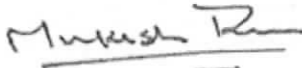

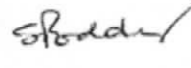



FORM A

Format of covering letter of the annual audit report to be filed with the Stock Exchange

1	Name of the company	M/s. Shekhawati Poly-Yarn Limited	
2	Annual financial statements for the year ended	March 31, 2015	
3	Type of Audit observation	Un-Qualified	
4	Frequency of observation	Not Applicable	
5	To be signed by-	Name	Signature
	• CEO/Chairman & Managing Director	Mr. Mukesh Ruia	
	• CFO	Mr. Shivratn Agarwal	
	• Audit Committee Chairman	Mr. Sushil Poddar	
	• Auditor of the company	M/s . S G C O & Co. Suresh Murarka Partner	

Shekhawati Poly-Yarn Ltd.

Registered Office :

Survey No. 185/1, Near Kanadi Phatak, Village - Naroli, Silvassa, D. & N.H. - 396 235. India
 { 0260-2650666 @ unit3@shekhawatiyarn.com CIN : L17120DN1990PLC000440

Corporate Office :

Express Zone, 'A' Wing, Unit No. 1102/1103, 11th Floor, Near Patel Vatika, Off W. E. Highway, Malad (E), Mumbai - 400 097, India.
 { +91 22 6116 2500 / 3256 7126 @ ho@shekhawatiyarn.com www.shekhawatiyarn.com

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**24th
Annual Report
2014-15**



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CIN: L17120DN1990PLC000440

An ISO 14001:2004 Certified Company

An ISO 9001:2008 Certified Company

CORPORATE INFORMATION

Board of Directors

1. Mr. Mukesh Ruia

Chairman & Managing Director

3. Mr. Sanjay Jogi

Non-Executive Director

5. Mr. Sushil Poddar

Independent Director

7. Mr. Rohit Chandgothia

Independent Director (Resigned w.e.f. May 30, 2015)

Chief Financial Officer

Mr. Shivratn Agarwal

Company Secretary & Compliance Officer

Mrs. Meena Agal

Corporate Office

Express Zone 'A' Wing,
Unit No. 1102/1103, Patel Vatika,
Off Western Express Highway,
Malad (East) Mumbai- 400 097,
Maharashtra, India

Registered Office

Unit - III, Survey No.185/1, Naroli Village,
Near Kanadi Phatak
Dadra & Nagar Haveli - 396 235
(Union Territory), India

Plant Locations

Unit II

Plot no. 44 Government Industrial Estate,
Masat, Samarvani,
Dadra & Nagar Haveli – 396 230
(Union Territory), India

2. Mr. Ravi Jogi

Whole-Time Director

4. Ms. Jyoti Thakkar

Independent Director (Appointed w.e.f May 30, 2015)

6. Ms. Swati Sahukara

Independent Director (Appointed w.e.f August 14, 2015)

8. Mrs. Rekha Somani

Independent Director (Resigned w.e.f. May 30, 2015)

Statutory Auditors

M/s. S G C O & Co.
Chartered Accountants

Bankers

State Bank of India
Axis Bank Ltd
Union Bank of India
Allahabad Bank
Dena Bank

Registrar & Transfer Agent

Sharex Dynamic (India) Pvt. Ltd.
off Unit-1, Luthra Industrial Premises,
1st Floor, 44E,M Vasanti Marg,
Andheri Kurla Road, Safed Pool,
Andheri (E),Mumbai -400 072

Unit III

Survey No. 185/1, Naroli Village,
Near Kanadi Phatak
Dadra & Nagar Haveli - 396 235
(Union Territory), India

Important Communication to Members

The Ministry of Corporate Affairs has taken a “Green Initiative in the Corporate Governance” by allowing paperless compliances by the Companies and has issued circulars stating that service of notice/documents including Annual Report can be sent by e-mail to its members to support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to register their e-mail addresses to the Company or its Registrar and Share Transfer Agents (RTA).

CHAIRMAN & MANAGING DIRECTOR'S MESSAGE

Dear Shareholders,

Greetings!

First of all I, express my sincere gratitude & thanks to all the members of this Company for their whole hearted support & co-operations shown in me as well as this organization to achieve this growth & new heights passing the year.

Despite adverse market conditions & slow down in the economy during the current financial year your company has not only managed to continue the expansion of the manufacturing activities but has also achieved growth in revenue of the Company.

Further it gives me great pleasure to announce that your Company has ended this financial year with a positive growth performance beating the expectations set at the beginning of the year.

Our **revenue** grew to ₹ 35425.69 Lacs in 2014-15 from the last financial year ₹ 35188.36 Lacs in 2013-14 which is 0.67% higher than the previous year.

Our **net profits** grew to ₹ 716.29 in 2014-15 from the last financial year ₹ 705.05 Lacs in 2013-14 which is 1.59% higher than the previous year.

The credit goes to all our team-mates, without whose efforts, consistent performance, passion and dedication could not have been possible. I would like to end our financial year 2014-15 with a vote of thanks to our shareholder's valued customers and business associates for their unwavering support and trust in us, as well as the Board of Directors and staff for their contribution and commitment.

With Best Wishes,
Sincerely,

Sd/-

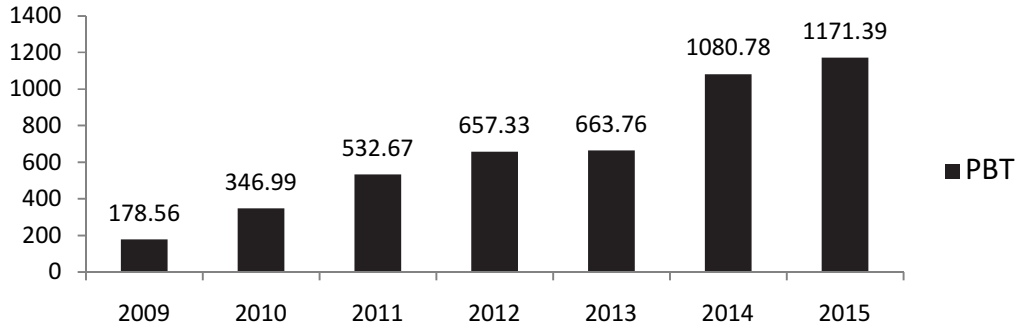
Mukesh Rula

Chairman & Managing Director

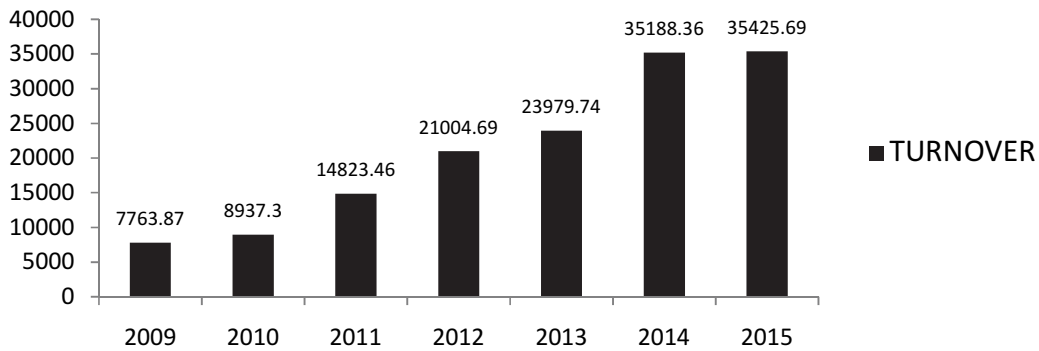


Performance at Glance

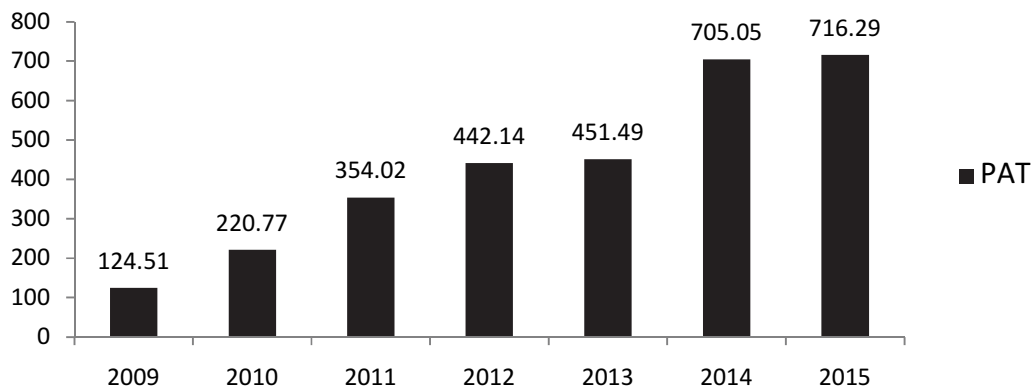
(₹ in Lacs)

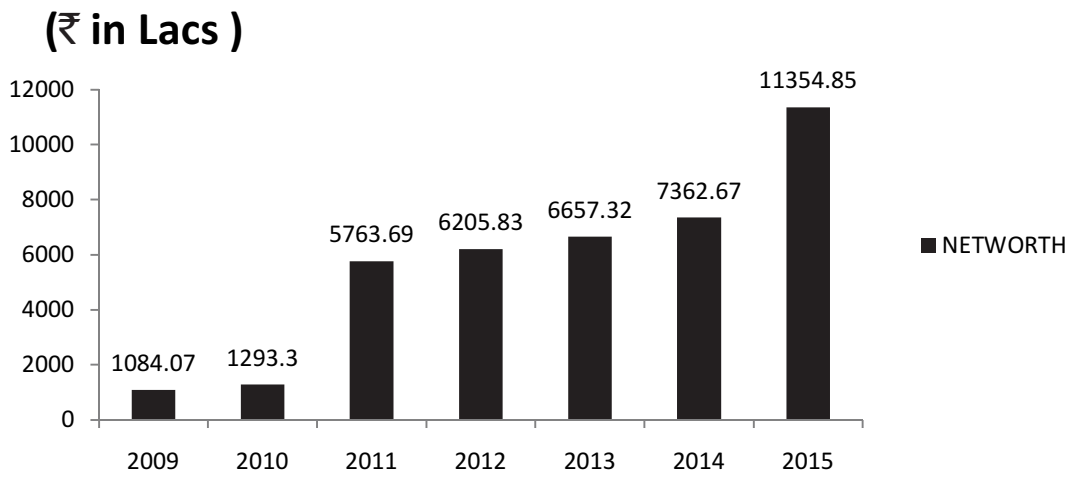
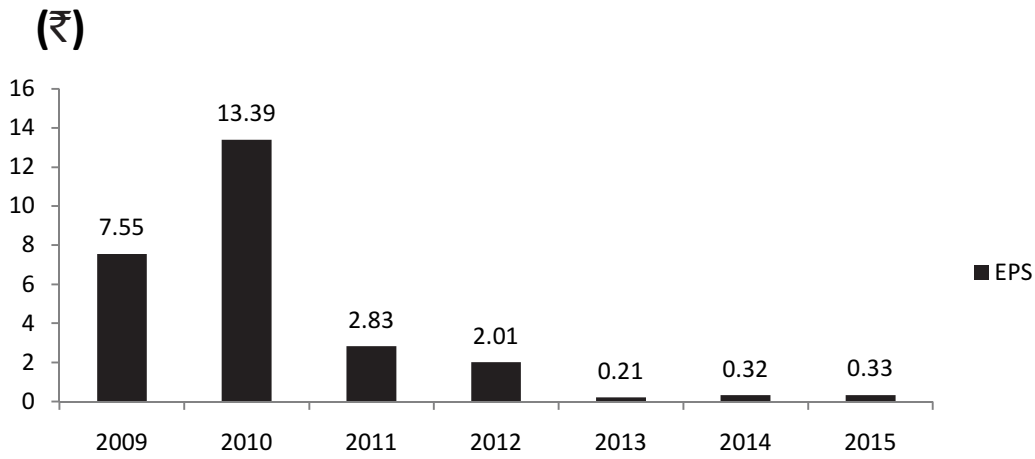


(₹ in Lacs)



(₹ in Lacs)





NOTICE

Notice is hereby given that the 24th Annual General Meeting of the members of **Shekhawati Poly-Yarn Limited** will be held on 22nd September, 2015 at 11.30 a.m. at the Survey No. 185/1, Naroli Village, Near Kanadi Phatak, Silvassa, Dadra & Nagar Haveli -396235 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the year ended on March 31, 2015 including Audited Balance Sheet as at March 31, 2015 and the Statement of Profit and Loss Account for the year ended on that date together with the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Ravi Jogi, (DIN No. 06646110) who retires by rotation at this meeting and being eligible, offers himself for re-appointment.
3. To appoint Auditors and to fix their remuneration and in this regard, to consider and if thought fit, to pass with or without modification(s) the following resolution as an **Ordinary Resolution**:-

“RESOLVED THAT in accordance with the provisions of Section 139, 141 and 142 of the Companies Act, 2013 read with rule 3(7) of the Companies (Audit and Auditor) Rules, 2014, M/s. Ajay Shobha & Co., Chartered Accountants, (Firm registration no. 317031E) Mumbai, be and are hereby appointed as Statutory Auditors of the Company to hold the office from the conclusion of this Annual General meeting till the conclusion of the Annual General Meeting to be held for the financial year 2020 (subject to ratification of their appointment in every AGM), at such remuneration, terms and conditions as may be mutually agreed between the board of Directors of the Company and the Auditors apart from reimbursement of out of pocket expenses as may be incurred by them for the purpose of Audit.

SPECIAL BUSINESS:

4. To appoint Ms. Jyoti Thakkar (DIN No. 07197307) as an Independent Director and in this regard, to consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provision of section 149, 150, 152 and any other applicable provisions of the Companies Act, 2013, read with article no. 98 of the Article of Association of the Company and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV of the Companies Act, 2013, and Clause 49 of Listing Agreement, Ms. Jyoti Thakkar (DIN No. 07197307), who qualifies for being appointed as an Independent Director and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing her candidature for the office of director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for five consecutive years.”

5. To appoint Ms. Swati Sahukara (DIN No.06801137) as an Independent Director and in this regard, to consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provision of section 149, 150, 152 and any other applicable provisions of the Companies Act, 2013, read with article no. 98 of the Article of Association of the Company and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV of the Companies Act, 2013, and Clause 49 of Listing Agreement, Ms. Swati Sahukara (DIN No.06801137), who qualifies for being appointed as an Independent Director and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing her candidature for the office of director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for five consecutive years.”

6. To approve the remuneration of Cost Auditors for the financial year 2015-16 and in this regard, to consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit & Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), payment of remuneration of ₹ 90,000/- (plus service tax and out of pocket expenses) to M/s. N. Ritesh & Associates, Cost Accountants, (Registration no. 26963), who are appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year 2015-16, be and is hereby approved.”

7. To adopt new Articles of Association of the Company containing regulations in conformity with the Companies Act, 2013 and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 14 and all other applicable provisions of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force as amended from time to time), the draft regulations contained in the Articles of Association submitted to this meeting be and are hereby approved and adopted in substitution, and to the entire exclusion, of the regulations contained in the existing Articles of Association of the Company;

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

By Order of the Board of Directors
For **Shekhawati Poly-Yarn Limited**

sd/-

Meena Agal

Company Secretary & Compliance Officer

Place: Mumbai
Date : August 14, 2015

Registered Office:-

Unit No. III, Survey No. 185/1,
Naroli Village, Near Kanadi Phatak,
Silvassa,
Dadra & Nagar Haveli. 396 235
India.

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE “MEETING”) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND, VOTE ON A POLL, INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING PROXIES IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY (50) AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. A PROXY FORM IS SENT HEREWITH.

2. Corporate Members intending to send their authorized representative to attend the Meeting are required to send a duly certified copy of the Board Resolution/ Power of Attorney/other valid authority, authorising their representative to attend and vote at the Meeting, as required under Section 113 of the Companies Act, 2013.
3. In terms of Section 152 of the Companies Act, 2013, Mr. Ravi S. Jogi,(DIN No. 06646110)Director, retires by rotation at the Meeting and being eligible, offers himself for reappointment. The Board of Directors of the Company recommends his re-appointment. Brief resume of Directors including those proposed to be re-appointed, nature of

their expertise in specific functional areas, names of companies in which they hold directorships and memberships / chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, is annexed hereto.

The Statement pursuant to Section 102(1) of the Companies Act, 2013, which sets out details relating to Special Businesses to be transacted at the Meeting, is annexed hereto.

4. Members are requested to bring their attendance slip along with their copy of Annual Report to the Meeting. Members who hold shares in dematerialized form are requested to write their DP ID and Client ID number(s) and those who hold share(s) in physical form are requested to write their Folio Number(s) in the attendance slip for attending the Meeting to facilitate identification of membership at the Meeting.
5. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
6. All documents referred to in the accompanying Notice and the Explanatory Statement are open for inspection by the members at the Registered Office/Corporate Office of the Company during the Business hours on all working days, except Saturdays & Sundays, during business hours up to the date of the 24th Annual General Meeting.
7. The Share Transfer Books and Register of members of the Company will remain closed from Wednesday, September 16, 2015 to Tuesday, September 22, 2015 (both days inclusive) for the purpose of ensuing Annual General Meeting.
8. Electronic Copy of the Annual Report for the year 2014-15 is being sent to all the members whose email IDs are registered with the Company/Depository Participant(s) for communication purpose unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for 2014-15 is being sent in the permitted mode.
9. Members may also note that the Notice of the 24th Annual General meeting and Annual Report for 2015 will also be available on the Company's website www.shekhawatiyarn.com for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office/Corporate office for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication the shareholders may also send request to the Company investor email id : investor@shekhawatiyarn.com
10. Electronic copy of the Notice of the 24th Annual General Meeting of the Company inter alia indicating the process and manner of remote e-voting along with Attendance Slip and Proxy Form is being sent to all the Members whose email IDs are registered with the Company/Depository Participant(s) for communication purpose unless any Members has requested for a hard Copy of the same. Members who have not registered their email address. Physical copies of the Notice of the 24th Annual General Meeting of the Company inter alia indicating the process and manner of remote e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.
11. To prevent fraudulent transactions, members are advised to intimate immediately any change in their address to Company's Registrar and Share Transfer Agents M/s. Sharex Dynamic (India) Private Limited, Unit No.1 Luthra Ind. Premises, Safed Pool, Andheri Kurla Road, Andheri (E), Mumbai-400 072 Tel 022-2851 5644 Fax No. 022-28512855. Members holding shares in the electronic form are advised to inform change in address directly to their respectively depository participants.
12. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company.

Members who have not registered their e-mail addresses so far, are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.

13. Information and other instructions relating to e-voting are as under :

- (i) Pursuant to the provisions of Section 108 of the Companies Act, 2013 read alongwith Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Clause 35B of the Listing Agreement with the Stock Exchange, the Company is pleased to provide to its members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting by electronic means and the business may be transacted through remote e-voting services. The facility of casting the votes by the members using an electronic voting system from a place other than the venue of the Meeting ('remote e-voting') will be provided by CDSL .
- (ii) The facility for voting through ballot paper shall be made available at the Meeting and the members attending the Meeting who have not cast their vote by remote e-voting shall be able to vote at the Meeting through ballot paper.

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on September 19, 2015 at 10.00 a.m. and ends on September 21, 2015 at 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 September 15, 2015, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (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 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:

For Members holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. • 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 letter Eg. If your name is Ramesh Kumar with folio number 100 then enter RA00000100 in the PAN field.
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details #	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. <ul style="list-style-type: none"> • Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member ID / Folio number in the dividend bank details field as mentioned in instruction (IV.)

(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 **SHEKHAWATI POLY-YARN 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.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) 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 and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com

14. The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date i.e. September 15, 2015.
15. 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.co.in under help section or write an email to helpdesk.evoting@cdslindia.com.
16. The members who have cast their vote by remote e-voting may also attend the Meeting but shall not be entitled to cast their vote again.
17. A person, whose name is recorded in the register of Members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the Meeting through ballot paper.

18. Mr. Vishal N. Manseta, (Membership No. 29183) , Practicing Company Secretary has been appointed as a Scrutinizer for conducting the remote e-voting and the voting process at the meeting in fair and transparent manner.
19. The Chairman shall, at the Meeting, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of Scrutinizer, by use of "Ballot Paper" for all those Members who are present at the Meeting but have not cast their votes by availing the remote e-voting facility.
20. The Scrutinizer will after the conclusion of voting at the Meeting, will first count the votes cast at the Meeting and there after unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and will make, not later than two days of the conclusion of the Meeting, a consolidated Scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who will countersign the same and declare the result of the voting forthwith.
21. The results declared alongwith the report of the Scrutinizer will be placed on the website of the Company and on the website of CDSL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results will also be immediately forwarded to the BSE Ltd and National Stock Exchange India Ltd , Mumbai.
22. Mrs. Meena Agal, Compliance Officer of the Company shall be responsible for addressing all the grievances in relation to this Annual General Meeting including e-voting. Her Contact details are E-mail : cs@shekhawatiyarn.com
23. Send their queries atleast 10 days in advance so that the required information can be made available at the meeting.
24. Intimate Registrar and Share Transfer Agent M/s Sharex Dynamic (India) Private Limited for consolidation of their folios, in case they are having more than one folio.

By Order of the Board of Directors
For **Shekhawati Poly-Yarn Limited**

sd/-

Place: Mumbai
Date: August 14, 2015

Meena Agal
Company Secretary & Compliance Officer

Registered Office:-

Unit No. III, Survey No. 185/1,
Naroli Village, Near KanadiPhatak,
Silvassa,
Dadra & Nagar Haveli. 396 235
India.

EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS (PURSUANT TO SECTION 102) OF THE COMPANIES ACT, 2013)

Item 4

Ms. Jyoti Thakkar was appointed as an Additional Independent Director of the Company w.e.f May 30, 2015 pursuant to the section 161 of the Companies Act, 2013.

The Company has received a notice in writing under section 160 of the Companies Act, 2013 from members along with a deposit of ₹ 1,00,000/- proposing candidature of Ms. Jyoti Thakkar for the office of Director of the Company in the ensuing Annual General Meeting.

In accordance with the provisions of Section 149 read with Schedule IV to the Act, appointment of an Independent Director for five consecutive years for a terms upto May 30, 2020 requires approval of members.

Based on the recommendations of nomination and remuneration committee, the Board of Directors have proposed that Ms. Jyoti Thakkar be appointed as an Independent Director of the Company.

The appointment of Ms. Jyoti Thakkar shall be effective upon the approval by members in the meeting. The Board recommends the Ordinary Resolution set out at Item no. 4 of the Notice for approval by the members.

None of the Directors and Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested in the said resolution except Ms. Jyoti Thakkar.

Your Directors recommend the resolution for the member's approval.

Item 5

Ms. Swati Sahukara was appointed as an Additional Independent Director of the Company w.e.f August 14, 2015 pursuant to the section 161 of the Companies Act, 2013.

The Company has received a notice in writing under section 160 of the Companies Act, 2013 from members along with a deposit of ₹ 1,00,000/- proposing candidature of Ms. Swati Sahukara for the office of Director of the Company in the ensuing Annual General Meeting.

In accordance with the provisions of Section 149 read with Schedule IV to the Act, appointment of an Independent Director for five consecutive years for a terms upto August 14, 2020 requires approval of members.

Based on the recommendations of nomination and remuneration committee, the Board of Directors have proposed that Ms. Swati Sahukara be appointed as an Independent Director of the Company.

The appointment of Ms. Swati Sahukara shall be effective upon the approval by members in the meeting. The Board recommends the Ordinary Resolution set out at Item no. 5 of the Notice for approval by the members.

None of the Directors and Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested in the said resolution except Ms. Swati Sahukara.

Your Directors recommend the resolution for the member's approval.

Item 6

The Board of Directors of the Company on the recommendation of the Audit Committee approved the appointment of M/s. N. Ritesh & Associates, Cost Accountants, (Registration No. 26963), as the Cost Auditors of the Company to conduct audit of cost records of the Company for the Financial Year 2015-16, at a remuneration of ₹ 90000/- plus service tax and actual out-of-pocket expenses, subject to approval of the Members.

In terms of the provisions of Section 148(3) of the Companies Act, 2013 read with Rule 14(a)(ii) of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor is to be approved by the Members of the Company.

Accordingly, the Members are requested to approve the remuneration payable to the Cost Auditors during the financial year 2015-16 as set out in the resolution for the services to be rendered by them. The Board recommends the resolution at item no.6 of the Notice for approval of the Members by an Ordinary Resolution.

None of the Directors, Key Managerial Personnel of the Company and the relatives of the Directors and/or Key Managerial Personnel, are concerned or interested in the said resolution.

Item 7

The existing Articles of Association (“AoA”) of the Company are in conformity with the provisions of the Companies Act, 1956 and Rules framed thereunder and several regulations in the existing AoA contain references to specific sections of the Companies Act, 1956 and some regulations in the existing AoA are no longer in conformity with the Companies Act, 2013.

The Ministry of Corporate Affairs, Government of India, had notified the majority of the provisions of the Companies Act, 2013 and has framed the Rules. Consequently, the Articles are being altered in order to comply with provisions of Companies Act, 2013 (Act) and the Rules framed there under.

In view of the above, it is considered prudent to substitute the existing Articles by a new set of Articles. The proposed Articles are based on Table 'F' of Schedule-I of the Act which provides the model Article of Association for a Company Limited by Shares.

Member's attention is invited to certain salient provisions in the new draft AoA of the Company viz:

- a) Company's lien now extends also to bonuses declared from time to time in respect of shares over which lien exists;
- b) the nominee(s) of a deceased sole member are recognized as having title to the deceased's interest in the shares;
- c) new provisions regarding application of funds from reserve accounts when amounts in reserve accounts are to be capitalized;
- d) new provisions relating to appointment of chief executive officer and chief financial officer, in addition to manager and company secretary;
- e) existing articles have been streamlined and aligned with the Act;
- f) the statutory provisions of the Act which permit a company to do some acts “if so authorized by its articles” or provisions which require a company to do acts in a prescribed manner “unless the articles otherwise provide” have been specifically included; and
- g) provisions of the existing AoA which are already part of statute in the Act have not been reproduced in the new draft AoA as they would only lead to duplication – their non-inclusion makes the new AoA crisp, concise and clear and aids ease of reading and understanding.
- h) to align new provisions relating to appointment of Key Managerial Personnel (KMP) including Chief Executive Officer, Chief Financial Officer, in addition to manager and company secretary.

The Board of Directors of your Company recommends the Resolution as set out in Item No. 7 of the accompanying Notice for the approval of members of the Company as Special Resolution.

None of the Directors; key managerial personnel of the Company or their relatives are in any way, financially or otherwise concerned or interested in the said resolution except to the extent of their shareholding, if any. The proposed resolution does not relate to or affect any other Company.

Details of Director seeking Appointment/Re-appointment as required under Clause 49 of the Listing Agreement with the stock exchange:-

As required by Clause 49 of the Listing Agreement signed by the Company with the BSE Ltd. (BSE) and National Stock Exchange India Ltd. (NSE), brief profile of the Directors proposed to appointment / re-appointment at the ensuing annual general meeting:

1. The details of the director who retire by rotation and are eligible for re-appointment (Item No. 2)

Name	: Mr. Ravi S. Jogi
Age	: 27 Years (June 5, 1988)
Date of Appointment	: August 10, 2013
Qualification	: Bachelor of Engineering (Information Technology) from Mumbai University and MBA in Marketing & Operations from Foundation for Liberal & Management Education.
Shareholding in the Company	: NIL
Committee Members	: NIL
Experience in Specific Field	: Mr. Ravi Jogi has a good knowledge in the field of Marketing and Operations in the Textile Industries.
Job Profile & Suitability	: To manage and control functions of Company under the superintendence, control and directions of the Board of Directors ('the Board') of the Company in the field of Marketing and Operations.
List of Companies in which he holds Directorship	: NIL
Membership of Committee of the Board.	: NIL

2. The details of the Directors who propose as a Director of the Company (Item No. 4)

Name	: Ms. Jyoti Thakkar
Age	: 26 Years (June 29, 1989)
Date of Appointment	: May 30, 2015
Qualification	: MBA in Finance from NMIMS
Shareholding in the Company	: NIL
Committee Members	: Audit Committee : Nomination and Remuneration Committee : Stakeholders Grievance Committee : Corporate Social Responsibility Committee : Risk Management Committee
Experience in Specific Field	: Ms. Jyoti Thakkar has seven years of experience in Finance and Administration.
Job Profile & Suitability	: Ms. Jyoti Thakkar presently gives advice on Finance and Administration and other business related activities to organization.
List of Companies in which she holds Directorship	: NIL
Membership of Committee of the Board.	: NIL

3. The details of the Directors who propose as a Director of the Company (Item No. 5)

Name	: Ms. Swati Sahukara
Age	: 32 Years (July 13, 1983)
Date of Appointment	: August 14, 2015
Qualification	: B.Com , ACS, LLB
Shareholding in the Company	: NIL
Committee Members	: NIL
Experience in Specific Field	: Ms. Swati Sahukara has seven years of experience in Company Law and Legal Matters.
Job Profile & Suitability	: Ms. Swati Sahukara advise on Company Law and Legal Issues and other business related activities to organization.
List of Companies in which she holds Directorship	: 1. Bang Overseas Limited 2. Thomas Scott (India) Limited
Membership of Committee of the Board.	: 1. Bang Overseas Limited - Member of Audit Committee and Nomination & Remuneration Committee 2. Thomas Scott (India) Limited - Member of Audit Committee and Nomination & Remuneration Committee

By Order of the Board of Directors
For **Shekhawati Poly-Yarn Limited**

Place: Mumbai
Date: August 14, 2015

sd/-
Meena Agal
Company Secretary & Compliance Officer

BOARD REPORT

To the Members,

Your Directors have pleasure in submitting their 24th Annual Report of the Company together with the Audited Statements of Accounts for the year ended March 31, 2015.

1. FINANCIAL RESULTS

The Company's financial performance for the year under review alongwith previous year's figures are summarised here under :

(Amount in Lacs)

Particulars	2014-15	2013-14
Net Sales /Income from		
Business Operations	35,425.69	35,188.37
Other Income	234.04	32.41
Total Income	35,659.73	35,220.78
Less: Expenses	32,177.06	31,799.51
Total	3,482.67	3,421.27
Less: Interest	1,318.29	1,274.90
Profit before Depreciation	2,164.38	2,146.37
Less: Depreciation	993.00	1,065.59
Profit after depreciation and Interest	1,171.38	1,080.78
Less: Current Income Tax	259.85	216.24
Less: MAT (Entitlement)/Utilisation	140.38	54.52
Less: Previous year adjustment of Income Tax	10.89	24.20
Less: Deferred Tax	43.98	80.73
Net Profit after Tax	716.29	705.09
Dividend (including Interim if any and final)	-	-
Net Profit after dividend and Tax	716.29	705.09
Amount transferred to General Reserve	-	-
Balance carried to Balance Sheet	716.29	705.09
Earning per share (Basic)	0.33	0.32
Earning per Share(Diluted)	0.33	0.32

2. DIVIDEND

The strength of the Company lies in identification, execution and successful implementation of business projects. To strengthen the long term prospectus and sustainable growth in assets and revenue, it is important for the company to evaluate various opportunities in the different business vertical in which Company operates.

The Board of Directors considers this to be in the strategic interest of the company and believe that this will greatly enhance the long term shareholder value. The Company expects better results for the coming year. In order to fund this development and implementation projects, conservation of fund is of vital importance. Therefore, your Directors have not recommended any dividend for the financial year 2014-15.

3. TRANSFERTO RESERVES

The company has not transferred any amount of the current year profits to general reserve.

4. REVIEW OF BUSINESS OPERATIONS AND FUTURE PROSPECTS

Your Directors wish to present the details of Business operations done during the year under review:

a. Profitability

During the year the profit of the Company has increased from ₹ 705.05 Lacs to ₹ 716.29 Lacs as compared to last year 2013-14.

b. Sales

In spite of adverse market condition the company has sustained its turnover and further has increased it from ₹ 35188.36 Lacs to ₹ 35425.69 Lacs as compared to last year 2013-14.

c. Marketing and Market environment

Your Company's textiles operations have shown encouraging growth. Your Company believes that its scale of operations and integration across the textile chain will, in future, offer significant advantages in both cost and revenue. Your Company is making efforts to generate new Customers and penetrate into new International markets, including Argentina, Brazil, Egypt, Israel, Jordan, Kenya, Mexico, Morocco and Thailand. Your Company work hard to meet the competition as well as to enable to maintain long standing business relationship.

d. Future Prospects including constraints affecting due to Government policies

We expect the textile segments to turn favorable and based on the various factors like macro economy condition, the Company is hopeful of significantly improved financial performance in the coming year and hope to provide booming results.

5. MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this financial statements relate and the date of this report.

6. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant and material orders passed by the regulators / courts that would impact the going concern status of the Company and its future operations.

7. MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT

Management's Discussion and Analysis Report for the year ended March 31, 2015 as stipulated under Clause 49 of the Listing Agreement with Stock Exchanges in India, is presented in the separate section forming a part of this Annual Report.

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

The information pertaining to conservation of energy, technology absorption, Foreign exchange Earnings and outgo as required under Section 134 (3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is furnished in **Annexure 'A'** and is attached to this report.

9. RISK MANAGEMENT POLICY

Risk management includes identifying types of risks and its assessment, risk handling and monitoring and reporting. The Company has laid down a well-defined risk management mechanism covering the risk mapping and trend analysis, risk exposure, potential impact and risk mitigation process. A detailed exercise is being carried out to identify, evaluate, manage and monitor the principal risks that can impact its ability to achieve its strategic

objectives. The Board periodically reviews the risks and suggests steps to be taken to control and mitigate the same through a properly defined framework.

In line with the new regulatory requirements, the Company has formally framed a Risk Management Policy to identify and assess the key risk areas, monitor and report compliance and effectiveness of the policy and procedure. The Risk Management Policy is available on web link [http : // www. shekhawatiyarn.com/ CompanyPolicies.html](http://www.shekhawatiyarn.com/CompanyPolicies.html). A Risk Management Committee under the Chairmanship of Mr. Sushil Kumar Poddar, Independent Director, has also been constituted to oversee the risk management process in the Company.

10. DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

Pursuant to Section 135 of the Companies Act, 2013 and the relevant rules, the Board has constituted Corporate Social Responsibility (CSR) Committee under the Chairmanship of Mr. Sushil Kumar Poddar. The other members of the Committee are Mr. Mukesh Ruia and Mr. Rohit Chandgothia. The Board of Directors, based on the recommendations of the Committee, formulated a CSR Policy. The Company is finding out suitable ways and means to undertake CSR activities. The Company could not undertake CSR activities before finalising this report as the time was too short to identify suitable projects in line of the CSR policy and Company's philosophy regarding responsibility as Corporate citizen. The detailed CSR Policy is available on web link [http:// www.shekhawatiyarn.com/ CompanyPolicies.html](http://www.shekhawatiyarn.com/CompanyPolicies.html). Annual report on CSR as required under Companies (Corporate Social Responsibility Policy) Rules 2014 is furnished in **Annexure 'B'** and forms part of this report.

11. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMAN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has been employing woman employees in various cadres within its office and factory premises. The Company has in place a policy against Sexual Harassment in line with the requirements of the Sexual Harassment of woman at work place (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaint Committee is set up at shop floor level to redress any complaints received and are monitored by woman line supervisors. All employees are covered under the policy. There was no complaint received from any employee during the financial year 2014-15 and hence no complaint is outstanding as on March 31, 2015 for redressal.

12. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013

There was no loans, guarantees or investments made by the Company under Section 186 of the Companies Act, 2013 during the year under review and hence the said provision is not applicable.

13. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES

The particulars of Contracts or Arrangements made with related parties made pursuant to Section 188 is furnished in **Annexure 'C'** and is attached to this report. All related party transactions that were entered into during the year under report were on an arm's length basis and in ordinary course of business.

The policy on the materiality of the Related Party Transactions and also on dealing with the Related Party Transactions as approved by the Audit Committee and Board of Directors is available on the web link [http:// www.shekhawatiyarn.com/ CompanyPolicies.html](http://www.shekhawatiyarn.com/CompanyPolicies.html).

14. EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS AND THE PRACTICING COMPANY SECRETARY IN THEIR REPORTS

There was no qualifications, reservations or adverse remarks made by the either by the Auditors or by the Practicing Company Secretary in their respective reports.

15. COMPANY'S POLICY RELATING TO DIRECTORS APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES

The Company's Policy relating to appointment of Directors, payment of Managerial remuneration, including criteria

for determining Directors' qualifications, positive attributes, independence of Directors and other related matters as provided under Section 178(3) of the Companies Act, 2013 is furnished in **Annexure 'D'** and is attached to this report.

16. ANNUAL RETURN

The extracts of Annual Return pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 is furnished in **Annexure 'E'** and is attached to this Report.

17. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

The Company does not have any Subsidiary, Joint venture or Associate Company.

18. DEPOSITS

The Company has neither accepted nor renewed any deposits during the year under review.

19. MEETINGS OF THE DIRECTORS

The Board met 11 (Eleven) times during the financial year, the details of which are given in the Corporate Governance Report that forms part of this Annual Report. The intervening gap between any two meetings was within the periods prescribed by the companies Act, 2013 and listing agreement entered into with the stock exchanges.

20. DIRECTORS RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 134(5) of the Companies Act, 2013 the Board hereby submit its responsibility Statement:—

- a) Applicable accounting standards have been followed with explanation for any material departures
- b) Selected accounting policies have been applied consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period.
- c) Proper and sufficient care has been taken for the maintenance of adequate accounting records for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- d) The annual accounts are prepared on a going concern basis and
- e) Internal financial controls laid have been followed by the company and that such controls are adequate and are operating effectively. Explanation clarifies that such controls means policies and procedures adopted and adherence by the company for orderly and efficient conduct of business for safeguarding assets, prevention and detection of frauds and errors and maintenance of accounting record and timely preparation of financial statements and review its efficacy.
- f) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

21. DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the year following Directors appointed / reappointed and resigned in the Company.

Appointments

Ms. Jyoti Thakkar who was appointed as an Additional Woman Independent Director by the Board of Directors on the recommendation of Remuneration and Nomination Committee on May 30, 2015, holds the said office till the date of the ensuing Annual General Meeting. The Company has received a notice as per the provisions of Section 160(1) of the Companies Act, 2013, from a member proposing her candidature for reappointment to hold office upto five consecutive years.

Ms. Swati Sahukara who was appointed as an Additional Independent Director by the Board of Directors on the recommendation of Remuneration and Nomination Committee on August 14, 2015, holds the said office till the date of the ensuing Annual General Meeting. The Company has received a notice as per the provisions of Section 160(1) of the Companies Act, 2013, from a member proposing her candidature for reappointment to hold office upto five consecutive years.

Re-appointments

As per the provisions of Section 152(6) the companies Act, 2013 Mr. Ravi Jogi, Whole-Time Director retires at the ensuing Annual General Meeting and being eligible, offer himself for re-appointment. The Board recommends his re-appointment.

Resignations

Mr. Rohit Chandgothia, Independent Director and Mrs. Rekha Somani, Independent Director have resigned from the Directorship of the Company w.e.f May 30, 2015 due to the pre-occupation. The Board places on record its appreciation for the services rendered by Mr. Rohit Chandgothia and Mrs. Rekha Somani during their tenure with the Company.

Appointment / Resignations of the Key Managerial Personnel

During the period under review the Company has appointed the following personnel as Key Managerial Personnel of the Company:

Sr. No	Name of the Key Managerial Personnel	Designation
1.	Mr. Mukesh Ruia	Managing Director
2.	Mr. Shivratn Agarwal	Chief Financial Officer
3.	Mrs. Meena Agal	Company Secretary

Board Evaluation

Pursuant to the provisions of the Act, and Clause 49 of the Listing Agreement, a separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board who were evaluated on parameters such level of engagement and contribution and independence of judgement thereby safeguarding the interests of the Company. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors. The board also carried out annual performance evaluation of the working of its Audit, Nomination and Remuneration as well as Stakeholder Relationship Committee. The Directors expressed their satisfaction with the evaluation process.

Familiarization Programme

The Company have conducted various session during the financial year to familiarize Independent Directors with the Company, their roles, responsibilities in the Company, and the technology and the risk management system of the Company. Further, the Directors are encouraged to attend to the training programmes being organized by various regulators/bodies/Institution on above matters.

22. DECLARATION OF INDEPENDENT DIRECTORS

The company has received necessary declaration from each Independent Director under section 149(7) of the Companies Act, 2013, that he/she meets the criteria of independence laid down in Section 149(6) of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

23. DISCLOSURE OF COMPOSITION OF AUDIT COMMITTEE AND PROVIDING VIGIL MECHANISM

The Audit Committee consists of the following members:

Sr. No	Name of the Members	Designation
1.	Mr. Sushil Kumar Poddar	Chairman
2.	Mr. Mukesh Ruia	Member
3.	Mr. Rohit Chandgothia	Member

The above composition of the Audit Committee consists of independent Directors viz., Mr. Sushil Kumar Poddar and Mr. Rohit Chandgothia who form the majority. More details on the Committee are given in the Corporate Governance Report which forms part of this Annual Report.

The Company has established a vigil mechanism and overseas through the committee, the genuine concerns expressed by the employees and other Directors. The Company has also provided adequate safeguards against victimization of employees and Directors who express their concerns. The Company has also provided direct access to the chairman of the Audit Committee on reporting issues concerning the interests of Company employees and the Company. The details of the Whistle Blower Policy is explained in the Corporate Governance Report and is also displayed on the website of the Company.

24. AUDITORS

STATUTORY AUDITORS

The term of office of M/s S G C O & Co., Chartered Accountants having firm Registration No.112081W as Statutory Auditors of the Company will expire with the conclusion of ensuing Annual General Meeting of the Company.

The Board of directors of the company have, subject to the approval of members, decided to make a change in the Statutory Auditors M/s. Ajay Shobha & Co., Chartered Accountants, having firm registration No. 317031E pursuant to Section 139 of the Companies Act, 2013 are proposed to be appointed as Statutory Auditors for a period of 5 years from the conclusion of 24th AGM till the conclusion of 29th AGM subject to ratification by members in every AGM held after the AGM in which such appointment is made. A resolution proposing such their appointment forms part of the Notice.

The Company has received a certificate from the above Auditors to the effect that if they are appointed, it would be in accordance with the provisions of Section 141 of the Companies Act, 2013.

M/s. S G C O & Co. over many years, have successfully met the challenge that the size and scale of the Company's operations pose for auditors and have maintained the highest level of governance, rigour and quality in their audit. The Board place on record its appreciation for the services rendered by M/s. S G C O & Co. as the Statutory Auditors of the Company.

COST AUDITORS

As per the requirement of Section 148 of the Act, read with the companies (Cost Record and Audit) Rules, 2014, the Audit of Cost Account related to Textile product is being carried out every year. The Board of Directors have, based on the recommendation of the Audit Committee, appointed M/s. N. Ritesh & Associates, Cost Accountant, Mumbai (Membership No. M/26963) to audit the cost accounts of the Company for the year 2015-16 from April 1, 2015 to March 31, 2016 on a remuneration of ₹ 90,000/-. As required under the Act, necessary resolution seeking member's ratification for the remuneration payable to M/s. N. Ritesh & Associates is included as item Number 6 of the Notice convening 24th Annual General Meeting. The Cost Audit report for the F.Y. 2014-15 will be filed on or before the due date.

SECRETARIAL AUDITORS

Mr. Vishal Manseta, Practicing Company Secretaries, was appointed to conduct the secretarial audit of the company for the Financial Year 2014-15, as required under Section 204 of the Companies Act, 2013 and Rules there under. The secretarial audit report for F.Y. 2014-15 forms part of the Annual Report as **Annexure 'F'** to the Board Report.

INTERNAL FINANCE CONTROL

The Board has adopted the policies and procedure 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 fraud and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial disclosures.

25. HUMAN CAPITAL AND PARTICULARS OF EMPLOYEES

Your company had 469 employees as on March 31, 2015.

The statement containing the particulars of employees as required under Section 197(12) of the Companies Act, 2013 read along with Rule 5(2) and 5(3) of the Companies(Appointment and Remuneration of Managerial Personnel) Rules, 2014 is not applicable to the company as no employees were in receipt of remuneration above the limits specified in Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

The ratio of remuneration of each Director to the median employee's remuneration and other details in terms of Section 197(12) of the Companies Act, 2013 read along with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is annexed as **Annexure 'G'** and forms part of this annual report.

26. INCREASE IN AUTHORISED SHARE CAPITAL

During the year the Company has increased its Authorized Share Capital of the Company, from ₹ 28,00,00,000/- (Rupees Twenty Eight Crores Only) (divided into 28,00,00,000 Equity Shares of Re.1/- each) to ₹ 40,00,00,000/- (Rupees Forty Crores Only) (divided into 40,00,00,000 Equity Shares of Re.1/- each) by the creation of additional 12,00,00,000 Equity Shares of Re. 1/- each ranking paripassu with the existing Equity Shares of the Company.”

27. SHARES

a. BUY BACK OF SECURITIES

The Company has not bought back any of its securities during the year under review.

b. SHARES WITH DIFFERENTIAL VOTING RIGHTS

The company has not issued equity shares with differential voting rights during the period under review.

c. SWEAT EQUITY

The Company has not issued any Sweat Equity Shares during the year under review.

d. BONUS SHARES

No Bonus Shares were issued during the year under review.

e. EMPLOYEES STOCK OPTION PLAN

The Company has not provided any Stock Option Scheme to the employees.

f. PREFERENTIAL ISSUE OF WARRANTS CONVERTIBLE INTO EQUITY SHARES

During the year the company has issued and allotted 17,98,89,330 warrants on preferential basis carrying an option/entitlement to subscribed to equivalent number of Equity Shares at a price of ₹ 3.06 (Including premium of ₹ 2.06/- each and face value of Re. 1/- each) to Promoters and Non-Promoters of the Company.

28. CORPORATE GOVERNANCE

Your Company has complied with the Corporate Governance requirements as per the revised Clause 49 of the Listing Agreement with the stock exchanges. A separate report on Corporate Governance along with a Certificate of Compliance from the Auditors forms a part of this annual report.

29. ACKNOWLEDGMENTS

Your Directors place on record their sincere thanks to bankers, business associates, consultants, and various Government Authorities for their continued support extended to your Companies activities during the year under review. Your Directors also acknowledges gratefully the shareholders for their support and confidence reposed on your Company.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Sd/-
Mukesh Ruia
Chairman & Managing Director
(DIN : 00372083)

Sd/-
Ravi Jogi
Whole-Time Director
(DIN : 06646110)

Date: August 14, 2015
Place: Mumbai

ANNEXURE – A

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

**Particulars pursuant to Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3)
of the Companies (Accounts) Rules, 2014 for the year ended March 31, 2015**

(A) CONSERVATION OF ENERGY**(i) the steps taken or impact on conservation of energy**

The Company has given due importance to conservation of energy. It is making continuous efforts to conserve energy by affecting process and machinery modifications, implementation of technological advancements, development of newer methods, proper maintenance among others. These measures have resulted in savings in terms of energy, money and time.

The company has installed timer on machines for auto stop of motors when not required to save energy. Replacement of ordinary to electronic chokes on all tube lights to save energy.

(ii) the steps taken by the company for utilising alternate sources of energy

The company proposes to put necessary batteries and transparent ceiling on Top floor to run factory lighting on solar energy.

(iii) the capital investment on energy conservation equipments

The company is implementing expansion project by putting various state-of-the-art quality machines which conserve energy.

The details of Energy Consumption:-

Particulars		2014-15	2013-14
Power and Fuel Consumption			
Electricity			
Purchased Units	(KWH)	24,678,176	32,473,560
Total Amount	(₹)	114,004,042	143,771,708
Average rate per unit	(₹)	4.62	4.43

(B) RESEARCH AND DEVELOPMENT**a. The efforts made towards technology absorption**

The Company has well-equipped and state-of-the-art quality testing and development equipment, managed by a committed team of highly qualified and experienced professional.

b. The benefits derived like product improvement, cost reduction, product development or import substitution.

These measures have helped in production of new value added products, reduction of costs among others. Besides various studies and experiments are undertaken to save energy, improve productivity and quality, control costs among others.

Improved product designs resulted in higher value added products and better realizations.

c. In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)

The Company has not imported any technology from outside India during the last three years reckoned from the beginning of the financial year.

d. Specific in which R & D was carried out by the Company.

The Company is actively engaged in product up gradation and development.

Emphasis on the different Variety of products for better margin.

e. Expenditure incurred on R & D

Since the expenditure incurred on research and development activities were not substantial, no separate account for the same were being maintained.

(C) FOREIGN EXCHANGE EARNING AND OUTGO

Foreign Exchange earnings by way of Exports were ₹ 4357.21 lacs and the Foreign exchange outgo were ₹ 1821.84 lacs by way of import of raw-material & foreign travelling during the year under review.

ANNEXURE - B**ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES**

1.	A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR Policy and projects and programs.	Pursuant to Section 135(1) of the Companies Act, 2013 read with companies (Corporate Social Responsibility) Rules, 2014, the Board of Director have constituted a CSR Committee. The Board also framed a CSR Policy in compliance with the provisions of Section 135 of the Companies Act, 2013. The said policy is placed on the website and is available on the following weblink http://www.shekhawatiyarn.com/Companyolicies.html
2.	The Composition of the CSR Committee	1) Mr. Sushil Kumar Poddar, Chairman 2) Mr. Mukesh Ruia, Member and 3) Mr. Rohit Chandgothia, Member.
3.	Average net profit of the Company (India – Standalone) for last three financial years.	800.61 Lacs
4.	Prescribed CSR Expenditure spent (two percent of the amount as in item 3 above).	16.01 Lacs
5.	Details of CSR spent during the financial year:	NIL
	a) Total amount spent for the financial year;	
	b) Amount unspent, if any;	16.01 Lacs
	c) Manner in which the amount spent during the financial year:	NIL

The Company is finding out suitable ways and means to undertake CSR activities. The Company could not undertake CSR activities before finalising this report as the time was too short to identify suitable projects in line of the CSR policy and Company's philosophy regarding responsibility as Corporate citizen. The Company confirms that the implementation and monitoring of the CSR Policy is in compliance with the CSR objectives and Policy of the Company.

Sd/-
Mukesh Ruia
 Chairman & Managing Director

Sd/-
Sushil kumar Poddar
 Chairman – CSR Committee

**ANNEXURE – C
Form No. AOC-2**

Particulars of Contracts / arrangements made with related parties

[Pursuant to Clause (h) of Sub-section (3) of Section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014]

This form pertains to the disclosure of particulars of contract/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 arm's length transactions under third proviso thereto

Details of Contract or arrangements or transactions not at arm's length basis :

There were no contract or arrangements or transactions entered into during the year ended March 31, 2015, which were not at arm's length basis.

Details of Contract or arrangements or transactions at arm's length basis :

The details of material contracts or arrangements or transactions at arm's length basis for the year ended March 31, 2015 are as follow:

Name of Related party and Nature of Relationship	Nature of Contract / arrangements/ transactions	Duration of Contract/ arrangements/ transactions	Salient terms of the Contract / arrangements/ transactions	Date of approval by Board	Amount paid as advances (₹ In Lacs)
Ruia Rayons Pvt. Ltd (Directors relative is a director in Pvt. Ltd. Company)	Purchase of Capital Assets	On Going subject to as per mutually agreed	Total consideration of ₹ 15.00 crores against purchase of Land , Factory Building & Plant & Machineries	October 17, 2014	474.00
Ruia Rayons Pvt. Ltd (Directors relative is a director in Pvt. Ltd. Company)	Sale of Goods	On Going	Sale of Good on credit basis	October 17 , 2014	71.35

- Appropriate approvals have been taken for related party transactions. Advances paid have been adjusted against billings, wherever applicable.

ANNEXURE – D

Policy regarding Appointment of Directors and payment of remuneration to Managerial Personnel

REMUNERATION POLICY:

In accordance with the provisions of Section 178(3) of the Companies Act, 2013, the Nomination and Remuneration Committee recommended the following remuneration policy relating to the remuneration for the Directors, Key Managerial Personnel, Non-Executive Directors and other employees, which was approved and adopted by the Board.

I. PREAMBLE:

This Remuneration Policy is formulated in compliance with Section 178 of the Companies Act, 2013, read with the applicable Rules thereto and Clause 49 of the Listing Agreement entered into by the Company with Stock Exchanges, as amended from time to time. This Policy has been formulated by the Nomination and Remuneration Committee (NRC) and has been approved by the Board of Directors based on the recommendations of the NRC.

II. OBJECTIVE:

The objective of the Policy is to ensure that:

- (i) The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully.
- (ii) Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- (iii) Remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

III. COMPLIANCE WITH APPLICABLE LAWS:

The procedure and limits for payment of remuneration under this policy shall be in accordance with provisions of (a) the Companies Act, 2013 read with Rules framed thereunder, (b) Listing Agreement with Stock Exchanges, (c) Articles of Association of the Company and (d) any other applicable law or regulations. In the absence of any of the above provisions, the procedure and limits shall be governed by the prevailing HR Policy of the Company.

IV. REMUNERATION OF MANAGING DIRECTOR/WHOLE TIME DIRECTOR:

The Board, on the recommendation of the Nomination and Remuneration Committee approves the remuneration payable to the Managing Director/Whole Time Director of the Company. The remuneration payable to the Managing Director/Whole Time Director shall be in accordance with the conditions laid down in the Articles of Association of the Company and as per the provisions of the Companies Act, 2013, and the rules framed thereunder. The remuneration payable to the Managing Director/Whole Time Director shall comprise of fixed pay, perquisites and a variable salary determined as a percentage of fixed salary & payable annually, linked to achievement against pre-agreed annual performance parameters. The Managing Director/Whole Time Director will not be eligible for any bonus/commission linked to profits of the Company. Notwithstanding that in any financial year the Company has no profits or its profits are inadequate, the Company shall pay remuneration as aforesaid to its Managing Director/Whole Time Director in accordance with the provisions of Schedule V of the Companies Act, 2013, and with the prior approval of the Central Government, wherever necessary.

V. REMUNERATION TO NON-EXECUTIVE DIRECTORS:

Sitting fees within the limits prescribed under the Companies Act, 2013 and rules framed thereunder for attending meetings of the Board and Committees thereof (ii) Commission up to 1% of net profit as may be decided by the Board (iii) The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully.

VI. REMUNERATION TO KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

The Board, on the recommendation of the Nomination and Remuneration Committee approves the remuneration payable to the Key Managerial Personnel and Senior Management. The structure of remuneration payable to Key Managerial personnel and Senior Management Personnel will be in accordance with the compensation framework adopted for employees generally by the Human Resource department of the Company. Such compensation framework adopted for the employees by the Human Resource department will be framed taking into account factors it deems relevant, including but not limited to market conditions, job description, business needs and practices in comparable companies and having regard to financial position of the Company as well as prevailing laws and government/other guidelines.

VII. REMUNERATION TO OTHER EMPLOYEES

Basic Salary, allowances, Retiral Benefits, such other perquisites and/or incentives and/or bonus and/or variable Pay based on factors as above, as may be decided by the Management from time to time as per HR Policy.

CRITERIA FOR IDENTIFICATION OF PERSONS FOR APPOINTMENT AS DIRECTORS AND IN SENIOR MANAGEMENT:

In accordance with the provisions of Section 178(3) of the Act read with Clause 49 of the Listing Agreement, the Nomination and Remuneration Committee is required to formulate the criteria for determining qualifications, positive attributes and independence of a Director. The criteria adopted by the Nomination and Remuneration Committee for the aforesaid purpose are as under:

Criteria for determining qualifications, positive attributes and independence of a director:

I. QUALIFICATIONS:

- (a) He/She should possess appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance, technical operations or other disciplines related to the company's business.
- (b) Such qualifications as may be prescribed under the Companies Act, 2013 read with rules framed thereunder and the Listing Agreement with Stock Exchanges.

II. POSITIVE ATTRIBUTES:

- (a) He/She should be a person of integrity, with high ethical standard.
- (b) He/She should be able to commit to his/her responsibilities and devote sufficient time and attention to his/her professional obligation as a director.
- (c) He/She should be having courtesy, humility and positive thinking.
- (d) He/She should be knowledgeable and diligent in updating his/her knowledge.
- (e) He/She should have skills, experience and expertise by which the Company can benefit.
- (f) In respect of Executive/Whole time Director/ Managing Director, in addition to I (a) & (b) and II (a) to (e) above, he/she should have strong quality of leadership and team monetoring, recognition, management skills, vision, ability to steer the organization even in adverse conditions, innovative thinking, result oriented and ability to enhance reputation of the organization.

III. INDEPENDENCE:

In respect of an Independent director, in addition to I (a) & (b) and II (a) to (e) above, he/she should fulfill the criteria for being appointed as an Independent Director prescribed under Section 149 of the Companies Act, 2013 read with Schedule IV to the said Act and the provisions of Clause 49 of the Listing Agreement as amended from time to time.

ANNEXURE – E
"EXTRACT OF ANNUAL RETURN
As on financial year ended March 31, 2015
[Pursuant to Section 92(3) of the Companies act, 2013 read with
[The Companies (Management and Administration) Rules, 2014]

FORM NO. MGT-9"

A.REGISTRATION AND OTHER DETAILS:

CIN	: L17120DN1990PLC000440
Registration Date	: 05-11-1990
Name of the Company	: Shekhawati Poly-Yarn Limited
Category / Sub-Category of the Company	: "Company limited by shares Indian Non-Government Company"
Address of the Registered office and contact details	: Unit No. III, Plot No. 185/1, Naroli Village, Near Kanadi Phatak, Silvassa, Dadra & Nagar Haveli - 396 235
Whether listed company	: Yes
Name, Address and Contact details of Registrar and Transfer Agent, if any	: "Sharex Dynamic (India) Pvt. Ltd. Unit no.1, Luthra Ind.Premises, Safed Pool, Andheri Kurla Road, Andheri (East), Mumbai - 400072 T: 2851 5606/ 5644/ 6338 F: 28512885 Web: http://www.sharexindia.com "

B. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

Sr. No.	Name and Description of main products / services	NIC Code of the Product / service% to total turnover of the company	% to total turnover of the Company
a.	Texturized, Twisted Yarn & Knitted Fabrics	20303	100%

C. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and address of the company	CIN/GLN	Holding/Subsidiary/Associate	% of shares held
a.	Not Applicable			

IV. (A) SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)
Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year 01/04/2014				No. of Shares held at the end of the year 31/03/2015				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. PROMOTER'S									
(1). INDIAN									
(a). Individual/HUF	53625000	0	53625000	24.36	53625000	0	53625000	24.36	0
(b). Central Govt.	0	0	0	0	0	0	0	0	0
(c). State Govt(s).	0	0	0	0	0	0	0	0	0
(d). Bodies Corporate	46706765	0	46706765	21.22	46706765	0	46706765	21.22	0
(e). FIINS / BANKS.	0	0	0	0	0	0	0	0	0
(f). Any Other	0	0	0	0	0	0	0	0	0
Sub-total (A) (1):-	100331765	0	100331765	45.58	100331765	0	100331765	45.58	0
(2). FOREIGN									
(a). Individual NRI/For Ind	0	0	0	0	0	0	0	0	0
(b). Other Individual	0	0	0	0	0	0	0	0	0
(c). Bodies Corporates	0	0	0	0	0	0	0	0	0
(d). Banks / FII	0	0	0	0	0	0	0	0	0
(e). Qualified Foreign Investor	0	0	0	0	0	0	0	0	0
(f). Any Other Specify	0	0	0	0	0	0	0	0	0
Sub-total (A) (2):-	0	0	0	0	0	0	0	0	0
"Total shareholding of Promoter (A) = (A)(1)+(A)(2)"	100331765	0	100331765	45.58	100331765	0	100331765	45.58	0.00
(B) (1). PUBLIC SHAREHOLDING									
(a). Mutual Funds	0	0	0	0	0	0	0	0	0
(b). Banks / FI	0	0	0	0	0	0	0	0	0
(c). Central Govt.	0	0	0	0	0	0	0	0	0
(d). State Govt.	0	0	0	0	0	0	0	0	0
(e). Venture Capital Funds	0	0	0	0	0	0	0	0	0
(f). Insurance Companies	0	0	0	0	0	0	0	0	0
(g). FIIs	0	0	0	0	0	0	0	0	0
(h). Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
(i). Others (specify)	0	0	0	0	0	0	0	0	0
Sub-total (B)(1):-	0	0	0	0	0	0	0	0	0

IV. (A) SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)
 Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year 01/04/2014				No. of Shares held at the end of the year 31/03/2015				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
2. Non-Institutions									
(a). BODIES CORP.									
(i). Indian	83213273	0	83213273	37.81	82025616	0	82025616	37.27	-0.539
(ii). Overseas	0	0	0	0	0	0	0	0	0
(b). Individuals									
(i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	8176079	100	8176179	3.72	11637178	100	11637278	5.29	1.572
(ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	28183569	0	28183569	12.80	24722303	0	24722303	11.23	-1.572
(c). Other (specify)									
Non Resident Indians	111843	0	111843	0.05	183498	0	183498	0.08	0.032
Overseas Corporate Bodies	0	0	0	0	0	0	0	0	0
Foreign Nationals	0	0	0	0	0	0	0	0	0
Clearing Members	94041	0	94041	0.04	1210210	0	1210210	0.55	0.507
Trusts	0	0	0	0	0	0	0	0	0
Foreign Bodies - D R	0	0	0	0	0	0	0	0	0
Sub-total (B)(2):-	119778805	100	119778905	54.42	119778805	100	119778905	54.42	0
Total Public Shareholding (B)=(B)(1)+ (B)(2)	119778805	100	119778905	54.42	119778805	100	119778905	54.42	0.00
C. Shares held by Custodian for GDRs & ADRs									0.00
"Grand Total (A+B+C)"	220110570	100	220110670	100.00	220110570	100	220110670	100.00	0.00

(ii) Shareholding of Promoter-

Sr No.	Shareholder's Name	Shareholding at the beginning of the year 01/04/2014			Share holding at the end of the Year 31/03/2015			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	CHOICE INTERNATIONAL LIMITED	457510	0.21	-	457510	0.21	-	0.00
2	MUKESH RAMNIRANJAN RUIA	31320000	14.23	-	31320000	14.23	-	0.00
3	ALTIUS BUILDCON PRIVATE LIMITED	15249255	6.93	-	15249255	6.93	-	0.00
4	SKI BUILDCON PVT LTD	31000000	14.08	-	31000000	14.08	-	0.00
5	KALPANA MUKESH RUIA	7500000	3.41	-	7500000	3.41	-	0.00
6	RAMNIRANJAN N RUIA	5000	0.00	-	5000	0.00	-	0.00
7	SHREY MUKESH RUIA	14800000	6.72	-	14800000	6.72	-	0.00

(iii) Change in Promoters' Shareholding (please specify, if there is no change) - Not Applicable

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
	Not Applicable				

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

Sr No.	Name of the shareholders	Shareholding at the beginning of the year		Date wise Increase/ Decrease in Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc.):	No. of Shares	Reason	Cumulative Shareholding during the year	
		No. of Shares at the beginning (01-04-14)	%of Total shares of the Company				No. of Shares	%of Total shares of the Company
1	RG BJ TRADERS PRIVATE LIMITED -Closing Balance	6047179	2.74	01-04-14 31-03-15			6047179	2.74
2	YASH INFRA REALTY PRIVATE LIMITED -Closing Balance	14175490	6.44	01-04-14 31-03-15			14175490	6.44
3	AMBASSADOR INTRA HOLDINGS LTD. -Closing Balance	1400000	0.63	23-01-15 30-01-15 20-02-15 27-02-15 31-03-15	1405210 100000 380300	Transfer Transfer Transfer	2805210 2905210 3285510 3285510	1.27 1.3 1.49 1.49
4	MODERN TRADING BUSINESS PRIVATE LIM -Closing Balance	2886382	1.31	30-06-14 31-03-15			2886382	1.31
5	AMAX NETWORK PVT LTD -Closing Balance	13084414	5.94	01-04-14 04-04-14 11-04-14 30-05-14 06-06-14 13-06-14 20-06-14 30-06-14 04-07-14 11-07-14 10-10-14 31-03-15	17120 111 92388 19451 525030 92840 82727 745705 300000 1950	Transfer Transfer Transfer Transfer Transfer Transfer Transfer Transfer Transfer Transfer	13067294 13067183 12974795 12955344 12430314 12337474 12254747 11509042 11209042 11207092 11207092	5.93 5.93 5.89 5.88 5.64 5.60 5.56 5.22 5.09 5.09 5.09
6	CHOICE EQUITY BROKING PVT LTD -Closing Balance	4721032	2.14	01-04-14 11-04-14 02-05-14 16-05-14 30-05-14 30-06-14 04-07-14 11-07-14 25-07-14 01-08-14 15-08-14 29-08-14 12-09-14 12-12-14 30-01-15 27-02-15 06-03-15 27-03-15 31-03-15	2000 100 2575 1180600 2884582 900 900 1200 1200 900 652575 900 2050 500 200 200 500	Transfer Transfer Transfer Transfer Transfer Transfer Transfer Transfer Transfer Transfer Transfer Transfer Transfer Transfer Transfer Transfer Transfer Transfer	4719032 4719132 4721707 3541107 656525 655625 654725 655925 654725 655625 3050 2150 100 600 800 1000 1500 1500	2.144 2.14 2.14 1.60 0.29 0.29 0.29 0.29 0.29 0.29 0.00 0.00 0 0 0 0 0.00 0.00

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

Sr No.	Name of the shareholders	Shareholding at the beginning of the year		Date wise Increase/ Decrease in Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc.):	No. of Shares	Reason	Cumulative Shareholding during the year	
		No. of Shares at the beginning (01-04-14)	%of Total shares of the Company				No. of Shares	%of Total shares of the Company
7	GAJANAND INFRACON PRIVATE LIMITED -Closing Balance	12839049	5.83	01-04-14 31-03-15			12839049	5.83
8	VASTUPAL INFRASTRUCTURE PRIVATE LIMITED -Closing Balance	9640000	4.38	01-04-14 31-03-15			9640000	4.38
9	NUPUR BHANSALI -Closing Balance	2341767	1.06	01-04-14 31-12-14 31-03-15	431000	Transfer	2772767 2772767	1.26 1.26
10	SATYAPRABHU INFRASTRUCTURE PRIVATE LIMITED - Closing Balance	3478957	1.58	01-04-14 31-03-15			3478957	1.58
11	SHANKHESHWAR SPINNERS PRIVATE LIMITED -Closing Balance	8626121	3.91	01-04-14 31-03-15			8626121	3.91
12	MADHUKAR SHETH -Closing Balance	13318990	6.05	01-04-14 04-07-14 11-07-14 18-07-14 25-07-14 15-08-14 19-09-14 30-09-14 07-11-14 14-11-14 21-11-14 19-12-14 31-12-14 02-01-15 09-01-15 16-01-15 23-01-15 06-02-15 13-02-15 31-03-15	1102616 426028 320499 650231 38 362283 100 34836 95786 54651 24688 41002 43431 98983 2515 3135 53677 200	Transfer Transfer Transfer Transfer Transfer Transfer Transfer Transfer Transfer Transfer Transfer Transfer Transfer Transfer Transfer Transfer Transfer Transfer	12216374 11790346 11469847 10819616 10819578 10457295 10457195 10422359 10326573 10271922 10247234 10206232 10162801 10063818 10061303 10058168 10004491 10004291 10004291	5.55 5.35 5.21 4.91 4.91 4.75 4.75 4.73 4.69 4.66 4.65 4.63 4.61 4.57 4.57 4.57 4.54 4.54 4.54

Note : Top ten Shareholders of the Company as on April 1, 2014 and March 31, 2015 has been considered for the above disclosures

E) Shareholding of Directors and Key Managerial Personnel

Sr No.	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year 01/04/2014		Cumulative Shareholding during the year 31/03/2015	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1	Mukesh R. Ruia - Chairman & Managing Director				
	At the beginning of the year	31320000	14.23	31320000	14.23
	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc.)	-	-	-	-
	At the End of the year	31320000	14.23	31320000	14.23
2	Shivratan Agarwal - Chief Financial Officer				
	At the beginning of the year	11160	0.01	11160	0.01
	Date wise Increase/Decrease in Key Managerial Personnel Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc.)	-	-	-	-
	At the End of the year	11160	0.01	11160	0.01
3	Meena Agal - Company Secretary & Compliance Officer				
	At the beginning of the year	9450	0	9450	0
	Date wise Increase/Decrease in Key Managerial Personnel Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc.)	-	-	-	-
	At the End of the year	9450	0	9450	0

V) INDEBTEDNESS - Indebtedness of the Company including interest outstanding/accrued but not due for payment.

(₹ in lacs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
"Indebtedness at the beginning of the financial year"				
i) Principal Amount	10,880.19	1,910.00	-	12,790.19
ii) Interest due but not paid	68.31	10.06	-	78.37
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	10,948.50	1,920.06	-	12,868.56
"Change in Indebtedness during the financial year-principal amount"				
i) Addition	4,894.00	-	-	4,894.00
ii) Reduction	1,262.56	1,910.00	-	3,172.56
Net Change	3,631.44	(1,910.00)	-	1,721.44
"Indebtedness at the end of the financial year"				
i) Principal Amount	14,511.63	-	-	14,511.63
ii) Interest due but not paid	89.38	-	-	89.38
iii) Interest accrued but not	-	-	-	-
Total (i+ii+iii)	14,601.01	-	-	14,601.01

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(₹ in lacs)

Sr No.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
1	Gross salary	Mukesh Ruia - Chairman & Managing Director	24.00
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961		0.00
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961		0.00
2	Stock Option		0.00
3	Sweat Equity		0.00
4	Commission - as % of profit - others, specify...		0.00 0.00
5	Others, please specify		
	Total (A)		0.00
	Ceiling as per the Act		0.00
	Total		24.00

(₹ in lacs)

Sr No.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
1	Gross salary	Ravi Jogi - Whole Time Director	3.60
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961		0.00
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961		0.00
2	Stock Option		0.00
3	Sweat Equity		0.00
4	Commission - as % of profit - others, specify...		0.00 0.00
5	Others, please specify		
	Total (A)		0.00
	Ceiling as per the Act		0.00
	Total		3.60

B. Remuneration to other Directors

(₹ in lacs)

Sr No.	Particulars of Remuneration	Name of Directors				Total Amount
		Mr. Rohit Chandgothia	Mr. Sushil Kumar Poddar	Mr. Sanjay Jogi	Mrs. Rekha Somani	
1.	Independent Directors					
	• Fee for attending board / committee meetings	5,500	5500	-	1500	12500
	• Commission	-	-	-	-	-
	• Others, please specify	-	-	-	-	-
	Total (1)	5,500	5,500	0	1,500	12,500
2.	Other Non-Executive Directors					
	• Fee for attending board / committee meetings	-	-	5500	-	5500
	• Commission	-	-	-	-	-
	• Others, please specify	-	-	-	-	-
	Total (2)	0	0	5,500	0	5500
	Total (B)=(1+2)	5,500	5,500	5,500	1,500	18000

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

(₹ in lacs)

Sr No.	Particulars of Remuneration	Key Managerial Personnel		Total Amount
		Shivratan Agarwal CFO	Meena Agal Company Secretary	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961"	7.00	5.04	12.04
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-
2	Stock Option -	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	- as % of profit-	-	-	-
	others, specify...	-	-	-
	Others, please specify	-	-	-
	Total	7.00	5.04	12.04

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

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

ANNEXURE - F
Form No. MR-3

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED March 31, 2015

[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,
Shekhawati Poly-Yarn Limited

I/We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Shekhawati Poly-Yarn Limited** (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me/us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

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

I/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 March 31, 2015 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;

As per information and explanation given to me and documents provided for inspection, the Company has maintained minutes book, statutory registers as required by the Act. The Company has filed various E-Forms during the year as a part of Compliance with the Act. The list of forms filed is given in **Annexure – I** to this report.

- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

As per information provided the Company has complied with the stated rules.

- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

As the shares of the Company are listed on BSE and NSE as per compliance requirement the shares of the Company are in demat form except 100 shares and Company complies with the depositories act. The RTA of the Company is Sharex Dynamics (India) Private Limited.

- (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;

Company is involved in export outside India in respect of which FEMA Compliances are done.

The Company has obtained various EPCG Licences under which the Capital Goods are imported duty free. The outstanding export obligation liability as on March 31, 2015 is ₹ 25,438.56 Lacs. The Company needs to fulfil the obligation within a period of 6 to 8 years depending upon the validity of the licence. In case the Company could not fulfil the obligation the custom duty will become payable based on the value of the licence and the other factors.

- (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; Not Applicable during the year under purview.

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;

The said regulations are Complied with as the insider trading notice is issued to the persons possessing price sensitive information before every Board or Members meeting and in case of any Corporate Action or announcements made to Stock Exchanges as the case may be.

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

The Company has not issued any Equity shares during the year. However, during the year the Company has issued 17,98,89,330 Warrants convertible into Equity Shares at the price of ₹ 3.06/- (including premium of ₹ 2.06 and Face Value of ₹ 1/- each) to Promoters and Non-Promoters of the Company.

(d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; Not Applicable

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; Not Applicable

(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;

The Sharex Dynamic (India) Pvt. Ltd is RTA of the Company and is compliant with the said regulations.

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; Not Applicable and

(h) The Securities and Exchange Board of India (Buy / back of Securities) Regulations, 1998; Not Applicable

(iv) The list of other acts applicable is as under:

- Provident Fund and other Employee Benefit related Statutes

The Company has EPF Account wherein share of Employee and employer is deposited on regular basis.

- TDS and Service Tax related statutes

The Company has regularly deposited Tax under respective Statutes within time and returns were also periodically filed. The calculation of Tax is considered upon as given by the Company relying upon the Internal Control and Internal Audit System of the Company. In case of delay the tax is paid with interest. The table disclosing date of deposit of tax is annexed to this report as Annexure – II

- The Maharashtra Shops and Establishment Act, 1948.
- Prevention of Money Laundering Act
- The Information Technology Act, 2000.
- The Indian Stamp Act, 1899/Bombay Stamp Act.
- Negotiable Instruments Act, 1881.
- Registration of any property purchase/sale/long lease.

- Wealth Tax Act, 1957
- Maharashtra Profession Tax under various state level legislations
- Indian Contract Act, 1872

The list of licences obtained by the Company and their validity is annexed to this report as Annexure – III.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines etc. mentioned above. During the period under review the Secretarial Standards were not applicable as the same were not notified.

I/we further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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

Majority decision is carried through there were no dissenting views by the members.

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

I/we further report that during the audit period the company has carried out activity of issuing convertible warrants into equity shares.

The warrants were issued on December 16, 2014 through the Postal Ballot conducted on December 2, 2014. The warrants were optionally convertible within of 18 Months.

For Vishal N. Manseta
(Practicing Company Secretary)

sd/-
Vishal N. Manaseta

Place : Mumbai
Date : July 21, 2015

Annexure – I

Details of forms filed during the Financial Year 2014-15

Sr. No.	Form No.	Particulars of Form	Date of filing	whether delayed filing
1	CHG-1	Enhancement of Working capital facility of SBI	24.05.2014	Yes
2	CHG-1	Enhancement of Working capital facility of SBI & AXIS for mortgage	24.05.2014	No
3	CHG-1	Enhancement of Working capital facility of SBI & AXIS for Hypothecation	28.05.2014	No
4	INC-28	Filling of Order	22.05.2014	No
5	17	Satisfaction of Loan Account	04.06.2014	No
6	MGT-14	MGT-14 for borrow money	05.06.2014	No
7	MGT-14	MGT-14 for Filling Audited Result for Quarter and year Ended 31.03.2014	14.06.2014	No
8	23C	Appointment of Cost Auditor	19.06.2014	No
9	ADT-1	Appointment of Statutory Auditor	19.09.2014	No
10	23AC & 23ACA	Filling of Balance Sheet and Profit & Loss Account	19.09.2014	No
11	DIR-12	Appointment of Rekha Somani	11.09.2014	No
12	MGT-14	Filling of Unaudited Result for Quarter Ended 30.06.2014	12.09.2014	No
13	DIR-12	Regularize of Rekha Somani in AGM	23.09.2014	No
14	MGT-14	Filed for AGM Resolution passed	22.09.2014	No
15	I-XBRL	For filling Cost Audit Report	06.10.2014	Yes
16	MGT-14	Filed for Directors Report and Auditors report and RPT	10.10.2014	Yes
17	MR-1	Re-appointment of Mr. Mukesh Ruia, CMD for 5 years	10.10.2014	Yes
18	GNL-2	Filling of PAS-14 & PAS- 5	11.10.2014	No
19	GNL-2	Filling of Calendar of Events for Postal Ballot	21.10.2014	No
20	20B	Filling of Annual Return	07.11.2014	No
21	MGT-14	Board Resolution for Issue of preferential Issue, Increase Authorised Capital and Related Party Transaction	14.11.2014	No
22	MGT-14	Filed for Un-audited Result for Quarter Ended 30.09.2014	15.12.2014	No
23	MGT- 14	Filed for the Result of Postal Ballot	15.12.2014	No
24	SH-7	Filed for Increase Authorised Share Capital	15.12.2014	No
25	GNL-2	Filed PAS-4 & PAS -5 along with GNL-2 for Issue of Warrants	27.12.2014	No
26	CHG-1	Availing of Term Loan from SBI, AXIS, ALB, UBI & DB for Hypothecation	05.01.2015	No
27	CHG-1	Availing of Term Loan from SBI, AXIS, ALB, UBI & DB for Mortgage	05.01.2015	No
28	MGT-10	Filed for Change in Promoters & Top Ten Shareholders shareholding	14.01.2015	No
29	MGT-10	Filed for Change in Promoters & Top Ten Shareholders shareholding	13.02.2015	No
30	MGT-10	Filed for Change in Promoters & Top Ten Shareholders shareholding	04.03.2015	No
31	MGT-10	Filed for Change in Promoters & Top Ten Shareholders shareholding	09.03.2015	No
32	MGT-14	Filed for Un-audited Result for Quarter Ended on 31.12.2014	11.03.2015	No

Annexure – II

Details of TDS deposited during the year

Sr. No.	Period	Date of depositing Tax	whether payment made within due date
1	Mar-15	Yet to be deposited	
2	Feb-15	March 7, 2015	Yes
3	Jan-15	February 7, 2015	Yes
4	Dec-14	January 7, 2015	Yes
5	Nov-14	December 6, 2014	Yes
6	Oct-14	November 5, 2014	Yes
7	Sep-14	October 7, 2014	Yes
8	Aug-14	September 5, 2014	Yes
9	Jul-14	August 5, 2014	Yes
10	Jun-14	July 5, 2014	Yes
11	May-14	June 7, 2014	Yes
12	Apr-14	May 6, 2014	Yes

Details of Service Tax Deposited during the year

Sr. No.	Period	Date of depositing Tax	whether payment made within due date
1	Mar-15	March 31, 2015	Yes
2	Feb-15	Nil	NA
3	Jan-15	February 7, 2015	Yes
4	Dec-14	January 10, 2014	Yes
5	Nov-14	December 5, 2014	Yes
6	Oct-14	November 5, 2014	Yes
7	Sep-14	October 6, 2014	Yes
8	Aug-14	September 5, 2014	Yes
9	Jul-14	August 5, 2014	Yes
10	Jun-14	July 5, 2014	Yes
11	May-14	June 6, 2014	Yes
12	Apr-14	May 5, 2014	Yes

Annexure – III

Type of Licence / NOC	UNIT ADDRESS	Valid Upto
Air Pollution Board	Survey No. 185/1, Village Naroli, D&NH - 396235	31/01/2016
Cenrtal Pollution board (Air Pollution)	Plot No. 44, Governemnt Industrial Estate, Village Masat, Silvassa	28/02/2017
Cenrtal Pollution board (Water Pollution)	Plot No. 44, Governemnt Industrial Estate, Village Masat, Silvassa	28/02/2017
Pollution Control Committee Daman & DIU and Dadra & Nagar Haveli (Water Pollution)	Survey No. 185/1, Village Naroli, D&NH - 396235	31/01/2016
Factory Licence	Plot No. 44, Governemnt Industrial Estate, Village Masat, Silvassa	31/12/2015
Factory Licence	Survey No. 185/1, Village Naroli, D&NH - 396235	31/12/2015
Shop & Establishment Licence	Unit No. 1102/1103, A Wing Express Zone, Patel Vatika, Off W.E. Highway, Malad (E), Mumbai - 400 097	31/12/2015
Factory Insurance	Plot No. 44, Governemnt Industrial Estate, Village Masat, Silvassa	20/04/2016
Factory Insurance	Survey No. 185/1, Village Naroli, D&NH - 396235	30/12/2015

ANNEXURE – G

The ratio of the remuneration of each Director to the median employee's remuneration and other details in terms of sub-section 12 of Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2014-15, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2014-15 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

Sr. No.	Name of Director / KMP and Designation	Remuneration of Director/KMP for the Financial Year 2014-15 (₹ In lacs)	% increase in Remuneration in the financial year 2014-15	Ratio of remuneration of each Director to median remuneration of employees	Comparison of the Remuneration of the KMP against the performance of the Company (i.e. Profit After Tax)
1	Mr. Mukesh Ramniranjan Ruia- Chairman & Managing Director	24.00	0.00	213.02	3.35%
2	Mr. Ravi Jogi – Whole Time Director	3.60	20.00	31.95	0.50%
3	Mr. Sushil Kumar Poddar – Independent Director	Nil	Nil	Nil	-
4	Mr. Rohit Chandgothia – Independent Director	Nil	Nil	Nil	-
5	Mr. Sanjay Jogi – Non-Executive Director	Nil	Nil	Nil	-
6	Mrs. Rekha Somani – Independent Director	Nil	Nil	Nil	-
7	Mr. Shivratn Agarwal – Chief Financial Officer	7.00	0.00	N.A.	0.98%
8	Mrs. Meena Agal – Company Secretary & Compliance Officer	5.04	0.00	N.A.	0.70%

Sr. No.	Requirements	Disclosures	
1	The Percentage increase in the median remuneration of employees in the financial year	The median remuneration of the employees in the financial year was increased by 3.07%.The actual average increase for employees eligible for increment was around 2.52%. The calculation of % increase in median remuneration is done based on the Company performance and employee's individual performance.	
2	The Number of permanent employees on the rolls of the Company	469 employees as on March 31, 2015	
3	The explanation on the relationship between average increase in remuneration and the Company Performance	The PBT for the financial year ended March 31, 2015 increased from ₹ 1080.78 lacs (previous year) to ₹ 1171.39 lacs and whereas average increase in remuneration of employees is 2.52% which is in line with the current year's performance, market dynamics and as a measure to motivate the employees for better future performance to achieve organization's growth expectations.	
4	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 exception circumstance for increase in the managerial remuneration	There was no exceptional circumstance or increase for managerial personnel in the last financial year. The percentile increase process and policy was same for them and all the other employees.	
5	Comparisons of the remuneration of the Key Managerial Personnels against the performance of the Company	For the Financial year 2014-15, Key Managerial Personnels were paid remuneration of approximately 5.53% of Net Profit of the Company	
6	The key parameters for any variable component of remuneration availed by the directors	The Board factors and guidelines considered for the performance bonus are company performance and Non-performance based on agreed parameters.	
7	The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year	No employee received remuneration in excess of the highest paid director.	
8	Affirmation that the remuneration is as per the remuneration policy of the Company	Yes, the remuneration is as per the remuneration policy of the Company.	
		2014-15	2013-14
9	Variation in Market Capitalisation	₹ 1804.91 lacs	₹ 4886.46 lacs
	Variation in Price Earning Ration	2.48	6.94
	Variation in Percentage Increase/ (decrease) of market quotations of the shares of the Company in comparison to the rate at which the Company came out with last Public Offer	(72.67)%	(26.00)%
	Variation in Net worth of the Company	₹ 11354.85 lacs	₹ 7362.67 lacs

For and on Behalf of the Board of Directors

sd/-

Mukesh Ruia

Chairman & Managing Director

sd/-

Ravi Jogi

Whole -Time Director

Date: August 14, 2015

Place : Mumbai

MANAGEMENT DISCUSSION AND ANALYSIS

INTRODUCTION

Management Discussion and Analysis mainly comprises of the statements which inter alia involve predictions and projections based on perceptions and may, therefore, attract certain risks and uncertainties. It is the sum total of the Company's expectations, beliefs, estimates and projections which may be forward looking within the meaning of applicable securities, laws and regulations. The actual result could differ materially from those expressed herein specifically or impliedly.

The important factors that could make a difference to the Company's operations include availability and cost of raw material, cyclical demand and pricing in the Company's principal markets, changes in government regulations, tax regimes, economics developments within India and countries in which the Company conducts business, India's Free Trade Agreements with other countries, prevailing exchange rate of INR against other currencies, availability of skilled and unskilled workforce and other incidental factors. The shareholders are cautioned to use this in conjunction with the Company's financial statements.

OVERALL REVIEW:

Your Company's Aggressive marketing efforts, relentless focus on efficiency improvement, accentuating on quality and cost control measures contributed towards improved performance during the year.

The Indian Textile industries have an overwhelming presence in economic life of India. Textile industry is also the largest in the country in terms of employment generation. The Indian Textile Industry has a great presence in the economy of the country by way of contribution to industrial output, employment generation and the export earning of the country. The Close Linkage of the industry to agriculture and the ancient culture, and traditions of the country make the Indian textile sector unique in comparison with the textile industry of other countries.

The growth figures of the last few years have made the entire textile industry brim with unprecedented confidence and optimism. These growth targets envisaged a fundamental shift in the textile scenario and have taken a route of a very rapid growth. The Indian textile industry plays a vital role in the Indian economy by contributing to GDP, generating employment and earning foreign exchange.

The worldwide trade of textiles and clothing has boosted up the GDP of India to a great extent as this sector has brought in a huge amount of revenue in the country.

During the year 2014-2015 under review the profitability of the Company was higher as compared to that of the previous years.

A. INDUSTRIAL STRUCTURE AND DEVELOPMENT:

The textile industry has witnessed steady growth in the recent past with the friendly policies announced by the Government. The industry has undergone drastic changes over the decades, particularly after the introduction of Technology Up-gradation Funds (TUFs) scheme by the Government of India and majority of the textile companies have modernized /renovated their plants in order to provide quality products and meet the global standards.

Indian Textile Industry has gone through the metamorphosis from being a 'cottage industry' to the state of supremacy: On the Way of deeper integration with world economy and expansion in domestic economy, the industry picked up the momentum. Most of the existing and new units commenced process of expansion and modernization to cater to the increasing market demands. However, due to the global slowdown, the industry suffered heavily with reduced exports and domestic demand.

The Government of India, recognizing the potential of the Indian Textile Industry has taken several measures over the years to improve the industry's cost competitiveness. Continuing the same trend the government in the last Union Budget has introduced certain fiscal and monetary relief measures in the wake of the global economic slowdown to provide relief to the domestic industry including textiles industry.

MANAGEMENT DISCUSSION AND ANALYSIS

Your Company work hard to meet the competition as well as to enable to maintain long standing business relationship.

Our major export markets in the world are as follows;

Argentina	Egypt	Kenya	Belgium	Brazil
Israel	Mexico	Vietnam	Canada	Jordan
Morocco	Colombia	Thailand	Turkey	Bangladesh
Venezuela	Shrilanka	Poland	Ethiopia	Indonesia
Tunisia	Malaysia			

B. OPPORTUNITY AND THREATS:

Your Company shall tread its path cautiously towards progress, prosperity and is upbeat about its future business plans and future performance. There is always a demand and growth for quality textiles products across the globe. The Greater Investment and FDI opportunities are available.

OUTLOOK:

We expect the textile segments to turn favorably and based on the various factors like macro economy condition, the Company is hopeful of significantly improved financial performance in the coming year and hope to provide booming results in the forth coming years. Total export of the Company for the year 2014-15 was ₹ 4590.77 Lacs.

C. RISK AND CONCERNS:

Risk taking is intrinsic to business growth. All business organization face risks either from internal operations or from external environment. The base of any business is a healthy appetite for risk. This is why one of the greatest and most important challenges for an organization is to define the optimal risk level for its business to ensure that its activities produce risk adjusted returns.

The risks for the Company is high cost of major input, viz. POY and intense competition in domestic and export markets due to large scale over capacity. Continuous weakening and volatility in the Indian Rupees against the US dollar has impacted to the cost of Exports etc. As the business of the Company is spread across the world, any change in policy of various governments, business legislation, grant of visas could have some impact on future of the Company. Continuity volatility on the exchanged flaunts would pose additional changes.

D. INTERNAL CONTROL SYSTEM:

Our Company has well defined and institutionalized business process with effective control systems to ensure that assets and interest of the Company are safeguarded. The system is designed to provide a high degree of assurance regarding the effectiveness and efficiency of operations, the reliability of financial controls and compliance with applicable laws and regulations.

E. FINANCIAL & OPERATIONAL PERFORMANCE:

During the year under review, the operations of the Company remained excellent. The total sale of the Company was ₹ 35425.69 Lacs as against ₹ 35188.37 Lacs during the last Year. The Company has achieved a Profit after Tax of ₹ 716.29 Lacs in the current year as compared to ₹ 705.09 Lacs in the previous year.

MANAGEMENT DISCUSSION AND ANALYSIS

F. HUMAN RESOURCE MANAGEMENT AND INDUSTRIAL RELATIONS:

The Company continued to enjoy harmonious and cordial relations amongst its entire employee. The key to the success of the Company lies in its people whose skills, expertise, and talent help the Company to achieve and sustain its market position. It is the people's commitment, technical know-how, innovative ability and performance driven mindset that enable to react swiftly and creatively to the evolving customer and market needs.

Human resources continue to be an invaluable and intangible asset and key success factor for the Company to grow and sustain its market position in a highly competitive and challenging environment. Your Company firmly believes that people are the pivotal force behind the growth and excellence in business operations. The overall performance and the market position of the Company are the result of the aggregate strength of its people. Focus on developing leadership skills and building talent for the future and the process of improving organizational and human capability through competency mapping of managerial positions in all areas of the Company's operations, continued as a major initiative. The Company is committed to provide the right environment to its employees to work and to inculcate a sense of ownership and pride.

G. CAUTIONARY STATEMENT:

Statements in this Report on Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions are based on certain assumptions and expectations of future events. Actual results could differ materially from those expressed or implied. Investors are cautioned that this discussion contains statements that involve risks and uncertainties. Words like anticipate, believe, estimate, intend, will, expect and other similar expressions are intended to identify such forward looking statements. The Company assumes no responsibility to amend, modify or revise any forward looking statements, on the basis of subsequent developments, information or events.

REPORT ON CORPORATE GOVERNANCE

REPORT ON CORPORATE GOVERNANCE

Corporate Governance:

Corporate Governance pertains to system, by which companies are directed and controlled, keeping in mind long-term interest of stakeholders. Corporate Governance is an internal system encompassing policies, processes and people, which serve the needs of shareholders and other stakeholders, by directing and controlling management activities with good business savvy, objectivity, accountability and integrity. Corporate Governance is a journey for improving sustainable value creation. Sound Corporate Governance is reliant on external marketplace commitment and legislation, plus a healthy board culture which safeguards policies and processes. The positive effect of Corporate Governance on different stakeholders ultimately is a strengthened economy, and hence good Corporate Governance is a tool for Socio-Economic Development.

Corporate Governance is the application of best management practice, compliance of laws, rules and regulations to achieve the objective of the Company & maximize shareholders value. Key elements of good Corporate Governance principles include honesty, trust and integrity, openness, performance orientation, responsibility and accountability, mutual respect, and commitment to the organization. Corporate Governance encompasses commitment to values and to ethical business conduct to maximize shareholder values on a sustainable basis, while ensuring fairness to all stakeholders including customers, employees, investors, vendors, Government and society at large. Corporate Governance is the system by which companies are directed and managed. It influences how the objectives of the Company are set and achieved, how risk is monitored and assessed and how performance is optimized. Sound Corporate Governance is therefore critical to enhance and retain investors' trust.

The essence of Corporate Governance is a framework of effective accountability to all stakeholders. In its widest sense, Corporate Governance is almost akin to a trusteeship. It is about creating an outperforming organisation, which leads to increasing customer satisfaction and shareholder value.

Corporate Governance at Shekhawati Poly-Yarn Limited:

The Companies philosophy on Corporate Governance is to achieve the highest level of transparency, accountability and integrity, honesty, ethical behavior. Your Company is committed to meet the aspiration of all of its shareholders, lenders, employees and other stakeholders. It is always ensured that the practice being followed by the Company is in alignment with its philosophy towards Corporate Governance. Your Company believes that for a Company to be successful it must maintain global standards of Corporate conduct towards its stakeholders. The Company believes that it is rewarding to be better managed and governed and to identify its activities with national interest.

It is not merely compliance and simply a matter of creating checks and balances; it is an ongoing measure of superior delivery of Company's objectives with a view to translate opportunities into reality. It involves leveraging its resources and aligning its activities to national need, shareholders benefit and employee growth, thereby delighting all its stakeholders, while minimizing the risks. Corporate Governance means being responsive for aspirations of all our shareholders, employees, and all other stake holders and also fulfilling the expectations of the society.

1. BOARD OF DIRECTORS:

i) Composition of Board

The Board of Directors (the 'Board') of the Company represents an optimum mix of persons with experience and expertise in their respective fields. As at March 31, 2015 the Board of the Company consisted of Six Members, which comprises of 1 Non-Executive Director, 2 Executive Director, and 3 Non-Executive Independent Director. None of the Directors of the Company is a member of the Board of more than 20 companies, in terms of Section 165 of the Companies Act, 2013, and a member of more than 10 Committees or Chairman of more than 5 Committees (as specified in Clause 49 of the Listing Agreement). The Composition of the Board is in conformity with Clause 49 of the Listing Agreement entered into with the Stock Exchanges. The Board is primarily responsible for the overall management of the Company's business.

REPORT ON CORPORATE GOVERNANCE

The composition of Board as on March 31, 2015 is as under

Sr. No.	Name of the Directors	Category of Directorship	Number of Directorship's of other public / Private Companies	Membership in other Board Committees	Chairmanship in other Board Committees
1	Mr. Mukesh Ruia (Chairman & Managing Director)	PD, ED	-	-	-
2	Mr. Ravi Jogi	ED	-	-	-
3	Mr. Rohit Chandgothia	NED, ID	2	-	-
4	Mr. Sushil Kumar Poddar	NED, ID	-	-	-
5	Mr. Sanjay Jogi	NED	-	-	-
6.	Mrs. Rekha Somani	NED, ID	1	-	-

PD: Promoter Director, ED: Executive Director, ID: Independent Director, NED: Non-Executive Director, NID: Non-Independent Director.

ii) **Board Meetings:**

The Company prepares the schedule of the Board Meeting in advance to assist the Directors in scheduling their program. The agenda of the meeting is circulated to the members of the Board well in advance along with necessary papers, reports, recommendations and supporting documents, so that each Board member can actively participate on agenda items during the meeting. During the year on March 31, 2015 Board Meeting were held respectively on May 10, 2014, May 22, 2014, August 11, 2014, August 13, 2014, October 10, 2014, October 17, 2014, November 12, 2014, November 14, 2014, December 02, 2014, December 16, 2014 and February 13, 2015.

iii) **Attendance:**

The details of attendance of the directors are as follows.

Sr. No.	Name of Directors	No. of Board Meetings held	No. of Meetings attended	Last AGM attended
1	Mr. Mukesh Ruia	11	10	Yes
2	Mr. Ravi Jogi	11	11	Yes
3	Mr. Rohit Chandgothia	11	11	Yes
4	Mr. Sushil Kumar Poddar	11	11	Yes
5	Mr. Sanjay Jogi	11	11	Yes
6	Mrs. Rekha Somani	11	3	No

- Mrs. Rekha Somani was appointed as an Additional Director w.e.f. August 11, 2014 and regularize in the Annual General Meeting held on September 12, 2014.

All the Directors have made the requisite disclosures regarding Committee positions held by them in other Public Limited Companies.

iv) **Director seeking appointments/reappointments**

Mr. Ravi Jogi will be retiring at the ensuing Annual General Meeting and being eligible, offer himself for being reappointment.

Ms. Jyoti Thakkar was appointed as an Additional Director of the Company w.e.f. May 30, 2015, whose term of office expires at the ensuing Annual General Meeting of the Company and in respect of whom the Company has received a notice in writing under section 160 of the Companies Act, 2013 from members proposing her candidature for the office of an Independent Director of the Company upto term of five consecutive years.

Ms. Swati Sahukara was appointed as an Additional Director of the Company w.e.f. August, 14, 2015, whose term of office expires at the ensuing Annual General Meeting of the Company and in respect of whom the Company has received a notice in writing under section 160 of the Companies Act, 2013 from members proposing her candidature for the office of an Independent Director of the Company upto term of five consecutive years.

REPORT ON CORPORATE GOVERNANCE

Resignations

Mr. Rohit Chandgothia, Independent Director and Mrs. Rekha Somani, Independent Director have resigned from the Directorship of the Company w.e.f May 30, 2015 due to the pre-occupation. The Board places on record its appreciation for the services rendered by Mr. Rohit Chandgothia and Mrs. Rekha Somani during their tenure with the Company.

v) Board Evaluation

Pursuant to the provisions of the Act, and Clause 49 of the Listing Agreement, a separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board who were evaluated on parameters such level of engagement and contribution and independence of judgement thereby safeguarding the interests of the Company. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors. The board also carried out annual performance evaluation of the working of its Audit, Nomination and Remuneration as well as Stakeholder Relationship Committee. The Directors expressed their satisfaction with the evaluation process.

vi) Familiarization Programme

The Company have conducted various session during the financial year to familiarize Independent Directors with the Company, their roles, responsibilities in the Company, and the technology and the risk management system of the Company. Further, the Directors are encouraged to attend to the training programmes being organized by various regulators/bodies/Institution on above matters.

2. BOARD COMMITTEES

For effective and efficient functioning of the Company, the Board has formed the following Committees:

- a. Audit Committee
- b. Nomination & Remuneration Committee
- c. Stakeholders Relationship Committee
- d. Corporate social Responsibility Committee
- e. Risk Management Committee

a. Audit Committee

Composition:

The Audit Committee consists with Two Independent Non Executive Director and One Executive Director having knowledge of Finance, Accounts and Company Law. The composition of the Audit Committee as on March 31, 2015 is as under:

Sr. No	Name of the Members	Designation	Category
1.	Mr. Sushil Kumar Poddar	Chairman	Independent Director
2.	Mr. Rohit Chandgothia	Member	Independent Director
3.	Mr. Mukesh Ruia	Member	Executive Director

Mr. Sushil Kumar Poddar, Chairman is a Non-Executive Independent Director as per the Listing Agreement. The constitution of audit committee also meets with the requirements under section 177 of the Companies Act, 2013 and Clause 49 of the Listing Agreement entered into with Stock Exchange.

The Company Secretary acts as the Secretary to the Committee.

Meetings:

During the year under review, the committee met 8 (Eight) times on May 22, 2014, August 11, 2014, August 13, 2014, October 10, 2014, October 17, 2014, November 12, 2014, November 14, 2014 and February 13, 2015.

REPORT ON CORPORATE GOVERNANCE

Attendance:

The details of attendance of the members are as follows:

Sr. No	Name of the Members	Designation	No. of Meetings	
			Held	Attended
1.	Mr. Sushil Kumar Poddar	Chairman	8	8
2.	Mr. Rohit Chandgothia	Member	8	8
3.	Mr. Mukesh Ruia	Member	8	7

The term of reference stipulated by the Board to the Audit Committee are, as contained in clause 49 of the Listing agreement and Section 177 of the Companies Act, 2013, inter alia as follows:

1. Overseeing our Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommending to the Board, the appointment, re-appointment and if required, the replacement or removal of the statutory auditor, cost auditor and fixation of audit fees;
3. Approval of payment to statutory auditors for any other services rendered by them;
4. Reviewing with the management the annual financial statements and auditor's report thereon before submission to the board for approval, with particulars reference to:
 - a. Matters required to be included in the Directors Responsibility Statement to be included in the Board Report in terms of clause (c) of section 134 of the Companies Act, 2013.
 - b. Changes, if any in accounting policies and practices and reason for the same.
 - c. Major accounting entries involving estimates based on the exercise of judgment by management.
 - d. Significant adjustments made in the financial statements arising out of audit findings.
 - e. Compliance with listing and other legal requirements relating to financial statements.
 - f. Disclosure of any related party transactions, and
 - g. Qualifications in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
6. 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;
7. Reviewing with the management the auditor independent and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transaction of the company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertaking or assets of the company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems;
13. 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;

REPORT ON CORPORATE GOVERNANCE

14. Discussion with internal auditors any significant findings and follow up there on;
15. 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;
16. 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;
17. 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;
18. To review the functioning of the Whistle Blower mechanism;
19. 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 & background, etc. of the candidate;
20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee;

b. Nomination and Remuneration Committee:

As a concern of good Corporate Governance the Board has constituted Nomination and Remuneration Committee and modified its constitution time to time. The Nomination and Remuneration Committee comprises of two Independent Non Executive Directors and one Non - Executive Director. As per the provision and section 178 of the Companies Act, 2013 and Clause 49 of the Listing Agreement entered into with Stock Exchange committee change its name from Remuneration Committee to Nomination and Remuneration Committee w.e.f. May 22, 2014.

Composition:

The following Directors are members of the Committee:

Sr. No	Name of the Members	Designation	Category
1.	Mr. Sushil Kumar Poddar	Chairman	Independent Director
2.	Mr. Rohit Chandgothia	Member	Independent Director
3.	Mr. Sanjay Jogi	Member	Non-Executive Director

Meeting:

The committee met on twice in a year i.e May 22, 2014 and August 11, 2014.

Attendance:

The attendance of the members at the meetings of the Nomination and Remuneration Committee is as follows:

Sr. No	Name of the Members	Designation	No. of Meetings	
			Held	Attended
1.	Mr. Sushil Kumar Poddar	Chairman	2	2
2.	Mr. Rohit Chandgothia	Member	2	2
3.	Mr. Sanjay Jogi	Member	2	1

Role and Functions of Nomination and Remuneration Committee are as follow :

- i) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- ii) Formulation of criteria for evaluation of Independence Director and the Board ;
- iii) Devising a policy on Board diversity;
- iv) Identifying persons who are qualified to become directors and who may be appointed in senior

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management in accordance with the criteria laid down, and recommend to the Board their appointment and removal. The Company shall disclose the remuneration policy and the evaluation criteria in its Annual Report.

Remuneration Policy

In accordance with the provisions of Section 178(3) of the Act, the Nomination and Remuneration Committee recommended the remuneration policy relating to the remuneration for the Directors, Key Managerial Personnel and other employees which was approved and adopted by the Board and the same is annexed as **Annexure 'D'** to the Directors' Report.

Directors' Remuneration & Sitting Fee

a) Remuneration to the Chairman & Managing Director and Whole Time Director

The Nomination and Remuneration Committee recommends to the Board of Directors, the remuneration of the Managing Director & Whole-Time Director by way of salary. The Company has a structured assessment of the Key Performance Indicators for all employees including the Managing Director & Whole-Time Director.

Sr. No.	Particulars of Remuneration	Name of MD/WTD and/or Manager	Amount (₹ In Lacs)
1.	Gross Salary (a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) of Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) of the Income – tax Act, 1961	Mr. Mukesh Ruia – Chairman & Managing Director	24.00
2.	Stock Option		-
3.	Sweat Equity		-
4.	Commission -As % of profit -Others, specify,		
5.	Others, Please specify		-
	Total		24.00

Sr. No.	Particulars of Remuneration	Name of MD/WTD and/or Manager	Amount (₹ In Lacs)
1.	Gross Salary (a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) of Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) of the Income – tax Act, 1961	Mr. Ravi Jogi – Whole Time Director	3.60
2.	Stock Option		-
3.	Sweat Equity		-
4.	Commission -As % of profit -Others, specify,		-
5.	Others, Please specify		-
	Total		3.60

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b) Remuneration to Non-Executive Directors of the Company:

Details of sitting fees paid to the Directors during the F.Y. 2014-15

Sr. No	Name of Directors	Sitting Fees (in Rupees)
1.	Mr. Rohit Chandgothia	5500
2.	Mr. Sushil Kumar Poddar	5500
3.	Mr. Sanjay Jogi	5500
4.	Mrs. Rekha Somani	1500
	Total	18000

There has been no materially relevant pecuniary transaction or relationship between the Company and its Non-Executive Directors during the year.

The Non- Executive Directors of the Company do not hold any shares of the Company.

Mr. Mukesh Ruia, Chairman and Managing Director of the Company holds 3,13,20,000 shares of the Company as on March 31, 2015.

c) Stakeholders Relationship Committee:

The Board has constituted the Stakeholder Relationship Committee in accordance with the requirement of the Clause 49 of the Listing Agreement. The objective of the Company is to attend to the investors' complaints pertaining to transfer/transmission/demat/remat of shares, on the receipt of dividend warrant/shares certificates etc. and any other matter related thereto.

The Stakeholders Relationship Committee of the Board comprises of the Two Independent Non Executive Director & One Executive Director. As per the provision and section 178 of the Companies Act, 2013 committee change its name from Shareholders / Investor's Grievance Committee to Stakeholder Relationship Committee w.e.f. May 22, 2014.

Composition:

The composition of the Stakeholders Relationship Committee as on March 31, 2015 is as under:

Sr. No	Name of the Members	Designation	Category
1.	Mr. Sushil Kumar Poddar	Chairman	Independent Director
2.	Mr. Rohit Chandgothia	Member	Independent Director
3.	Mr. Mukesh Ruia	Member	Executive Director

The committee functions under the Chairmanship of Mr. Sushil Kumar Poddar. The other members are Mr. Mukesh Ruia and Mr. Rohit Chandgothia.

Meetings:

During the financial year 2014-15, the Stakeholders Relationship Committee met 4 (four) time viz. May 22, 2014, August 11, 2014, November 12, 2014 and February 13, 2015.

Attendance:

The details of attendance of the members are as follows:

Sr. No	Name of the Members	Designation	No. of Meetings	
			Held	Attended
1.	Mr. Sushil Kumar Poddar	Chairman	4	4
2.	Mr. Rohit Chandgothia	Member	4	4
3.	Mr. Mukesh Ruia	Member	4	3

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Role and Responsibilities of Stakeholders Relationship Committee

The committee is responsible for approving transfer of shares including transmission, splitting of shares into marketable lots, changing joint holding into single holding and vice versa and also for issuing duplicate certificates in lieu of those torn, destroyed, lost or defaced or where the cases in the reverse for recording transfers have been duly utilized. It is also responsible for reviewing the process and mechanism of redressal of investor complaints and suggesting measures of improving the existing system of Redressal of Investor Grievances.

Also the stakeholders Relationship Committee is responsible for resolving various complaints of shareholders about transfer of shares, non receipt of balance sheet, non-receipt of interest/ dividend payments, non- receipts of duplicate share certificates, any other grievance of the members/ investors with Company or any officer of our Company in performing his official duty; any other task assigned by the board from time to time. The committee will also oversee the performance of the registrars transfer agents and the depository related services. The committee also oversees the implementation and compliance of the code of conduct adopted by our Company for prevention of insider trading for listed companies as specified in the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 as amended from time to time.

Status of the Shareholders' Complaints:

The Company addresses all the complaints, suggestions and grievance expeditiously. The details of complaints received and resolved during the year as follows:

Sr. No	Nature of Complaints	Opening balance	Complaints Received	Complaints Redressed	Pending as on March 31, 2015
1.	Non Receipt of S/C of public issue	Nil	Nil	Nil	Nil
2.	Non-receipt of refund in public issue	Nil	Nil	Nil	Nil
3.	Non-receipt refund of application amount	Nil	Nil	Nil	Nil
4.	Non-receipt of interest for delay in refunds	Nil	1	1	Nil
	Total	Nil	1	1	Nil

Compliance Officer:

The Company has appointed Mrs. Meena Agal, full time Company Secretary of the Company as a Compliance officer of the Company w.e.f. October 1, 2012.

D. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Pursuant to section 135 and other applicable provision of the Companies Act, 2013 the company has constituted the Corporate Social Responsibility Committee w.e.f. from May 22, 2014.

The Corporate Social Responsibility Committee comprises of the Two Independent Non Executive Director & One Executive Director.

Composition:

The composition of the Corporate Social Responsibility Committee is as under:

Sr. No	Name of the Members	Designation	Category
1.	Mr. Sushil Kumar Poddar	Chairman	Independent Director
2.	Mr. Rohit Chandgothia	Member	Independent Director
3.	Mr. Mukesh Ruia	Member	Executive Director

The committee functions under the Chairmanship of Mr. Sushil Kumar Poddar. The other members are Mr. Mukesh Ruia and Mr. Rohit Chandgothia.

REPORT ON CORPORATE GOVERNANCE

Meetings:

During the financial year 2014-15, the Corporate Social Responsibility Committee met one time viz. February 13, 2015.

Attendance:

The details of attendance of the members are as follows:

Sr. No	Name of the Members	Designation	No. of Meetings	
			Held	Attended
1.	Mr. Sushil Kumar Poddar	Chairman	1	1
2.	Mr. Rohit Chandgothia	Member	1	1
3.	Mr. Mukesh Ruia	Member	1	0

E. RISK MANAGEMENT COMMITTEE

The Risk management Committee was constituted at a board meeting held on February 13, 2015.

As per the Companies Act, 2013 and as part of good corporate governance the Company has constituted the Risk Management Committee. The Committee is required to lay down the procedure to inform the Board about the risk assessment and minimization procedures and the Board shall be responsible for framing, implementing and monitoring the risk management plan of the Company.

The Committee reviewed the risk trend, exposure and potential impact analysis carried out by the management. Risk management Committee met once in the F.Y. 2014-15.

Composition:

The composition of the Risk Management Committee is as under:

Sr. No	Name of the Members	Designation	Category
1.	Mr. Sushil Kumar Poddar	Chairman	Independent Director
2.	Mr. Rohit Chandgothia	Member	Independent Director
3.	Mr. Mukesh Ruia	Member	Executive Director

The committee functions under the Chairmanship of Mr. Sushil Kumar Poddar. The other members are Mr. Mukesh Ruia and Mr. Rohit Chandgothia.

Attendance:

The details of attendance of the members are as follows:

Sr. No	Name of the Members	Designation	No. of Meetings	
			Held	Attended
1.	Mr. Sushil Kumar Poddar	Chairman	1	1
2.	Mr. Rohit Chandgothia	Member	1	1
3.	Mr. Mukesh Ruia	Member	1	0

3. INDEPENDENT DIRECTORS MEETING

In compliance with the provisions of Section 149(8) read along with Schedule IV of the Companies Act, 2013 and clause 49 of the listing agreement with the stock exchanges, a meeting of the Independent Directors of the Company was held on February 13, 2015 without the attendance of Non-Independent Directors and members of management. All the Independent Directors were present at the said meeting, to discuss the following matters;

- Review of the performance of Non-Independent Directors and the Board as a whole;
- Review of the performance of the Chairman & Managing Director of the Company, taking into account the view of executive directors and non – executive Directors;

REPORT ON CORPORATE GOVERNANCE

- Evaluate the quality, quantity and timelines of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

4. Subsidiary Company

The Company has no subsidiary company. The requirements of the clause 49 of the listing agreement with the stock exchanges with regard to subsidiary companies have been complied with. The Company has formulated the Material Subsidiary Policy and the same is available on the website of the Company <http://www.shekhawatiyarn.com/Companyolicies.html>

5. Disclosures

Related party Transaction:

During the F.Y. 2014-15, there were no contract or transaction or arrangements entered by the company which were not at arm's length basis. Company has only entered into the transaction which are at arm's length basis with the Directors or, Management or Relatives. The details of transaction with the related parties are tabled before the Audit Committee on a quarterly basis. The registers of contracts containing the transactions in which the Directors are interested are placed regularly before the Board for their approval/signature.

The Company has formulated a policy on materiality of Related Party Transactions and also on dealing with the Related Party Transactions pursuant to the provisions of the Companies Act, 2013 and listing agreement with the stock exchanges. The same is available on the website of the Company <http://www.shekhawatiyarn.com/Companyolicies.html>.

Accounting Treatment:

The Company has followed accounting treatment as prescribed in Accounting Standard applicable to the Company.

Details of non-compliances, penalties, strictures imposed on the Company by Stock Exchange/SEBI/Statutory Authorities on any matter related to Capital Markets during last three years ;

The Company has complied with the requirements of the Stock Exchange/SEBI/ and other Statutory Authorities on all matters related to Capital Markets during the last three years. No penalties or strictures have been imposed on the Company by the Stock Exchange or SEBI or any other statutory authorities.

Whistle Blower Policy

Pursuant to Clause 49 of the Listing Agreement and upon recommendation by the Audit Committee, the Board of Directors, at its meeting held on February 13, 2015 approved and adopted the Whistle Blower Policy, which provides a formal mechanism for all Directors and employees of the Company to approach the Management of the Company (Audit Committee in case where the concern involves the Senior Management) and make protective disclosures to the Management about unethical behavior, actual or suspected fraud or violation of the Company's code of conduct or ethics policy. The disclosures reported are addressed in the manner and within the time frames prescribed in the Policy. The Company affirms that no director or employee of the Company has been denied access to the Audit Committee. This Policy can be viewed on the company's website viz. <http://www.shekhawatiyarn.com/Companyolicies.html>.

Compliances by the Company with Stock Exchanges

The Equity Shares of the Company are listed on the BSE Limited, Mumbai and the National Stock Exchange of India Limited, Mumbai, for the entire year and there were no penalties or restrictions imposed on the Company by any Stock Exchanges or SEBI for any matter.

Details of company with mandatory requirements and adoption of non-mandatory requirements of clause 49 of the Listing Agreement:

The Company has complied with all the mandatory requirements of clause 49 in respect of corporate governance. A Certificate from the statutory auditors of the Company to this effect has been included in this report. The Company has not complied with the other non-mandatory disclosures stipulated in the Listing Agreements for time being.

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6. GOVERNANCE CODES:

CODE OF CONDUCT:

The Company has adopted a Code of Conduct for the Board of Directors and Senior Management of the Company and all the Board members and Senior Management have affirmed their adherence to the Code. The Model Code of Conduct is available on the website of the Company <http://www.shekhawatiyarn.com/CompanyPolicies.html>. The declaration from the Chairman & Managing Director to this effect forms a part of this Annual Report.

CODE OF CONDUCT FOR PREVENTION/PROHIBITION OF INSIDER TRADING:

With a view to regulate trading in securities by the Promoters, Directors and Designated/Specified Employees, the Company has adopted a Code of Conduct for prevention/prohibition of Insider Trading.

7. Means of Communication

- **Website:** The Company's website www.shekhawatiyarn.com contains separate section as "Investor Relation" where shareholder informations are available. Full Annual Report is also available on the website in the user friendly and downloadable form. Apart from this, official news releases etc. are also displays in the website.
- **Financial Results:** The Annual, half yearly and quarterly results are regularly uploaded by the company on the website. These are also submitted to the Stock Exchanges in accordance with Listing Agreement and publish in Financial Express in English and Financial Express Gujarati News Papers for all the the quarters.
- **Annual Report:** Annual Report containing inter alia Audited Annual Accounts, Director's Report, Auditor's Report and other important information is circulated to the members and others details thereto.

- **Management Discussion and Analysis:**

Annual Report contains detailed information on Management Discussion and Analysis.

- **Risk Management**

The policy, principle and safety management standards are used consistently in implementing safety management across the Company. These are underpinned with a system of proactive hazard identification, risk management, controls, training and continuous improvement.

8. General Body Meetings

- **Annual General Meetings:**

Details of the location of the previous three AGMs and the details of the Special Resolutions passed as under:

a. Particulars of previous three Annual General Meetings:

Meeting	Year	Venue	Date	Time
AGM	2014	Unit III, Plot No. 185/1, Naroli Village, Near Kanadi Phatak, Silvassa, Dadra & Nagar Haveli – 396 235	September 12, 2014	2.00 P.M.
AGM	2013	Lalit Restaurant Hall, Near Rly. Station, Goregaon (West), Mumbai-400 062.	September 30, 2013	11.30 A.M.
AGM	2012	Lalit Restaurant Hall, Near Rly. Station, Goregaon (West), Mumbai-400 062.	September 28, 2012	11.30 A.M.

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b. The Details of Special Resolution passed at AGM during last 3 years i.e. 2012, 2013 & 2014.

Sr.	AGM held on	Special Resolution passed
1.	September 12, 2014	<ul style="list-style-type: none"> • Re-appointment of Mr. Mukesh Ruia, Chairman and Managing Director for period of 5 year w.e.f. March 2, 2015. • Increase in Authorised Share Capital from ₹ 28 crores to ₹ 100 crores • Issue and allot 17,98,89,330 warrants convertible into equity shares to Promoters/Promoters Group and Non-Promoters Group on preferential basis. • Supersession of the Ordinary Resolution passed u/s 293(1)(d) for borrowing limit of the Company. • Resolution for place of keeping register, documents, certificates as required to be kept at the registered office of the Company.
2.	September 30, 2013	Appointment of Mr. Ravi Jogi as a Whole-Time Director
3.	September 28, 2012	Nil

• Special Resolution passed through Postal Ballot

(I) Special Resolutions were passed on December 2, 2014 through postal ballot, pursuant to Section 110 of the Companies Act, 2013 and read with the Rule 22 of Companies (Management and Administration) Rules 2014, in respect of the following items:

1. Special Resolution for Increase in Authorised Share Capital from ₹ 28 Crores to ₹ 40 Crores. of the company and alteration in the Capital Clause of Memorandum of Association of the Company.
2. Special Resolution for Issue & allot of 17,98,89,330 warrants convertible into Equity Shares of the Company to Promoter / Promoters Group and Non-Promoters Group on Preferential Basis.
3. Special Resolution for Transaction with Related Party u/s 188 of the companies Act, 2013.

• Voting Pattern and Procedure for Postal Ballot:

- i) The Board of Directors of the Company, had appointed Mr. Vishal Manseta, Practising Company Secretary, as the scrutinizer for conducting the postal ballot voting process in a fair and transparent manner.
- ii) The Company had completed the dispatch of the Postal Ballot Notice dated October 17th, 2014 together with the Explanatory Statement on October 30, 2014, along with forms and postage prepaid business reply envelopes to all the shareholders whose name(s) appeared on the Register of Members/list of beneficiaries as on October 17, 2014.
- iii) The voting under the postal ballot was kept open from 10.00 a.m. on October 31, 2014 to 6.00 p.m. on November 29, 2014 (either physically or through electronic mode).
- iv) Particulars of postal ballot forms received from the Members using the electronic platform of CDSL were entered in a register separately maintained for the purpose.
- v) The postal ballot forms were kept under his safe custody in sealed and tamper proof ballot boxes before commencing the scrutiny of such postal ballot forms.
- vi) All postal ballot forms received/receivable up to the close of working hours until 6.00 p.m. on Saturday, 29th November, 2014, the last date and time fixed by the Company for receipt of the forms, had been considered for his scrutiny.
- vii) On Tuesday, 2nd December, 2014, the Chairman announced the results of the postal ballot as per the Scrutinizer's Report and declared that the above special resolutions were passed with requisite majority.

REPORT ON CORPORATE GOVERNANCE

9. General Shareholder Information

- 24th Annual General Meeting:

Day & Date : Tuesday, September 22, 2015

Time : 11.30 A.M.

Venue : Unit III, Survey No. 185/1, Naroli Village, Near Kanadi Phatak, Silvassa, D & N. H. – 396 235

Agenda:

Ordinary Business

- Adoption of Audited Accounts, Directors' and Auditors Report thereon.
- Re-election of Directors retiring by rotation
- Appointment and fixing of Remuneration of the Ajay Shobha & Co. Statutory Auditors in place of S G C O & Co. for Five Consecutive year subject to ratification by members in every Annual General Meeting of the Company.

Special Business

- Appointment of Ms. Jyoti Thakkar as an Independent Director upto the 5 (Five) consecutive years.
- Appointment of Ms. Swati Sahukara as an Independent Director upto the 5 (Five) consecutive years.
- Ratification of remuneration of Cost Auditor.
- Adoption of New set of Article of Associations in conformity with the Companies Act, 2013.

- Financial Calendar (Tentative Calendar of Events and subject to change)**

Financial year : April 1, 2015 to March 31, 2016 for the Financial Year 2015-16, quarterly un-audited/annual audited results will be announced by:

First quarter Result : Within 45 days from the end of Quarter

Second quarter Result : Within 45 days from the end of Quarter

Third quarter Result : Within 45 days from the end of Quarter

Audited Annual Result : Within 60 days from the end of Quarter

- Book Closure Dates on account of Annual General Meeting:**

Wednesday, September 16, 2015 to Tuesday, September 22, 2015 (Both day inclusive)

- Listing on Stock Exchanges:**

The Company's Shares are listed on :

(i) BSE Limited (BSE), Mumbai
Floor 25, P.J. Tower, Dalal Street, Mumbai – 400 001

(ii) National Stock Exchange of India Limited (NSE), Mumbai
"Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051.

- Stock Code:**

Exchange	Code/trading symbol	ISIN
BSE	533301	INE268L01020
NSE	SPYL	

- Payment of Listing Fees:**

Listing fees for the financial Year 2014-2015 have been paid, within the stipulated time to the above stock Exchanges where the Company's Equity Shares are listed.

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- **CEO/CFO Certification:**

As required under clause 49 V of the Listing Agreement with the Stock Exchanges, the Chairman & Managing Director and Chief Financial Officer of the Company have certified to the Board regarding financial statements for the year ended March 31, 2015.

- **Certificate of Corporate Governance**

A Certificate from M/s. S G C O & Co. Chartered Accountants, confirming compliance with the conditions of Corporate Governance in terms of Clause 49 of the Listing Agreement form part of this Report.

- **Share Transfer System**

Since the Company's shares are traded in the dematerialized form on the Stock Exchanges, bulk of the transfers takes place in the electronic form.

For expediting transfers, the Company has appointed a common agency, M/s Sharex Dynamic (India) Pvt. Ltd., Registrar and Share Transfer Agent (RTA) of the Company, for effecting transfers of shares held in both the demat as well as physical form. The Board has designated the Company Secretary as the Compliance Officer. The Company obtains, from a Company Secretary in practice, half-yearly certificate of compliance with the share transfer formalities as required under Clause 47(c) of the Listing Agreement and files as copy of the certificate with the Stock Exchanges. Share Transfer Agent attends to share transfer formalities once in a fortnight.

- **Investor Services and Investor Grievance Handling Mechanism**

All share related transactions viz. transfer, transmission, transposition, nomination, dividend, change of name/address/signature, registration of mandate/power of attorney, replacement/split/ consolidation of share certificates/demat/remat of shares, issue of duplicate share certificates etc. are being handled by the RTA which discharges its functions effectively, efficiently and expeditiously.

Investors are requested to correspond directly on all share related matters with RTA i.e. Sharex Dynamic (India) Pvt. Ltd., Unit-1, Luthra Industrial Premises, 1st floor, 44-E, M - Vasanti Marg, Andheri- Kurla Rd. Safed Pool, Andheri (E), Mumbai – 400072 and for any other query to the Company Secretary & Compliance Officer at the Registered office address or Investor can also send their queries on investorgrievance@shekhawatiyarn.com

- **Investor Relations**

All the complaints have been resolved and as on March 31, 2015 no complaints from shareholder is pending. At the end of the year, no request for shares transfer was pending for registration.

- **Change of Address**

- 1) Shareholders are required to inform the Company in writing of any change in their address, quoting their folio number for shares in physical form, if any
- 2) Change of address is effected only when the signature of the first registered holder on the request letter matches with the specimen signature recorded with the Company.
- 3) Change of address for shares held in demat form should be notified only to the concerned Depository Participant (DP).
- 4) Requests for change of address should be accompanied by any address proof like electricity bill, telephone bill, bank statement, driving license, voter ID card etc.
- 5) There can be only one Registered Address for one folio.

- **Compulsory De-materialized Trading**

As the shareholders are aware, the Securities and Exchange Board of India (SEBI), has included equity shares of the Company for compulsory dematerialised trading for all investors with effect from July 24, 2000. The Company has already entered into agreements with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) to enable members of the Company to select the

REPORT ON CORPORATE GOVERNANCE

depository of their choice for holding and dealing in shares in electronic form. The shareholders may also note that 99.99% holding of the Company is in demat form.

- **Distribution of Shareholders**

Distribution of shareholding as on March 31, 2015

Slab of shares	Number of shareholders	Percentage of shareholders	Total Amount	Percentage of shareholdings
1 -5000	2057	78.57	2843394	1.29
5001 -10000	233	8.90	1891443	0.86
10001-20000	119	4.55	1741853	0.79
20001-30000	43	1.64	1105487	0.50
30001-40000	28	1.07	1003177	0.45
40001-50000	28	1.07	1280985	0.58
50001-100000	42	1.60	2970379	1.35
Above 100000	68	2.60	207273952	94.17
Total	2618	100.00	220110670	100.00

Shareholding Pattern as on March 31, 2015

Category	No. of Shareholders	No. of Shares Held	% Equity
(A) Promoters Shareholding and Promoter Group			
1. Individuals / Hindu Undivided Family	4	53625000	24.36
2. Bodies Corporate	3	46706765	21.22
Sub Total (A)	7	100331765	45.58
(B) Public Shareholding			
1. Institutions	-	-	-
2. Non- Institutions			
Bodies Corporate	108	82025616	37.27
Individuals	2473	36359581	16.52
Clearing Members	11	1210210	0.55
Non Resident Indians	19	183498	0.08
Sub Total (B)	2611	119778905	54.42
Total (A)+(B)	2618	220110670	100.00

- **Shareholding Pattern of Non Executive Director as on March 31, 2015**

Non-Executive directors hold shares in the company during the period ended March 31, 2015.

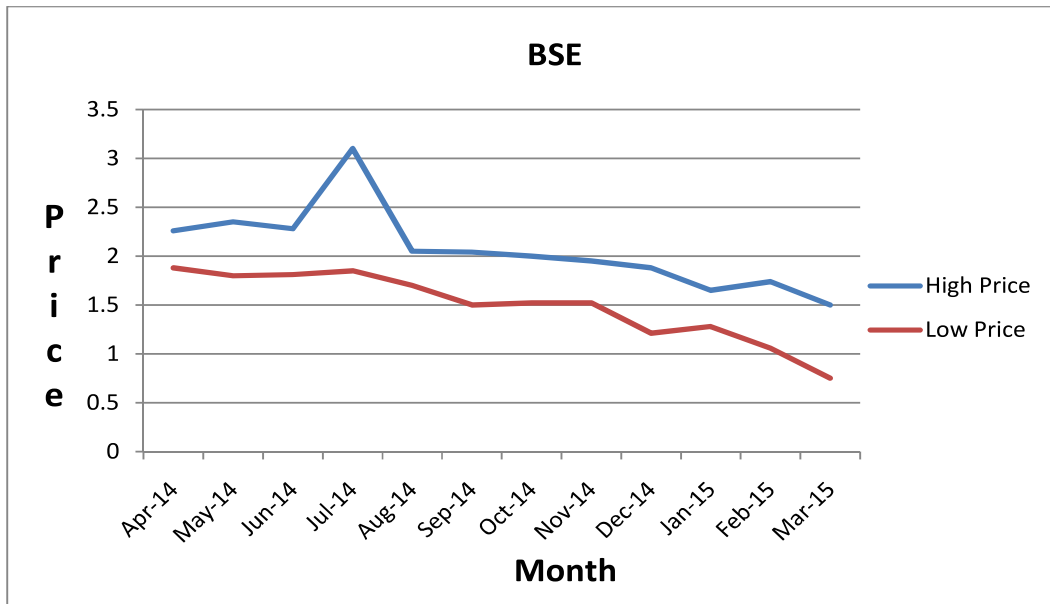
Sr. No.	Name of Non-Executive Directors	No. of Shares
1.	Mr. Sushil Kumar Poddar	Nil
2.	Mr. Rohit Chandgothia	Nil
3.	Mr. Sanjay Jogi	Nil
4.	Mrs. Rekha Somani	Nil

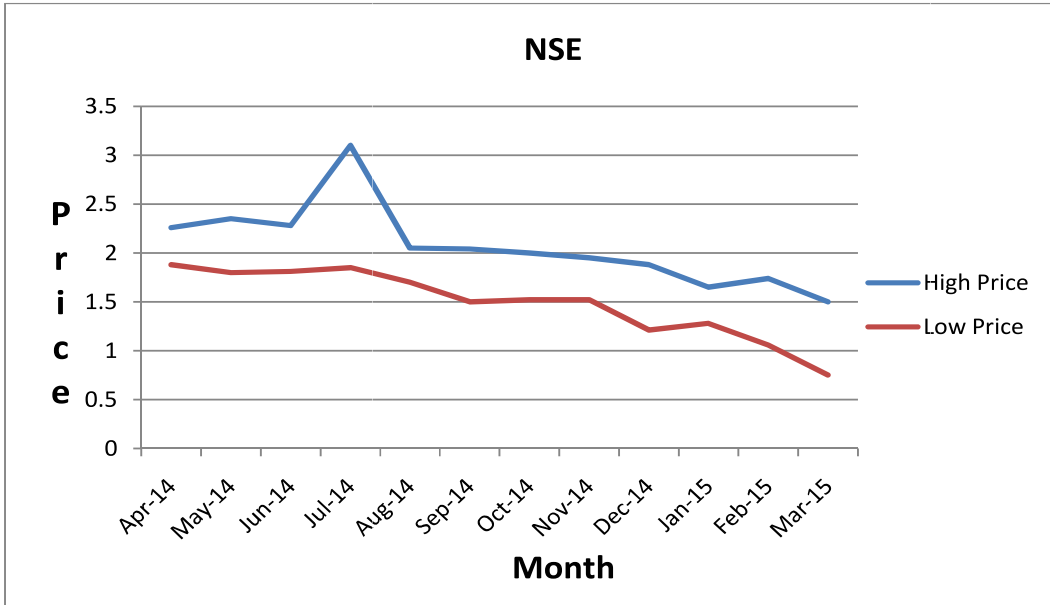
- **Stock Market Price Data**

The details of Monthly high and low quotation of shares traded on BSE Limited and National Stock Exchange India Limited during the financial year as 2014-2015 were under:

Month	Share Prices - BSE			Share Prices - NSE		
	High (₹)	Low (₹)	Volume (nos)	High (₹)	Low (₹)	Volume (nos)
Apr-14	2.26	1.88	1561458	2.10	1.80	177611
May-14	2.35	1.80	515926	2.35	1.70	317160
June-14	2.28	1.81	807156	2.30	1.85	1037679
July-14	3.10	1.85	4240563	3.00	1.90	2567076
Aug-14	2.05	1.70	1018062	2.10	1.75	541093
Sep-14	2.04	1.50	1210943	2.05	1.40	1107286
Oct-14	2.00	1.52	436289	2.00	1.55	886239
Nov-14	1.95	1.52	413099	1.90	1.50	501925
Dec-14	1.88	1.21	314559	1.85	1.30	339198
Jan-15	1.65	1.28	2442540	1.60	1.20	348560
Feb-15	1.74	1.06	1399345	1.80	1.00	953284
Mar-15	1.50	0.75	572426	1.40	0.75	639365

Performance of Company's Shares in comparison to BSE & NSE





- **Liquidity:**

Shares of the Company are actively traded on the NSE and the BSE as is evident from the volume of shares indicated in the table containing stock market data and hence ensure good liquidity of the investors.

- **Dematerialisation of shares:**

Approx 99.99% of the Equity Shares of the Company have been dematerialized and only 100 shares are in physical form as at March 31, 2015.

- **Outstanding GDRs/ADRs/Warrants or any Convertible Instruments, Conversion date and likely impact on equity:**

The Company has not issued any GDRs/ADRs/Warrants/Partly Paid or any Convertible Instruments. No amounts were outstanding on account of the same as at the date of the Balance Sheet.

- **Plants Location:-**

<p>Unit II Plot no. 44 Government Industrial Estate, Masat, Samarvani, Dadra & Nagar Haveli –396230 (Union Territory), India</p>	<p>Unit III Survey No.185/1, Naroli Village, Near Kanadi Phatak Dadra & Nagar Haveli - 396 235 (Union Territory), India</p>
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- **Registrars & Share Transfer Agents:-**

For any assistance regarding dematerialization of shares, share transfers, transmissions, change of address, non-receipt of dividend or any other query relating to shares contact:

Sharex Dynamic (India) Pvt. Ltd.,

Unit-1, Luthra Industrial Premises,

1st floor, 44-E, M Vasanti Marg,

Andheri- Kurla Rd. Safed Pool, Andheri (E),

Mumbai – 400078.

Contact Person: Mr. K.C. Ajitkumar

Tel. No.: 022-61162500, Fax No. 022- 2875 5522

E-mail: info@sharexindia.com

Website: www.sharexindia.com

For and on behalf of the Board of Directors

sd/-

Place: Mumbai
Date:-August 14, 2015

Mukesh Ruia
Chairman & Managing Director

CORPORATE GOVERNANCE CERTIFICATE

The Members,
M/s. Shekhawati Poly-Yarn Limited
Mumbai.

We have examined the compliance of the conditions of Corporate Governance by **M/s. Shekhawati Poly-Yarn Limited** ("the Company"), for financial year ended March 31, 2015, as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchange(s).

The compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination was carried out in accordance with the Guidance Note on Certifications of Corporate Governance (as stipulated in Clause 49 of the Listing Agreement), issued by The Institute of Chartered Accountants of India and was limited to procedures and implementation on thereof, adopted by the Company for ensuring compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Directors and the Management, we hereby certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above-mentioned Listing Agreement during the F.Y. 2014-15.

We further state that our examination of such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For **SGCO & Co.**
Chartered Accountants
(FRN. 112081W)

sd/-
Suresh Murarka
Partner
Mem. No. 044739

Date : August 14, 2015
Place: Mumbai

**Declaration regarding compliance by Board Members and Senior Management
Personnel with the Company's Code of Conduct**

This is to confirm that the Company has adopted a Code of Conduct for the members of the Board of Directors and Senior Management personnel of the Company pursuant to clause 49 of the Listing Agreement with stock exchange to further strengthen corporate governance practice of the company.

I confirm that the Company has in respect of the Financial Year ended March 31, 2015 received from the senior Management Team of the Company a declaration of compliance with the Code of Conduct as applicable to them.

For the purpose of this declaration, senior management team means employees in the Executive Manager cadre as at March 31, 2015.

For Shekhawati Poly-Yarn Limited

sd/-

Place: Mumbai
Date: August 14, 2015

Mukesh Ruia
Chairman & Managing Director

Chairman & Managing Director (CMD)/Chief Financial Officer (CFO) Certification

To,
The Board of Directors
Shekhawati Poly-Yarn Ltd.

We the undersigned, in our respective capacities as the Chairman & Managing Director and Chief Financial Officer of Shekhawati Poly-Yarn Limited ("The Company") to best of our knowledge and belief certify that:

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

Place : Mumbai
Date : August 14, 2015

sd/-
Mukesh Ruia
Chairman & Managing Director

sd/-
Shivratan Agarwal
Chief Financial Officer

INDEPENDENT AUDITOR'S REPORT

To the Members of Shekhawati Poly-Yarn Limited

Report on the Financial Statements

We have audited the accompanying financial statements of **Shekhawati Poly-Yarn Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these 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.

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

An audit involves performing procedures to obtain audit evidence about the amounts and 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.

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

Opinion

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the annexure a statement on the matters specified in the paragraphs 3 and 4 of the Order.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

INDEPENDENT AUDITOR'S REPORT

- (e) On the basis of the written representations received from the directors as on March 31, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015 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:
 - (i) The Company does not have any pending litigations which would impact its financial position.
 - (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **S G C O & Co.**,
Chartered Accountants
(Firm Registration No. 112081W)

Sd/-
Suresh Murarka
Partner

Mem. No. 044739

Place : Mumbai
Date : May 30, 2015

Annexure to the Independent Auditors Report

The Annexure referred to in Paragraph 1 under the heading “**Report on Other Legal and Regulatory Requirements**” in our Independent Auditor’s Report to the members of **Shekhawati Poly-Yarn Limited** for the year ended March 31, 2015.

As required by the Companies (Auditors Report) Order, 2015 and according to the information and explanations given to us during the course of the audit and on the basis of such checks of the books and records as were considered appropriate we report that:

- (i)
 - a) The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
 - b) The fixed assets have been physically verified by the management in accordance with a phased programme of verification, which in our opinion is reasonable, considering the size of the company and the nature of its assets. The frequency of verification is reasonable and no material discrepancies have been noticed on such physical verification.
- (ii)
 - a) The inventories have been physically verified by the management during the year at reasonable intervals.
 - b) The procedures of physical verification of the inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - c) The Company has maintained proper records of its inventories. No material discrepancies were noticed on physical verification as compared to book records.
- (iii) The Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under Section 189 of the Act.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchase of inventories, fixed assets and with regard to the sale of goods and services. During the course of our audit, no major weakness in the internal control system during the course of the audit.
- (v) The Company has not accepted any deposits from the public.
- (vi) The Central Government has prescribed the maintenance of cost record under Section 148(1) of the Act. We have not reviewed the cost records maintained by the Company but based on the information submitted by the Company we are of the view that such accounts and records have been made and duly maintained.
- (vii)
 - a) On the basis of our examination of the records of the Company, the Company’s undisputed statutory dues including Provident Fund, Employees’ State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, cess have generally been regularly deposited with the appropriate authorities except delay in few cases of TDS, Service Tax, Profession tax and Provident fund. However, there are no undisputed amount payable in respect of such statutory dues which have remained outstanding as at March 31, 2015 for a period more than six months from the date they became payable.
 - b) There are no dues of Income Tax, Sales Tax, Wealth Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax and Cess which have not been deposited on account of any dispute with the appropriate authorities.
 - c) There is no amount required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder.
- (viii) The Company has no accumulated losses at the end of the financial year and it has not incurred any cash losses during the financial year and in the immediately preceding financial year.
- (ix) The Company has not defaulted in repayment of its dues to banks and financial institutions.
- (x) The Company has not given any guarantee for loans taken by others from banks and financial institutions.
- (xi) The Company has applied the term loans during the year for the purpose they were obtained.
- (xii) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, we have neither come across any instance of any fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the management.

For **S G C O & Co.,**
Chartered Accountants
(Firm Registration No. 112081W)

Sd/-
Suresh Murarka
Partner
Mem. No. 044739

Place : Mumbai
Date : May 30, 2015

BALANCE SHEET AS AT MARCH 31, 2015

	Note No.	Amount (₹ In Lacs)	
		As at March 31, 2015	As at March 31, 2014
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share capital	3	2,201.11	2,201.11
Reserves and surplus	4	5,872.35	5,161.28
Money received against share warrants	5	3,281.39	-
		11,354.85	7,362.39
Non-current liabilities			
Long-term borrowings	6	6,682.87	6,519.50
Deferred tax liabilities (Net)	7	843.74	802.27
Long-term provisions	8	12.43	16.39
		7,539.03	7,338.16
Current liabilities			
Short-term borrowings	9	6,499.99	5,008.13
Trade payables	10	3,454.15	824.45
Other current liabilities	11	1,960.80	1,691.73
Short-term provisions	12	256.31	214.70
		12,171.26	7,739.02
	TOTAL	31,065.15	22,439.56
ASSETS			
Non-current Assets			
Fixed Assets	13		
- Tangible assets		11,279.48	9,783.21
- Intangible assets		191.45	216.55
Capital work-in-progress	14	1,286.54	1,000.11
		12,757.47	10,999.88
Non-current Investments	15	-	100.00
Long-term loans and advances	16	2,416.98	315.50
		15,174.45	11,415.38
Current Assets			
Inventories	17	1,591.71	1,428.23
Trade receivables	18	8,601.97	6,533.45
Cash and bank balances	19	408.74	198.01
Short term loans and advances	20	4,619.61	1,939.15
Other current assets	21	668.67	925.34
		15,890.70	11,024.18
	TOTAL	31,065.15	22,439.56
Summary of significant accounting policies	2		

The accompanying notes are an integral part of the financial statements

As per our report of even date
For S G C O & Co.,
Chartered Accountants
Firm Registration No. 112081W

Sd/-
Suresh Murarka
Partner
Membership No. 044739

Place : Mumbai
Date : May 30, 2015

For and on behalf of the Board of Directors

Sd/-
Mukesh Ruia
Chairman & Managing Director
(DIN : 00372083)

Sd/-
Meena Agal
Company Secretary

Sd/-
Ravi Jogi
Whole-Time Director
(DIN : 06646110)

Sd/-
Shivratan Agarwal
Chief Financial Officer

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2015

		Amount (₹ In Lacs)	
	Note No.	Year ended March 31, 2015	Year ended March 31, 2014
Income			
Revenue from operations	22	35,425.69	35,188.37
Other Income	23	234.04	32.41
Total Revenue (I)		35,659.73	35,220.78
Expenses			
Cost of materials consumed	24	29,526.34	28,375.89
Changes in inventories of finished goods, work-in-progress	25	(335.64)	(179.98)
Employee benefits expense	26	663.91	744.55
Finance costs	27	1,318.29	1,274.90
Depreciation and amortization expenses	13	993.00	1,065.59
Other expenses	28	2,322.45	2,859.05
Total Expenses (II)		34,488.35	34,140.00
Profit before tax (I-II)		1,171.39	1,080.78
Tax Expenses:			
(1) Current Tax		259.85	216.24
(Less)/Add : Minimum Alternate Tax Credit (Entitlement) / Utilized		140.38	54.52
Net Current Tax		400.23	270.75
(2) Taxation for Earlier Years		10.89	24.20
(3) Deferred Tax Liability/ (Assets) (net)		43.98	80.73
Profit after tax available for appropriation		716.29	705.09
Earnings per equity share:	29		
Basic		0.33	0.32
Diluted		0.33	0.32
Summary of significant accounting policies	2		

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

As per our report of even date
For S G C O & Co.,
Chartered Accountants
Firm Registration No. 112081W

Sd/-
Suresh Murarka
Partner
Membership No. 044739

Place : Mumbai
Date : May 30, 2015

For and on behalf of the Board of Directors

Sd/-
Mukesh Ruia
Chairman & Managing Director
(DIN : 00372083)

Sd/-
Meena Agal
Company Secretary

Sd/-
Ravi Jogi
Whole-Time Director
(DIN : 06646110)

Sd/-
Shivratan Agarwal
Chief Financial Officer

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2015

Particulars	Amount (₹ In Lacs)	
	Year ended March 31, 2015	Year ended March 31, 2014
A Cash Flow from Operating Activities:		
Net Profit before taxation	1,171.39	1,080.76
Adjustments for :		
Depreciation	993.00	1,065.59
Interest Expense	1,134.09	1,152.91
Deduct:		
Gain / (Loss) on Foreign Exchange Fluctuations	173.09	2.35
Sundry Balances Written back	15.19	0.91
Profit on sale of Non-Current Investments	3.42	-
Dividend Income	-	3.03
Rent Income	9.40	9.09
Interest Income	32.94	17.04
Operating profit before working capital changes	3,064.44	3,266.85
Adjustments for :		
Increase /(Decrease) in Trade Payables	2,629.70	(365.47)
Increase/(Decrease) in Long Term Provisions	(3.97)	6.22
Increase/(Decrease) in Short Term Provisions	(0.08)	-
Increase /(Decrease) in Other Current Liabilities	269.08	237.51
Increase /(Decrease) in Other Long Term Liabilities	-	(150.00)
(Increase) /Decrease in Trade Receivables	(1,880.23)	(2,278.28)
(Increase) /Decrease in Inventories	(163.48)	(461.20)
(Increase) /Decrease in Long Term Loans & Advances	(22.12)	66.39
(Increase) /Decrease in Short Term Loans & advances	(2,680.46)	35.03
(Increase) /Decrease in Other Current Assets	256.67	(261.08)
Cash Generated from Operations	1,469.55	95.97
Income Tax paid	(229.05)	(130.95)
Cashflow (Outflow) before Prior Period Adjustments	1,240.50	(34.98)
Prior Period Adjustments(Net)	-	-
Net Cash from operating activities	1,240.50	(34.98)
B. Cash Flow from Investing Activities:		
Purchase of Fixed Assets	(2,470.10)	(21.04)
Purchase of Intangible Asset	(1.81)	(11.53)
Changes in Capital Work in Progress	(286.43)	(186.22)
Capital advances	(2,219.73)	-
Investment in bank deposits (having original maturity of more than 3 months)	(191.99)	(6.55)
Sale of Non-Current Investments	103.42	-
Dividend received	-	3.03
Interest received	32.94	17.04
Rent Income	9.40	9.09
Investments in Equity Shares	-	(100.00)
Net Cash used in investment activities	(5,024.29)	(296.17)

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2015

Particulars	Amount (₹ In Lacs)	
	Year ended March 31, 2015	Year ended March 31, 2014
C. Cash Flow from Financing Activities:		
Proceeds from Short Term Borrowings	1,491.86	1,355.93
Proceeds from Long Term Borrowings	163.37	139.03
Interest expense	(1,134.09)	(1,152.91)
Money received against share warrants	3,281.39	-
Net Cash from financing activities	3,802.53	342.05
Net increase in cash and cash equivalents	18.73	10.89
Cash and Cash equivalents (Opening)	14.81	3.92
Cash and Cash equivalents (Closing)	33.56	14.81

Note :

1 The above cash flow statement has been prepared under the "indirect Method" as set out in the Accounting Standard - 3 on cash flow statement notified by the Companies (Accounting Standard) Rule 2006.

2 Cash and cash equivalent at the end of the year consist of cash in hand and balances with banks as follows :

Particulars	As at	As at
	March 31, 2015	March 31, 2014
Cash in hand	15.30	11.70
Balances with Bank With Current Accounts	18.26	3.11
Total Cash & Cash Equivalents	33.56	14.81

3 Cash and cash equivalents for the purpose of cash flow statement comprise cash at bank and in hand.

As per our report of even date attached
For S G C O & Co.,
 Chartered Accountants
 Firm Registration No. 112081W

Sd/-

Suresh Murarka
 Partner
 Membership No. 044739

Place : Mumbai

Date : May 30, 2015

For and on behalf of the Board of Directors

Sd/-

Mukesh Ruia
 Chairman & Managing Director
 (DIN : 00372083)

Sd/-

Meena Agal
 Company Secretary

Sd/-

Ravi Jogi
 Whole-Time Director
 (DIN : 06646110)

Sd/-

Shivratan Agarwal
 Chief Financial Officer

ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

Note 1 : Corporate Information

Shekhawati Poly-Yarn Limited (the Company) is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956. Its shares are listed on two stock exchanges in India (BSE & NSE). The Company is principally engaged in the manufacturing of Texturising Yarn, Twisting Yarn and Knitted Fabrics. The Company caters to both domestic and international markets.

Note 2 : Significant Accounting Policies:

A Basis of Accounting:

The Financial Statements have been prepared under the historical cost convention on an accrual basis and in compliance with all material aspects with the notified Accounting Standards specified under Section 133 of the Companies Act, 2013 ('Act ') read with Rule 7 of the Companies (Accounts) Rules 2014, the provisions of the Act (to the extent notified) and the guidelines issued by the Securities Exchange Board of India (SEBI).

B Use of Estimates:

The preparation of financial statements in conformity with Generally Accepted Accounting Principles requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities on the financial statements and the reported amounts of revenues and expenses during the reporting period.

Difference between actual results and estimates are recognized in the periods in which the results are known/ materialize.

C Revenue Recognition

- i) Revenue is recognised when it is earned and no significant uncertainty exists as to its realisation or collection.
- ii) Sales are recognised when all significant risks and rewards of ownership of the goods are passed on to the buyer.
- iii) Revenue in respect of export sales is recognised on shipment of products.
- iv) Export incentives are recognised in the Statement of Profit and Loss when the right to receive establishes as per the terms of the Scheme in respect of export made.
- v) Interest is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.
- vi) The Interest subsidy accrued under Technology Upgradation Fund (TUF) Scheme are recognised on accrual basis and reduced from the cost of funds available on loan. The recognition of TUF subsidy amount has been made on the basis of entitlement under the scheme.

D Fixed Assets:

All Fixed Assets are stated at cost of acquisition/installation as reduced by accumulated depreciation/ amortisation. Cost of Assets includes direct/indirect and incidental costs incurred to bring such assets into its present location and working condition for its intended use.

E Impairment of Assets:

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

F Depreciation:

- a) Tangible Assets :

ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

- i) No depreciation is charged on Freehold Land.
- ii) Leasehold Land is amortised over the remaining period of lease.
- iii) Depreciation on Other Fixed Assets has been provided on 'Straight Line Method' on triple shift basis wherever applicable as per the manner specified and as per the useful life mentioned in Schedule II of the Companies Act, 2013

b) Intangible Assets:

- i) Accounting Software is amortised on Straight Line Method over a period of ten years.
- ii) Right to receive power is amortised on Straight Line Method over a period of ten years.

G Inventories:

Inventories are valued as follows:

- i) Finished Goods are valued at lower of cost or net realisable value.
 - ii) Raw Materials are valued at lower of cost or net realisable value.
 - iii) Work-in-Process are valued at lower of cost or net realisable value.
 - iv) Stores & Spares are valued at lower of cost or net realisable value.
 - v) Packing Materials are valued at lower of cost or net realisable value.
 - vi) Scrap is valued at net realisable value.
- Raw Materials, Stores and Spares and Packing Materials are determined on FIFO basis.

H Provisions and Contingent Liabilities:

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

I Borrowing Costs :

Borrowing costs are recognized as an expense in the period in which they are incurred except the borrowing costs attributable to the acquisition/ construction of qualifying assets which are capitalized as a part of the cost of the fixed assets, up to the date, the assets are ready for its intended use.

J Leases :

Assets leased out under operating leases are capitalized. Rental income is recognised on accrual basis over the lease term. All direct costs up to date of put to use of Leased Assets are capitalised and thereafter treated as revenue expenditure except in case of increase in utility of the assets.

K Investments:

Investments that is intended to be held for more than a year from the date of acquisition are classified as long term investments and are carried at cost less any provision for diminution other than temporary in value. Investments other than long term investments being current investments are valued at cost or fair market value whichever is lower.

L Expenditure during Construction Period:

- i) Expenditure of capital nature incurred during construction period in respect of a capital asset being executed by the Company is grouped under Capital work in progress. Such Expenditure is capitalized upon the commencement of commercial operations of the capital asset.
- ii) Pre operative expenses pending allocation included in capital work in progress represents expenditure incurred in connection with the capital asset which is intended to be capitalized to the capital asset.

ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

M Purchases are inclusive of Cenvat after deducting purchase returns, discounts, rebates and incentives, if any.

N Sales are inclusive of Excise Duty after deducting sales returns, discounts if any.

O Earnings per share:

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to the equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in rights issue that have changed the number of outstanding equity shares, without a corresponding change in resources.

For the purpose of calculating dilutive earnings per share, the net profit or loss for the period attributable to equity shareholders and weighted number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

P Accounting for Taxes of Income:-

Current Taxes

Provision for current income-tax is recognized in accordance with the provisions of Indian Income- tax Act, 1961 and is made annually based on the tax liability after taking credit for tax allowances and exemptions.

Deferred Taxes

Deferred tax assets and liabilities are recognized for the future tax consequences attributable to timing differences that result between the profits offered for income taxes and the profits as per the financial statements. Deferred tax assets and liabilities are measured using the tax rates and the tax laws that have been enacted or substantially enacted at the balance sheet date. Deferred Tax Assets are recognized only to the extent there is reasonable certainty that the assets can be realized in the future. Deferred Tax Assets are reviewed at each Balance Sheet date.

Minimum Alternate Tax

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.

Q Employee Benefits :

- i) Company's contribution to Provident Fund and other Funds for the year is accounted on accrual basis and charged to the Statement of Profit & Loss for the year.
- ii) Retirement benefits in the form of Gratuity are considered as defined benefit obligations and are provided on the basis of the actuarial valuation, using the projected unit credit method as at the date of the Balance Sheet.

R "Foreign Currency Transaction"

- i) The transactions in foreign currencies on revenue accounts are stated at the rate of exchange prevailing on the date of transaction.
- ii) The difference on account of fluctuation in the rate of exchange prevailing on the date of transaction and the date of realisation is treated as revenue.
- iii) Differences on translation of Current Assets and Current Liabilities remaining unsettled at the year end are recognised in the Statement of Profit and Loss.

ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

3 SHARE CAPITAL

a. Details of authorised, issued and subscribed share capital

Amount (₹ In lacs)

Particulars	As at	As at
	March 31, 2015	March 31, 2014
Authorised Capital 40,00,00,000 (P.Y. 28,00,00,000) Equity Shares of ₹1 each	4,000.00	2,800.00
Issued, subscribed and fully paid up Capital 22,01,10,670 Equity Shares of ₹ 1 each fully paid up	2,201.11	2,201.11
Total Issued subscribed and fully paid up capital	2,201.11	2,201.11

During the year, the Company has increased its Authorised Share Capital from ₹ 2800.00 lacs (divided into 28,00,00,000 equity shares of face value ₹ 1/- each) to ₹ 4000.00 lacs (divided into 40,00,00,000 equity shares of the face value ₹ 1/- per share) vide resolution passed through postal ballot u/s. 110 of the Companies Act, 2013 on 2nd December, 2014.

b. Reconciliation of the number of equity shares outstanding at the beginning and at the end of the reporting period

Amount (₹ In Lacs)

Particulars	As at MARCH 31, 2015		As at March 31, 2014	
	Number	₹ In lacs	Number	₹ In lacs
Face value per share		1		1
Shares outstanding at the beginning of the year	220,110,670	2,201.11	220,110,670	2,201.11
Shares outstanding at the end of the year	220,110,670	2,201.11	220,110,670	2,201.11

c. Terms/rights attached to equity shares

The Company has one class of equity shares having a par value of ₹1 per share. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

d. Aggregate number of bonus shares issued, share issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date

Particulars	March 31, 2015	March 31, 2014
Equity shares allotted as fully paid bonus shares by capitalisation of securities premium (Alloted in March, 2011)	5,772,165	5,772,165
Equity shares allotted as fully paid up pursuant to contracts for consideration other than cash	-	-
Equity Shares bought back by the Company	-	-

ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

e. Details of shareholders holding more than 5% shares in the company

Name of Shareholder	As at March 31, 2015		As at March 31, 2014	
	No of Equity shares held	Percentage	No of Equity shares held	Percentage
Mukesh Ramniranjan Ruia	31,320,000	14.23%	31,320,000	14.23%
SKI Buildcon Pvt. Ltd.	31,000,000	14.08%	31,000,000	14.08%
Altius Buildcon Pvt. Ltd.	15,249,255	6.93%	15,249,255	6.93%
Madhukar Sheth	8,969,446	4.07%	12,057,870	5.48%
Shrey Mukesh Ruia	14,800,000	6.72%	14,800,000	6.72%
Amax Network Pvt Ltd	11,200,949	5.09%	13,076,321	5.94%
Gajanand Infracon Pvt Ltd	12,839,049	5.83%	12,839,049	5.83%
Yash Infra Realty Pvt Ltd	14,175,490	6.44%	14,175,490	6.44%

4 RESERVES AND SURPLUS

Amount (₹ In lacs)

Particulars	As at March 31, 2015	As at March 31, 2014
a. Securities premium account		
Balance as per last financial statements	2,713.77	2,713.77
Closing Balance	2,713.77	2,713.77
b. General Reserves		
Balance as per last financial statements	9.19	9.19
Closing Balance	9.19	9.19
c. Surplus in the statement of profit and loss		
Balance as per last financial statements	2,438.32	1,733.25
Add: Profit for the year	716.29	705.07
Less : Depreciation Adjustment (net of deferred tax)	(5.22)	-
Closing Balance	3,149.39	2,438.32
GRANDTOTAL	5,872.35	5,161.28

5 MONEY RECEIVED AGAINST CONVERTIBLE SHARE WARRANTS

Particulars	As at March 31, 2015	As at March 31, 2014
Amount received against Convertible Share Warrants	3,281.39	-
GRANDTOTAL	3,281.39	-

During the year, the Company has made a preferential issue of 17,98,89,330 Convertible Warrants at a premium of ₹ 2.06 per warrant (Face value of ₹1 each) and in accordance with SEBI guidelines has received 25 % upfront money amounting to ₹ 1376.15 lacs. Further the Company has received ₹ 1905.24 lacs in addition to the 25 % upfront money and the entire amount is reflected under Money received against Convertible Share Warrants.

The total amount so received from the above issue of shares has been utilized for the further expansion of the capital base and its working capital requirements of the Company in terms of preferential issue.

ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

6 LONG-TERM BORROWINGS

Amount (₹ In lacs)

Particulars	As at March 31, 2015	As at March 31, 2014
Term loan from Banks (Secured)	8,007.50	5,858.59
Less: Current maturities	1,324.64	1,253.23
	6,682.87	4,605.37
Vehicle Loan (Secured)	4.13	13.47
Less: Current maturities	4.13	9.33
	-	4.13
Loan from Companies (unsecured)	-	100.00
Loan from Related Parties (unsecured)	-	1,810.00
Total	6,682.87	6,519.50

Out of Term Loan from Banks (Secured)

Term loans from State Bank of India :

- ₹ 62.00 lacs (P.Y. ₹ 302.00 lacs) was sanctioned during the financial year 2007-08 and carries Interest @ Base Rate +4.20% p.a. The loan is repayable in 81 monthly installments starting from September 2008.
- ₹ 250.47 lacs (P.Y. ₹ 375.69 lacs) was sanctioned during the financial year 2009-10 and carries interest @ Base rate +4.20% p.a. The loan is repayable in 78 monthly installments starting from October 2010.
- ₹ 350.00 lacs (P.Y ₹ 422.00 lacs) was sanctioned during the financial year 2011-12 and carries interest @ Base rate + 4.20% p.a. The Loan is repayable in 80 monthly installments starting from April 2012.
- ₹ 3270.00 lacs (PY ₹ 3810.00 lacs) was sanctioned during the financial year 2011-12 and carries interest @ Base rate + 3.45% p.a. The loan is repayable in 76 monthly installments starting from October 2012.
- ₹ 1221.10 lacs was sanctioned during the current financial year and carries interest @ Base rate + 2.70% p.a. The loan is repayable in 72 monthly installments starting from July 2016.

The above term loans are primarily secured by (i). Paripassu mortgage charge on Land & Building, Plant & Machinery, Furniture & Fixtures, Office Equipments and all other fixed assets situated at factory building located at Unit III, Village Naroli, Silvassa, D&N Haveli (UT). (ii). First exclusive equitable mortgage on Land & Building(3000 sq mtrs), Plant & Machinery, Furniture & Fixtures etc at factory located at unit II, Masat, Silvassa, D&N Haveli (UT). The loan is also collaterally secured by, (i) Second Charge on pari-passu basis over entire current assets of the company. (ii). Exclusive first charge on office situated at Goregaon (E). (iii). First exclusive assignment on SBI Life Policy of 25.00 lacs.

Term loan from other banks :

- Loan from Axis Bank amounting to ₹ 672.90 lacs (P.Y. ₹ 948.90 lacs) was sanctioned during the financial year 2010-11 and carries interest @ Base rate +3.50% p.a The loan is repayable in 78 monthly installments starting from January 2011. The loan is secured by way Equitable Mortgage of Land & Building & hypothecation of Plant & Machinery and at the fixed assets (Entire Land & building and Plant & machinery, present and future) situated at Unit III, Village Naroli, Silvassa, D&N Haveli (UT) on pari-passu basis with other consortium members and Second pari-passu charge on entire fixed assets of the company (for land & building at Unit II, Village Masat, Silvassa, D&N Haveli (UT)) and on entire current assets of the company with State Bank of India.
- Loan from Union Bank of India amounting to ₹ 1265.93 lacs was sanctioned during the current financial year and carries interest @ Base rate + 5.25% p.a. The loan is repayable in 72 monthly installments starting from July 2016. The Loan is secured primarily by first paripassu mortgage charge on Land & Building, Plant &

ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

Machinery, Furniture & fixtures, Office Equipments, etc at Unit III, Village Naroli, Silvassa, D&N Haveli (UT) both present and future and Second pari passu charge with other lenders over the entire Current Assets of the Company.

- (c) Loan from Allahabad Bank amounting to ₹ 762.59 lacs was sanctioned during the current financial year and carries interest @ Base rate + 3% p.a. The loan is repayable in 72 monthly installments starting from July 2016. The Loan is secured primarily by first paripassu mortgage charge on Land & Building, Plant & Machinery, Furniture & fixtures, Office Equipments, etc at Unit III, Village Naroli, Silvassa, D&N Haveli (UT) both present and future and Second pari passu charge with other lenders over the entire Current Assets of the Company.
- (d) Loan from Dena Bank amounting to ₹ 152.52 lacs was sanctioned during the current financial year and carries interest @ Base rate + 3% p.a. The loan is repayable in 72 monthly installments starting from July 2016. The Loan is secured primarily by first paripassu mortgage charge on Land & Building, Plant & Machinery, Furniture & fixtures, Office Equipments, etc at Unit III, Village Naroli, Silvassa, D&N Haveli (UT) both present and future and Second pari passu charge with other lenders over the entire Current Assets of the Company.

All the above term loans are personally guaranteed by the Promoters of the Company Mr. Mukesh Ruia and Mr. Ramniranjan Ruia.

Vehicle Loan (Secured)

Vehicle Loan amounting to ₹ 4.13 lacs (P.Y. ₹13.47 lacs) was availed during the financial year 2009-10 and carries interest @ 8.67% p.a. The loan is repayable in 60 monthly installments along with interest starting from Oct 2010. The loan is secured by first charge on the vehicle specifically financed out of the loan.

Loan from Companies (Unsecured)

Loan from a Company amounting to ₹ Nil (P.Y ₹ 100.00 lacs) was obtained during the year 2013-14 and carries @ 12% p.a.

Loan from Related Parties (Unsecured)

Loan from Related Parties amounting to ₹ Nil (P.Y. ₹1810.00 lacs) was obtained during the year 2013-14 and was interest free.

7 DEFERRED TAX LIABILITY (Net)

Amount (₹ In lacs)

The major components of deferred tax liability / asset as recognised in the financial statement is as follows:

Particulars	As at March 31, 2015	As at March 31, 2014
Deferred Tax Liability		
Excess of net block of fixed assets as per books of accounts over net block for tax purpose	857.61	818.33
	857.61	818.33
Deferred Tax Asset		
Provision for Employee benefits	4.03	5.41
Expenses disallowed under Sec 43B	7.56	8.36
Others	2.28	2.28
	13.87	16.06
Net	843.74	802.27

ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

8 LONG-TERM PROVISIONS

Amount (₹ In lacs)

Particulars	As at March 31, 2015	As at March 31, 2014
Provision for Employee Benefits:		
Gratuity	12.43	16.69
Total	12.43	16.69

9 SHORT-TERM BORROWINGS

Amount (₹ In lacs)

Particulars	As at March 31, 2015	As at March 31, 2014
Working Capital Loans from banks (secured)	6,499.99	5,008.13
Total	6,499.99	5,008.13

Working Capital Loans (secured) includes :

Cash credit from State Bank of India amounting to ₹ 6302.06 lacs (P.Y. 4889.23 lacs) including standbyline of credit of ₹ 400.00 lacs (P.Y. ₹ Nil) and is secured primarily by first hypothecation charge on entire stocks, stores & spares and receivables of the company on pari passu basis with Working Capital consortium member. The loan is collaterally secured by extension of second equitable mortgage/ hypothecation charge on pari passu basis with working capital consortium member (Axis Bank) on entire fixed assets L&B at Unit III, Village Naroli, Silvassa, D&N Haveli (UT); Extension of second equitable mortgage/ hypothecation charge on pari passu basis with working capital consortium member (Axis Bank) on entire fixed assets L&B at Unit II, Village Masat, Silvassa, D&N Haveli (UT) and First Mortgage/hypothecation on office situated at Goregaon (E) exclusive for SBI. First exclusive assignment on SBI life policy of ₹ 25.00 lacs.

Cash credit from Axis Bank amounting to ₹ 197.94 lacs (P.Y. 118.90 lacs) is secured by first parripassu charge over entire current assets of the company, present & future with other working capital consortium lenders and second parripassu charge over the entire fixed assets (movable and immovable) of the company present, future with other working capital lenders under the consortium located at Unit III, village Naroli, Silvassa, D&N Haveli (UT) and Unit II, Village Masat, Silvassa, D&N Haveli (UT). The cash credit is repayable on demand and carries interest @Base Rate + 1.75% p.a.

All the above secured short term borrowings are personally guaranteed by the Promoters of the Company Mr. Mukesh Ruia and Mr. Ramniranjan Ruia.

10 TRADE PAYABLES

Amount (₹ In lacs)

Particulars	As at March 31, 2015	As at March 31, 2014
Trade Payables *		
Due to Micro and Small Enterprises	8.69	-
Other than Micro and Small Enterprises	3,445.46	824.45
	3,454.15	824.45

ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

Disclosures as required under Section 22 of MSMED Act, 2006 :

The information regarding Micro Small and Medium Enterprises has been determined on the basis of information available with the Company which is as follows :

Particulars	As at March 31, 2015	As at March 31, 2014
The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of accounting year;	8.69	-
The amount of interest paid by the buyer under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the due date during each accounting year;	-	-
The amount of interest due and payable for the period (where the principal has been paid but interest under the MSMED Act, 2006 not paid);	-	-
The amount of interest accrued and remaining unpaid at the end of accounting year; and	-	-
The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	-	-

* Interest paid/payable by the Company on the aforesaid principle amount has been waived by the concerned suppliers.

11 OTHER CURRENT LIABILITIES

Amount (₹ In lacs)

Particulars	As at March 31, 2015	As at March 31, 2014
Current maturities of long-term debt	1,328.77	1,262.56
Interest accrued and due on borrowings	89.38	78.37
Others		
Creditors for capital goods	279.64	5.23
Rent deposit	2.07	75.00
Advance received from customers	28.61	62.29
Statutory dues payable	10.45	27.97
Book Overdraft	44.64	-
Provision for expenses	177.25	180.30
Total	1,960.80	1,691.73

12 SHORT-TERM PROVISIONS

Amount (₹ In lacs)

Particulars	As at March 31, 2015	As at March 31, 2014
Provision for Employee Benefits:		
Gratuity	0.22	0.30
Others		
Provision for taxation (Net of advances Taxes)	256.09	214.40
Total	256.31	214.70

ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

13 FIXED ASSETS

Own Assets

Amount (₹ In Lakhs)

PARTICULARS	Gross Block			Accumulated Depreciation			Net Block		
	As at April 1, 2014	Additions / (Deductions) during the year	As at March 31, 2015	Upto March 31, 2014	Charge for the year	Adjustment for Retained Earnings (Refer Note 41)	Upto March 31, 2015	As at March 31, 2015	As at March 31, 2014
Tangible Assets									
Land - Freehold	372.60	-	372.60	-	-	-	-	372.60	372.60
Land - Leasehold	35.35	-	35.35	3.01	0.45	-	3.46	31.90	32.34
Building - (Office)	658.69	-	658.69	28.15	10.99	-	39.14	619.55	630.54
Building - (Factory)	2,354.72	2,162.34	4,517.07	289.75	96.21	-	385.96	4,131.11	2,064.97
Plant & Equipment	8,033.00	302.36	8,335.36	2,541.41	668.39	-	3,209.80	5,125.56	5,491.59
Electrical Installations	863.71	4.85	868.57	143.24	115.46	-	258.70	609.86	720.47
Furniture & Fixtures	210.44	-	210.44	37.20	24.30	-	61.50	148.94	173.25
Vehicles	91.41	-	91.41	29.29	13.47	-	42.76	48.65	62.12
Office Equipments	29.65	-	29.65	3.78	10.62	-	14.40	15.25	25.87
Computers	29.53	0.54	30.08	16.99	7.24	2.70	26.94	3.14	12.54
Total	12,679.11	2,470.10	15,149.21	3,092.81	947.13	2.70	4,042.65	11,106.56	9,586.30
Previous Year	12,658.07	21.04	12,679.11	2,104.37	988.44	-	3,092.81	9,586.30	10,553.70
	Gross Block			Accumulated Depreciation			Net Block		
PARTICULARS	As at April 1, 2014	Additions / (Deductions) during the year	As at March 31, 2015	Upto March 31, 2014	Charge for the year	Adjustment for Retained Earnings (Refer Note 41)	Upto March 31, 2015	As at March 31, 2015	As at March 31, 2014
Intangible Assets									
Accounting software	14.01	1.81	15.82	1.51	1.54	-	3.05	12.77	12.50
Right to Receive power	253.67	-	253.67	49.62	25.37	-	74.99	178.68	204.05
Total	267.68	1.81	269.49	51.13	26.91	-	78.04	191.45	216.55
Previous Year	256.16	11.53	267.68	25.00	26.13	-	51.13	216.55	231.16

ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015
13 FIXED ASSETS
Assets given on operating lease

Amount (₹ In Lakhs)

PARTICULARS	Gross Block			Accumulated Depreciation			Net Block		
	As at April 1, 2014	Additions / (Deductions) during the year	As at March 31, 2015	Upto March 31, 2014	Charge for the year	Adjustment for Retained Earnings (Refer Note 41)	Upto March 31, 2015	As at March 31, 2015	As at March 31, 2014
Tangible Assets									
Land - Freehold	1.88	-	1.88	-	-	-	-	1.88	1.88
Building - (Factory)	168.87	-	168.87	52.74	5.57	-	58.30	110.57	116.14
Plant & Equipment	452.17	-	452.17	383.59	10.93	-	394.52	57.65	68.58
Electrical Installations	23.11	-	23.11	13.22	2.45	4.64	20.31	2.80	9.89
Furniture & Fixtures	1.17	-	1.17	0.75	0.02	0.39	1.15	0.02	0.43
Computers	6.20	-	6.20	6.20	-	-	6.20	-	-
Total	653.40	-	653.40	456.49	18.97	5.03	480.48	172.92	196.91
Previous Year	653.40	-	653.40	405.47	51.02	-	456.49	196.91	247.93

ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

14 CAPITAL WORK IN PROGRESS

Amount (₹ In lacs)

Particulars	As at March 31, 2015	As at March 31, 2014
Factory Building	10.82	1,000.11
Plant and Machinery	1,092.52	-
Pre-operative expenses	183.20	-
Total	1,286.54	1,000.11

15 NON CURRENT INVESTMENTS

Amount (₹ In lacs)

Particulars	As at March 31, 2015	As at March 31, 2014
Investment in Equity instruments		
Non Trade, Quoted		
Alok Industries Limited		
10,00,000 Equity Shares of ₹10/- each fully paid up	-	100.00
Total	-	100.00

*Aggregate market value of Quoted Investments is ₹ Nil (P.Y ₹ 65.00 lacs)

16 LONG-TERM LOANS AND ADVANCES (Unsecured, considered good)

Amount (₹ In lacs)

Particulars	As at March 31, 2015	As at March 31, 2014
Deposits	2.98	2.86
Capital Advances		
- to Related parties	474.00	-
- to Others	1,745.73	-
Other loans and advances		
Mobilisation advances	22.00	-
Balance with statutory/ government authorities	21.30	21.30
Minimum Alternate Tax Credit Entitlement	150.96	291.34
Total	2,416.98	315.50

Capital Advances includes :

Particulars	As at March 31, 2015	As at March 31, 2014
Advance given to a Private Limited Company in which relative of the director is a member or director	474.00	-

ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

17 INVENTORIES

Amount (₹ In lacs)

Particulars	As at	As at
	March 31, 2015	March 31, 2014
i) Valued at lower of cost or net realisable value		
Raw Materials and components	150.62	356.03
Work-in-process	123.96	248.04
Finished Goods	1,182.58	722.53
Stores and Spares	22.29	13.03
Packing Materials	112.01	88.02
ii) Valued at net realisable value		
Yarn Scrap	0.25	0.57
Total	1,591.71	1,428.23

18 TRADE RECEIVABLES (unsecured considered good)

Amount (₹ In lacs)

Particulars	As at	As at
	March 31, 2015	March 31, 2014
Outstanding for a period exceeding six months from the date they are due for payment	49.65	-
Other receivables	8,552.31	6,533.45
Total	8,601.97	6,533.45

Trade Receivables stated above include debts due by:

Particulars	As at	As at
	March 31, 2015	March 31, 2014
Due from private limited Company in which relative of director of the Company is interested as director/member	36.64	-

19 CASH AND BANK BALANCES

Amount (₹ In lacs)

Particulars	As at	As at
	March 31, 2015	March 31, 2014
Cash and cash equivalents		
Balances with banks:		
in Current accounts	18.26	3.12
Cash on hand	15.30	11.70
Other bank balances		
Deposits with original maturity for more than 12 months (pledged with sales tax department)	0.25	0.25
Margin money with bank	374.93	182.95
Total	408.74	198.01

Margin money deposit given as security

Margin money with bank amounting to ₹ 374.93 lacs (P.Y. ₹182.95 lacs) represents security given to bank against the guarantee and letter of credit.

ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

20 SHORT-TERM LOANS AND ADVANCES

Amount (₹ In lacs)

(Unsecured, considered good unless stated otherwise)

Particulars	As at March 31, 2015	As at March 31, 2014
Advance Recoverable in Cash or in Kind		
Considered good	4,082.99	822.73
Considered Doubtful	7.03	7.03
	4,090.02	829.76
Provision for doubtful advances	(7.03)	(7.03)
	4,082.99	822.73
Other loans and advances		
Prepaid expenses	8.02	31.28
Loan to employees	3.46	9.56
Balance with statutory/ government authorities	525.14	1,075.57
	536.62	1,116.42
Total	4,619.61	1,939.15

21 OTHER CURRENT ASSETS (Unsecured, considered good unless stated otherwise)

Amount (₹ In lacs)

Particulars	As at March 31, 2015	As at March 31, 2014
Interest accrued on Fixed Deposits	26.59	10.31
Rent receivable	9.00	5.43
TUF Subsidy Receivable	252.20	195.50
Status Holder Incentive Scheme (SHIS) Licence	13.53	-
Export Incentives Receivable	367.36	714.10
Total	668.67	925.34

22 REVENUE FROM OPERATIONS

Amount (₹ In lacs)

Particulars	Year Ended March 31, 2015	Year Ended March 31, 2014
Sale of products (Gross)		
Finished goods	35,787.34	35,539.66
Less: Excise duty	559.29	715.03
Sale of products (Net)	35,228.05	34,824.64
Other operating revenue		
Export Incentives received	159.10	351.92
Scrap Sales	13.59	11.81
Job Work	24.96	-
Total	35,425.69	35,188.37

ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

23 OTHER INCOME

Amount (₹ In lacs)

Particulars	Year Ended March 31, 2015	Year Ended March 31, 2014
Interest Income on		
Fixed deposits	32.45	16.34
Others	0.49	0.70
Dividend Income on		
Non-current investments	-	3.03
Rent Income	9.40	9.09
Profit on sale of Non-Current Investments	3.42	-
Sundry Balances written back (net)	15.19	0.91
Gain on Foreign Exchange Fluctuation (Net)	173.09	2.35
Total	234.04	32.41

24 COST OF MATERIAL CONSUMED

Amount (₹ In lacs)

Particulars	Year Ended March 31, 2015	Year Ended March 31, 2014
Raw Materials		
Opening Stock	356.03	116.94
Add: Purchases	29,320.92	28,614.99
Less: Closing Stock	150.62	356.03
Total	29,526.34	28,375.89

25 CHANGES IN INVENTORY OF FINISHED GOODS, WORK-IN-PROGRESS

Amount (₹ In lacs)

Particulars	Year Ended March 31, 2015	Year Ended March 31, 2014
Opening Inventory		
Finished Goods	722.53	567.71
Work-In-Process	248.04	223.33
Yarn Scarp	0.57	0.12
	971.14	791.17
Closing Inventory		
Finished Goods	1,182.58	722.53
Work-In-Process	123.96	248.04
Yarn Scarp	0.25	0.57
	1,306.79	971.14
Total	(335.64)	(179.98)

ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

Details of Inventory

Amount (₹ In lacs)

Particulars	Year Ended March 31, 2015	Year Ended March 31, 2014
Finished goods		
Texturised Yarn	884.32	497.35
Twisted Yarn	127.37	196.16
Knitted Fabric	170.88	29.02
	1,182.58	722.53
Work in progress		
Texturised Yarn	111.99	196.26
Twisted Yarn	1.86	7.31
Knitted Fabric	10.11	44.47
Total	123.96	248.04

26 EMPLOYEE BENEFIT EXPENSES

Amount (₹ In lacs)

Particulars	Year Ended March 31, 2015	Year Ended March 31, 2014
Salary, wages and bonus	613.29	696.38
Director remuneration	27.60	25.73
Contributions to provident and other funds	12.77	16.25
Staff welfare expenses	10.25	6.19
Total	663.91	744.55

27 FINANCE COST

Amount (₹ In lacs)

Particulars	Year Ended March 31, 2015	Year Ended March 31, 2014
Interest to		
- Bank	1,374.51	1,389.73
- Others	2.27	35.52
Bank charges	117.45	61.02
Other borrowing costs	66.74	60.98
	1,560.97	1,547.24
Less:		
TUF Subsidy	242.68	272.34
Total	1,318.29	1,274.90

ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

28 OTHER EXPENSES

Amount (₹ In Lacs)

Particulars	Year Ended March 31, 2015	Year Ended March 31, 2014
Consumption of Stores and Spare parts	93.00	106.58
Packing Materials Consumed	627.67	869.43
Power and Fuel	1,140.04	1,407.72
Rent	-	0.32
Repairs to		
Plant and machinery	7.79	10.77
Building	11.24	21.66
Others	17.45	8.43
Printing & Stationery	9.90	16.26
Insurance	12.83	10.22
Export Shipping Expenses	116.46	175.09
Loading & Unloading charges	36.66	51.26
Legal and Professional Charges	46.35	30.59
Payment to Auditors	10.25	6.26
Security Charges	21.15	16.60
Jobwork expenses	16.04	-
Loss on sale of FMS/FPS/DEPB licence	9.51	1.73
Miscellaneous Expenses	146.12	126.16
Total	2,322.45	2,859.05

Payment to auditor

Amount (₹ In lacs)

Particulars	Year Ended March 31, 2015	Year Ended March 31, 2014
As Auditor:		
Audit fees	9.55	5.06
In other capacity:		
Other services	0.70	1.20
Total	10.25	6.26

29 EARNINGS PER EQUITY SHARES

Amount (₹ In lacs)

Particulars	Year Ended March 31, 2015	Year Ended March 31, 2014
Basic Earnings per Share		
Profit/(Loss) attributable to Equity shareholders	716	705
Weighted average number of equity shares	2,201	2,201
Basic Earnings Per Share*	0.33	0.32
Face value per Share	1	1
Dilutive Earnings per Share		
Profit after adjusting interest on potential equity shares	716	705
Weighted average number of equity share after considering potential equity shares	2,201	2,201
Dilutive Earnings per Share*	0.33	0.32
Face value per Share	1	1

ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

* Pursuant to approval of the members dated 15th March 2013 through postal ballots, one Equity Share having face value of ₹ 10 each has been subdivided into 10 Equity Shares of Re. 1 each with effect from 12th April 2013.

30 The Company is consistently following the accounting of excise duty on closing stock of finished goods on clearance of finished goods from the factory and such treatment has no impact on Statement of Profit & Loss for the year.

31 In the opinion of the Board the Current Assets (other than those doubtful & provided for) and Loans and Advances are approximately of the value stated and realizable in the ordinary course of business. The Provisions of all known liabilities is adequate and not in excess of the amount reasonably necessary.

32 CONTINGENT LIABILITIES

Amount (₹ In lacs)

Particulars	Year Ended	Year Ended
	March 31, 2015	March 31, 2014
Guarantee given by Bank on behalf of the Company	244.25	232.50
Letter of Credit	2,396.37	953.51
Custom Duty against Export Obligation (Refer Note below)	1,926.14	1,749.67

Note: Company has obtained license under Export Promotion Capital Goods Scheme (EPCG) for purchase of capital goods on zero percent custom duty. Under the EPCG the Company needs to fulfill certain export obligations, failing which, it is liable for payment of custom duty. Export Obligations at the end of current financial year is ₹ 25,438.56 lacs (includes ₹ 21,265.03 lacs towards average maintainable exports) (PY ₹ 7315.10 lacs) which needs to be fulfilled within 6/8 years from the date of purchase of respective license.

33: Commitments

Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for is ₹ 8,189.61 lacs (PY: ₹ Nil/-).

33 Disclosure pursuant to Accounting Standard – 15 ‘Employee Benefits’

Assumptions	Year Ended	Year Ended
	March 31, 2015	March 31, 2014
Expected rate of future salary increase	6.00%	6.00%
Discount Rate	8.00%	9.31%
Attrition Rate	2.00%	2.00%

Table showing change in present value of defined benefit obligation:

Particulars	Year Ended	Year Ended
	March 31, 2015	March 31, 2014
Present value of obligation as at the beginning of the year:	16.69	10.47
Interest cost	1.55	0.86
Current service cost	16.32	9.38
Benefits paid	-	-
Actuarial (Gain) / loss on obligation	(21.92)	(4.02)
Closing Present value of obligation	12.64	16.69

ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

Amount recognized in the Balance Sheet:

Amount (₹ In lacs)

Particulars	Year Ended March 31, 2015	Year Ended March 31, 2014
Present value of obligation as at 31.03.2014	12.64	22.91
Fair Value of plan assets as at 31.03.2014	-	-
Funded status	(12.64)	(22.91)
Unrecognized Past Service Cost as at 31.03.2014	-	-
Unrecognized Transitional Liability as at 31.03.2014	-	-
Net Assets/ (Liability) recognized in the Balance Sheet	(12.64)	(22.91)

Expenses recognized in the Statement of Profit and Loss

Amount (₹ In lacs)

Particulars	Year Ended March 31, 2015	Year Ended March 31, 2014
Current Service Cost	16.32	9.38
Past Service Cost	-	-
Interest Cost	1.55	0.86
Expected return on plan assets	-	-
Net Actuarial (Gain)/ loss recognized during the year	(21.92)	(4.02)
Total Expenses recognized in the Profit and Loss account	(4.05)	6.22

Balance Sheet Reconciliation:

Amount (₹ In lacs)

Particulars	Year Ended March 31, 2015	Year Ended March 31, 2014
Opening Net Liability	16.69	10.47
Expenses as above	(4.05)	6.22
Net Transfer In	-	-
(Net Transfer Out)	-	-
Employer's Contribution	-	-
Net Liability Recognised in the Balance Sheet	12.64	16.69

34 Related Party disclosures

a. List of related parties

Name of the Party	Relationship
Shri Mukesh Ruia	Chairman & Managing Director
Shri Ravi Jogi	Whole Time Director
Shri Ramniranjan Ruia	Relative of Chairman & Managing Director
Mukesh Ruia HUF	Relative of Chairman & Managing Director
Ruia Rayons Pvt Ltd	Enterprise over which the key managerial personnel and their relatives have significant influence
Shivratan Agarwal	Chief Financial Officer
Meena Agal	Company Secretary

ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

b. Transactions with Related Parties :

Name of the Party	Nature of Transaction	Year Ended March 31, 2015	Year Ended March 31, 2014
Shri Mukesh Ruia	Loan Taken	108.00	1,322.00
Shri Mukesh Ruia	Loan repaid	25.00	-
Shri Mukesh Ruia	Loan converted to application money towards Convertible Share Warrants	1,893.00	-
Shri Mukesh Ruia	Directors Remuneration	24.00	24.00
Mukesh Ruia HUF	Loan Taken	258.48	-
Mukesh Ruia HUF	Loan repaid	258.48	-
Mukesh Ruia HUF	Application Money towards Convertible Share Warrants	430.00	-
Shri Ravi Jogi	Directors Remuneration	3.60	1.73
Ruia Rayons Pvt Ltd	Capital advances	474.00	-
Ruia Rayons Pvt Ltd	Sale	71.35	-
Shivratan Agarwal	Remuneration	7.00	7.00
Meena Agal	Remuneration	5.04	5.04

c. Balance Outstanding of Related Parties :

Name of the Party	Receivable / Payable	Year Ended March 31, 2015	Year Ended March 31, 2014
Shri Mukesh Ruia	Money received against share warrants	1,893.00	-
Shri Mukesh Ruia	Loan Payable	-	1,810.00
Mukesh Ruia HUF	Money received against share warrants	430.00	-
Ruia Rayons Pvt Ltd	Capital advances	474.00	-
Ruia Rayons Pvt Ltd	Trade Receivables	36.64	-
Shivratan Agarwal	Remuneration Payable	0.31	-
Meena Agal	Remuneration Payable	0.36	0.35

35 Imported and indigenous raw material consumed during the year.

Name of the Party	Year Ended March 31, 2015		Year Ended March 31, 2014	
	Amount	Percentage	Amount	Percentage
Imported	1,820.64	6.17%	776.95	2.74%
Indigenous	27,705.70	93.83%	27,598.95	97.26%
TOTAL	29,526.34	100.00%	28,375.89	100.00%

36 Imported and indigenous stores & spares consumed during the year.

Name of the Party	Year Ended March 31, 2015		Year Ended March 31, 2014	
	Amount	Percentage	Amount	Percentage
Imported	-	-	-	-
Indigenous	93.00	100	106.58	100
TOTAL	93.00	100	106.58	100

ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

37 Value of Imports on C.I.F Basis:

Amount (₹ In Lacs)

Particulars	Year Ended March 31, 2015	Year Ended March 31, 2014
Raw Materials	1,820.64	776.95
TOTAL	1,820.64	776.95

38 Earnings in foreign currency (on accrual basis):

Particulars	Year Ended March 31, 2015	Year Ended March 31, 2014
F.O.B. Value of Exports	4,357.21	6,470.92
TOTAL	4,357.21	6,470.92

40 Expenditure in foreign currency:

Particulars	Year Ended March 31, 2015	Year Ended March 31, 2014
Travelling	1.20	-
TOTAL	1.20	-

41 The Company has revised depreciation rates on fixed assets w.e.f. April 01, 2014 as per the useful life specified in Schedule II of the Companies Act, 2013. As prescribed in Schedule II, an amount of Rs 5.22 lacs (net of deferred tax) has been charged to the opening balance of retained earnings for the assets in respect of which the remaining useful life is NIL as on April 01, 2014 and in respect of other assets on that date, depreciation has been calculated based on the remaining useful life of those assets. Had the Company continued with the previously applicable rates mentioned in Schedule XIV of the Companies Act, 1956, charge for depreciation for the year would have been higher and net profit would have been lower by ₹ 97.41 lacs respectively.

42 Segment Reporting

In accordance with the requirements of Accounting Standard 17 "Segmental Reporting", the Company's business consist of one reportable segment of textile business, hence no separate disclosure pertaining to attributable Revenues, Profits, Assets, Liabilities, Capital employed are given.

43 Figures of previous year have been re-grouped, reclassified and/or rearranged as and wherever necessary.

As per our report of even date
For S G C O & Co.,
Chartered Accountants
Firm Registration No. 112081W

Sd/-
Suresh Murarka
Partner
Membership No. 044739
Place : Mumbai
Date : May 30, 2015

For and on behalf of the Board of Directors

Sd/-
Mukesh Ruia
Chairman & Managing Director
(DIN : 00372083)

Sd/-
Meena Agal
Company Secretary

Sd/-
Ravi Jogi
Whole-Time Director
(DIN : 06646110)

Sd/-
Shivratan Agarwal
Chief Financial Officer

E-COMMUNICATION REGISTRATION FORM

To,

Sharex Dynamics (India) Pvt. Ltd.
Unit: Shekhawati Poly-Yarn Ltd.
Unit 1, Luthra Industrial Premises, Safed Pool,
Andheri – Kurla Road, Andheri (E),
Mumbai - 400072

Dear Sir/Madam,

Re.: Green Initiative in Corporate Governance

I agree to receive all communication from the company in electronic mode. Please register my email id in your records for sending communication through email.

Folio No : _____

DP ID : _____

Client ID : _____

PAN : _____

Name of 1st Registered Holder : _____

Name of Joint Holder (s) : _____

Registered Address : _____

E-mail ID : _____

Date : _____ signature of first holder : _____

Important Notes:

1. On registration, all communication will be sent to the email id registered in the folio/DP ID & Client ID
2. The form is also available on www.shekhawatiyarn.com
3. Shareholders are requested to keep the company informed as and when there is any change in the e-mail address. Unless the e-mail id is changed by you by sending another communication in writing, the company will continue to send notices/documents to you on the above mentioned email id.

SHEKHAWATI POLY-YARN LIMITED

Regd. Off.: Unit - III, Survey No.185/1, Naroli Village, Near Kanadi Phatak ,Dadra & Nagar Haveli - 396 235, (Union Territory), India

CIN: L17120DN1990PLC000440

ATTENDANCE SLIP

24TH ANNUAL GENERAL MEETING 22ND SEPTEMBER , 2015 AT 11.30 A.M.

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

I/we certify that I/ We am/are the registered Member(s)/Proxy for the registered Member(s) of the Company.

I/We hereby record my/our presence at the 24th Annual General Meeting of the Company held at Unit No. III, Survey No. 185/1, Naroli Village, Near Kanadi Phatak, Silvassa, D & N. H. – 396 235 on September 22 , 2015 at 11.30A.M.

Signed this _____ day of _____ 2015

.....
(Member's / Proxy's name (in Block Letters)

(Member's/ proxy's Signature)

Note: -

1. Only Members / Proxyholder can attend the Meeting
2. Members/proxies are requested to bring the duly completed Attendance Slip with them, and hand it over at the entrance, affixing their signature on the slip.

SHEKHAWATI POLY-YARN LIMITED

Regd. Off.: Unit - III, Survey No. 185/1, Naroli Village, Near Kanadi Phatak ,Dadra & Nagar Haveli - 396 235, (Union Territory), India

CIN: L17120DN1990PLC000440

Form No. MGT-11

Proxy form

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

Name of the Member(s) : _____

Registered Address : _____

E-mail ID : _____

Folio No. / Client ID No. _____

I/We, being the member (s) of shares of the above named company, hereby appoint

1. Name: E-mail Id:.....

Address: Signature:.....
or failing him

2. Name: E-mail Id:.....

Address: Signature:.....
or failing him

3. Name: E-mail Id:.....

Address: Signature:.....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 24th Annual general meeting of the company, to be held on the 22nd September ,2015 at 11.30 a.m. at Unit No. III, Survey No. 185/1, Naroli Village, Near Kanadi Phatak, Silvassa, D & N.H. – 396 235 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.

1. Adoption of Annual Accounts and Reports thereon for the financial year ended March 31, 2015.
2. Re-appointment of Mr. Ravi Jogi as a Director of the Company.
3. Appointment of M/s. Ajay Shobha & Co., Chartered Accountants as a Statutory Auditor of the Company and fix their remuneration for five consecutive years.
4. Appointment of Ms. Jyoti Thakkar as an Independent Director of the Company for the term of upto five consecutive years.
5. Appointment of Ms. Swati Sahukara as an Independent Director of the Company for the term of upto five consecutive years.
6. Ratification of M/s. N. Ritesh & Associates, Cost Accountant as a cost Accountant and fix their remuneration.
7. Adoption of new Set of Article of Association of the Company

Signed this _____ day of _____ 2015

Place:

Signature of shareholder _____

Signature of Proxy holder(s) _____



Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.



PLANT LOCATIONS

Unit 2 - Plot No.
44 Government Industrial Estate,
Masal, Somervest,
Dadra & Nagar Haveli - 396 230
(Union Territory), India
@ unit2@shekhawatiyarn.com

Unit 3 - Survey No. 185/1, Naroli Village,
Near Kanadi Phatak,
Dadra & Nagar Haveli - 396 235
(Union Territory), India
T +91 260 2650666
@ unit3@shekhawatiyarn.com

www.shekhawatiyarn.com

Registered Office:
Survey No. 185/1, Naroli Village, Near Kanadi Phatak,
Dadra & Nagar Haveli - 396 235 (Union Territory), India
T +91 260 2650666
@ unit3@shekhawatiyarn.com