



**WEARIT**  
GROUP

**HIND SYNTEX LTD.**



Date: October 15, 2016

To

The Department of Corporate Service  
Bombay Stock Exchange Limited  
27th Floor, P. J. Towers,  
Dalal Street, Fort,  
Mumbai – 400 001

The Manager Listing Department  
National Stock Exchange of India Ltd  
Exchange Plaza, 5th Floor  
Bandra Kurla Complex, Bandra (E)  
Mumbai – 400 051

**Sub: Compliance with Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

Dear Sir,

We are enclosing herewith Annual Report of the Company for the financial year ended 2015-2016 being approved and adopted in the Annual General Meeting as per the provisions of the Companies Act, 2013.

Thanking you

Yours Faithfully

**For Hind Syntex Limited**

*Nidhi Rath*  
(Nidhi Rath)  
Company Secretary



Encl: a/a

Corporate Office : 5E & F, Crescent Tower, 229, A.J.C. Bose Road, Kolkata-700 020.  
Ph : +91 33 4003 6164 / 6165. Fax : +91 33 4003 6158. Email : kolkata@wearitgroup.com

Indore Office : Sterling Tower, Office No. 214, 4th Floor, 2, M. G. Road, Indore-452 001. Madhya Pradesh  
Ph : +91 731 4065347. Fax : +91 731 4064767. Email : indore@wearitgroup.com

Registered Office & Manufacturing Complex : Plot No. 2, 3, 4 & 5 Sector A, Industrial Growth Centre,  
Pillukhedi-465667, Dist : Rajgarh, Madhya Pradesh.

Ph : +91 7375 2444350; +91 93015 28698. Email : pillukhedi@wearitgroup.com

CIN : L17118MP1980PLC001697



**WEARIT**  
GROUP | HIND SYNTEX LTD.

**Annual Report  
2015 - 2016**

# HIND SYNTEX LIMITED

## BOARD OF DIRECTORS

Shri Manish Kumar	Director
Shri M. P. Rajan	Director
Shri V.S. Crishna	Director
Shri Alok Krishna Agarwal	Director
Shri Vilas Agrawal	Whole-time Director
Smt. Shailja Haldia	Director

## KEY MANAGERIAL PERSONNEL

Shri Vilas Agrawal	Whole-time Director
Shri Balesh Kumar Bagree	Chief Financial Officer (CFO)
Ms. Nidhi Rath	Company Secretary

## REGISTERED OFFICE & MANUFACTURING COMPLEX

Plot No. 2, 3, 4 & 5, Sector A,  
Industrial Growth Centre,  
PILLUKHEDI,  
District - Rajgarh (M.P.) 465 667  
Mob. No.: +91 93015 28698  
Web : [www.hindsyntexltd.com](http://www.hindsyntexltd.com)  
Email : [pillukhedi@wearitgroup.com](mailto:pillukhedi@wearitgroup.com)  
CIN : L17118MP1980PLC001697

## CORPORATE OFFICE

5E & F ,Crescent Tower,  
229 A.J.C. Bose Road,  
Kolkata – 700 020  
Tel.: +91 33 4003 6164 / 6165.  
Fax: +91 33 4003 6158,  
Email : [compliance@wearitgroup.com](mailto:compliance@wearitgroup.com)

## INDORE OFFICE

Sterling Tower,  
Office No. 214, 4th Floor,  
2 M.G. Road,  
Indore – 452 001 (M.P.)  
Tel.: + 91 731 4065347  
Fax : +91 731 4064767  
Email : [indore@wearitgroup.com](mailto:indore@wearitgroup.com)

## BANKERS

HDFC Bank  
Bank of India  
State Bank of India  
Axis Bank Limited  
ICICI Bank Limited

## AUDITORS

V. Singhi & Associates, Chartered Accountants,  
4 Mangoe Lane, Surendra Mohan Ghosh Sarani,  
Kolkata - 700001

## REGISTRAR & SHARE TRANSFER AGENTS

M/s. Link Intime India Pvt. Ltd.  
C-13, Pannalal Silk Mills Compound  
L.B.S Marg, Bhandup (W)  
Mumbai – 400 078  
E-mail: [mumbai@linkintime.co.in](mailto:mumbai@linkintime.co.in)  
Phone: +91 22 25963838 | Extension No: 2281

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## Notice of Annual General Meeting

**NOTICE** is hereby given that 35th Annual General Meeting of the Members of **HIND SYNTEX LIMITED** (CIN 17118MP1980PLC001697) will be held at the Registered Office of the Company, at Plot Nos. 2, 3, 4 & 5, Sector - A, Industrial Growth Centre, Pillukhedi, District – Rajgarh - 465667 M.P. on Tuesday, 27th day of September, 2016, at 11.00 AM, to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the audited financial statements of the Company for the year ended 31st March, 2016, together with the Report of Directors' and Auditors' thereon.
2. To appoint a Director in place of Mr. Manish Kumar (DIN 00121900), who retires by rotation, and being eligible, seeks re-appointment.
3. To appoint Auditors & fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following Resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of section 139 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, and pursuant to recommendation of Audit Committee of Board of Directors, M/s V. Singhi & Associates, Chartered Accountants (Firm Registration No. 311017E), be and are hereby re-appointed as Auditors of the Company who shall hold office from the conclusion of this annual General Meeting until the conclusion of next Annual General Meeting of the Company at a remuneration to be fixed by Board of Directors of the Company based on the recommendation of the Audit Committee, in addition to the reimbursement of out of pocket expenses as may be incurred in connection with the audit of accounts of the Company."

### SPECIAL BUSINESS:

#### 4. REVISION OF REMUNERATION PAYABLE TO MR. VILAS AGRAWAL, WHOLE TIME DIRECTOR OF THE COMPANY:

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

**"RESOLVED THAT** pursuant to the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), and pursuant to recommendation of Nomination & Remuneration Committee of Board of Directors the consent of the Company be & is hereby accorded for revision in the remuneration of Mr. Vilas Agrawal, Whole time director of the Company w.e.f. 1st April, 2016 as set out in the Explanatory Statement annexed to the Notice convening this meeting, for the remaining period of his tenure.

**RESOLVED FURTHER THAT** the Board of Directors or any Committee thereof (the Board) be & is hereby authorized in their absolute discretion, to decide/ determine, fix and/or vary such terms of remuneration (within the overall limits as stated in the explanatory statement) as may be agreed by the Board and Mr. Vilas Agrawal.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be & is hereby authorized to do all such acts, matters and things as the Board may consider necessary and expedient and to settle all the questions or difficulties whatsoever may arise to give effect to above resolutions and to any matter which is ancillary and incidental thereto."

#### Registered Office:

Plot No. 2,3,4 & 5, Sector- A,  
Industrial Growth Centre,  
Pillukhedi - (M.P.) 465667

#### Place: Kolkata

Dated: the 17th May, 2016

By Order of the Board  
For Hind Syntex Limited

Vilas Agrawal  
Whole-time Director  
(DIN 02754394)



## Notice of Annual General Meeting - Continued

### NOTES:

1. A member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and vote instead of himself and the proxy need not be a member of the Company. Instrument of proxies in order to be effective must be received by the Company not less than 48 hours before the time for holding the meeting.

**A person can act as proxy on behalf of members upto and not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. Further, a member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or member.**

2. Corporate Members intending to send their Authorized Representatives to attend the Meeting are requested to send to the Company a Certified true copy of the resolution authorizing their representative to attend & vote on their behalf at the Meeting.
3. Members/Proxies should bring their attendance slips duly filled in for attending the meeting.
4. Members are requested to bring their copy of the Annual Report at the Annual General Meeting.
5. The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 with respect to the special business set out in the Notice is annexed.
6. The Register of Members and Share Transfer Books of the Company will remain closed from 21st September, 2016 to 27th September, 2016 (both days inclusive).
7. Pursuant to the Regulation 34 (3) read with Schedule V of SEBI (LODR), 2015, additional information on Directors seeking appointment/ reappointment at the Annual General Meeting is provided in the Corporate Governance Report. There are no inter-se relationships between the Board Members.
8. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to the Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form should submit their PAN to the Company / Registrar.
9. Members who have not registered their email 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.
10. E-Voting for transaction of Business:
  - (A) In compliance with the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 and the revised Clause 35B of the Listing Agreement, the Company is providing facility for voting by electronic means and the business may be transacted through e-voting service provided by Central Depository Service (India) Limited (CDSL).
  - (B) The Facility for voting, either through electronic voting system or ballot or polling paper shall also be made available at the meeting and members attending the meeting who have not already cast their vote may exercise their vote through ballot paper.
  - (C) The Members who have cast their vote by remote e-voting shall not be entitled to cast their vote again.
  - (D) The voting period beings on 21st September, 2016 at 9.00A.M. and ends on 23rd September, 2016 at 6.00 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 20th September 2016, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

The procedure and instructions for members for voting electronically are as under:

- i. Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
- ii. Click on "Shareholders" tab.
- iii. Now, select the "COMPANY NAME" from the drop down menu and click on "SUBMIT".
- iv. Now Enter your User ID for Members holding shares in Demat Form:-
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID &
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- v. Next enter the Image Verification as displayed and Click on Login.
- vi. If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- vii. If you are a first time user follow the steps given below:

## Notice of Annual General Meeting - Continued

### For Members holding shares in Demat Form and Physical Form

PAN*	<ul style="list-style-type: none"> <li>● Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders).</li> <li>● Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the last 8 digits of the demat account/folio number in the PAN field.</li> <li>● In case the folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with folio number 100 then enter RA00000100 in the PAN field.</li> </ul>
DOB#	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details#	<ul style="list-style-type: none"> <li>● Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</li> <li>● Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter <b>the number of shares held by you as on the cut-off date in the Dividend Bank details field.</b></li> </ul>

- viii. After entering these details appropriately, click on "SUBMIT" tab.
- ix. Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- x. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- xi. Click on the EVSN for the relevant <Company Name> 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.
  - Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.
  - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in the PDF format in the system for the scrutinizer to verify the same.
  - In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- (E) M/s. Neelesh Gupta & Co., Practicing Company Secretaries, will be acting as the scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- (F) The scrutinizer shall within a period not exceeding three(3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least 2 witnesses not in the employment of the company and make a scrutinizer's report of the votes cast in favour or against, if any, forthwith to the Chairman of the Meeting.

## Notice of Annual General Meeting - Continued

- (G) The results shall be declared on or after the annual general meeting of the Company. The results declared along with the scrutinizer's report will be forwarded to the Stock Exchanges where the shares of the Company are listed.
- (H) A member can opt for only one mode i.e. either through e-voting or voting at the annual general meeting. If a member casts votes by both modes, then voting done through e-voting shall prevail and the voting at annual general meeting shall be treated as invalid.

### Explanatory Statement pursuant to Section 102 (1) of the Companies Act, 2013:

#### Item 4:

The Board of Directors considered the contribution of Mr. Vilas Agarwal who was appointed as Whole time Director, pursuant to Board Meeting held on 31st July 2013 for a period of 5 (five) years with immediate effect, to the overall progress of the Company. During the year, the Company has achieved a turnover of Rs. 4077.81 Lacs.

Moreover, the Company is aggressively concentrating on its expansion plans besides exploring opportunities both in India and abroad. Taking into consideration the duties and responsibilities of the Whole time Director, the prevailing managerial remuneration in industry and on the recommendation of the Nomination and Remuneration Committee, subject to approval of the shareholders, the Board at their meeting held on 17th May, 2016 approved the revision of remuneration payable to Mr. Vilas Agrawal, as set out below:

- I. Salary** :: **Rs. 12.60 Lacs per annum in the scale of Rs. 12.60 Lacs to Rs.18.00 Lacs per annum.**  
The increment payable every year will be subject to performance of Mr.Vilas Agrawal as recommended by Nomination & Remuneration Committee and decided by Board of Directors in its absolute discretion
- II. Perquisites** :: Perquisites classified into categories A, B & C mentioned below restricted to an amount of equal to annual salary.

#### CATEGORY 'A'

##### (i) HOUSE RENT ALLOWANCE:

- (a) Housing I :: The Expenditure by Company on hiring unfurnished accommodation will be subject to a ceiling of 40% of the salary.
- OR
- (b) Housing II :: In case the accommodation is owned by the Company, 20% of the salary of the appointee shall be deducted by the Company.
- OR
- (c) Housing III :: In case no accommodation is provided by the Company, the appointee shall be entitled to House Rent Allowance subject to ceiling laid down in Housing I.

##### (ii) MEDICAL REIMBURSEMENT:

Reimbursement of medical expenses incurred by the appointee and his family will be as per rules of the Company.

##### (iii) LEAVE TRAVEL CONCESSION:

For the appointee and his family once in a year incurred as per Rules of the Company.

##### (iv) BONUS:

Bonus will be as per Rules of the Company.

#### Note:

- For the purpose of Category 'A' 'Family' means the spouse, the dependent children and dependent parents of the appointee.
- The above perquisites and allowances shall be evaluated as per income-tax rules, wherever applicable. In the absence of any such rules, these shall be evaluated at actual cost.

#### CATEGORY 'B'

##### i) Contribution to Provident and Superannuation Funds :

Company's contribution towards Provident Fund, Superannuation Fund or Annuity Fund will be as per rules of the Company and will not be included in the computation of the ceiling on perquisites to the extent these either singly or put together are not taxable under the Income Tax Act.

##### ii) Encashment of leave :

Encashment of leave at the end of the tenure shall be paid in accordance with rules of the Company and will not be included in the computation of the ceiling on perquisites.

## Notice of Annual General Meeting - *Continued*

**iii) Gratuity:**

Not exceeding one and half month's salary for such completed year of service.

**CATEGORY 'C'**

**i) CAR :**

Facility of car with driver for official purpose.

**ii) TELEPHONE:**

Reimbursement of Telephone expenses incurred for official purpose.

**iii) REIMBURSEMENT OF EXPENSES:**

Reimbursement of entertainment, travelling, hotel and other expenses actually and properly incurred for the business of the Company.

**MINIMUM REMUNERATION:** Notwithstanding anything to the contrary herein contained, where in any financial year during the currency of his office as Whole time Director, the Company has no profits or the profits are inadequate, the Company shall pay remuneration by way of salary, allowances and perquisites, subject to the provisions of Section 196, 197 & 203 of the Companies Act, 2013 read with the provisions of Section II of Part II of Schedule V to the Companies Act, 2013 or any statutory modifications thereof and all circulars/ notifications for managerial remuneration issued in this regard from time to time, as may be agreed to by the Board and Mr. Vilas Agrawal.

Except for the aforesaid revision in salary, all other terms and conditions of his appointment as the Whole time Director of the Company, as approved by the resolution passed at the Annual General Meeting of the Company held on 6th December 2013, shall remain unchanged.

The Resolution is recommended for your approval.

None of the Directors & Key Managerial Personnel of Company other than Mr. Vilas Agrawal are concerned or interested in the resolution.

**Registered Office:**

Plot No. 2,3,4 & 5, Sector- A,  
Industrial Growth Centre,  
Pillukhedi - (M.P.) 465667

**Place: Kolkata**

**Dated: the 17th May, 2016**

**By Order of the Board  
For Hind Syntex Limited**

**Vilas Agrawal  
Whole-time Director  
(DIN 02754394)**

## DIRECTORS' REPORT

### Dear Members,

The Directors of your Company have pleasure in presenting the 35th Annual Report on the affairs of the Company together with the Audited Accounts of the Company for the year ended 31st March, 2016.

### FINANCIAL RESULTS

The Financial Results of the Company for the year under review are as under:-

(Rs. in Lacs)

PARTICULARS	2015-16	2014-15
Revenue from operations (Net)	4042.91	3826.21
Profit / (Loss) before tax	15.37	19.44
Profit after tax	14.25	19.44

### TRANSFER TO RESERVES

The Company proposes not to transfer any funds out of its total profit of Rs. 14.24 Lacs for the financial year to the General Reserve.

### DIVIDEND

The Board has not recommended any dividend on the Shares of the Company for the year under review.

### STATE OF COMPANY'S AFFAIRS & GENERAL REVIEW

Your Directors have pleasure in informing you that the Company has achieved a turnover of Rs. 40.43 crores and earned a net profit of Rs. 14.24 Lacs.

Your Company anticipates that the moderation in the growth rates will show steady recovery in the short to medium term and the growth momentum will revive soon and it continues to be optimistic, as India is poised to recover moderately with industrial production gaining momentum.

### CHANGE IN THE NATURE OF BUSINESS, IF ANY

During the year under review, there has been no change in the nature of business of the Company.

### SHARE CAPITAL

The Paid up Share Capital as on 31st March, 2016 is Rs. 12,71,86,000/- During the year under review, the Company has not issued any share with differential voting rights nor granted any stock options or sweat equity.

### PUBLIC DEPOSITS

The Company has not invited or accepted public deposits from public covered u/s 73 of Companies Act, 2013 and the Companies (Acceptance of Deposit) Rules, 2014.

### DIRECTOR & KEY MANAGERIAL PERSONNEL

In accordance with the provisions of the Act and the Articles of Association of the Company, Mr. Manish Kumar, Director of the Company, retire by rotation at the ensuing Annual General Meeting and being eligible have offered himself for re-appointment.

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed both under the Act and SEBI (LODR) Regulations, 2015.

### MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT

Management's Discussion and Analysis Report for the year under review, as stipulated under Regulation 34(3) of SEBI (LODR) Regulations, 2015, is presented in a separate section forming part of the Annual Report.

### CORPORATE GOVERNANCE REPORT

Corporate Governance is a key to improve efficiency, transparency, accountability & growth as well as enhancing investor's confidence. Keeping this spirit, the Company is committed to maintain the highest standards of corporate governance and adhere to the corporate governance requirements set out by SEBI. The report on Corporate Governance as stipulated under the SEBI (LODR) Regulations, 2015 forms an integral part of Annual Report. The requisite certificate from the Auditors of the Company confirming compliance with the conditions of corporate governance is attached to the report on Corporate Governance.

## **DIRECTORS' REPORT - Continued**

### **DISCLOSURE RELATED TO BOARD, COMMITTEES & POLICIES**

#### **a) Board Meetings**

The Board of Directors met 4 (four) times in the financial year ended 31st March, 2016 in accordance with the provisions of Companies Act, 2013 and rules made thereunder on 30.05.2015, 08.08.2015, 07.11.2015 and 06.02.2016. The intervening gap between the meetings was within the period as prescribed by the Companies Act, 2013.

The meeting of Independent Directors was held on 6th February, 2016 wherein the performance of non-independent directors and the Board as a whole including the Committees thereof for the financial year 2015-16 were reviewed. The Independent Directors at their meeting also assessed the quality, quantity and timeliness of flow of information between the Management and the Board of Directors of the Company.

#### **b) Directors' Responsibility Statement**

Your Directors state that:

- a) in the preparation of the annual accounts for the year ended 31st March, 2016, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same;
- b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2016 and of the profit of the Company for the year ended on that date;
- c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the Directors have prepared the annual accounts on a 'going concern' basis;
- e) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

#### **c) Audit Committee**

The Composition and terms of reference of the Audit Committee has been furnished in the Corporate Governance Report forming part of this Annual Report. There has been no instance where the Board has not accepted the recommendation of Audit Committee.

#### **d) Nomination & Remuneration Committee**

The Composition and terms of reference of the Nomination & Remuneration Committee has been furnished in the Corporate Governance Report forming part of this Annual Report.

The Policy of the Company for Directors selection, appointment & remuneration, including the criteria for determining qualifications, positive attributes independence of Director and other matters provided under section 178(3) of the Companies Act, 2013, is disclosed in the Corporate Governance Report and forms part of this report.

#### **e) Vigil Mechanism for the Directors & Employees**

In compliance with the provision of Section 177(9) of the Companies Act, 2013 and Regulation 22 of the SEBI (LODR) Regulations, 2015 the Company has framed "Whistle Blower Policy" as vigil Mechanism for Directors & employees of the Company.

#### **f) Internal Control System**

The internal financial control with reference to financial statements as designed and implemented by the Company are adequate. During the year under review, no material or serious observation has been received from the statutory auditors of the Company for inefficiency or inadequacy of such controls.

#### **g) Risk Management**

The Company has laid down well defined risk management mechanism covering the risk exposure, potential impact and risk mitigation process. The Board periodically reviews the risks and suggests steps to be taken to control and mitigate the same through a properly defined frame work.

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 said policy is disclosed on the website of the Company under Investor Relation Section at <http://www.hindsyntextltd.com>.

## **DIRECTORS' REPORT - *Continued***

### **h) Annual Evaluation of the Directors and Board**

The Nomination & Remuneration Committee of the Board has formulated a Performance Evaluation framework, under which the Committee has identified criteria upon which every Director shall be evaluated. A structured questionnaire was prepared after taking into consideration of various aspects of the Board functions, compositions of the Board, culture, execution and performance of specific duties, obligations and governance. A separate exercise was carried out to evaluate the performance of the individual directors including the Chairman of the Board, on parameters such as level of engagement and contribution, independence of judgment, safeguard the interest of the Company. The performance evaluation of the Non Independent Directors and the Board as a whole including Committee thereof was carried out by the Independent Directors for the financial year 2015-16.

The Board expressed their satisfaction with the evaluation process.

### **i) PARTICULARS OF EMPLOYEES**

None of the employee has received remuneration exceeding the limit as stated in rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

## **AUDITORS AND AUDITORS' REPORT**

### **a) STATUTORY AUDITORS**

M/s. V. Singhi & Associates, Chartered Accountants, retire as Statutory Auditors at the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment. The Audit Committee of Directors recommended the re-appointment of M/s. V. Singhi & Associates, Chartered Accountants as Statutory Auditors to hold office from the conclusion of the ensuing Annual General Meeting till the conclusion of the next Annual General Meeting. M/s. V. Singhi & Associates, Chartered Accountants confirmed their eligibility and willingness to continue to act as Statutory Auditors of the Company for the financial year 2016-17, if re-appointed.

Further, the Statutory Auditors of the Company have submitted Auditors' Report on the Accounts of the Company for the financial year ended 31st March, 2016. The Statutory Auditors have drawn your attention towards certain notes attached to the accounts. The same are, however, self-explanatory and requires no comments.

### **b) SECRETARIAL AUDIT REPORT**

The Board of Directors of the Company has appointed Shri Neelesh Gupta, Practicing Company Secretary, as "Secretarial Auditor" of the Company to conduct Secretarial Audit for the financial year ended 31st March, 2016, pursuant to the provisions of Section 204 (1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014.

A Secretarial Audit Report given by M/S Neelesh Gupta, a Company Secretary in practice shall be annexed with the report as "Annexure A".

## **EXTRACT OF ANNUAL RETURN**

As provided under Section 92(3) of the Companies Act, 2013 extract of the Annual Return prepared in form MGT-9 pursuant to Rule 12(1) the Companies (Management and Administration) Rules, 2014 is furnished in "Annexure B" which forms a part of this report.

## **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186**

During the year under review, the Company has not advanced any loans, provided any guarantees or made investments under section 186 of the Companies Act, 2013.

## **PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES**

All contracts / arrangements / transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis. During the year, the Company had not entered into any contract / arrangement / transaction with the related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions.

Particulars of the transactions/contracts/arrangements of the nature as specified in Section 188(1) of the Companies Act, 2013 entered by the Company during the year under review with related party (/ies) in the prescribed Form AOC-2 is attached as "Annexure C" and forms part of this report.

The Policy on materiality of related party transactions and dealing with related party transactions as approved by the Board may be accessed on the Company's website under Investor Relation Section at <http://www.hindsyntextltd.com>.

## **DIRECTORS' REPORT - *Continued***

### **DISCLOSURE OF ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNAL**

No significant and material orders have been passed by any Regulator or Court or Tribunal which can have an impact on the going concern status and the Company's operations in future.

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

The particulars under the provisions of Section 134 (3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 in respect of conservation of energy and technology absorption, foreign exchange earnings and outgo as required to be disclosed is provided in "**Annexure D**" and forms part of this Report.

### **MATERIAL CHANGES AND COMMITMENTS AFTER THE BALANCE SHEET DATE**

Except as disclosed elsewhere in this report, no material changes and commitments which could affect the Company's financial position have occurred between the end of the financial year of the Company and the date of this report.

### **OBLIGATION OF COMPANY UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

In order to prevent sexual harassment of women at work place a new act "The Sexual Harassment of Women at Workplace (Prevention, Prohibition And Redressal) Act, 2013" has been notified on 9th December, 2013.

Your Company has set up an Internal Compliant Committee to look into complaints relating to sexual harassment at work place of any women employee. During the year under review your Company has not received any complaint of harassment.

### **ACKNOWLEDGEMENT**

Your Directors place on record their sincere appreciation for the valuable contributions and continued co-operations received by the Company from its bankers, other associates of the Company and Statutory Authorities.

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

Place: Kolkata  
Date: 17th May, 2016

**(Manish Kumar)**  
Director

**(Vilas Agrawal)**  
Whole-time Director



## DIRECTORS' REPORT - Continued

### ANNEXURE-A FORM NO-MR-3

#### SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31st March, 2016 [Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,  
The Members,  
**HIND SYNTEX LIMITED,**  
**CIN- L17118MP1980PLC001697,**  
**PLOT NO.2,3,4 AND 5, Sector-A,**  
**INDUSTRIAL GROWTH CENTRE,**  
**PILLUKHEDI-465667, RAJGARH (M. P.)**

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

Company's Board of Directors is responsible for the matters of Compliances of the various provisions of the Companies Act, 2013 and other applicable laws. Our responsibility to conduct the audit of the Compliances made during the year upon test check basis, We have adopted such methods and procedure and Based on our verification of the Hind Syntex 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, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended 31st March, 2016 has 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.

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 31st March, 2016 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998: .

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 and as per the explanations and representations made by the management and subject to clarifications given to us, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, etc., mentioned above.

#### **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.

All decisions at Board Meetings and Committee Meetings were carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be.

## **DIRECTORS' REPORT - Continued**

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.

We further report that:-

During the audit period of the company, there were no instances of:

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

However the members of the Company have passed following resolutions:

Special Resolution pursuant to Section 188 of the Companies Act, 2013 approving the related party transactions.

Place: Indore

Date: 17th May, 2016

**For Neelesh Gupta & Co.,  
Company Secretaries**

**CS. Neelesh Gupta - Proprietor  
C.P. No.6846**

To,  
The Members,  
**HIND SYNTAX LIMITED,  
CIN-L17118MP1980PLC001697,  
PLOT NO.2,3,4 AND 5, Sector-A,  
INDUSTRIAL GROWTH CENTRE,  
PILLUKHEDI-465667, RAJGARH (M. P.)**

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

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
  - Company has held all requisite no. of Board Meetings/audit committee meetings/ Nomination & Remuneration committee complied with the provision of Companies Act, 2013.
  - Management properly maintained minutes book and duly authenticated by the chairman.
  - Management has kept and properly entered records in all statutory books in their registered office
  - No request for transfer or transmission of shares have been received by the company during the year
  - Notice of Board meetings were duly sent to all the directors.
  - Notice of annual general meeting has been duly sent to all the members.
  - company has not directly indirectly advanced any loans to any of the its Director or KMP or any other person in whom the director is interested or given any guarantee or provided any security in connection with any loan taken by him or such other person (under section 185 & 188)
  - Company has not accept any deposit (u/s 73)
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, Standards are the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place: Indore

Date: 17th May, 2016

**For Neelesh Gupta & Co.,  
Company Secretaries**

**CS. Neelesh Gupta - Proprietor  
C.P. No.6846**

**DIRECTORS' REPORT - Continued****ANNEXURE-B  
Form No. MGT-9**

**EXTRACT OF ANNUAL RETURN as on the financial year ended on 31st March, 2015 of HIND SYNTEX LTD [Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]**

<b>I. REGISTRATION AND OTHER DETAILS</b>		
(i)	CIN	L17118MP1980PLC001697
(ii)	Registration Date	03/12/1980
(iii)	Name of the Company	HIND SYNTEX LIMITED
(iv)	Category/Sub-Category of the Company	Company Limited by Shares
(v)	Address of the Registered office and contact details:	Plot no.2,3,4& 5, Sector –A, Industrial Growth Center, Pillulkedi - 465667 District – Rajgarh, Madhya Pradesh
(vi)	E-Mail	pillukhedi@wearitgroup.com
(vii)	Website	www.hindsyntexltd.com
(viii)	Whether listed Company	Yes Bombay Stock Exchange Limited & National Stock Exchange of India Ltd.
(ix)	Name, Address and Contact details of Registrar and Transfer Agent, if any	Saili Lad   Client Relations- Corporate Registry LINK INTIME INDIA PRIVATE LIMITED C-13 Pannalal Silk Mills Compound, L B S MARG, Bhandup (West), Mumbai - 400078.

II.	PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY				
All the business activities contributing 10% or more of the total turnover of the Company shall be Stated:-					
Sl. No.	Name and Description of main Product	NIC Code of the Product	% to total turnover of the Company		
1.	Income from Job Work	17114	92.69		
2.	Sale of Products – Synthetic & Blended Yarn	17114	05.92		
III.	PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES				
Sl. No.	Name &Address of the Company	CIN	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section
Nil					

<b>IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup As Percentage of Total Equity)</b>									
<b>(i) Category-wise Share Holding</b>									
Category of Shareholders	No. of shares held at the beginning of the year ( 01.04.15)				No. of shares held at the end of the year ( 31.03.16)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A.Promoters</b>									
<b>(1) Indian</b>									
Individual/HUF	3689263	-	3689263	29.00	3689263	-	3689263	29.00	-
Trust	-	-	-	-	-	-	-	-	-
Central Govt.	-	-	-	-	-	-	-	-	-
State Govt.	-	-	-	-	-	-	-	-	-
Bodies Crop.	-	-	-	-	-	-	-	-	-
Banks/FI	-	-	-	-	-	-	-	-	-
Any other	2445919	-	2445919	19.24	2445919	-	2445919	19.24	-
<b>Sub Total (A)(1)</b>	<b>6135182</b>	<b>-</b>	<b>6135182</b>	<b>48.24</b>	<b>6135182</b>	<b>-</b>	<b>6135182</b>	<b>48.24</b>	<b>-</b>

**DIRECTORS' REPORT - Continued**

Category of Shareholders	No. of shares held at the beginning of the year ( 01.04.15)				No. of shares held at the end of the year ( 31.03.16)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>(2) Foreign</b>									
NRIs Individuals	-	-	-	-	-	-	-	-	-
Other individuals	-	-	-	-	-	-	-	-	-
Bodies Crop.	-	-	-	-	-	-	-	-	-
Banks/FI	-	-	-	-	-	-	-	-	-
Any other	-	-	-	-	-	-	-	-	-
Sub Total (A)(2)	-	-	-	-	-	-	-	-	-
Total Shareholding									
<b>(A) = (A)(1) + (A)(2)</b>	<b>6135182</b>	<b>-</b>	<b>6135182</b>	<b>48.24</b>	<b>6135182</b>	<b>-</b>	<b>6135182</b>	<b>48.24</b>	<b>-</b>
<b>B. Public Shareholding</b>									
1. Institutions									
(a) Mutual Funds	-	1771	1771	0.01	-	1771	1771	0.01	-
(b) Public Fin Ins	-	-	-	-	-	-	-	-	-
(c) Central Govt	-	-	-	-	-	-	-	-	-
(d) State Govt.	-	-	-	-	-	-	-	-	-
(e) Venture Cap	-	-	-	-	-	-	-	-	-
(f) Insurance Co.	-	400	400	0.00	-	400	400	0.00	-
(g) FIIs	1841100	7762	1848862	14.54	1841100	7762	1848862	14.54	-
(h) Foreign Venture Cap.Fund	-	-	-	-	-	-	-	-	-
(i) Others	-	-	-	-	-	-	-	-	-
<b>Sub Total (B)(1)</b>	<b>1841100</b>	<b>9933</b>	<b>1851033</b>	<b>14.55</b>	<b>1841100</b>	<b>9933</b>	<b>1851033</b>	<b>14.55</b>	<b>-</b>
<b>2. Non Institutions</b>									
(a) Bodies Crop									
(i) Indian	989890	129350	1119240	8.80	969815	129350	1099165	8.64	(0.16)
(ii) Overseas	-	-	-	-	-	-	-	-	-
(b) Individuals									
(i) Individual Shareholder Holding share Cap. upto Rs.1lakh	2271672	656430	2928102	23.02	2221090	649180	2870270	22.57	(0.45)
(ii) Individual Shareholder Holding Share Cap.in excess of Rs.1 lakh	483078	28000	511078	4.02	543957	28000	571957	4.50	0.48
(c) Others	59365	114600	173965	1.37	76393	114600	190993	1.50	0.13
<b>Sub Total (B)(2)</b>	<b>3804005</b>	<b>928380</b>	<b>4732385</b>	<b>37.21</b>	<b>3811255</b>	<b>921130</b>	<b>4732385</b>	<b>37.21</b>	<b>-</b>
Total Public Shareholding									
<b>(B)=(B)(1)+(B)(2)</b>	<b>5645105</b>	<b>938313</b>	<b>6583418</b>	<b>51.76</b>	<b>5652355</b>	<b>931063</b>	<b>6583418</b>	<b>51.76</b>	<b>-</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Grand Total (A+B+C)</b>	<b>11780287</b>	<b>938313</b>	<b>12718600</b>	<b>100.00</b>	<b>11787537</b>	<b>938313</b>	<b>12718600</b>	<b>100.00</b>	<b>-</b>

## DIRECTORS' REPORT - Continued

V. Shareholding of Promoters								
Sl. No.	Shareholder's Name	Shareholding at the beginning of the year (01.04.2015)			Shareholding at the end of the year (31.03.2016)			% 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	Manish Kumar	956456	7.52	-	956456	7.52	-	-
2	Ritika Kumar	2732807	21.49	-	2732807	21.49	-	-
3	RDM Family Trust	747348	5.88	-	747348	5.88	-	-
4	Devmanu Family Trust	1698571	13.36	-	1698571	13.36	-	-
	<b>Total</b>	<b>6135182</b>	<b>48.24</b>	<b>-</b>	<b>6135182</b>	<b>48.24</b>	<b>-</b>	<b>-</b>

VI. Change in Promoters' Shareholding (Please specify, if there is no change)							
Sl. No.	Particulars	Date	Reason	Share holding at the beginning of the year		Cumulative Shareholding during the year	
				No. of Shares	% of Total Shares	No. of Shares	% of Total Shares
A	At the beginning of the year	NO CHANGE DURING THE YEAR					
B	Changes during the year						
C	At the end of the year						

VII. Shareholding pattern of top ten shareholders (other than Directors, Promoters And Holders of GDRs and ADRs)					
Sl. No.	For Each of the Top 10 shareholders	Shareholding at the beginning of the year 01.04.15		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of shares	% of total Shares of the Company
1.	Stock Path Advisors LLP	184656	1.45	234623	1.84
2.	Gunny Chem Tex India Limited	137440	1.08	145128	1.14
3.	Ivana Holding Limited	102000	0.80	102000	0.80
4.	State Bank of Saurashtra	98000	0.77	98000	0.77
5.	Nusarwar Merchants Private Limited	10723	0.08	94958	0.75
6.	Ashok Kumar Damani	-	-	118100	0.93
7.	Rajendrakumar Makhanlal Gupta	90967	0.72	108097	0.85
8.	Impact Labs Pvt.Ltd.	79837	0.63	101829	0.80
9.	Umesh Kumar Narsaria	49099	0.39	77494	0.61
10.	Girish Kumar Sharda	41825	0.33	40625	0.32

VIII. Shareholding of Directors and Key Managerial Personnel							
Sl. No.	For Each of the Directors & KMP	Date	Reason	Shareholding at the beginning		Cumulative Shareholding during the year of the year	
				No. of shares	% of total Shares of the Company	No. of shares	% of total Shares of the Company
1.	MR. MANISH KUMAR						
A	At the beginning of the year			956456	7.52	956456	7.52
B	Changes during the year			-	-	-	-
C	At the end of the year			956456	7.52	956456	7.52

Note: No other Directors except above hold any shares in the Company

## DIRECTORS' REPORT - Continued

<b>IX. INDEBTEDNESS</b>				
<b>Indebtedness of the Company including interest outstanding/accrued but not due for payment: NIL</b>				
	<b>Secured Loans excluding deposits</b>	<b>Unsecured</b>	<b>Deposits Loans</b>	<b>Total Indebtedness</b>
<b>Indebtedness at the beginning of the Financial year 01.04.15</b>				
(i) Principal Amt.				
(ii) Interest due but not paid				
(iii) Interest accrued but not due				
<b>Total (i+ii+iii)</b>				
<b>Change Indebtedness during the financial year</b>				
Addition				
Reduction				
<b>Net Change</b>				
<b>Indebtedness at the end of the financial year 31.03.16</b>				
(i) Principal Amt.				
(ii) Interest due but not paid				
(iii) Interest accrued but not due				
<b>Total (i+ii+iii)</b>				

<b>X. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL</b>			
<b>A. Remuneration to Managing Director, Whole-time Directors and/or Manager:</b>			
<b>Sl. No.</b>	<b>Particulars of Remuneration</b>	<b>Name of MD/WTD/Manager (MR.VILAS AGRAWAL,WTD)</b>	<b>Total Amount (in Rs)</b>
1	Gross Salary		
	(a) Salary as per provisions contained in Sec 17(1) of the Income Tax Act, 1961	8,80,740	8,80,740
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	5,61,064	5,61,064
	(c) Profits in lieu of salary u/s17(3) of the Income Tax Act, 1961	Nil	Nil
2	Stock Option	--	--
3	Sweat Equity	--	--
4	Commission	-	
	- As % of Profit	-	
	- Others, specify	--	
5	Others, please specify	--	--
<b>Total (A)</b>		<b>14,41,804</b>	<b>14,41,804</b>
<b>Ceiling as per the Act</b>			

<b>B. Remuneration to other directors : NIL</b>			
<b>Sl. No.</b>	<b>Particulars of Remuneration paid during 1.04.15 to 31.03.2016</b>	<b>Name of Directors</b>	<b>Total Amount</b>
1.	Independent Directors -Fee for attending Board Committee Meetings -Commission -Others		
	<b>Total (1)</b>		

**DIRECTORS' REPORT - Continued**

Sl. No.	Particulars of Remuneration paid during 1.04.15 to 31.03.2016	Name of Directors	Total Amount
2.	Other Non-Executive Directors -Fee for attending Board Committee Meetings -Commission -Others		
	<b>Total (2)</b>	<b>NIL</b>	<b>NIL</b>
	<b>Total (B) = (1) + (2)</b> <b>Total Managerial Remuneration</b> <b>Overall Ceiling as per the Act</b>	<b>NIL</b>	<b>NIL</b>

<b>C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD:</b>			
Sl. No.	Particulars of Remuneration	Key Managerial Personnel	
		Mr. Balesh Kumar Bagree, CFO	Ms. Nidhi Rathi, Company Secretary
	Gross Salary		
	(a) Salary as per the provisions contained in section 17(1) of the Income Tax Act, 1961	9,60,000	1,66,383
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	2,11,200	2,24,846
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	Nil	Nil
2	Stock Option	--	--
3	Sweat Equity	--	--
4	Commission - As % of Profit - Others, specify	--	--
5	Others, please specify	--	--
	<b>Total</b>	<b>11,71,200</b>	<b>3,91,229</b>

<b>XI. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES: NIL</b>						
Sl. No.	Type	Section of the Companies Act	Brief Description	Details of Penalties/Punishment/Compounding fees imposed	Authority [RD/NCLT/ COURT]	Appeal made, if any
A.	Company Penalty Punishment Compounding			<b>Nil</b>		
B.	Directors Penalty Punishment Compounding			<b>Nil</b>		
C.	Other Officers in default Penalty Punishment Compounding			<b>Nil</b>		

**DIRECTORS' REPORT - Continued****ANNEXURE-C  
FORM AOC-2**

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

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso is given below:

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

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

**2. Details of material contracts or arrangements or transactions at Arm's length basis:**

Sl. No.	Particulars	Details	
(a)	Name (s) of the related party	<b>Wearit Global Ltd.</b>	<b>Ritspin Synthetics Ltd.</b>
(b)	Nature of Relationship	Three common Directors	Four common Directors
(c)	Nature of contracts / arrangements /transaction	By Agreement	Purchase of goods
(d)	Duration of the contracts/ arrangements / transaction	10 years	Assignment basis
(e)	Salient terms of the contracts or arrangements or transaction	Job work agreement	Sale of finished goods & purchase of fixed assets & Store consumable.
(f)	Date of approval by the Board	<b>30/05/2015</b> <b>08/08/2015</b> <b>07/11/2015</b> <b>06/02/2016</b>	

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

Place: Kolkata  
Date: 17th May, 2016

**(Manish Kumar)**  
Director

**(Vilas Agrawal)**  
Whole-time Director



**ANNEXURE-D  
FORM – A**

Form for disclosure of particulars with respect to conservation of energy:

**A. Power and Fuel Consumption:**

	<b>Current year Period ended on 31st March, 2016</b>	<b>Previous Year ended on 31st March, 2015</b>
1. Electricity		
(a) Purchase Unit	296,92,174	294,03,766
(b) Total Amount	₹ 1633,18,007	₹ 1341,30,867
Rate / Unit	₹ 5.50	₹ 4.57
(Including 308,529 Units generated through Wind Electric Generators and fed into MPMKVCL grid and 12,462,148 Units purchased from Open Accesses )		
(c) Own Generation		
i) Through Diesel Generators		
Units produced	-	-
Units / Ltr	-	-
Cost / Unit	₹ -	₹ -
ii) Through Furnace Oil based Power Plants		
Units Produced	-	-
Units/Ltr.	-	-
Cost / Unit	₹ -	₹ -
2. Coal (Specify Quality and where used)		
Steam Coal used in boiler for Generation of Steam for Dye House		
Qty. (Tonnes)	-	-
Total Cost	₹ -	₹ -
Average Rate	₹ -	₹ -
3. Furnace Oil based Boiler		
Qty. (K. Ltrs )	₹ -	-
Total cost	₹ -	₹ -
Average Rate	₹ -	₹ -
4. Others / internal generation (please give details)		
Qty.	N.A	N.A.
Total	N.A	N.A
Rate / Unit	N.A	N.A

**B. Consumption per unit of production**

	<b>Standards (if any)</b>	<b>Current Year ended on 31st March,2016</b>	<b>Previous Year ended on 31st March,2015</b>
Product (with details)	--	Synthetic Blended Yarn	Synthetic Blended Yarn
Unit	--	Kg	Kg
Electricity		3.43 (Units)	3.35 (Units)
Coal (Specify quality) Steam Coal		- (Kg)	- (Kg)

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

Place: Kolkata  
Date: 17th May, 2016

**(Manish Kumar)**  
Director

**(Vilas Agrawal)**  
Whole-time Director

**ANNEXURE-E**  
**FORM – B**

**Form for disclosure of particulars with respect to Absorption Research and Development (R&D)**

1. Specific area in which R & D carried out by the Company : The Company manufactures standard product for which technology has established in past several years. The Company has started up gradation in auto coner machines from electrical, electronic and mechanical side to run single yarn resulting increase single yarn production. This also help product's level.
2. Benefit derived as a result of the above R & D : Company has introduced two new modern technology compressors from IR to replace old 24 compressors of reciprocating type. This will help to get better quality compressed air for improving yarn quality with proper energy saving.  
  
Company is availing excess power from open Market through Open Access, resulting profit centre for the Company.  
  
The Company has installed the YCP machine, resulting Moisture gain at the average of 0.5% gain per K.G. Also installed TOI & Premier IQ Uster machines at SQC department helping in perfect & accuracy in the testing TPI.
3. Future Plan of action : Company has started to use old machine to make multifold Yarn.
4. Expenditure on R & D
  - (a) Capital : -
  - (b) Recurring : -
  - (c) Total : -
  - (d) Total R & D expenditure as a percentage of total turnover : -

**Technology Absorption, Adaptation and Innovation.**

1. Efforts, in brief, made towards technology absorption, adaptation and innovation. : (a) The Company has installed Machinery to produce international quality Synthetic Blended Yarn. Chute Feed System from Blow Room Line to Cards have been installed, resulting in uniform sliver and higher production. Autoconers, Two-for-One Twister Machines, Electronic yarn clearers and splicer units on winding Machines etc. have been installed, to manu-facture uniform knotless yarn.  
  
(b) Company has increased production efficiency and utilization by motivating existing work force. Output per day has increased due to better efficiency and utilization of the machine Multifold Polyester, PV yarn has been introduced in the Company. It has a very good opportunity & opened a new export market for the Company. This Company has introduced imported fibre for production of 100% Polyester and P/V yarn. Contribution has increased per kg marginally due to this newly introduced fibre. Company is now making Jumbo cone of 5.5 to 7 LGS for this 2 new Jumbo cone winding machines have been introduced. Further company is also introducing knot less yarn multifold yarn. This will give an upper edge in export market.  
  
(c) During the year for improvement of Carding quality 2 Filter plants (one each of Air master make & Hena Tax make ). Installation of 23 New Invertors gives power saving. Conventional nozzles are replaces by Auto misers in one more plant results into Power saving of around 30%.
2. Benefits derived as a result of the above efforts, e.g. product improvement, cost reduction product development, import : The Company has been able to manufacture international quality yarn by continuous improvement.
3. In case of imported technology (imported during the last 5 years reckoned from the beginning of the financial year), following information may be furnished. : No foreign technology has been imported by the Company during last 5 years.
  - (a) Technology imported : -
  - (b) Year of Import : -
  - (c) Has technology been fully absorbed : -
  - (d) If fully absorbed, areas where this has not taken place, reasons therefore and future plans of action. : -

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

Place: Kolkata  
Date: 17th May, 2016

**(Manish Kumar)**  
Director

**(Vilas Agrawal)**  
Whole-time Director

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### 1. Overall Review

The Indian economy grew at 7.6% in 2015-16 as compared to 7.4% in 2014-15 and is projected to grow at over 8% to 10% in 2016-17. The remarkable thing about 2015-16 growth performance is that it continues to be as strong as it is given the weakness of exports (because of declining world markets) and private investment. At the same time, the improvement in growth has been uneven, powered only by private consumption and public investment. For sustainable and rapid medium term growth, private sector investment and exports need to revive. The real economy is showing signs of recovery.

### 2. Textile Sector Review & Outlook

The Indian textile industry is set for strong growth, buoyed by both strong domestic consumption as well as export demand. Abundant availability of raw materials such as cotton, wool, silk and jute and a skilled workforce has made India a sourcing hub. With the growth of cities and nations, improvement in technology came into place and there was a substantial development in the international trade.

The size of Indian textile and apparel market stood at US \$140 billion in 2013, which is about 7.5% of the country's GDP (US \$1.9 trillion). India is the 2nd largest textile and apparel industry after China, although there is big gap between India and China.

The Indian textile industry has enjoyed parity between international and domestic cotton prices and this advantage needs to be sustained for further development of the cotton textile value chain. India's growing population has been a key driver of textile consumption growth in the country. The increase in young population complemented with an increasing female workforce has resulted in changing of tastes, preferences and fashion.

### 3. Company Performance Review and Outlook

During the year 2015-16, the Company's operating margins were under pressure. However, it has continued with its long term business strategy of investing in modernization of facilities, expansion of capacities of production, increasing emphasis on Product Development and expanding distribution systems.

Our Company has made focused effort in improving product quality, lowering operating costs and improving operating efficiencies. The Company has also taken major steps in strengthening its senior management, with a greater emphasis on performance and accountability.

### 4. Company's Financial Performance & Analysis

During the year under review, the Company has achieved a turnover of Rs. 40.43 crores and earned a net profit of Rs. 14.24 Lacs.

### 5. Opportunity & Threats

It is expected that Synthetic Blended yarn industry will perform better due to growth in domestic and export market and also likely to withstand with the global competition due to economic measures taken by Government of India.

### 6. Risk & Concern

The textile business, like other businesses, is susceptible to various risks. The primary risk factor is raw material prices, mainly cotton, which is the largest component of cost. Since cotton is an agriculture produce, it suffers from climatic volatility in the major cotton producing countries. This in turn creates uncertainties for textile manufacturers.

Another important issue is the availability, quality and price of power. The availability of good quality power at reasonable prices is critical for sustainability of the industry. However, the cost of power has been continuously increasing, adding to input cost pressure in the industry. The non-availability of skilled manpower along with high labour cost prevailing in the country is growing concern area for textile industry.

We are making all efforts to cope up with the challenges through continuous cost reduction, process improvements, diversification of products, rationalization of costs, training the workforce on the continued basis, improving efficiencies and creating a strong customer oriented approach.

### 7. Internal Control System & their adequacy

The Company has adequate internal audit system commensurate with its size and nature of operations. The Audit Committee of the Board of Directors approves the internal audit scope every year and quarterly presentation to the audit committees are made by internal auditors as well as statutory auditors of the Company. The Management consistently reviews the internal control systems and procedures to ensure efficient conduct of the business conforming to the ethics and code of conduct of the Company. An Independent firm of Chartered Accountant carry out internal audit across all the important functions of the business.

### 8. Human Resources Development/Industrial Relations

The Company continues to lay emphasis on building and sustaining an excellent organizational climate based on human performance. Performance management is the key word for the company. The management has always carried out systematic appraisal of performance and imparted training at periodic intervals. The Company has always recognized talent and has judiciously followed the principle of rewarding performance. The industrial relations remained cordial thought the year. The Company conducts continuous training and development programmes for employees of all classes at all major locations of the operations.

### 9. Cautionary Statement

Statements in the Management Discussion and Analysis and Directors Report describing the Company's strengths, strategies, projections and estimates, are forward-looking statements and progressive within the meaning of applicable laws and regulations. Actual results may vary from those expressed or implied, depending upon economic conditions, Government Policies and other incidental factors.

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

Place: Kolkata  
Date: 17th May, 2016

**(Manish Kumar)**  
Director

**(Vilas Agrawal)**  
Whole-time Director

## CORPORATE GOVERNANCE REPORT

Corporate Governance refers to a combination of laws, regulations, procedures, implicit rules and good corporate practices to ensure that a Company meets its obligations to optimize shareholders' value and fulfill its responsibilities towards the community, customers, employees, Government and other segments of society. Your Company is committed on adopting the best practices of Corporate Governance as manifested in the Company's functioning to achieve the business excellence by enhancing long-term shareholders' value. Efficient conduct of the business of the Company through commitment to transparency and business ethics in discharging its corporate responsibility is hallmark of the best practices followed by the Company. This report on Corporate Governance, besides being in compliance of the mandatory Listing Agreement(s) gives an insight into the functioning of the Company

### 1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Company's philosophy on Corporate Governance envisages transparency, accountability, equity, fairness and responsibility, in all facets of its operations, and in all its interactions with its stakeholders, employees, the government and lenders.

### 2. BOARD OF DIRECTORS & COMMITTEES

The Board of Directors of the Company is comprised of 6 (six) directors which has an optimum combination of Executive, Non-Executive and Independent Directors who have an in-depth knowledge of business, in addition to the expertise in their areas of specialization. The Board has formed the following Committees for effective implementation of its functions and to comply with the provisions of the applicable law:

1. Audit Committee.
2. Nomination and Remuneration Committee
3. Stakeholders Relationship Committee
4. Internal Complaint Committee

### 3. COMPOSITION OF BOARD OF DIRECTORS

The Board comprises of a Whole-time Director, one Promoter Director & four Non- Executive Directors. Out of total strength of 6 (six) Directors, 3 (three) independent Directors including one women director, thus it meets the stipulated requirement.

Name of Director	Designation & Category	No. of Directorship Other Public Companies	Committee Positions (#)	
			Member in other Companies	Chairman in other Companies
Mr. Manish Kumar	Promoter & Director	6	3	None
Mr. M. P. Rajan	Non-Executive Independent Director	1	2	3
Mr. V S Crishna	Non-Executive Independent Director	None	3	None
Mr. Vilas Agrawal	Professional & Whole-time Director	1	1	None
Mr. Alok Krishana Agarwal	Professional & Non- Executive Director	6	9	2
Mrs. Shailja Haldia	Non-Executive Independent Director	3	2	1

(#) Includes Audit Committee, Stakeholders Relationship Committee and Nomination & Remuneration Committee in the Company & others.

### 4. APPOINTMENT & REMUNERATION OF DIRECTORS

Considering the requirement of skill sets on the Board, eminent people having an independent standing in their respective field/profession, and who can effectively contribute to the Company's business and policy decisions are considered by the Nomination & Remuneration Committee, for appointment on the Board. The Nomination and Remuneration Committee has adopted a policy which, inter alia, deals with the manner and selection of Directors, Key Managerial Personnel and Senior Managerial Personnel and their remuneration, which is discussed later in the Report.

### 5. FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS

The provision of an appropriate induction programme for new Independent Directors and ongoing training for existing Independent Directors is a major contributor to the maintenance of high Corporate Governance standards of the Company. Upon appointment, Independent Directors receive a Letter of Appointment setting out in detail, the terms of appointment, duties & responsibilities. The details of Independent Directors' induction and familiarization are available on the Company's website under Investor Relation Section at <http://www.hindsyntexltd.com>.

### 6. CODE OF CONDUCT FOR DIRECTORS & SENIOR EXECUTIVES

A Code of Ethics namely "Code of Conduct for Directors and Senior Management Executives" including "Code for Independent Directors" as applicable to the Directors and Senior executives is in place.

**7. PERFORMANCE EVALUATION OF DIRECTORS & THE BOARD**

The Nomination and Remuneration Committee of the Board has formulated a Performance Evaluation Framework, for evaluation of the Board as whole, its committees and Directors with the objective of assessing the effectiveness of the Board and its Committee. The Committee has identified the criteria upon which every Director shall be evaluated. A structured questionnaire has been prepared after taking into consideration various aspects of the Board functions, composition of the Board, culture, execution and performance of specific duties, obligations and governance for assessing the effectiveness, contribution and commitments, role and responsibilities of Directors.

**8. BOARD MEETINGS:**

During Financial Year 2015-16, the Board of Directors met 4 (four) times on May 30, 2015, August 08, 2015, November 07, 2015 and February 06, 2016. The gap between any two consecutive meetings of the Board of Directors of the Company was not more than One Hundred and Twenty Days (120 days).

Particulars of Directors attended the Board meeting and Annual General Meeting during the year is as follows:

Sl. No.	Name of Director	No. of Board Meetings Held	No. of Board Meetings Attended	Attendance at last AGM
1	Mr. Manish Kumar	4	2	NO
2	Mr. M. P. Rajan	4	4	YES
3	Mr. V S Crishna	4	3	YES
4	Mr. Vilas Agrawal	4	3	YES
5	Mr. Alok Krishana Agarwal	4	4	YES
6	Mrs. Shailja Haldia	4	2	NO

**Notes:**

- None of the present directors are "Relative" of each other defined in Sec 2 (77) of the Companies Act, 2013 and Rule 4 of the Companies (Specification of Definition Details) Rules 2014.
- None of the Directors hold the office of director in more than the permissible number of companies under the Companies Act, 2013 or Regulation 25 and 26 of the Securities and Exchange Board of India, (Listing Obligations & Disclosure Requirements) Regulations, 2015.

**MEETING OF THE INDEPENDENT DIRECTORS:**

The Company's Independent Directors meet at least once in every financial year without the presence of Executive Directors or management personnel. Such meetings are conducted informally to enable Independent Directors to discuss matters pertaining to the Company's affairs and put forth their views to the Lead Independent Director. The Lead Independent Director takes appropriate steps to present Independent Directors' views to the Board.

The Independent Directors of the Company held a Meeting on 6th February, 2016, without the attendance of Non-Independent Directors and members of Management. All the Independent Directors were present at the meeting.

**9. BOARD COMMITTEES**

The terms of reference of Board Committees are determined by the Board from time to time. Presently the Company has 4 (four) committees i.e. Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Internal Complaint Committee. All the decisions pertaining to the constitution of the Committees, appointment of members, and fixing of terms of reference for committee members are taken by the Board of Directors. Details on the role and composition of these committees, including the number of meetings held during the financial year and the related attendance, are provided below:

**(i) AUDIT COMMITTEE**

In terms of the provisions of Section 177 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 18 of the SEBI (LODR) Regulation, 2015, the Audit Committee consists of Mr. M. P. Rajan, Chairman, Mr. V. S. Crishna, Mr. Vilas Agrawal and Mrs. Shailja Hadia. During the year under review Mrs. Shailja Hadia was appointed as member of the Audit Committee w.e.f. 6th February, 2016. The majorities of the members of Audit Committee are Independent Directors and possesses accounting and financial management knowledge.

The terms of reference of the Audit Committee includes as follows:

- Discussion with the auditors periodically about internal control systems.
- Review of the quarterly results and Annual Financial Statements before submission to the Board and to ensure compliance of internal control systems.
- Review the accounting practices, Financial Statements and Reports of the Auditors.
- To approve the Related Party Transaction.

## CORPORATE GOVERNANCE REPORT - Continued

Number of meetings held and the dates on which they were held and attendance of the members.

Name of Members	30.05.2015	08.08.2015	07.11.2015	06.02.2016
Mr. M. P. Rajan, Chairman	Yes	Yes	Yes	Yes
Mr. V. S. Crishna, Member	No	Yes	Yes	Yes
Mr. Vilas Agrawal, Member	Yes	Yes	No	Yes
Mrs. Shailja Hadia, Member*	No	No	No	No

\*Joined the Committee w.e.f. 06.02.2016

### (ii) NOMINATION & REMUNERATION COMMITTEE

In terms of the provisions of Section 178 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014, the Nomination & Remuneration Committee consisted of Mr. Alok Krishna Agarwal-Chairman, Mr. M.P. Rajan and Mr. V. S. Crishna, majority of them are Independent Directors of the Company.

The terms of reference of the Nomination and Remuneration Committee, inter-alia, includes the following:

1. The Committee shall identify the persons, who are qualified to become Directors of the Company/ who may be appointed in Senior Management in accordance with the criteria laid down, recommend to the Board their appointment and removal and also shall carry out evaluation of every director's performance.
2. The Committee shall also formulate the criteria for determining qualifications, positive attributes, independence of the Directors and recommend to the Board a Policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees.

The Committee met once on 30th May, 2015 during the year under review and the attendance of the members is as follows:

Name of Members	30.05.2015
Mr. Alok Krishna Agarwal, Chairman	Yes
Mr. M. P. Rajan, Member	Yes
Mr. V. S. Crishna, Member	No

## POLICY FOR SELECTION AND APPOINTMENT OF DIRECTORS AND THEIR REMUNERATION

The Nomination and Remuneration Committee discussed and thereafter decided upon the policy for selection of appointment of directors and their remuneration. The highlights of this policy are as follows:

### 1. Criteria of selection of Non-Executive Directors

- a. The Non-Executive Directors shall be of high integrity with relevant expertise and experience so as to have a diverse Board with Directors having expertise in the fields of manufacturing, marketing, finance, taxation, law, governance and general management.
- b. In case of appointment of Independent Directors, the Committee shall satisfy itself with regard to the independent nature of the Directors vis-à-vis the Company so as to enable the Board to discharge its function and duties effectively.
- c. The Committee shall ensure that the candidate identified for appointment as a Director is not disqualified for appointment under Section 164 of the Companies Act, 2013.
- d. The Committee shall consider the following attributes / criteria, whilst recommending to the Board the candidature for appointment as Director.
  - i. Qualification, expertise and experience of the Directors in their respective fields;
  - ii. Personal, Professional or business standing;
  - iii. Diversity of the Board.
- e. In case of re-appointment of Non-Executive Directors, the Board shall take into consideration the performance evaluation of the Director and his engagement level.

### 2. Remuneration

The Company's remuneration policy is directed towards rewarding performance based on review of achievements periodically. The Non-Executive Directors shall be entitled to receive remuneration by way of sitting fees for participation in the Board / Committee meetings and commission as detailed hereunder:

- i. A Non-Executive Director shall be entitled to receive sitting fees for each meeting of the Board or Committee meeting attended by him/her at his/her discretion of such sum as may be approved by the Board of Directors within the overall limits prescribed under the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014;
- ii. The Committee may recommend to the Board, the payment of commission on uniform basis, to reinforce the principles of collective responsibility of the Board.
- iii. The payment of such commission would be at the discretion of board only and shall not exceed 1% of the net profit of the Company;
- iv. The Independent Directors of the Company shall not be entitled to participate in the Stock Option Scheme of the Company, if any, introduced by the Company.

## CORPORATE GOVERNANCE REPORT - Continued

### 3. Managing Director/ Whole Time Director - Criteria for selection / appointment

For the purpose of selection of the Managing Director or Whole Time Director the Committee shall identify persons of integrity who possess relevant expertise, experience and leadership qualities required for the position and shall take into consideration recommendation, if any, received from any member of the Board.

The Committee will also ensure that the incumbent fulfills such other criteria with regard to age and other qualifications as laid down under the Companies Act, 2013 or other applicable laws.

#### Remuneration for the Managing Director or Whole Time Director

- i. At the time of appointment or re-appointment, the Managing Director or Wholetime Director may be paid such remuneration as may be mutually agreed between the Company (which includes the nomination & Remuneration Committee and the Board of Directors) and the Managing Director or Wholetime Director within the overall limits prescribed under the Companies Act, 2013.
- ii. The remuneration shall be subject to the approval of the Members of the Company in General Meeting.
- iii. The remuneration of the Managing Director or Wholetime Director may be broadly divided into fixed and variable components. The fixed component shall comprise salary, allowances, perquisites, amenities and retirement benefits. The variable component shall comprise performance bonus.
- iv. In determining the remuneration (including the fixed increment and performance bonus) the Committee shall ensure / consider the following:
  - a. the relationship of remuneration and performance benchmarks is clear;
  - b. balance between fixed and incentive pay reflecting short and long term performance objectives, appropriate to the working of the Company and its goals;
  - c. responsibility required to be shouldered by the Managing Director or Wholetime Director, the industry benchmarks and the current trends.

#### (iii) STAKEHOLDERS RELATIONSHIP COMMITTEE

The Shareholders / Investors Grievance Committee looks into redressal of shareholders' grievances on various issues like transfer/transmission of shares, non-receipt of balance sheets, non-receipt of declared dividends, issue of duplicate share certificate, Monitoring the performance of Company's Registrar & Transfer Agent etc.

The Committee consists of Mr. M. P. Rajan, Chairman, Mr. V. S. Crishna and Mr. Manish Kumar. The Stakeholders Relationship Committee met once during the year on 30th May, 2015.

The Committee met once on 30th May, 2015 during the year under review and the attendance of the members is as follows:

Name of Members	30.05.2015
Mr. M. P. Rajan, Chairman	Yes
Mr. V. S. Crishna, Member	Yes
Mr. Manish Kumar, Member	No

No complaints/ queries were received during the year under review. There were no pending complaints of transfers as on 31st March, 2016.

#### (iv) INTERNAL COMPLAINT COMMITTEE

In terms of "The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013" with a view to provide protection against sexual harassment of women at workplace and for matters connected therewith or incidental thereto, the Internal Complaint Committee comprising of Mrs. Payal Harlalka-Chairman, Mrs. Nidhi Rath- Member & Mr. Balesh Kumar Bagree, member, has been constituted by the Company. During the year under review your Company has not received any complaint of harassment.

### 10. WHISTLE BLOWER POLICY/ VIGIL MECHANISM

The Company has formulated a "Whistle Blower Policy/Vigil Mechanism" that provides a formal mechanism for all employees of the Company to approach the Vigilance and Ethics Officer and Chairman of the Audit Committee of the Company and make protective disclosures about the unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct. The Whistle Blower Policy/ Vigil Mechanism is an extension of the Code of Conduct for Directors and Senior Management Executives adopted by the Company, which requires every employee to promptly report to the Management any actual or possible violation of the Code or an event he becomes aware of that could affect the business or reputation of the Company. The disclosures reported are addressed in the manner and within the time frames prescribed in the policy. Under the Policy, each employee of the Company has an assured access to the Vigilance and Ethics Officer and Chairman of the Audit Committee.

## CORPORATE GOVERNANCE REPORT - Continued

### 11. GENERAL BODY MEETINGS

The details of General Body Meetings held during the last three financial years are given as follows:

Financial Year	EGM/ AGM	Date	Time	Venue
2012-13 (18 Months)	AGM	6th December, 2013	11.00 am	Plot No. 2, 3, 4 & 5, Sector-A, Industrial Growth Centre, Pillukhedi, Dist: Rajgarh, MP
2013-14 (6 Months)	AGM	27th September, 2014	11.00 am	Plot No. 2, 3, 4 & 5, Sector-A, Industrial Growth Centre, Pillukhedi, Dist: Rajgarh, MP
2014-15 (12 Months)	AGM	8th August, 2015	12.30 pm	Plot No. 2, 3, 4 & 5, Sector-A, Industrial Growth Centre, Pillukhedi, Dist: Rajgarh, MP

All Special Resolutions moved at the last Annual General Meeting were passed, by e-voting. The Company has not passed any resolution through postal ballot, during the financial year 2015-2016. No Extraordinary General Meeting was held during the year.

### 11. DISCLOSURES

- All transaction entered into with Related Parties as defined under SEBI (LODR) Regulations, 2015 during the financial year under review were in ordinary course of business and on an arm's length pricing basis and do not attract the provisions of Section 188 of Companies Act, 2013. The Company does not have any significant related party transactions, which may have potential conflict with the interest of the Company at large. Suitable disclosures as required under AS 18 on related party transactions have been made in notes to Financial Statements.
- Details of non-compliance by the Company and penalties imposed on the Company by any Statutory Authority for last three years on the matters related to Capital markets: NIL.

### 12. MEANS OF COMMUNICATION

The Company communicates with the shareholders at large through its Annual Reports, publication of financial results, press releases in leading newspapers and by filing of various reports and returns with the Statutory Bodies like Stock Exchanges and the Registrar of Companies. Quarterly, Half-yearly and Annual Financial Results of the Company are communicated to the Stock Exchanges immediately after the same are considered by the Board and are published in prominent daily newspapers like "Free Press Journal" and "Dainik Swadesh".

Quarterly results	Are published in Free Press Journal & Dainik Swadesh
Any website, where displayed, whether it also displays Official news releases, and the presentation to institutional investors or to the analysts	www.hindsyntextltd.com
Whether MD&A is a part of Annual Report or not	Yes

### 13. GENERAL SHAREHOLDER'S INFORMATION

- 35th Annual General Meeting**  
**Date, Time & Venue**
  - :: Tuesday, 27th September, 2016, at 11.00 A.M.
  - :: Plot No. 2, 3, 4 & 5, Sector-A, Industrial Growth Centre, Pillukhedi, Dist: Rajgarh, MP
- Financial Year**
  - :: April 01 to March 31
- Financial Calendar (tentative)**
  - :: Results for the quarter ending:
    - June 30, 2016 - by August 14, 2016
    - Sept 30, 2016 - by November 14, 2016
    - Dec 31, 2016 - by February 14, 2017
    - Mar 31, 2017 - by May 30, 2017
- Book Closure Date**
  - :: 21st September, 2016 to 27th September, 2016 (Both days inclusive)
- Dividend payment date**
  - :: N.A.
- Stock Exchanges where shares of the Company are listed**
  - :: a. The Bombay Stock Exchange Ltd.  
1st Floor, New Trading, Ring, P.J. Towers  
Dalal Street Fort, Mumbai- 400 001
  - :: b. The National Stock Exchange of India Ltd.  
Exchange Plaza, Bandra-Kurla Complex  
Bandra (East), Mumbai

The Company has duly paid the Listing fees to both the aforesaid Stock Exchanges for the Financial year 2016-17



**CORPORATE GOVERNANCE REPORT - Continued****vii Stock Code & ISIN**

:: BSE: 503881  
NSE: HINDSYNTEX  
INE155BO1012

**viii Registrar And Transfer Agents**

:: Link Intime India Pvt. Ltd.,  
C-13, Pannalal Silk Mills Compound,  
L.B.S Marg, Bhandup (W),  
Mumbai – 400 078,  
**E-mail: [mumbai@linkintime.co.in](mailto:mumbai@linkintime.co.in)**

**ix Market Price Data** at National Stock Exchange (NSE) where shares were actively traded during 2015 -2016 is given below:

Month	High Price	Low Price
April'15	12.15	8.05
May'15	9.85	8.40
June'15	9.80	8.10
July'15	15.50	10.30
August'15	18.20	12.15
September'15	12.95	9.95
October'15	13.00	9.00
November'15	12.20	10.35
December'15	13.55	10.50
January'16	16.40	13.40
February'16	14.90	14.20
March'	15.65	14.20

**x SHARE TRANSFER SYSTEM :**

The transactions of the shares held in Demat and Physical form are handled by the Company's Depository Registrar, M/s. Link Intime India Pvt. Ltd.

The Shares received for transfer are normally processed within 15 days from the date of receipt, if the documents are clear in all respects.

**xi DISTRIBUTION OF SHAREHOLDING AS ON 31ST MARCH, 2016 :**

RANGE No. of Shares	No. of Shareholders	% of Shareholders	No. of Shares Held	Voting Strength (%)
Upto 500	3342	72.72	745758	5.86
501 – 1000	603	13.12	522724	4.11
1001 – 2000	353	7.68	586332	4.61
2001 – 3000	94	2.04	241781	1.90
3001 – 4000	71	1.54	266880	2.10
4001 – 5000	37	0.81	176652	1.39
5001 – 10000	54	1.18	404843	3.18
10001 and above	42	0.91	9773630	76.85
<b>Total</b>	<b>4596</b>	<b>100.00</b>	<b>12718600</b>	<b>100.00</b>

**xii SHAREHOLDING PATTERN AS ON 31ST MARCH, 2016 :**

Category	No. of Shares	%
Promoters / Persons acting in concert	6135182	48.24
UTI & Mutual Funds	1771	0.01
Financial Institutions / Banks / Insurance Companies	1849262	14.54
Other Bodies Corporate	945179	7.43
Clearing Member	174061	1.37
Resident Individuals	3439180	27.04
NRI's / OCB's	173965	1.37
<b>Total</b>	<b>1,27,18,600</b>	<b>100.00</b>

## CORPORATE GOVERNANCE REPORT - Continued

### xiii DEMATERIALIZATION OF SHARES:

Over **92.68%** of the outstanding shares have been dematerialized up to 31st March, 2016. Trading in Equity Shares of the Company is permitted only in dematerialized form w.e.f. August 28, 2000, as per Notification issued by Securities and Exchange Board of India (SEBI).

### xiv OUTSTANDING GDRS /ADRS/ WARRANTS OR ANY CONVERTIBLE INSTRUMENTS, CONVERSION DATE AND LIKELY IMPACT ON EQUITY :

The Company has not issued GDRs/ADRs or any commercial instrument.

### xv PLANT LOCATION :

Plot Nos: 2, 3, 4 & 5, Sector- A,  
Industrial Growth Centre, Pillukhedi,  
District Rajgarh, MP 465 667.

### xvi Investor correspondence may also be addressed to:

Link Intime India Pvt. Ltd,  
C-13, Pannalal Silk Mills Compound,  
L.B.S. Marg, Bhandup (W),  
Mumbai 400078,  
E-mail:mumbai@linkintime.co.in

Mr. Vilas Agrawal  
Compliance Officer  
69-A/3 Goyal Nagar  
Kanadia Road, Indore 452 001  
Ph. No. – 09826071881,  
E-mail: vilas@wearitgroup.com

### xvi ADDRESS FOR CORRESPONDENCE

Registered Office:  
Plot nos. 2, 3, 4 & 5, Sector –A,  
Industrial Growth Centre,  
Pillukhedi – 465 667,  
Dist.- Rajgarh (MP)  
Tel : 9301528698,  
E-mail: pillukhedi@wearitgroup.com

Corporate Office:  
Crescent Tower  
229 A. J. C Bose Road  
5th Floor  
Kolkata - 700020

## 14. PARTICULARS OF DIRECTORS REAPPOINTED

As required under Listing Regulations, the details of membership of the Director and other relevant details in respect of Directors who are being recommended for reappointment are given hereunder:

Name of Director	Mr. Manish Kumar
Date of Birth	17th June, 1969
Qualification	B.Com, Diploma in Business Management from Harvard University, USA
Expertise	Mr. Manish Kumar is Promoter Director of the company and having working experience in management, finance, law, corporate governance and other related areas.
Directorship held in other Companies as on 31.03.2016	Ritspin Synthetics Limited Wearit Global Limited SPBP Tea(India)Limited SPBP Investments Pvt Ltd. SPBP holdings Pvt Ltd. Dhanterash Sale Pvt Ltd. Fresco Earth Products Pvt Ltd. Confederation of Indian Textile Industry Textile Sector Skill Council
Shareholding in the Company	9,56,456

## 15. COMPLIANCE CERTIFICATE OF THE AUDITORS

Certificate from the Company's Auditors, M/s. V. Singhi & Associates, confirming compliance with conditions of Corporate Governance as stipulated under Listing Regulations, is attached to this Report.

## 16. RISK MANAGEMENT

The Company has laid down well defined risk management mechanism covering the risk exposure, potential impact and risk mitigation process. The Risk Management Policy is disclosed on the website of the Company under Investor Relation Section at <http://www.hindsyntextltd.com>.

## 17. PROHIBITION OF INSIDER TRADING

With a view to regulate trading in securities by the directors and designated employees, the Company has adopted a Code of Conduct for Prohibition of Insider Trading in the company's shares.

## CORPORATE GOVERNANCE REPORT - Continued

### 18. CERTIFICATE ON COMPLIANCE WITH CODE OF CONDUCT

I, Vilas Agrawal, Whole-time Director of the Company hereby confirm that the Company has obtained from all the members of the Board and Senior Management Personnel, affirmation that they have complied with the Code of Conduct for the financial year 2015-16.

For Hind Syntex Limited

Place: Kolkata

Date: 17th May, 2016

(Vilas Agrawal)  
Wholetime Director

### 19. CERTIFICATION BY WHOLE TIME DIRECTOR AND CHIEF FINANCIAL OFFICER OF THE COMPANY

As required under Listing Regulations, Mr. Vilas Agrawal, Whole-time Director and Mr. Balesh Kumar Bagree, CFO certify to the Board that:

- a) We have reviewed the financial statements and the Cash Flow Statement for the year ended 31st March, 2016 and to the best of our knowledge and belief:
  - (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (ii) These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) To the best of our knowledge and belief, no transactions entered into by the company during the year ended 31st March, 2016, are fraudulent, illegal or violate the Company's code of conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting. Deficiencies in the design or operation of such internal controls, if any, of which we are aware, have been disclosed to the auditors and the Audit Committee and steps have been taken to rectify these deficiencies.
- d) We have indicated to the auditors and the Audit Committee:
  - i) There has not been any significant change in internal control over financial reporting during the year.
  - ii) Significant changes in accounting policies during the year and that the same has been disclosed in the notes to the financial statements; and
  - iii) We are not aware of any instances of significant fraud during the year either by the management or an employee having a significant role in the Company's internal control system over financial reporting.

For and on behalf of the Board of Directors

Place: Kolkata

Date: 17th May, 2016

(Vilas Agrawal)  
Whole-time Director

(Balesh Kumar Bagree)  
Chief Financial Officer

### AUDITORS CERTIFICATE OF COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

#### TO THE MEMBERS OF HIND SYNTEX LIMITED,

We have examined the compliance of conditions of Corporate Governance by Hind Syntex Limited, for the year 31st March, 2016 as stipulated in Regulations 17,18,19,20,21,22,23,24,25,26,27 and clause (b) to (i) of sub-regulation (2) of regulation 46 and para C,D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (collectively referred to a "SEBI" Listing Regulations, 2015 effective 1st December, 2015) and Clause 49 of the Listing Agreements with Stock Exchange (upto 30th November, 2015).

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was carried out in accordance with the Guidance Note on Certification of Corporate Governance, issued by the Institute of Chartered Accountants of India and was limited to 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, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations, 2015 and Clause 49 of the Listing Agreements with Stock Exchanges.

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

for **V. SINGHI & ASSOCIATES**  
Chartered Accountants  
Firm Registration No. 311017E

Place : Kolkata

Date : 17th May, 2016

(V.K. SINGHI)  
Partner  
Membership No. 050051

## **INDEPENDENT AUDITOR'S REPORT**

To the Members of Hind Syntex Limited

### **Report on the Financial Statements**

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

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

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

### **Auditor's Responsibility**

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of 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 31st March, 2016, its profit and its cash flows for the year ended on that date.

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure—A, a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, we further report that:
  - a) we have sought and obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the 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;
  - e) on the basis of the written representations received from the directors as on 31st March, 2016 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act;

## INDEPENDENT AUDITOR'S REPORT - *Continued*

- f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B", and
- g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. the Company had disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 20 to the financial statements.
  - ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses, and
  - iii. there were no amounts due which were required to be transferred to the Investor Education and Protection Fund by the Company.

for **V. SINGHI & ASSOCIATES**  
**Chartered Accountants**  
**Firm Registration No. 311017E**

**(V.K. SINGHI)**  
**Partner**

Membership No. 050051

Place : Kolkata

Date : 17th May, 2016

### **Annexure - A to the Independent Auditor's Report**

(Referred to in paragraph-1 on Other Legal and Regulatory Requirements of our Report of even date to the members of Hind Syntex Limited on the Financial Statements of the Company for the year ended 31st March, 2016)

On the basis of such checks, as we considered appropriate during the course of our audit, we report that:

- i. a) The Company is generally maintaining proper records showing full particulars including quantitative details and situation of its Fixed Assets.
- b) As explained to us, Fixed Assets have been physically verified by the management at regular intervals, and as informed to us no material discrepancies were noticed on such verification.
- c) According to the information and explanations given to us, and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- ii. The inventories have been physically verified during the year at reasonable intervals by the management. The discrepancies noticed on verification between the physical stocks and book records were not material in relation to the operations of the Company and the same have been properly dealt with in the books of account.
- iii. According to the information and explanations given to us, the Company has not granted any loan, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 189 of the Act. Accordingly, clause 3(iii)(a), (b) and (c) of the Order are not applicable.
- iv. According to the information and explanations given to us, the Company has given corporate guarantees to banks for loans taken by an associate company and terms and conditions of which are not prima facie prejudicial to the interest of the Company.
- v. According to the information and explanations given to us, the Company has not accepted any deposits from the public during the year within the meaning of sections 73 to 76 of the Act and the rules framed there under to the extent notified.
- vi. In our opinion and according to information and explanations given to us, maintenance of cost records has been specified by the Central Government of India under sub-section (1) of 148 of the Act and such accounts and records have been made and maintained.
- vii. a) As per records of the Company and according to the information and explanations given to us, the Company is generally regular in depositing undisputed applicable statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Custom Duty, Excise Duty, Value Added Tax, Cess and any other statutory dues with the appropriate authorities and there are no undisputed amount payable in respect of the same which were in arrears as on 31st March, 2016 for a period of more than six months from the date the same became payable.
- b) According to the information and explanations given to us, the Company has not deposited the following dues on account of disputes with the appropriate authorities:

**INDEPENDENT AUDITOR'S REPORT - Continued**

<b>Name of the statute</b>	<b>Nature of the dues</b>	<b>Amount in Rs.</b>	<b>Period to which the amount relate</b>	<b>Forum where dispute is pending</b>
Entry Tax Act, 1976	Entry Tax	410,968	1997-98	High Court, Indore
Employees' Provident Fund and Miscellaneous Provisions Act, 1952	Provident Fund	1,083,267	April 2008 to December 2010	Employees' Provident Fund Appellate Delhi Tribunal, New
CENVAT Credit Rules, 2004 and Central Excise Act, 1944	Availing of and Utilisation of CENVAT Credit	76,028	September 2010 to December 2012	Asstt. Commissioner of Central Excise for revision
CENVAT Credit Rules, 2004 and Central Excise Act, 1944	Availing of and Utilisation of CENVAT Credit	71,534	January 2013 to November 2013	Asstt. Commissioner of Central Excise for revision
Madhya Pradesh Value Added Tax Act, 2002	Value Added Tax	4,91,167	2013-14	Dy. Commissioner of Commercial Taxes (Appeals), Ujjain (M.P.)

- viii. In our opinion and according to the information and explanations given to us, the Company has not borrowed any loan from Bank or Financial Institution or government or debenture holders during the year. Accordingly, clause 3(viii) of the Order is not applicable.
- ix. According to the information and explanations given to us and on an overall examination of the Balance Sheet, we report that the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and loans during the year. Accordingly, clause 3(ix) of the Order is not applicable.
- x. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- xi. In our opinion and according to the information and explanations given to us, and based on our examination of the records of the Company, the managerial remuneration paid or provided is in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act, wherever applicable and the details in respect of such transactions have been disclosed in the Financial Statements as required by the applicable Accounting Standards.
- xiv. According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures. Accordingly, clause 3(xiv) of the Order is not applicable.
- xv. According to the information and explanations given to us and on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, clause 3(xv) of the Order is not applicable.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

for **V. SINGHI & ASSOCIATES**  
**Chartered Accountants**  
**Firm Registration No. 311017E**

**(V.K. SINGHI)**  
**Partner**

Membership No. 050051

Place : Kolkata  
Date : 17th May, 2016

## **INDEPENDENT AUDITOR'S REPORT - Continued**

### **Annexure – B to the Independent Auditor's Report**

(Referred to in paragraph-2(f) on Other Legal and Regulatory Requirements of our Report of even date to the members of Hind Syntex Limited on the Financial Statements of the Company for the year ended 31st March, 2016)

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

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

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

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

#### **Auditors' Responsibility**

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

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

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

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

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

#### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

#### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

for **V. SINGHI & ASSOCIATES**  
**Chartered Accountants**  
**Firm Registration No. 311017E**

**(V.K. SINGHI)**  
**Partner**

Membership No. 050051

Place : Kolkata  
Date : 17th May, 2016

# HIND SYNTEX LIMITED

## Balance Sheet as at 31st March 2016

	Particulars	Note No.	As at 31st March, 2016		As at 31st March, 2015	
			₹	₹	₹	₹
<b>I.</b>	<b>EQUITY AND LIABILITIES</b>					
<b>1</b>	<b>Shareholders' funds</b>					
	(a) Share capital	2	1272,72,250		1272,72,250	
	(b) Reserves and surplus	3	(568,77,300)	703,94,950	(583,02,211)	689,70,039
<b>2</b>	<b>Non Current Liabilities</b>					
	Long Term Provisions	4		30,98,623		20,02,046
<b>3</b>	<b>Current Liabilities</b>					
	(a) Trade Payables	5	149,51,008		107,21,579	
	(b) Other Current Liabilities	6	1217,31,750		1657,99,223	
	(c) Short Term Provisions	7	70,47,981	1437,30,739	38,93,541	1804,14,343
	<b>TOTAL</b>			<b>2172,24,312</b>		<b>2513,86,428</b>
<b>II.</b>	<b>ASSETS</b>					
<b>1</b>	<b>Non Current Assets</b>					
	(a) Fixed Assets	8				
	(i) Tangible Assets		1675,66,746		1687,50,558	
	(ii) Intangible Assets		164,220		2,91,751	
	(iii) Capital Work in Progress		450,000		6,00,000	
	(b) Long Term Loans and Advances	9	97,88,323	1779,69,289	95,38,952	1791,81,261
<b>2</b>	<b>Current Assets</b>					
	(a) Inventories	10	94,49,145		108,19,537	
	(b) Trade Receivables	11	75,582		3,23,703	
	(c) Cash and Cash Equivalents	12	19,40,926		19,67,226	
	(d) Short Term Loans and Advances	13	277,89,370	392,55,023	590,94,701	722,05,167
	<b>TOTAL</b>			<b>2172,24,312</b>		<b>2513,86,428</b>
	<b>Significant Accounting Policies</b>	1				

The accompanying notes form an integral part of the Financial Statements.

As per our Report annexed

### For V. SINGHI & ASSOCIATES

Chartered Accountants  
Firm Registration. No. 311017E

(V. K. SINGHI)

Partner

Membership No. : 050051

Place: Kolkata

Date: 17th May, 2016

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

Manish kumar  
Vilas Agrawal  
Balesh Kumar Bagree  
Nidhi Rathi

Director  
Wholetime Director  
Chief Financial Officer  
Company Secretary



# HIND SYNTEX LIMITED

## Statement of Profit and Loss for the year ended 31st March, 2016

	Particulars	Note No.	For the year ended ended 31st March, 2016 ₹	For the year ended 31st March, 2015 ₹
<b>I</b>	<b>Revenue from Operations</b>	14	4042,91,362	3826,21,031
<b>II</b>	<b>Other Income</b>	15	34,89,845	62,82,166
<b>III</b>	<b>Total Revenue (I + II)</b>		<b><u>4077,81,207</u></b>	<b><u>3889,03,197</u></b>
<b>IV</b>	<b>Expenses:</b>			
	Cost of Materials Consumed	16	191,70,732	483,69,811
	Changes in Inventories of Finished Goods and Work In Progress	17	13,88,334	96,23,642
	Employee Benefits Expense	18	1581,34,636	1316,65,687
	Finance Costs			
	Depreciation and Amortization Expense		63,25,438	57,16,098
	Other Expenses	19	2212,24,132	1915,84,395
	<b>Total Expenses</b>		<b><u>4062,43,272</u></b>	<b><u>3869,59,633</u></b>
<b>V</b>	<b>Profit before tax (III-IV)</b>		<b>15,37,935</b>	<b>19,43,564</b>
<b>VI</b>	<b>Tax Expense:</b>			
	- For the year		-	-
	- For earlier years		1,13,024	-
<b>VII</b>	<b>Profit for the Year (V-VI)</b>		<b><u>14,24,911</u></b>	<b><u>19,43,564</u></b>
<b>VIII</b>	Earnings per Equity Share of Rs.10/- each Basic & Diluted		0.11	0.15
	<b>Significant Accounting Policies</b>	<b>1</b>		

The accompanying notes form an integral part of the Financial Statements.

As per our Report annexed

### For V. SINGHI & ASSOCIATES

Chartered Accountants

Firm Registration. No. 311017E

(V. K. SINGHI)

Partner

Membership No. : 050051

Place: Kolkata

Date: 17th May, 2016

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

Manish kumar

Vilas Agrawal

Balesh Kumar Bagree

Nidhi Rathi

Director

Wholetime Director

Chief Financial Officer

Company Secretary

# HIND SYNTEX LIMITED

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016

Particulars	For the period ended 31st March, 2016		For the year ended 31st March, 2015	
	₹	₹	₹	₹
<b>A. Cash Flow from Operating Activities</b>				
Net profit before tax & extraordinary items		15,37,935		19,43,564
<b>Adjustments for :</b>				
Depreciation	63,25,438		57,16,098	
Liability Written back	(24,721)		(27,500)	
(Profit)/Loss on sale of assets	(190,566)		(35,21,215)	
Interest & finance charges received	(10,20,797)		(19,51,350)	
Interest & finance charges paid	-	50,89,354	-	2,16,032
<b>Operating profit before working capital changes</b>		<b>66,27,289</b>		<b>21,59,596</b>
<b>Adjustments for :</b>				
(Increase)/ decrease in inventories	13,70,392		217,43,678	
(Increase)/ decrease in trade and other receivables	281,77,348	295,47,740	469,25,911	686,69,589
Increase/ (decrease) in trade creditors and other payables		(355,62,309)		(759,08,064)
		6,12,720		(50,78,879)
Income Tax paid		30,13,713		(27,87,493)
<b>Net cash inflow from operating activities</b>		<b>36,26,433</b>		<b>(78,66,372)</b>
<b>B. Cash flow from Investing Activities</b>				
Acquisition of Fixed Assets		(78,35,528)		(28,30,594)
Sale of Fixed Assets		31,61,998		77,12,842
Interest received		10,20,797		19,51,350
<b>Net cash outflow from investing activities</b>		<b>(36,52,733)</b>		<b>68,33,598</b>
<b>C. Cash flow from Financial Activities</b>				
<b>Net cash outflow from financial activities</b>		-		-
		-		-
Net cash inflow/ (outflow) during the year (A+B+C)		(26,300)		(10,32,774)
Cash and cash equivalents at the beginning of the year		19,67,226		30,00,000
<b>Cash and cash equivalents at the end of the year</b>		<b>19,40,926</b>		<b>19,67,226</b>
<b>Notes:-</b>				
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 Standards) Rules, 2006 (as amended)		<b>31.03.2016</b>		<b>31.03.2015</b>
		₹		₹
2) Cash & Cash Equivalents Include:				
<b>Cash in hand</b>		1,30,643		2,00,465
<b>Balances with Banks</b>				
In Current Accounts		18,10,283		17,66,761
		<b>19,40,926</b>		<b>19,67,226</b>
3) Previous period's figures have been regrouped/ rearranged wherever necessary. This is the Cash Flow Statement referred to in our report of even date.				

The accompanying notes form an integral part of the Financial Statements.

As per our Report annexed

For and on behalf of the Board of Directors

For V. SINGHI & ASSOCIATES

Chartered Accountants

Firm Registration. No. 311017E

(V. K. SINGHI)

Partner

Membership No. : 050051

Place: Kolkata

Date: 17th May, 2016

Manish kumar

Vilas Agrawal

Balesh Kumar Bagree

Nidhi Rathi

Director

Wholtime Director

Chief Financial Officer

Company Secretary

# NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016

## 1. SIGNIFICANT ACCOUNTING POLICIES :

### a) BASIS OF PREPARATION OF FINANCIAL STATEMENTS:

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis, except for tangible assets which are being carried at revalued amounts, pursuant to section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014, till the standards of accounting or any addendum thereto are prescribed by the Central Government in consultation and recommendation of the National Financial Reporting Authority, the existing Accounting Standards notified under the Companies Act, 1956 shall continue to apply. Consequently, these financial statements have been prepared to comply in all the material aspects with the accounting standards notified under Section 211(3C) of the Companies Act, 1956 (Companies (Accounting Standards) Rules, 2006, as amended) and other relevant provisions of the Companies Act, 2013.

### b) USE OF ESTIMATES:

The preparation of the financial statements in conformity with the Indian GAAP requires the management to make judgements, estimates and assumptions that affect the reported amount of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of reporting period. Although these estimates are based on management's best knowledge of current events and actions, uncertainty about these assumption's and estimates could result in the outcomes requiring a material adjustment to the carrying amount of assets or liabilities in future periods.

Management believes that the estimates used in the presentation of the financial statements are prudent and reasonable. Actual result could differ from these estimates.

### c) FIXED ASSETS:

- i) Tangible Assets are stated at cost. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the assets to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving the purchase price.

Cost of fixed assets not ready to use before Balance Sheet date are disclosed under Capital Work in Progress.

- ii) Capital work in progress is stated at cost plus directly attributable costs.
- iii) Intangible Assets are stated at acquisition cost net of accumulated amortization.

### d) IMPAIRMENT OF TANGIBLE ASSETS:

The Company identifies impairable assets at the year end in accordance with guiding principles of Accounting Standard – 28 issued by the Institute of Chartered Accountants of India, for the purpose of arriving at impairment loss thereon, being the difference in the book value and recoverable value of the relevant assets. Impairment loss, when crystallizes, are charged against revenues for the year.

### e) INVENTORIES:

Raw Materials and Stores & Spares are valued at lower of cost or net realizable value. Cost of Inventories is net of CENVAT claim wherever applicable and is ascertained on FIFO basis.

Finished Goods produced are valued at lower of cost or net realizable value.

Work in progress is valued at cost. Finished Goods and work in progress includes cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

Packing Materials are valued at cost.

Wastes are valued at net realizable value.

### f) DEPRECIATION:

Pursuant to the Companies Act, 2013 the Company has reassessed the useful life of all tangible fixed assets based on the independent technical evaluation by the approved Chartered Engineer.

The residual value of all assets for depreciation purpose is considered as 5% of the original cost of the assets.

Depreciation has been allocated on the basis of useful life of the assets on Straight Line Method.

Depreciation on the assets added / disposed of during the year is provided on pro-rata basis with reference to the month of addition / disposal.

Value of land acquired on lease is amortised on the basis of the balance life of the project. Value of leasehold land is amortised on the basis of lease period or balance life of the project whichever is earlier.

# NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016

## SIGNIFICANT ACCOUNTING POLICIES : *Continued*

### g) EMPLOYEE BENEFITS:

#### (i) Post Employment Benefit Plans

##### Defined Contribution Plan:

Contribution as per the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 towards Provident Fund and Family Pension Fund are provided for and payments in respect thereof are made to the relevant authorities on actual basis.

##### Defined Benefit Plan:

Liability in respect of Employees' Group Gratuity Cash Accumulation Cum-Life Assurance Scheme is funded by way of contribution to Life Insurance Corporation of India.

#### (ii) Other Benefits

Provision has been made in respect of leave standing to the credit of the employees on the basis of actuarial valuation method.

### h) TAXES ON INCOME:

Tax Expense comprises of current and deferred tax. Current Income Tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act. Deferred income tax reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred Tax is calculated at current statutory Income Tax Rates as applicable and is recognized on timing difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent period. Deferred Tax Assets subject to consideration to prudence are recognized and carried forward only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such Deferred Tax Assets can be realized.

### i) REVENUE RECOGNITION

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition has also been met before revenue is recognized.

#### Sale of Goods

Revenue from sale of goods is recognized when all significant risks and rewards of ownership of the goods have been passed to the buyer, usually on delivery of goods.

#### Interest

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate.

### j) EXPENDITURE RECOGNITION

All expenditures are accounted for on accrual basis.

### k) PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

A provision is recognized when the Company has a present obligation as a result of past event. It is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting period. These estimates are reviewed at each reporting date and adjusted to reflect the current based estimate

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. The Company does not recognize a contingent liability but discloses its existence in the financial statements by way of Note.

Contingent Assets are neither recognized nor disclosed in the financial statements.

# NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016

## Note 2 SHARE CAPITAL

Particulars	As at 31st March, 2016		As at 31st March, 2015	
	Number	₹	Number	₹
(a) <b>Authorised Share Capital</b>				
Equity shares, ₹ 10 each	160,00,000	1600,00,000	160,00,000	1600,00,000
		<b><u>1600,00,000</u></b>		<b><u>1600,00,000</u></b>
(b) <b>Issued, Subscribed and paid up</b>				
Equity shares of ₹ 10 each fully paid up	127,18,600	1271,86,000	127,18,600	1271,86,000
Shares forfeited	30,350	86,250	30,350	86,250
<b>Total</b>		<b><u>1272,72,250</u></b>		<b><u>1272,72,250</u></b>

- c) Out of the above Shares 81,58,950 Equity Shares of Rs.10/- each have been allotted as fully paid up Bonus Shares by capitalisation of General Reserve on 2nd December, 1993 and 16th January, 1998.
- d) 18,40,000 Equity Shares of Rs.10/- each issued at par to Asset Reconstruction Company (India) Limited, Mumbai against conversion of Funded Interest Term Loan (FITL) into equity, as per terms of CDR.
- e) The Company has only one class of shares referred to as Equity Shares having a par value of Rs. 10/- each.
- f) Each holder of Equity Shares is entitled to one vote per share.
- g) The Equity Shareholders have the right to declare and approve dividend, as proposed by the Board of Directors for any financial year, to be paid to the members according to their rights and interest in the profits. However, no larger dividend shall be declared than is recommended by the Board of Directors.
- h) In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive any of the 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.
- i) **Name of the Shareholders holding more than 5% shares**

### Equity Shares

Name of the Shareholders	As at 31st March, 2016		As at 31st March, 2015	
	shares	% of holding	shares	% of holding
Assets Reconstruction Company (India) Limited	18,40,000	14.47	18,40,000	14.47
Mr. Manish Kumar	9,56,456	7.52	9,56,456	7.52
Mr. Manish Kumar (Trustee of RDM Family Trust)	7,47,348	5.88	7,47,348	5.88
Mrs. Pramod Rani Kumar (Trustee of Devmanu Family Trust)	16,98,571	13.36	16,98,571	13.36
Mrs. Ritika Kumar	27,32,807	21.49	27,32,807	21.49

As per records of the Company, including its register of shareholders/members and other declaration received from the shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

# NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016

## Note 3 RESERVES AND SURPLUS

Particulars	As at 31st March, 2016		As at 31st March, 2015	
	₹	₹	₹	₹
(a) Capital Reserve				
(i) Central Investment Subsidy				
- As per last Financial Statement	15,00,000		15,00,000	
(ii) State Investment Subsidy				
- As per last Financial Statement	25,00,000		25,00,000	
(iii) Diesel Generator Set Subsidy				
- As per last Financial Statement	4,46,371		4,46,371	
(iv) Others				
- As per last Financial Statement	1793,09,492		1793,09,492	
(Refer Note No. 21)		1837,55,863		1837,55,863
(b) Power Subsidy Reserve				
- As per last Financial Statement		44,71,489		44,71,489
(c) General Reserve				
-As per last Financial Statement		2865,18,693		2865,18,693
<b>Surplus</b>				
- As per last Financial Statement	(5330,48,256)		(5346,65,661)	
Adjustment on account of Reinstatement of Fixed Assets	-		(3,26,159)	
	(5330,48,256)		(5349,91,820)	
Add: Profit for the year as per Statement of Profit and Loss	14,24,911	(5316,23,345)	19,43,564	(5330,48,256)
<b>Total</b>		<b>(568,77,300)</b>		<b>(583,02,211)</b>

## Note 4 LONG TERM PROVISIONS

Particulars	As at 31st March, 2016		As at 31st March, 2015	
	₹	₹	₹	₹
<b>Leave Encashment</b>		30,98,623		20,02,046
<b>Total</b>		<b>30,98,623</b>		<b>20,02,046</b>

## Note 5 TRADE PAYABLES

Particulars	As at 31st March, 2016		As at 31st March, 2015	
	₹	₹	₹	₹
Payables for Goods and Materials Purchased				
From Related Parties (Refer Note No.26)	14,97,234		35,27,568	
From Others	134,53,774	149,51,008	71, 94,011	107, 21,579
<b>Total</b>		<b>149,51,008</b>		<b>107, 21,579</b>

As required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 and to the extent such parties are identified on the basis of information available with the Company, there are no Micro enterprises or Small Scale Enterprises to whom the Company owes any due which are outstanding as at 31st March, 2016.

# NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016

## Note 6 OTHER CURRENT LIABILITIES

Particulars	As at 31st March, 2016		As at 31st March, 2015	
	₹	₹	₹	₹
Security Deposit from Customers		1,35,703		-
Advance Against Job Work:				
From Related Parties (Refer Note No. 26)		835,17,301		353,25,703
Advance from Customers		6,25,702		3,93,057
Advance from Others		29,58,532		1105,55,332
Liabilities for Expenses		206,70,705		95,35,506
Payable to Statutory Authorities		21,41,210		18,80,543
Other Liabilities		116,82,597		81,09,082
<b>Total</b>		<b><u>1217,31,750</u></b>		<b><u>1657,99,223</u></b>

## Note 7 SHORT TERM PROVISIONS

Particulars	As at 31st March, 2016		As at 31st March, 2015	
	₹	₹	₹	₹
For Bonus	66,41,195		35,26,312	
For Leave Encashment	<u>4,06,786</u>	70,47,981	<u>3,67,229</u>	38,93,541
<b>Total</b>		<b><u>70,47,981</u></b>	-	<b><u>38,93,541</u></b>

## Note 8 FIXED ASSETS

Particulars	Gross Block				Depreciation & Amortization					Net Block	
	As at 31st March, 2015	Additions	Adjustments for Disposals/ Transfer	As at 31st March, 2016	up to 31st March, 2015	For the year	Adjustments for Disposals/ Transfer	Adjustments Against Reserves & Surplus	Total upto 31st March, 2016	As at 31st March, 2016	As at 31st March, 2015
	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
<b>Tangible Assets</b>											
Land Leasehold	68,48,570	-	-	68,48,570	92,349	92,602	-	-	1,84,951	66,63,619	67,56,221
Buildings	1345,67,144	27,97,223	-	1373,64,367	766,26,284	15,63,763	-	-	781,90,047	591,74,320	579,40,860
Tubewells	1,90,526	-	-	1,90,526	1,81,002	-	-	-	1,81,002	9,524	9,524
Plant and Machinery	5543,28,169	40,74,665	432,17,567	5151,85,267	4594,82,126	34,78,487	402,46,133	-	4227,14,480	924,70,787	948,46,043
Electrical Installations	278,00,370	3,69,116	-	281,69,486	223,03,432	4,75,157	-	-	227,78,589	53,90,897	54,96,938
Wind Electric Generators	220,00,000	-	-	220,00,000	209,00,000	-	-	-	209,00,000	11,00,000	11,00,000
Furniture, Fixtures & Office Equipments	84,13,792	5,14,139	-	89,27,931	71,92,845	2,53,636	-	-	74,46,481	14,81,450	12,20,947
Computer & Accessories	106,47,290	2,30,385	-	1,08,77,675	98,14,158	1,92,700	-	-	100,06,858	8,70,817	8,33,131
Vehicles	20,51,746	-	-	20,51,746	15,04,853	1,41,561	-	-	16,46,414	5,46,893	5,46,893
<b>Total</b>	<b>7668,26,112</b>	<b>79,85,528</b>	<b>432,17,567</b>	<b>7316,15,568</b>	<b>5980,97,049</b>	<b>61,97,906</b>	<b>402,46,133</b>	<b>-</b>	<b>5640,48,822</b>	<b>1675,66,746</b>	<b>1687,50,558</b>
<b>Previous Year</b>	7893,76,950	18,29,617	243,58,960	7668,47,607	6123,31,351	56,06,872	201,67,333	3,26,159	5980,97,049	1687,50,558	
<b>Intangible Assets</b>											
Computer Software	4,00,977	-	-	4,00,977	1,09,226	1,27,531	-	-	2,36,757	1,64,220	2,91,751
<b>Total</b>	<b>4,00,977</b>	<b>-</b>	<b>-</b>	<b>4,00,977</b>	<b>1,09,226</b>	<b>1,27,531</b>	<b>-</b>	<b>-</b>	<b>2,36,757</b>	<b>1,64,220</b>	<b>2,91,751</b>
<b>Previous Year</b>	-	4,00,977	-	4,00,977	-	1,09,226	-	-	1,09,226	2,91,751	
<b>Capital Work in Progress</b>											
Plant and Equipment	6,00,000	-	1,50,000	4,50,000	-	-	-	-	-	4,50,000	6,00,000
<b>Total</b>	<b>6,00,000</b>	<b>-</b>	<b>1,50,000</b>	<b>4,50,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,50,000</b>	<b>6,00,000</b>
<b>Previous Year</b>	-	6,00,000	-	6,00,000	-	-	-	-	-	6,00,000	
<b>Grand Total</b>	<b>7678,48,584</b>	<b>79,85,528</b>	<b>433,67,567</b>	<b>7324,66,545</b>	<b>5982,06,275</b>	<b>63,25,438</b>	<b>402,46,133</b>	<b>-</b>	<b>5642,85,580</b>	<b>1681,80,966</b>	<b>1696,42,309</b>
<b>Previous Year</b>	7893,76,950	28,30,594	243,58,960	7678,48,584	6123,31,351	57,16,098	201,67,333	3,26,159	5982,06,275	1696,42,309	

# NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016

## Note 9

### LONG TERM LOANS AND ADVANCES

Particulars	As at 31st March, 2016		As at 31st March, 2015	
	₹	₹	₹	₹
<b>(Unsecured, considered good by the management)</b>				
<b>Security Deposits</b>		83,01,946		82,98,101
Provident Fund Receivable (Refer Note No.:-20) (d)		10,74,350		10,74,351
Entry Tax (Refer Note No.:-20) (b)		1,66,000		1,66,000
Value Added Tax (Refer Note No.:-20) (e)		54,576		-
Electricity Duty Receivable (Refer Note No.:-20) (g)		1,90,951		-
Others		500		500
<b>Total</b>		<b><u>97,88,323</u></b>		<b><u>95,38,952</u></b>

## Note 10

### INVENTORIES

(as taken valued and certified by the management)

Particulars	As at 31st March, 2016		As at 31st March, 2015	
	₹	₹	₹	₹
Work In Progress (at Cost)		16,08,953		16,75,153
Finished Goods (at lower of cost or net realisable value)		1,00,682		20,44,716
Packing Materials (at Cost)		2,22,048		1,80,157
Stores & Spares (valued at lower of cost or net realisable value)		66,74,792		66,98,741
Waste (at net realisable value)		8,42,670		2,20,770
<b>Total</b>		<b><u>94,49,145</u></b>		<b><u>108,19,537</u></b>

## Note 11

### TRADE RECEIVABLES

(Unsecured, considered good by the management)

Particulars	As at 31st March, 2016		As at 31st March, 2015	
	₹	₹	₹	₹
- Outstanding for a period exceeding six months	-		1,700	
Others	<u>75,582</u>	75,582	<u>3,22,003</u>	3,23,703
<b>Total</b>		<b><u>75,582</u></b>		<b><u>3,23,703</u></b>



# NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016

## Note 12

### CASH AND CASH EQUIVALENTS

Particulars	As at 31st March, 2016		As at 31st March, 2015	
	₹	₹	₹	₹
<b>Balances with Banks</b>				
In Current Accounts		18,10,283		17,66,761
Cash on Hand (as certified by the management)		1,30,643		2,00,465
<b>Total</b>		<u>19,40,926</u>		<u>19,67,226</u>

## Note 13

### SHORT TERM LOANS AND ADVANCES

(Unsecured, considered good by the management)

Particulars	As at 31st March, 2016		As at 31st March, 2015	
	₹	₹	₹	₹
<b>Advance Income Tax</b>		91,89,921		123,16,658
<b>Advances</b>				
To Suppliers	13,23,455		16,29,053	
To Employees	4,63,780		1,46,160	
To Others	<u>10,33,423</u>	28,20,658	<u>9,84,592</u>	27,59,805
<b>Prepaid Expenses</b>		5,43,776		3,89,209
<b>Other Receivables</b>				
VAT Receivable	29,06,245		15,46,957	
Excise Rebate Claim	40,61,554		198,37,539	
Cenvat Receivable	70,22,383		190,89,588	
Service Tax Receivable	<u>12,44,833</u>	152,35,015	31,54,945	436,29,029
<b>Total</b>		<u>277,89,370</u>		<u>590,94,701</u>

## Note 14.

### REVENUE FROM OPERATIONS

Particulars	For the year the ended 31st March, 2016		For the year the ended 31st March, 2015	
	₹	₹	₹	₹
Sale of Products	244,55,469		713,29,721	
Less :- Excise Duty	2,78,661		5,09,414	
Less :- Sales Tax	<u>2,61,402</u>	239,15,406	<u>11,23,744</u>	696,96,563
Sale of Waste	67,16,355		47,21,349	
Less :- Excise Duty	6,98,033		5,34,220	
Less :- TCS	33,361		19,705	
Less :- Sales Tax	<u>2,02,270</u>	57,82,691	<u>1,01,123</u>	40,66,301
Income from Job Work (Gross) (Tax Deducted at Source Rs. 26,41,528/-) (Previous year Rs. 64,11,541/-)		3745,93,265		3088,58,167
		<u>4042,91,362</u>		<u>3826,21,031</u>

# NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016

## Note 15

### OTHER INCOME

Particulars	For the year the ended 31st March, 2016		For the year the ended 31st March, 2015	
	₹	₹	₹	₹
Interest (Gross)				
(Tax Deducted at Source Rs. 64,000/-)				
(Previous year Rs. 95,795/-)				
From Income Tax Department	3,88,122		10,02,312	
From Others	<u>6,32,675</u>	10,20,797	<u>9,49,038</u>	19,51,350
Profit on Sale of Fixed Asset		1,90,566		35,21,215
Excess Provision written back		24,721		27,500
Other Income		22,53,761		7,82,101
<b>Total</b>		<b><u>34,89,845</u></b>		<b><u>62,82,166</u></b>

## Note 16

### COST OF MATERIALS CONSUMED

Particulars	For the year the ended 31st March, 2016		For the year the ended 31st March, 2015	
	₹	₹	₹	₹
Fibre & Yarn		191,70,732		483,69,811
<b>Total</b>		<b><u>191,70,732</u></b>		<b><u>483,69,811</u></b>

## Note 17

### CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK IN PROGRESS

Particulars	For the year the ended 31st March, 2016		For the year the ended 31st March, 2015	
	₹	₹	₹	₹
<b>Opening Stock</b>				
Finished Goods	20,44,716		20,54,820	
Work-In-Progress	16,75,153		114,03,663	
Waste	<u>2,20,770</u>	39,40,639	<u>1,05,798</u>	135,64,281
<b>Less: Closing Stock</b>				
Finished Goods	1,00,682		20,44,716	
Work-In-Progress	16,08,953		16,75,153	
Waste	<u>8,42,670</u>	25,52,305	<u>2,20,770</u>	39,40,639
<b>Total</b>		<b><u>13,88,334</u></b>		<b><u>96,23,642</u></b>

## Note 18

### EMPLOYEE BENEFITS EXPENSE \*

Particulars	For the year the ended 31st March, 2016		For the year the ended 31st March, 2015	
	₹	₹	₹	₹
Salaries and Wages		1442,79,858		1193,08,711
Contribution to Provident, Gratuity & Other Funds		114,53,148		104,73,575
Staff Welfare Expenses		<u>24,01,630</u>		<u>18,83,401</u>
<b>Total</b>		<b><u>1581,34,636</u></b>		<b><u>1316,65,687</u></b>

\* Including Remuneration of Rs.30,04,233/- paid to key management personnel.

# NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016

Note 19

## OTHER EXPENSES

Particulars	For the year the ended 31st March, 2016	For the year the ended 31st March, 2015
	₹	₹
Consumption of Stores/Consumable, Spare Parts and Packing Material etc.	272,30,718	331,76,250
Other Manufacturing Expenses	55,75,296	18,88,063
Power and Fuel	1633,18,007	1341,30,869
Rent	21,80,223	19,27,902
Repairs & Maintenance :		
To Building	13,95,038	7,40,719
To Machinery	25,63,607	37,83,248
To Others	2,20,658	1,11,778
Insurance	11,25,289	7,07,591
Rates and Taxes	8,58,013	7,74,166
Freight, forwarding & Other Expenses	1,24,501	6,26,855
Bank Charges	8,817	35,280
Postage, Telegram & Telephone	12,63,663	5,41,149
Travelling & Conveyance	41,04,482	22,95,302
Vehicle Expenses	49,93,709	55,56,229
Legal and Professional Fees	9,24,961	7,17,091
Auditors Remuneration		
- As Auditor	1,90,000	3,00,000
- for Other Services	1,75,000	1,15,000
Prior Period Expenses	46,537	9,303
Miscellaneous Expenses	49,25,613	41,47,600
<b>Total</b>	<b><u>2212,24,132</u></b>	<b><u>1915,84,395</u></b>

### 20. Contingent Liabilities not provided for in respect of:

- Guarantees given to banks against Credit Facilities availed by associates of Rs.2,65,12,00,000.(Previous Year Rs.2,65,12,00,000).
- Entry Tax demands of Rs. 5,76,968 (Previous Year Rs.5,76,968) against which amount deposited Rs.1,66,000 (Previous Year Rs.1,66,000).
- The Assistant Commissioner of Central Excise, Bhopal ("ACCE") issued the following two show cause notices to the Company in relation to availment and utilization of CENVAT Credit amounts under rule 14 of CENVAT Credit Rules, 2004 read with section 11A of Central Excise Act, 1944 and the Company has raised the objection before ACCE.

Amount Disputed	Amount Deposited
₹	₹
76,028	NIL
71,534	NIL

- Regional Provident Fund Commissioner, Gwalior has lodged the case under section 7A of the "Employees' Provident Fund and Miscellaneous Provisions Act, 1952", ("PF Act") for the recovery against provident fund amount from April, 2008 to December, 2010 and passed an order under section 8F of PF Act vide order no.EPF/MP/SRO/GWL/ENFORCEMENT/8F dated 4th December, 2013, for recovery of Rs. 21,57,618 (Previous Year Rs. 21,57,618). The Company has disputed the amount and filed an Appeal before Provident Fund Tribunal, New Delhi against which the PF Commissioner has recovered Rs. 10,74,351 (Previous Year Rs. 10,74,351) from the Company's bank account.
- Demand of Rs. 5,45,743/- (Previous Year Rs. Nil) in respect of Value Added Tax for the year 2013-14 against which an amount of Rs.54,576/- (Previous Year Rs. Nil) has been deposited under protest. The Company has filed an Appeal against the said demand before the Dy. Commissioner of Commercial Taxes (Appeals), Ujjain (M.P.)
- M.P. Madhya Kshetra Vidyut Vitaran Company Ltd. has made an additional demand of Rs. 52,31,285/- (Previous Year Rs. Nil)vide its bill, on account of billing difference for electricity purchase through Open Access. The company has filed a Writ Petition against the said demand before the Hon'ble High Court at Indore and obtained an Interim Stay vide order dated 29.02.2016.

# NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016

- g) M.P. Madhya Kshetra Vidyut Vitaran Company Ltd. has levied electricity duty amounting to Rs.1,90,951/- (Previous Year Rs. Nil) on account of electricity purchased from solar power generators, which the company has deposited under protest. The Company has filed a Writ Petition against the said levy before the Hon'ble High Court at Indore and obtained an Interim Stay vide order dated 09.03.2016 against further levy of electricity duty on account of electricity purchase from solar power generators.
- h) Ministry of Law and Justice vide its notification dated 1st January, 2016 has made an amendment in the Payment of Bonus Act, 1965 with retrospective effect from 1st April, 2014 raising the salary ceiling for employees to be eligible for bonus payments from Rs 10,000 per month to Rs 21,000 per month while the salary used to calculate the bonus amount has been raised from Rs. 3500 Per Month to Rs 7,000 per month. However, the Company has provided liability for Bonus as per the revised rates, for the financial year 2015-16 but no liability has been provided in respect of the differential amount, arising due to amendment in the Act, for the financial year 2014-15 in the Financial Statements.
21. Capital Reserve - others of Rs.17,93,09,492 represents remission of liability on account of Principal by the Secured Creditors.
22. Sales is net of return of Rs. NIL ( Previous Year Rs. 15,51,961).
23. Balances of certain Trade Receivables, Trade Payables, Other Current Liabilities, Claim Receivable & Advances are subject to confirmation by the parties and include some old items pending reconciliation and adjustment to appropriate accounts. However, letters for balance confirmation were issued during the year but are yet to be received.
24. Provision for Employee Benefits:
- Accounting Standard-15 ("AS-15") on "Employee Benefits" requires an enterprise to recognize its obligation and employee benefits cost under defined benefit plans such as gratuity and compensated absences, based on an actuarial valuation. The obligation and employee benefits cost are to be reflected in the Balance Sheet and the Statement of Profit and Loss, respectively.
- Gratuity:
- As regards Gratuity, the Company is under "The Employee Group Gratuity Scheme" of the LIC for meeting its obligation under post employment benefits and the Company has no obligation to pay benefits to the employee and insurer has the sole responsibility for paying the post employment benefits.
- As per LIC's renewal intimation, the Company has contributed a sum of Rs.2,80,598 (Previous Year Rs. 2,19,930). In accordance with the provisions of AS-15 on "Employee Benefits", the contribution so made is charged to the Statement of Profit and Loss.
- Leave Encashment:
- As per Actuarial Valuation as on 31st March, 2016 and recognized in the financial statements in respect of Employee Benefits Scheme:

Particulars		For the year ended 31st March, 2016	For the year ended 31st March, 2015
		Leave Encashment Unfunded	Leave Encashment Unfunded
		₹	₹
<b>I Components of Employer Expense</b>			
1	Current Service Cost	10,18,617	2,42,728
2	Interest Cost	-	-
3	Expected Return of Plan Assets	-	-
4	Curtailment Cost/ (credit)	-	-
5	Settlement Cost/(credit)	-	-
6	Amortization of Past Service Cost	-	-
7	Actuarial (Gains)/Losses	3,96,080	5,62,892
	<b>Total expense recognized in the Statement of Profit and Loss</b>	<b>14,14,697</b>	<b>8,05,620</b>
<b>II Net Asset / (Liability) recognized in Balance Sheet as at 31st March</b>			
1	Present Value of Defined Benefit Obligation	35,05,409	23,69,275
2	Fair Value of Plan Assets as at 31st March	-	-
3	<b>Net Asset/(Liability) recognized in Balance Sheet.</b>	<b>(35,05,409)</b>	<b>(23,69,275)</b>
<b>III Change in Defined Benefit Obligation (DBO) during the year</b>			
1	Present Value of DBO at the Beginning of Year	23,69,275	20,17,776
2	Current Service Cost	10,18,617	2,42,728
3	Interest Cost	-	-

# NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016

## 24. Provision for Employee Benefits (Contd.):

	Particulars	For the year ended 31st March, 2016	For the year ended 31st March, 2015
		Leave Encashment Unfunded	Leave Encashment Unfunded
		₹	₹
4	Actuarial Losses/(Gains)	3,96,080	5,62,892
5	Benefits Paid	(2,78,563)	(4,54,121)
6	Present Value of DBO at the end of Year	35,05,409	23,69,275
<b>IV</b>	<b>Change in the Fair Value of Plan Assets</b>		
1	Plan Assets at the beginning of period	-	-
2	Expected return on plan assets	-	-
3	Actual Company Contributions	-	-
4	Actuarial Gain/(Loss) on plan assets	-	-
5	Employee Contributions	-	-
6	Benefits paid	-	-
7	<b>Plan assets at the end of the period</b>	-	-
	<b>Actuarial Assumptions</b>		
<b>V</b>	<b>Mortality Table</b>	<b>IALM(2006-08)</b>	<b>IALM(2006-08)</b>
		Ultimate	Ultimate
1	Discount Rate (per annum)	8.00%	7.50%
2	Rate of escalation in Salary (per annum)	7.00%	7.00%
3	Expected Average remaining working lives of employees(years)	20.64	19.21

25. The Company is primarily engaged in the business of manufacturing of yarn on job work basis and managed organizationally as a single unit. Accordingly, the Company is a single business segment company, which as per Accounting Standard 17 is considered the only reportable business segment. The geographical segmentation is not relevant, as the Company did not have any overseas operations during the year.

26. Disclosure in respect of related parties as defined in Accounting Standard 18 are given below:-

### A. Key Managerial Personnel and Relatives

- Mr. Manish Kumar, Director
- Mr. Vilas Agrawal, Wholetime Director
- Mr. Balesh Kumar Bagree, Chief Financial Officer
- Mrs. Nidhi Rath, Company Secretary

### B. Associates

- Wearit Global Limited
- Ritspin Synthetics Limited
- Dhanterash Sale Private Limited

### C. Disclosure of Transactions during the year

Name of Person	Nature of Transactions	Year Ended 31st March, 2016	Year Ended 31st March, 2015
		₹	₹
Wearit Global Limited	Sales of Yarn	2,44,51,839	4,23,18,195
	Sales of Fixed Assets	-	2,91,187
	Sales of Scrap	32,758	-
	Job Work Charges Received	37,45,93,265	30,88,58,167
	Purchase Yarn for Consumption*	1,94,01,395	4,51,48,564
	Purchase of Fixed Assets	-	5,38,441
	Purchase of Store Consumable	6,74,906	54,004
Ritspin Synthetics Pvt.Ltd.	Paid Towards Reimbursement of Freight and other Expenses.	35,54,571	6,99,242
	Sales of Yarn	-	33,53,040
	Job Work Charge Paid	-	1,69,034
	Purchase Yarn for Consumption*	8,18,226	37,61,610
	Purchase of Fixed Assets	18,49,596	7,51,326
	Purchase of Store Consumable	1,56,187	1,77,943
	Received Towards Reimbursement of Expenses	5,45,657	20,688

# NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016

## C. Disclosure of Transactions during the year - Continued

Particulars		For the year ended 31st March, 2016	For the year ended 31st March, 2015
		₹	₹
Dhanterash Sale Pvt. Ltd.	Sales Return	-	15,51,961
Mr. Vilas Agrawal	Remuneration	14,41,804	-
Mr. Balesh Kumar Bagree	Remuneration	11,71,200	10,89,000
Mrs. Nidhi Rathi	Remuneration	3,91,229	1,25,891

\*Inclusive of Excise and Sales Tax

## D. Balance as at 31st March

Name of Person	Nature of Balances	As at 31st March, 2016	As at 31st March, 2015
		₹	₹
Wearit Global Limited	Advance Against Job Work	8,35,17,301	3,53,25,703
Ritspin Synthetics Limited	Trade Payables	14,97,234	35,27,568
Wearit Global Limited	Corporate Guarantee	2,65,12,00,000	2,65,12,00,000

## 27. Information on Earnings per Share as per Accounting Standard-20 on "Earnings per Share":

		31st March, 2016	31st March, 2015
a)	Profit / (Loss) available to Equity Shareholders	₹ 14,24,911	₹ 19,43,564
b)	No. of Equity Shares Outstanding during the year	1,27,18,600	1,27,18,600
c)	Nominal Value per Equity Share	₹ 10	₹ 10
	Basic & Diluted	₹ 0.11	₹ 0.15

28. The timing difference relating mainly to depreciation and unabsorbed losses result in net deferred tax credit as per Accounting Standard 22 "Accounting for Taxes on Income". As a prudent measure the net deferred tax assets relating to the above has not been recognised in the Financial Statements.

## 29. Imported and Indigenous Consumption:

Particulars		Year ended 31st March, 2016		Year ended 31st March, 31, 2015	
		Value	Percentage	Value	Percentage
(A)	Raw Material :-				
	Imported	-	-	-	-
	Indigenous	1,91,70,732	100.00	4,83,69,811	100.00
	Total	1,91,70,732	100.00	4,83,69,811	100.00
(B)	Stores & Spare Parts :-				
	Imported	9,99,430	3.68	-	-
	Indigenous	2,61,46,070	96.32	3,27,01,805	100.00
	Total	2,71,45,500	100.00	3,27,01,805	100.00

30. Previous year figures, wherever necessary, have been regrouped and reclassified.

Signature to Notes 1 to 30

As per our Report of even date

## For V. SINGHI & ASSOCIATES

Chartered Accountants

Firm Registration. No. 311017E

(V. K. SINGHI)

Partner

Membership No. : 050051

Place: Kolkata

Date: 17th May, 2016

## For and on behalf of the Board of Directors

Manish kumar

Vilas Agrawal

Balesh Kumar Bagree

Nidhi Rathi

Director

Wholetime Director

Chief Financial Officer

Company Secretary

# HIND SYNTEX LIMITED

## ATTENDANCE SLIP

Please complete this Attendance Slip and hand it over at the entrance of the Meeting Hall. I/We hereby record my / our presence at the THIRTY FIFTH ANNUAL GENERAL MEETING of the Company.

Name of Proxy (if any) Mr./Mrs./Miss.

Signature of Member/Proxy

**Note :** *This meeting is of Members only and you are requested not to bring along with you any person who is not a member.*

## Hind Syntex Limited

### Proxy Form

Ledger Folio No/ CLIENT ID No. ....

No. of Shares held .....

I/We .....

of .....

in the district of .....

being a Member/Members of the above named Company hereby appoint .....

..... of .....

in the district of .....

or failing him .....

of .....

in the district of .....

as my/our proxy to vote for me/us, on my/our behalf, at the Fifth Annual General Meeting of the Company to be held on Tuesday the 27th day of September, 2016 and at any adjournment thereof.

Signed this ..... day of ..... 2016.

Affix  
Revenue  
Stamp here

Signature

**Note :** *The proxy form must reach the Company's Registered Office at Plot No. 2, 3, 4 & 5, Sector A, Industrial Growth Centre, PILLUKHEDI - 465 667, District Rajgarh (M.P.) not less than FORTY-EIGHT hours before the time for holding the meeting.*

**Book - Post**

*If not delivered, please return to :*

**Hind Syntex Limited**

Plot No. 2, 3, 4 & 5, Sector A,  
Industrial Growth Centre,  
PILLUKHEDI - 465 667  
District Rajgarh (M.P.)  
Tel. : +91 93015 28698  
Email : pillukhedi@wearitgroup.com