



SVSM/RO/SEC/2017-18

3<sup>rd</sup> October 2017

To  
The Department of Corporate Services,  
BSE Limited,  
P J Towers, Dalal Street,  
Mumbai-400 001

Dear Sir,

**Sub: Submission of Annual Report for year 2016-17**  
**Scrip Code: 514140**


With reference to the cited subject, pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 we are herewith submitting the Annual Report of the Company for the year 2016-17.

We request you to take the above information on record and acknowledge the receipt of the same.

Thanking you

Yours Faithfully,

**For Suryavanshi Spinning Mills Limited**

  
**Rajender Kumar Agarwal**  
**Managing Director**

Encl: as above

# Annual Report 2016-2017



**Suryavanshi**  
spinning mills ltd.



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### **Important Communication to Members**

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

## CORPORATE INFORMATION

### BOARD OF DIRECTORS

<b>Sri Badrinarayan Agarwal</b>	Executive Chairman (upto 27th May 2017)
<b>Sri Rajender Kumar Agarwal</b>	Managing Director
<b>Sri Surender Kumar Agarwal</b>	Independent Director
<b>Sri Manish Gupta</b>	Independent Director
<b>Smt Sushma Gupta</b>	Independent Director

### Chief Financial Officer & Company Secretary

Sri B. Somasekhara Rao

### Auditors

M/s. Brahmaya & Co.  
Flat No. 403 & 404,  
Golden Green Apartments,  
Irrum Manzil Colony,  
Hyderabad - 500082

### Bankers

Andhra Bank  
State Bank of India  
*(erstwhile State Bank of Hyderabad before its merger  
with State bank of India)*

### Registered Office

6th Floor, Surya Towers,  
105, S.P.Road  
Secunderabad – 500 003,  
Telangana  
Website: [www.suryavanshi.com](http://www.suryavanshi.com)  
Email: [info@suryavanshi.com](mailto:info@suryavanshi.com)  
CIN: L14220TG1978PLC002390  
Phone: 91-40-30512700  
Fax: 91-40-30512725

### Audit Committee

Sri Surender Kumar Agarwal  
Sri Manish Gupta  
Sri Rajender Kumar Agarwal

### Stakeholders' Relationship Committee

Sri Surender Kumar Agarwal  
Sri Rajender Kumar Agarwal

### Nomination & Remuneration Committee

Sri Surender Kumar Agarwal  
Sri Manish Gupta  
Smt Sushma Gupta

ISIN: INE431C01023  
Listed on BSE Limited  
Scrip Code: 514140

### Registrar and Share Transfer Agents

Karvy ComputerShare Private Limited  
Karvy Selenium Tower B,  
Plot No 31 & 32,  
Gachibowli,  
Financial District,  
Nanakramguda,  
Serilingampally,  
Hyderabad – 500 032  
Tel No. 040-67161606,  
Fax No. 040-23420814  
e-mail: [einward@karvy.com](mailto:einward@karvy.com)  
Website: [www.karvycomputershare.com](http://www.karvycomputershare.com)

### FACTORY

Spinning & Medical Textile Divisions  
Aliabad, Medchal Taluq,  
Ranga Reddy Dist.  
Telangana – 500 101

## NOTICE

NOTICE is hereby given that the 38<sup>th</sup> Annual General Meeting of the Members of Suryavanshi Spinning Mills Limited will be held on **Friday, 29<sup>th</sup> day of September, 2017 at 10.30 A.M. at Sri Raja Rajeshwari Gardens, Survey No. 26, Sikh Village, Near Diamond Point Hotel, Secunderabad – 500009** to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements for the financial year ended 31<sup>st</sup> March, 2017 and the Reports of the Directors and Auditors thereon.
2. To appoint a director in place of Sri Rajender Kumar Agarwal, who retires by rotation and, being eligible, offers himself for reappointment
3. To consider, and if thought fit, to pass the following resolution with or without modification(s) as an **Ordinary Resolution.**

**“RESOLVED THAT** pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 (the Act), and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and pursuant to recommendation of the Audit Committee and the Board of Directors, M/s. K.S.Rao & Co., Chartered Accountants, Hyderabad, (ICAI Firm Regn. No.003109S) be and are hereby appointed as Statutory Auditors of the Company in place of M/s. Brahmayya & Co., Chartered Accountants Hyderabad (ICAI Firm Regn. No.000513S) whose tenure expires at this Annual General Meeting, at such remuneration plus reimbursement of out-of-pocket expenses, etc., as may be mutually agreed between the Board of Directors of the Company and the said Auditors.”

**“RESOLVED FURTHER THAT** M/s. K.S.Rao & Co., Chartered Accountants, shall hold office for the period of five years from the conclusion of this Thirty Eighth Annual General Meeting of the Company till the conclusion of Forty Third Annual General Meeting of the Company (subject to ratification of the appointment by members at every Annual General Meeting held after this Annual General Meeting).”

**“RESOLVED FURTHER THAT** the Board of Directors of the Company (including its Committee thereof), be and is hereby authorized to do all such

acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this Resolution.”

### SPECIAL BUSINESS:

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

**“RESOLVED THAT** pursuant to the provisions of Section 196, 197, 198 read Schedule V to the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for time being in force) and subject to approvals of Banks and such other approvals as may be required from any other authorities, consent of the Company be and is hereby accorded to re-appoint Mr. Rajender Kumar Agarwal as a Managing Director for a period of three(3) years from 13.02.2017 to 12.02.2020 who shall be liable to retire by rotation and on such terms and conditions including remuneration as mentioned below:

- a) Basic Salary: Rs.1,40,000/- per month
- b) Commission: @ 1% (one percent) of Net Profits of the Company or 50% of the basic salary, whichever is less.
- c) Perquisites: In addition to salary and commission as stated above Sri R.K. Agarwal, shall be entitled to the following perquisites:

### PART – A

- i) Rent free furnished residential accommodation with all facilities and amenities including such services such as gas, electricity, water etc. or House Rent Allowance to the extent of 40% of the basic salary whichever is higher.
- ii) Medical Reimbursement: Reimbursement of medical expenses for self and family subject to a ceiling of one month's basic salary in a year or three month's basic salary over a period of three years.
- iii) Leave Travel Concession: For self and family once in a year in accordance with the Rules of the Company.
- iv) Fees of clubs: Subject to a maximum of two clubs provided that no life membership or admission fees are paid.
- v) Personal Accident Insurance: Premium not to exceed Rs. 4,000/- (Rupees Four Thousand) per annum

**PART – B**

- i) Contribution to Provident Fund, Superannuation Fund or Annuity Fund as per the Rules of the Company, if any.
- ii) Gratuity payable shall not exceed half a month's basic salary for each completed year of service.

**PART – C**

- i) Provision of car for use of Company's business and telephone and other communications at residence.

**“RESOLVED FURTHER THAT** the appointment of Sri Rajender Kumar Agarwal be subject to retirement by rotation and when reappointed as a Director immediately on retirement by rotation, shall continue to hold his office of Managing Director and such reappointment shall not be deemed to constitute a break in his appointment as Managing Director.”

**“RESOLVED FURTHER THAT** where in any financial year during the currency of tenure of Sri Rajender Kumar Agarwal, Managing Director, the Company has no profits or its profits are inadequate, the Company will pay remuneration by way of salary, perquisites and allowances, as specified above as a minimum remuneration subject to provisions of Schedule V of the Companies Act, 2013.”

**“RESOLVED FURTHER THAT** the Board of Directors of the Company (including its Committee thereof), be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this Resolution.”

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

**“RESOLVED THAT** the consent of the company be and is hereby accorded in terms of section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), to the mortgaging and/or charging by the Board of Directors of the Company (hereinafter referred to as Board) of all the movable and immovable properties of the Company, where so ever situated, present and future, of the whole of the undertaking of the company together with power to take over the management of the business and concern of the company in certain events on FIRST CHARGE BASIS ranking pari passu with the other term lenders in favour of

1. Andhra Bank, Sultan Bazar Branch, Hyderabad to secure its Rupee Term Loan of Rs.24.55 Crores

2. State Bank of India (*erstwhile State Bank of Hyderabad before its merger with State bank of India*) to secure its Rupee Term Loan of Rs.7.98 Crores and on SECOND CHARGE BASIS ranking pari passu among the second charge holders in favour of

1. Andhra Bank, Sultan Bazar Branch, Hyderabad to secure its working capital facilities of Rs. 23.66 Crores

2. State Bank of India (*erstwhile State Bank of Hyderabad before its merger with State bank of India*) of Rs. 8.18 Crores to secure working capital facilities

together with interest thereon at the respective agreed rates, compound interest, additional interest, liquidated damages, premia on prepayment or on redemption, cost, charges, expenses and other monies, payable by the Company to Andhra Bank and State Bank of India (*erstwhile State Bank of Hyderabad before its merger with State bank of India*) under their letter of sanctions / loan agreements entered / to be entered into by the Company in respect of the said financial assistance.

Provided however that the above mortgage on the second charge basis in favour of Andhra Bank and State Bank of India (*erstwhile State Bank of Hyderabad before its merger with State bank of India*) to secure their working capital facilities shall rank second and subservient to the charges created / to be created by the Company in favour of Andhra Bank & State Bank of India (*erstwhile State Bank of Hyderabad before its merger with State bank of India*) to secure the term loans sanctioned / to be sanctioned by them.

**“RESOLVED FURTHER THAT** the Company do hereby authorize the Board to take all necessary steps for the execution of the documents for creation of the aforesaid mortgage/charge.”

By order of the Board  
For **Suryavanshi Spinning Mills Limited**

Place: Secunderabad  
Date : 01.09.2017

**R.K. Agarwal**  
Managing Director

## NOTES:

1. The register of members and share transfer books of the Company will be closed from 23<sup>rd</sup> September, 2017 to 29<sup>th</sup> September, 2017 (both days inclusive) for the purpose of Annual General Meeting.
  2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (AGM) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON POLL INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

A person can act as proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. The holder of the proxy shall prove his/her identity at the time of attending the meeting.
  3. A member holding more than 10% of the total share capital may appoint a single person as Proxy and such person shall not act as Proxy for any other person or member. The Instrument appointing the proxy should be deposited at the registered office of the company not less than forty-eight hours before the commencement of the meeting.
  4. The shareholders desiring any further information as regards the accounts are requested to write to the Company so as to reach it at least one week prior to the date of the meeting for consideration of the management to deal at the meeting.
  5. Corporate Members intending to send their authorized representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company, a certified copy of the relevant Board Resolution together with their respective specimen signatures authorizing their representative(s) to attend and vote on their behalf at the Meeting.
  6. Members may note that the Notice of the 38<sup>th</sup> AGM and the Annual Report for FY 2016-17, copies of audited financial statements, directors' report etc., will also be available on the website of the company, [www.suryavanshi.com](http://www.suryavanshi.com) for download. Members holding shares in electronic mode are therefore requested to keep their email address updated with the Depository Participants. Members holding shares in physical mode are also requested to update their email addresses by writing to the Registrar and Transfer Agent of the Company at the address M/s Karvy Computershare Private Limited, Karvy Selenium Tower B, Plot No 31 & 32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad – 500 032, Telangana.
7. **E-Voting:**
- (i) Pursuant to the provisions of Section 108 and other applicable provisions, if any, of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Amendment Rules, 2015 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide to its Members, the facility to cast their vote electronically, through the e-voting services provided by Karvy Computershare Private Limited (KCPL) on all resolutions set forth in this Notice. The members may cast their votes using an electronic voting system from a place other than the venue of the Meeting ('remote e-voting').
  - (ii) In order to enable its Members, who do not have access to e-voting facility, to send their assent or dissent in writing in respect of the resolutions as set out in the Notice of AGM, the Company has also enclosed a ballot form with the Annual Report for 2016-17.
  - (iii) The facility for voting through polling paper shall be made available at the Meeting and the members attending the Meeting who have not cast their vote by remote e-voting/ballot form shall be able to vote at the Meeting through polling paper.
  - (iv) A Member can opt for only single mode of voting i.e. either through e-voting or by Ballot Form. If a Member casts votes by both modes then voting done through e-voting shall prevail and vote by Ballot shall be treated as invalid. The members who have cast their vote by remote e-voting/ballot form may also attend the Meeting but shall not be entitled to cast their vote again.
  - (v) The Board of Directors of the Company has appointed Smt Rashida Adenwala, a Practising Company Secretary, Partner, R & A Associates, Hyderabad as Scrutinizer to voting process (e-voting, ballot and poll) in a fair and transparent manner and she has communicated her willingness to be appointed and will be available for same purpose.



- (vi) **Voting rights shall be reckoned on the paid-up value of shares registered in the name of the member / beneficial owner (in case of electronic shareholding) as on the cut-off date i.e. 22<sup>nd</sup> September 2017.**
- (vii) **A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date, i.e. 22<sup>nd</sup> September 2017 only shall be entitled to avail the facility of remote e-voting, ballot form as well as voting at AGM through polling paper.**
- (viii) Any person who becomes a member of the Company after dispatch of the Notice of the Meeting and holding shares as on the cut-off date i.e. 22<sup>nd</sup> September 2017, may obtain the User ID and password by writing to Karvy at [evoting@karvy.com](mailto:evoting@karvy.com) or contact 040-67161606 or Toll Free No.1800 3454 001. However, if the person is already registered with Karvy for remote e-voting then the existing user ID and password can be used for casting vote.
- (ix) The remote e-voting facility will be available during the following period:  
**Commencement of remote e-voting: From 9.00 a.m. (IST) on 26<sup>th</sup> September 2017**  
**End of remote e-voting: Up to 5.00 p.m. (IST) on 28<sup>th</sup> September 2017**  
 The remote e-voting will not be allowed beyond the aforesaid date and time and the e-voting Module shall be disabled by Karvy upon expiry of aforesaid period.
- (x) The Scrutinizer, after scrutinising the votes cast at the meeting and through remote e-voting, will, not later than three days of conclusion of the Meeting, make a consolidated scrutinizer's report and submit the same to the Chairman. The results declared along with the consolidated scrutinizer's report shall be placed on the website of the Company [www.suryavanshi.com](http://www.suryavanshi.com) and on the website of Karvy <https://evoting.karvy.com>. The results shall simultaneously be communicated to BSE Limited.
- (xi) Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the Meeting, i.e. 29<sup>th</sup> September 2017.
- (xii) **Instructions and other information relating to remote e-voting:**
- A. **In case of Members receiving Notice through mail:**
- a. Open e-mail and open PDF File viz. "Suryavanshi Spinning Mills Ltd.pdf" with your client ID or folio No. as password. The said PDF File contains your user ID and password for e-voting. Please note that the password is an initial password.
  - b. Use the following URL for e-voting: From Karvy website: <http://evoting.karvy.com>
  - c. Shareholders of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date, may cast their vote electronically.
  - d. Enter the login credentials. In case of physical folio, User ID will be EVEN number followed by folio number. In case of Demat account, User ID will be your DP ID and Client ID. However, if you are already registered with Karvy for e-voting, you can use your existing User ID and password for casting your vote.
  - e. After entering the details appropriately, click on LOGIN.
  - f. You will reach the Password change menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,\$, etc.,). The system will prompt you to change your password and update any contact details like mobile, email etc., on first login. You may also enter the secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
  - g. You need to login again with the new credentials.
  - h. On successful login, the system will prompt you to select the EVENT i.e., **Suryavanshi Spinning Mills Limited.**

- i. On the voting page, enter the number of shares as on the cut-off date under FOR/ AGAINST or alternately you may enter partially any number in FOR and partially in AGAINST but the total number in FOR/ AGAINST taken together should not exceed the total shareholding. You may also choose the option ABSTAIN. If the shareholder does not indicate either “FOR” or “AGAINST” it will be treated as “ABSTAIN” and the shares held will not be counted under either head.
  - j. Shareholders holding multiple folios / demat account shall choose the voting process separately for each folios / demat account.
  - k. Voting has to be done for each item of the notice separately. In case you do not desire to cast your vote on any specific item it will be treated as abstained.
  - l. Cast your vote by selecting an appropriate option and click on SUBMIT. A confirmation box will be displayed. Click OK to confirm else CANCEL to modify. Once you confirm, you will not be allowed to modify your vote. During the voting period, shareholders can login any number of times till they have voted on the Resolution.
  - m. Once the vote on the Resolution is cast by the shareholder, he shall not be allowed to change it subsequently.
  - n. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authorization letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to rashida@rna-cs.com with a copy marked to evoting@karvy.com.
  - o. In case of any queries relating to e-voting, members may please refer the Frequently Asked Questions (FAQs) for shareholders and e-voting User Manual for shareholders available at the download section of <http://evoting.karvy.com> or contact **Mr. V Raghunath**, Deputy Manager, Karvy Computershare Private Limited, Karvy Selenium Tower B, Plot No. 31 & 32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad – 500 032, Contact no. 040-67161606, Toll free No. 1800 345 4001, email id: [raghu.veedha@karvy.com](mailto:raghu.veedha@karvy.com), [evoting@karvy.com](mailto:evoting@karvy.com).
- B. In case of members receiving notice through post/courier:**
- (i) E-voting Event Number (EVEN), User ID and Password is provided.
  - (ii) Please follow all steps mentioned above in Sr. No. (xii)(A)(b) to (xii)(A)(n) to cast your vote by electronic means.
- (xiii) Instructions and other information relating to Ballot Form:**
- (i) A Member desiring to exercise voting by using Ballot Form shall complete the enclosed Ballot Form with assent (FOR) or dissent (AGAINST) and send it to the Scrutinizer, Smt Rashida Adenwala, a Practising Company Secretary, Partner, R & A Associates, Hyderabad, duly appointed by the Board of Directors of the Company. Ballot Forms deposited in person or sent by post or courier will be accepted at the Registered Office of the Company.
  - (ii) Please convey your assent in Column “FOR” or dissent in the column “AGAINST” by placing a tick (✓) mark in the appropriate column in the Ballot Form only. The assent / dissent received in any other form / manner will not be considered.
  - (iii) Duly completed and signed Ballot Forms shall reach the Scrutinizer on or before **Thursday, September 28<sup>th</sup> 2017 (5.00 p.m. IST)**. The Ballot Forms received after the said date / time shall be strictly treated as if the reply from the Member has not been received.
  - (iv) Unsigned / incomplete Ballot Forms will be rejected. Scrutinizer’s decision on validity of the Ballot Form shall be final.

- (v) A Member may request duplicate Ballot Form, if so required, by writing to the Company at its Registered Office or by sending an email on **info@suryavanshi.com** by mentioning their Folio No. / DP ID and Client ID. However, the duly filled in duplicate Ballot Form should reach the scrutinizer not later than **Thursday, September 28<sup>th</sup> 2017 (5.00 p.m. IST)**.
8. The Companies Act, 2013 provides for the facility of nomination to the holders of Shares in a Company. Accordingly, members can avail the facility of nomination in respect of their shares held either singly or jointly. Members desiring to avail this facility are requested to fill up the prescribed nomination form and send the same to the Registered Office of the Company. (The forms are available at the Regd. Office).
9. Members are requested to notify immediately any change in their addresses to the Company.
10. The members are requested to bring their copy for the annual report with them at the time of attending Annual General Meeting.
11. A route map showing directions to reach the venue of the 38th AGM is given at the end of the Notice.
- By order of the Board

For **Suryavanshi Spinning Mills Limited**

Place: Secunderabad  
Date : 01.09.2017

**R.K.Agarwal**  
Managing Director

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

### **Item No. 3**

M/s. Brahmaya & Co., Chartered Accountants, Hyderabad have been the Statutory Auditors of the Company for the past several years and were last reappointed by the members at the Thirty Seventh Annual General held on 30/09/2016.

As per the provisions of the Companies Act, 2013 ("the Act"), no listed Company shall appoint an Audit Firm (including its affiliate firms) as Auditors for more than two terms of five consecutive years. The Act also provided for a transition period of three years from the commencement of the Act i.e., 1<sup>st</sup> April, 2014.

Accordingly, the term of the present Auditors, M/s. Brahmaya & Co., Chartered Accountants expires at the conclusion of this Annual General Meeting. The Audit Committee and the Board of Directors place on record their appreciation for the professional services rendered by M/s. Brahmaya & Co., during their association with the Company as its Auditors.

For the purpose of appointment of new Auditors, the Audit Committee along with the Management invited proposals from the reputed firms of Chartered Accountants and had detailed discussion with representatives of those firms. The Committee considered various parameters such as reputation of the firm, knowledge and experience of the partners, understanding of the Company business, technical assessment of audit skills and the Audit fees and based on

these detailed analysis, recommended M/s. K.S.Rao & Co., Chartered Accountants, Hyderabad (ICAI Firm Regn. No.003109S) as the Company's new Statutory Auditor. The Board of Directors based on the recommendation of the Audit Committee proposes the appointment of the M/s. K.S.Rao & Co., Chartered Accountants, Hyderabad (ICAI Firm Regn. No.003109S) as the Statutory Auditors of the Company to the members for their approval

If approved by the members, the appointment of M/s. K.S.Rao & Co., Chartered Accountants, Hyderabad (ICAI Firm Regn. No.003109S), as the Statutory Auditor will be for a period of five years commencing from the conclusion of Thirty Eighth Annual General Meeting of the Company till the conclusion of Forty Third Annual General Meeting (subject to ratification of the appointment by Members at every Annual General Meeting held after this Annual General meeting).

M/s. K.S.Rao & Co., Chartered Accountants, Hyderabad (ICAI Firm Regn. No.003109S) have confirmed that their appointment, if made would be within the limits specified under Section 141(3)(g) of the Act and that they are not disqualified to be appointed as Statutory Auditor in terms of the provisions of the proviso to Section 139(1), Section 141(2) and Section 141(3) of the Act and the provisions of the Companies (Audit and Auditors) Rules, 2014.

The Board of Directors recommends the resolution at Item No.3 of the Notice for your approval.

None of the Directors / Key Managerial Personnel / their relatives of the Company is interested in this resolution.

**Item No. 4**

Sri Rajender Kumar Agarwal has been re-appointed as Managing Director of the Company by the Board for a period of 3 years w.e.f. 13.02.2017 on remuneration of Rs.140000/- P.M. PLUS all applicable perquisites.

Sri Rajender Kumar Agarwal is one of the promoter directors of Suryavanshi Spinning Mills Limited and has vast knowledge of textile industry for more than 30 years and his experience in diverse field and guidance is considered vital to the company's growth. He is the executive director and has been associated with the company from October 1990

The above appointment was made subject to approval of Members and Banks and such other approvals as may be required:

S. No.	Name	Period	Remuneration (Rs.) per month (proposed)
1	Sri Rajender Kumar Agarwal	13.02.2017 to 12.02.2020	Rs.1,40,000/- P.M. Plus 40% HRA and with usual allowances and perquisites.

Perquisites have been detailed in the resolution no.4 these remunerations are further subject to the ceilings mentioned in Schedule V of the Companies Act, 2013.

The above appointment and remuneration have been approved by the Nomination and Remuneration Committee.

Additional Disclosure about the appointee as per Schedule V of the Companies Act, 2013.

**1. Nature of Industry**

Company is in the business of manufacturing of Polyester, polyester-viscose Blended Yarns and Medical Textiles Products at Aliabad, Shameerpet Mandal, Ranga Reddy District, in the state of Telangana, catering to both domestic and the export markets.

**2. Date of commencement of commercial production: N.A.**

Company has started its operations from 1978

**3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus : N.A.**

**4. Financial performance based on given indicators:**

Financial Statements and other documents form part of the Annual Report 2016-17.

**5. Foreign investments or collaborators, if any.**

At present the Company does not have any Collaboration, either technical or financial.

**II. Information about the appointee:**

**I. Background details:**

Sno	Particulars	Details
1	Name	Rajender Kumar Agarwal
2	Qualification	B.E (Mechanical)
3	Past Remuneration Drawn	Rs.1,40,000/- P.M. Plus applicable allowances and perquisites
4	Job Profile and Sustainability	He has vast experience in Procurement, Construction, installation and commissioning of the Spinning Units. He has been associated with Company from 1990 and from last two decade he is serving as executive director of the Company. In addition to the above he looks after Administration and Export Activities of the Company. He has developed niche in markets effectively and identified several new overseas markets for the Company's Products.

**2. Recognition or awards : Nil**

**3. Remuneration proposed :**

It is proposed to pay the remuneration as proposed in the Resolution at item No. 4.

**4. Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin):**

Compared to the remuneration profile of position and person with respect to this industry and size, he is entitled to the remuneration mentioned in the resolution at Item No. 4.

**5. Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any :**

Sri R.K.Agarwal, Managing Director has the direct pecuniary relationship by way of remuneration from the company, Sri B.N. Agarwal being father to Sri R.K.Agarwal, they are deemed to have an indirect pecuniary relationship with the companies, firms, persons and entities which are mentioned in the related party contracts mentioned in this Annual Report.

### III. **Other information:**

#### I **Reasons for inadequate profits**

The company earned inadequate profits due to excess capacity in the industry, mismatch of selling prices and of finished and raw material prices and intermittent imports of polyester yarn have contributed to the depressed markets.

#### 2. **Steps taken or proposed to be taken for improvement**

The Company has got **39648** spindles of spinning capacity at its spinning unit at Aliabad, Telangana. Company has drawn expansion, modernization and value addition programme involving addition of spindles capacity and installation of other value added machines.

Company has plans to focus on production of value added yarns i.e slub yarns injection yarns, multicount / multi twist yarns, two/three ply yarns for sewing thread applications, fancy yarns like neps and linen effects. These applications have already been installed partially, started production and established markets. Company wants to scale up the operations further. Company also wants to start Course yarns like NE 20 for knitting and sewing thread application as a future strategy. On account of this measures being taken by the Company, the

performance is going to be improved over a period of time.

#### 3. **Expected increase in productivity and profits in measurable terms.**

Company is expected to increase its turnover by around 5% and the company is expected to achieve reasonable profits.

Board of Directors recommends the resolutions stated at Item No. 4 of the Notice for your approval.

Sri Rajender Kumar Agarwal is interested in the resolution with regard to his re-appointment and the relatives of Sri Rajender Kumar Agarwal may be deemed to be interested in the said resolution to the extent of their shareholding in the company.

Except the above none of the other Directors/ Key Managerial Personnel of the Company/their relatives is in anyway concerned or interested, financially or otherwise in the Item No. 4 of the Notice.

#### **Item No. 5**

The Company has been sanctioned working capital facilities of Rs.23.66 Crores by Andhra Bank, Sultan Bazar Branch, Hyderabad and Rs.8.18 Crores to be sanctioned by State Bank of India (*erstwhile State Bank of Hyderabad before its merger with State bank of India*) as shown in below table:

These working capital facilities are to be secured by way of second charge on the Company's immovable properties on pari-passu basis (in addition to pari-passu first charge on current assets along with other working capital Bankers).

(Figures in Rs. Crores)

Nature of Facility	Andhra Bank	State Bank of India	Total
OCC/PC/PCFC/CBP (Fresh)	11.33	4.85	<b>16.18</b>
FBP/FUBD/REBA (Fresh)	5.00	-	<b>5.00</b>
Bank Guarantee (Renewal)	0.33	0.33	<b>0.66</b>
Forward contract	7.00	3.00	<b>10.00</b>
<b>Total</b>	<b>23.66</b>	<b>8.18</b>	<b>31.84</b>

Also, the Company has been sanctioned Term Loans of Rs.24.55 Crores by Andhra Bank and Rs.7.98 Crores to be sanctioned by State Bank of India (*erstwhile State Bank of Hyderabad before its merger with State bank of India*) as shown in below table:

These term loans sanctioned/ to be sanctioned by Andhra Bank and State Bank of India (*erstwhile State Bank of Hyderabad before its merger with State bank of India*) are to be secured First Pari-passu charge on the entire Fixed Assets of the Company both current and future along with State Bank of India (previously State Bank of Hyderabad) and they are further secured by way of Second charge on the current assets of the company.

(Figures in Rs. Crores)

Nature of Facility	Andhra Bank	State Bank of India	Total
Corporate Loan	10.43	4.48	<b>14.91</b>
Term Loan –I	0.35	-	<b>0.35</b>
Term Loan –II	2.13	-	<b>2.13</b>
New Term Loan	2.79	-	<b>2.79</b>
WCTL	5.92	2.53	<b>8.45</b>
FITL	2.93	0.97	<b>3.9</b>
<b>TOTAL</b>	<b>24.55</b>	<b>7.98</b>	<b>32.53</b>

The mortgage and / or charge on any of the movable and / or immovable or any other tangible and intangible assets / properties and / or the whole or any part of the undertaking(s) of the Company, to secure borrowings of the Company with a power to the charge holders to take over the management of the business of the Company in certain events of default, may be regarded as disposal of the Company's undertaking(s) within the meaning of Section 180(1)(a) of the Companies Act, 2013, thus it is necessary to pass a special resolution under Section 180(1)(a) of the Act, for creation of charges/ mortgages/hypothecations within the overall ceiling prescribed by the members under Section 180(1)(c) of the Act.

The above proposal is in the interest of the Company and the Directors recommend the resolutions set out at item No 5 for the approval of the Members.

None of the Directors and/or Key Managerial Personnel of the Company and their relatives is concerned or interested financially or otherwise in the resolution.

By order of the Board  
For **Suryavanshi Spinning Mills Limited**

Place: Secunderabad  
Date: 01.09.2017

**R.K.Agarwal**  
Managing Director

## ANNEXURE TO ITEM 2 OF THE NOTICE

Details of Directors seeking appointment and re-appointment at the forthcoming Annual General Meeting  
(in pursuance of Regulation 36 (3) of SEBI (Listing Obligations and Disclosure Requirements), 2015)

<b>Name of the Director</b>	<b>Sri Rajender Kumar Agarwal</b>
DIN	<u>00041892</u>
Date of Birth	28.07.1962
Nationality	Indian
Date of Appointment on the Board	12.10.1990
Qualifications	B.E (Mechanical)
Expertise in specific functional area	Experience of more than 25 years in Textiles business.
Number of shares held in the Company as on 31.03.2017	1219359
List of the directorships held in other companies	<ol style="list-style-type: none"> <li>1. Hyzesst Apparel Private Ltd</li> <li>2. Telangana Spinning &amp; Textile Mills Association</li> <li>3. Sheshadri Power and Infrastructure Private Limited</li> <li>4. Suryalaxmi Enterprises Private Limited</li> </ol>
Chairman/ Member in the Committees of the Boards of companies in which he is Director*	Nil

\* Committee memberships/chairmanships includes only Audit Committee and Stake holders' Relationship Committee of other Public Limited Companies (whether Listed or not).

Sri Rajender Kumar Agarwal is interested in the resolution with regard to his re-appointment and the relatives of Sri Rajender Kumar Agarwal may be deemed to be interested in the said resolution to the extent of their shareholding in the company.

Except the above none of the other Directors/Key Managerial Personnel of the Company/their relatives is in anyway concerned or interested, financially or otherwise in the Item No. 2 of the Notice.

## DIRECTORS' REPORT

Dear Shareholders,

We have pleasure in presenting the 38<sup>th</sup> Annual Report on the business and operations of Company and Financial Results for the year ended 31<sup>st</sup> March, 2017.

### I. FINANCIAL RESULTS Rs. In lakhs

	2016-2017	2015-2016
Turnover/Revenue	6623.43	10296.57
Gross Profit/Loss before financial charges & depreciation	(431.94)	387.15
Less: Depreciation	182.55	173.12
Financial charges	571.81	533.52
Exceptional items	-	14.61
Profit / (Loss) before taxation	(1186.30)	(334.10)
Tax expenses	92.05	85.83
Profit / (Loss) after taxation	(1278.35)	(419.93)

### 2. OPERATIONS

During the year under review, the company achieved total turnover of Rs.6623.43 lakhs which is lower than that of the previous year. The operations during the year have resulted in a loss of Rs.1278.35 lakhs as against the loss of Rs.419.93 lakhs in previous year.

The Company's operations have been affected due to insufficient working capital funds, pending sanction of restructuring facilities from banks. Demonetization of high value currency and intermittent imports of polyester yarn leading to depressed domestic markets have also adversely affected the company during the year.

### 3. CHANGE IN SHARE CAPITAL

There is no change in Share Capital of the company during the year under review.

### 4. DIVIDEND

In view of losses incurred by the Company during the year under review, the Board is unable to recommend dividend.

### 5. EXPORTS

During the year under review the company's exports were Rs. 7.84 crores as against Rs. 27.09 crores of the previous financial year.

### 6. EXPANSION & MODERNISATION

Modernization and technological up-gradation programs continue in the Company to maintain competitiveness and achieve better quality. Company

plans to modernize by adding balancing equipment with a capital cost of about Rs. 445.60 lakhs. Stringent cost control measures remain in place in all possible areas and are regularly reviewed.

### 7. FUTURE OUTLOOK

The company plans to focus on production of value added yarns i.e. slub yarns injection yarns, multicount/multi twist yarns, two/three ply yarns for sewing thread applications, fancy yarns like neps and linen effects. These applications have already been installed partially, started production and established markets. Company wants to scale up the operations further. Company also wants to start Course yarns like NE 20 for knitting and sewing thread application as a future strategy.

### 8. CORPORATE GOVERNANCE

The report on Corporate Governance is not being enclosed to this report in view of the relaxation under regulation 15(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

### 9. MANAGEMENT DISCUSSIONS AND ANALYSIS REPORT

Management's Discussions and Analysis Report for the year under review, as stipulated under Regulation 34 read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements), 2015 is presented in a separate section forming part of the Annual Report as **Annexure – IV**.

### 10. ENVIRONMENT AND POLLUTION CONTROL

The manufacturing facility has obtained environmental clearance from the Pollution Control Board concerned and is in compliance with all current environmental legislation. As an integral part of its environment protection drive, the Company ensures the very minimum quantity of generation of waste, low emission levels and low noise pollution levels during operations of its manufacturing facility.

### 11. DIRECTORS AND KEY MANAGERIAL PERSONNEL

#### A. APPOINTMENTS AND RESIGNATIONS

During the year under review, Sri R Surender Reddy, Independent Director has resigned from Board with effect from 19<sup>th</sup> September 2016 due to pre-occupations and Sri Badrinarayan Agarwal, Executive Chairman and Whole-time Director has resigned from board with effect from 27<sup>th</sup> May 2017 due to health issues. The



Board records its appreciation for the services rendered by them.

The necessary Resolution for obtaining the approval of Members for the re-appointment of Sri Rajender Kumar Agarwal (DIN No. 00041892), as Managing Director for the period of three years have also been included in notice for the ensuing Annual General Meeting.

#### **B. RETIREMENT BY ROTATION**

Pursuant to the provision of Section 152 of the Companies Act, 2013, Sri Rajender Kumar Agarwal (DIN No. 00041892), Director will retire at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. The Board recommends his re-appointment

#### **C. EVALUATION OF THE BOARD'S PERFORMANCE**

In compliance with the Companies Act, 2013 and as per the Listing Regulations, the performance evaluation of the Board and of its Committee was carried out during the year under review.

The Directors evaluation was broadly based on the parameters such as understanding of the Company's vision and objective, skills, knowledge and experience, participation and attendance in Board/ Committee meetings; governance and contribution to strategy; interpersonal skills etc.

The Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as evaluation of the working of its Board Committees. A structured questionnaire was prepared covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board Culture, execution and performance of specific duties, obligations and governance.

A meeting of the Independent Directors was also held which reviewed performance of non-independent directors, performance of the board as a whole and performance of the chairman after taking in to account the views of executive directors and non-executive directors. The same was discussed in the board meeting that followed the meeting of the independent directors, at which the performance of the board, its committees and individual directors was also discussed. Performance evaluation of independent directors was done by the entire board, excluding the independent director being evaluated.

#### **D. DECLARATION BY INDEPENDENT DIRECTORS**

All the Independent Directors of the Company have given declaration stating that they meet the criteria of independence as provided under Companies Act, 2013.

#### **E. FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS**

The Company has formulated a familiarization program for Independent Directors to provide insights into the Company's manufacturing, marketing, finance and other important aspects to enable the Independent Directors to understand its business in depth and contribute significantly to the Company. The Company Secretary briefs the Director about their legal and regulatory responsibilities as a Director. The details of such program are available on the Company's website ([www.suryavanshi.com](http://www.suryavanshi.com))

### **2. BOARD AND THEIR COMMITTEES**

#### **1. BOARD OF DIRECTORS**

##### **a) Composition and Number of Board Meetings:**

As on 31<sup>st</sup> March, 2017, the board of Directors comprises of 5 (Five) Directors of these, 2 (Two) are Executive Directors and 3 (Three) are Independent Directors. The chairman was an Executive Director who has resigned with effect from 27<sup>th</sup> May 2017.

The Board of Directors of the Company met Five (5) times during the year i.e. on 30.05.2016, 09.08.2016, 14.11.2016, 31.01.2017 and 14.02.2017.

##### **b) Disclosure of relationships between directors inter-se:**

Except for Sri Badrinarayan Agarwal and Sri Rajender Kumar Agarwal being father and son, there is no inter-se relationship between other Board Members.

#### **2. AUDIT COMMITTEE**

During the year, Sri R. Surender Reddy, Member of Audit Committee has resigned from the Board and Membership of Audit Committee with effect from 19<sup>th</sup> September 2016 and consequently Audit Committee was re-constituted during the period under review.

The Audit Committee comprises of Sri Surender Kumar Agarwal (Chairman), Sri

Manish Gupta and Sri Rajender Kumar Agarwal as other members. All the recommendations made by the Audit Committee were accepted by the Board.

During the financial year ended March 31, 2017 – Four (4) Audit Committee Meetings were held on 30.05.2016, 09.08.2016, 14.11.2016 and 14.02.2017

### **3. NOMINATION & REMUNERATION COMMITTEE**

The company follows a policy on remuneration of Directors and Senior Management Employees. The policy is approved by the Nomination & Remuneration Committee and the Board.

The Nomination and Remuneration Committee comprises of Sri Surender Kumar Agarwal (Chairman), Sri Manish Gupta and Smt Sushma Gupta as other members. All the recommendations made by the Nomination and Remuneration Committee were accepted by the Board.

During the financial year ended March 31, 2017 – One (1) Nomination and Remuneration Committee Meetings were held on 31.01.2017.

### **4. STAKEHOLDERS' RELATIONSHIP COMMITTEE**

Your company has constituted a Stakeholders' Relationship Committee to specifically look into the mechanism of redressal of grievances of shareholders and other security holders.

Sri Surender Kumar Agarwal (Chairman) is the Non-Executive Director heading the Committee and Sri B. Somasekhara Rao, CFO & Company Secretary is the compliance officer of the Company

There are no pending complaints during the year under review.

## **12. AUDITORS & AUDITORS' REPORT**

### **A. STATUTORY AUDITORS**

As the members are aware, M/s Brahmayya & Co., Chartered Accountants, Hyderabad (ICAI Firm Regn. No.000513S) have been the Company's Statutory Auditors for several years. In accordance with section 139 of the Companies Act, 2013 and rules made there under the Company is required to appoint a new firm of Auditors for a term of five consecutive

years from the conclusion of the ensuing Annual General Meeting.

Accordingly the Company proposes to appoint M/s K.S.Rao & Co., Chartered Accountants, Hyderabad (ICAI Firm Regn. No.003109S) in place of M/s Brahmayya & Co., as its Statutory Auditors. The Board wishes to place on record its appreciation of the services rendered by M/s Brahmayya & Co., Chartered Accountants in its long association with the Company.

M/s K.S.Rao & Co., Chartered Accountants have expressed their willingness to be appointed as the Statutory Auditors of the company and furnished the certificate of their eligibility and consent for the same under Section 141 of the Companies Act, 2013, and the rules framed thereunder in terms of the Listing Regulations, the Auditors have confirmed, that they hold a valid certificate issued by the Peer Review Board of the ICAI. The Board, based on the recommendation of the Audit Committee, recommends the appointment of M/s K.S. Rao & Co., Chartered Accountants as the Statutory Auditors of the company. The Auditors' Report to the Shareholders for the year under review does not contain any qualification.

However, In respect of the observation made by the Statutory Auditors in Annexure-A to their report at Para 7(a), Para 8 and at note No.26 in notes to accounts, the management is of the considered opinion based on their discussions with the banks / financial institutions that with the implementation of restructuring of the loans and a rehabilitation package being worked out, the operations of the company will be normalized and the company will be able to meet its liabilities to the banks and discharge its statutory dues in the near future.

With reference to auditors' observations on note No.35 to the financial statements, the Board considers the note itself is self-explanatory.

### **B. SECRETARIAL AUDITOR**

During the year, the Company has appointed M/s NVVS Suryanarayana Rao, Practicing Company Secretaries as Secretarial Auditor in compliance with the provision of Section 204 of the Companies Act, 2013. The Secretarial Audit report in form MR-3 for the financial year ended 31<sup>st</sup> March 2017 is annexed herewith as **Annexure I** to this Report.

The Secretarial Audit Report does not contain any qualification or adverse remark.

However, In respect of the observation made by the Secretarial Auditors in their report, the management is of the considered opinion based on their discussions with the banks / financial institutions that with the implementation of restructuring of the loans and a rehabilitation package being worked out, the operations of the company will be normalized and the company will be able to meet its liabilities to the banks and discharge its statutory dues in the near future.

### **13. DIRECTORS' RESPONSIBILITY STATEMENT:**

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013:

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

### **14. RELATED PARTY TRANSACTIONS**

All related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of business. There

are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large. Thus disclosure in Form AOC-2 is not required.

All Related Party transaction are presented to the Audit Committee and the board. Omnibus approval is obtained for the transactions which are foreseeable and repetitive in nature. A Statement of all related party transactions is presented before the Audit Committee and the Board on a quarterly basis, specifying the nature, value and terms and conditions of the transactions. The Policy on materiality of related party transactions as approved by the Board may be accessed on the Company's website at <http://www.suryavanshi.com/policy-policy.html>.

Your Directors draw attention of the members to Note 31 to the financial statement which sets out related party disclosures.

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

The particulars relating to conservation of energy, technology absorption, foreign exchange earnings and outgo required to be given pursuant to the provisions of Section 134 of the Companies Act, 2013 read with the Companies (Account) Rules, 2014 is annexed hereto and marked **Annexure II** and forms part of this Report.

### **16. INTERNAL FINANCIAL CONTROLS**

The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weakness in the design or operation was observed.

### **17. PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES:**

The information required pursuant to Section 197(12) of Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of the employees of the Company, will be provided upon request. In terms of Section 136 of the Act, the Report and Accounts are being sent to the members and others entitled thereto, excluding the information on employees' particulars which is available for inspection by the members at the Registered Office of the Company during business hours on working days of the Company upto the date of the ensuing

Annual General Meeting. If any member is interested in obtaining a copy thereof, such member may write to the Company Secretary in this regard.

No employee was in receipt of remuneration in excess of the limits prescribed under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended and hence the disclosure as required under Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is not required.

#### **18. POLICY ON SEXUAL HARASSMENT:**

The Company has in place a policy on Prevention of Sexual Harassment of Employees at workplace in accordance with The Sexual harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal Compliant Committee has been set to redress complaints received regarding sexual harassment.

During the year under review, the Company has not received any complaints pertaining to sexual harassment.

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

The Company has not made any loan, given guarantee or provided security pursuant to the provisions of Section 186 of Companies Act, 2013. The details of investments made by the Company pursuant to the provisions of Section 186 of Companies Act, 2013 is provided in Note 10 to the financial statement.

#### **20. DISCLOSURES:**

##### **A. EXTRACT OF ANNUAL RETURN**

Extract of Annual Return of the Company is annexed herewith as **Annexure III** to this Report.

##### **B. WHISTLE BLOWER POLICY**

The Company has in place a Whistle Blower Policy for vigil mechanism for the directors and employees to report genuine concerns to the management about unethical behavior, fraud, violation of Company's code of conduct and provides adequate safeguards against victimization of persons who use such mechanism. The Policy on vigil mechanism may be accessed on the Company's website at the link: <http://www.suryavanshi.com/whistle-blower-policy.html>. There were no complaints received during the year 2016-17.

#### **C. LISTING**

The Company confirms that it has paid listing fees for the year to BSE Limited where its shares are listed.

#### **21. GENERAL**

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

- a. Details relating to deposits covered under Chapter V of the Act.
- b. The Company has no subsidiaries, joint ventures or associate companies.
- c. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

#### **22. ACKNOWLEDGEMENTS:**

The Board of Directors is pleased to place on record their appreciation of the co-operation and support extended by All India Financial Institutions, Banks and various State and Central Government Agencies.

The Board would also like to thank the Company's shareholders, customers, suppliers for the support and the confidence which they have reposed in the management. The Board place on record its appreciation of the contribution made by the employees at all levels for their hard work, solidarity, co-operation and support.

By order of the Board  
For **Suryavanshi Spinning Mills Limited**

**R.K.Agarwal**  
Managing Director

Place: Secunderabad  
Date : 01.09.2017

**Surender Kumar Agarwal**  
Director

## Annexure I

### FORM NO. MR-3

#### SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2017.

[Pursuant to section 204(1) of the Companies Act, 2013 and rule no.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members,  
**SURYAVANSHI SPINNING MILLS LIMITED,**  
105, Sardar Patel Road,  
Secunderabad – 500003, Telangana, India.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. Suryavanshi Spinning Mills Limited (hereinafter called the “**Company**”). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of the Company’s books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2017 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2017 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 to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’):-
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b) Securities and Exchange Board of India (Listing Obligations And Disclosure Requirements) Regulations, 2015;
  - c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009-**(Not applicable to the Company during the Audit Period)**;
  - e) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 notified on 28<sup>th</sup> October 2014- **(Not applicable to the Company during the Audit Period)**;
  - f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 – **(Not applicable to the Company during the Audit Period)**;
  - g) 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;

- h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and – **(Not applicable to the Company during the Audit Period);**
  - i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 – **(Not applicable to the Company during the Audit Period).**
- vi. The following other laws as specifically applicable to the Company in view of the management are:
- a) Textiles (Development and Regulation) Order, 2001; and
  - b) Hank Yarn Packing Notification issued under Essential Commodities Act, 1955.

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

- i. Secretarial Standards issued by The Institute of Company Secretaries of India with respect to board and general meetings.
- ii. The Listing Agreement entered into by the Company with BSE India Limited.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above. However, company has defaulted in payments undisputed statutory dues as at March 31, 2017 which includes Provident Fund, Employees 'State Insurance, Income-tax, Sales-tax, Service tax and Value added tax.

**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 the 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 are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

**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.

For and behalf of **M/s NVVS Suryanarayana Rao**  
Company Secretaries

**Mr. NVVS Suryanarayana Rao**

Date: 01.09.2017

ACS No.: 5868

Place: Hyderabad

C P No.: 2886

***This report is to be read with our letter of even date, which is annexed as "Annexure – A" and forms an integral part of this report***

**“Annexure – A”**

To  
The Members  
Suryavanshi Spinning Mills Limited  
105, Sardar Patel Road  
Secunderabad - 500003, Telangana, India

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

1. Maintenance of secretarial records is the responsibility of the management of M/s. Suryavanshi Spinning Mills Limited, (**“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.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
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.

**For and behalf of M/s NVVS Suryanarayana Rao  
Company Secretaries**

Date: 01.09.2017  
Place: Hyderabad

**Mr. NVVS Suryanarayana Rao**  
ACS No.: 5868  
C P No.: 2886

## ANNEXURE - II

Particulars of Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo required under the Companies (Accounts) Rules, 2014

### A. CONSERVATION OF ENERGY

i)	The steps taken or impact on conservation of energy	An energy audit was undertaken by a firm of consultants to improve upon the energy conservation measures. The recommendations from the audit were implemented.
ii)	The steps taken by the Company for utilizing alternate sources of energy	Nil
iii)	The capital investment on energy conservation equipments	Nil

### B. TECHNOLOGY ABSORPTION

i)	The efforts made towards technology absorption	The Company has adapted indigenous technology and innovated upon the same.
ii)	The benefits derived like product improvement, cost reduction, product development or import substitution	Product improvement, increase in yield, production of high value added products.
iii)	In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)	No technology has been imported during the last three years.
	a. The details of technology imported	NA
	b. The year of import	NA
	c. Whether the technology been fully absorbed	NA
	d. If not fully absorbed, areas where absorption has not taken place and the reasons thereof and	NA
iv)	The expenditure incurred on Research and Development	Expenditure on in-house Research & Development was not incurred during the year under review.

### C. FOREIGN EXCHANGE EARNINGS AND OUTGO

(Rs. in Lakhs)

i)	Foreign Exchange Earned:	<b>2016-17</b>	2015-16
	FOB value of exports	<b>766.93</b>	2650.22
	CIF value of exports	<b>802.01</b>	2708.82
ii)	Foreign Exchange used:		
	Commission on Exports	<b>0.85</b>	3.96
	Foreign Travel Expenses	<b>12.98</b>	9.08
	Stores & Spares	<b>3.63</b>	7.01



## ANNEXURE – III

### FORM NO. MGT - 9

#### EXTRACT OF ANNUAL RETURN

as on the financial year ended 31.03.2017

[Pursuant to Section 92(3) of the Companies Act, 2013, and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

#### I. REGISTRATION AND OTHER DETAILS:

i)	CIN	LI4220TG1978PLC002390
ii)	Registration Date	27/12/1978
iii)	Name of the Company	Suryavanshi Spinning Mills Limited
iv)	Category / Sub-Category of the Company	Company Limited by shares / Indian Non-Government Company
v)	Address of the Registered Office and contact details	6 <sup>th</sup> Floor, Surya Towers, 105, Sardar Patel Road, Secunderabad – 500 003 Tel No. 040-30512700 Fax: 040-30512725
vi)	Whether listed company Yes / No	Yes
vii)	Name, address and contact details of Registrar and Transfer Agent, if any	Karvy Computershare Private Limited Karvy Selenium Tower B, Plot No 31 & 32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad – 500 032, Telangana Tel no. 040-67161606, Fax No. 040-23420814

#### 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 products / services	NIC Code of the Product / service	% to total turnover of the company
1	Polyester yarn	1311-Preparation and spinning of textile fibres	87.81%
2	Absorbent bleached cotton	1313 - Finishing of textiles	12.19%

#### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. No.	Name and address of the Company	CIN/GLN	Holding / subsidiary / Associate	% of shares held	Applicable section
NONE					

#### IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

##### i) Category-wise shareholding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total shares	Demat	Physical	Total	% of Total shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual / HUF	2582297	-	2582297	52.61	2582297	-	2582297	52.61	-
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt.(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corporate	-	-	-	-	-	-	-	-	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other -Trust	268203	-	268203	5.46	268203	-	268203	5.46	-
<b>Sub-Total (A)(1):</b>	<b>2850500</b>	<b>-</b>	<b>2850500</b>	<b>58.07</b>	<b>2850500</b>	<b>-</b>	<b>2850500</b>	<b>58.07</b>	<b>-</b>
<b>(2) Foreign</b>									
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other - Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other....	-	-	-	-	-	-	-	-	-
<b>Sub-Total (A)(2):</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Shareholding of Promoters (A) = (A) (1)+(A)(2)</b>	<b>2850500</b>	<b>-</b>	<b>2850500</b>	<b>58.07</b>	<b>2850500</b>	<b>-</b>	<b>2850500</b>	<b>58.07</b>	<b>-</b>
<b>B. Public Shareholding</b>									
<b>(1) Institutions</b>									
a) Mutual Funds / UTI	148	110	258	0.01	148	110	258	0.01	-
b) Banks / FI	259	166	425	0.01	259	166	425	0.01	-
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt.(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
<b>Sub-Total (B)(1):</b>	<b>407</b>	<b>276</b>	<b>683</b>	<b>0.01</b>	<b>407</b>	<b>276</b>	<b>683</b>	<b>0.01</b>	<b>-</b>

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total shares	Demat	Physical	Total	% of Total shares	
<b>(2) Non-Institutions</b>									
<b>a) Bodies Corporate</b>									
i) Indian	109796	482745	592541	12.07	126436	482745	609174	12.41	0.34
ii) Overseas	-	-	-	-	-	-	-	-	-
<b>b) Individuals</b>									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	926559	166440	1092999	22.27	909801	162273	1072074	21.84	-0.43
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	352499	-	352499	7.18	353925	-	353925	7.21	0.03
<b>c) Others (specify)</b>									
i) NRI	10622	-	10622	0.22	17078	-	17078	0.35	0.13
ii) Clearing Members / Clearing House	8732	-	8732	0.18	3133	-	3133	0.06	-0.12
iii) NRI (Non-Repatriated)	-	-	-	-	2009	-	2009	0.04	0.04
<b>Sub-Total (B)(2):</b>	<b>1408208</b>	<b>649185</b>	<b>2057393</b>	<b>41.92</b>	<b>1412382</b>	<b>645011</b>	<b>2057393</b>	<b>41.92</b>	<b>-</b>
<b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>	<b>1408615</b>	<b>649461</b>	<b>2058076</b>	<b>41.93</b>	<b>1408615</b>	<b>649461</b>	<b>2058076</b>	<b>41.93</b>	<b>-</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	<b>4259115</b>	<b>649461</b>	<b>4908576</b>	<b>100.00</b>	<b>4259115</b>	<b>649461</b>	<b>4908576</b>	<b>100.00</b>	<b>-</b>

ii) **Shareholding of promoters**

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total share	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total share	
1	Rajender Kumar Agarwal	1219359	24.84	-	1219359	24.84	-	-
2	Yamunadevi Agarwal	1011767	20.61	-	1011767	20.61	-	-
3	Badrinarayan Agarwal Family Trust	268203	5.46	-	268203	5.46	-	-
4	Badrinarayan Agarwal	222747	4.54	-	222747	4.54	-	-
5	Narbada Bai	128424	2.62	-	128424	2.62	-	-
	<b>Total</b>	<b>2850500</b>	<b>58.07</b>	<b>-</b>	<b>2850500</b>	<b>58.07</b>	<b>-</b>	<b>-</b>

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

(iv) 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		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Westend Developers Limited				
	At the beginning of the year	481000	9.80	481000	9.80
	At the End of the year			481000	9.80
2	Jahnvi Sri Dhanya S				
	At the beginning of the year	77000	1.58	77000	1.58
	At the End of the year			77000	1.58
3	Suryalakshmi Cotton Mills Limited				
	At the beginning of the year	37777	0.77	37777	0.77
	At the End of the year			37777	0.77
4	Nileshkumar Manubhai Mehta				
	At the beginning of the year	30093	0.61	30093	0.61
	Sale on 15 <sup>th</sup> July 2016	(4093)	0.08	26000	0.53
	Sale on 22 <sup>nd</sup> July 2016	(500)	0.01	25500	0.52
	Sale on 29 <sup>th</sup> July 2016	(1500)	0.03	24000	0.49
	At the End of the year			24000	0.49
5	Baman K Mehta				
	At the beginning of the year	25900	0.53	25900	0.53
	At the End of the year			25900	0.53
6	Jerambhai Karamshibhai Kakadia				
	At the beginning of the year	7330	0.15	7330	0.15
	Purchase on 1 <sup>st</sup> April 2016	192	0.00	7522	0.15
	Purchase on 8 <sup>th</sup> April 2016	402	0.01	7928	0.16
	Sale on 13 <sup>th</sup> May 2016	(100)	0.00	7828	0.16
	Sale on 20 <sup>th</sup> May 2016	(200)	0.00	7628	0.16
	Sale on 27 <sup>th</sup> May 2016	(162)	0.01	7466	0.15
	Purchase on 10 <sup>th</sup> June 2016	122	0.00	7588	0.15
	Sale on 17 <sup>th</sup> June 2016	(10)	0.00	7578	0.15
	Sale on 24 <sup>th</sup> June 2016	(283)	0.00	7295	0.15
	Purchase on 30 <sup>th</sup> June 2016	328	0.01	7623	0.16
	Purchase on 8 <sup>th</sup> July 2016	538	0.01	8161	0.17
	Purchase on 15 <sup>th</sup> July 2016	1000	0.02	9161	0.19
	Purchase on 22 <sup>nd</sup> July 2016	2501	0.05	11662	0.24

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	Sale on 29 <sup>th</sup> July 2016	(174)	0.01	11488	0.23
	Purchase on 26 <sup>th</sup> August 2016	468	0.01	11956	0.24
	Purchase on 2 <sup>nd</sup> September 2016	1553	0.04	13509	0.28
	Purchase on 9 <sup>th</sup> September 2016	415	0.00	13924	0.28
	Purchase on 16 <sup>th</sup> September 2016	129	0.01	14053	0.29
	Purchase on 30 <sup>th</sup> September 2016	75	0.00	14128	0.29
	Purchase on 21 <sup>st</sup> October 2016	905	0.02	15033	0.31
	Purchase on 28 <sup>th</sup> October 2016	1828	0.03	16861	0.34
	Purchase on 4 <sup>th</sup> November 2016	200	0.01	17061	0.35
	Purchase on 11 <sup>th</sup> November 2016	402	0.01	17463	0.36
	Purchase on 31 <sup>st</sup> December 2016	37	0.00	17500	0.36
	Purchase on 6 <sup>th</sup> January 2017	1344	0.02	18844	0.38
	Purchase on 13 <sup>th</sup> January 2017	721	0.02	19565	0.40
	Purchase on 20 <sup>th</sup> January 2017	822	0.02	20387	0.42
	Purchase on 3 <sup>rd</sup> February 2017	573	0.01	20960	0.43
	Purchase on 10 <sup>th</sup> February 2017	2479	0.05	23439	0.48
	Purchase on 10 <sup>th</sup> March 2017	1470	0.03	24909	0.51
	At the End of the year			24909	0.51
7	Manish Nileshkumar Mehta				
	At the beginning of the year	23533	0.48	23533	0.48
	Sale on 20 <sup>th</sup> May 2016	(10221)	0.21	13312	0.27
	Sale on 30 <sup>th</sup> June 2016	(5300)	0.11	8012	0.16
	Sale on 15 <sup>th</sup> July 2016	(2012)	0.04	6000	0.12
	Sale on 2 <sup>nd</sup> September 2016	(1000)	0.02	5000	0.10
	Sale on 9 <sup>th</sup> September 2016	(2500)	0.05	2500	0.05
	Sale on 23 <sup>rd</sup> September 2016	(2000)	0.04	500	0.01
	Sale on 7 <sup>th</sup> October 2016	(500)	0.01	0	0.00
	At the End of the year			0	0.00
8	Pranav Kumarpal Parekh				
	At the beginning of the year	13989	0.28	13989	0.28
	Purchase on 10 <sup>th</sup> March 2017	7565	0.16	21554	0.44
	At the End of the year			21554	0.44
9	Vinodchandra Mansukhlal Parekh				
	At the beginning of the year	19992	0.41	19992	0.41
	At the End of the year			19992	0.41

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
10	Atul Jitendra Agarwal				
	At the beginning of the year	18500	0.38	18500	0.38
	At the End of the year			18500	0.38

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

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Badrinarayan Agarwal** Executive Chairman				
	At the beginning of the year	222747	4.54	222747	4.54
	At the End of the year			222747	4.54
2	Rajender Kumar Agarwal Managing Director				
	At the beginning of the year	1219359	24.84	1219359	24.84
	At the End of the year			1219359	24.84
3	R. Surender Reddy**				
	At the beginning of the year	370	0.01	370	0.01
	At the end of the year			370	0.01
4	Surender Kumar Agarwal Independent Director				
	At the beginning of the year	Nil	Nil	Nil	Nil
	At the end of the year			Nil	Nil
5	Manish Gupta Independent Director				
	At the beginning of the year	Nil	Nil	Nil	Nil
	At the end of the year			Nil	Nil
6	Sushma Gupta Independent (Woman) Director				
	At the beginning of the year	185	0.00	185	0.00
	At the end of the year			185	0.00
7	B. Somasekhara Rao CFO & Company Secretary				
	At the beginning of the year	Nil	Nil	Nil	Nil
	At the end of the year			Nil	Nil

\*\* B.N. Agarwal and R. Surender Reddy resigned from the board with effect from 27<sup>th</sup> May 2017 and 19<sup>th</sup> September 2016 respectively

## V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(Rs. in Lakhs)

	Secured Loans Excluding deposits	Unsecured Loans	Deposits	Total Indebted- ness
Indebtedness at the beginning of the financial year:				
i) Principal Amount	3402.25	232.49	-	3634.73
ii) Interest due but not paid	18.52	-	-	18.52
iii) Interest accrued but not due	-	-	-	-
<b>Total (i + ii + iii)</b>	<b>3420.77</b>	<b>232.49</b>	<b>-</b>	<b>3653.25</b>
Change in Indebtedness during the financial year:				
• Addition	270.39	157.42	-	427.81
• Reduction	175.90	70.38	-	246.28
<b>Net Change</b>	<b>94.49</b>	<b>87.04</b>	<b>-</b>	<b>181.53</b>
Indebtedness at the end of the financial year:				
i) Principal Amount	3496.74	319.53	-	3816.27
ii) Interest due but not paid	231.74	-	-	231.74
iii) Interest accrued but not due	-	-	-	-
<b>Total (i + ii + iii)</b>	<b>3728.48</b>	<b>319.53</b>	<b>-</b>	<b>4048.01</b>

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(Rs. in Lakhs)

Sl. no.	Particulars of Remuneration	Name of MD/WTD/Manager		Total Amount
		Mr. Rajender Kumar Agarwal, Managing Director	Mr. Badrinarayan Agarwal, Whole-time Director (resigned w.e.f 27.05.2017)	
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	23.52	25.20	48.72
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	2.87	3.06	5.93
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-

Sl. no.	Particulars of Remuneration	Name of MD/WTD/Manager		Total Amount
		Mr. Rajender Kumar Agarwal, Managing Director	Mr. Badrinarayan Agarwal, Whole-time Director (resigned w.e.f 27.05.2017)	
4.	Commission	-	-	-
	- as % of profit	-	-	-
	- others, specify...	-	-	-
5.	Others, please specify Contribution to Provident fund	2.02	-	2.02
	<b>Total (A)</b>	<b>28.41</b>	<b>28.26</b>	<b>56.67</b>
	Ceiling as per the Act	<b>60.00*</b>	<b>60.00*</b>	<b>120.00</b>

\*As per Section II Part II of Schedule V

**B. Remuneration to other Directors:**

(Rs. in Lakhs)

Sl. No.	Particulars of Remuneration	Name of the Directors				Total Amount
1.	Independent Directors	Mr. R. Surender Reddy (resigned w.e.f 19.09.2016)	Mr. Surender Kumar Agarwal	Mr. Manish Gupta	Ms. Sushma Gupta	
	• Fee for attending board / committee meetings	0.06	0.32	0.32	0.22	0.92
	• Commission	-	-	-	-	-
	• Others- Incidental Expenses	0.03	0.15	0.15	0.15	0.48
	<b>Total (1)</b>	<b>0.09</b>	<b>0.47</b>	<b>0.47</b>	<b>0.37</b>	<b>1.40</b>
2.	Other Non-Executive Directors					
	• Fee for attending board / committee meetings	-	-	-	-	-
	• Commission	-	-	-	-	-
	• Others, please specify	-	-	-	-	-
	Total (2)	-	-	-	-	-
	Total (B)=(1+2)	<b>0.09</b>	<b>0.47</b>	<b>0.47</b>	<b>0.37</b>	<b>1.40</b>
	Total Managerial Remuneration (A+B)					<b>58.07</b>
	Overall Ceiling as per the Act (for Independent Directors)	<b>2.00*</b>	<b>11.00*</b>	<b>11.00*</b>	<b>7.00*</b>	<b>31.00*</b>

\* Rs. 1 lac per each meeting attended



**C. Remuneration to Key Managerial Personnel other than MD/ Manager/WTD:**

(Rs. in Lakhs)

Sl. no.	Particulars of Remuneration	Key Managerial Personnel
		Mr. B. Somasekhara Rao, CFO & Company Secretary
1.	Gross salary	
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	17.06
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-
2.	Stock Option	-
3.	Sweat Equity	-
4.	Commission	-
	- as % of profit	-
	- others, specify...	-
5.	Others, please specify Contribution to Provident fund	0.45
	<b>Total</b>	<b>17.51</b>

**VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES**

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty			NONE		
Punishment					
Compounding					
<b>B. DIRECTORS</b>					
Penalty			NONE		
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty			NONE		
Punishment					
Compounding					

## Annexure - IV

### MANAGEMENT DISCUSSION ANALYSIS FORMING PART OF THE ANNUAL REPORT

#### 1. INDUSTRY STRUCTURE, DEVELOPMENT AND PRODUCT WISE PERFORMANCE

The Company is in the business of manufacturing of Polyester, polyester-viscose Blended Yarns and Medical Textiles Products at Aliabad, Shameerpet Mandal, Ranga Reddy District in the state of Telangana, catering to both domestic and the export markets.

In terms of textile units, Indian Textile & Garment industry is one of the largest in the world. Most of the processing units in India are independent units, with some being integrated with spinning, weaving or knitting units.

#### 2. INDIAN TEXTILE INDUSTRY

The Indian textiles industry, currently estimated at around US\$ 108 billion, is expected to reach US\$ 223 billion by 2021. The industry is the second largest employer after agriculture, providing employment to over 45 million people directly and 60 million people indirectly.

The Indian Textile Industry contributes approximately 5 per cent to India's Gross Domestic Product (GDP), and 14 per cent to overall Index of Industrial Production (IIP).

Indian exports of locally made retail and lifestyle products grew at a compound annual growth rate (CAGR) of 10 per cent from 2013 to 2016, mainly led by bedding bath and home décor products and textiles.

India, being 2<sup>nd</sup> largest textile manufacturer as well as fibre producer in the world. India is one of the world's leading and most cost efficient producers of the spun yarn. India is major exporting country as far as textile sector is concerned and not dependent on import.

#### 3. GLOBAL ECONOMY

Major macroeconomic realignments are affecting prospects differentially across countries and regions. These include the slowdown and rebalancing in China; a further decline in commodity prices, especially for oil, with sizable redistributive consequences across sectors trade; and declining capital flows to emerging market and developing economies. These realignments together with a host of noneconomic factors, including geopolitical tensions and political discord are generating substantial uncertainty. On the

whole, they are consistent with a subdued outlook for the world economy but risks of much weaker global growth have also risen. In addition, China has moved towards a service economy to result in a changing supply chain landscape, at the benefit of South East Asian countries.

#### 4. GOVERNMENT INITIATIVES

The Indian government has come up with a number of export promotion policies for the textiles sector. It has also allowed 100 per cent FDI in the Indian textiles sector under the automatic route.

Some of initiatives taken by the government to promote the industry are as under:

- The Government of India plans to introduce a mega package for the powerloom sector, which will include social welfare schemes, insurance cover, cluster development, and upgradation of obsolete looms, along with tax benefits and marketing support, which is expected to improve the status of power loom weavers in the country.
- The Ministry of Textiles has signed memorandum of understanding (MoU) with 20 e-commerce companies, aimed at providing a platform to artisans and weavers in different handloom and handicraft clusters across the country for selling their products directly to the consumer.
- Memorandum of Understanding (MoU) worth ₹ 8,835 crore (US\$ 1.3 billion) in areas such as textile parks, textile processing, machinery, carpet development and others, were signed during the Vibrant Gujarat 2017 Summit.
- The Union Minister for Textiles inaugurated Meghalaya's first-ever apparel and garment making centre to create employment opportunities in the region. The Union Minister for Textiles also mentioned Meghalaya has been sanctioned ₹ 32 crore (US\$ 4.8 million) for promotion of handlooms
- The Government of India has announced a slew of labour-friendly reforms aimed at generating around 11.1 million jobs in apparel and made-ups sectors, and increasing textile exports to US\$ 32.8 billion and investment of ₹ 80,630 crore (US\$ 12.09 billion) in the next three years.

- The Clothing Manufacturers' Association of India (CMAI) has signed a memorandum of understanding (MOU) with China Chamber of Commerce for Import and Export of Textiles (CCCT) to explore potential areas of mutual co-operation for increasing apparel exports from India.
  - The Government of India has started promotion of its 'India Handloom' initiative on social media like Facebook, Twitter and Instagram with a view to connect with customers, especially youth, in order to promote high quality handloom products
- The Government of India has implemented several export promotion measures such as:**
- Specified technical textile products are covered under Focus Product Scheme. Under this scheme, exports of these products are entitled for duty credit scrip equivalent to 2 per cent of freight on board (FOB) value of exports.
  - Under the Market Access Initiative (MAI) Scheme, financial assistance is provided for export promotion activities on focus countries and focus product countries.
  - Under the Market Development Assistance (MDA) Scheme, financial assistance is provided for a range of export promotion activities implemented by Textiles Export Promotion Councils.
- at attractive prices
  - Manufacturing Competitiveness across the textile Value Chain
  - Lack of Infrastructure and power facilities
  - Shortage of skilled manpower and labour related issues
  - Competitor countries like China produce cheap and good quality crafts
  - Continuation of recessive trends for an extended period will cast its long shadow on textiles industry
  - Low export and domestic demand and uncertainty of economic environment
  - High financial charges and strict environmental standards

## 6. RISKS AND CONCERNS:

**Poor Infrastructure:** High power costs and long export lead times are eroding India's export competitiveness across the textile chain.

**Economic slowdown:** Textile as a product is highly dependent on macro-economic scenario of the countries across the world. Any slowdown in the economy might have a direct impact on the operations of the Company.

**Modernization:** Spinning sector lacks modernization and there is a need of introducing new technology.

**Processing:** Processing is the weakest link in the Indian textile value chain, adversely affecting its ability to compete in exports.

## 7. OUT LOOK:

India is the 2nd largest global producer of textiles and garments. The textile sector plays a key role in the Indian economy by way of significant contribution to GDP, manufacturing output, employment generation and export earnings.

Major markets for Indian Textile and Clothing (T&C) export are the USA, Germany, Italy, Portugal, Spain, Switzerland, U.K. Belgium, and other European countries. The domestic market is also on the path of healthy growth because of the fact that few manufacturing facilities operating abroad have closed down due to recession. The home-textiles and garment segments are reflecting sound growth both in the domestic and international markets and there is a substantial scope for further growth in these segments.

## 5. OPPORTUNITIES AND THREATS

### 5.1 Opportunities:

- Integration of Information technology 'Supply Chain Management' and 'Information Technology' has a crucial role in apparel manufacturing. Availability of EDI (Electronic Data Interchange) makes communication fast, easy, transparent and reduces duplication.
- Opportunity in High Value Items India has the opportunity to increase its UVR's (Unit Value Realization) through moving up the value chain by producing value added products and by producing more and more technologically superior products.

### 5.2 Threats:

Firms in textiles sector are facing following problems in adding capacity due to:

- Non-Availability of Adequate raw materials in terms of quantity and quality

### **Polyester Yarn**

The crop year of 2015-16 has seen considerable fall in polyester price, which has happened on the backdrop of decline in crude oil prices. During the period between April and February 2015-16, polyester price fell by around 21% to \$1.22 per kilogram from \$1.55 per kilogram during the same period last year. However, in spite of fall in price, polyester has managed to emerge as the replacement for cotton in the global market. (Source: ICRA Research report, March 2016)

### **8. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The Company has an adequate internal control system commensurate with the size and complexity of the organization. The Company has undertaken a comprehensive review of all internal control systems to take care of the needs of the expanding size of the Company and also upgraded the IT support systems. A system of internal audit to meet the statutory requirement as well as to ensure proper implementation of management and accounting controls is in place. The Audit Committee periodically reviews the adequacy of the internal audit functions.

### **NOTE:**

1. Readers are advised to kindly note that the above discussion contains statements about risks, concerns, opportunities, etc., which are valid only at the time of making the statements. A variety of factors known / unknown, expected or otherwise may influence the financial results. These statements are not expected to be updated or revised to take care of any changes in the underlying presumptions.
2. Readers may therefore appreciate the context in which these statements are made before making use of the same.

### **9. MATERIAL DEVELOPMENTS IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED:**

There are no material developments in the Human Resources area. The industrial relations were generally found satisfactory. The Company entered into long-term wage agreements for a period of 4 years with workers' union. The Company constantly reviews the man power requirements and has a properly equipped Department to take care of the requirements. During the period under review, the total number of people employed by the Company is 331 in addition to indirect employment created.

### **10. DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE**

The total Revenue for the year 2016-17 was Rs. 6623.44 lakhs and incurred loss of Rs. 1186.30 lakhs.

### **11. DISCLOSURE OF ACCOUNTING TREATMENT**

In the preparation of financial statements, no treatment different from that prescribed in Accounting Standard has been followed.

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## INDEPENDENT AUDITORS' REPORT

To

**The Members of  
Suryavanshi Spinning Mills Limited.**  
Secunderabad.

### Report on the Financial Statements

We have audited the accompanying financial statements of SURYAVANSHI SPINNING MILLS LIMITED, ("the Company"), which comprise the Balance Sheet as at 31st March, 2017, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

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

### Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical re-

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditors' 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 the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2017, and its Loss and its cash flows for the year ended on that date.

### Emphasis of Matter:

We draw attention to the following matters in the Notes to the financial statements:

- a. Note No. 26 to the financial statements regarding preparation of the financial statements on a going concern basis, despite complete erosion of the net worth and current liabilities exceeding current assets as at 31<sup>st</sup> March, 2017. Also, there were lower cash inflows from existing business activities and default in payment of dues to banks/financial institutions.

- b. Note No. 35 to the financial statements relating to non-provision of interest for delay in payments to MSME suppliers. Our opinion is not qualified in respect of these matters.

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

1. As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of subsection (11) of section 143 of the Act, we give in the Annexure A, 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 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, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.

- (f) With respect of 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".
- (g) With respect to the other matters to be included in the Auditors' 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 has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 25 (c), (d) and (e) of financial statements.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - iv. The Company has provided requisite disclosures in the financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8<sup>th</sup> November, 2016 to 30<sup>th</sup> December, 2016. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with the books of account maintained by the Company and as produced to us by the Management – Refer Note 34 to the Financial Statements.

for **BRAHMAYYA & CO.**  
Chartered Accountants  
Firm's Regn No. 0005135

Place: Hyderabad  
Date : 27.05.2017

**(K.SHRAVAN)**  
Partner  
Membership No.215798

## Annexure - A to the Auditors' Report:

The Annexure referred to in Para I under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date, to the members of SURYAVANSHI SPINNING MILLS LIMITED, SECUNDERABAD, for the year ended March 31, 2017.,

1.
  - a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - b. As explained to us, the management has physically verified the fixed assets during the year and there is a regular programme of physical verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of the assets. No discrepancies were noticed on such verification.
  - c. According to the information and explanation given to us and on the basis of our examination of the records of the Company, the immovable properties have been transferred to Suryavanshi Spinning Mills Limited (Demerged company) as per the scheme of demerger approved by Hon'ble High Court at Hyderabad.
2. The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable. No material discrepancies were noticed on such verification between the physical stocks and book records.
3.
  - a. During the year, the Company has not granted any loans, secured or unsecured to Companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013.
  - b. In view of our comments in para (a) above, Clause (III) (a), (b) and (c) of paragraph 3 of the aforesaid order are not applicable to the Company.
4. In our opinion and according to the information and explanation given to us, the Company has not advanced any loan to any Director and no investments were made during the year as referred to in sections 185 and 186 of the Act. Therefore, the provisions of Paragraph 3(iv) of the Companies (Auditors' Report) Order 2016 are not applicable to the Company.
5. The Company has not accepted any deposits from the public. Hence the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013, and the rules framed there under, do not apply to this Company.
6. We have broadly reviewed the cost records maintained by the Company pursuant to sub-section (1) of section 148 of the Companies Act, 2013 and are of the opinion that prime facie the prescribed accounts and records have been made and maintained. We have however not made a detailed examination of the cost records with a view to determine whether they are accurate or Complete.
7.
  - a. According to the records, the company is not regular in depositing undisputed statutory dues including provident fund, employees' state insurance, Income-tax, Sales-tax, Service tax, Value added tax, Cess and all other statutory dues with the appropriate authorities. However, the extent of the arrears of outstanding statutory dues as at March 31, 2017 for a period of more than six months from the date they became payable are as follows:

Name of statute	Nature of the dues	Amount (In Lakhs)	Period to which the amount relates	Due Since	Date of Payment
TS VAT	Sales Tax	32.91	2016-17	Since June, 2016	Not yet paid

- b. According to the records of the Company and the information and explanations given to us, there are no dues to Income Tax or Sales Tax or Service Tax or Duty of Customs or Duty of Excise or Value Added Tax have not been deposited on account of any dispute except as follows:

Nature of the Statute	Nature of Dues	Amount (Rs in Lakhs)	Period to which the amount relates (Financial year)	Forum where dispute is pending
Andhra Pradesh General Sales Tax (APGST) Act, 1957	Sales Tax dues	23.51	2001-2002	Hon'ble High Court, Hyderabad

8. In our opinion and according to the information and explanations given to us, the Company has defaulted in repayment of loans to financial institutions and Banks.

Name of the Bank	Amount of default as at the Balance Sheet date (Rs in Lakhs)*	Period of default
i) Andhra Bank – I	36.27	From Sep'2016
ii) Andhra Bank – II	48.00	From Sep'2016
iii) Andhra Bank – Corp	39.00	From Sep'2016
iv)SBH – Corp	16.50	From Sep'2016

\* Principal dues excluding interest

9. The Company did not raise any money by way of initial public offer or further public offer (including debt instrument) during the year. In our opinion and according to the information and explanations given to us, the term loans have been applied for the purposes for which they were obtained.
10. 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.
11. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
12. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Companies (Auditors' Report) Order 2016 is not applicable.
13. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
14. According to the information and explanation given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
15. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Companies (Auditors' Report) Order 2016 is not applicable.
16. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

for **BRAHMAYYA & CO.**  
Chartered Accountants  
Firm's Regn No. 000513S

Place: Hyderabad  
Date : 27.05.2017

**(K.SHRAVAN)**  
Partner  
Membership No.215798



## **Annexure – B to the Auditors’ Report**

### **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 SURYAVANSHI SPINNING MILLS LIMITED, SECUNDERABAD (“the Company”) as of 31<sup>st</sup> March 2017 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 Companies Act, 2013.

#### **Auditors’ Responsibility**

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, 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 aspects.

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 auditors’ judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud and error.

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

#### **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 expenditure 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 policies or procedures may deteriorate.

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2017, 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 **BRAHMAYYA & CO.**  
Chartered Accountants  
Firm's Regn No. 000513S

**(K.SHRAVAN)**

Partner

Membership No.215798

Place: Hyderabad  
Date : 27.05.2017

## Balance Sheet as at 31st March, 2017

(Figures in ₹ Lakhs)

Particulars	Note No.	As at 31st March, 2017	As at 31st March, 2016
<b>Equity and Liabilities</b>			
<b>Shareholders' funds</b>			
Share capital	1	491.08	491.08
Reserves and surplus	2	(799.44)	478.91
		(308.36)	969.99
<b>Non-current liabilities</b>			
Long-term borrowings	3	1821.15	1907.97
Long-term provisions	4	93.57	77.57
		1914.72	1985.54
<b>Current liabilities</b>			
Short-term borrowings	5	1627.26	1412.17
Trade payables	6	582.33	600.15
Other current liabilities	7	1108.25	697.07
Short-term provisions	8	15.82	5.88
		3333.66	2715.27
		4940.02	5670.80
<b>Assets</b>			
<b>Non-current assets</b>			
Fixed assets			
Tangible assets	9	3310.20	3089.81
Intangible assets		0.13	0.13
Capital work-in-progress		4.35	364.62
		3314.68	3454.56
Non-current investments	10	3.48	62.38
Long-term loans and advances	11	226.88	197.12
		3545.04	3714.06
<b>Current assets</b>			
Inventories	12	745.75	1108.88
Trade receivables	13	161.04	447.99
Cash and cash equivalents	14	38.22	44.40
Short-term loans and advances	15	277.17	55.76
Other current assets	16	172.80	299.71
		1394.98	1956.74
		4940.02	5670.80
<b>Notes on financial statements</b>	I to 38		

The notes referred to above, form an integral part of these financial statements.

per our report of even date

For and on behalf of Board of Directors

**For Brahmaya & Co.**

Chartered Accountants

Firms' Registration Number: 000513S

**R.K. Agarwal**

Managing Director

**K.Shravan**

Partner

Membership Number:215798

**B.Somasekhara Rao**

Chief Financial Officer  
and Company Secretary

**Surender kumar Agarwal**

Director

Place : Hyderabad

Date : 27th May, 2017

**Statement of Profit and loss for the year ended 31st March, 2017**

(Figures in ₹ Lakhs)

Particulars	Note No.	Current year 31st March, 2017	Previous Year 31st March, 2016
<b>Revenue</b>			
Revenue from operations	17	6582.05	10181.44
Other income	18	41.39	115.13
<b>Total Revenue</b>		<b>6623.44</b>	<b>10296.57</b>
<b>Expenses</b>			
Cost of materials consumed	19	4267.43	6341.38
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	20	115.92	3.68
Power and fuel	21	989.81	1383.83
Employee benefits expense	22	882.94	931.88
Finance costs	23	571.81	533.52
Depreciation and amortization expense		182.55	173.12
Other expenses	24	799.28	1248.65
<b>Total expenses</b>		<b>7809.74</b>	<b>10616.06</b>
<b>Profit/(Loss) before Exceptional and Extraordinary items and tax</b>		<b>(1186.30)</b>	<b>(319.49)</b>
Exceptional items (Demerger Expenses)		-	14.61
<b>Profit/(Loss) before tax</b>		<b>(1186.30)</b>	<b>(334.10)</b>
Tax expense			
For earlier years		92.05	85.83
<b>Profit/(Loss) for the period, after tax</b>		<b>(1278.35)</b>	<b>(419.93)</b>
Earnings per equity share:			
(1) Basic		<b>(26.04)</b>	(8.56)
(2) Diluted		<b>(26.04)</b>	(8.56)
Notes on financial statements	I to 38		

The notes referred to above, form an integral part of these financial statements.

per our report of even date

For and on behalf of Board of Directors

**For Brahmaya & Co.**

Chartered Accountants  
Firms' Registration Number: 000513S

**R.K. Agarwal**  
Managing Director

**K.Shravan**

Partner  
Membership Number:215798

**B.Somasekhara Rao**

Chief Financial Officer  
and Company Secretary

**Surender kumar Agarwal**

Director

Place : Hyderabad  
Date : 27th May, 2017

**Notes forming part of the financial statement as at 31st March, 2017**

(Figures in ₹ Lakhs)

Particulars	As at 31st March, 2017		As at 31st March, 2016	
	Number	Amount	Number	Amount
<b>I Share Capital :</b>				
<b>Authorised</b>				
Equity Shares of Rs. 10 each	35250000	3525.00	35250000	3525.00
	35250000	3525.00	35250000	3525.00
<b>Issued</b>				
Equity Shares of Rs. 10 each	4913076	491.31	4913076	491.31
	4913076	491.31	4913076	491.31
Subscribed & paid up				
Equity Shares of Rs. 10 each	4908576	490.85	4908576	490.85
	4908576	490.85	4908576	490.85
Forfeited Shares:	-	0.23		0.23
<b>Total</b>	<b>4908576</b>	<b>491.08</b>	<b>4908576</b>	<b>491.08</b>

- (a) The Company has only one class of shares referred to as equity shares having a par value of Rs. 10/- each. Each holder of equity shares is entitled to one vote per share.
- (b) Disclosure pursuant to note no. 6(A)(d) Part I of schedule III of the Companies Act, 2013

Particulars	As at 31st March, 2017 Equity shares	As at 31st March, 2016 Equity shares
Shares outstanding at the beginning of the year	4908576	4908576
Shares issued during the year	-	-
Partly paid Equity shares of Rs. 5/- each	-	-
Shares redeemed / bought back during the year	N.A	N.A
Shares forfeited during the year	-	
Shares outstanding at the end of the year	4908576	4908576

- (c) Disclosure pursuant to Note no. 6(A)(g) of Part I of Schedule III to the Companies Act, 2013 (if more than 5%)

Name of Shareholder	As at 31st March, 2017		As at 31st March, 2016	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Rajender Kumar Agarwal	1219359	24.84	1219359	24.84
Yamunadevi Agarwal	1011767	20.61	1011767	20.61
Badrinarayan Agarwal Family Trust	268203	5.46	268203	5.46
Westend Developers Ltd	481000	9.80	481000	9.80

Particulars	As at 31st March, 2017	As at 31st March, 2016
<b>2 Reserves &amp; Surplus :</b>		
<b>a. Capital Redemption Reserve</b>		
At the commencement of the year	8.00	8.00
Closing Balance	8.00	8.00
<b>b. Securities Premium Account</b>		
At the commencement of the year	1048.61	1048.61
Closing Balance	1048.61	1048.61
<b>c. Export Allowance Reserve</b>		
At the commencement of the year	5.50	5.50
Closing Balance	5.50	5.50
<b>d. Surplus</b>		
At the commencement of the year	(583.20)	(163.27)
Add : For current year	(1,278.35)	(419.93)
Closing Balance	(1861.55)	(583.20)
<b>Total</b>	<b>(799.44)</b>	478.91
<b>3 Long Term Borrowings :</b>		
i. Term loans from banks		
a) Andhra Bank -II	85.60	165.60
b) Andhra Bank - Corporate Loan	924.00	1004.00
c) State Bank of Hyderabad - Additional Term loan	397.00	373.76
d) Reliance Capital Limited	95.02	132.13
	<b>1501.62</b>	1675.49

**NOTES:**

- i. Term Loans referred at (a) to (d) above are secured by mortgage of fixed assets present and future of the company on first charge pari passu basis and guaranteed by two Directors and relatives of directors the Company.

**Terms of Repayment**

Name of the Bank	Rate of Intrest	Quarterly
a) Andhra Bank -II	15.00%	4
b) Andhra Bank - Corporate Loan	14.75%	20
c) State Bank of Hyderabad - Additional Term loan	14.75%	20
d) Reliance Capital Limited	16.25%	27 monthly

Notes forming part of the financial statement as at 31st March, 2017

(Figures in ₹ Lakhs)

Particulars	As at 31st March, 2017	As at 31st March, 2016
<b>Unsecured</b>		
Deferred sales tax liability	85.28	110.69
Unsecured Loan from Directors	211.02	101.00
Inter-corporate Deposits	23.23	20.79
	<b>319.53</b>	<b>232.48</b>
<b>Total</b>	<b>1821.15</b>	<b>1907.97</b>

The sales tax deferment liability amounting to Rs.85.28 lakhs shown under unsecured loans above, is due for repayment as under

Year	Year of Repayment	Aliabad
2004-05	2018-19	16.98
2005-06	2019-20	6.22
2008-09	2022-23	11.68
2011-12	2024-25	10.08
2012-13	2025-26	40.32
		<b>85.28</b>

Particulars	As at 31st March,2017	As at 31st March,2016
<b>4 Long Term Provisions</b>		
<b>Provision for employee benefits</b>		
Gratuity (unfunded)	91.16	74.98
Leave Encashment (unfunded)	2.41	2.59
<b>Total</b>	<b>93.57</b>	<b>77.57</b>

Notes forming part of the financial statement as at 31st March, 2017

(Figures in ₹ Lakhs)

Particulars	As at 31 st March, 2017	As at 31st March, 2016
<b>5 Short Term Borrowings :</b>		
<b>Secured</b>		
(a) Loans repayable on demand		
(i) Andhra Bank	<b>1246.56</b>	971.00
(ii) State Bank of Hyderabad	<b>380.70</b>	437.61
	<b>1627.26</b>	1408.61
I. Working Capital Loans referred above are secured by way of hypothecation of Raw materials, Stock in process, finished goods and stores and spares and book debts of the Company and also secured by way of second charge on fixed assets of the company on pari passu basis and guaranteed by two Directors and two relatives of directors the Company.		
(b) <b>Other loans and advances</b>		
<b>Vehicle Purchase Loan :</b>		
HDFC Bank Ltd	<b>0</b>	3.56
	<b>0</b>	3.56
<b>Total</b>	<b>1627.26</b>	1412.17
<b>6 Trade Payables :</b>		
Dues to: Small and Micro Enterprises (Refer to note No.35)	<b>70.31</b>	45.79
: Other than Small and Micro Enterprises	<b>512.02</b>	554.36
<b>Total</b>	<b>582.33</b>	600.15
<b>7 Other Current Liabilities :</b>		
(a) Current maturities of long-term debt		
i. Term loans from banks		
a) ICICI Bank Ltd	-	66.64
b) Andhra Bank-I	<b>36.27</b>	64.27
c) Andhra Bank -II	<b>128.00</b>	76.00
d) Andhra Bank - Corporate Loan	<b>119.00</b>	52.00
e) State Bank of Hyderabad - Working capital term loan	-	8.23
f) State Bank of Hyderabad - Additional Term loan	<b>50.50</b>	22.00
g) Reliance Capital Limited	<b>34.09</b>	29.01
	<b>367.86</b>	318.15



**Notes forming part of the financial statement as at 31st March, 2017**

(Figures in ₹ Lakhs)

Particulars	As at 31st March, 2017	As at 31st March, 2016
(b) Interest accrued and due on borrowings		
Andhra Bank- T.L	136.50	17.64
Andhra Bank- W.C	37.21	-
ICICI Bank Ltd.	-	0.87
SBH- T.L	40.68	-
SBH- Working Capital	17.36	-
(c) Other payables	192.45	220.06
(d) Other payables - Statutory dues	36.71	10.94
(e) Salary & Reimbursements	104.85	75.68
(f) Contribution to PF & ESI	31.97	7.04
(g) Bonus Payable	21.10	10.34
(h) Advances received against sales	90.87	31.07
(i) Security Deposits Payable	5.28	5.28
(j) Sales tax deferment payable	25.41	-
	<b>740.39</b>	<b>378.92</b>
<b>Total</b>	<b>1108.25</b>	<b>697.07</b>
<b>8 Short Term Provisions :</b>		
<b>Provision for employee benefits</b>		
Gratuity (unfunded)	15.43	5.38
Leave Encashment (unfunded)	0.39	0.50
<b>Total</b>	<b>15.82</b>	<b>5.88</b>

(Figures in ₹ Lakhs)

Notes forming part of the financial statement as at 31st March, 2017

9. Fixed Assets

Particulars	Gross Block			Accumulated Depreciation/Amortisation			Net Block	
	Balance as at 1 April 2016	Additions	Disposals	Balance as at 1 April 2016	Depreciation for the year	Disposals	Balance as at 31st March, 2017	Balance as at 31st March, 2016
<b>a</b>								
<b>Tangible Assets</b>								
Land	6.13	-	-	-	-	-	6.13	6.13
<b>Buildings :</b>								
Factory Buildings	785.67	35.57	-	382.11	22.15	-	404.26	403.56
Non Factory Buildings-Non Resident	154.06	-	-	23.13	2.42	-	25.55	130.93
- Resident	114.44	-	-	18.93	1.80	-	20.73	95.51
<b>Plant and Equipment :</b>								
Plant And Machinery	5123.06	330.54	-	2842.94	122.47	-	2965.41	2280.12
Generators	28.66	-	-	27.24	-	-	27.24	1.42
Testing Equipment	18.04	-	-	16.87	0.05	-	16.92	1.17
Electrical Installations	176.61	29.23	-	123.06	8.01	-	131.07	53.55
Workshop Equipment	0.90	-	-	0.89	-	-	0.89	0.01
Weighing Machines	7.04	0.11	-	4.65	0.36	-	5.01	2.39
Water Works	16.67	-	-	15.18	0.10	-	15.28	1.49
Furniture & Fixtures	33.32	-	-	11.48	2.31	-	13.79	21.84
Office Equipment	11.36	2.09	-	9.98	0.56	-	10.54	1.38
Air-Conditioners	26.54	0.40	-	7.22	2.18	-	9.40	19.33
Vehicles	183.33	4.76	-	116.31	18.75	-	135.06	67.02
Data Processing	37.07	0.23	-	33.10	1.39	-	34.49	3.96
<b>Total</b>	<b>6722.90</b>	<b>402.93</b>	-	<b>3633.09</b>	<b>182.55</b>	-	<b>3815.64</b>	<b>3089.81</b>
<b>b</b>								
Intangible Assets								
Computer software	2.56	-	-	2.44	-	-	2.44	0.13
<b>Total</b>	<b>2.56</b>	<b>-</b>	<b>-</b>	<b>2.44</b>	<b>-</b>	<b>-</b>	<b>2.44</b>	<b>0.13</b>
<b>c</b>								
Capital Work In Progress	364.62	42.67	402.94	-	-	-	4.35	364.62
<b>Total</b>	<b>364.62</b>	<b>42.67</b>	<b>402.94</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4.35</b>	<b>364.62</b>
<b>Total (a + b + c)</b>	<b>7090.08</b>	<b>445.60</b>	<b>402.94</b>	<b>3635.53</b>	<b>182.55</b>	<b>-</b>	<b>3818.08</b>	<b>3454.56</b>
Less: Internal Transfer		402.93	402.94					
<b>Total</b>	<b>7090.08</b>	<b>42.67</b>	<b>-</b>	<b>3635.53</b>	<b>182.55</b>	<b>-</b>	<b>3818.08</b>	<b>3454.56</b>
<b>previos years figures</b>	<b>6780.49</b>	<b>375.00</b>	<b>65.41</b>	<b>3524.57</b>	<b>173.12</b>	<b>62.16</b>	<b>3635.53</b>	<b>3255.96</b>

Particulars	Face Value	No. of Shares	As at 31 st March, 2017	As at 31st March, 2016
<b>10 Non-current Investments :</b>				
<b>A At Cost - Non-Trade - Quoted :</b>				
(a) Investment in Equity instruments				
Jindal Polyfilms Limited	10	500	<b>0.49</b>	0.49
Artefact Projects Limited	10	2000	<b>0.20</b>	0.20
Merban Finance & Services Ltd	10	2000	<b>0.20</b>	0.20
Andhra Bank	10	5700	<b>0.57</b>	0.57
Icici Bank Ltd	10	100	<b>0.04</b>	0.04
Coal India Limited	10	441	<b>1.08</b>	1.08
<b>Total (a)</b>			<b>2.58</b>	2.58
<b>B At Cost - Non-Trade - Unquoted :</b>				
<b>Investments in controlled entities</b>				
Suryavanshi integrated apparel park ltd	10	9000	<b>0.90</b>	0.90
Seshadri Power And Infrastrucure Pvt Limited	10	589000	-	58.90
<b>Total (b)</b>			<b>0.90</b>	59.80
<b>Total (a+b)</b>			<b>3.48</b>	62.38
Aggregate market value of quoted investments - Rs.7.68 lakhs (Previous year Rs. 7.46 lakhs)				
<b>11 Long Term Loans and Advances :</b>				
<b>Deposits Recoverable</b>				
(Unsecured considered good)				
(Electricity and other deposits)			<b>226.88</b>	197.12
			<b>226.88</b>	197.12

Notes forming part of the financial statement as at 31st March, 2017

(Figures in ₹ Lakhs)

Particulars	As at 31st March, 2017	As at 31st March, 2016
<b>12 Inventories :</b>		
(Valued and certified by the Management)		
a. Raw Materials (Valued at cost on weighted average basis)	<b>152.44</b>	384.77
b. Stores and spares (Valued at cost on weighted average basis)	<b>98.49</b>	113.37
c. Finished goods (Valued at lower of cost or net realisable value basis)		
Yarn	<b>354.57</b>	365.10
d. <b>Work-in-progress</b> (Valued at lower of cost or net realisable value basis)	<b>138.58</b>	244.07
e. <b>Others - Cotton &amp; PV Waste (at realisable value)</b>	<b>1.67</b>	1.57
<b>Total</b>	<b>745.75</b>	1108.88
<b>Details of Raw Materials :</b>		
Polyster Staple Fibre	<b>72.43</b>	255.12
Imported PSF	<b>1.39</b>	2.35
Viscose Staple Fibre	<b>4.05</b>	6.63
Yarn	<b>41.07</b>	41.07
Cotton fibre	<b>33.50</b>	79.60
<b>Total</b>	<b>152.44</b>	384.77
<b>13 Trade Receivables :</b>		
(Unsecured, considered good)		
Receivables for a period exceeding six months	<b>79.57</b>	40.74
Receivables for a period less than six months	<b>81.47</b>	407.25
<b>Total</b>	<b>161.04</b>	447.99
<b>14 Cash and cash equivalents :</b>		
Cash on hand	<b>4.69</b>	11.36
Balances with Banks		
With Scheduled Banks	<b>28.51</b>	28.03
Balance with Banks against Margin Money / Guarantees	<b>5.00</b>	5.00
Savings Bank Account with post office (kept as security with sales tax department)	<b>0.02</b>	0.02
<b>Total</b>	<b>38.22</b>	44.41

Notes forming part of the financial statement as at 31st March, 2017

(Figures in ₹ Lakhs)

Particulars	Current Year 31st March, 2017	Previous Year 31st March, 2016
<b>15 Short-term loans and advances :</b>		
(Unsecured considered good)		
Advances for Capital purchases	-	2.00
Advances for purchases of Raw Material & Stores	<b>274.41</b>	50.23
	<b>274.41</b>	52.23
Advances to Staff	<b>2.14</b>	2.95
Other Advances	<b>0.62</b>	0.58
	<b>277.17</b>	55.76
<b>16 Other Current Assets :</b>		
Balance with Government Department	<b>3.45</b>	1.33
Subsidies Receivable	<b>2.29</b>	23.66
Interest Receivable	<b>12.33</b>	13.24
Export Licence Receivable	<b>7.36</b>	15.61
Pre-paid Expenses	<b>14.98</b>	23.66
Advance Tax (Net of provision)	<b>131.16</b>	128.94
MAT Credit entitlement	-	92.05
Other advances	<b>1.23</b>	1.22
<b>Total</b>	<b>172.80</b>	299.71

Notes forming part of the financial statement as at 31st March, 2017

(Figures in ₹ Lakhs)

Particulars	Current Year 31st March, 2017	Previous Year 31st March, 2016
<b>17 Sale of Products :</b>		
<b>(a) Domestic Sales</b>		
Yarn	5751.28	7416.39
Medical Textiles	18.03	29.98
Cotton Waste	28.27	26.25
<b>Total</b>	<b>5797.58</b>	<b>7472.62</b>
<b>(b) Export Sales</b>		
Medical Textiles	784.47	2708.82
<b>Total</b>	<b>784.47</b>	<b>2708.82</b>
<b>Grand Total</b>	<b>6582.05</b>	<b>10181.44</b>
<b>18 Other Income :</b>		
Interest Income	14.29	14.87
Dividend Income	0.15	0.24
Gain on foreign currency transactions & translation	6.89	2.08
Export benefits entitlement	20.04	74.23
Profit on sale of Assets	-	0.06
Insurance Claims	-	14.46
Excess Provision written Back	-	0.22
Profit on sale of licence	-	6.41
Prior Period Income	-	2.56
Miscellaneous Receipts	0.02	-
<b>Total</b>	<b>41.39</b>	<b>115.13</b>

**Notes forming part of the financial statement as at 31st March, 2017**

(Figures in ₹ Lakhs)

Particulars	Current Year 31st March, 2017	Previous Year 31st March, 2016
<b>19 Cost of materials consumed :</b>		
Opening Stocks	384.77	358.86
Add : Purchases	4037.56	6387.67
<b>Total</b>	<b>4422.33</b>	<b>6746.53</b>
Less : Cost of Raw materials sold	2.46	20.38
Less : Closing Stocks	152.44	384.77
<b>Total</b>	<b>4267.43</b>	<b>6341.38</b>
Imported and Indigeneous Raw Materials consumed :		
Imported	-	-
Indigeneous	100% 4267.43	100% 6341.38
<b>Total</b>	<b>100% 4267.43</b>	<b>100% 6341.38</b>
Details of Raw Material Consumed :		
Viscose Staple Fibre	0.12	97.13
Polyester Staple Fibre	3702.70	4510.90
Cotton fibre	486.70	1440.60
Dyeing Materials	77.91	292.74
<b>Total</b>	<b>4267.43</b>	<b>6341.37</b>
<b>20 Changes in inventories of Finished Goods, work-in-progress and stock-in-trade :</b>		
<b>OPENING STOCKS:</b>		
Yarn	365.10	390.35
Stock-in-Process	244.07	223.42
Cotton waste	1.57	0.65
	<b>610.74</b>	<b>614.42</b>
<b>CLOSING STOCKS:</b>		
Yarn	354.57	365.10
Stock-in-Process	138.58	244.07
Cotton waste	1.67	1.57
	<b>494.82</b>	<b>610.74</b>
(INCREASE)/DECREASE IN STOCKS	<b>115.92</b>	<b>3.68</b>

Notes forming part of the financial statement as at 31st March, 2017

(Figures in ₹ Lakhs)

Particulars	Current Year 31st March, 2017	Previous Year 31st March, 2016
<b>21 Power and fuel :</b>		
Electricity Charges	989.54	1383.66
Fuel Consumed	0.27	0.17
<b>Total</b>	<b>989.81</b>	<b>1383.83</b>
<b>22 Employee Benefits Expense :</b>		
Salaries and incentives	791.17	845.15
Contributions to Provident Fund	29.79	30.68
Gratuity	29.34	16.20
Contributions to Employee State Insurance	12.45	13.19
Staff welfare expenses	20.19	26.66
<b>Total</b>	<b>882.94</b>	<b>931.88</b>
<b>23 Finance Cost :</b>		
Interest expense	544.89	499.34
Other borrowing costs	26.92	34.18
<b>Total</b>	<b>571.81</b>	<b>533.52</b>



Notes forming part of the financial statement as at 31st March, 2017

(Figures in ₹ Lakhs)

Particulars	Current Year 31st March, 2017	Previous Year 31st March, 2016
<b>24 Other Expenses :</b>		
Stores Consumption :		
Consumable Stores	45.30	60.21
Packing Material Consumed	96.09	140.45
Consumption Of Fire Wood	34.23	127.18
	<b>175.62</b>	<b>327.84</b>
Payments to the auditor as		
a. auditor	0.69	0.69
b. for taxation matters	0.34	0.34
c. for Certification	0.18	0.18
	<b>1.21</b>	<b>1.21</b>
Rent	-	1.78
Repairs to : Buildings	15.39	20.71
: Machinery	93.08	172.19
: Others	13.61	17.99
Insurance	15.62	19.35
Rates and taxes, excluding, taxes on income	20.05	23.44
Training Charges	-	2.42
Printing and Stationery	4.92	5.27
Postage, Telegrams and Telephones	9.02	7.77
Travelling and Conveyance	35.55	34.31
Managerial Remuneration	54.52	54.52
Directors' Sitting Fees	1.42	1.40
Advertisement	1.43	2.06
Commission on Sales	11.04	11.91
Expenses on Sales	217.55	367.55
Legal & Professional Charges	6.55	11.07
Vehicle Maintenance	34.67	36.17
Loss on Sale of Fixed Assets	-	0.12
Miscellaneous expenses	80.98	127.14
Loss on foreign currency transactions & translation	6.69	2.27
Prior period items	0.36	0.16
	<b>622.45</b>	<b>919.60</b>
<b>Grand Total</b>	<b>799.28</b>	<b>1248.65</b>

Particulars	As at 31st March, 2017	As at 31 March, 2016
<b>25. Contingent Liabilities not provided for</b>		
a) Against Foreign Bills Discounted	-	356.28
b) Contracts to be executed on Capital Accounts	-	12.52
c) Demand from Sales Tax Department, Andhra Pradesh in connection with levy of purchase tax on polyester staple fibre from Reliance Industries Limited, levy of tax on work contract receipts and withdrawal of deferment availed by the company for the year 2001-02. AP. Sales Tax Appellate Tribunal set aside the order passed by the Sales Tax Authorities. The Department has challenged the said order before the Hon'ble High Court of AP. and the same is pending.	<b>23.51</b>	23.51
d) During the financial year, Company purchased power from Power Exchange at its Spinning division at Aliabad, Ranga Reddy District, Telangana. TSSPDCL imposed Cross subsidy to be paid on power drawn from Power Exchange at the rate of ₹1.29 per unit. Company took stay from Hon'ble High Court of Telangana to limit Cross Subsidy to ₹ 0.30 per unit. The Company is of the opinion that the liability on account of differential Cross subsidy of ₹ 0.99 per unit on power drawn from power exchange may not arise.	<b>62.11</b>	28.94
e) M/s.Suryavanshi Textiles Ltd was amalgamated with our company vide scheme of merger sanctioned by Board for Industrial and Financial Reconstruction (BIFR) under the provisions of Sick Industrial Companies (Special Provisions) Act, 1985 with effect from 01-04-2007. The scheme incorporates certain reliefs and concessions for consideration by income tax department including exemption from applicability of MAT u/s 115JB of the Income Tax Act, 1961 for a period of five years from 01-04-2007. The company is pursuing the matter with the authorities concerned for the said reliefs as per the scheme of merger and liability under MAT u/s 115JB of Income Tax Act 1961 including interest as per assessment orders is ₹ 41 lacs and ₹ 443 lacs for the assessment years 2010-11 and 2011-12 respectively. In the event of the liability being crystallized, the liability shall be shared by Suryavanshi Spinning Mills Limited (Demerged Company) , Aananda Lakshmi Spinning Mills Limited (Resulting Company 1) and Sheshadri Industries Limited (Resulting Company 2) equally, since the Company is demerged on 01-04-2013 (Appointed Date) as per the Scheme of Arrangement approved by Hon'ble High Court at Hyderabad.How ever, the relief sought by the company was heard by BIFR and the proceedings are awaited.		
26. The Company has recorded a net loss of ₹ 1278.35 lakhs for the year and has accumulated losses of ₹ 1861.55 lakhs as at March 31,2017 resulting in complete erosion of the net worth and current liabilities exceed current asset by ₹ 1938.68 lakhs. Further, there were lower cash inflows from the existing business activities. The Company has defaulted in payment of dues to banks/financial institutions and could not comply with the terms of sanction and/ or repayment schedules of the lending institutions and Banks. As the management of the Company is of the view that financial institutions would restructure the loans and viable rehabilitation package can be worked out, the accompanying financial statement have been prepared on a "going concern" basis.		

Notes forming part of the financial statement as at 31st March, 2017

(Figures in ₹ Lakhs)

Particulars	As at 31st March, 2017	As at 31st March, 2016
<b>27. Expenditure in Foreign currency during the year on account of:</b>		
a) Commission on Exports	0.85	3.96
b) Foreign Travel	12.98	9.08
<b>28. Value of imports calculated on CIF basis in respect of :</b>		
a) Purchase of Machinery	-	0.00
b) Purchase of Stores & Spares	3.63	7.01
<b>29. Earnings in Foreign Exchange:</b>		
F O B value of exports	766.93	2650.22
<b>30. Composition of Net Deferred Tax Asset/(Liability) :</b>		
Components of Deferred Tax		
Deferred Tax Asset on account of		
carry forward Loss	1,069.11	709.86
Employee Benefits	33.80	27.07
	<b>1,102.91</b>	736.93
Deferred Tax Liability on account of:		
Depreciation	513.24	511.81
	<b>513.24</b>	511.81
Deferred Tax Asset/(Liability) (Net)	<b>589.67</b>	225.12

Note: The company has not recognised deferred Tax Asset as a matter of prudence.

**31. Related party disclosure**

Related party disclosures as required by AS- 18 are given under

Name of the Party	Relationship	Name of Transaction	As at 31st March, 2017	As at 31st March, 2016
<b>a. Transactions during the year</b>				
Key Management				
Sri B.N.Agarwal Chairman	Key Management	Remuneration	28.26	28.26
		Unsecured Loan	-	-
Sri R.K.Agarwal Managing Director	Key Management	Remuneration	28.40	28.41
		Unsecured Loan	90.00	1.00
Relatives				
Mr. Rishikesh Agarwal	Son of Sri R.K. Agarwal	Salary	16.42	17.64
		Unsecured Loan	20.02	-
Associates				
M/S. Aananda Lakshmi Spinning Mills Limited	Enterprise in which the Key management personnel and relatives are interested	Purchase of Raw Material & Spares	0.41	197.52
		Sale of Raw Material	2.59	20.39
M/s. Sheshadri Industries Limited	Enterprise in which the Key management personnel and relatives are interested	Purchase of Raw Material	87.42	282.10
		Purchase of Machinery	1.79	0.51
M/s. Suryalakshmi Cotton Mills Limited	Enterprise in which the Key management personnel and relatives are interested	Interest on Unsecured Loan	2.70	2.42
<b>b. Payable as at 31.03.2017</b>				
M/s. Suryalakshmi Cotton Mills Limited	Enterprise in which the Key management personnel and relatives are interested	Unsecured Loan	23.23	20.79
M/s. Sheshadri Industries Limited	Enterprise in which the Key management personnel and relatives are interested	Purchase of Raw Material	0.30	57.13
Sri B.N.Agarwal Chairman	Key Management	Unsecured Loan	12.00	12.00
Sri R.K.Agarwal Managing Director	Key Management	Unsecured Loan	176.02	86.02
Mr. Rishikesh Agarwal	Son of Sri R.K. Agarwal	Unsecured Loan	23.00	2.98

Name of the Party	Relationship	Name of Transaction	As at 31st March, 2017	As at 31st March, 2016
<b>c. Receivable as at 31.03.2017</b>				
M/S. Aananda Lakshmi Spinning Mills Limited	Enterprise in which the Key management personnel and relatives are interested	Advance for purchase Raw Material	<b>208.73</b>	2.41
Sheshadri Power And Infrastructure Private Limited	Enterprise in which the Key management personnel and relatives are interested	Investment	-	58.90
Suryavanshi Integrated Apparel Park Limited	Enterprise in which the Key management personnel and relatives are interested	Investment	<b>0.90</b>	0.90

### 32. EMPLOYEE BENEFITS:

The Company has provided for Gratuity and leave encashment based on actuarial valuation on the basis of projected unit credit method.

The following table summarise the components of the net benefit recognized in the statement of profit and loss and amounts recognized in the balance sheet for Gratuity.

Profit and Loss account:	As at 31 st March,2017		As at 31 st March,2016	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Current service cost	<b>9.64</b>	<b>4.87</b>	<b>4.62</b>	0.46
Interest cost	<b>6.43</b>	<b>0.25</b>	<b>5.50</b>	0.12
Actuarial Gain / loss	<b>13.26</b>	<b>(3.36)</b>	<b>6.08</b>	3.02
Net benefit expense	<b>29.33</b>	<b>1.75</b>	<b>16.20</b>	3.60
Balance Sheet:				
Openingbalance of benefit obligations	<b>80.36</b>	<b>3.08</b>	<b>68.80</b>	1.53
Current service cost	<b>9.64</b>	<b>4.87</b>	<b>4.62</b>	0.46
Interest cost	<b>6.43</b>	<b>0.25</b>	<b>5.50</b>	0.12
Actuarial Gain / loss	<b>13.26</b>	<b>(3.36)</b>	<b>6.08</b>	3.02
Benefits paid	<b>(3.10)</b>	<b>(2.04)</b>	<b>(4.64)</b>	(2.05)
Closing balance of benefit obligations	<b>106.59</b>	<b>2.80</b>	<b>80.36</b>	3.08
The principal assumptions used in determining the Gratuity benefits obligation for the Company's plan are as under:				
Discount rate	<b>7%</b>	<b>7%</b>	<b>8%</b>	8%
Further salary raise	<b>4%</b>	<b>4%</b>	<b>7.5%</b>	7%

<b>33. Earning Per Share as per accounting standard No. 20 :</b>		
Net profit available for Equity Share Holders	<b>-1278.35</b>	-419.93
Weighted average Number of Equity Shares	<b>4908576</b>	4908576
Basic and Diluted Earnings per Share	<b>(26.04)</b>	(8.55)

34. Details of Specified bank notes held and transacted during the period from 8th November, 2016 to 30th December 2016 as per Notification No. G.S.R. 308(E) of 2017

Particulars	Specified bank notes	Other denomination notes	Total
Closing cash in hand as on 08.11.2016	0.13	1.06	<b>1.19</b>
(+) Permitted receipts	-	3.34	<b>3.34</b>
(-) Permitted Payments	0.13	1.59	<b>1.72</b>
(-) Amount deposited in Banks	-	-	-
Closing cash in hand as on 30.12.2016	-	2.82	<b>2.82</b>

35. The information with regard to Micro, Small and Medium Enterprises has been determined to the extent such parties could be identified on the basis of the information available with the company. Accordingly, the trade payables include Rs.66.73 lakhs due to them for a period exceeding 30 days and the company has not provided any interest for the delay in payments as the company is in the process of settling the dues with the parties amicably.
36. Segment reporting is not applicable since the Company operates in single segment i.e., Textile product
37. Previous year's figures have been regrouped wherever necessary to conform to this year's classification.

### **38. Significant Accounting Policies**

#### **1 Accounting Convention**

The financial statements are prepared under historical cost convention and on an accrual basis in accordance with the generally accepted accounting principles.

#### **2 Fixed Assets**

Fixed Assets are stated at cost net of depreciation provided in the statements. Cost of acquisition of Fixed Assets is inclusive of all direct and indirect expenditure up to the date of commercial use.

Depreciation is provided on straight line method in accordance with the use ful lives prescribed in Schedule II to the companies Act, 2013.

#### **3 Inventories**

Raw material and Stores and Spares valued at cost on weighted average basis. Stock-in-process and Finished Goods are valued at lower of cost or net realisable value.

#### **4 Borrowing Cost**

Borrowing costs that are directly attributable to the acquisition of fixed assets are capitalised as part of cost of the asset till the date the asset is ready for commercial use. All other borrowing cost are charge to revenue

#### **5 Investments**

Investments are stated at cost and diminution in the value, which is permanent in nature, is provided for.

#### **6 Contingent Liabilities And Provisions**

All Contingent liabilities are indicated by way of a note and will be paid / provided on crystallisation.

#### **7 Retirement Benefits**

Provident fund contributions is charged to the Statement of Profit and Loss as and when the contributions are due. Gratuity and leave encashment provision is made as per actuarial valuation on the basis of projected unit credit method.

#### **8 Foreign Exchange Transactions**

Foreign currency transactions are recorded at the rates prevailing on the date of the transaction. Assets and liabilities arising out of foreign exchange transactions are translated at the rate of exchange ruling on the date of balance sheet. and are suitably adjusted to the appropriate revenue/ capital account.

#### **9 Impairment Of Assets**

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

#### **10 Provision For Taxation**

Provision for taxation for the year is based on tax liability computed in accordance with relevant tax rates and tax laws as at the Balance Sheet date. Provision for deferred tax is made for all timing differences arising between taxable income and accounting income at rates that have been enacted or substantively enacted as at the Balance Sheet date. Deferred tax assets are recognised only if there is a reasonable certainty that they will be realised and are reviewed for the appropriateness of their respective carrying value at each Balance Sheet date.

#### **11 Revenue recognition**

Sales represents the amount receivable for goods sold. Incentives on export sales are recognised as income on accrual basis

Notes forming part of the financial statement as at 31st March, 2017

(Figures in ₹ Lakhs)

**12 Earning Per Share**

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

**13 Use Of Estimates**

Preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Differences between the actual results and estimates are recognised in the period in which the results are known/materialised

The notes referred to above, form an integral part of these financial statements.

per our report of even date

For and on behalf of Board of Directors

**For Brahmayya & Co.**

Chartered Accountants

Firms' Registration Number: 0005135

**R.K. Agarwal**

Managing Director

**K.Shravan**

Partner

Membership Number:215798

Place : Hyderabad

Date : 27th May, 2017

**B.Somasekhara Rao**

Chief Financial Officer  
and Company Secretary

**Surender Kumar Agarwal**

Director



## Cash Flow statement for the year ended 31st March, 2017

(Figures in ₹ Lakhs)

Particulars	for the year ended 31.03.2017	for the year ended 31.03.2016
<b>A. Cash Flow From Operating Activities</b>		
Net Profit/ (loss) before tax and extraordinary items	(1 186.30)	(334.10)
<b>Adjustments for:</b>		
Finance Charges	544.89	499.34
Depreciation	182.55	173.12
Excess Provision & Credit Balance Written Back	0.00	(0.22)
Interest Earned	(14.29)	(14.87)
Profit on Sale of Fixed Assets (net)	0.00	0.05
Dividend Received	(0.15)	(0.24)
	<b>713.00</b>	657.18
Operating profit before working capital changes	<b>(473.30)</b>	323.08
<b>Adjustments for</b>		
(Increase)/Decrease in Inventories	363.13	(63.67)
(Increase)/Decrease Trade Receivables	286.94	39.02
(Increase)/Decrease Long-term loans and advances	(29.77)	(25.01)
(Increase)/Decrease Short-term loans and advances	(221.41)	10.69
(Increase)/Decrease Other current assets	128.22	160.03
Increase/(Decrease) Trade payables	(17.82)	210.69
Increase/(Decrease) Other current liabilities	165.60	14.50
Increase/(Decrease) Short-term provisions	9.94	0.21
Increase/(Decrease) Long-term provisions	16.00	12.89
	<b>700.83</b>	359.35
Cash generated from Operations	<b>227.53</b>	682.43
Direct taxes paid (Including TDS receivable)	(94.27)	(91.85)
<b>Net Cash flow from Operating Activities ( A )</b>	<b>133.26</b>	590.58
<b>B. Cash Flow From Investing Activities</b>		
Acquisition of Fixed Assets (Including Capital Work in progress)	(42.66)	(374.99)
Proceeds from sale of Assets	-	3.20
Cost of Investments	58.91	-
Dividend Received	0.15	0.25
Interest Received	15.21	15.18
<b>Net cash used in investing Activities ( B )</b>	<b>31.61</b>	(356.36)

## Cash Flow statement for the year ended 31st March, 2017

(Figures in ₹ Lakhs)

Particulars	for the year ended 31.03.2017		for the year ended 31.03.2016	
<b>C. Cash Flow From Financing Activities:</b>				
Proceeds from Term loans	51.74		287.27	
Repayment of Term loans	(175.90)		(258.99)	
Proceeds from working capital loans	218.65		13.48	
Repayment of Vehicle loans	(3.56)		(9.26)	
Proceeds from unsecured loans	87.04		3.17	
Interest paid	(349.02)		(488.64)	
<b>Net Cash used in Financing Activities ( C )</b>	<b>(171.05)</b>		<b>(452.97)</b>	
<b>Net Increase/(Decrease) in cash and cash equivalents (A+B+C)</b>	<b>(6.18)</b>		<b>(218.75)</b>	
Cash/Cash Equivalents at the Beginning of the year	44.40		263.15	
Cash/Cash Equivalents at the end of the year	38.22	6.18	44.40	218.75

The notes referred to above, form an integral part of these financial statements.

per our report of even date

For and on behalf of Board of Directors

**For Brahmaya & Co.**

Chartered Accountants  
Firms' Registration Number: 000513S

**R.K. Agarwal**  
Managing Director

**K.Shravan**

Partner  
Membership Number:215798

Place : Hyderabad  
Date : 27th May, 2017

**B.Somasekhara Rao**

Chief Financial Officer  
and Company Secretary

**Surender Kumar Agarwal**

Director

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**38th Annual General Meeting  
SURYAVANSHI SPINNING MILLS LIMITED**

Registered Office: 6th Floor, Surya Towers, 105, S.P.Road, Secunderabad – 500003

Phone: 91-40-30512700, Fax: 91-40-30512725

Website: www.suryavanshi.com, Email: info@suryavanshi.com

**CIN: L14220TG1978PLC002390**

**PLEASE COMPLETE THE ATTENDANCE SLIP AND HAND OVER AT THE ENTRANCE OF THE MEETING HALL.**

**ATTENDANCE SLIP**

I / We hereby record my / our presence at the **38th Annual General Meeting of the Suryavanshi Spinning Mills Limited held on Friday, 29th day of September, 2017 at 10.30 A.M. at Sri Raja Rajeshwari Gardens, Survey No. 26, Sikh Village, Near Diamond Point Hotel, Secunderabad – 500 009.**

For Physical Holding	For Electronic Form (Demat) NSDL / CDSL		No. of shares
Folio No.	DP ID	CLIENT ID	
NAME OF THE MEMBER / JOINT MEMBER(S) (IN BLOCK CAPITALS):			



Signature of the member/ Joint member(s) / proxy

**38th Annual General Meeting  
SURYAVANSHI SPINNING MILLS LIMITED**

Registered Office: 6th Floor, Surya Towers, 105, S.P.Road, Secunderabad – 500003

Phone: 91-40-30512700, Fax: 91-40-30512725

Website: www.suryavanshi.com, Email: info@suryavanshi.com

**CIN: L14220TG1978PLC002390**

**PROXY FORM**

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

Name of the member(s)	
Registered Address	
Email ID	
Folio No./ Client ID	
DP ID	

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

1. Name :  
Address :  
Email ID :  
Signature : or failing him
2. Name :  
Address :  
Email ID :  
Signature : or failing him
3. Name :  
Address :  
Email ID :  
Signature :

as my/ our proxy to attend and vote (on a poll) for me/ us and on my/ our behalf at the Annual General Meeting of the company, to be held on Friday, 29th day of September, 2017 at 10.30 A.M. at Sri Raja Rajeshwari Gardens, Survey No. 26, Sikh Village, Near Diamond Point Hotel, Secunderabad – 500009 or at any adjournment thereof in respect of such resolutions as are indicated below:

Sl. No.	Particulars	FOR	AGAINST
<b>Ordinary Business</b>			
1	To receive, consider and adopt the Audited Financial Statements for the financial year ended 31st March, 2017 and the Reports of the Directors and Auditors thereon		
2	To appoint a director in place of Sri Rajender Kumar Agarwal, who retires by rotation and, being eligible offers himself for re-appointment		
3	Appointment of Statutory Auditors and fix their remuneration		
<b>Special Business</b>			
4	Appointment of Sri Rajender Kumar Agarwal as Managing Director of the Company for the period of 3 years		
5	To create Mortgage and charge over Company's movable and immovable properties in favor of Bank and Institutions		

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2017

Signature of Shareholder

Signature of Proxyholder(s)

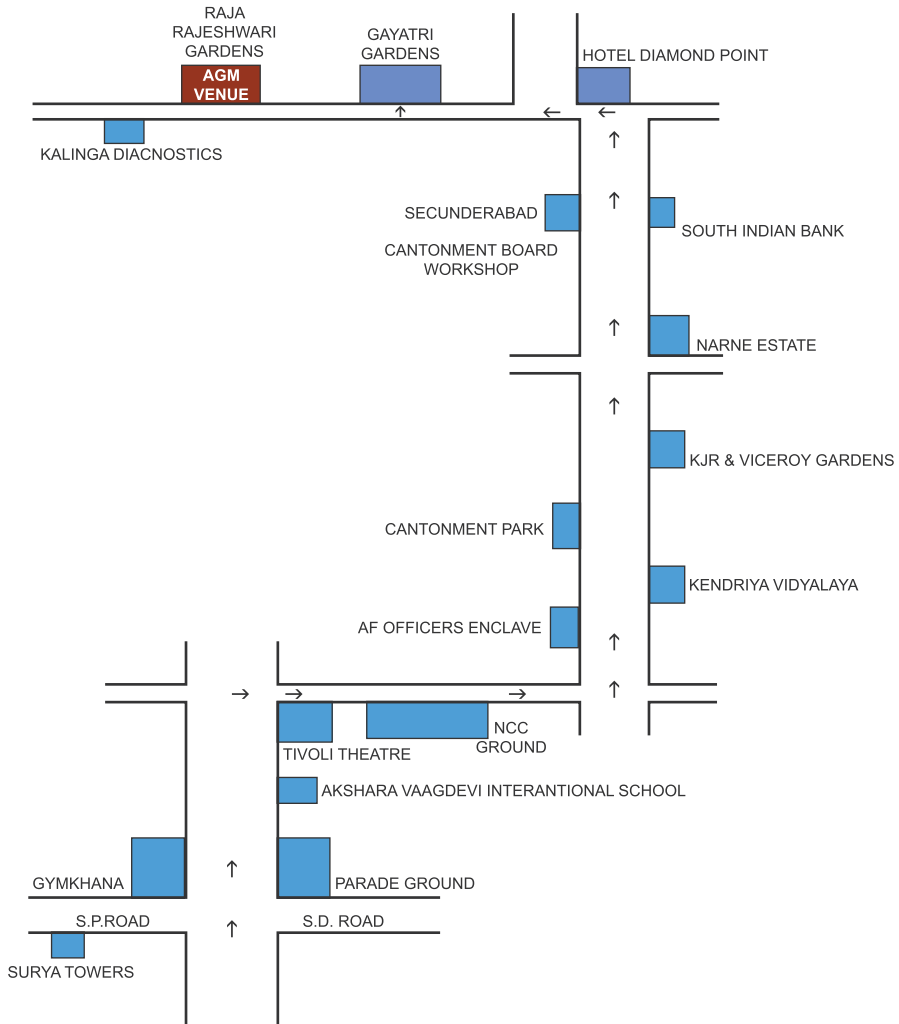
Affix Revenue Stamp
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**Note:** This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.





## ROUTE MAP TO AGM VENUE





## Printed Matter



If undelivered, please return to:



Surya Towers, 6th Floor, 105, S.P. Road, Secunderabad - 500 003, Telangana, India.

Phone: 91-40-30512700, Fax: 91-40-30512725

Email: [info@suryavanshi.com](mailto:info@suryavanshi.com), Website: [www.suryavanshi.com](http://www.suryavanshi.com)

CIN: L14220TG1978PLC002390