015    | 5              | 5                        |
| September 24, 2015 | 5              | 5                        |
| November 09, 2015  | 5              | 5                        |
| February 10, 2016  | 5              | 5                        |
| March 28, 2016     | 5              | 5                        |

**BOARD'S PROCEDURES**

It has always been the Company's policy and practice that apart from matters requiring Board's approval by statute, all major decisions including quarterly results of the Company, financial restructuring, capital expenditure proposals, collaborations, material investment proposals in joint venture/promoted companies, sale and acquisition of material nature of assets, mortgages, guarantees, donations, etc. are regularly placed before the Board. This is in addition to information with regard to actual operations; major litigation feedback reports, information on senior level appointments just below the Board level and minutes of all Committee Meetings. In addition to the information required under Part A of Schedule II of Sub-Regulation 7 of Regulation 17 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the Board is also kept informed of major events/items and approvals taken wherever necessary.

None of the shares or fully or partly convertible debentures or any other convertible instruments held by non-executive director.

**CODE OF CONDUCT**

The Company has in place Code of Conduct (the Code) applicable to all the Directors & Senior Management. The Code is applicable to Directors & Senior Management to such extent as may be applicable to them depending on their roles and responsibilities. The Code gives guidance and support needed for ethical conduct of business and compliance of law. The Code reflects the values of the Company viz, Customer Value, Integrity and Excellence.

The Company has also placed a separate code for Independent Directors. It helps in bringing an independent judgment to bear on the Board's deliberations especially on issues of strategy, performance, risk management, resources, key appointments and standards of conduct.

A copy of these Codes has been put on the Company's website [http://sybly.com/wp-content/uploads/2015/05/Code\\_of\\_Conduct1.pdf](http://sybly.com/wp-content/uploads/2015/05/Code_of_Conduct1.pdf). The Codes has been circulated to Directors and Management Personnel and its compliance is affirmed by them annually.

A declaration signed by the Company's Managing Director is enclosed with this Report.

**MAXIMUM TENURE OF INDEPENDENT DIRECTORS**

The maximum tenure of independent directors is in accordance with the Companies Act, 2013 and the Listing Regulations.

**FORMAL LETTER OF APPOINTMENT TO INDEPENDENT DIRECTORS**

The Company has issued a formal letter of appointment to independent directors as provided in the Companies Act, 2013. The terms and conditions of appointment of independent directors are placed on the Company's website <http://sybly.com/wp-content/uploads/2015/05/Terms-Conditions-of-Independent-Director.pdf>

**PERFORMANCE EVALUATION**

Pursuant to the provisions of the Companies Act, 2013 and the Listing Regulations, the Board has carried out an annual performance evaluation of its own performance, and that of its Committees and individual directors.

**MEETINGS OF INDEPENDENT DIRECTORS**

The Company's Independent Directors meet at least once in every financial year without the presence of Executive Directors or management personnel. Such meetings are conducted informally to enable Independent Directors to discuss matters pertaining to the Company's affairs and put forth their views. The Independent Director takes appropriate steps to present their views to the Managing Director. One meeting of Independent Directors was held during the year on 17th March, 2016.

**FAMILIARISATION PROGRAMMES FOR INDEPENDENT DIRECTORS**

With a view to familiarising the independent directors with the Company's operations, as required under the Listing Regulations, the Company held programmes for independent directors for familiarising them with the Company, business model of the Company, their roles, rights and responsibilities, etc.

Details of such familiarisation programmes are placed on the Company's website <http://sybly.com/wp-content/uploads/2015/05/Familiarisation-programme-independent-directors3.pdf>

**VIGIL MECHANISM/ WHISTLE BLOWER POLICY**

Pursuant to the Companies Act, 2013 and the Listing Regulations, the Company has a Board approved whistle blower policy/vigil mechanism to enable directors and employees to report to the Management their concerns about unethical behaviour, actual or suspected fraud or violation of Company's code of conduct or ethics policy.

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 [http://sybly.com/wp-content/uploads/2015/05/Whistle\\_Blower\\_Policy.pdf](http://sybly.com/wp-content/uploads/2015/05/Whistle_Blower_Policy.pdf)

During FY2016, none of the employees has been denied access to the Audit Committee under this policy.

**BOARD COMMITTEE**

The Board of directors has constituted Board committees to deal with specific areas and activities which concern the company and need a closer review. The Board Committees are formed with approval of the Board and function under their respective Charters. These Board Committees play an important role in overall management of day-to-day affairs and governance of the Company. The Board Committees meet at regular intervals, takes necessary steps to perform its duties entrusted by the Board. To ensure good governance, the Minutes of the Committee Meetings are placed before the Board for their noting.

**AUDIT COMMITTEE**

**Constitution and composition:**

Pursuant to the provisions of Section 177 of the Companies Act, 2013 and Reg. 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 an audit committee comprising of three Directors has been constituted to perform all such power and functions as are required to be performed under the said provisions. There are three members of the Committee.

The Company has complied with the requirements of Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as regard to the composition of the Audit Committee.

**Meetings & Attendance:**

The Audit Committee met 4 times during the year ended on 30th May 2015, 07th August 2015, 09th November, 2015 & 10th February 2016. The intervening period between two meetings was well within the maximum time gap of 120 days as prescribed under Listing Regulation norms. The constitution of Audit Committee and attendance of each member is as given below:

| Name of Member              | Category                             | No. of Meeting Held | No. of Meeting Attended |
|-----------------------------|--------------------------------------|---------------------|-------------------------|
| Mr. Lallan Tripathi         | Chairman, Non-executive, Independent | 4                   | 4                       |
| Mr. Virendra Pratap Mishra* | Non-executive, Independent           | 4                   | 4                       |
| Mr. Mahesh Chand Mittal     | Executive Director                   | 4                   | 4                       |
| Mr. Dhan Pal Jain**         | Non-executive, Independent           | -                   | -                       |

\* Mr. Virendra Pratap Mishra, resigned from the Position of the Non-Promoter & Independent Director of the Company w.e.f. 26.05.2016.

\*\* Mr. Dhan Pal Jain, was appointed as an Additional Director (Independent) of the company w.e.f. 26.05.2016.

The Company Secretary acted as the Secretary to the Audit Committee.



Mr. Lallan Tripathi, Chairman of the Audit Committee, was present at the annual general meeting of the Company held on 28th September, 2015 to answer the shareholders' queries.

**Terms of Reference**

**Powers of Audit Committee:**

The Audit Committee shall have powers, which should include the following:

1. To investigate any activity within its terms of reference,
2. To seek information from any employee.
3. To obtain outside legal or other professional advice.
4. To secure attendance of outsiders with relevant expertise, if it considers necessary.

**Role of Audit Committee :**

The role of the Audit Committee shall include the following:

- Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013
  - Changes, if any, in accounting policies and practices and reasons for the same
  - Major accounting entries involving estimates based on the exercise of judgment by management
  - Significant adjustments made in the financial statements arising out of audit findings
  - Compliance with listing and other legal requirements relating to financial statements
  - Disclosure of any related party transactions
  - Qualifications in the draft audit report
- Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- Approval or any subsequent modification of transactions of the company with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the company, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit
- Discussion with internal auditors of any significant findings and follow up there on;
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- To review the functioning of the Whistle Blower mechanism;
- Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
- Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

**Reviewing the following information:**

**The Audit Committee shall mandatorily review the following information:**

- Management discussion and analysis of financial condition and results of operations;
- Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
- Management letters / letters of internal control weaknesses issued by the statutory auditors;
- Internal audit reports relating to internal control weaknesses; and
- The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the Audit Committee.

**NOMINATION AND REMUNERATION COMMITTEE**

**Terms of Reference:**

- Reviewing the overall compensation policy, service agreements and other employment conditions of Managing / Whole-time Director(s)/KMPs.
- Reviewing the performance of the Managing / Whole-time Director/KMPs and recommending to the Board, the quantum of annual increments and annual commission.

**Composition:**

The Board of Directors constituted a Nomination and Remuneration Committee comprising of majority of Independent Directors and Non Executive Director.

The Nomination and Remuneration Committee meetings were held on the following dates during the last financial year.

30.05.2015, 07.08.2015, 09.11.2015 & 10.02.2016

The Committee and attendance of each member is as given below:

| Name of Member              | Designation                          | No. of Meeting Held | No. of Meeting Attended |
|-----------------------------|--------------------------------------|---------------------|-------------------------|
| Mr. Lallan Tripathi         | Chairman, Non-executive, Independent | 4                   | 4                       |
| Mr. Virendra Pratap Mishra* | Non-executive, Independent           | 4                   | 4                       |
| Mrs. Mamta Garg             | Non-executive, Independent           | 4                   | 4                       |
| Mr. Dhan Pal Jain**         | Non-executive, Independent           | -                   | -                       |

\* Mr. Virendra Pratap Mishra, resigned from the Position of the Non-Promoter & Independent Director of the Company w.e.f. 26.05.2016.

\*\* Mr. Dhan Pal Jain, was appointed as an Additional Director (Independent) of the company w.e.f. 26.05.2016.

The function of the Nomination and Remuneration Committee includes recommendation of appointment of Whole-time Director(s)/ Managing Director/Joint Managing Director and recommendation to the Board of their remuneration.

**REMUNERATION OF DIRECTORS**

**REMUNERATION PAID TO THE EXECUTIVE DIRECTORS:**

The details of Remuneration paid to the Chairman and Managing Director and Whole-Time Directors for the financial year 2015-2016 is given below:

| Name                    | Salary (Rs. Lacs) | Commission on Profit | Total (Rs. Lacs) |
|-------------------------|-------------------|----------------------|------------------|
| Mr. Mahesh Chand Mittal | 22.70             | -                    | 22.70            |
| Mr. Nishant Mittal      | 17.50             | -                    | 17.50            |

The tenure of office of the Managing Director and Whole-time Directors is for three years from their respective dates of appointments.

The Company currently has no stock option plans for any of its directors.

During FY2016, none of the directors were paid any performance-linked incentive

In FY2016, the Company did not advance loan to any of its directors.

Pecuniary Relationship or Transactions of Non-Executive Directors

During FY2016, there were no pecuniary relationships and transactions of any non-executive directors with the Company

**REMUNERATION PAID TO THE NON-EXECUTIVE DIRECTORS:**

Sitting fee and commission on net profit to Non-Executive Directors:

| Name of the Non-Executive Director | Sitting Fee | Commission | Total |
|------------------------------------|-------------|------------|-------|
| Mr. Lallan Tripathi                | NIL         | NIL        | NIL   |
| Mr. Virendra Pratap Mishra         | NIL         | NIL        | NIL   |
| Mrs. Mamta Garg                    | NIL         | NIL        | NIL   |

**Equity Shares held by the Directors:**

Except as stated hereunder, none of the directors, held any shares in the Company as on March 31, 2016:

| Name of the Director       | No. of Shares Held | % of Shareholding |
|----------------------------|--------------------|-------------------|
| Mr. Mahesh Chand Mittal    | 33,67,137          | 8.27              |
| Mr. Nishant Mittal         | 8,75,475           | 2.15              |
| Mrs. Mamta Garg            | NIL                | NIL               |
| Mr. Lallan Tripathi        | NIL                | NIL               |
| Mr. Virendra Pratap Mishra | NIL                | NIL               |
| Mr. Dhan Pal Jain          | NIL                | NIL               |

The Company does not have any Stock Option Scheme for its employees.

**STAKEHOLDER RELATIONSHIP COMMITTEE**

Pursuant to the Companies Act, 2013 and the Listing Regulations, the Company has a Stakeholders Relationship Committee. The Committee looks into the grievances of security holders including debenture holders and fixed deposit holders in addition to the equity shareholders of the Company.

The Committee oversees performance of the Registrar and Transfer Agents of the Company and recommends measures for overall improvement in the quality of investor services.

The Stakeholders Relationship Committee meetings were held on the following dates during the last financial year.  
**07.08.2015, 09.11.2015 & 10.02.2016**

The constitution of the Committee and attendance of each member is as given below:

| Name of Member             | Designation | No. of Meeting Held | No. of Meeting Attended |
|----------------------------|-------------|---------------------|-------------------------|
| Mr. Virendra Pratap Mishra | Member      | 3                   | 3                       |
| Mrs. Mamta Garg            | Member      | 3                   | 3                       |

Mr Virendra Pratap Mishra, Chairman of the Stakeholders Relationship Committee, was present at the annual general meeting of the Company held on 28<sup>th</sup> September, 2015 to answer members' queries.

Mr. Sahil Agarwal, Company Secretary, is also designated as the Compliance Officer of the Company.

**RISK MANAGEMENT COMMITTEE**

Risk management Committee overseas and review all matters related to training for framing, implementing and monitoring the risk management plan for the company and the risk assessment and minimization procedures.

The Risk Management Committee meetings were held on the following dates during the last financial year.

07.08.2015 & 09.11.2015

**Composition:**

The Board of Directors constituted a Risk Management Committee comprising of Independent Directors and Non Executive Director.

| Name of Member             | Designation                         | No. of Meeting Held | No. of Meeting Attended |
|----------------------------|-------------------------------------|---------------------|-------------------------|
| Mr. Virendra Pratap Mishra | Chairman, Non Executive Independent | 2                   | 2                       |
| Mr. Nishant Mittal         | Member                              | 2                   | 2                       |

As per Regulation 21(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, constitution of Risk Management Committee is applicable on the top 100 listed entities, determined on the basis of market capitalization, as at the end of the immediate previous financial year.

As Sybly Industries Limited does not fall in the above limit of top 100 companies, the Board of Directors in their meeting held on February 10, 2016 have dissolved Risk Management Committee w.e.f. February 10, 2016.

**RELATED PARTY TRANSACTIONS**

All the related party transactions are entered on an arm's length basis and are in compliance with the applicable provisions of the Companies Act and the Listing Regulations. There are no materially significant related party transactions made by the Company with Promoters, Directors or Key Managerial Personnel etc. which may have potential conflict with the interest of the Company at large.

The Related Party Transactions Policy as approved by Board on recommendation of the Audit Committee is uploaded on the Company's website at the following weblink [http://sybly.com/wp-content/uploads/2015/05/Material\\_Policies\\_RPT.pdf](http://sybly.com/wp-content/uploads/2015/05/Material_Policies_RPT.pdf)

The above policy is subject to change from time to time.

The policy meets the requirements of the SEBI Listing Regulations, 2015.

Your Company does not have any contracts or arrangements with its related parties under Section 188(1) of the Companies Act, 2013, which are not on arm's length basis or material in nature. Hence, the details of such contracts or arrangements with its related parties are not disclosed in Form AOC-2 as prescribed under the Companies Act, 2013 and the Rules framed thereunder.

**MATERIAL SUBSIDIARY**

Policy for determining Material Subsidiaries is uploaded on the Company's website at the following weblink [http://sybly.com/wp-content/uploads/2015/05/Material\\_Subsiidiary.pdf](http://sybly.com/wp-content/uploads/2015/05/Material_Subsiidiary.pdf)

Details of non-compliance by the listed entity, penalties, strictures imposed on the listed entity by stock exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years: **NIL**

Disclosure of commodity price risks and commodity hedging activities: **NIL**

**COMPLIANCES REGARDING INSIDER TRADING**

Securities and Exchange Board of India has notified on 15 January, 2015 new regulations for prohibition of insider trading (effective from 15 May 2015) repealing the regulations issued in 1992. In terms of the new regulations, the Board of the Company, at its meeting held on 30 May 2015, had approved a code of conduct and a code of fair disclosure. The code of conduct and code of fair disclosure framed by the Company have helped in ensuring compliance with the requirements.

**SHARE TRANSFER AGENT**

The Company has appointed the Beetal Financial & Computer Services Pvt, Ltd, as its share transfer agent. All physical transfers, transmission, transposition, issue of duplicate share certificate/s, etc. as well as requests for dematerialisation/rematerialisation are being processed at Beetal. The work related to dematerialisation/rematerialisation is handled by Beetal through its connectivity with National Securities Depository Limited and Central Depository Services (India) Limited.

**Compliance Officer**

Mr. Sahil Agarwal, Company Secretary is the Compliance Officer and is complying with the requirements of the Listing Regulations with the Stock Exchanges and requirements of SEBI (Prohibition of Insider Trading) Regulations, 2015.

**Complaints from Investors**

|   |     |
|---|-----|
| No. of complaints pending at the beginning of the year                        | Nil |
| No. of complaints received by correspondence during the year ended 31.03.2016 | Nil |
| No. of complaints received for Refund / Instrument correction during the year | Nil |
| No. of complaints received from BSE during the year                           | Nil |
| No. of complaints received from DSE during the year                           | Nil |
| No. of complaints received from SEBI during the year                          | Nil |
| No. of complaints resolved / replied during the year                          | Nil |
| No. of Investors complaints pending at the ending of the year 31.03.2016      | Nil |

# **S** **SYBLY INDUSTRIES LIMITED**

We confirm that No complaints remained unattended / pending for more than 30 days.  
There were no share transfers pending for registration for more than 15 days as on the said date.

## **General Body Meetings**

### **Annual General Meetings (AGM)**

| Year    | Date, Time & Venue  | Matters for Special Resolution passed                       |
|---------|---|---|
| 2012-13 | 24.09.2013, 11.30 A.M.<br>& Pawan Puri, Muradnagar - 201 206<br>Distt. Ghaziabad (UP) | 1. To make loans, Investment, guarantee under section 372A. |
| 2013-14 | 27.09.2014, 11.30 A.M.<br>& Pawan Puri, Muradnagar - 201 206<br>Distt. Ghaziabad (UP) | NIL   |
| 2014-15 | 28.09.2015, 11.30 A.M.<br>& Pawan Puri, Muradnagar - 201 206<br>Distt. Ghaziabad (UP) | NIL   |

No Postal Ballot was made during the year 2015-16.

## **Subsidiaries**

M/s Sybly International FZE, Sharjah (UAE) is the non material wholly owned subsidiary of the Company.

The Member may refer for the financial statement of the subsidiary, which form part of the Annual Report as required under the provisions of section 129(3) of the Companies Act, 2013.

## **Disclosures**

There are no materially significant related party transactions made by the Company with its Promoters, Directors or management, their subsidiaries or relatives, etc. that may have potential conflict with the interest of the Company at large. The transactions with related parties as per requirements of Accounting Standard (AS-18)-'Related Party Disclosures' are disclosed in Notes No. 29 of the Balance Sheet in the Annual Report.

The Company follows Accounting Standards issued by the Institute of Chartered Accountants of India and there is no statutory audit qualification in this regard.

## **Means of Communication**

|   |  |
|---|--|
| Quarterly/Half yearly report sent to each household of shareholders   | No   |
| Quarterly/Half yearly/Yearly results of the Company normally published in   | Financial Express (English) & Jansatta (Hindi)         |
| Any website where financial results and official news displayed   | <a href="http://www.bseindia.com">www.bseindia.com</a> |
| Whether any advertisement also displayed officials news releases And Presentations made to institutions or investors/analysts | No presentation made                                   |
| Whether management discussions and analysis forms part of Annual Report   | Yes  |
| Whether shareholders information section forms part of Annual Report  | Yes  |



## SYBLY INDUSTRIES LIMITED

### General Shareholder' Information

|  |   |
|--|---|
| Scheduled AGM's Day, Date, Time & Venue                                | 28th ANNUAL GENERAL MEETING<br>28th September, 2016<br>Wednesday<br>11.30 A.M.<br>Pavan Puri, Muradnagar, Ghaziabad, Uttar Pradesh-201 206  |
| Tentative Financial Year 2016-2017                                     | <ul style="list-style-type: none"> <li>• Financial reporting for the quarter ending 30th June, 2015 : <b>By August 2016</b></li> <li>• Financial reporting for the half year ending 30th September, 2015 : <b>By November, 2016</b></li> <li>• Financial reporting for the quarter ending 31st December, 2015, <b>By February 2017</b></li> <li>• Financial reporting for the year ending 31st March, 2016 : <b>By May 2017 For AFR.</b></li> </ul> |
| Dividend   | As there are no sufficient appropriable profits, Your Board do not recommend any dividend for the financial year 2015-16  |
| Registered Office  | PAWANPURI, MURADNAGAR<br>GHAZIABAD, Uttar Pradesh-201 206<br>Ph.No.: 01232-261765, Email id : syblyindia@gmail.com, sybly@rediffmail.com  |
| Listing of Equity Shares on Stock Exchanges and Payment of Listing Fee | BSE Limited<br>Annual Listing fee for the year 2015-16, has been paid by the Company to Stock Exchanges.  |
| Registrar & Transfers Agents   | <b>Mr. Punit Mittal</b><br><b>General Manager</b><br><b>Beetal Financial &amp; Computer Services (P) Ltd.</b><br>Beetal House, 3rd Floor<br>99, Madangir, Behind Local Shopping Center,<br>Near Dada Harsukhdas Mandir,<br>New Delhi-110062<br>Telephone : 011-29961281, 29961282, Fax : 29961284<br>E-mail : beetalrta@gmail.com   |
| Share Transfer System  | Share Transfer in physical form can be lodged with <b>Beetal Financial &amp; Computer Services (P) Ltd</b> , at abovementioned address or at Registered office of the Company   |
| ISIN for Equity Shares   | INE080D01034  |
| Scrip Code   | BSE'531499'   |

### Stock Market Data

| Months | High | Low  |
|--------|------|------|
| Apr 15 | 3.57 | 2.35 |
| May 15 | 3.10 | 2.46 |
| Jun 15 | 3.25 | 1.88 |
| Jul 15 | 2.85 | 1.91 |
| Aug 15 | 3.79 | 2.08 |
| Sep 15 | 3.53 | 2.67 |
| Oct 15 | 3.65 | 2.33 |
| Nov 15 | 4.78 | 2.65 |
| Dec 15 | 4.12 | 3.03 |
| Jan 16 | 5.70 | 3.81 |
| Feb 16 | 4.69 | 2.67 |
| Mar 16 | 5.19 | 2.72 |

Source : www.bseindia.com

**SYBLY INDUSTRIES LIMITED**

| Shareholding pattern as on 31st March 2016 :<br>CATEGORY |   | NO. OF<br>SHARE HELD | % OF SHAREHOLDING |
|--|---|----------------------|-------------------|
| <b>(A)</b>   | <b>Shareholding of Promoter and Promoter Group</b>                              |                      |                   |
| <b>1</b>   | <b>Indian</b>   |                      |                   |
| (a)  | Individuals / Hindu Undivided Family  | 9681130              | 23.78             |
| (b)  | Bodies Corporate  |                      |                   |
|  | <b>Sub Total (A)(1)</b>   | <b>9681130</b>       | <b>23.78</b>      |
|  | <b>Foreign</b>  | -                    | -                 |
|  | <b>Sub Total (A)(2)</b>   | -                    | -                 |
|  | <b>Total Shareholding of Promoter and Promoter Group (A) = (A)(1) + (A)(2)</b>  | 9681130              | 23.78             |
| <b>(B)</b>   | <b>Public Shareholding</b>  |                      |                   |
| <b>1</b>   | <b>Institutions</b>   |                      |                   |
| (a)  | Mutual Funds / UTI  | -                    | -                 |
| (b)  | Financial Institutions / Banks  | -                    | -                 |
|  | <b>Sub Total (B)(1)</b>   | -                    | -                 |
| <b>2</b>   | <b>Non-Institutions</b>   |                      |                   |
| (a)  | Bodies Corporate  | 16895555             | 41.49             |
| (b)  | Individuals   |                      |                   |
| (i)  | Individual shareholders holding nominal share capital up to Rs. 2 Lakh          | 4170226              | 10.24             |
|  | Individual shareholders holding nominal share capital in excess of Rs. 2 Lakh   | 8701078              | 21.38             |
| (c)  | Other   |                      |                   |
| (i)  | Non Resident Indians  | 227478               | 0.56              |
| (ii)   | Clearing Members  | 23862                | 0.06              |
| (iii)  | Hindu Undivided Family  | 1016801              | 2.49              |
|  | <b>Sub Total (B)(2)</b>   |                      |                   |
|  | <b>Total Public Shareholding (B) = (B)(1) + (B)(2)</b>                          | <b>31034970</b>      | <b>76.22</b>      |
| <b>(C)</b>   | <b>TOTAL (A) + (B)</b>  | <b>40716100</b>      | <b>100.00</b>     |
|  | Share held by Custodians and against which depository Receipts have been issued | -                    | -                 |
|  | <b>GRAND TOTAL (A) + (B) + (C)</b>  | <b>40716100</b>      | <b>100.00</b>     |

**Distribution of Shareholding**

| Share holding Range | No. of Shareholder | %             | Total Shares       | %             |
|---------------------|--------------------|---------------|--------------------|---------------|
| UP TO 500           | 4986               | 94.47         | 30,42,869          | 7.47          |
| 501 - 1000          | 113                | 2.14          | 8,96,752           | 2.20          |
| 1001 - 2000         | 52                 | 0.99          | 7,31,316           | 1.80          |
| 2001 - 3000         | 32                 | 0.61          | 8,01,784           | 1.97          |
| 3001 - 4000         | 13                 | 0.25          | 4,64,522           | 1.14          |
| 4001 - 5000         | 8                  | 0.15          | 3,75,467           | 0.92          |
| 5001 - 10000        | 30                 | 0.57          | 22,48,199          | 5.52          |
| 10001 & ABOVE       | 44                 | 0.83          | 3,21,55,191        | 78.97         |
| <b>TOTAL</b>        | <b>5278</b>        | <b>100.00</b> | <b>4,07,16,100</b> | <b>100.00</b> |

# **S** **SYBLY INDUSTRIES LIMITED**

Outstanding Global Depository Receipts or American Depository Receipts or Warrants or any convertible instruments, conversion date and likely impact on equity : NIL

Commodity price risk or foreign exchange risk and hedging activities : NIL

## **Compliance Certificate of the Auditors**

The Company Secretary in Practice have certified that the Company has complied with the conditions of Corporate Governance as stipulated in Para E of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchange and the same is annexed to the Directors' Report and Management Discussion and Analysis.

The Certificate from the Company Secretary in Practice is attached with the Annual Report of the Company.

## **Reconciliation of Share Capital Audit Report**

The Company has appointed M/s R S Bhatia, Practicing Company Secretary, to conduct Reconciliation of Share Capital Audit of the Company for the financial year ended 31<sup>st</sup> March 2016, who has submitted his quarterly reports confirming that there is no discrepancy.

## **Dematerialisation of Shares and Liquidity**

Pursuant to the SEBI directive, to enable the shareholders to hold their shares in electronic form, the Company has enlisted its shares with National Securities Depository Limited (NSDL) & Central Depository Services (India) Ltd. (CDSL). 99.89% of the Company's Paid up Equity Shares Capital are in the dematerialised form as on 31st March, 2016.

## **Plants and Units Locations:**

The Company has manufacturing facilities at:

Pawan Puri,  
Muradnagar-201206  
Distt. - Ghaziabad  
Uttar Pradesh (India)

## **Address for Correspondence**

(a) **Investor Correspondence:** For any query in relation to the shares of the Company.

## **For Shares held in Physical Form:**

**Mr. Punit Mittal**

**General Manager**

**Beetal Financial & Computer Services (P) Ltd.**

Beetal House, 3rd Floor  
99, Madangir, Behind Local Shopping Center,  
Near Dada Harsukhdas Mandir,  
New Delhi-110062  
Telephone : 011-29961281, 29961282, Fax : 29961284  
E-mail : beetalrta@gmail.com

## **For Shares held in Demat Form**

To the Investors' Depository participant(s) and/or Beetal Financial & Computer Services (P) Ltd at the above address

## **(b) For grievance redressal and any query on Annual Report**

Secretarial Department  
Sybly Industries Limited  
Pawanpuri, Muradnagar,  
Ghaziabad, Uttar Pradesh-201206

**by order of the Board**

**For SYBLY INDUSTRIES LIMITED**

**Place : Muradnagar**

**Date : 11th August, 2016**

**Registered Office :**

Pawan Puri, Muradnagar  
Distt. Ghaziabad (U.P.) – 201206

**Sd/-**

**(Mahesh Chand Mittal)**

**Managing Director**

DIN : 00284866

Res. Add: FLAT NO.603, OC-2,

Orange County, Ahinsa

Khand-1, Indirapuram,

Ghaziabad, 201014

**Sd/-**

**(Nishant Mittal)**

**WTD & CFO**

DIN : 02766556

Res. Add: FLAT NO.603, TOWER-2,

Orange County, Ahinsa Khand-1,

Shipra Sun City, Indirapuram,

Ghaziabad, 201014



# **S** **SYBLY INDUSTRIES LIMITED**

## Declaration on Compliance of the Company's Code of Conduct

To,  
The Board of Directors,  
Sybly Industries Ltd.  
Pawan Puri,  
Muradnagar – 201 206  
Distt. Ghaziabad (U.P.)

The Company has framed a specific Code of Conduct for the members of the Board of Directors and the Senior Management Personnel of the Company pursuant to Regulation 17 and 26(3) and Para D of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with Stock Exchange to further strengthen Corporate Governance Practices in the Company.

All the members of the Board and Senior Management Personnel of the Company have affirmed due observance of the said Code of Conduct in so far as it is applicable to them and there is no noncompliance thereof during the year ended 31<sup>st</sup> March, 2016.

by order of the Board  
For SYBLY INDUSTRIES LIMITED

Place : Muradnagar  
Date : 11th August, 2016  
Registered Office :  
Pawan Puri, Muradnagar  
Distt. Ghaziabad (U.P.) – 201206

Sd/-  
(Mahesh Chand Mittal)  
Managing Director  
DIN : 00284866  
Res. Add: FLAT NO.603, OC-2,  
Orange County, Ahinsa  
Khand-1, Indirapuram,  
Ghaziabad, 201014

Sd/-  
(Nishant Mittal)  
WTD & CFO  
DIN : 02766556  
Res. Add: FLAT NO.603, TOWER-2,  
Orange County, Ahinsa Khand-1,  
Shipra Sun City, Indirapuram,  
Ghaziabad, 201014

## COMPLIANCE CERTIFICATE

To  
The Members of  
Sybly Industries Ltd.

I have reviewed the records concerning the Company's compliance of conditions of Corporate Governance as stipulated in Para E of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 entered into, by the Company, with the Stock Exchanges of India, for the financial year ended 31st March, 2016.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

I have conducted my review on the basis of the relevant records and documents maintained by the Company and furnished to me for the review, and the information and explanations given to me by the Company.

Based on such a review and to the best of my information and according to the explanations given to me, in my opinion, the Company has complied with the conditions of corporate Governance, as stipulated in Para D of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

I further state that, such compliance is neither an assurance as to the future viability of the Company, nor as to the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place: Muradnagar  
Date: 11<sup>th</sup> August, 2016

Sd/-  
(R. S. Bhatia)  
Company Secretary in Practice  
C.P. No.2514

**MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER CERTIFICATION**

To,  
The Board of Directors,  
Sybly Industries Limited

We, Mahesh Chand Mittal, Managing Director and Nishant Mittal, Whole Time Director & CFO of Sybly Industries Limited, to the best of our knowledge and belief hereby certify that:

- A. We have reviewed the financial statements and the cash flow statement of the Company for the year 31<sup>st</sup> March, 2016 and that to the best to our knowledge and belief:
- i) These statement do not contain any materially untrue statement or omit any material fact or contains statement /statements that might be misleading;
  - ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transaction entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct;
- C. We accept responsibility for the establishing and maintaining internal control for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to the financial reporting and we have disclosed to the auditors and Audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps have taken or proposed to take to rectify these deficiencies.
- D. We have indicated whatever applicable, to the auditor and to the audit committee.
- i) Significant changes in internal control over financial reporting during the year;
  - ii) Significant changes in accounting policies during the year, if any and that the same have been disclosed in the notes to the financial statements; and
  - iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

by order of the Board  
For SYBLY INDUSTRIES LIMITED

Place : Muradnagar  
Date : 11th August, 2016  
Registered Office :  
Pawan Puri, Muradnagar  
Distt. Ghaziabad (U.P.) - 201206

Sd/-  
(Mahesh Chand Mittal)  
Managing Director  
DIN : 00284866  
Res. Add: FLAT NO.603, OC-2,  
Orange County, Ahinsa  
Khand-1, Indirapuram,  
Ghaziabad, 201014

Sd/-  
(Nishant Mittal)  
WTD & CFO  
DIN : 02766556  
Res. Add: FLAT NO.603, TOWER-2,  
Orange County, Ahinsa Khand-1,  
Shipra Sun City, Indirapuram,  
Ghaziabad, 201014

**INDEPENDENT AUDITOR'S REPORT**

To the Members of  
SYBLY INDUSTRIES LIMITED

**Report on the Financial Statements**

1. We have audited the accompanying standalone financial statements of “**Sybyl Industries Limited**”, which comprise the Balance Sheet as at March 31, 2016, the Profit and Loss Statement, and the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

**Management's Responsibility for the Financial Statements**

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 and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

3. Our responsibility is to express an opinion on these standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.
4. 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.
5. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.
6. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Opinion**

7. In our opinion and to the best of our information and according to the explanations given to us, the financial statements subject to the remark as contained in notes forming part of accounts particularly Note No. 29 regarding non confirmation of balances; previous year expenditures; & non-disclosure of outstanding of small scale undertakings and read significant accounting policies and other notes forming part of the accounts appearing thereon, 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 March 31, 2016;
  - 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 the Cash Flow Statement, of the cash flows for the year ended on that date.

**Report on Other Legal and Regulatory Requirements**

8. As required by the Companies (Auditor's Report) Order, 2016 (“the Order”) issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the **Annexure** a statement on the matters specified in paragraphs 4 and 5 of the Order, to the extent applicable.
9. As required by Section 143 (3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of

# **S** **SYBLY INDUSTRIES LIMITED**

- those books.
- c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of written representations received from the directors as on March 31, 2016, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016, from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the 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:
- the Company has disclosed the impact of pending litigations on its financial position in its financial statements as referred to in Note 19 to the financial statements;
  - the Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses; and
  - there were no amounts which required to be transferred to the Investor Education and Protection Fund by the Company.

**Place : MEERUT**  
**Dated : 26<sup>th</sup> May, 2016**

**V.S. Gupta & Co.**  
Chartered Accountants

**Sd/-**  
**(CA. Hemant Kumar Gupta**  
Partner  
Membership No. 071580  
Firm Reg. No. 00724C

## **ANNEXURE**

### **Annexure to the Independent Auditor's Report to the members of Sybly Industries Limited on the accounts of the company for the year ended 31<sup>st</sup> March, 2016**

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

- (i) (a) The company has maintained proper records showing full particulars including quantitative details and situation of Fixed Assets.
- (b) The assets have been physically verified by the management during the year according to the regular program of verification which, in our opinion, is reasonable having regard to the size of the company and the nature of its fixed assets. The discrepancies noticed on such physical verification were not material.
- (c) According to the information and explanations given to us and on the basis of our examinations of the records of the Company, the title deeds of immovable properties are held in the name of the company. ;
- (ii) (a) The inventories of the company at all its locations (except stocks lying with third parties and in transit, confirmation/subsequent receipts have been obtained in respect of such inventory) have been physically verified by the management during the year at reasonable intervals.
- (b) The procedures of physical verification of Inventories, followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- (c) The Company is maintaining proper records of Inventory. The discrepancies between the physical stocks as compared to book records were not material.
- (iii) The Company has not granted any Loans, secured or unsecured to Companies, Firms, Limited Liability Partnership or Other Parties covered in the Register maintained under Section 189 of the Companies Act 2013 (the Act). Accordingly, paragraph 3(iii) (a), (b) & (c) of the Order are not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions

# SYBLY INDUSTRIES LIMITED

of Section 185 and 186 of the Companies Act, 2013 with respect to the loans and investments made.

- (v) In our opinion and according to the information and explanations given to us, The Company has not accepted any deposits from the public covered under Section 73 to 76 of the Companies Act, 2013.
- (vi) As informed by the management, the books of account relating to materials, labour and other items of cost maintained by the company pursuant to the Rules made by the Central Government for the maintenance of cost records under Section 148 of the Companies Act, 2013 are maintained. We have, however, not made a detailed examination of the said records with a view to determine whether they are accurate or complete as the company is getting a cost audit conducted from a qualified person in this regard and will submit Cost Audit Report to the Central Government.
- (vii)(a) The company is regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees State Insurance, Investor Education Protection Fund, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess, Value Added Cess and other material statutory dues applicable to it.

According to the information and explanation given to us, no undisputed amounts payable in respect of statutory dues including Provident Fund, Employees State Insurance, Investor Education Protection Fund, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess, Value Added Cess and other material statutory dues applicable to it, were in arrears, as at 31st March, 2016 for a period of more than six months from the date they became payable.

- (b) According to the information and explanation given to us, there are no dues of Sales Tax, Custom Duty, Wealth Tax, Service Tax, Excise Duty and Cess, which have not been deposited on account of any dispute. However, according to information and explanations given to us, the following dues of income tax have not been deposited by the Company on account of disputes:

| Nature of Statute | Nature of Dues | Amount (Rs.) | Period to which Amount relates | Forum where dispute is pending |
|-------------------|----------------|--------------|--------------------------------|--------------------------------|
| Income Tax Act    | Demand         | 39,776/-     | A. Y. 1998-99                  | ITAT                           |
| Income Tax Act    | Demand         | 2,43,034/-   | A. Y. 2001-02                  | ITAT                           |
| Income Tax Act    | Demand         | NIL          | A. Y. 2013-14                  | CIT                            |

- (viii) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to a financial institution, bank, Government or debenture holders.
- (ix) In our opinion, moneys raised by way of initial public offer or further public offer (including debt instruments) and term loans have been applied for the purpose for which they were obtained.
- (x) According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations given to us and on the basis of our examinations of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Companies Act.
- (xii) In our opinion, the company is not a Nidhi Company. Therefore, the provisions of clause 3(xii) of the Companies (Auditor's Report) Order, 2016, are not applicable to the company.
- (xiii) According to the information and explanations given to us and on the basis of our examinations of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to 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.
- (xv) According to the information and explanations given to us and on the basis of our examinations of the records of the Company, the company has not entered into any non-cash transactions with directors or persons connected with him.
- (xvi) The company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

Place : MEERUT  
Dated : 26<sup>th</sup> May, 2016

**V.S. Gupta & Co.**  
Chartered Accountants

Sd/-  
**(CA. Hemant Kumar Gupta)**  
Partner  
Membership No. 071580  
Firm Reg. No. 00724C



# SYBLY INDUSTRIES LIMITED

## ANNEXURE - B TO THE INDEPENDENT AUDITORS' REPORT

To the Members of  
SYBLY INDUSTRIES LIMITED

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

We have audited the internal financial controls over financial reporting of "Sybly Industries Limited", as of 31 March 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

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

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

#### **Auditors' Responsibility**

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

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

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

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

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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 31 March 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place : MEERUT  
Dated : 26<sup>th</sup> May, 2016

**V.S. Gupta & Co.**  
Chartered Accountants

Sd/-  
**(CA. Hemant Kumar Gupta Partner**  
Membership No. 071580, Firm Reg. No. 00724C



# SYBLY INDUSTRIES LIMITED

## BALANCE SHEETS AS AT 31ST MARCH, 2016

| Particulars  | Note No. | As at 31.03.2016                | As at 31.03.2015              |
|--|----------|---------------------------------|-------------------------------|
| <b>I. EQUITY AND LIABILITIES</b>                                 |          |                                 |                               |
| <b>(1) Shareholders' Funds</b>                                   |          |                                 |                               |
| (a) Share Capital  | 2        | 40,72,26,000.00                 | 40,72,26,000.00               |
| (b) Reserve and surplus  | 3        | 7,92,87,007.49                  | 7,95,54,049.61                |
| <b>(2) Share application money pending allotment</b>             |          | -                               | -                             |
| <b>(3) Non-current liabilities</b>                               |          |                                 |                               |
| (a) Long-term borrowings   | 4        | 6,16,17,277.88                  | 6,73,79,776.08                |
| (b) Long-term provisions   | 5        | 16,82,85,345.00                 | 13,53,21,455.00               |
| <b>(4) Current Liabilities</b>                                   |          |                                 |                               |
| (a) Short-term borrowings  | 6        | 11,33,43,012.38                 | 11,12,56,244.35               |
| (b) Trade payable  | 7        | 16,19,84,785.69                 | 12,17,71,277.81               |
| (c) Other current Liabilities                                    | 8        | 88,99,984.87                    | 2,16,51,261.10                |
| (d) Short-term provisions  | 9        | 38,11,942.00                    | 32,91,544.00                  |
| <b>TOTAL</b>   |          | <b><u>1,00,44,55,355.31</u></b> | <b><u>94,74,51,607.95</u></b> |
| <b>II. ASSETS</b>  |          |                                 |                               |
| <b>(1) Non-current assets</b>                                    |          |                                 |                               |
| (a) Fixed assets   | 10       |                                 |                               |
| (i) Tangible assets  |          | 11,58,43,345.22                 | 11,62,22,950.54               |
| (ii) Capital work-in-progress                                    |          | -                               | -                             |
| (b) Non-current Investments                                      | 11       | 56,30,550.00                    | 55,94,050.00                  |
| (c) Deferred Tax Assets (net)                                    |          | 1,95,28,700.00                  | 2,00,26,419.00                |
| (d) Long-term loans and advances                                 | 12       | 8,72,00,522.47                  | 8,12,19,099.47                |
| (e) Other non-current assets                                     | 13       | -                               | -                             |
| <b>(2) Current assets</b>  |          |                                 |                               |
| (a) Inventories  | 14       | 5,73,92,915.00                  | 6,93,50,571.00                |
| (b) Trade receivable   | 15       | 21,89,88,134.89                 | 17,26,98,979.03               |
| (c) Cash and Bank Balances                                       | 16       | 48,81,265.01                    | 1,64,37,980.91                |
| (d) Short-term loans and advances                                | 17       | 49,21,20,032.72                 | 46,36,05,879.00               |
| (e) Other current assets   | 18       | 28,69,890.00                    | 22,95,679.00                  |
| <b>TOTAL</b>   |          | <b><u>1,00,44,55,355.31</u></b> | <b><u>94,74,51,607.95</u></b> |
| Notes to Accounts and Significant Accounting Policies            | 1        | -                               | -                             |
| Note No. 29 forms an integral part of these Financial Statements | 29       |                                 |                               |

For and on behalf of Board of Directors

Sd/-  
(MAHESH CHAND MITTAL)  
Managing Director  
(Din : 00284866)

Sd/-  
(NISHANT MITTAL)  
Whole Time Director & CFO  
(Din : 02766556)

Sd/-  
(SAHIL AGARWAL)  
Company Secretary  
(Memb. No. A36817)

As per our separate report of even date annexed.  
For V.S. Gupta & Co.  
Chartered Accountants

Place : Muradnagar  
Date : 26th May, 2016

Sd/-  
(CA. Hemant Kumar Gupta)  
Partner  
Membership No. 071580  
Firm Reg. No. 00724C

# SYBLY INDUSTRIES LIMITED

## PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016

| Particulars  | Note No.  | For the period ended<br>31.03.2016 | For the period ended<br>31.03.2015 |
|--|-----------|------------------------------------|------------------------------------|
| <b>REVENUE</b>   |           |                                    |                                    |
| <b>I. Revenue from Operations</b>  |           |                                    |                                    |
| Sales of Products  |           | 69,30,46,724.00                    | 82,86,24,534.00                    |
|  |           | <u>69,30,46,724.00</u>             | <u>82,86,24,534.00</u>             |
| <b>II. Other Income</b>  | <b>20</b> | 2,03,98,036.00                     | 82,45,860.00                       |
| <b>III. Total Revenue (I+ II)</b>  |           | <u><b>71,34,44,760.00</b></u>      | <u><b>83,68,70,394.00</b></u>      |
| <b>EXPENSES</b>  |           |                                    |                                    |
| Cost of material consumed  | <b>21</b> | 61,05,84,212.00                    | 72,38,90,538.00                    |
| Manufacturing & Operating Cost   | <b>22</b> | 4,38,54,483.00                     | 3,83,85,217.00                     |
| Changes in inventories of finished goods, work-in-progress and stock-in trade  | <b>23</b> | 95,91,620.00                       | 2,58,07,087.00                     |
| Employee benefits expenses   | <b>24</b> | 1,87,73,360.00                     | 1,69,66,625.00                     |
| Finance Costs  | <b>25</b> | 1,77,73,379.40                     | 1,60,61,896.68                     |
| Depreciation and Amortization Expenses   | <b>10</b> | 35,89,105.00                       | 38,50,004.00                       |
| Other expenses   | <b>26</b> | 82,59,793.65                       | 1,03,61,946.61                     |
| <b>IV. Total Expenses</b>  |           | <u><b>71,24,25,953.05</b></u>      | <u><b>83,53,23,314.29</b></u>      |
| <b>V. Profit before exceptional and extraordinary items (III-IV)</b>           |           | 10,18,806.95                       | 15,47,079.71                       |
| <b>VI. Exceptional Items</b>   | <b>27</b> | -                                  | -                                  |
| <b>VII. Profit before extraordinary items and tax (V-VI)</b>                   |           | <u><b>10,18,806.95</b></u>         | <u><b>15,47,079.71</b></u>         |
| <b>VIII. Extraordinary Items</b>   | <b>28</b> | -                                  | -                                  |
| <b>IX. Profit before Tax (PBT) (VII-VIII)</b>                                  |           | <u><b>10,18,806.95</b></u>         | <u><b>15,47,079.71</b></u>         |
| <b>X. Tax Expense of continuing operations</b>                                 |           |                                    |                                    |
| Current Tax (including Wealth Tax)   |           | -                                  | -                                  |
| MAT Credit Entitlement   |           | 1,94,133.00                        | 2,94,796.00                        |
| Deferred Tax   |           | 4,97,719.00                        | 7,80,822.00                        |
| <b>XI. Profit/(loss) for the period from continuing operations (IX-X-XIV)</b>  |           | 3,26,954.95                        | 4,71,461.71                        |
| <b>XII. Profit/(loss) from discontinuing operations</b>                        |           | -                                  | -                                  |
| <b>XIII. Tax expense of discontinuing operations</b>                           |           | -                                  | -                                  |
| <b>XIV. Profit/(loss) from discontinuing operations (after tax) (XII-XIII)</b> |           | -                                  | -                                  |
| <b>XV. Profit/(loss) for the period [Profit After Tax (PAT)] (XI+ XIV)</b>     |           | 3,26,954.95                        | 4,71,461.71                        |
| <b>XVI. Earnings per equity share</b>  |           |                                    |                                    |
| (1) Basic  |           | 0.01                               | 0.01                               |
| (2) Diluted  |           | -                                  | -                                  |

For and on behalf of Board of Directors

Sd/-  
(MAHESH CHAND MITTAL)  
Managing Director  
(Din : 00284866)

Sd/-  
(NISHANT MITTAL)  
Whole Time Director & CFO  
(Din : 02766556)

Sd/-  
(SAHIL AGARWAL)  
Company Secretary  
(Memb. No. A36817)

As per our separate report of even date annexed.  
**For V.S. Gupta & Co.**  
Chartered Accountants

Place : Muradnagar  
Date : 26th May, 2016

Sd/-  
(CA. Hemant Kumar Gupta)  
Partner  
Membership No. 071580  
Firm Reg. No. 00724C



# SYBLY INDUSTRIES LIMITED

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2016 Prepared pursuant to Listing Agreement

|   | 31st March 2016<br>Amount (Rs.) | 31st March 2015<br>Amount (Rs.) |
|---|---------------------------------|---------------------------------|
| <b>A. CASH FLOW FROM OPERATING ACTIVITIES :</b>             |                                 |                                 |
| Net Profit before Tax and Extraordinary items               | 10,18,806.95                    | 15,47,079.71                    |
| <b>Adjustment for:</b>                                      |                                 |                                 |
| Depreciation  | 35,89,105.00                    | 38,50,004.00                    |
| Finance Charges   | 1,66,87,482.99                  | 1,57,34,845.58                  |
| <b>Adjustment for:</b>                                      |                                 |                                 |
| Rental Income   | (3,00,000.00)                   | (3,00,000.00)                   |
| Interest received   | (84,07,170.00)                  | (78,29,867.00)                  |
| Profit on Sale of Fixed Assets                              | -                               | -                               |
|   | (87,07,170.00)                  | (81,29,867.00)                  |
| Adjustment For Previous Year:<br>Previous year adjustments  | (2,56,272.07)                   | (48,773.00)                     |
| <b>Cash Flow From Extraordinary items</b>                   | <b>1,23,31,952.87</b>           | <b>1,29,53,289.29</b>           |
| <b>Operating Profit before Working Capital Changes</b>      |                                 |                                 |
| <b>Adjustment for:</b>                                      |                                 |                                 |
| Trade receivables   | (4,62,89,155.86)                | 80,72,022.30                    |
| Loans & Advances  | (3,44,95,576.72)                | 27,74,024.35                    |
| Inventories   | 1,19,57,656.00                  | 3,60,99,556.00                  |
| Other current assets  | (5,74,211.00)                   | 4,56,529.70                     |
| Trade Payable   | 4,02,13,507.88                  | (6,62,73,605.14)                |
| Short-term borrowings                                       | 20,86,768.03                    | 8,15,814.44                     |
| Other current liabilities                                   | (1,27,51,276.23)                | 23,98,233.42                    |
| Long-term provisions  | 3,29,63,890.00                  | 1,63,04,014.00                  |
| Short-term provisions                                       | 5,20,398.00                     | 8,79,181.00                     |
|   | (63,67,999.90)                  | 15,25,770.07                    |
| Cash generated from operations                              | 59,63,952.97                    | 1,44,79,059.36                  |
| Taxes Paid  | 6,91,852.00                     | 10,75,618.00                    |
| Cash flow from operating activities                         | 52,72,100.97                    | 1,34,03,441.36                  |
| <b>B. CASH FLOW FROM INVESTING ACTIVITIES:</b>              |                                 |                                 |
| Interest received   | 84,07,170.00                    | 78,29,867.00                    |
| Rental Income   | 3,00,000.00                     | 3,00,000.00                     |
| Sale of Fixed Assets  | -                               | 2,25,832.00                     |
| Purchase/Sale of Investments                                | (36,500.00)                     | (21,800.00)                     |
| Purchase of Assets (including Capital Work<br>in progress)  | (35,47,224.68)                  | -                               |
| Net Cash used in Investing activities                       | 51,23,445.32                    | 83,33,899.00                    |
| <b>C. CASH FLOW FROM FINANCING ACTIVITIES:</b>              |                                 |                                 |
| Equity Share Capital (including share application<br>money) | -                               | -                               |
| Adjustment for Preliminary Expenses                         | -                               | 23,48,562.00                    |
| Borrowings/(Repayment) of Loans                             | (57,62,498.20)                  | 36,77,909.88                    |
| Finance Charges   | (1,66,87,482.99)                | (1,57,34,845.58)                |
| Deferred tax liabilities                                    | 4,97,719.00                     | 7,80,822.00                     |
|   | (2,19,52,262.19)                | (89,27,551.70)                  |
|   | (1,15,56,715.90)                | 1,28,09,788.66                  |
| Opening Bal. of Cash and Cash equivalents                   | 1,64,37,980.91                  | 36,28,192.25                    |
| Closing Bal. of Cash and Cash equivalents                   | 48,81,256.01                    | 1,64,37,980.91                  |
|   | 0.00                            | 0.00                            |

For and on behalf of Board of Directors

Sd/-  
(MAHESH CHAND MITTAL)  
Managing Director  
(Din : 00284866)

Sd/-  
(NISHANT MITTAL)  
Whole Time Director & CFO  
(Din : 02766556)

Sd/-  
(SAHIL AGARWAL)  
Company Secretary  
(Memb. No. A36817)

As per our separate report  
of even date annexed.  
For V.S. Gupta & Co.  
Chartered Accountants

Place : Muradnagar  
Date : 26th May, 2016

Sd/-  
(CA. Hemant Kumar Gupta)  
Partner  
Membership No. 071580  
Firm Reg. No. 00724C

**NOTE - 1 SIGNIFICANT ACCOUNTING POLICIES:****I. Basis of accounting and preparation of financial statements**

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under the relevant provisions of the Companies Act, 2013.

Company follows the Mercantile System of Accounting and recognizes Income and Expenditure on Accrual Basis otherwise specifically stated. The Accounts are being prepared as a going concern on the historical cost basis. Accounting Policies not referred to otherwise are consistent with Generally Accepted Accounting Principles.

**II. Revenue Recognition**

Sales are recognised at the point of despatch. Other Income is recognised as and when the same is accrued.

**III. Use of Estimates**

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

**IV. Valuation of Inventories**

Inventories of Raw Materials, Consumable Stores & Spares, Stock in trade of Trading Purchases and Stock-in-Process are valued at cost on FIFO basis, Scrap at realizable value & Finished Goods are valued at cost or NRV whichever is less.

**V. Cash and cash equivalents (for purposes of Cash Flow Statement)**

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

**VI. Cash flow statement**

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

**VII. Fixed assets / Tangible Assets**

Fixed Assets are stated at cost less accumulated depreciation. The cost of an asset comprises its purchase price and any directly attributable cost of bringing the assets to working condition for its intended use and also includes financing cost till commencement of commercial production. In respect of assets taken on Leases, the same are accounted for only on transfer of ownership to the Company and on transfer cost.

**VIII. Depreciation**

The Depreciation on fixed assets has been provided on straight line method, calculated based on the useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.

**IX. Foreign Currency Transactions**

Transactions in Foreign currencies are recorded at exchange rate prevailing on the date of transaction. Monetary items denominated in foreign currency are restated at the exchange rate prevailing on the balance sheet date and exchange difference is accounted as provision for foreign exchange fluctuation. Actual exchange differences arising on realization/final settlement in Indian rupees are dealt with in the Profit and Loss Account.

**X. Employee retirement benefit**

- (i) Retirement benefits in the form of provident fund scheme whether in pursuance of any law or otherwise is accounted on accrual basis and charged to the profit & loss account of the year.
- (ii) The Gratuity has been provided for on the basis of Actuarial Valuation dated 10.05.2016, which was prepared on "Projected Unit Credit Method" and Bonus to employees are provided for on accrual basis.
- (iii) The Company has adopted policy to pay the leave encashment on yearly basis calculated as per calendar year to all eligible employees.

**XI. Earnings per share**

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds

# S **SYBLY INDUSTRIES LIMITED**

receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

## XII. Taxes on Income

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

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognised only if there is virtual certainty that there will be sufficient future taxable income available to realise such assets. Deferred tax assets are recognised for timing differences of other items only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date for their realisability.

## XIII. Provisions and contingencies

A provision is recognized when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes.

## XIV. Investments

Investments in India are stated at cost. Investment outside India involving foreign currency transactions are being valued at the year end rates.

## XV. Business Segment

The company is engaged in business of manufacturing of yarn and trading of Fabrics, which is in same business segment.

## Note - 2 Share Capital

### (A) Authorised, Issued, Subscribed and Paid-up Share Capital and par value share

| Particulars   | As at 31.03.2016       | As at 31.03.2015       |
|---|------------------------|------------------------|
| <b>Authorised Share Capital</b>   |                        |                        |
| 7,00,00,000 Equity Shares of Rs. 10/- each                                | 70,00,00,000.00        | 70,00,00,000.00        |
| <b>Issued Share Capital</b>   |                        |                        |
| 4,07,29,100 Equity Shares of Rs. 10/- each                                | 40,72,91,000.00        | 40,72,91,000.00        |
| <b>Subscribed and Fully Paid-up Share Capital</b>                         |                        |                        |
| 4,07,16,100 Equity Shares of Rs. 10/- each                                | 40,71,61,000.00        | 40,71,61,000.00        |
| <b>Subscribed but not Full Paid-up Share Capital</b>                      |                        |                        |
| 13,000 Equity Shares of Rs. 5/- paid - Forfeited                          | 65,000.00              | 65,000.00              |
| <b>TOTAL</b>  | <b>40,72,26,000.00</b> | <b>40,72,26,000.00</b> |
| <b>Number of shares outstanding as at the beginning of the year</b>       | 4,07,16,100.00         | 4,07,16,100.00         |
| <b>Add :</b>  |                        |                        |
| Number of shares allotted as fully paid-up bonus shares during the period | -                      | -                      |
| <b>Less :</b>   |                        |                        |
| Number of shares bought back during the period                            | -                      | -                      |
| <b>Number of shares outstanding as at the end of the period</b>           | 4,07,16,100.00         | 4,07,16,100.00         |

# SYBLY INDUSTRIES LIMITED

## Share in the company held by each shareholder holding more than 5% Share

| Sl. No. | Name of the shareholder             | Number of shares as on 31.03.2016 | Number of shares as on 31.03.2015 |
|---------|-------------------------------------|-----------------------------------|-----------------------------------|
| 1       | CCL INTERNATIONAL LIMITED           | 86,50,735                         | 87,50,735                         |
| 2       | SUMAN MITTAL                        | 45,55,205                         | 10,56,788                         |
| 3       | MAHESH CHAND MITTAL                 | 33,67,137                         | 33,67,137                         |
| 4       | WEBWIZTEC SOLUTIONS PRIVATE LIMITED | 23,23,146                         | 29,80,278                         |
| 5       | DRISTI TEXTILE PRIVATE LIMITED      | 22,00,000                         | 22,00,000                         |
| 6       | QUEST SECURITIES LIMITED            | 7,18,348                          | 22,14,129                         |

### Note - 3 RESERVE & SURPLUS

|  |   |                         |                         |
|--|---|-------------------------|-------------------------|
| <b>A General Reserve</b>                   |   |                         |                         |
|  | Opening Balance                                       | 14,19,498.24            | 14,19,498.24            |
|  | Add : Trf. from surplus in Statement of Profit & Loss | -                       | -                       |
|  |   | 14,19,498.24            | 14,19,498.24            |
|  | Less : Utilised / Transferred during the period       | -                       | -                       |
|  | Closing Balance                                       | <b>14,19,498.24</b>     | <b>14,19,498.24</b>     |
| <b>B Securities Premium Account</b>        |   |                         |                         |
|  | Opening Balance                                       | 7,37,50,000.00          | 7,37,50,000.00          |
|  | Add : Premium on shares issued during the period      | -                       | -                       |
|  |   | 7,37,50,000.00          | 7,37,50,000.00          |
|  | Less : Utilised during the period                     | -                       | -                       |
|  | Closing Balance                                       | <b>7,37,50,000.00</b>   | <b>7,37,50,000.00</b>   |
| <b>C Revaluation Reserve</b>               |   |                         |                         |
|  | Opening Balance                                       | 5,52,75,746.42          | 5,56,13,471.42          |
|  | Add : Addition on revaluations during the period      | -                       | -                       |
|  |   | 5,52,75,746.42          | 5,56,13,471.42          |
|  | Less : Utilised during the period                     | 3,37,725.00             | 3,37,725.00             |
|  | Closing Balance                                       | <b>5,49,38,021.42</b>   | <b>5,52,75,746.42</b>   |
| <b>D Surplus (Profit and Loss Account)</b> |   |                         |                         |
|  | Opening Balance                                       | (5,08,91,195.05)        | (5,13,13,883.76)        |
|  | Add : Profit / (Loss) for the period                  | 3,26,954.95             | 4,71,461.71             |
|  |   | (5,05,64,240.10)        | (5,08,42,422.05)        |
|  | Less : Deduction during the period                    | -                       | -                       |
|  | Less : Previous year adjustments                      | 2,56,272.07             | 48,773.00               |
|  | Closing Balance                                       | <b>(5,08,20,512.17)</b> | <b>(5,08,91,195.05)</b> |
|  | <b>TOTAL (A+B+C+D)</b>                                | <b>7,92,87,007.49</b>   | <b>7,95,54,049.61</b>   |

### NOTE -4 LONG TERM BORROWINGS

|                               |   |                       |                       |
|-------------------------------|---|-----------------------|-----------------------|
| <b>Secured borrowings</b>     |   |                       |                       |
| <b>Terms loans from banks</b> |   |                       |                       |
|                               | Term Loan for Car                       | 1,30,274.00           | 9,06,190.00           |
|                               |   | 1,30,274.00           | 9,06,190.00           |
| <b>Unsecured borrowings</b>   |   |                       |                       |
|                               | Loans and advances from related parties | 6,14,87,003.88        | 6,64,73,586.08        |
|                               |   | 6,14,87,003.88        | 6,64,73,586.08        |
|                               | <b>TOTAL</b>                            | <b>6,16,17,277.88</b> | <b>6,73,79,776.08</b> |

**Nature of Security and terms of repayments for Long Term Secured borrowings :**

| Nature of Security   | Terms of Repayment   |
|--|--|
| i. Car Loan from Kotak Mahindra Bank Ltd. amounting to Rs. 30.00 lacs (March 31, 2016 Rs.9.06 lacs) is secured by way of Hypothecation of Vehicle. | Repayable in 36 monthly installments commencing from June, 2014. Last installment due in May, 2017. Rate of interest 19.06% p.a. as at year end. |

**Nature of Long Term Unsecured borrowings :**

The Unsecured Loans have been taken from Directors / Promoters & their relatives. These Unsecured Loans have been taken in the condition imposed by the financial institution for bringing the adequate margins. These unsecured loans will not be repaid without the permission of the financial institution. During the year some of unsecured loans are repaid and in place of them fresh are taken. However, the overall quantum of the unsecured loans were within the adequate margins as stipulated by the financial institution. The company is of the opinion that these are well within the provision of Section 73 of the Companies Act, 2013 as the same are accepted in pursuance of stipulations of financial institutions.

**NOTE-5 LONG TERM PROVISIONS**

|                              |                        |                        |
|------------------------------|------------------------|------------------------|
| Currency Fluctuation Reserve | 16,82,85,345.00        | 13,53,21,455.00        |
|                              | <b>16,82,85,345.00</b> | <b>13,53,21,455.00</b> |

**NOTE-6 SHORT-TERM BORROWINGS**

**Secured borrowings**

|   |                 |                 |
|---|-----------------|-----------------|
| A <b>Loans payable on demand</b>          |                 |                 |
| Working Capital Loans repayable on demand | 11,29,03,668.38 | 11,12,56,244.35 |

**Unsecured borrowings**

|                                  |                        |                        |
|----------------------------------|------------------------|------------------------|
| B Loans and advances from others | 4,39,344.00            | -                      |
| <b>TOTAL (A + B)</b>             | <b>11,33,43,012.38</b> | <b>11,12,56,244.35</b> |

**NOTE-7 TRADE PAYABLES**

|                        |                        |                        |
|------------------------|------------------------|------------------------|
| Acceptances            | -                      | -                      |
| Other than Acceptances | 16,19,84,785.69        | 12,17,71,277.81        |
|                        | <b>16,19,84,785.69</b> | <b>12,17,71,277.81</b> |

**NOTE-8 OTHER CURRENT LIABILITIES**

**Current maturities of long term debt (Repayable in FY 2016-2017)**

|                   |              |              |
|-------------------|--------------|--------------|
| Term Loan for Car | 7,75,916.00  | 10,61,998.00 |
| Business Loans    | 15,99,900.00 | -            |

**Other Payables**

|                         |              |                |
|-------------------------|--------------|----------------|
| Statutory remittances   | 3,14,176.00  | 86,758.00      |
| Advances from customers | 5,41,607.00  | 2,96,780.00    |
| Others                  | 56,68,385.87 | 2,02,05,725.10 |

|              |                     |                       |
|--------------|---------------------|-----------------------|
| <b>TOTAL</b> | <b>88,99,984.87</b> | <b>2,16,51,261.10</b> |
|--------------|---------------------|-----------------------|

**NOTE-9 SHORT TERM PROVISION**

|                          |                     |                     |
|--------------------------|---------------------|---------------------|
| Provision for Income Tax | 19,41,33.00         | 2,94,796.00         |
| Provision for Gratuity   | 3,61,78,09.00       | 29,96,748.00        |
| <b>TOTAL</b>             | <b>38,11,942.00</b> | <b>32,91,544.00</b> |

**NOTE 10 : FIXED ASSETS**

| Description          | GROSS BLOCK               |                          |                          |                             | DEPRECIATION                 |                      |                           |                              | NET BLOCK           |                     |
|----------------------|---------------------------|--------------------------|--------------------------|-----------------------------|------------------------------|----------------------|---------------------------|------------------------------|---------------------|---------------------|
|                      | Original as at 01.04.2015 | Addition during the Year | Delition during the year | Total Cost as at 31.03.2016 | Depreciation upto 31.03.2015 | Depreciation on Sale | Depreciation for the Year | Depreciation upto 31.03.2016 | As At 31.03.2016    | As At 31.03.2015    |
| Land                 | 54244530.00               | -                        | -                        | 54244530.00                 | -                            | -                    | -                         | -                            | 54244530.00         | 54244530.00         |
| Building             | 88268178.91               | -                        | -                        | 88268178.91                 | 32651754.00                  | -                    | 2694972.00                | 35346726.00                  | 52921452.91         | 55616424.91         |
| Plant & Machinery    | 260530247.39              | 3784254.75               | -                        | 264314502.14                | 259556909.39                 | -                    | 347952.00                 | 259904861.39                 | 4409640.75          | 973338.00           |
| Computers            | 3877934.00                | -                        | -                        | 3877934.00                  | 3862411.00                   | -                    | 11262.00                  | 3873673.00                   | 4261.00             | 15523.00            |
| Furniture & Fixtures | 1317798.05                | -                        | -                        | 1317798.05                  | 1099493.38                   | -                    | 105589.34                 | 1205082.72                   | 112715.33           | 218304.67           |
| Vehicles             | 8295402.07                | -                        | -                        | 8295402.07                  | 3503836.00                   | -                    | 713768.87                 | 4217604.87                   | 4077797.20          | 4791566.07          |
| Office Equipments    | 1016201.89                | -                        | -                        | 1016201.89                  | 652938.00                    | -                    | 290315.86                 | 943253.86                    | 72948.03            | 363263.89           |
| <b>Total</b>         | <b>417550292.31</b>       | <b>3784254.75</b>        | <b>0.00</b>              | <b>421334547.06</b>         | <b>301327341.77</b>          | <b>0.00</b>          | <b>4163860.07</b>         | <b>305491201.84</b>          | <b>115843345.22</b> | <b>116222950.54</b> |

**NOTE-11 NON-CURRENT INVESTMENTS**

Investment in Equity Shares of Subsidiary

1(As at 31.03.2015 : 1) Fully Paid up Equity Share of AED 35000 each of Sybly International FZE, Sharjah (Unquoted at cost)

6,30,550.00                      5,94,050.00

Investment in Desire Retail Pvt. Ltd., 31250 5% Non Cumulative Redeemable Pref. Shares of Rs. 100/- each, Paidup Rs.80/- per Share (Unquoted at cost)

25,00,000.00                      25,00,000.00

Investment in Vishu Enterprises Pvt. Ltd., 31250 5% Non Cumulative Redeemable Pref. Shares of

Rs. 100/- each, Paidup Rs.80/- per Share (Unquoted at cost)

25,00,000.00                      25,00,000.00

**56,30,550.00                      55,94,050.00**

**NOTE-12 LONG-TERM LOANS AND ADVANCES**

(Unsecured, considered good)

|  |                       |                       |
|--|-----------------------|-----------------------|
| A Capital advances                     | 53,01,145.16          | 41,70,431.16          |
| B Security deposits                    | 30,23,395.00          | 30,23,395.00          |
| C Balances with Government Authorities | -                     | -                     |
| D Others                               |                       |                       |
| Advance to Suppliers                   | 1,95,22,422.31        | 19,52,422.31          |
| Loans and advances to Corporate Bodies | 7,69,23,560.00        | 7,20,72,851.00        |
| <b>TOTAL (A + B + C + D)</b>           | <b>8,72,00,522.47</b> | <b>8,12,19,099.49</b> |

**NOTE-13 OTHER NON-CURRENT ASSETS**

**Miscellaneous Expenditure**

(To the extent not written off or adjusted )

|                           |          |              |
|---------------------------|----------|--------------|
| A GDR Issue Expenses      | -        | 23,48,562.00 |
| Less : Amount Written off | -        | 23,48,562.00 |
| <b>TOTAL</b>              | <b>-</b> | <b>-</b>     |

**NOTE-14 INVENTORIES**

|                        |                       |                       |
|------------------------|-----------------------|-----------------------|
| Raw Material           | 78,39,860.00          | 1,02,82,768.00        |
| Stores and Spare Parts | 4,96,500.00           | 3,61,400.00           |
| Packing Material       | 1,76,800.00           | 1,57,500.00           |
| Fuels                  | 3,99,830.00           | 4,77,358.00           |
| Finished Goods         | 70,49,970.00          | 77,66,280.00          |
| Stock in Process       | 4,07,86,450.00        | 4,97,87,245.00        |
| Scrap & Waste          | 6,43,505.00           | 5,18,020.00           |
| <b>TOTAL</b>           | <b>5,73,92,915.00</b> | <b>6,93,50,571.00</b> |

**NOTE-15 TRADE RECEIVABLES**

(Unsecured, considered good)

|                    |  |                        |  |                        |
|--------------------|--|------------------------|--|------------------------|
| A                  | Trade receivables outstanding for more than six months from the date they became due for payment | 5,51,28,586.89         |  | 6,26,96,708.33         |
| B                  | Trade Receivables (others)   | 16,38,59,548.00        |  | 11,00,02,270.70        |
| <b>TOTAL (A+B)</b> |  | <b>21,89,88,134.89</b> |  | <b>17,26,98,979.03</b> |

**NOTE-16 CASH AND BANK BALANCES**

|                      |                                |                     |  |                       |
|----------------------|--------------------------------|---------------------|--|-----------------------|
| <b>A</b>             | <b>Balance with Banks</b>      |                     |  |                       |
| <b>(I)</b>           | <b>Other bank balances</b>     |                     |  |                       |
|                      | (i) In Deposits Accounts       | 38,91,665.01        |  | 36,88,363.91          |
| <b>B</b>             | <b>Cheques, drafts on hand</b> |                     |  |                       |
|                      | (i) Cheques on hand            | 2,95,399.00         |  | 1,24,32,550.00        |
| <b>C</b>             | <b>Cash on hand</b>            |                     |  |                       |
|                      |                                | 6,94,201.00         |  | 3,17,067.00           |
| <b>TOTAL (A+B+C)</b> |                                | <b>48,81,265.01</b> |  | <b>1,64,37,980.91</b> |

**NOTE-17 SHORT-TERM LOANS AND ADVANCES**

(Unsecured, considered good)

|                          |                                       |                        |  |                        |
|--------------------------|---------------------------------------|------------------------|--|------------------------|
| A                        | Loans and advances to related parties | 49,05,53,071.00        |  | 46,20,89,571.00        |
| B                        | Loans and advances to Employees       | 21,537.00              |  | 41,537.00              |
| C                        | Prepaid Expenses                      | 72,381.00              |  | 87,968.00              |
| D                        | Balances with Government Authorities  | -                      |  | -                      |
| E                        | Others (Advance to Suppliers)         | 14,73,043.72           |  | 13,86,803.00           |
| <b>TOTAL (A+B+C+D+E)</b> |                                       | <b>49,21,20,032.72</b> |  | <b>46,36,05,879.00</b> |

**NOTE-18 OTHER CURRENT ASSETS**

|              |                     |                     |
|--------------|---------------------|---------------------|
|              | 28,69,890.00        | 22,95,679.00        |
| <b>TOTAL</b> | <b>28,69,890.00</b> | <b>22,95,679.00</b> |

**NOTE-19 CONTINGENT LIABILITIES AND COMMITMENTS  
(TO THE EXTENT NOT PROVIDED FOR)**

|          |  |  |  |   |
|----------|--|--|--|---|
| <b>A</b> | <b>Contingent Liabilities</b>  |  |  |   |
|          | (a) Claims against the company not acknowledged as debts   |  |  | -----NIL-----   |
|          | (b) Guarantees   |  |  | -----NIL-----   |
|          | (c) Other money for which company is contingently liable:  |  |  |   |
|          | (i) The Income Tax assessments of the Company is pending for the assessment year 2014-2015 and 2015-16. However the Company does not envisage any liability in respect thereof. The Company's Appeals for assessment year 1998-99, 2001-02 & 2013-14 are pending before the Income Tax Appellate Authorities but the Company does not envisage any liability and expect full relief in the appeal.                                     |  |  |   |
|          | (ii) The Trade Tax assessments of the Company for the assessment years 2014-2015 and 2015-16 are pending but the Company does not envisage any liability for these years other than what has been paid or provided.  |  |  |   |
|          | (iii) A demand of Rs. 8,51,135.34 has been raised by The Maharashtra State Co-op. Cotton Growers Marketing Federation Ltd., Mumbai after adjusting advance of Rs. 19,07,422.31, deposited by Company, for purchase of Cotton. However, the Company did not purchase such Cotton, The Maharashtra State Co-op. Cotton Growers Marketing Federation Ltd., Mumbai raised dispute, which is pending in litigation before the Court of Law. |  |  |   |
|          | (d) Bills discounted with banks  |  |  | -----NIL-----   |
| <b>B</b> | <b>Commitment</b>  |  |  |   |
|          | (a) Estimated amount of contracts remaining to be executed on capital account and not provided for   |  |  | Order Value Rs. 513 Lacs, balance unpaid is Rs. 460.00 Lacs |

# S **SYBLY INDUSTRIES LIMITED**

## NOTE-20 OTHER INCOME

|                   |                       |                     |
|-------------------|-----------------------|---------------------|
| Rental Income     | 3,00,000.00           | 3,00,000.00         |
| Interest Received | 84,07,170.00          | 78,29,867.00        |
| Other Income      | 1,16,90,866.00        | 1,15,993.00         |
| <b>TOTAL</b>      | <b>2,03,98,036.00</b> | <b>82,45,860.00</b> |

## NOTE-21 COST OF MATERIAL CONSUMED

|                          |                        |                        |
|--------------------------|------------------------|------------------------|
| Raw Material Consumed    | 17,27,58,433.00        | 22,00,20,960.00        |
| Purchase of Traded Goods | 43,78,25,779.00        | 50,38,69,578.00        |
| <b>TOTAL</b>             | <b>61,05,84,212.00</b> | <b>72,38,90,538.00</b> |

## NOTE-22 MANUFACTURING & OPERATING COST

|                  |                       |                       |
|------------------|-----------------------|-----------------------|
| Power & Fuel     | 4,09,99,820.00        | 3,61,81,930.00        |
| Packing Material | 23,80,016.00          | 20,99,789.00          |
| Freight Inward   | 3,80,918.00           | -                     |
| Chemicals        | 93,729.00             | 1,03,498.00           |
| <b>TOTAL</b>     | <b>4,38,54,483.00</b> | <b>3,83,85,217.00</b> |

## NOTE-23 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

### Closing Stock:

|                  |                       |                       |
|------------------|-----------------------|-----------------------|
| Finished Goods   | 70,49,970.00          | 77,66,280.00          |
| Stock in Process | 4,07,86,450.00        | 4,97,87,245.00        |
| Scrap & Waste    | 6,43,505.00           | 5,18,020.00           |
| <b>TOTAL</b>     | <b>4,84,79,925.00</b> | <b>5,80,71,545.00</b> |

### Opening Stock:

|                  |                       |                       |
|------------------|-----------------------|-----------------------|
| Finished Goods   | 77,66,280.00          | 1,35,45,952.00        |
| Stock in Process | 4,97,87,245.00        | 6,93,86,020.00        |
| Scrap & Waste    | 5,18,020.00           | 9,46,660.00           |
| <b>TOTAL</b>     | <b>5,80,71,545.00</b> | <b>8,38,78,632.00</b> |

Net (increase)/decrease

|  |                       |                         |
|--|-----------------------|-------------------------|
|  | <b>(95,91,620.00)</b> | <b>(2,58,07,087.00)</b> |
|--|-----------------------|-------------------------|

## NOTE-24 EMPLOYEE BENEFIT EXPENSES

|                              |                       |                       |
|------------------------------|-----------------------|-----------------------|
| Salaries, Wages & Incentives | 1,70,00,870.00        | 1,53,02,082.00        |
| Bonus                        | 3,50,499.00           | 2,66,490.00           |
| Gratuity                     | 8,45,103.00           | 8,84,170.00           |
| Provident Fund               | 5,02,195.00           | 4,77,638.00           |
| Staff & Labour Welfare       | 74,693.00             | 36,245.00             |
| <b>TOTAL</b>                 | <b>1,87,73,360.00</b> | <b>1,69,66,625.00</b> |

## NOTE-25 FINANCE COSTS

### Interest on :

|                          |                       |                       |
|--------------------------|-----------------------|-----------------------|
| Term Loans               | 3,29,790.00           | 4,48,052.58           |
| Bank Borrowings & Others | 1,63,57,692.99        | 1,52,86,793.00        |
| Bank Charges & Others    | 10,85,896.41          | 3,27,051.10           |
| <b>TOTAL</b>             | <b>1,77,73,379.40</b> | <b>1,60,61,896.68</b> |



**NOTE-26 OTHER EXPENSES**

|                               |                     |                       |
|-------------------------------|---------------------|-----------------------|
| Repairs - Plant & Machinery   | 40,20,091.17        | 51,17,889.53          |
| Repairs - Factory Building    | 1,11,465.00         | 83,280.00             |
| Repairs - Others              | 2,27,402.35         | 1,79,877.00           |
| Printing & Stationery         | 1,71,401.00         | 1,99,013.00           |
| Communication Expenses        | 3,19,698.48         | 3,32,481.48           |
| Travelling & Conveyance       | 5,75,474.70         | 1,22,593.18           |
| Vehicle Running & Maintenance | 5,41,900.62         | 4,21,841.59           |
| Insurance Charges             | 2,99,448.00         | 3,32,952.35           |
| Legal & Professional Charges  | 4,11,401.00         | 2,01,785.00           |
| Rates & Taxes                 | 1,00,135.00         | 64,000.00             |
| Auditors Remuneration         | 98,395.00           | 95,416.00             |
| Advertisement & Publicity     | 61,875.00           | 65,753.00             |
| Freight & Forwarding          | 5,07,624.00         | 3,95,232.00           |
| Commission on Sales           | 1,84,202.00         | -                     |
| Membership & Subscription     | 19,818.00           | 5,618.00              |
| Secretarial Expenses          | 5,41,383.20         | 3,50,785.41           |
| Charity & Donation            | 44,100.00           | 16,599.00             |
| Expenses written off          | -                   | 23,48,562.00          |
| General Expenses              | 23,979.13           | 28,268.07             |
| <b>TOTAL</b>                  | <b>82,59,793.65</b> | <b>1,03,61,946.61</b> |

**NOTE-27 EXCEPTIONAL ITEMS**

|              |   |   |
|--------------|---|---|
| <b>TOTAL</b> | - | - |
|--------------|---|---|

**NOTE-28 EXTRAORDINARY ITEMS**

|              |   |   |
|--------------|---|---|
| <b>TOTAL</b> | - | - |
|--------------|---|---|

**Note - 29 Additional Information to the financial statements**

- A. Confirmation of balances from some of parties appearing under the head current liabilities, sundry debtors, loans and advances are awaited
- B. Company has revalued its Fixed Assets namely Land and Building on 31.03.2004. The value of aforesaid assets has increased by Rs.5,90,00,625.42 as per Valuation Report dt.31.03.2004 from a qualified & authorized firm of Engineers M/s.Universal Consultants, Meerut. The aforesaid amount has been credited to Revaluation Reserve Account. Further, during the year, same has been reduced by equivalent amount of depreciation charged on this revalued amount.
- C. The bifurcation of the total outstanding dues of small scale industrial undertakings and other than small scale industrial undertakings as well as the name of the small scale industrial, undertakings to whom the company owes a sum of exceeding rupees one lacs and which is outstanding for more than thirty days, are not disclosed in the Balance Sheet as suppliers have not indicated their status on their documents/papers whether they are small scale undertakings or not hence it is not possible for the company to disclose the said information in respect of trade creditors.
- D. The cost records for the financial year 2015-2016 are under preparation and till the date of this Balance Sheet, the same could not be finalized.
- E. The company has valued the stock of finished goods at lower of cost or realizable value in terms of AS-2.
- F. In the opinion of the Board of Directors, the current assets, loans and advances are approximately of the value stated if realised in the ordinary course of business and the provision for all known liabilities is adequate and not in excess of the amount reasonably necessary.
- G. During the current year company has written off unclaimed creditors related to GDR issue expenses for the amount of Rs. 1,15,87,500/- which have been included in Other Income in Note No. 20.
- H. Managerial Remuneration :  
Managerial remuneration has been paid within the limits specified by Schedule V of the Companies Act, 2013. Computation of Net Profit u/s 198 of the Act is not given in view of there being no commission payable to any director. The details of managerial remuneration paid under Section 197 of the Companies Act, 2013 are as under:

## SYBLY INDUSTRIES LIMITED

|                  |   |                                       |
|------------------|---|---------------------------------------|
| Salaries / Perks | <b>Current Year<br/>Rs. in Lacs<br/>40.20</b> | Previous Year<br>Rs. in Lacs<br>30.90 |
|------------------|---|---------------------------------------|

- I. During the current year no dividend is proposed to be paid hence not provided for.  
 J. Particulars of Capacity, Production, Turnover and Stock for manufacturing Activities:

| Class of Product    |               | Polyester Yarn |               |
|---------------------|---------------|----------------|---------------|
|                     |               | Current Year   | Previous Year |
| Licensed Capacity   | M. Ton        | N.A.           | N.A.          |
| Installed Capacity  | M. Ton        | 2500           | 2500          |
| Production          | M. Ton        | 1996.771       | 2015.213      |
| Purchases of Yarn   | M. Ton        | -              | -             |
| Captive Consumption | M. Ton        | -              | -             |
| Turnover            | M. Ton        | 1984.404       | 2034.133      |
|                     | Rs. (in lacs) | 2340.86        | 3077.22       |
| Opening Stock       | M. Ton        | 60.760         | 79.680        |
|                     | Rs. (in lacs) | 77.66          | 135.46        |
| Closing Stock       | M. Ton        | 73.127         | 60.760        |
|                     | Rs. (in lacs) | 70.50          | 77.66         |

#### K. Particulars of Trading Activities:

| Item          | Stock in the beginning of the year |              | Purchases during the year |                      | Sales during the year   |                      | Stock at the end of the year |              |
|---------------|------------------------------------|--------------|---------------------------|----------------------|-------------------------|----------------------|------------------------------|--------------|
|               | Qty.                               | Rs.(in lacs) | Qty.                      | Rs.(in lacs)         | Qty.                    | Rs.(in lacs)         | Qty.                         | Rs.(in lacs) |
| Cloth (Mtrs.) | NIL<br>(NIL)                       | NIL<br>(NIL) | 4947704.80<br>(5200348)   | 3984.46<br>(4881.94) | 4947704.80<br>(5200348) | 4189.61<br>(5043.10) | NIL<br>(NIL)                 | NIL<br>(NIL) |
| Cloth (Kg.)   | NIL<br>(NIL)                       | NIL<br>(NIL) | 106721<br>(94000)         | 393.80<br>(133.87)   | 106721<br>(94000)       | 398.11<br>(137.73)   | NIL<br>(NIL)                 | NIL<br>(NIL) |
| Cloth (Pcs.)  | NIL<br>(NIL)                       | NIL<br>(NIL) | NIL<br>(1840)             | NIL<br>(22.88)       | NIL<br>(1840)           | NIL<br>(23.99)       | NIL<br>(NIL)                 | NIL<br>(NIL) |

#### L. Particulars of Raw Materials Consumed:

|                               |        | Current Year |                     | Previous Year |                |
|-------------------------------|--------|--------------|---------------------|---------------|----------------|
|                               |        | Quantity     | Rs. In Lacs         | Quantity      | Rs. in Lacs    |
| Polyester Staple Fiber        | M. Ton | 2083.205     | 1727.58             | 2154.960      | 2200.21        |
| Cloth                         | Kg..   | 106721       | 393.80              | 94000         | 133.87         |
| Cloth                         | Mtr.   | 4947704.80   | 3984.46             | 5200348       | 4881.94        |
| Cloth                         | Pcs.   | -            | -                   | 1840          | 22.88          |
|                               |        |              | <b>6105.84</b>      |               | <u>7238.90</u> |
| Indigenous Materials Consumed |        |              | <b>6105.84 100%</b> |               | 7238.90 100%   |
| Imported Materials Consumed   |        |              | NIL                 |               | NIL            |

#### M. Expending and Earning in Foreign Currency :

|  | Current Year<br>Rs. in Lacs | Previous Year<br>Rs. in Lacs |
|--|-----------------------------|------------------------------|
| (a) Expenditure in Foreign Currency:<br>Value of Imports on C.I.F.Basis                                    | NIL                         | NIL                          |
| (b) Earning in Foreign Exchange:<br>(i) Exports of Goods calculated on F.O.B.Basis<br>(ii) Interest Income | NIL<br>NIL                  | NIL<br>NIL                   |

# SYBLY INDUSTRIES LIMITED

N. Disclosures in respect of related party as defined in Accounting Standard 18, with whom transactions were carried out in the ordinary course of Business during the year as given below:-

**Related party disclosures**

**a. List of related parties**

- i. Subsidiaries
  - Sybly International FZE
- ii. Key Management Personnel
  - Mahesh Chand Mittal
  - Nishant Mittal
- iii. Relatives of Key Management Personnel
  - Suman Mittal
  - Parul Mittal
  - Rashi Mittal
  - Shikha Mittal
  - Vartex Fabrics (P) Ltd. (Common KMP Shri M.C. Mittal)
  - Dux Textiles (P) Ltd. (Common KMP Shri Nishant Mittal)

**b. Transactions /Balances outstanding with Related Parties.**

(Rs. in Lacs)

| Particulars                           | Subsidiaries | Key Management Personnel | Relatives of Key Management Personnel | Enterprise having common Key Management Personnel | Total        |
|---------------------------------------|--------------|--------------------------|---------------------------------------|---|--------------|
|                                       | Amount (Rs.) | Amount (Rs.)             | Amount (Rs.)                          | Amount (Rs.)                                      | Amount (Rs.) |
| Loans & Advances                      | 284.63       | -                        | -                                     | -   | 284.63       |
| Unsecured Loans                       | -            | 74.33                    | (117.95)                              | (6.25)  | (37.37)      |
| <b>Managerial Remuneration</b>        |              |                          |                                       |   |              |
| Salary/contribution to provident fund | -            | 40.20                    | 27.90                                 | -   | 68.10        |

O. In the opinion of the Board of Directors, the current assets, loans and advances are approximately of the value stated if realised in the ordinary course of business and the provisions for all known liabilities is adequate and not in excess of amount reasonably necessary.

P. Previous Year's figures have been regrouped / rearranged wherever necessary.

SIGNATURE TO NOTES 1 TO 29

For and on behalf of Board of Directors

Sd/-  
**(MAHESH CHAND MITTAL)**  
Managing Director  
(Din : 00284866)

Sd/-  
**(NISHANT MITTAL)**  
Whole Time Director & CFO  
(Din : 02766556)

Sd/-  
**(SAHIL AGARWAL)**  
Company Secretary  
(Memb. No. A36817)

As per our separate report of even date annexed.  
**For V.S. Gupta & Co.**  
Chartered Accountants

Place : Muradnagar  
Date : 26th May, 2016

Sd/-  
**(CA. Hemant Kumar Gupta)**  
Partner  
Membership No. 071580  
Firm Reg. No. 00724C

**INDEPENDENT AUDITOR'S REPORT**

To the Members of  
**SYBLY INDUSTRIES LIMITED**

**REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS**

1. We have audited the accompanying consolidated financial statements of Sybly Industries Limited, and its subsidiary Sybly International FZE (collectively referred to as "the Group") which comprise the Consolidated Balance Sheet as at March 31, 2016, and the Consolidated Statement of Profit and Loss and Consolidated Cash Flow Statement for the year then ended 31<sup>st</sup> March 2016, and a summary of significant accounting policies and other explanatory information.

**Management's Responsibility for the Financial Statements**

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 consolidated financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Group 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 Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

3. Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.
4. 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 consolidated financial statements are free from material misstatement.
5. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the consolidated financial statement.
6. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Other Matters**

We did not audit the financial statements of wholly owned subsidiary Sybly International FZE, whose financial statements reflect total assets of Rs. 5023.22 Lacs for the year ended on that date. These financial statements and other financial information have been audited by other auditors whose report has been furnished to us, and our opinion is based solely on the report of other auditors.

**Opinion**

7. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements subject to the remark as contained in notes forming part of accounts particularly Note No. 29 regarding non confirmation of balances; previous year expenditures; & non-disclosure of outstanding of small scale undertakings and read significant accounting policies and other notes forming part of the accounts appearing thereon, give the information as 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 consolidated Balance Sheet, of the state of affairs of the Company as at March 31, 2016;
  - b) in the case of the consolidated Profit and Loss Account, of the profit for the year ended on that date; and
  - c) in the case of the consolidated Cash Flow Statement, of the cash flows for the year ended on that date.

Place : MEERUT  
Dated : 26<sup>th</sup> May, 2016

**V.S. Gupta & Co.**  
Chartered Accountants

Sd/-  
**(CA. Hemant Kumar Gupta** Partner  
Membership No. 071580,  
Firm Reg. No. 00724C

# SYBLY INDUSTRIES LIMITED

## CONSOLIDATED BALANCE SHEETS AS AT 31ST MARCH, 2016

| Particulars   | Note No.  | As at 31.03.2016                | As at 31.03.2015              |
|---|-----------|---------------------------------|-------------------------------|
| <b>I. EQUITY AND LIABILITIES</b>  |           |                                 |                               |
| <b>(1) Shareholders' Funds</b>  |           |                                 |                               |
| (a) Share Capital   | 2         | 40,72,26,000.00                 | 40,72,26,000.00               |
| (b) Reserve and surplus   | 3         | 7,01,65,528.49                  | 7,06,37,514.61                |
| <b>(2) Share application money pending allotment</b>                    |           | -                               | -                             |
| <b>(3) Non-current liabilities</b>                                      |           |                                 |                               |
| (a) Long-term borrowings  | 4         | 6,16,17,277.88                  | 6,73,79,776.08                |
| (b) Long-term provisions  | 5         | 18,68,16,918.00                 | 15,33,34,112.00               |
| <b>(4) Current Liabilities</b>  |           |                                 |                               |
| (a) Short-term borrowings   | 6         | 11,33,50,183.38                 | 11,12,56,244.35               |
| (b) Trade payable   | 7         | 16,19,84,785.69                 | 12,18,45,347.81               |
| (c) Other current Liabilities   | 8         | 1,06,21,652.87                  | 2,33,58,032.10                |
| (d) Short-term provisions   | 9         | 38,11,942.00                    | 32,91,544.00                  |
| <b>TOTAL</b>  |           | <b><u>1,01,55,94,228.31</u></b> | <b><u>95,83,28,570.95</u></b> |
| <b>II. ASSETS</b>   |           |                                 |                               |
| <b>(1) Non-current assets</b>   |           |                                 |                               |
| (a) Fixed assets  | 10        |                                 |                               |
| (i) Tangible assets   |           | 11,58,43,345.22                 | 11,62,22,950.54               |
| (ii) Capital work-in-progress   |           | -                               | -                             |
| (b) Non-current Investments   | 11        | 50,00,000.00                    | 50,00,000.00                  |
| (c) Deferred Tax Assets (net)   |           | 1,95,28,700.00                  | 2,00,26,419.00                |
| (d) Long-term loans and advances  | 12        | 8,72,00,522.47                  | 8,12,19,099.47                |
| (e) Other non-current assets  | 13        | -                               | -                             |
| <b>(2) Current assets</b>   |           |                                 |                               |
| (a) Inventories   | 14        | 5,73,92,915.00                  | 6,93,50,571.00                |
| (b) Trade Receivable  | 15        | 72,11,42,031.89                 | 64,61,79,756.03               |
| (c) Cash and Bank Balances  | 16        | 50,49,922.01                    | 1,65,17,787.91                |
| (d) Short-term loans and advances                                       | 17        | 15,66,961.72                    | 15,16,308.00                  |
| (e) Other current assets  | 18        | 28,69,890.00                    | 22,95,679.00                  |
| <b>TOTAL</b>  |           | <b><u>1,01,55,94,228.31</u></b> | <b><u>95,83,28,570.95</u></b> |
| <b>Notes to Accounts and Significant Accounting Policies</b>            | <b>1</b>  | -                               | -                             |
| <b>Note No. 29 forms an integral part of these Financial Statements</b> | <b>29</b> |                                 |                               |

For and on behalf of Board of Directors

Sd/-  
(MAHESH CHAND MITTAL)  
Managing Director  
(Din : 00284866)

Sd/-  
(NISHANT MITTAL)  
Whole Time Director & CFO  
(Din : 02766556)

Sd/-  
(SAHIL AGARWAL)  
Company Secretary  
(Memb. No. A36817)

As per our separate report of even date annexed.  
**For V.S. Gupta & Co.**  
Chartered Accountants

Place : Muradnagar  
Date : 26th May, 2016

Sd/-  
(CA. Hemant Kumar Gupta)  
Partner  
Membership No. 071580  
Firm Reg. No. 00724C

# SYBLY INDUSTRIES LIMITED

## CONSOLIDATED PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016

| Particulars  | Note No.  | For the period ended<br>31.03.2016 | For the period ended<br>31.03.2015 |
|--|-----------|------------------------------------|------------------------------------|
| <b>REVENUE</b>   |           |                                    |                                    |
| <b>I. Revenue from Operations</b>  |           |                                    |                                    |
| Sales of Products  |           | 69,30,46,724.00                    | 82,86,24,534.00                    |
|  |           | <u>69,30,46,724.00</u>             | <u>82,86,24,534.00</u>             |
| <b>II. Other Income</b>  | <b>20</b> | 2,03,98,036.00                     | 82,45,860.00                       |
| <b>III. Total Revenue (I+II)</b>   |           | <u><b>71,34,44,760.00</b></u>      | <u><b>83,68,70,394.00</b></u>      |
| <b>EXPENSES</b>  |           |                                    |                                    |
| Cost of material consumed  | <b>21</b> | 61,05,84,212.00                    | 72,38,90,538.00                    |
| Manufacturing & Operating Cost   | <b>22</b> | 4,38,54,483.00                     | 3,83,85,217.00                     |
| Changes in inventories of finished goods, work-in-progress and stock-in trade  | <b>23</b> | 95,91,620.00                       | 2,58,07,087.00                     |
| Employee benefits expenses   | <b>24</b> | 1,87,73,360.00                     | 1,69,66,625.00                     |
| Finance Costs  | <b>25</b> | 1,78,20,674.40                     | 1,61,05,534.68                     |
| Depreciation and Amortization Expenses   | <b>10</b> | 35,89,105.00                       | 38,50,004.00                       |
| Other expenses   | <b>26</b> | 84,17,442.65                       | 3,01,18,942.61                     |
| <b>IV. Total Expenses</b>  |           | <u><b>71,26,30,897.05</b></u>      | <u><b>85,51,23,948.29</b></u>      |
| <b>V. Profit before exceptional and extraordinary items (III-IV)</b>           |           | 8,13,862.95                        | (1,82,53,554.29)                   |
| <b>VI. Exceptional Items</b>   | <b>27</b> | -                                  | -                                  |
| <b>VII. Profit before extraordinary items and tax (V-VI)</b>                   |           | <u><b>8,13,862.95</b></u>          | <u><b>1,82,53,554.29</b></u>       |
| <b>VIII. Extraordinary Items</b>   | <b>28</b> | -                                  | -                                  |
| <b>IX. Profit before Tax (PBT) (VII-VIII)</b>                                  |           | <u><b>8,13,862.95</b></u>          | <u><b>1,82,53,554.29</b></u>       |
| <b>X. Tax Expense of continuing operations</b>                                 |           |                                    |                                    |
| Current Tax (including Wealth Tax)   |           | -                                  | -                                  |
| MAT Credit Entitlement   |           | 1,94,133.00                        | 2,94,796.00                        |
| Deferred Tax   |           | 4,97,719.00                        | 7,80,822.00                        |
| <b>XI. Profit/(loss) for the period from continuing operations (IX-X-XIV)</b>  |           | 1,22,010.95                        | (1,93,29,172.29)                   |
| <b>XII. Profit/(loss) from discontinuing operations</b>                        |           | -                                  | -                                  |
| <b>XIII. Tax expense of discontinuing operations</b>                           |           | -                                  | -                                  |
| <b>XIV. Profit/(loss) from discontinuing operations (after tax) (XII-XIII)</b> |           | -                                  | -                                  |
| <b>XV. Profit/(loss) for the period [Profit After Tax (PAT)] (XI+XIV)</b>      |           | 1,22,010.95                        | (1,93,29,172.29)                   |
| <b>XVI. Earnings per equity share</b>  |           |                                    |                                    |
| (1) Basic  |           | 0.00                               | (0.47)                             |
| (2) Diluted  |           | -                                  | -                                  |

For and on behalf of Board of Directors

Sd/-  
(MAHESH CHAND MITTAL)  
Managing Director  
(Din : 00284866)

Sd/-  
(NISHANT MITTAL)  
Whole Time Director & CFO  
(Din : 02766556)

Sd/-  
(SAHIL AGARWAL)  
Company Secretary  
(Memb. No. A36817)

As per our separate report of even date annexed.  
**For V.S. Gupta & Co.**  
Chartered Accountants

Place : Muradnagar  
Date : 26th May, 2016

Sd/-  
(CA. Hemant Kumar Gupta)  
Partner  
Membership No. 071580  
Firm Reg. No. 00724C



# SYBLY INDUSTRIES LIMITED

## Consolidated Cash Flow Statement For The Year Ended 31st March 2016 Prepared pursuant to Listing Agreement

|   | 31st March 2016<br>Amount (Rs.) |                         | 31st March 2015<br>Amount (Rs.) |                       |
|---|---------------------------------|-------------------------|---------------------------------|-----------------------|
| <b>A. CASH FLOW FROM OPERATING ACTIVITIES :</b>             |                                 |                         |                                 |                       |
| Net Profit before Tax and Extraordinary items               |                                 | 8,13,862.95             |                                 | (1,82,53,554.29)      |
| <b>Adjustment for:</b>                                      |                                 |                         |                                 |                       |
| Depreciation  | 35,89,105.00                    |                         | 38,50,004.00                    |                       |
| Finance Charges   | 1,66,87,482.99                  | 2,02,76,587.99          | 1,57,34,845.58                  | 1,95,84,849.58        |
| <b>Adjustment for:</b>                                      |                                 |                         |                                 |                       |
| Rental Income   | (3,00,000.00)                   |                         | (3,00,000.00)                   |                       |
| Interest received   | (84,07,170.00)                  |                         | (78,29,867.00)                  |                       |
| Profit on Sale of Fixed Assets                              | -                               | (87,07,170.00)          | -                               | (81,29,867.00)        |
| Adjustment For Previous Year:<br>Previous year adjustments  | (2,56,272.07)                   | (2,56,272.07)           | (48,773.00)                     | (48,773.00)           |
| <b>Cash Flow From Extraordinary items</b>                   |                                 | <b>1,21,27,008.87</b>   |                                 | <b>(68,47,344.71)</b> |
| <b>Operating Profit before Working Capital Changes</b>      |                                 |                         |                                 |                       |
| <b>Adjustment for:</b>                                      |                                 |                         |                                 |                       |
| Trade receivables   | (7,49,62,275.86)                |                         | 97,40,492.30                    |                       |
| Loans & Advances  | (60,32,076.72)                  |                         | 1,96,42,178.35                  |                       |
| Inventories   | 1,19,57,656.00                  |                         | 3,60,99,556.00                  |                       |
| Other current assets  | (5,74,211.00)                   |                         | 4,56,529.70                     |                       |
| Trade Payable   | 4,01,39,437.88                  |                         | (6,62,70,886.14)                |                       |
| Short-term borrowings                                       | 20,93,939.03                    |                         | 8,15,814.44                     |                       |
| Other current liabilities                                   | (1,27,36,379.23)                |                         | 25,60,518.42                    |                       |
| Long-term provisions  | 3,34,82,806.00                  |                         | 1,74,57,692.00                  |                       |
| Short-term provisions                                       | 5,20,398.00                     | (61,10,705.90)          | 8,79,181.00                     | 2,13,81,076.07        |
| Cash generated from operations                              |                                 | 60,16,302.97            |                                 | 1,45,33,731.36        |
| Taxes Paid  |                                 | 6,91,852.00             |                                 | 10,75,618.00          |
| Cash flow from operating activities                         |                                 | <b>53,24,450.97</b>     |                                 | <b>1,34,58,113.36</b> |
| <b>B. CASH FLOW FROM INVESTING ACTIVITIES:</b>              |                                 |                         |                                 |                       |
| Interest received   | 84,07,170.00                    |                         | 78,29,867.00                    |                       |
| Rental Income   | 3,00,000.00                     |                         | 3,00,000.00                     |                       |
| Sale of Fixed Assets  | -                               |                         | 2,25,832.00                     |                       |
| Purchase/Sale of Investments                                | -                               |                         | -                               |                       |
| Purchase of Assets (including Capital Work<br>in progress)  | (35,47,224.68)                  |                         | -                               |                       |
| Net Cash used in Investing activities                       |                                 | <b>51,59,945.32</b>     |                                 | <b>83,55,699.00</b>   |
| <b>C. CASH FLOW FROM FINANCING ACTIVITIES:</b>              |                                 |                         |                                 |                       |
| Equity Share Capital (including share application<br>money) | -                               |                         | -                               |                       |
| Adjustment for Preliminary Expenses                         | -                               |                         | 23,48,562.00                    |                       |
| Borrowings/(Repayment) of Loans                             | (57,62,498.20)                  |                         | 36,77,909.88                    |                       |
| Finance Charges   | (1,66,87,482.99)                |                         | (1,57,34,845.58)                |                       |
| Deferred tax liabilities                                    | 4,97,719.00                     | (2,19,52,262.19)        | 7,80,822.00                     | (89,27,551.70)        |
|   |                                 | <b>(1,14,67,865.90)</b> |                                 | <b>1,28,86,260.66</b> |
| Opening Bal. of Cash and Cash equivalents                   | 1,65,17,787.91                  |                         | 36,31,527.25                    |                       |
| Closing Bal. of Cash and Cash equivalents                   | 50,49,922.01                    | (1,14,67,865.90)        | 1,65,17,787.91                  | 1,28,86,260.66        |
|   |                                 | <b>0.00</b>             |                                 | <b>0.00</b>           |

For and on behalf of Board of Directors

Sd/-  
(MAHESH CHAND MITTAL)  
Managing Director  
(Din : 00284866)

Sd/-  
(NISHANT MITTAL)  
Whole Time Director & CFO  
(Din : 02766556)

Sd/-  
(SAHIL AGARWAL)  
Company Secretary  
(Memb. No. A36817)

As per our separate report  
of even date annexed.  
For V.S. Gupta & Co.  
Chartered Accountants

Place : Muradnagar  
Date : 26th May, 2016

Sd/-  
(CA. Hemant Kumar Gupta)  
Partner  
Membership No. 071580  
Firm Reg. No. 00724C

**NOTE TO ACCOUNT**

**NOTE - 1 FORMING PART OF THE CONSOLIDATED  
BALANCE SHEET AND PROFIT AND LOSS ACCOUNT**

**A. Basis of Consolidation :**

The consolidated financial statement relate to Sybly Industries Limited (the company) and its wholly owned subsidiary company i.e. Sybly International FZE.

**(a) Basis of Accounting :**

- (i) The financial statement of the subsidiary company used in the consolidation are drawn upto the same reporting date as of the company i.e. year ended March 31, 2016.
- (ii) The financial statements of the company and the subsidiary company have been prepared in accordance with the accounting standard issued by the Institute of Chartered Accountants of India, and generally accepted accounting principles.

**(b) Principles of Consolidation:**

The consolidated financial statements have been prepared on the following basis:

- (i) The financial statements of the company and its subsidiary company have been combined on a line-by-line basis adding together like items of assets, liabilities, income and expenses. The intra-group balances and intra group transactions and unrealised profits or losses are fully eliminated.
- (ii) Investments in associate company have been accounted as per the Accounting Standard-13 "Accounting of Investments" Issued by the Institute of the Chartered Accountants of India.
- (iii) As the subsidiary is 100% subsidiary there is no minority interest in the net assets of consolidated subsidiary.

**(c) Information on the subsidiary:**

|                             | % voting power held  |
|-----------------------------|----------------------|
|                             | as at March 31, 2016 |
| (i) Sybly International FZE | 100.00               |

**B. SIGNIFICANT ACCOUNTING POLICIES:**

**I. Basis of accounting and preparation of financial statements**

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under the relevant provisions of the Companies Act, 2013.

Company follows the Mercantile System of Accounting and recognizes Income and Expenditure on Accrual Basis otherwise specifically stated. The Accounts are being prepared as a going concern on the historical cost basis. Accounting Policies not referred to otherwise are consistent with Generally Accepted Accounting Principles.

**II. Revenue Recognition**

Sales are recognised at the point of despatch. Other Income is recognised as and when the same is accrued.

**III. Use of Estimates**

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

**IV. Valuation of Inventories**

Inventories of Raw Materials, Consumable Stores & Spares, Stock in trade of Trading Purchases and Stock-in-Process are valued at cost on FIFO basis, Scrap at realizable value & Finished Goods are valued at cost or NRV whichever is less.

**V. Cash and cash equivalents (for purposes of Cash Flow Statement)**

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

**VI. Cash flow statement**

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

**VII. Fixed assets / Tangible Assets**

Fixed Assets are stated at cost less accumulated depreciation. The cost of an asset comprises its purchase price and any directly attributable cost of bringing the assets to working condition for its intended use and also includes financing cost till commencement of commercial production. In respect of assets taken on Leases, the same are accounted for only on transfer of ownership to the Company and on transfer cost.



**VIII. Depreciation**

The Depreciation on fixed assets has been provided on straight line method, calculated based on the useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.

**IX. Foreign Currency Transactions**

Transactions in Foreign currencies are recorded at exchange rate prevailing on the date of transaction. Monetary items denominated in foreign currency are restated at the exchange rate prevailing on the balance sheet date and exchange difference is accounted as provision for foreign exchange fluctuation. Actual exchange differences arising on realization/final settlement in Indian rupees are dealt with in the Profit and Loss Account.

**X. Employee retirement benefit**

- (i) Retirement benefits in the form of provident fund scheme whether in pursuance of any law or otherwise is accounted on accrual basis and charged to the profit & loss account of the year.
- (ii) The Gratuity has been provided for on the basis of Actuarial Valuation dated 10.05.2016, which was prepared on "Projected Unit Credit Method" and Bonus to employees are provided for on accrual basis.
- (iii) The Company has adopted policy to pay the leave encashment on yearly basis calculated as per calendar year to all eligible employees.

**XI. Earnings per share**

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

**XII. Taxes on Income**

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

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognised only if there is virtual certainty that there will be sufficient future taxable income available to realise such assets. Deferred tax assets are recognised for timing differences of other items only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date for their realisability.

**XIII. Provisions and contingencies**

A provision is recognized when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes.

**XIV. Investments**

Investments in India are stated at cost. Investment outside India involving foreign currency transactions are being valued at the year end rates.

**XV. Business Segment**

The company is engaged in business of manufacturing of yarn and trading of Fabrics, which is in same business segment.

# SYBLY INDUSTRIES LIMITED

## NOTES TO THE ACCOUNTS

### Note - 2 Share Capital

| (A) Authorised, Issued, Subscribed and Paid-up Share Capital and par value share |                        |                        |
|--|------------------------|------------------------|
| Particulars  | As at 31.03.2016       | As at 31.03.2015       |
| <b>Authorised Share Capital</b>  |                        |                        |
| 7,00,00,000 Equity Shares of Rs. 10/- each                                       | 70,00,00,000.00        | 70,00,00,000.00        |
| <b>Issued Share Capital</b>  |                        |                        |
| 4,07,29,100 Equity Shares of Rs. 10/- each                                       | 40,72,91,000.00        | 40,72,91,000.00        |
| <b>Subscribed and Fully Paid-up Share Capital</b>                                |                        |                        |
| 4,07,16,100 Equity Shares of Rs. 10/- each                                       | 40,71,61,000.00        | 40,71,61,000.00        |
| <b>Subscribed but not Full Paid-up Share Capital</b>                             |                        |                        |
| 13,000 Equity Shares of Rs. 5/- paid - Forfeited                                 | 65,000.00              | 65,000.00              |
| <b>TOTAL</b>   | <b>40,72,26,000.00</b> | <b>40,72,26,000.00</b> |
| <b>Number of shares outstanding as at the beginning of the year</b>              | 4,07,16,100.00         | 4,07,16,100.00         |
| <b>Add :</b>   |                        |                        |
| Number of shares allotted as fully paid-up bonus shares during the period        | -                      | -                      |
| <b>Less :</b>  |                        |                        |
| Number of shares bought back during the period                                   | -                      | -                      |
| <b>Number of shares outstanding as at the end of the period</b>                  | 4,07,16,100.00         | 4,07,16,100.00         |

### Share in the company held by each shareholder holding more than 5% Share

| Sl. No. | Name of the shareholder             | Number of shares as on 31.03.2016 | Number of shares as on 31.03.2015 |
|---------|-------------------------------------|-----------------------------------|-----------------------------------|
| 1       | CCL INTERNATIONAL LIMITED           | 86,50,735                         | 87,50,735                         |
| 2       | SUMAN MITTAL                        | 45,55,205                         | 10,56,788                         |
| 3       | MAHESH CHAND MITTAL                 | 33,67,137                         | 33,67,137                         |
| 4       | WEBWIZTEC SOLUTIONS PRIVATE LIMITED | 23,23,146                         | 29,80,278                         |
| 5       | DRISTI TEXTILE PRIVATE LIMITED      | 22,00,000                         | 22,00,000                         |
| 6       | QUEST SECURITIES LIMITED            | 7,18,348                          | 22,14,129                         |

### Note-3 RESERVE & SURPLUS

|   |                         |                         |
|---|-------------------------|-------------------------|
| <b>A General Reserve</b>                              |                         |                         |
| Opening Balance                                       | 14,19,498.24            | 14,19,498.24            |
| Add : Trf. from surplus in Statement of Profit & Loss | -                       | -                       |
|   | 14,19,498.24            | 14,19,498.24            |
| Less : Utilised / Transferred during the period       | -                       | -                       |
| Closing Balance                                       | <b>14,19,498.24</b>     | <b>14,19,498.24</b>     |
| <b>B Securities Premium Account</b>                   |                         |                         |
| Opening Balance                                       | 7,37,50,000.00          | 7,37,50,000.00          |
| Add : Premium on shares issued during the period      | -                       | -                       |
|   | 7,37,50,000.00          | 7,37,50,000.00          |
| Less : Utilised during the period                     | -                       | -                       |
| Closing Balance                                       | <b>7,37,50,000.00</b>   | <b>7,37,50,000.00</b>   |
| <b>C Revaluation Reserve</b>                          |                         |                         |
| Opening Balance                                       | 5,52,75,746.42          | 5,56,13,471.42          |
| Add : Addition on revaluations during the period      | -                       | -                       |
|   | 5,52,75,746.42          | 5,56,13,471.42          |
| Less : Utilised during the period                     | 3,37,725.00             | 3,37,725.00             |
| Closing Balance                                       | <b>5,49,38,021.42</b>   | <b>5,52,75,746.42</b>   |
| <b>D Surplus (Profit and Loss Account)</b>            |                         |                         |
| Opening Balance                                       | (5,98,07,730.05)        | (4,04,29,784.76)        |
| Add : Profit / (Loss) for the period                  | 1,22,010.95             | (1,93,29,172.29)        |
|   | (5,96,85,719.10)        | (5,97,58,957.05)        |
| Less : Deduction during the period                    | -                       | -                       |
| Less : Previous year adjustments                      | 2,56,272.07             | 48,773.00               |
| Closing Balance                                       | <b>(5,99,41,991.17)</b> | <b>(5,98,07,730.05)</b> |
| <b>TOTAL (A+B+C+D)</b>                                | <b>7,01,65,528.49</b>   | <b>7,06,37,514.61</b>   |

# SYBLY INDUSTRIES LIMITED

## NOTE-4 LONG TERM BORROWINGS

### Secured borrowings

#### Terms loans from banks

|                   |             |             |
|-------------------|-------------|-------------|
| Term Loan for Car | 1,30,274.00 | 9,06,190.00 |
|                   | 1,30,274.00 | 9,06,190.00 |

#### Unsecured borrowings

|   |                |                |
|---|----------------|----------------|
| Loans and advances from related parties | 6,14,87,003.88 | 6,64,73,586.08 |
|   | 6,14,87,003.88 | 66,473,586.08  |

|              |                       |                       |
|--------------|-----------------------|-----------------------|
| <b>TOTAL</b> | <b>6,16,17,277.88</b> | <b>6,73,79,776.08</b> |
|--------------|-----------------------|-----------------------|

### Nature of Security and terms of repayments for Long Term Secured borrowings :

| Nature of Security   | Terms of Repayment   |
|--|--|
| i. Car Loan from Kotak Mahindra Bank Ltd. amounting to Rs. 30.00 lacs (March 31, 2016 Rs.9.06 lacs) is secured by way of Hypothecation of Vehicle. | Repayable in 36 monthly installments commencing from June, 2014. Last installment due in May, 2017. Rate of interest 19.06% p.a. as at year end. |

### Nature of Long Term Unsecured borrowings :

The Unsecured Loans have been taken from Directors / Promoters & their relatives. These Unsecured Loans have been taken in the condition imposed by the financial institution for bringing the adequate margins. These unsecured loans will not be repaid without the permission of the financial institution. During the year some of unsecured loans are repaid and in place of them fresh are taken. However, the overall quantum of the unsecured loans were within the adequate margins as stipulated by the financial institution. The company is of the opinion that these are well within the provision of Section 73 of the Companies Act, 2013 as the same are accepted in pursuance of stipulations of financial institutions.

## NOTE-5 LONG TERM PROVISIONS

|                              |                        |                        |
|------------------------------|------------------------|------------------------|
| Currency Fluctuation Reserve | 18,68,16,918.00        | 15,33,34,112.00        |
|                              | <b>18,68,16,918.00</b> | <b>15,33,34,112.00</b> |

## NOTE-6 SHORT-TERM BORROWINGS

### Secured borrowings

|   |                 |                 |
|---|-----------------|-----------------|
| A <b>Loans payable on demand</b><br>Working Capital Loans repayable on demand | 11,29,10,839.38 | 11,12,56,244.35 |
|---|-----------------|-----------------|

### Unsecured borrowings

|                                  |             |   |
|----------------------------------|-------------|---|
| B Loans and advances from others | 4,39,344.00 | - |
|----------------------------------|-------------|---|

|                      |                        |                        |
|----------------------|------------------------|------------------------|
| <b>TOTAL (A + B)</b> | <b>11,33,50,183.38</b> | <b>11,12,56,244.35</b> |
|----------------------|------------------------|------------------------|

## NOTE-7 TRADE PAYABLES

|                        |                        |                        |
|------------------------|------------------------|------------------------|
| Acceptances            | -                      | -                      |
| Other than Acceptances | 16,19,84,785.69        | 12,18,45,347.81        |
|                        | <b>16,19,84,785.69</b> | <b>12,18,45,347.81</b> |

## NOTE-8 OTHER CURRENT LIABILITIES

### Current maturities of long term debt

#### (Repayable in FY 2016-2017)

|                   |              |              |
|-------------------|--------------|--------------|
| Term Loan for Car | 7,75,916.00  | 10,61,998.00 |
| Business Loans    | 15,99,900.00 | -            |

### Other Payables

|                         |              |                |
|-------------------------|--------------|----------------|
| Statutory remittances   | 3,14,176.00  | 86,758.00      |
| Advances from customers | 5,41,607.00  | 2,96,780.00    |
| Others                  | 73,90,053.87 | 2,19,12,496.10 |

|              |                       |                       |
|--------------|-----------------------|-----------------------|
| <b>TOTAL</b> | <b>1,06,21,652.87</b> | <b>2,33,58,032.10</b> |
|--------------|-----------------------|-----------------------|

## NOTE-9 SHORT TERM PROVISION

|                          |              |              |
|--------------------------|--------------|--------------|
| Provision for Income Tax | 1,94,133.00  | 2,94,796.00  |
| Provision for Gratuity   | 36,17,809.00 | 29,96,748.00 |

|              |                     |                     |
|--------------|---------------------|---------------------|
| <b>TOTAL</b> | <b>38,11,942.00</b> | <b>32,91,544.00</b> |
|--------------|---------------------|---------------------|

**NOTE 10 : FIXED ASSETS**

| Description          | GROSS BLOCK               |                          |                          |                             | DEPRECIATION                 |                      |                           |                              | NET BLOCK           |                     |
|----------------------|---------------------------|--------------------------|--------------------------|-----------------------------|------------------------------|----------------------|---------------------------|------------------------------|---------------------|---------------------|
|                      | Original as at 01.04.2015 | Addition during the Year | Delition during the year | Total Cost as at 31.03.2016 | Depreciation upto 31.03.2015 | Depreciation on Sale | Depreciation for the Year | Depreciation upto 31.03.2016 | As At 31.03.2016    | As At 31.03.2015    |
| Land                 | 54244530.00               | -                        | -                        | 54244530.00                 | -                            | -                    | -                         | -                            | 54244530.00         | 54244530.00         |
| Building             | 88268178.91               | -                        | -                        | 88268178.91                 | 32651754.00                  | -                    | 2694972.00                | 35346726.00                  | 52921452.91         | 55616424.91         |
| Plant & Machinery    | 260530247.39              | 3784254.75               | -                        | 264314502.14                | 259556909.39                 | -                    | 347952.00                 | 259904861.39                 | 4409640.75          | 973338.00           |
| Computers            | 3877934.00                | -                        | -                        | 3877934.00                  | 3862411.00                   | -                    | 11262.00                  | 3873673.00                   | 4261.00             | 15523.00            |
| Furniture & Fixtures | 1317798.05                | -                        | -                        | 1317798.05                  | 1099493.38                   | -                    | 105589.34                 | 1205082.72                   | 112715.33           | 218304.67           |
| Vehicles             | 8295402.07                | -                        | -                        | 8295402.07                  | 3503836.00                   | -                    | 713768.87                 | 4217604.87                   | 4077797.20          | 4791566.07          |
| Office Equipments    | 1016201.89                | -                        | -                        | 1016201.89                  | 652938.00                    | -                    | 290315.86                 | 943253.86                    | 72948.03            | 363263.89           |
| <b>Total</b>         | <b>417550292.31</b>       | <b>3784254.75</b>        | <b>0.00</b>              | <b>421334547.06</b>         | <b>301327341.77</b>          | <b>0.00</b>          | <b>4163860.07</b>         | <b>305491201.84</b>          | <b>115843345.22</b> | <b>116222950.54</b> |

**NOTE-11 NON-CURRENT INVESTMENTS**

|   |                     |                     |
|---|---------------------|---------------------|
| Investment in Desire Retail Pvt. Ltd., 31250 5% Non Cumulative Redeemable Pref. Shares of Rs. 100/- each, Paidup Rs.80/- per Share (Unquoted at cost)     | 25,00,000.00        | 25,00,000.00        |
| Investment in Vishu Enterprises Pvt. Ltd., 31250 5% Non Cumulative Redeemable Pref. Shares of Rs. 100/- each, Paidup Rs.80/- per Share (Unquoted at cost) | 25,00,000.00        | 25,00,000.00        |
| <b>TOTAL</b>  | <b>50,00,000.00</b> | <b>50,00,000.00</b> |

**NOTE-12 LONG-TERM LOANS AND ADVANCES**

(Unsecured, considered good)

|  |                       |                       |
|--|-----------------------|-----------------------|
| A Capital advances                     | 53,01,145.16          | 41,70,431.16          |
| B Security deposits                    | 30,23,395.00          | 30,23,395.00          |
| C Balances with government authorities | -                     | -                     |
| D Others                               |                       |                       |
| Advance to Suppliers                   | 19,52,422.31          | 19,52,422.31          |
| Loans and advances to Corporate Bodies | 7,69,23,560.00        | 7,20,72,851.00        |
| <b>TOTAL (A + B + C + D)</b>           | <b>8,72,00,522.47</b> | <b>8,12,19,099.47</b> |

**NOTE-13 OTHER NON-CURRENT ASSETS**

**Miscellaneous Expenditure**

(To the extent not written off or adjusted )

|                           |          |              |
|---------------------------|----------|--------------|
| A GDR Issue Expenses      | -        | 23,48,562.00 |
| Less : Amount Written off | -        | 23,48,562.00 |
| <b>TOTAL</b>              | <b>-</b> | <b>-</b>     |

**NOTE-14 INVENTORIES**

|                        |                      |                       |
|------------------------|----------------------|-----------------------|
| Raw Material           | 78,39,860.00         | 1,02,82,768.00        |
| Stores and Spare Parts | 4,96,500.00          | 3,61,400.00           |
| Packing Material       | 1,76,800.00          | 1,57,500.00           |
| Fuels                  | 3,99,830.00          | 4,77,358.00           |
| Finished Goods         | 70,49,970.00         | 77,66,280.00          |
| Stock in Process       | 4,07,86,450.00       | 4,97,87,245.00        |
| Scrap & Waste          | 6,43,505.00          | 5,18,020.00           |
| <b>TOTAL</b>           | <b>57,392,915.00</b> | <b>6,93,50,571.00</b> |

**NOTE-15 TRADE RECEIVABLES**

(Unsecured, considered good)

|                    |  |                        |                        |
|--------------------|--|------------------------|------------------------|
| A                  | Trade receivables outstanding for more than six months from the date they became due for payment | 55,72,82,483.89        | 53,61,77,485.33        |
| B                  | Trade Receivables (others)   | 16,38,59,548.00        | 11,00,02,270.70        |
| <b>TOTAL (A+B)</b> |  | <b>72,11,42,031.89</b> | <b>64,61,79,756.03</b> |

**NOTE-16 CASH AND BANK BALANCES**

|                      |                                |                     |                       |
|----------------------|--------------------------------|---------------------|-----------------------|
| <b>A</b>             | <b>Balance with Banks</b>      |                     |                       |
| <b>(I)</b>           | <b>Other bank balances</b>     |                     |                       |
|                      | (i) In Deposits Accounts       | 38,91,665.01        | 37,26,162.91          |
| <b>B</b>             | <b>Cheques, drafts on hand</b> |                     |                       |
|                      | (i) Cheques on hand            | 2,95,399.00         | 1,24,32,550.00        |
| <b>C</b>             | <b>Cash on hand</b>            | 8,62,858.00         | 3,59,075.00           |
| <b>TOTAL (A+B+C)</b> |                                | <b>50,49,922.01</b> | <b>1,65,17,787.91</b> |

**NOTE-17 SHORT-TERM LOANS AND ADVANCES**

(Unsecured, considered good)

|                          |                                       |                     |                     |
|--------------------------|---------------------------------------|---------------------|---------------------|
| A                        | Loans and advances to related parties | 21,537.00           | 41,537.00           |
| B                        | Loans and advances to Employees       | 72,381.00           | 87,968.00           |
| C                        | Prepaid Expenses                      | -                   | -                   |
| D                        | Balances with Government Authorities  | -                   | -                   |
| E                        | Others (Advance to Suppliers)         | 14,73,043.72        | 13,86,803.00        |
| <b>TOTAL (A+B+C+D+E)</b> |                                       | <b>15,66,961.72</b> | <b>15,16,308.00</b> |

**NOTE - 18 OTHER CURRENT ASSETS**

|              |                     |                     |
|--------------|---------------------|---------------------|
|              | 28,69,890.00        | 22,95,679.00        |
| <b>TOTAL</b> | <b>28,69,890.00</b> | <b>22,95,679.00</b> |

**NOTE - 19 CONTINGENT LIABILITIES AND COMMITMENTS  
(TO THE EXTENT NOT PROVIDED FOR)**

|          |  |   |
|----------|--|---|
| <b>A</b> | <b>Contingent Liabilities</b>  |   |
|          | (a) Claims against the company not acknowledged as debts   | -----NIL-----   |
|          | (b) Guarantees   | -----NIL-----   |
|          | <b>(c) Other money for which company is contingently liable:</b>   |   |
|          | (i) The Income Tax assessments of the Company is pending for the assessment year 2014-2015 and 2015-16. However the Company does not envisage any liability in respect thereof. The Company's Appeals for assessment year 1998-99, 2001-02 & 2013-14 are pending before the Income Tax Appellate Authorities but the Company does not envisage any liability and expect full relief in the appeal.                                     |   |
|          | (ii) The Trade Tax assessments of the Company for the assessment years 2014-2015 and 2015-2016 are pending but the Company does not envisage any liability for these years other than what has been paid or provided.  |   |
|          | (iii) A demand of Rs. 8,51,135.34 has been raised by The Maharashtra State Co-op. Cotton Growers Marketing Federation Ltd., Mumbai after adjusting advance of Rs. 19,07,422.31, deposited by Company, for purchase of Cotton. However, the Company did not purchase such Cotton, The Maharashtra State Co-op. Cotton Growers Marketing Federation Ltd., Mumbai raised dispute, which is pending in litigation before the Court of Law. |   |
|          | (d) Bills discounted with banks  | -----NIL-----   |
| <b>B</b> | <b>Commitment</b>  |   |
|          | (a) Estimated amount of contracts remaining to be executed on capital account and not provided for   | Order Value Rs. 513 Lacs, balance unpaid is Rs. 460.00 Lacs |

# S **SYBLY INDUSTRIES LIMITED**

## NOTE-20 OTHER INCOME

|                   |                       |                     |
|-------------------|-----------------------|---------------------|
| Rental Income     | 3,00,000.00           | 3,00,000.00         |
| Interest Received | 8,40,71,70.00         | 78,29,867.00        |
| Other Income      | 1,16,90,866.00        | 1,15,993.00         |
| <b>TOTAL</b>      | <b>2,03,98,036.00</b> | <b>82,45,860.00</b> |

## NOTE-21 COST OF MATERIAL CONSUMED

|                          |                        |                        |
|--------------------------|------------------------|------------------------|
| Raw Material Consumed    | 17,27,58,433.00        | 22,00,20,960.00        |
| Purchase of Traded Goods | 43,78,25,779.00        | 50,38,69,578.00        |
| <b>TOTAL</b>             | <b>61,05,84,212.00</b> | <b>72,38,90,538.00</b> |

## NOTE-22 MANUFACTURING & OPERATING COST

|                  |                       |                       |
|------------------|-----------------------|-----------------------|
| Power & Fuel     | 4,09,99,820.00        | 3,61,81,930.00        |
| Packing Material | 23,80,016.00          | 20,99,789.00          |
| Freight Inward   | 3,80,918.00           | -                     |
| Chemicals        | 93,729.00             | 1,03,498.00           |
| <b>TOTAL</b>     | <b>4,38,54,483.00</b> | <b>3,83,85,217.00</b> |

## NOTE-23 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

### Closing Stock:

|                  |                       |                       |
|------------------|-----------------------|-----------------------|
| Finished Goods   | 70,49,970.00          | 77,66,280.00          |
| Stock in Process | 4,07,86,450.00        | 4,97,87,245.00        |
| Scrap & Waste    | 6,43,505.00           | 5,18,020.00           |
| <b>TOTAL</b>     | <b>4,84,79,925.00</b> | <b>5,80,71,545.00</b> |

### Opening Stock:

|                  |                       |                       |
|------------------|-----------------------|-----------------------|
| Finished Goods   | 77,66,280.00          | 1,35,45,952.00        |
| Stock in Process | 4,97,87,245.00        | 6,93,86,020.00        |
| Scrap & Waste    | 5,18,020.00           | 9,46,660.00           |
| <b>TOTAL</b>     | <b>5,80,71,545.00</b> | <b>8,38,78,632.00</b> |

|                         |                       |                         |
|-------------------------|-----------------------|-------------------------|
| Net (increase)/decrease | <b>(95,91,620.00)</b> | <b>(2,58,07,087.00)</b> |
|-------------------------|-----------------------|-------------------------|

## NOTE-24 EMPLOYEE BENEFIT EXPENSES

|                              |                       |                       |
|------------------------------|-----------------------|-----------------------|
| Salaries, Wages & Incentives | 1,70,00,870.00        | 1,53,02,082.00        |
| Bonus                        | 3,50,499.00           | 2,66,490.00           |
| Gratuity                     | 8,45,103.00           | 8,84,170.00           |
| Provident Fund               | 5,02,195.00           | 4,77,638.00           |
| Staff & Labour Welfare       | 74,693.00             | 36,245.00             |
| <b>TOTAL</b>                 | <b>1,87,73,360.00</b> | <b>1,69,66,625.00</b> |

## NOTE-25 FINANCE COSTS

### Interest on :

|                          |                       |                       |
|--------------------------|-----------------------|-----------------------|
| Term Loans               | 3,29,790.00           | 4,48,052.58           |
| Bank Borrowings & Others | 1,63,57,692.99        | 1,52,86,793.00        |
| Bank Charges & Others    | 11,33,191.41          | 3,70,689.10           |
| <b>TOTAL</b>             | <b>1,78,20,674.40</b> | <b>1,61,05,534.68</b> |

# S **SYBLY INDUSTRIES LIMITED**

## NOTE-26 OTHER EXPENSES

|                               |                     |                       |
|-------------------------------|---------------------|-----------------------|
| Repairs - Plant & Machinery   | 40,20,091.17        | 51,17,889.53          |
| Repairs - Factory Building    | 1,11,465.00         | 83,280.00             |
| Repairs - Others              | 2,27,402.35         | 1,79,877.00           |
| Printing & Stationery         | 1,71,401.00         | 1,99,013.00           |
| Communication Expenses        | 3,19,698.48         | 3,32,481.48           |
| Travelling & Conveyance       | 5,75,474.70         | 1,22,593.18           |
| Vehicle Running & Maintenance | 5,41,900.62         | 4,21,841.59           |
| Insurance Charges             | 2,99,448.00         | 3,32,952.35           |
| Legal & Professional Charges  | 5,01,486.00         | 3,71,515.00           |
| Rates & Taxes                 | 1,00,135.00         | 64,000.00             |
| Auditors Remuneration         | 98,395.00           | 95,416.00             |
| Advertisement & Publicity     | 61,875.00           | 65,753.00             |
| Freight & Forwarding          | 5,07,624.00         | 3,95,232.00           |
| Commission on Sales           | 1,84,202.00         | -                     |
| Membership & Subscription     | 19,818.00           | 5,618.00              |
| Secretarial Expenses          | 5,41,383.20         | 3,50,785.41           |
| Charity & Donation            | 44,100.00           | 16,599.00             |
| Expenses written off          | -                   | 23,48,562.00          |
| Bad Debts                     | -                   | 1,95,18,950.00        |
| General Expenses              | 91,543.13           | 96,584.07             |
| <b>TOTAL</b>                  | <b>84,17,442.65</b> | <b>3,01,18,942.61</b> |

## NOTE-27 EXCEPTIONAL ITEMS

|              |   |   |
|--------------|---|---|
|              | - | - |
| <b>TOTAL</b> | - | - |

## NOTE-28 EXTRAORDINARY ITEMS

|              |   |   |
|--------------|---|---|
|              | - | - |
| <b>TOTAL</b> | - | - |

## NOTE - 29 ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS

- A. Confirmation of balances from some of parties appearing under the head current liabilities, sundry debtors, loans and advances are awaited
- B. Company has revalued its Fixed Assets namely Land and Building on 31.03.2004. The value of aforesaid assets has increased by Rs.5,90,00,625.42 as per Valuation Report dt.31.03.2004 from a qualified & authorized firm of Engineers M/s.Universal Consultants, Meerut. The aforesaid amount has been credited to Revaluation Reserve Account. Further, during the year, same has been reduced by equivalent amount of depreciation charged on this revalued amount.
- C. The bifurcation of the total outstanding dues of small scale industrial undertakings and other than small scale industrial undertakings as well as the name of the small scale industrial, undertakings to whom the company owes a sum of exceeding rupees one lacs and which is outstanding for more than thirty days, are not disclosed in the Balance Sheet as suppliers have not indicated their status on their documents/papers whether they are small scale undertakings or not hence it is not possible for the company to disclose the said information in respect of trade creditors.
- D. The cost records for the financial year 2015-2016 are under preparation and till the date of this Balance Sheet, the same could not be finalized.
- E. The company has valued the stock of finished goods at lower of cost or realizable value in terms of AS-2.
- F. In the opinion of the Board of Directors, the current assets, loans and advances are approximately of the value stated if realised in the ordinary course of business and the provision for all known liabilities is adequate and not in excess of the amount reasonably necessary.
- G. During the current year company has written off unclaimed creditors related to GDR issue expenses for the amount of Rs. 1,15,87,500/- which have been included in Other Income in Note No. 20.
- H. Managerial Remuneration :  
Managerial remuneration has been paid within the limits specified by Schedule V of the Companies Act, 2013. Computation of Net Profit u/s 198 of the Act is not given in view of there being no commission payable to any director. The details of managerial remuneration paid under Section 197 of the Companies Act, 2013 are as under:

# SYBLY INDUSTRIES LIMITED

|                  |   |                                       |
|------------------|---|---------------------------------------|
| Salaries / Perks | <b>Current Year<br/>Rs. in Lacs<br/>40.20</b> | Previous Year<br>Rs. in Lacs<br>30.90 |
|------------------|---|---------------------------------------|

- I. During the current year no dividend is proposed to be paid hence not provided for.  
 J. Particulars of Capacity, Production, Turnover and Stock for manufacturing Activities:

| Class of Product    |               | Polyester Yarn |               |
|---------------------|---------------|----------------|---------------|
|                     |               | Current Year   | Previous Year |
| Licensed Capacity   | M. Ton        | N.A.           | N.A.          |
| Installed Capacity  | M. Ton        | 2500           | 2500          |
| Production          | M. Ton        | 1996.771       | 2015.213      |
| Purchases of Yarn   | M. Ton        | -              | -             |
| Captive Consumption | M. Ton        | -              | -             |
| Turnover            | M. Ton        | 1984.404       | 2034.133      |
|                     | Rs. (in lacs) | 2340.86        | 3077.22       |
| Opening Stock       | M. Ton        | 60.760         | 79.680        |
|                     | Rs. (in lacs) | 77.66          | 135.46        |
| Closing Stock       | M. Ton        | 73.127         | 60.760        |
|                     | Rs. (in lacs) | 70.50          | 77.66         |

#### K. Particulars of Trading Activities:

| Item          | Stock in the beginning of the year |              | Purchases during the year |                      | Sales during the year   |                      | Stock at the end of the year |              |
|---------------|------------------------------------|--------------|---------------------------|----------------------|-------------------------|----------------------|------------------------------|--------------|
|               | Qty.                               | Rs.(in lacs) | Qty.                      | Rs.(in lacs)         | Qty.                    | Rs.(in lacs)         | Qty.                         | Rs.(in lacs) |
| Cloth (Mtrs.) | NIL<br>(NIL)                       | NIL<br>(NIL) | 4947704.80<br>(5200348)   | 3984.46<br>(4881.94) | 4947704.80<br>(5200348) | 4189.61<br>(5043.10) | NIL<br>(NIL)                 | NIL<br>(NIL) |
| Cloth (Kg.)   | NIL<br>(NIL)                       | NIL<br>(NIL) | 106721<br>(94000)         | 393.80<br>(133.87)   | 106721<br>(94000)       | 398.11<br>(137.73)   | NIL<br>(NIL)                 | NIL<br>(NIL) |
| Cloth (Pcs.)  | NIL<br>(NIL)                       | NIL<br>(NIL) | NIL<br>(1840)             | NIL<br>(22.88)       | NIL<br>(1840)           | NIL<br>(23.99)       | NIL<br>(NIL)                 | NIL<br>(NIL) |

#### L. Particulars of Raw Materials Consumed:

|                               |       | Current Year |                     | Previous Year |                |
|-------------------------------|-------|--------------|---------------------|---------------|----------------|
|                               |       | Quantity     | Rs. In Lacs         | Quantity      | Rs. in Lacs    |
| Polyester Staple Fiber        | M.Ton | 2083.205     | 1727.58             | 2154.960      | 2200.21        |
| Cloth                         | Kg..  | 106721       | 393.80              | 94000         | 133.87         |
| Cloth                         | Mtr.  | 4947704.80   | 3984.46             | 5200348       | 4881.94        |
| Cloth                         | Pcs.  | -            | -                   | 1840          | 22.88          |
|                               |       |              | <b>6105.84</b>      |               | <b>7238.90</b> |
| Indigenous Materials Consumed |       |              | <b>6105.84 100%</b> |               | 7238.90 100%   |
| Imported Materials Consumed   |       |              | NIL                 |               | NIL            |

#### M. Expending and Earning in Foreign Currency :

|  | Current Year<br>Rs. in Lacs | Previous Year<br>Rs. in Lacs |
|--|-----------------------------|------------------------------|
| (a) Expenditure in Foreign Currency:<br>Value of Imports on C.I.F.Basis                                    | NIL                         | NIL                          |
| (b) Earning in Foreign Exchange:<br>(i) Exports of Goods calculated on F.O.B.Basis<br>(ii) Interest Income | NIL<br>NIL                  | NIL<br>NIL                   |



## S **SYBLY INDUSTRIES LIMITED**

N. Disclosures in respect of related party as defined in Accounting Standard 18, with whom transactions were carried out in the ordinary course of Business during the year as given below:-

**Related party disclosures**

**a. List of related parties**

- i. Subsidiaries
  - Sybly International FZE
- ii. Key Management Personnel
  - Mahesh Chand Mittal
  - Nishant Mittal
- iii. Relatives of Key Management Personnel
  - Suman Mittal
  - Parul Mittal
  - Rashi Mittal
  - Shikha Mittal
  - Vartex Fabrics (P) Ltd. (Common KMP Shri M.C. Mittal)
  - Dux Textiles (P) Ltd. (Common KMP Shri Nishant Mittal)

**b. Transactions/Balances outstanding with Related Parties.**

(Rs. in Lacs)

| Particulars                           | Subsidiaries | Key Management Personnel | Relatives of Key Management Personnel | Enterprise having common Key Management Personnel | Total        |
|---------------------------------------|--------------|--------------------------|---------------------------------------|---|--------------|
|                                       | Amount (Rs.) | Amount (Rs.)             | Amount (Rs.)                          | Amount (Rs.)                                      | Amount (Rs.) |
| Loans & Advances                      | 284.63       | -                        | -                                     | -   | 284.63       |
| Unsecured Loans                       | -            | 74.33                    | (117.95)                              | (6.25)  | (37.37)      |
| <b>Managerial Remuneration</b>        |              |                          |                                       |   |              |
| Salary/contribution to provident fund | -            | 40.20                    | 27.90                                 | -   | 68.10        |

O. In the opinion of the Board of Directors, the current assets, loans and advances are approximately of the value stated if realised in the ordinary course of business and the provisions for all known liabilities is adequate and not in excess of amount reasonably necessary.

P. Previous Year's figures have been regrouped / rearranged wherever necessary.

SIGNATURE TO NOTES 1 TO 29

For and on behalf of Board of Directors

Sd/-  
(MAHESH CHAND MITTAL)  
Managing Director  
(Din : 00284866)

Sd/-  
(NISHANT MITTAL)  
Whole Time Director & CFO  
(Din : 02766556)

Sd/-  
(SAHIL AGARWAL)  
Company Secretary  
(Memb. No. A36817)

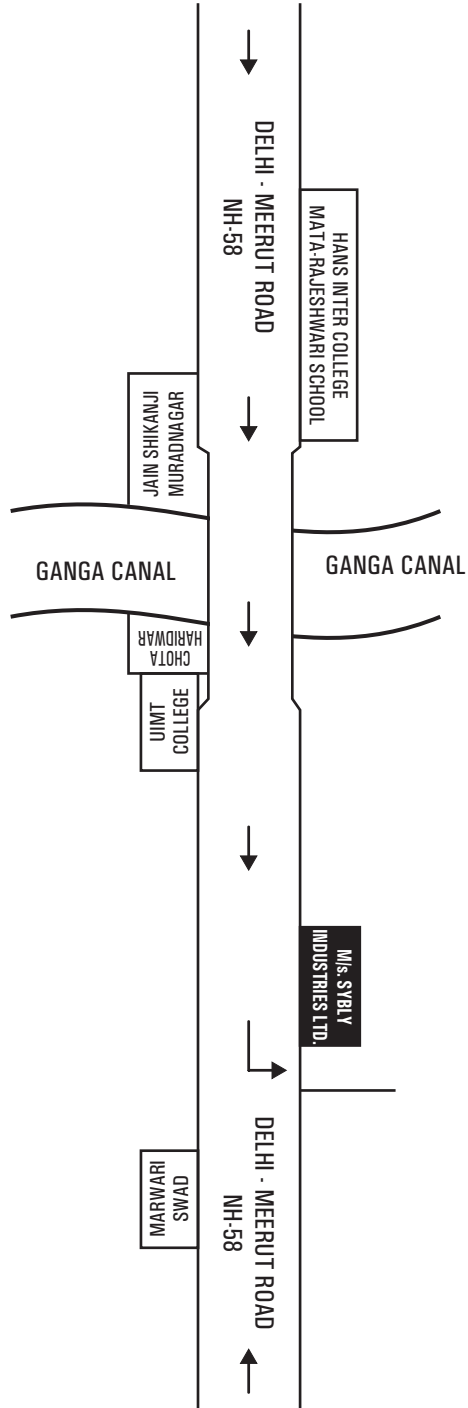
As per our separate report of even date annexed.

**For V.S. Gupta & Co.**  
Chartered Accountants

Place : Muradnagar  
Date : 26th May, 2016

Sd/-  
(CA. Hemant Kumar Gupta)  
Partner  
Membership No. 071580  
Firm Reg. No. 00724C

**Guiding Map For SYBLY INDUSTRIES LTD.**



**SYBLY INDUSTRIES LTD.**Reg. Off: Pawan Puri, Muradnagar, Ghaziabad (U.P.)-201206  
CIN-L17111UP1988PLC009594**PROXY FORM**

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

**Form No. MGT-11****28th ANNUAL GENERAL MEETING - SEPTEMBER 28TH, 2016**

|                           |  |
|---------------------------|--|
| Name of the Member(s) :   |  |
| Registered Address        |  |
| E-mail Id                 |  |
| Folio No./DP ID-Client Id |  |

I/We, being the member(s) of.....share(s) of the above named Company, hereby appoint :

1) Name: .....E-Mail .....

Address: .....

Signature: .....Or failing him/her

1) Name: .....E-Mail .....

Address: .....

Signature: .....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the **28th ANNUAL GENERAL MEETING** of the company to be held at registered office of the Company at Pawan Puri, Muradnagar, Ghaziabad (U.P.)-201206 on Wednesday, the 28th day of September, 2016, at 11.30 A. M. or at any adjournment thereof in respect of such resolution as are indicated below:

| No.                      | Resolutions   | For | Against |
|--------------------------|---|-----|---------|
| <b>Ordinary Business</b> |   |     |         |
| 1.                       | To receive, consider and adopt the audited standalone and consolidated financial statements of the Company for the financial year ended 31st March, 2016 together with the reports of the Board of Directors and the Auditors thereon |     |         |
| 2.                       | Aappoint a Director in place of Mr. Nishant Mittal who retires by rotation and being eligible offers himself for re-appointment.  |     |         |
| 3.                       | Appointment of M/s. V.S. Gupta & Co., Chartered Accountants, as Statutory Auditors of the Company   |     |         |
| <b>Special Business</b>  |   |     |         |
| 4.                       | Re-appointment of Mr. Mahesh Chand Mittal as Managing Director  |     |         |
| 5.                       | Appointment of Mr. Dhan Pal Jain as Independent Director  |     |         |
| 6.                       | Re-appointment & remuneration of M/s M.K. Singhal & Co. as a Cost Accountant for the FY 2016-17   |     |         |
| 7.                       | Mortgaging/Charging of Immovable/Movable Properties of the Company as per Section 180 (1)(c)  |     |         |
| 8.                       | Borrowing Powers Approval as per Section 180 (1)(a)   |     |         |

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2016.



Signature of shareholder

Signature of the Proxy Holder(s)

- Note:**
1. 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.
  2. For the Resolutions, Explanatory Statement and Notes, please refer to the notice of the 28th Annual General Meeting.
  3. It is optional to put an 'X' in the appropriate column against the Resolution indicated in the Box. If you leave the 'For' and 'Against' column blank against any or all Resolutions, your proxy will be entitled to vote in the manner as he/she think appropriate.
  4. Please complete all details including detail of member(s) in above box before submission.

**ATTENDANCE SLIP**

Folio No./DP ID/Client ID:

Name &amp; Address:

Name(s) of joint holder(s), if any :

No. of shares held:

I/We certify that I/we am/are member(s)/proxy for the member(s) of the Company.

I/We hereby record my/our presence at the 28th Annual General Meeting of the Company on Wednesday, 28th September, 2016 at 11:30 A.M. at Pawan Puri, Muradnagar, Ghaziabad - 201 206 (UP).

Full name of proxy (in case of proxy)

Signature of first holder/proxy

Signature of joint holder(s)

Notes: 1. Please fill and sign this attendance slip and hand it over at the venue of the meeting.

2. Only members of the Company and/or their proxy will be allowed to attend the meeting.



# SYBLY INDUSTRIES LIMITED

Form No. MGT-12

## Polling Paper

[Pursuant to section 109(5) of the Companies Act, 2013 and rule 21(1)(c) of the Companies (Management and Administration) Rules, 2014]

28th ANNUAL GENERAL MEETING-SEPTEMBER 28th, 2016

|                            |   |
|----------------------------|---|
| <b>Name of the Company</b> | : Sybly Industries Limited                  |
| <b>Registered office</b>   | : Pawan Puri, Muradnagar, Ghaziabad, 201206 |
| <b>CIN</b>                 | : L17111UP1988PLC009594                     |
| <b>Website</b>             | : www.sybly.com                             |

### BALLOT PAPER

- Name(s) & Registered Address of the Sole/First Named Member: \_\_\_\_\_
- Name(s) of the Joint Holders(s), if any: \_\_\_\_\_
- Registered Folio Number/DP ID No./Client ID No (Applicable to investors holding Shares in Demat form): \_\_\_\_\_  
\_\_\_\_\_
- Number of Equity Share(s) held: \_\_\_\_\_
- I/We hereby exercise my/our vote(s) of the Resolutions set out in the Notice of the Annual General Meeting (AGM) of the Company to be held on Wednesday, 28<sup>th</sup> September, 2016 by recording my/ our assent or dissent to the said Resolutions by placing the tick ( ) Mark at the appropriate box below:

| No.                      | Resolutions   | For | Against | Abstain |
|--------------------------|---|-----|---------|---------|
| <b>Ordinary Business</b> |   |     |         |         |
| 1.                       | To receive, consider and adopt the audited standalone and consolidated financial statements of the Company for the financial year ended 31st March, 2016 together with the reports of the Board of Directors and the Auditors thereon |     |         |         |
| 2.                       | Appoint a Director in place of Mr. Nishant Mittal who retires by rotation and being eligible offers himself for re-appointment.   |     |         |         |
| 3.                       | Appointment of M/s. V.S. Gupta & Co., Chartered Accountants, as Statutory Auditors of the Company   |     |         |         |
| <b>Special Business</b>  |   |     |         |         |
| 4.                       | Re-appointment of Mr. Mahesh Chand Mittal as Managing Director  |     |         |         |
| 5.                       | Appointment of Mr. Dhan Pal Jain. As Independent Director   |     |         |         |
| 6.                       | Re-appointment & remuneration of M/s M.K. Singhal & Co. as a Cost Accountant for the period 2016-17   |     |         |         |
| 7.                       | Mortgaging/Charging of Immovable/Movable Properties of the Company as per Section 180 (1)(c)  |     |         |         |
| 8.                       | Borrowing Powers Approval of Section 180 (1)(a)   |     |         |         |

Place:

Date:

\_\_\_\_\_  
(Signature of shareholder)