

SUBH TEX (INDIA) LIMITED

ANNUAL REPORT

2014-2015

SUBH TEX (INDIA) LIMITED

CIN: U99999MH1987PLC045305

BOARD OF DIRECTORS

**MR. VINAY PODDAR (DIN: 00148171)
(MANAGING DIRECTOR)**

**MR. VINOD BANSAL (DIN: 01921383)
(DIRECTOR)**

**MRS . SHEELA SOMNATH KADECHKAR(DIN: 06862410)
(DIRECTOR)**

AUDITORS

**M/S. JAIN ANIL & ASSOCIATES
CHARTERED ACCOUNTANTS**

REGISTERED OFFICE

**18TH,SURTI CHAMBERS,
2ND DHOBI TALAV LANE,MUMBAI-400002**

**REGISTRAR &
TRANSFER AGENTS**

**Sharepro Services (India) Pvt. Ltd ,13AB, Samhita Warehousing Complex
Sakinaka Telephone Exchange Lane Off Andheri Kurla Road, Saki Naka
Andheri (East), ,Mumbai,Maharashtra,400072**

NOTICE TO THE MEMBERS

NOTICE is hereby given that the Annual General Meeting of the Members of SubhTex (India) Limited will be held on **Wednesday** the 30th day of **September, 2015** at **2.30 P.M.** at Registered Office to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2015, the Profit and Loss Account for the year ended on that date and the Reports of the Directors and Auditors thereon.
2. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder and pursuant to the recommendation of the Audit Committee and the Board of Directors and pursuant to the approval of the Members at the 02nd Annual General Meeting, the Company hereby ratifies the appointment of M/s Jain Anil & Accountants (ICAI Firm Registration Number 115987W) as Auditors of the Company to hold office until the conclusion of the 02nd Annual General Meeting of the Company to be held in the year 2019, at a remuneration to be determined by the Board of Directors of the Company, as Auditor and for other professional services rendered by them as may be mutually agreed between the Company and the Auditor along with reimbursement of travelling and other out of pocket expenses as may be incurred by them during the course of the Audit."

SPECIAL BUSINESS

3. **Appointment of Ms. Sheela Kadechkar (DIN:06862410) who was appointed as an Additional Director as an Independent Director**

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 ('the Act') and the Rules made thereunder, read with Schedule IV to the Act, as amended from time to time, Ms. Sheela Kadechkar (DIN No. 06862410), a Non-Executive Director of the Company, who has submitted a declaration that she meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment and who has been appointed as an Additional Director in terms of the provisions of section 161 of the Companies Act, 2013, whose term of office expires at the Annual General Meeting and in respect of whom the company has received a notice in writing from a member proposing her candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company for a period of five years with effect from September 30, 2015 to September 29, 2020.



4. To appoint a Director in place of Mr. Vinay Poddar (DIN: 00148171) who retires by rotation and being eligible, offers himself for re-appointment.

Registered Office:
18, SURTI CHAMBERS,
2ND DHOBI TALAO LANE.,
MUMBAI - 400 002.

By Order of the Board
For SubhTex (India) Limited

(PLACE): Mumbai
(DATE): August 24th, 2015


.....
Mr. Vinay Poddar
(DIN: 00148171)
Managing Director

NOTES

1. The relevant Explanatory Statement pursuant to section 102 (1) of the Companies Act, 2013, in respect of Special Business at the meeting, is annexed hereto and forms part of this notice.
2. A statement giving the relevant details of the Directors seeking re-appointment under Item Nos. 5 of the accompanying Notice, as required by Clause 49 of the Listing Agreement entered into with the Stock Exchanges is annexed herewith.
3. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member. Proxies in order to be effective must be received by the company not later than forty eight (48) hours before the meeting. Proxies submitted on behalf of limited companies, societies, etc., must be supported by appropriate resolutions/authority, as applicable.

A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.

4. A person can act as a proxy on behalf of Members not exceeding fifty in number and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A Member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as a proxy and such person shall not act as proxy for any other person or shareholder.



5. The Register of Members and Share Transfer Register of the Company will remain closed from Monday, September 28th, 2015 to Wednesday, September 30th, 2015 (both days inclusive).
6. Members are requested to bring their attendance slips duly completed and signed mentioning therein details of their DP ID and Client ID/ Folio No.
7. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote at the Meeting.
8. Relevant documents referred to in the accompanying Notice and in the Explanatory Statements are open for inspection by the Members at the Company's Registered Office on all working days of the Company, during business hours up to the date of the Meeting.
9. 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.
10. Members seeking any information with regard to the Accounts are requested to write to the Company at an early date, so as to enable the Management to keep the information ready at the meeting.

The members are requested to get their shares dematerialized. The company's ISIN Code **INE427001018** pursuant to change in face value.

11. The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the companies and has issued circulars stating that service of notice/documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members are requested to register their e-mail addresses in respect of electronic holdings with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to send their e-mail address to the following:
subhtexindia@gmail.com

The Notice of the AGM along with the Annual Report 2014-15 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories, unless any Member has requested for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode.

12. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to the Depository Participants with whom they maintain their demat accounts. Members holding shares in physical form should submit their PAN to the Company.
13. Members holding shares in single name and in physical form are advised to make a nomination in respect of their shareholding in the Company and those Members who hold shares singly in

dematerialized form are advised to make a nomination through their Depository Participants. The nomination form can be downloaded from the Company's website www.subhtexindia.com

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013

The following Explanatory Statements, as required under Section 102 of the Companies Act, 2013, set out all material facts relating to the business under Item Nos. 3 and 4 .

ITEM NO. 3

Ms. Sheela Kadechkar (DIN:06862410) was appointed as an additional director of the Company on June 30, 2015 as per the provisions of section 161 of the Companies Act, 2013.

Mrs. Sheela Kadechkar (DIN:06862410), aged 63 years, is the Independent and non-executive Director of our Company. She is a resident Indian national and has completed her Bachelors in Arts (Economics) from Bombay University. She has experience of over 25 years in the administration, recovery and audit departments.

As per the provisions of Section 149 of the Companies Act, 2013 which has come into force with effect from 1st April, 2014, an Independent Director can hold office for a term up to five consecutive years on the Board of a company and is not liable to retire by rotation. Ms. Sheela Kadechkar has given a declaration to the Board that she meets the criteria of independence as provided under Section 149 (6) of the Companies Act, 2013. A notice has been received from a member proposing Ms. Sheela Kadechkar (DIN:06862410) as a candidate for the office of Director of the Company along with a deposit of Rs. 1,00,000/-.

In the opinion of the Board, Ms. Sheela Kadechkar (DIN:06862410) fulfils the conditions specified in the Act and the Rules made there under for appointment as an Independent Director and she is independent of the management. In compliance with the provisions of Section 149 read with Schedule IV of the Companies Act, 2013, the appointment of Ms. Sheela Kadechkar (DIN:06862410) as an Independent Director is now being placed before the Members in General Meeting for their approval. Ms. Sheela Kadechkar (DIN:06862410) is interested and concerned in the Resolution mentioned at Item No. 3 of the Notice. Other than Ms. Sheela Kadechkar, no other Director, Key Managerial Personnel or their respective relatives are concerned or interested in the Resolution mentioned at Item No. 3 of the Notice.

Your Directors recommend this resolution at agenda no. 3 of the Notice for the approval of the members.

Ms. Sheela Kadechkar (DIN:06862410), Director of the Company is concerned or interested in the Resolutions to the extent of the remuneration that may be received by her. None of the other Directors of the Company and key managerial persons of the Company and their relatives may be deemed to be interested or concerned in the proposal contained in the resolutions.



ITEM NO. 4

Mr. Vinay Poddar (DIN: 00148171) as Managing Director of the Company for a period of three years w.e.f. April 02, 2014 to April 01, 2017 on a monthly remuneration of ₹. 20,000/- (Rupees Twenty Thousand Only) with the liberty to the Board of Directors to alter or vary the same as may be agreed to between the Board of Directors and Mr. Vinay Poddar (DIN: 00148171) from time to time. He was appointed as CEO in the Board Meeting held for a period of 5 years.

Mr. Vinay Poddar (DIN: 00148171), aged 45 years is the Chief Executive Officer (CEO) of our Company. A commerce graduate from Mumbai University.

Mr. Vinay Poddar (DIN: 00148171), Managing Director & Chief Executive Officer will be appointed as a director liable to retire by rotation.

At the ensuing Annual General Meeting, Mr. Vinay Poddar (DIN: 00148171), Managing Director & Chief Executive Officer retires by rotation and being eligible offers himself for reappointment. Mr. Savinder Singh Adhi shall continue to hold his office of Managing Director & Chief Executive Officer, and the reappointment as such director shall not be deemed to constitute a break in his office of Managing Director & Chief Executive Officer.

In view of the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 the Board recommends the Ordinary Resolution set out at item no. 8 of the accompanying Notice for the approval of the Members.

Your Directors recommend this resolution at agenda no. 4 of the Notice for the approval of the members.

By Order of the Board
Subhtex (India) Limited

Vinay

.....
Mr. Vinay Poddar
(DIN: 00148171)
Managing Director

Registered Office:
18, SURTI CHAMBERS,
2ND DHOBI TALAO LANE.,
MUMBAI - 400 002.

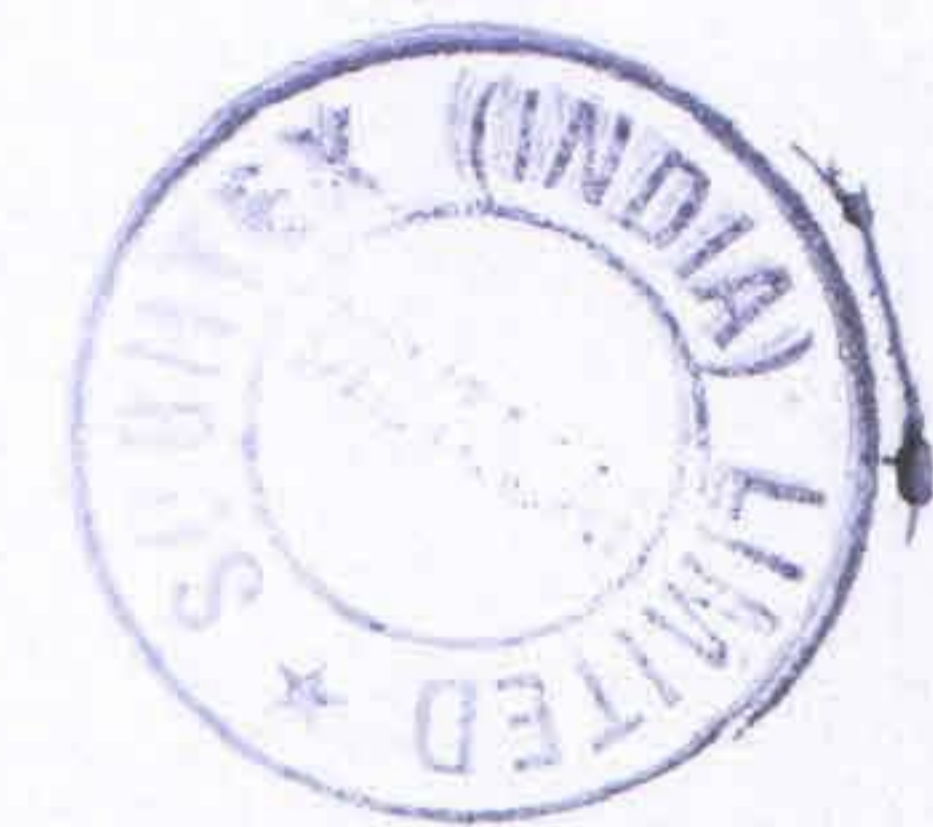
(PLACE): Mumbai
(DATE): August 24th, 2015



ANNEXURE TO ITEMS 2 OF THE NOTICE

Details of Directors seeking re-appointment at the forthcoming Annual General Meeting (in pursuance of Clause 49 of the Listing Agreement)

| | |
|--|---|
| Name of the Director | Mr. Vinay Poddar |
| Director Identification Number (DIN) | 00148171 |
| Date of Birth | 20/08/1968 |
| Nationality | Indian |
| Date of Appointment on Board | 02/02/2014 |
| Qualification | commerce graduate from Mumbai University |
| Shareholding | 0 |
| List of Directorships held in other Companies (excluding foreign, private and Section 8 Companies) | 1 |
| Memberships / Chairmanships of Audit and Stakeholders' Relationship Committees across Public Companies | 1 |



To,
The Members,

Your Directors have pleasure in presenting their Annual Report on the business and operations of the Company and the accounts for the Financial Year ended March 31, 2015.

1. Financial summary or highlights/Performance of the Company (Standalone)

The Board's Report shall be prepared based on the stand alone financial statements of the company.

| Particulars | 2014-2015 | 2013-14 |
|--|------------------|----------------|
| Gross Income | 308,45,000 | 2250,21,749 |
| Profit/Loss Before Interest and Depreciation | (27,24,768) | (4,80,187) |
| Net Profit Before Tax | (27,24,768) | (4,80,187) |
| Provision for Tax | - | 1,19,890 |
| Net Profit After Tax | (27,24,768) | (6,00,077) |

2. Brief description of the Company's working during the year/State of Company's affair

Currently, our company is engaged in the business of manufacturing fabric viz suiting & shirting for the domestic and international market. At the same time our Company is involved in trading of various textile products which are of high quality and also bulk trading.

3. Change in the nature of business, if any

There is no Change in the nature of Business.

The company got Listed on SME Platform on October 22, 2013.

4. Dividend

Due inadequate profit the Company has not declared dividend.

5. Share Capital

The Company has not allotted any shares during the year.



6. Directors and Key Managerial Personnel

Mr. Vinay Poddar (DIN: 00148171) Director retire by rotation at the forthcoming Annual General Meeting and being eligible, offer themselves for reappointment.

Mr. Vinay Poddar (DIN: 00148171) was appointed as Managing director of the Company for a period of three years w.e.f. April 2, 2014 to April 1, 2017 on a remuneration of ₹. 40,000/- (Rupees Forty thousand monthly).

Mr. Vinod Banasal (DIN: 01921383) was appointed as Independent Director of the Company for a period of Five years w.e.f. September 29, 2014.

During the year Mrs. Sheela Kadechkaras (DIN:06862410) who was appointed as Additional Director of the Company with effect from June 30, 2015 to hold office upto the date of forthcoming Annual General Meeting. Being eligilable, Ms. Sheela Kadechkara (DIN:06862410) offered herself to be appointed as the Independent Director of the company.

As per the provisions of the Companies Act, 2013, Independent Directors are required to be appointed for a term of five consecutive years, but shall be eligible for reappointment on passing of a special resolution by the Company and shall not be liable to retire by rotation. All other Directors, except the Managing Director, will retire at the ensuing Annual General Meeting and, being eligible, offer themselves for re-election. The Independent Directors of your Company have given the certificate of independence to your Company stating that they meet the criteria of independence as mentioned under Section 149 (6) of the Companies Act, 2013.

Mr. Santosh Saraf (DIN: 02037477) has resigned as Director of the Company w.e.f. 02st April, 2014.

Mrs. Shraddha Gupta (DIN: 06391521) has resigned as Director of the Company w.e.f. 02nd Feb, 2015.

Mr. Abhijeet Mittal (DIN: 06384118) has resigned as Director of the Company w.e.f. 30th June, 2015

During the year, Mr. Jitendra Tiwari who had resigned on 02nd April, 2014.

Also, Mr. Vinay Poddar (DIN: 00148171) has been appointed as Chief Executive Officer.

7. Report On Corporate Governance

As per SEBI's Circular No.-CIR/CFD/Policy Cell/7/2014 dated 15th September 2014, the provisions of Clause 49 of the Listing Agreement are not mandatory, hence no such report is required for the Company.

8. Particulars of Employees

As required under the provision of Section 197 of the Companies Act, 2013, read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 in respect of employees of the Company is not given, as there were no employees drawing remuneration beyond the prescribed limit under the above referred provisions.



9. Board Evaluation

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration and Compliance Committees. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

10. Remuneration Policy

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The Remuneration Policy is stated in the Corporate Governance Report.

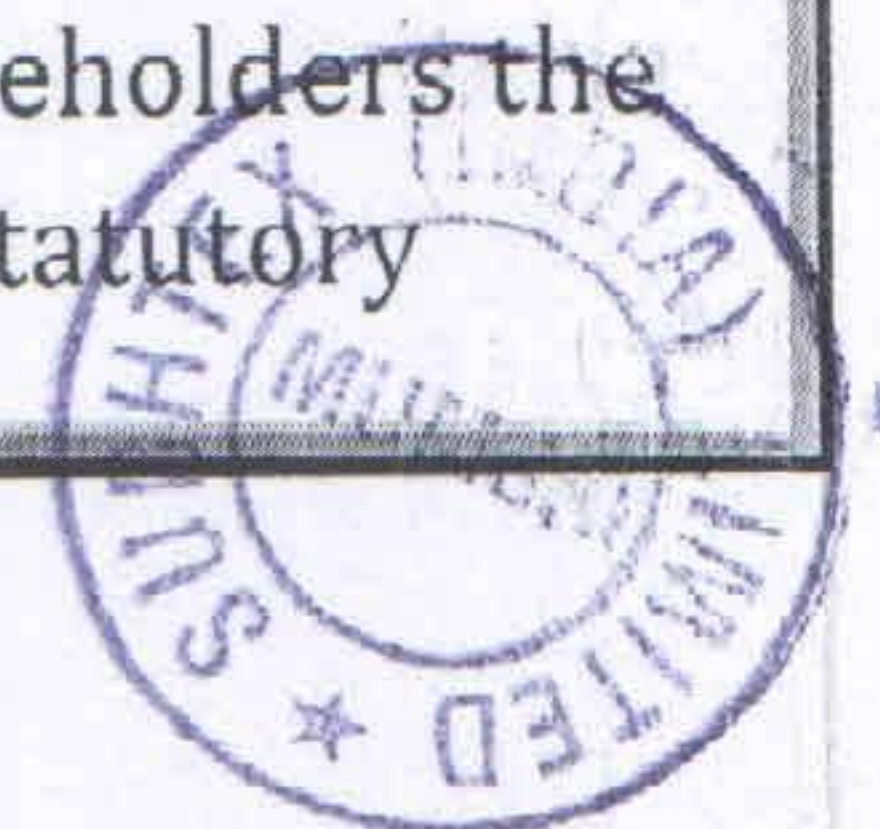
Managerial Remuneration:

- A) Details of the ratio of the remuneration of each director to the median employee's remuneration and other details as required pursuant to Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. **(Annexure III)**
- B) Details of the every employee of the Company as required pursuant to 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014
- C) Any director who is in receipt of any commission from the company and who is a Managing Director or Whole-time Director of the Company shall receive any remuneration or commission from any Holding Company or Subsidiary Company of such Company subject to its disclosure by the Company in the Board's Report.
- D) The following disclosures shall be mentioned in the Board of Director's report under the heading "Corporate Governance", if any, attached to the financial statement:—
- (i) All elements of remuneration package such as salary, benefits, bonuses, stock options, pension, etc., of all the directors;
 - (ii) Details of fixed component and performance linked incentives along with the performance criteria;
 - (iii) Service contracts, notice period, severance fees;
 - (iv) Stock option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable.

11. Auditors:

The Auditors, M/s Jain Anil & Associates, Chartered Accountants, appointed as Statutory Auditor at the last Annual General Meeting held on 20th September, 2014 for a term of five consecutive years i.e. 2014-2015, 2015-16, 2016-17, 2017-18 and 2018-19. As per the provisions of Section 139 of the Companies Act, 2013, the appointment of Auditors is required to be ratified by Members at every Annual General Meeting.

Pursuant to Rule 3(7) of the Companies (Audit and Auditors) Rules, 2014, the aforesaid appointment needs to be ratified by the members at the forthcoming Annual General Meeting. Accordingly, on recommendation of the Audit Committee, the Board of Directors recommends to the shareholders the ratification of appointment of M/s Jain Anil & Associates, Chartered Accountants, as the Statutory



Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the Annual General Meeting to be held for the financial year 2018-19.

A certificate from M/s Jain Anil & Associates., Chartered Accountants that their appointment is within the prescribed limits under Section 141 of the Companies Act, 2013 has been obtained.

The observations and comments given in the report of the Auditors read together with notes to accounts are self-explanatory and hence do not call for any further information and explanation or comments under Section 134(3)(f) of the Companies Act, 2013. The report does not contain any qualification, reservation or adverse remark or disclaimer.

12. Secretarial Audit Report

In terms of Section 204 of the Act and Rules made there under **M/s Vijay Oganiya & Associates**, Practicing Company Secretary have been appointed Secretarial Auditors of the Company. The report of the Secretarial Auditors is enclosed as **Form No. MR-3** to this report. The report is self-explanatory and do not call for any further comments.

13. Internal Audit & Controls

The Company continues to engage **M/s Himank Desai & Co.** as its Internal Auditor. During the year, the Company continued to implement their suggestions and recommendations to improve the control environment. Their scope of work includes review of processes for safeguarding the assets of the Company, review of operational efficiency, effectiveness of systems and processes, and assessing the internal control strengths in all areas. Internal Auditors findings are discussed with the process owners and suitable corrective actions taken as per the directions of Audit Committee on an ongoing basis to improve efficiency in operations.

14. Policy :

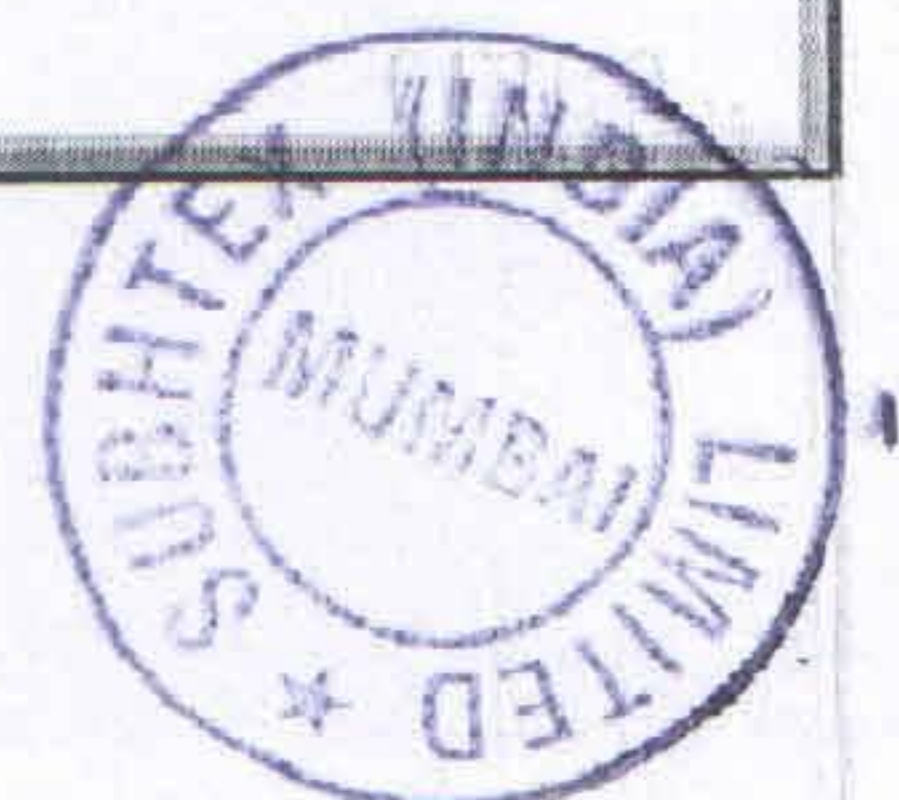
During the year the Company Formulated and Adopted Codes under Sebi (Prohibition Of Insider Trading) Regulations, 2015, Whistle Blower Policy/ Vigil Mechanism, Risk Management Policy and also formulated and adopted Code of Independent directors and Code of for Board and Senior Management.

1 Board of Directors:

| Category | No. of directors |
|--|------------------|
| Non-Executive & Independent Directors including the Chairman | 2 |
| Executive Director (CEO & Managing Director) | 1 |
| Total | 3 |

The Chairman of the Board is an Executive Director.

As required under Section 149(3) of the Companies Act, 2013, & Clause 49(II) (A) (1) of Listing Agreement, Mrs. Sheela Kadechkaras (DIN:06862410), a Woman Director, has been appointed as an Independent Director on the Board.



Other Relevant details of Directors:

| Name of Director | Date of Resignation | Date of Appointment | Category | No. of Directorship (s) held in Indian public & private Limited Companies | Committee(s) position | |
|--|---------------------|---------------------|-----------------------------|---|-----------------------|----------|
| | | | | | Member | Chairman |
| Mr. VINAY PODDAR (DIN: 00148171) | - | 02/04/2014 | Managing director /CEO/ CFO | 1 | 1 | - |
| MR. VINOD JAGMOHAN BANSAL (DIN: 01921383) | - | 20/11/2012 | Independent Director | 1 | - | - |
| MRS.SHEELA SOMNATH KADECHKAR(DIN: 06862410) | - | 30/06/2015 | Independent Director | 2 | 1 | - |
| MR. ABHIJEET MITTAL(DIN: 06384118) | 30/06/2015 | 18/06/2014 | Independent Director | - | | |
| Mrs. Shradha Gupta (DIN: 06391521) | 01/02/2015 | 20/11/2012 | Independent Director | | | |

Board Meetings held during the year

| <u>Dates on which the Board Meetings were held</u> | <u>Total Strength of the Board</u> | <u>No. of Directors Present</u> |
|--|------------------------------------|---------------------------------|
| April 02, 2014 | 3 | 3 |
| MAY 14, 2014 | 3 | 3 |
| AUGUST 16 TH , 2014 | 3 | 3 |
| SEPTEMBER 05 TH , 2014 | 3 | 3 |
| November 15 TH , 2014 | 3 | 3 |
| FEBRUARY 01 TH , 2015 | 3 | 3 |

| Name of Director | Attendance at the Board Meetings held on | | | | | | Attendance at the AGM held on 29th September'14 |
|-------------------------------------|--|------------|------------|------------|------------|------------|---|
| | 02/04/2014 | 14/05/2014 | 16/08/2014 | 05/09/2014 | 15/11/2014 | 01/02/2015 | |
| Mr. VINAY PODDAR (DIN: 00148171) | P | P | P | P | P | P | P |
| MR. VINOD JAGMOHAN | P | P | P | P | P | P | P |



| | | | | | | | |
|---|---|---|---|----|---|---|---|
| BANSAL (DIN: 01921383) | | | | | | | |
| MR. ABHIJEET MITTAL(DIN: 06384118) | P | P | P | P' | P | P | P |
| Mrs. Shradha Gupta (DIN: 06391521) | P | P | P | P' | P | P | P |

COMMITTEES OF THE BOARD.

(a) Audit Committee (mandatory committee)

The composition of the Audit Committee as at March 31, 2015 and details of the Members participation at the Meetings of the Committee are as under:

| Name of Director | Category | Attendance at the Board Meetings held on | | | | | |
|--|-------------------------------|--|------------|------------|---|---|---|
| | | 14/05/2014 | 16/08/2014 | 14/02/2015 | - | - | - |
| Mr. VINAY PODDAR (DIN: 00148171) | Executive and Non-Independent | P | P | P | - | - | = |
| MR. VINOD JAGMOHAN BANSAL (DIN: 01921383) | Non-executive and Independent | P | P | P | - | - | = |
| MR. ABHIJEET MITTAL(DIN: 06384118) | Non-executive and Independent | P | P | P | - | - | = |
| | | | | | | | |

The Committee is governed by a Charter which is in line with the regulatory requirements mandated by the Companies Act, 2013 and Clause 49 of the Listing Agreement. Some of the important functions performed by the Committee are:

(b) Remuneration Committee

The composition of the Remuneration Committee as at March 31, 2015 and details of the Members participation at the Meetings of the Committee are as under:



| Name of Director | Category | Attendance at the Board Meetings held on | | | | | |
|--|-----------------------------------|--|------------|---|---|---|---|
| | | 05/09/2014 | 01/02/2015 | | - | | |
| Mr. VINAY PODDAR (DIN: 00148171) | Executive and Non-Independent | P | P | - | - | - | - |
| MR. VINOD JAGMOHAN BANSAL (DIN: 01921383) | Non-executive and Independent | P | P | - | - | - | - |
| MR. ABHIJEET MITTAL(DIN: 06384118) | Non-executive and Non-Independent | P | P | - | - | - | - |

(d) Stakeholders' Relationship Committee (mandatory committee)

In compliance with the provisions of Section 178 of the Companies Act, 2013 and the Listing Agreement, the Board has renamed the existing "Shareholders'/Investors' Grievance Committee" as the "Stakeholders' Relationship Committee".

The terms of reference of the Committee are:

| Name of Director | Category | Attendance at the Board Meetings held on | | | | | |
|--|-----------------------------------|--|------------|------------|---|---|---|
| | | 05/09/2014 | 28/11/2014 | 01/02/2015 | - | - | - |
| Mrs. Shradha Gupta (DIN: 06391521) | Executive and Non-Independent | p | P | P | | | |
| MR. VINOD JAGMOHAN BANSAL (DIN: 01921383) | Non-executive and Independent | P | P | P | | | |
| MR. ABHIJEET MITTAL(DIN: 06384118) | Non-executive and Non-Independent | p | P | P | | | |

During the year, no complaints were received from shareholders. The balance complaints were under various stages of investigation. As on March 31, 2015, no investor grievance has remained unattended/ pending for more than thirty days..

Independent Directors' Meeting

During the year under review, the Independent Directors met on March 31, 2015, inter alia, to discuss:

- Evaluation of the performance of Non-independent Directors and the Board of Directors as a whole.
- Evaluation of the performance of the chairman of the Company, taking into account the views of



the Executive and Non-executive directors.

- Evaluation of the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.
- All the Independent Directors were present at the Meeting.

TERMS OF APPOINTMENT & REMUNERATION - CEO & MD

Mr. Vinay Poddar (DIN: 00148171)

| | |
|--------------------------------|---|
| Period of Appointment | 3 years w.e.f. April 02. , 2014 to April 01, 2017 |
| Salary Grade | 2,40,000/- |
| Allowances | - |
| Perquisites | - |
| Retrial Benefits | - |
| Performance Bonus | - |
| Sign-on Amount | - |
| Deferred Bonus | - |
| Minimum Remuneration | - |
| Notice Period & Severance Fees | - |
| Other | - |

15. Extract of annual return:

As required pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of annual return in **MGT 9** as a part of this Annual Report as **ANNEXURE I**.

16. General Body Meetings

Particulars of last three Annual general meetings :

| Year ended 31st March, | Venue | Date | Time | Special Resolutions Passed |
|------------------------|--------------------------|------------|------------|----------------------------|
| 2014 | At the Registered Office | 29/09/2014 | 11.00 a.m. | - |
| 2013 | At the Registered Office | 30/09/2013 | 11.00 a.m. | - |
| 2012 | At the Registered Office | 29/09/2012 | 11.00 a.m. | - |



17. Extraordinary General Meeting (EGM)

No Extraordinary General Meeting held during the Financial Year 2014-2015

18. During the year under review, no resolution has been passed through the exercise of postal ballot.

E-Voting Facility to members

Exempt as the Company is SME Listed.

19. Material changes and commitments, if any, affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report

No Material changes occurred subsequent to the close of the financial year of the Company to which the balance sheet relates and the date of the report like settlement of tax liabilities, operation of patent rights, depression in market value of investments, institution of cases by or against the company, sale or purchase of capital assets or destruction of any assets etc.

20. Details in respect of adequacy of internal financial controls with reference to the Financial Statements.

The internal financial controls with reference to the Financial Statements are commensurate with the size and nature of business of the Company.

21. Deposits

The details relating to deposits, covered under Chapter V of the Act,-

- (a) accepted during the year- NIL
- (b) remained unpaid or unclaimed as at the end of the year-NIL
- (c) whether there has been any default in repayment of deposits or payment of interest thereon during the year and if so, number of such cases and the total amount involved-NIL

22. Particulars of contracts or arrangements with related parties:

The particulars of every contract or arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto shall be disclosed in Form No. AOC-2. As **Annexure II** to the Board Report.

23. STATUTORY DISCLOSURES

In terms of the provisions of Section 217 (2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975 as amended, the names and other particulars of the employees are set out in the annexure to the Directors' Report. However, as per the provisions of Section 219 (b) (iv) of the said Act read with Clause 32 of the Listing Agreement, the Annual Report excluding the



aforesaid information is being sent to all the members of the Company and others entitled thereto. Any member interested in obtaining such particulars may write to the Company at the registered office of the Company.

24. Conservation of energy, technology absorption and foreign exchange earnings and outgo

The details of conservation of energy, technology absorption, foreign exchange earnings and outgo are as follows:

a) Conservation of energy

| | | |
|-------|--|-----|
| (i) | the steps taken or impact on conservation of energy | NIL |
| (ii) | the steps taken by the company for utilizing alternate sources of energy | NIL |
| (iii) | the capital investment on energy conservation equipment's | NIL |

(b) Technology absorption

| | | |
|-------|--|-----|
| (i) | the efforts made towards technology absorption | NIL |
| (ii) | the benefits derived like product improvement, cost reduction, product development or import substitution | NIL |
| (iii) | in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)- | NIL |
| | (a) the details of technology imported | NIL |
| | (b) the year of import; | NIL |
| | (c) whether the technology been fully absorbed | NIL |
| | (d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof | NIL |
| (iv) | the expenditure incurred on Research and Development | NIL |

25. Human Resources

Your Company treats its "human resources" as one of its most important assets.

Your Company continuously invest in attraction, retention and development of talent on an ongoing basis. A number of programs that provide focused people attention are currently underway. Your Company thrust is on the promotion of talent internally through job rotation and job enlargement.

26. Directors' Responsibility Statement

The Directors' Responsibility Statement referred to in clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, shall state that—

(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; and

(e) the directors, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.

(f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

27. LISTING WITH STOCK EXCHANGES:

The Company got Listed on 22st October, 2013 on SME Platform of BSE . The Company confirms that it has paid the Annual Listing Fees for the year 2015-2016 to BSE where the Company's Shares are listed.

28. Acknowledgements

An acknowledgement to all with whose help, cooperation and hard work the Company is able to achieve the results.

For and on behalf of the Board of Directors of
Subhtex (India) Limited



Mr. Vinay Poddar
Managing Director
(DIN: 00148171)



Mrs. Sheela Kadechkar
Director
(DIN: 06862410)

Registered Office:

**18, SURTI CHAMBERS,
2ND DHOBI TALAO LANE.,
MUMBAI - 400 002**

(PLACE): Mumbai

(DATE): August 24th, 2015



ANNEXURE INDEX

| <u>Annexure</u> | <u>Content</u> |
|------------------------|---|
| <u>I</u> | Annual Return Extracts in MGT 9 |
| <u>II</u> | AOC 2 - Related Party Transactions disclosure |
| <u>III</u> | Format of declaration by Independent Director |
| <u>IV</u> | MR-2 Secretarial Audit Report |



Annexure I

**FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN**

As on financial year ended on 31.03.2014

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

I.) REGISTRATION & OTHER DETAILS:

| | | |
|----|--|--|
| 1. | CIN | U99999MH1987PLC045305 |
| 2. | Registration Date | 06/11/1987 |
| 3. | Name of the Company | SUBH TEX (INDIA) LIMITED |
| 4. | Category/Sub-category of the Company | Public Company |
| 5. | Address of the Registered office & contact details | 18, SURTI CHAMBERS, 2ND DHOBI TALAO LANE., MUMBAI - 400 002 |
| 6. | Whether listed company | SME Listed |
| 7. | Name, Address & contact details of the Registrar & Transfer Agent, if any. | Sharepro Services (India) Pvt. Ltd ,13AB, Samhita Warehousing Complex Sakinaka Telephone Exchange Lane Off Andheri Kurla Road, Saki Naka Andheri (East), ,Mumbai, Maharashtra, 400072 |

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)

| S. No. | Name and Description of main products / services | NIC Code of the Product/service | % to total turnover of the company |
|--------|--|---------------------------------|------------------------------------|
| 1 | Textiles | 131(1311,1312) | 100% |



Page 10

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

| Category of Shareholders | No. of Shares held at the beginning of the year [As on 31-March-2014] | | | | No. of Shares held at the end of the year [As on 31-March-2015] | | | | % Change during the year |
|---|---|---------------|----------------|-------------------|---|---------------|----------------|-------------------|--------------------------|
| | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | |
| A. Promoters | | | | | | | | | |
| (1) Indian | | | | | | | | | |
| a) Individual/HUF | 3900000 | 400000 | 4300000 | 39.09 | 3900000 | 400000 | 4300000 | 39.09 | 0.00 |
| b) Central Govt | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| c) State Govt(s) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| d) Bodies Corp. | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| e) Banks / FI | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| f) Any other | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total shareholding of Promoter (A) | 3900000 | 400000 | 4300000 | 39.09 | 3900000 | 400000 | 4300000 | 39.09 | 0.00 |
| B. Public Shareholding | | | | | | | | | |
| 1. Institutions | 20000 | 0 | 20000 | 0.18 | 20000 | 0 | 20000 | 0.18 | 0 |
| a) Mutual Funds | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| b) Banks / FI | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| c) Central Govt | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| d) State Govt(s) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| e) Venture Capital Funds | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| f) Insurance Companies | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| g) FIIs | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| h) Foreign Venture Capital Funds | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| i) Others (specify) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sub-total (B)(1):- | 20000 | 0 | 20000 | 0.18 | 20000 | 0 | 20000 | 0.18 | 0 |
| 2. Non-Institutions | | | | | | | | | |
| a) Bodies Corp. | 151457 | 0 | 151457 | 1.38 | 111096 | 0 | 111096 | 1.01 | 0.37 |
| i) Indian | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| ii) Overseas | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| b) Individuals | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |



| | | | | | | | | | |
|--|----------------|----------------|-----------------|---------------|-----------------|---------------|-----------------|---------------|----------|
| i) Individual shareholders holding nominal share capital up to Rs. 1 lakh | 2008543 | 0 | 2008543 | 18.26 | 2188904 | 0 | 2188904 | 19.90 | 1.64 |
| ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh | 2820000 | 1700000 | 4520000 | 41.09 | 3990000 | 380000 | 4370000 | 39.73 | 1.36 |
| c) Others (specify) | | | | | | | | | |
| Non Resident Indians | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Overseas Corporate Bodies | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Foreign Nationals | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Clearing Members | 0 | 0 | 0 | 0 | 10000 | 0 | 10000 | 0.09 | 0.09 |
| Trusts | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Hindu Undivided Family | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Foreign Bodies - DR | | | | | 0 | 0 | 0 | 0 | 0 |
| Sub-total (B)(2):- | 4980000 | 1700000 | 6680000 | 60.73 | 6300000 | 380000 | 6680000 | 60.73 | 0 |
| Total Public Shareholding (B)=(B)(1)+(B)(2) | 5000000 | 1700000 | 6700000 | 60.91 | 6320000 | 380000 | 6700000 | 60.91 | 0 |
| C. Shares held by Custodian for GDRs & ADRs | 0 | 0 | 0 | 00 | 0 | 0 | 0 | 00 | 0 |
| Grand Total (A+B+C) | 8900000 | 2100000 | 11000000 | 100.00 | 10220000 | 780000 | 11000000 | 100.00 | 0 |



B) Shareholding of Promoter-

| SN | Shareholder's Name | Shareholding at the beginning of the year | | | Shareholding at the end of the year | | | % change in shareholding during the year |
|----|-----------------------------|---|----------------------------------|--|-------------------------------------|----------------------------------|--|--|
| | | No. of Shares | % of total Shares of the company | % of Shares Pledged / encumbered to total shares | No. of Shares | % of total Shares of the company | % of Shares Pledged / encumbered to total shares | |
| 1 | Shraddha Animesh Gupta | 15,00,000 | 13.64 | 0 | 15,00,000 | 13.64 | 0 | 0.00 |
| 2 | Santosh Prahladrai Saraf | 15,00,000 | 13.64 | 0 | 15,00,000 | 13.64 | 0 | 0.00 |
| 3 | Animesh Shivkumar Gupta | 5,00,000 | 4.55 | 0 | 5,00,000 | 4.55 | 0 | 0.00 |
| 4 | Shivakumar Banwarilal Gupta | 4,00,000 | 3.64 | 0 | 4,00,000 | 3.64 | 0 | 0.00 |
| 5 | Urmila Gupta | 4,00,000 | 3.64 | 0 | 4,00,000 | 3.64 | 0 | 0.00 |
| | | 43,00,000 | 39.09 | | 43,00,000 | 39.09 | | |

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

| SN | Particulars | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|----|---|---|----------------------------------|---|----------------------------------|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| | At the beginning of the year | 43,00,000 | 39.09 | 43,00,000 | 39.09 |
| | Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.): | 0 | 0 | 0 | 0 |
| | At the end of the year | 43,00,000 | 39.09 | 43,00,000 | 39.09 |



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

| SN | For Each of the Top 100 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 |
| | At the beginning of the year | 4680000 | 42.5455 | 4680000 | 42.5455 |
| | Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.): | 0 | 0 | 0 | 0 |
| | At the end of the year | 4680000 | 42.5455 | 4680000 | 42.5455 |

E) Shareholding of Directors and Key Managerial Personnel:

| SN | Shareholding of each Directors and each Key Managerial Personnel | 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 |
| | At the beginning of the year | 30,00,000 | 27.28 | 30,00,000 | 27.28 |
| | Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.): | (15,00,000) | (13.64) | 15,00,000 | 13.64 |
| | At the end of the year | 15,00,000 | 13.64 | 15,00,000 | 13.64 |

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

| | Secured Loans excluding deposits | Unsecured Loans | Deposits | Total Indebtedness |
|---|----------------------------------|-----------------|----------|--------------------|
| Indebtedness at the beginning of the financial year | | | | |
| i) Principal Amount | | | | |
| ii) Interest due but not paid | | | | |
| iii) Interest accrued but not due | | | | |
| Total (i+ii+iii) | | | | |
| Change in Indebtedness during the financial year | | | | |



| | | | | |
|---|--|--|--|--|
| * Addition | | | | |
| * Reduction | | | | |
| Net Change | | | | |
| Indebtedness at the end of the financial year | | | | |
| i) Principal Amount | | | | |
| ii) Interest due but not paid | | | | |
| iii) Interest accrued but not due | | | | |
| Total (i+ii+iii) | | | | |

IV. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

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

| SN. | Particulars of Remuneration | Name of Managing Director | |
|-----|---|---------------------------|---------------------|
| | | Mr. Vinay Poddar | Total Amount |
| 1 | Gross salary | | |
| | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | 2,40,000/- | |
| | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 | - | 2,40,000/- |
| | (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961 | - | NIL |
| 2 | Stock Option | - | NIL |
| 3 | Sweat Equity | - | NIL |
| 4 | Commission - as % of profit - others, | - | NIL |
| 5 | Others, please | - | NIL |
| | Total (A) | - | NIL |
| | Ceiling as per | | 2,40,000/- |
| | | | Total Amount |
| | | | |



B. Remuneration to other directors

| SN. | Particulars of Remuneration | Name of Directors | | | | Total Amount |
|-----|--|-------------------|------|-----|---|--------------|
| | | ---- | ---- | --- | | |
| 1 | Independent Directors | 0 | 0 | 0 | 0 | 0 |
| | Fee for attending board committee meetings | 0 | 0 | 0 | 0 | 0 |
| | Commission | 0 | 0 | 0 | 0 | 0 |
| | Others, please specify | 0 | 0 | 0 | 0 | 0 |
| | Total (1) | 0 | 0 | 0 | 0 | 0 |
| 2 | Other Non-Executive Directors | 0 | 0 | 0 | 0 | 0 |
| | Fee for attending board committee meetings | 0 | 0 | 0 | 0 | 0 |
| | Commission | 0 | 0 | 0 | 0 | 0 |
| | Others, please specify | 0 | 0 | 0 | 0 | 0 |
| | Total (2) | 0 | 0 | 0 | 0 | 0 |
| | Total (B)=(1+2) | 0 | 0 | 0 | 0 | 0 |
| | Total Managerial Remuneration | 0 | 0 | 0 | 0 | 0 |
| | Overall Ceiling as per the Act | 0 | 0 | 0 | 0 | 0 |

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

| SN | Particulars of Remuneration | Key Managerial Personnel | | | |
|----|---|---|----|-----|----------|
| | | CEO | CS | CFO | Total |
| 1 | Gross salary | | | | |
| | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | Mr. Vinay Poddar designated as CEO in addition Managing Director of the Company | - | -- | |
| | (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 | | | | |
| | Total | 2,40,000/- | - | - | 2,40,000 |



V. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

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

Registered Office:

**18, SURTI CHAMBERS,
 2ND DHOBI TALAO LANE.,
 MUMBAI - 400 002**

For and on behalf of the Board of Directors of

Subhtex (India) Limited


Mr. Vinay Poddar
Managing Director
(DIN: 00148171)


Mrs. Sheela Kadechkar
Director
(DIN: 06862410)



Annexure - II
FORM NO. AOC -2

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

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

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

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

| SL. No. | Particulars | Details |
|---------|---|---------|
| a) | Name (s) of the related party & nature of relationship | |
| b) | Nature of contracts/arrangements/transaction | |
| c) | Duration of the contracts/arrangements/transaction | |
| d) | Salient terms of the contracts or arrangements or transaction including the value, if any | |
| e) | Date of approval by the Board | |
| f) | Amount paid as advances, if any | |

For and on behalf of the Board of Directors of
 Subhtex (India) Limited



Vinay
 Mr. Vinay Poddar
 Managing Director
 (DIN: 00148171)

Sheela
 Mrs. Sheela Kadechkar
 Director
 (DIN: 06862410)

Annexure - III

MANAGERIAL REMUNERATION

A) Details of the ratio of the remuneration of each director to the median employee's remuneration and other details as required pursuant to Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

| S. No. | Name of Director/KMP and Designation | Remuneration of Director/KMP for financial year 2014-15 (in Rs.) | % increase in Remuneration in the financial year 2014-15 | Ratio of remuneration of each Director/to median remuneration of employees | Comparison of the Remuneration of the KMP against the performance of the Company |
|--------|--------------------------------------|--|--|--|--|
| 1 | Mr. Vinay Poddar | 2,40,000/- | 0.00% | 2 | Not Applicable |

Notes:

- All appointments are / were non-contractual
- Remuneration as shown above comprises of Salary, Leave Salary, Bonus, Gratuity where paid, Leave Travel Assistance, Medical Benefit, House Rent Allowance, Perquisites and Company's Contribution to Provident Fund and Superannuation Fund. Remuneration on Cash basis
- None of the above employees is related to any Director of the Company employed for part of the financial year.



MANAGEMENT DISCUSSION AND ANALYSIS REPORT

❖ FORWARD-LOOKING STATEMENTS

This report contains forward-looking statements based on certain assumptions and expectations of future events. The Company, therefore, cannot guarantee that these assumptions and expectations are accurate or will be realised. The Company's actual results, performance or achievements can thus differ materially from those projected in any such forward-looking statements. The Company assumes no responsibility to publicly amend, modify or revise any forward looking statements, on the basis of any subsequent developments, information or events.

❖ INDUSTRY STRUCTURE AND DEVELOPMENTS

Currently, our company is engaged in the business of manufacturing fabric viz suiting & shirting for the domestic and international market. At the same time our Company is involved in trading of various textile products which are of high quality and also bulk trading

❖ MARKETING

The Company is setting up a good marketing team to enter to increased turnover.

❖ SWOT

Our strength is our determination and team work, weakness is the low equity base, opportunities are multiples and threats are the vibrations in the economy and government policies.

❖ INTERNAL CONTROL

The Company has adequate internal control system, commensurate with the size of its operations. Adequate records and documents are maintained as required by laws. The Company's audit Committee reviewed the internal control system. All efforts are being made to make the internal control systems more effective.

❖ SEGMENT WISE REPORTING

During the year under review, Company has achieved all sales through Cargo Handling only.

❖ OUTLOOK

❖ MATERIAL DEVELOPMENTS IN HUMAN RESOURCES/INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED

❖ DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE.



❖ **RISKS AND CONCERNS**

In any business, risks and prospects are inseparable. As a responsible management, the Company's principal endeavour is to maximize returns. The Company continues to take all steps necessary to minimise its expenses through detailed studies and interaction with experts.

❖ **CAUTIONARY STATEMENT**

Statement in this Management's Discussion and Analysis detailing the Company's objectives, projections, estimates, estimates, expectations or predictions are "forward-looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include global and Indian demand-supply conditions, finished goods prices, feedstock availability and prices, cyclical demand and pricing in the Company's principal markets, changes in Government regulations, tax regimes, economic developments within India and the countries within which the Company conducts business and other factors such as litigation and labour negotiations.



CERTIFICATION BY CEO/CFO UNDER CLAUSE 49 V OF THE LISTING AGREEMENT

The Board of Directors,
Subhtex (India) Limited
18, SURTI CHAMBERS,
2ND DHOBI TALAO LANE.,
MUMBAI - 400 002.

We have reviewed the financial statements and the cash flow statement of SubhTex (India) Limited for the year ended March 31, 2015 and to the best of our knowledge and belief:

- (a) (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
- (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take for rectifying these deficiencies.
- (d) We have indicated to the Auditors and the Audit Committee:
- (i) significant changes in internal control over financial reporting during the year;
- (ii) significant changes in accounting policies made during the year and the same have been disclosed in the notes to the financial statements; and
- (iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Chief Executive Officer



Mr. Vinay Poddar
(DIN: 00148171)

Date: August 24th, 2015
Place: Mumbai



INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF SUBH TEX (INDIA) LTD .

Report on the Financial Statements

We have audited the accompanying financial statements of **SUBH TEX (INDIA) LTD** which comprise the Balance Sheet as at 31st March, 2015 , the Statement of Profit and Loss AND cash flow statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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.



... 2 ...



Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the act and the Rules made there under.

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances.. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the financial statements.

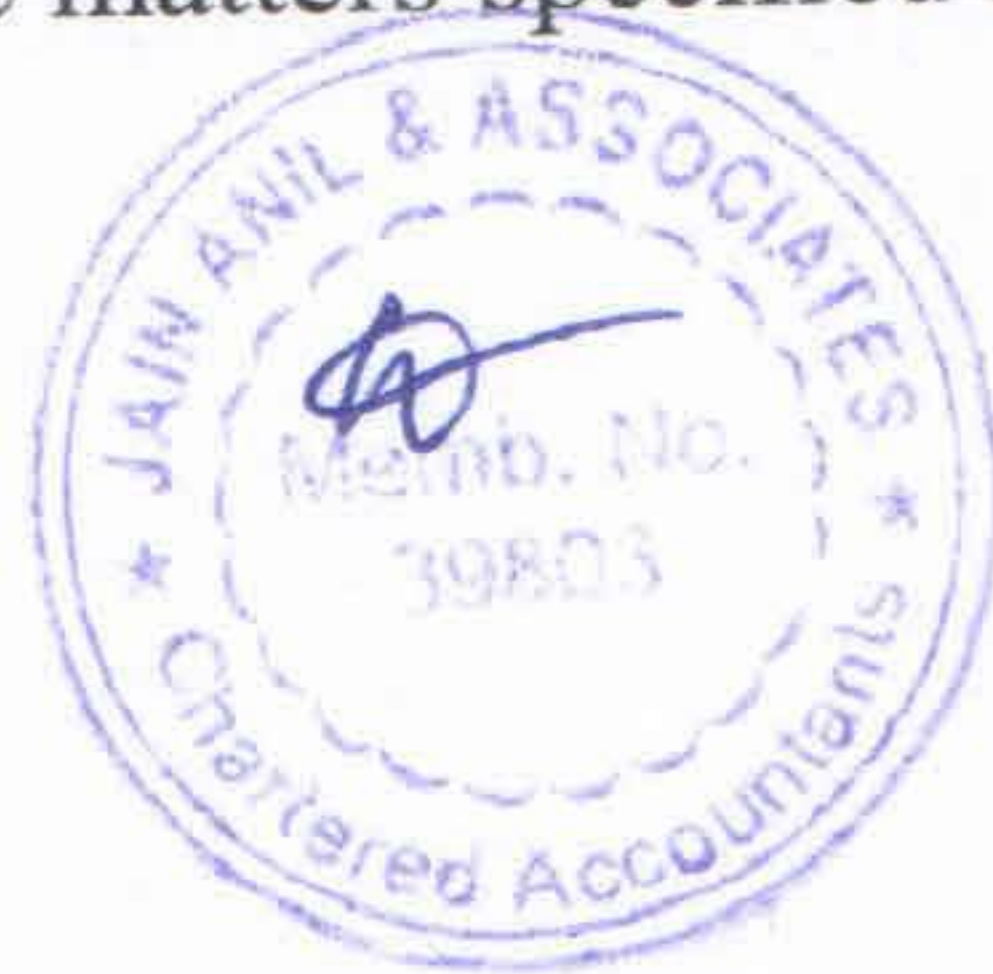
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statement.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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, 2015, and its profit/loss and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1.As required by the Companies (Auditor's Report) Order, 2015("the order") issued by the Central Government in terms of Sub-Section (11) of section 143of the Act, we give in annexure hereto a statement on the matters specified in paragraphs 4 and 5 of the said Order.



... 3 ...



As required by section 143(3) of the Act, we report that:

- (a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- (b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books; (and proper returns adequate for the purposes of our audit have been received from the branches not visited by us)
- (c) The Balance Sheet, the Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- (d) In our opinion, the aforesaid standalone 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, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of section 164(2) of the Act.
- (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us.

**For JAIN ANIL & ASSOCIATES
CHARTERED ACCOUNTANTS.**

Anil Jain



**(ANIL JAIN)
Proprietor
F. R. N. 115987W**

**PLACE : MUMBAI
DATED : 24/08/2015**



SUBH TEX (INDIA) LTD .
NOTES FORMING PART OF ACCOUNTS FOR THE
YEAR ENDED 31st MARCH, 2015

A. SIGNIFICANT ACCOUNTING POLICIES

a. ACCOUNTING CONCEPTS :

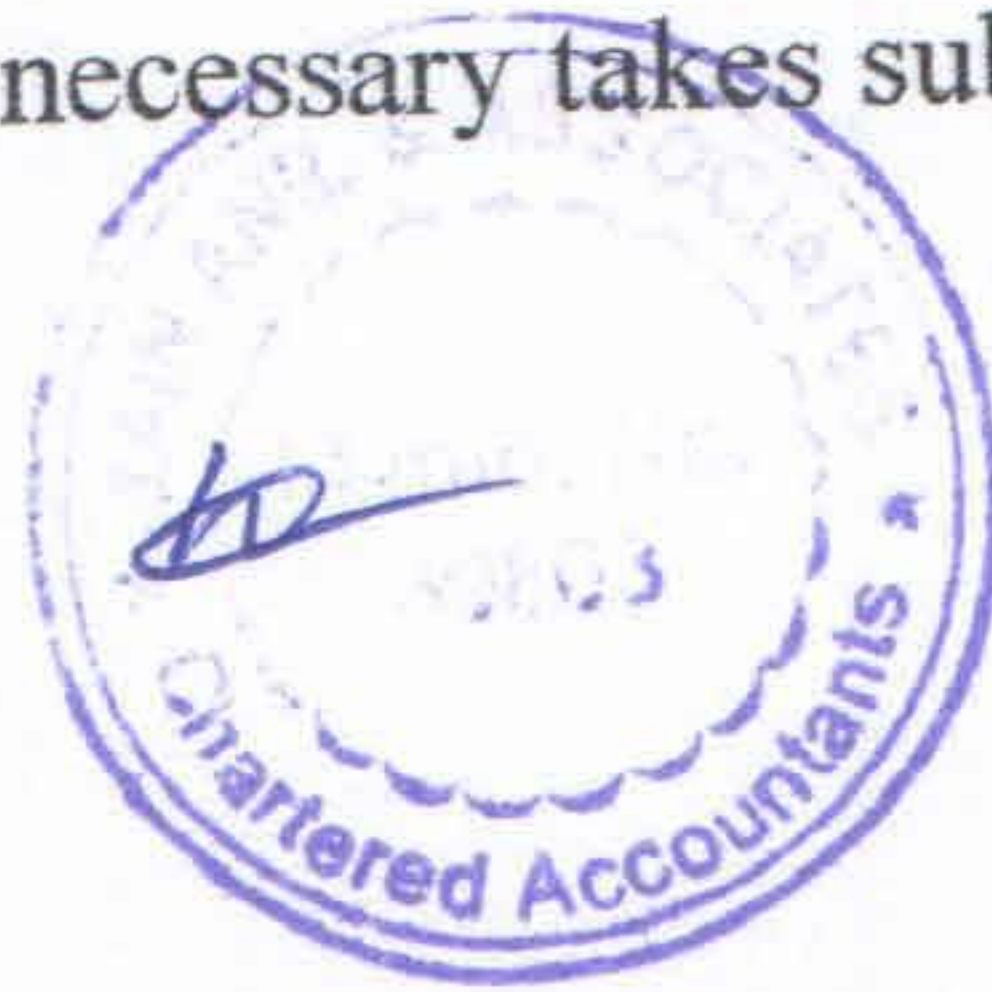
The accounts have been prepared on historical cost convention. The company follows the accrual basis of accounting. The financial statements are prepared in accordance with accounting standards specified under section 133 of the companies act 2013, read with rule 7 of the companies (Accounts) Rules, 2014 and the relevant provision of companies act, 2013.

b. USE OF ESTIMATES :

The preparation of financial statements requires the management of the company to make estimates and assumption that effect 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 recognized in the period in which the results are known/materialized. Though the management believes that the estimates used are prudent and reasonable, actual results could differ from these estimates.

c. FIXED ASSETS

Fixed Assets are stated at cost less accumulated depreciation thereon. The cost of fixed assets comprises purchase price and any directly attributable cost of bringing the asset to its working condition for its intended use. Borrowing cost directly attributable to acquisition or construction of those fixed assets which necessary takes substantial period of time to get ready for their intended use are capitalized.



...2...



d. DEPRECIATION

In respect of fixed Assets, depreciation is charged on WDV basis to write of the cost of the fixed asset. Useful life of fixed Asset is taken on the basis of its use

. INVESTMENTS

Investments are classified into current investments and non current investments. Investments that are intended to be held for one year or more as on the date of Balance sheet are classified as non current investments and investments that are held for less than one year as on the date of Balance Sheet are classified as current investments. Non current investment are valued at cost. Income from investment is recognized in the year in which it is accrued and states at gross.

f. INVENTORIES

The stock in trade during the year is valued at cost or net realizable value whichever is less.

g. Employee Benefits :

No provision is made in respect of retirement benefits.

h. Revenue Recognition :

- i) Revenue has been recognized as and when there is a reasonable certainty of its ultimate realization



... 3 ...



i. Contingent Liability :

i) Provisions are recognized for present obligation of uncertain timing or amount as a result of a past event where a reliable estimate can be made and it is probable that an outflow or resources embodying economic benefits will be required to settle the obligation. Where it is not possible that an outflow or resources embodying economic benefits will be required or the amount cannot be estimated reliably, the obligation is disclosed as contingent liability, unless the probability of outflow or resources embodying economic benefits is remote.

ii) Possible obligations whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain events are also disclosed as contingent liabilities unless the probability of outflow of resources embodying economic benefit is remote.

j. Previous year's figures have been regrouped wherever necessary to confirm to current year's groupings.

k. Cash and Cash equivalents


Cash and cash equivalents for the purpose of cash flow statement comprise cash at bank and in hand and short term investments with an original maturity of three months or less

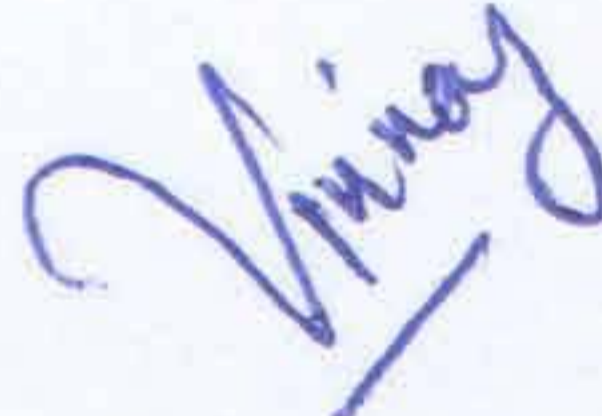
For JAIN ANIL AND ASSOCIATES,
Chartered Accountants


(ANIL JAIN)
Proprietor



For and on behalf of Board of Directors
SUBH TEX (INDIA) LTD




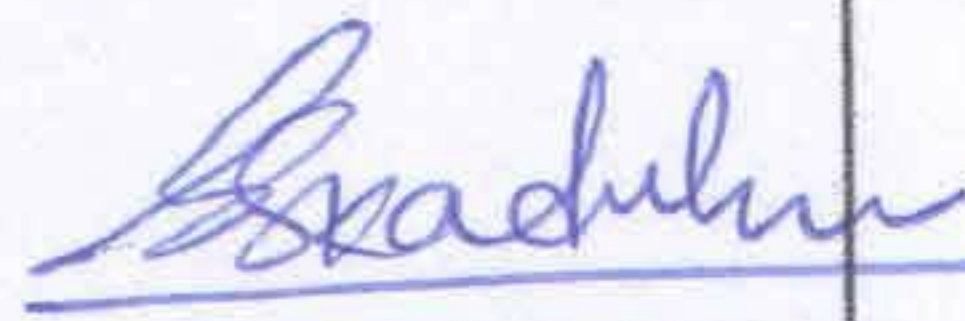


Sheeta Kasteekar
Director


Vinay Poddar
Director

PLACE : MUMBAI
DATED : 24/08/2015



Subhtex India Ltd
Balance Sheet as on March 31, 2015

| Particulars | Note No. | As at 31-Mar-15 | | As at 31-Mar-14 | |
|---|----------|--|---------------------|---|---------------------|
| | | | | | |
| I. EQUITY & LIABILITIES | | | | | |
| (1) Shareholders' funds | | | | | |
| a) Share Capital | | 11,00,00,000 | | 11,00,00,000 | |
| b) Reserves & Surplus | | 8,53,20,064 | 19,53,20,064 | 8,80,44,832 | 19,80,44,832 |
| (2) Non Current Liabilities | | | | | |
| a) Long term borrowings | | 4,81,93,196 | | 4,89,43,196 | |
| c) Long term provisions | | 42,08,766 | 5,24,01,962 | 42,08,766 | 5,31,51,962 |
| (3) Current Liabilities | | | | | |
| a) Short-term borrowings | | 7,52,58,199 | | 7,52,58,199 | |
| b) Trade Payables | | 2,86,62,216 | | 2,75,12,216 | |
| c) Other Current Liabilities | | 6,45,470 | | 6,45,469 | |
| d) Short term Provisions | | 8,26,968 | 10,53,92,853 | 8,26,968 | 10,42,42,852 |
| TOTAL | | | 35,31,14,878 | | 35,54,39,645 |
| II. ASSETS | | | | | |
| (1) Non - Current Assets | | | | | |
| i) FIXED ASSETS | | | | | |
| a) Fixed Assets | | 3,70,39,992 | | 3,75,52,594 | |
| b) Capital Work in Progress | | 1,41,507 | | 1,41,507 | |
| ii) Non Current Investments | | 3,11,61,411 | | 3,11,61,411 | |
| iii) Deferred Tax Assets (Net) | | 24,42,778 | | 22,67,228 | |
| iv) Long term loans and advances | | 2,65,45,562 | 9,73,31,250 | 2,57,95,562 | 9,69,18,302 |
| v) Other non current assets | | | | | |
| (2) Current Assets | | | | | |
| a) Inventories | | - | | 21,25,600 | |
| b) Trade Receivables | | 23,40,41,246 | | 23,53,41,246 | |
| c) Cash and Cash Equivalents | | 12,03,428 | | 15,24,625 | |
| d) Short Term Loans and Advances | | 2,05,38,954 | 25,57,83,628 | 1,95,29,873 | 25,85,21,344 |
| e) Other Current Assets | | | | | |
| TOTAL | | | 35,31,14,878 | | 35,54,39,646 |
| The accompanying notes are an integral part of the financial statements. | | | | | |
| As per our report of even date For Jain Anil & Associates Chartered Accountants | | | | (1) 0 For and on behalf of Board of Directors | |
|  | |  | |  | |
| Anil Jain Proprietor | | | | Vinay Poddar Director | |
| Place Mumbai Date 24/08/2015 | | | | Place Mumbai Date 24/08/2015 | |
| | | | |  | |
| | | | | Sheela kadechkar Director | |
| | | | |  | |

Subhtex India Ltd
Statement of Profit and Loss for the year ended March 31, 2015

| Particulars | Note No. | For the year ended 31-Mar-15 | For the year ended 31-Mar-14 |
|--|----------|------------------------------|------------------------------|
| I. Revenue from Operation | | 3,05,67,000 | 20,88,56,763 |
| II. Other Income | | 2,78,000 | 1,61,64,986 |
| III. Total Revenue | | 3,08,45,000 | 22,50,21,749 |
| IV. Expenses | | | |
| a) Cost of materials consumed | | - | 1,50,87,452 |
| b) Purchase of stock-in-trade | | 2,90,27,750 | 10,32,18,173 |
| c) Changes in inventories of finished goods work-in-progress and Stock-in-Trade (Increase)/ Decrease | | - | 6,99,02,654 |
| d) Employee benefits expense | | 6,61,000 | 25,04,604 |
| e) Finance costs | | 2,77,000 | 1,32,34,422 |
| f) Depreciation | | 32,75,791 | 47,55,515 |
| g) Other Expenses | | 3,28,227 | 1,67,99,115 |
| Total Expenses | | 3,35,69,768 | 22,55,01,936 |
| V. Profit or Loss before tax | | (27,24,768) | (4,80,187) |
| VI. Income from Prior Period and exceptional items | | - | - |
| VII. Tax expense: | | | |
| (1) Current tax | | - | 1,19,890 |
| (2) Deferred tax | | - | - |
| Profit for the year after tax | | (27,24,768) | (6,00,077) |
| Earnings Per Share | | | |
| Basic | | (0) | (0) |
| Diluted | | | |

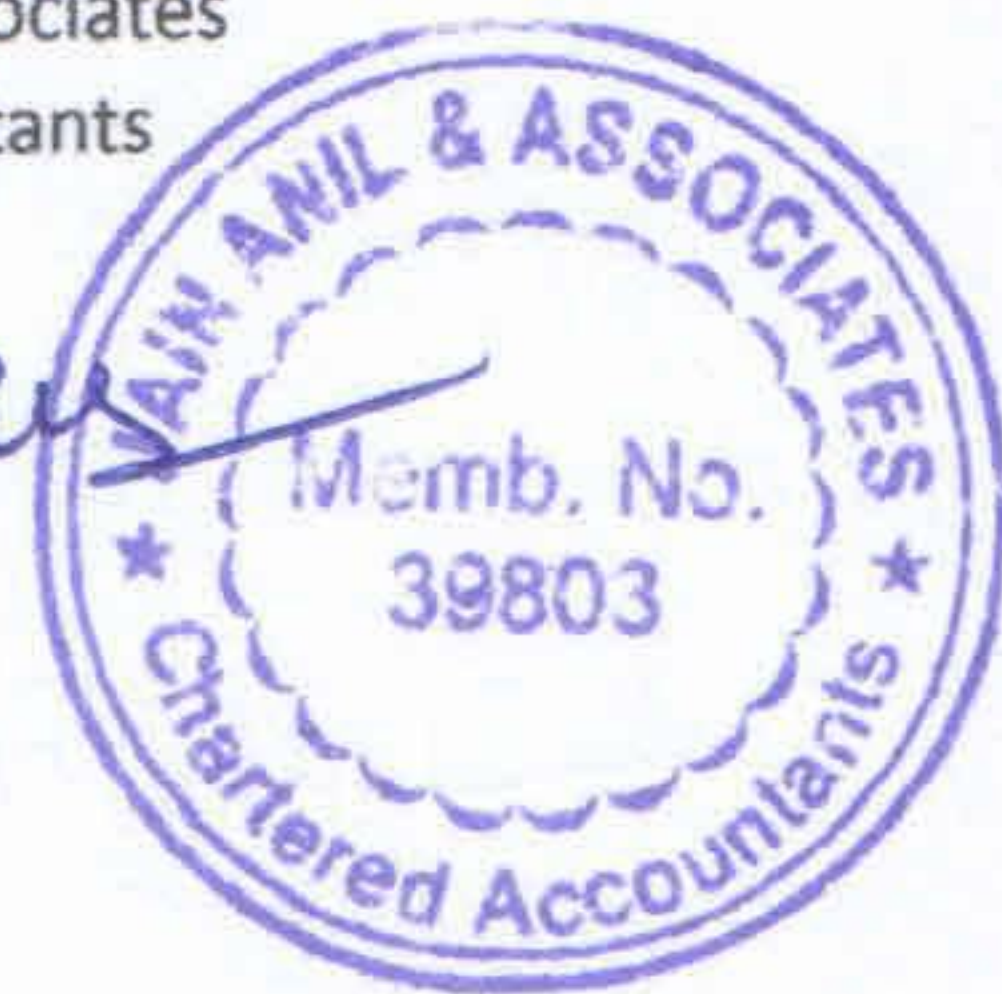
The accompanying notes are an integral part of the financial statements.

As per our report of even date
For Jain Anil & Associates
Chartered Accountants

Anil Jain

Proprietor

Place Mumbai
Date 24/08/2015



For and on behalf of Board of Directors

Vinay

Vinay Poddar
Director

Place
Date

Sheela kadechkar

Sheela kadechkar
Director

Mumbai
24/08/2015



Subhtex India Ltd

Notes on Financial Statements

Note 1: Share Capital

| Particulars | As at March 31, 2015 | | As at March 31, 2014 | |
|---------------------------------------|----------------------|--------------------|----------------------|---------------------|
| | No. of shares | Rupees | No. of shares | Rupees |
| Authorized: | | | | |
| Equity Shares of Rs. 10/- each | | 2,00,00,000 | 2,00,00,000 | 20,00,00,000 |
| Issued, subscribed and fully paid up: | | | | |
| Equity Shares of Rs. 10/- each | 1,10,00,000 | 11,00,00,000 | 75,00,000 | 7,50,00,000 |

Rights & restriction attached to equity shareholders:

The company has only one class of equity shares having face value of 1/- each. Every shareholder is entitled for one vote per share. The dividend proposed by the Board of Directors is subject to approval of shareholder except in case of interim dividend. In the event of liquidation, the equity shareholders are entitled to receive the remaining assets of the company, after distribution of all preferential amounts, in proportion of their shareholding.

Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period
Equity Shares Outstanding

| Particulars | As at March 31, 2015 | | As at March 31, 2014 | |
|--|----------------------|---------------------|----------------------|---------------------|
| | No. of shares | Value of Shares | No. of shares | Value of Shares |
| Number of equity shares at the beginning | 75,00,000 | 7,50,00,000 | 75,00,000 | 7,50,00,000 |
| Number of additional equity shares issued & subscribed during the year | 35,00,000 | 3,50,00,000 | 35,00,000 | 3,50,00,000 |
| Number of equity shares outstanding at the end of the year | 1,10,00,000 | 11,00,00,000 | 1,10,00,000 | 11,00,00,000 |

Details of shares held by shareholders holding more than 5% of the aggregate shares of the company:

| Name of Shareholders | As at March 31, 2015 | | As at March 31, 2014 | |
|--------------------------------------|----------------------|---------------|----------------------|---------------|
| | No. of shares | % of Holdings | No. of shares | % of Holdings |
| a) Santosh Saraf | 15,00,000 | 13.64% | 7,50,000 | 10.00% |
| b) Shraddha Gupta | 15,00,000 | 13.64% | 7,50,000 | 10.00% |
| c) Akshat Gupta | | | 7,50,000 | 10.00% |
| d) Bee Gee Leasing & Investment Ltd. | | | 7,50,000 | 10.00% |
| e) Animesh Gupta | | | 5,00,000 | 6.67% |
| f) Ankush Gupta | | | 5,00,000 | 6.67% |
| g) Ashok Gupta | | | 4,50,000 | 6.00% |
| h) Arjay Poddar | | | 4,50,000 | 6.00% |
| i) Sushma Gupta | | | 4,00,000 | 5.33% |
| j) Mahesh Gupta HUF | | | 4,00,000 | 5.33% |
| k) Shiv Gupta | | | 4,00,000 | 5.33% |
| l) Urmila Gupta | | | 4,00,000 | 5.33% |
| m) Simmi Poddar | | | 4,00,000 | 5.33% |



Note 2: Reserves and Surplus

| Particulars | As at March 31, 2015 | As at March 31, 2014 |
|---------------------------|----------------------|----------------------|
| | Rupees | Rupees |
| General Reserves : | | |
| Opening Balance | 40,00,000 | 40,00,000 |
| Addition during the year | - | - |
| Closing Balance | 40,00,000 | 40,00,000 |
| Capital Subsidy : | | |
| Opening Balance | 9,75,610 | 9,75,610 |
| Addition during the year | - | - |
| Closing Balance | 9,75,610 | 9,75,610 |

Statement of Profit & Loss :

| | | |
|----------------------------|--------------------|--------------------|
| Opening Balance | 8,30,69,222 | 8,36,69,298 |
| Profit/(Loss) for the year | (27,24,768) | (6,00,076) |
| Closing Balance | 8,03,44,454 | 8,30,69,222 |
| TOTAL | 8,53,20,064 | 8,80,44,832 |

Note 3: Long Term Borrowings

| Particulars | As at March 31, 2015 | As at March 31, 2014 |
|--|----------------------|----------------------|
| | Rupees | Rupees |
| Term Loan from Banks - Secured | 43,84,096 | 43,84,096 |
| From Directors, Related Parties and Shareholders - Unsecured | 4,38,09,099 | 4,45,59,099 |
| From others - Unsecured Loans | - | - |
| TOTAL | 4,81,93,196 | 4,89,43,196 |

Note 4: Long Term Provisions

| Particulars | As at March 31, 2015 | As at March 31, 2014 |
|--------------------------------|----------------------|----------------------|
| | Rupees | Rupees |
| Provision for Gratuity | 7,98,320 | 7,98,320 |
| Provision for Leave Encashment | 34,10,446 | 34,10,446 |
| TOTAL | 42,08,766 | 42,08,766 |

Note 5: Short - term Borrowings

| Particulars | As at March 31, 2015 | As at March 31, 2014 |
|--------------|----------------------|----------------------|
| | Rupees | Rupees |
| TOTAL | 42,08,766 | 42,08,766 |



Loan from Bank:

Cash Credit from Corporation Bank
 Corporation Bank - Silvassa
 Overdraft from Corporation Bank - 255
 From others - Unsecured

| | | |
|--------------|---------------------------|---------------------------|
| | 7,42,72,710 | 7,42,72,710 |
| | 9,87,900 | 9,87,900 |
| | (2,411) | (2,411) |
| TOTAL | <u>7,52,58,199</u> | <u>7,52,58,199</u> |

Note 6: Trade Payable

| | | |
|---------------|---------------------------|---------------------------|
| Particulars | As at March 31, 2015 | As at March 31, 2014 |
| | Rupees | Rupees |
| Due to others | 2,86,62,216 | 2,75,12,216 |
| TOTAL | <u>2,86,62,216</u> | <u>2,75,12,216</u> |

Note 7: Other Current Liabilities

| | | |
|--|------------------------|------------------------|
| Particulars | As at March 31, 2015 | As at March 31, 2014 |
| | Rupees | Rupees |
| Car Loan | - | - |
| Home Loan | - | - |
| From Directors, Related Party and Shareholders - Unsecured | 6,45,469 | 6,45,469 |
| Statutory Dues Payable | - | - |
| TOTAL | <u>6,45,469</u> | <u>6,45,469</u> |

Note 8: Short Term Provisions

| | | |
|----------------|------------------------|------------------------|
| Particulars | As at March 31, 2015 | As at March 31, 2014 |
| | Rupees | Rupees |
| For Income Tax | 8,26,968 | 8,26,968 |
| TDS Payable | - | - |
| TOTAL | <u>8,26,968</u> | <u>8,26,968</u> |

Note 9: Fixed Assets

| | | |
|------------------------|---------------------------|---------------------------|
| Particulars | As at March 31, 2015 | As at March 31, 2014 |
| | Rupees | Rupees |
| i) Tangible Assets | 5,66,67,332 | 5,99,43,123 |
| ii) In-tangible Assets | 1,41,507 | 1,41,507 |
| TOTAL | <u>5,68,08,839</u> | <u>6,00,84,630</u> |



Note 10: Non Current Investments

As at March 31, 2015
As at March 31, 2014

Rupees
Rupees

Investment in Equity Instruments

Quoted Investments:

Shushanku Enterprises
5,00,000 Equity shares of Rs. 100 each

17,50,750

17,50,750

2,47,000 Equity Shares of Rs. 10 each of SVC Resources Ltd.

2,89,48,961

2,89,48,961

Investment in Resedential Flat

Shree Shivam Complex

4,61,700

4,61,700

TOTAL

3,11,61,411

3,11,61,411

Note 11: Long Term Loans & Advances

Particulars

As at March 31, 2015

Rupees

As at March 31, 2014

Rupees

Loans and Advances to Directors, Related Party and Shareholders - Unsecured

1,70,79,898

1,63,29,898

Loan and Advances to others - Unsecured

19,37,276

19,37,276

Security and other Deposits

75,28,387

75,28,387

Balances with revenue authorities etc.

TOTAL

2,65,45,562

2,57,95,562

Note 12: Inventories**

Particulars

As at March 31, 2015

Rupees

As at March 31, 2014

Rupees

Raw Materials

-

-

Work in Progress

-

-

Finished Goods

21,25,600

TOTAL

21,25,600

21,25,600

**Inventories have been valued at lower of cost or market value

Note 13: Trade Receivables

Particulars

As at March 31, 2015

Rupees

As at March 31, 2014

Rupees

Domestic Trade Receivables

Trade receivables outstanding for a period exceeding six months from the date they are due



for the payment (unsecured, considered goods)
 Domestic trade receivables
 Export trade receivables

23,40,41,246

23,53,41,246

Trade receivables outstanding for a period less than six months from the date they are due
 for the payment (unsecured, considered goods)
 Domestic trade receivables
 Export trade receivables

TOTAL

23,40,41,246

23,53,41,246

Note 14: Cash And Cash Equivalents

Particulars

As at March 31, 2015

As at March 31, 2014

Rupees

Rupees

Cash in hand
 Balance with bank in current account
 HDFC Bank

12,00,578

15,21,746

2,850

2,879

TOTAL

12,03,428

15,24,625

Note 15: Short term loans and advances

Particulars

As at March 31, 2015

As at March 31, 2014

Rupees

Rupees

Loans and Advances to Directors, Related Party and Shareholders - Unsecured
 Loan and Advances to others - Unsecured
 Balances with revenue authorities, etc
 Receivable for sale of assets
 Pre-paid Expenses

1,80,95,635

1,70,86,554

17,39,981

17,39,981

1,04,607

1,04,607

5,00,000

5,00,000

98,731

98,731

TOTAL

2,05,38,954

1,95,29,873



Subhtex India Ltd

Note No. 16 : Revenue from Operations

| Particulars | For the year ended March 31, 2015 | For the year ended March 31, 2014 |
|-----------------------------|--------------------------------------|--------------------------------------|
| Operating Revenue | | |
| <u>Manufacturing Sales:</u> | | |
| Grey Sale | 64,09,831 | 46,09,831 |
| Finish Sale | 1,28,98,166 | 73,12,434 |
| Job Sale | 23,13,003 | 16,13,003 |
| Trading Sales | 88,25,000 | 19,74,89,990 |
| Export Sales | | |
| License Sale | 1,21,000 | 1,36,724 |
| Sale Return | - | - |
| Discount Sale | - | (23,05,219) |
| TOTAL | 3,05,67,000 | 20,88,56,763 |

Details of Sale of Products

Domestic Sales
Less: Excise Duty

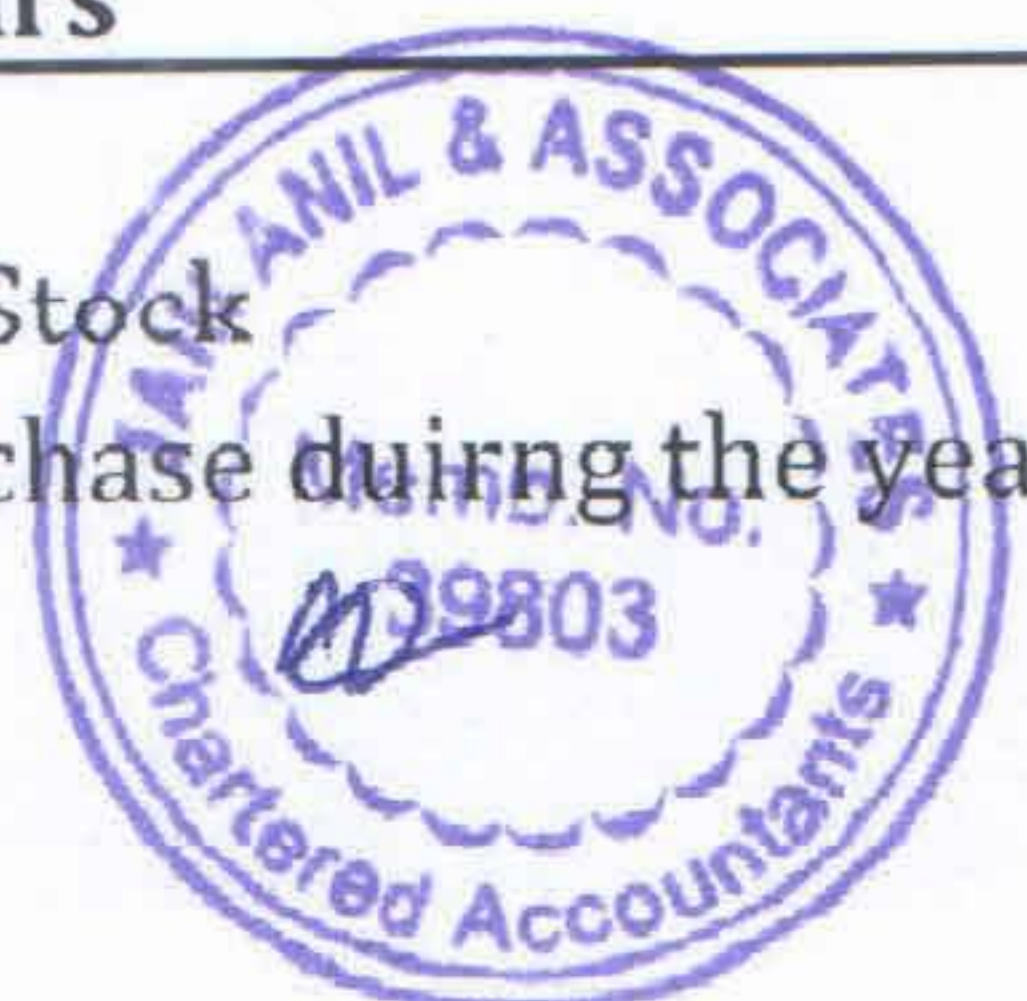
Net Domestic Sales

Note No. 17 : Other Income

| Particulars | For the year ended March 31, 2015 | For the year ended March 31, 2014 |
|-------------------------------|--------------------------------------|--------------------------------------|
| Drawback Benefit - Export | | |
| Interest Received | | |
| Interest on sale | | |
| Job Charges Received | 2,78,000 | |
| Foreign Currency Fluctuation | | |
| Income from sharing of assets | - | 1,38,00,000 |
| Profit on sale of assets | - | 23,64,986 |
| TOTAL | 2,78,000 | 1,61,64,986 |

Note No. 18 : Cost of Materials Consumed

| Particulars | For the year ended March 31, 2015 | For the year ended March 31, 2014 |
|-------------------------------|--------------------------------------|--------------------------------------|
| Opening Stock | | 1,37,23,887 |
| Add: Purchase during the year | | 13,63,565 |



Less:Closing Stock

| | |
|---|-------------|
| - | - |
| - | 1,50,87,452 |

Materials Consumed comprise of:
Raw Materials

| | |
|---|-------------|
| - | 1,50,87,452 |
|---|-------------|

Note No. 19 : Purchase of stock-in-trade

| Particulars | For the year ended March 31, 2015 | For the year ended March 31, 2014 |
|-------------------|--------------------------------------|--------------------------------------|
| Trading Purchases | 2,90,27,750 | 10,32,18,173 |
| TOTAL | 2,90,27,750 | 10,32,18,173 |

Note No. 20 : Changes In Inventories of Finished Goods, Work-in-Progress and Stock-in-trade

| Particulars | For the year ended March 31, 2015 | For the year ended March 31, 2014 |
|---|--------------------------------------|--------------------------------------|
| Inventories at the end of the year: | | 1,50,87,452 |
| Finished Goods - Fabric | - | 21,25,600 |
| Work in progress | - | 21,25,600 |
| Inventories at the beginning of the year: | | 10,32,18,173 |
| Finished Goods - Fabric | - | 6,66,40,802 |
| Work in progress | - | 53,87,452 |
| | | 7,20,28,254 |
| Net (Increase) / Decrease | - | 6,99,02,654 |

Note No. 21 : Employee Benefit Expenses

| Particulars | For the year ended March 31, 2015 | For the year ended March 31, 2014 |
|-------------------------|--------------------------------------|--------------------------------------|
| Salaries | 5,21,000 | 22,19,604 |
| Contribution towards PF | | |
| Bonus and Leave salary | 40,000 | 45,000 |
| Director's Remuneration | 1,00,000 | 2,40,000 |
| Gratuity | | |
| Leave Encashment | | |
| TOTAL | 6,61,000 | 25,04,604 |



Note No. 22 : Finance Cost

| Particulars | For the year ended March 31, 2015 | For the year ended March 31, 2014 |
|-----------------------------------|--------------------------------------|--------------------------------------|
| Bank Interest | 2,75,000 | 1,30,36,544 |
| Interest on Purchase | - | 5,41,818 |
| Interest on Sale | - | (3,83,309) |
| Other Interest and Charges | | |
| Bank Charges | 2,000 | 39,370 |
| Interest Paid - Company | | |
| Interest Paid - Non Company | | |
| | 2,77,000 | 1,32,34,422 |

Note No. 23 : Depreciation and Amortisation Exp

| Particulars | For the year ended March 31, 2015 | For the year ended March 31, 2014 |
|--------------|--------------------------------------|--------------------------------------|
| Depreciation | - | 63,92,933 |
| TOTAL | - | 63,92,933 |

Note No. 24: Other Expenses

| Particulars | For the year ended March 31, 2015 | For the year ended March 31, 2014 |
|-------------|--------------------------------------|--------------------------------------|
|-------------|--------------------------------------|--------------------------------------|

Manufacturing Expenses

Packing / Cutting Expenses

Domestic

Export

Power & Fuel

New Plant

Old Plant

Electricity Expenses

Transport Expenses

Process Charges (Unit - I)

Repairs and Maintenance

Spare and Consumables

New Plant

Old Plant

Process Purchase

Packing Material Purchase

Weaving Purchase

Export Expenses

Administrative & Other Expenses

Donation

Postage and Courier

Consultancy Charges

Membership & Subscription

Insurance Exp - Office

| | | |
|--------|--|-------------|
| | | 1,32,34,422 |
| 90,332 | | 90,332 |
| 17,000 | | 2,12,621 |
| 3,000 | | 81,164 |
| 1,500 | | 1,500 |
| 310 | | 2,870 |
| 2,000 | | 7,000 |
| 3,371 | | 3,371 |
| 12,000 | | 1,05,575 |



| | | |
|-------------------------------------|----------|-------------|
| Legal and Professional Charges | 13,000 | 5,46,865 |
| Repair and Maintenance | 1,10,000 | 1,40,45,684 |
| Printing & Stationery | 1,000 | 3,42,529 |
| Telephone Expense | 2,500 | 9,199 |
| Postage and Courier | 750 | 2,757 |
| Spares and Consumables | - | 1,46,361 |
| Security Expenses | 30,000 | 27,390 |
| Insurance Exp - Personal | - | 3,11,046 |
| IPO Expenses - | - | 8,21,387 |
| Credit Card Expenses | 28,684 | 28,684 |
| Selling and Administration Expenses | 12,780 | 12,780 |

Auditors Remuneration :

Audit Fees



3,28,227

1,67,99,115



1,40,45,684
3,42,529
9,199
2,757
1,46,361
27,390
3,11,046
8,21,387
28,684
12,780

1,67,99,115

| Particulars | Gross Block | | | Depreciation | | Net Block | |
|---------------------------|------------------------|-----------|------------------|------------------------|--------------------|-------------------------|--------------------|
| | Balance as on 1-Apr-14 | Additions | Deductions | Balance as on 1-Apr-14 | For the year | Balance as on 31-Mar-15 | As on 31-Mar-14 |
| Tangible Assets | | | | | | | |
| Freehold Land | 36,50,000 | - | 36,50,000 | - | - | - | 36,50,000 |
| Flat | 94,00,000 | - | - | - | - | 94,00,000 | 94,00,000 |
| Electrical Installation | 7,96,300 | - | - | 19,97,482 | - | 7,96,300 | (12,01,183) |
| Factory Building | 1,26,24,147 | - | - | 2,02,75,226 | 19,97,482 | 1,26,24,147 | (76,51,079) |
| Plant & Machinery | 1,84,58,044 | - | - | 3,77,98,810 | (29,01,115) | 3,48,97,695 | (1,93,40,765) |
| Furniture and Fixtures | 5,64,567 | - | - | 12,87,421 | 12,87,421 | 5,64,567 | (7,22,853) |
| Vehicles | 1,08,36,035 | - | - | 35,93,336 | 10,86,405 | 61,56,293 | 72,42,698 |
| Computers and Peripherals | 2,34,535 | - | - | 64,032 | 17,050 | 1,53,453 | 1,70,503 |
| Office Premises | 82,00,000 | - | - | 47,56,473 | 3,44,353 | 30,99,174 | 34,43,527 |
| Total | 6,47,63,628 | - | 36,50,000 | 6,97,72,780 | (14,53,307) | 4,47,59,344 | (50,09,152) |
| Factory WIP | 1,41,507 | - | - | - | - | 1,41,507 | 1,41,507 |
| TOTAL | 6,49,05,135 | - | 36,50,000 | 6,97,72,780 | (14,53,307) | 4,47,59,344 | (48,67,645) |





Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31.03.2015

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 09 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
SUBH TEX (INDIA) LIMITED
18, SURTI CHAMBERS,
2ND DHOBI TALAO LANE,
MUMBAI- 400002.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **SUBH TEX (INDIA) LIMITED** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us 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 authorised 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, 2015 complied with the Statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the 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, 2015 according to the provisions of;

1. The notified Sections of the Companies Act, 2013 and Rules made there under, **except the annual return and financial statements along with notes to be filed with registrar for the year ended 31st March, 2014 which were adopted in the Board Meeting held on 05.09.2014;**
2. The Securities Contracts (Regulation) Act, 1956(SCRA) and the rules made there under;
3. The Depositories Act, 1996 and the Regulations and Bye-law framed hereunder;



4. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment and Overseas Direct Investment; (Not applicable to the company during the Audit period)
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India , 1992 ('SEBI Act');
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; (Not applicable to the company during the Audit period);
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines , 1999 (Not applicable to the company during the Audit Period);
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable to the company during the Audit period);
 - (f) The Securities and Exchange Board of India (Registration to an Issue and Share Transfers Agents) Regulations, 1993;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable to the company during the Audit period) and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not applicable to the company during the Audit period).
6. As informed to us that the other law applicable to the company is The Income Tax Act, 1961.

We have also examined compliance with the applicable clause of the following;

- I. The Secretarial Standards issue by the Institute of Company Secretaries of India. (Not applicable to the Company during the Audit period)
- II. The Listing Agreements entered into by the Company with Bombay Stock Exchange SME.

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

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

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



All decision at Board Meetings and Committee Meetings are carried 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 Vijay Oganiya & Associates
(Company Secretaries)**



**(Vijay Oganiya)
Proprietor
ACS: 21083
CP: 7734**



**Place: Thane
Date: 28/08/2015**

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

"ANNEXURE A"

To,
The Members,
SUBH TEX (INDIA) LIMITED
18, SURTI CHAMBERS,
2ND DHOBI TALAO LANE,
MUMBAI- 400002.

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

Maintenance of Secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

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 the 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.

We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.

Where ever required, we have obtained the Management representation about compliance of laws, rules and regulations and happenings of events etc.

The compliance of provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.

The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For Vijay Oganiya & Associates
(Company Secretaries)**



(Vijay Oganiya)
Proprietor
ACS: 21083
CP: 7734



Place: Thane
Date: 28/08/2015

Form No. MGT-11
Proxy form

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

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

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

| | |
|----------------------------|------------|
| Name : | E-mail Id: |
| Address: | |
| Signature , or failing him | |

| | |
|----------------------------|------------|
| Name : | E-mail Id: |
| Address: | |
| Signature , or failing him | |

| | |
|----------------------------|------------|
| Name : | E-mail Id: |
| Address: | |
| Signature , or failing him | |

as my/ our proxy to attend and vote(on a poll) for me/us and on my/our behalf at the _____ Annual General Meeting / Extra-Ordinary General Meeting of the company, to be held on the ___ day of ___ at ___ a.m. / p.m. at _____ (place) and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.

| Sl. No. | Resolution(S) | Vote | |
|---------|---|------|---------|
| | | For | Against |
| 1. | Adoption of statement of Profit & Loss, Balance Sheet, report of Director's and Auditor's for the financial year 31st March, 2015 | | |
| 2. | Re-appointment of M/s. Jain Anil & Associates, Chartered Accountants as Statutory Auditors & fixing their remuneration | | |
| 3. | Re-appointment of Mr. Mr. Vinay Poddar (DIN: 00148171) as Managing Director | | |
| 4. | To appoint Mrs. Sheela Kadechkar (DIN:06862410) as Independent Director | | |

* Applicable for investors holding shares in Electronic form.

Signed this ___ day of ___ 20__

Affix
Revenue
Stamps

Signature of Shareholder

Signature of Proxy holder

Signature of the shareholder
across Revenue Stamp

Note:

- 1) This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.
- 2) The proxy need not be a member of the company

