

# 35th ANNUAL REPORT



**2015**

**ADINATH TEXTILES LIMITED**

**BOARD OF DIRECTORS**

Sh. Rajneesh Oswal	Managing Director	(DIN : 00002668)
Sh. Arun K. Goel	Independent Director	(DIN : 06450046)
Sh. R.P. Gupta	Independent Director	(DIN : 00958239)
Sh. S.K. Sekhri	Independent Director	(DIN : 00002601)
Dr. Shalini Gupta	Additional Director (Independent)	(DIN : 07128078)

**CHIEF FINANCIAL OFFICER**

Mr. Rajesh Kumar

**COMPANY SECRETARY**

Mr. Preet Kanwar Singh

**AUDITORS :**

M/s. Dass Khanna & Co.  
Chartered Accountants  
Ludhiana.

**REGISTERED OFFICE & WORKS**

CIN: L17115PB1979PLC003910  
Village Bholapur, P.O. Sahabana  
Chandigarh Road, Ludhiana - 141 123  
Tel: +91-161-2685271, 2685272, 6574125  
Fax: +91-161-2685270  
Email: atl@shreyansgroup.com  
Website: www.adinathtextiles.com

**OFFICES**

1. 5 A-D, Gopala Tower, 25, Rajendra Place, New Delhi- 110 008.  
TEL: +91-11-25818258, 25818259, 25721042  
FAX: +91-11-2575-2271,  
EMAIL: sil.delhi@shreyansgroup.com
2. 302, Raheja Chambers,  
Nariman Point, Mumbai- 400 021.  
TEL: +91-22-22851025, 22851708  
FAX: +91-22-2284-2825,  
EMAIL: sil.mumbai@shreyansgroup.com

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**Registrar & Transfer Agents**

Skyline Financial Services (p) Limited  
D-153/A, 1st Floor  
Okhla Industrial Area, Phase - 1,  
New Delhi - 110020

**NOTICE**

Notice is hereby given that the 35<sup>th</sup> Annual General Meeting of the members of the Company will be held on Wednesday, 12<sup>th</sup> August, 2015 at 03.30 P.M. at the Registered Office of the Company at Village Bholapur, P.O. Sahabana, Chandigarh Road, Ludhiana 141 123 to transact the following business.

**AS AN ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March, 2015 and Profit and Loss Account for the year ended on that date together with the reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Sh. Rajneesh Oswal (DIN 00002668), who retires by rotation and being eligible, offers himself for re-appointment.
3. Ratification of the Appointment of Statutory Auditors

"Resolved that consent of the Company be and is hereby accorded to the ratification of the appointment of M/s. Dass Khana & Co., Chartered Accountants, who were appointed to hold office from the conclusion of 34<sup>th</sup> Annual General Meeting until the conclusion of the 37<sup>th</sup> Annual General Meeting, as an Statutory Auditors of the Company, on remuneration to be fixed by the Board of Directors of the Company, based on the recommendations of the Audit Committee."

**AS SPECIAL BUSINESS:****ITEM NO. 4****RE-DESIGNATION OF SH. RAJNEESH OSWAL AS MANAGING DIRECTOR****TO CONSIDER AND IF THOUGHT FIT, TO PASS THE FOLLOWING RESOLUTION AS A SPECIAL RESOLUTION:**

"RESOLVED THAT consent of the company be and is hereby accorded to the re-designation of Sh. Rajneesh Oswal (DIN: 00002668), from Executive Director to Managing Director of the Company, w.e.f. 30<sup>th</sup> September, 2014, liable to retire by rotation, other terms of the appointment, as approved by the shareholders in the Annual General Meeting of the Company held on 13<sup>th</sup> August, 2014, remaining unchanged."

**ITEM NO. 5****APPOINTMENT OF DR. SHALINI GUPTA AS AN INDEPENDENT DIRECTOR****TO CONSIDER AND IF THOUGHT FIT, TO PASS THE FOLLOWING RESOLUTION AS AN ORDINARY RESOLUTION:**

"Resolved that pursuant to the provisions of Section 149, 152, 160 and other applicable provisions of the Companies Act, 2013 and the rules made there under read with schedule IV to the said Act, the consent of the

company be and is hereby accorded to appoint Dr. Shalini Gupta (DIN- 07128078), who was appointed as an Additional Director (Independent) on the Board of the Company w.e.f. 26<sup>th</sup> March, 2015 and whose term expires at the this Annual General Meeting of the company, and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act proposing her candidature for the office of Director of the Company, as an Independent Director to hold office from 12<sup>th</sup> August, 2015 to 11<sup>th</sup> August, 2020, not liable to retire by rotation."

**NOTES:**

**1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

**2. PROXIES IN ORDER TO BE EFFECTIVE, MUST BE LODGED AT THE REGISTERED OFFICE OF THE COMPANY, NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**

3. Members/proxies are requested to bring their copy of Annual Report to the Meeting and bring in duly filled attendance slips enclosed herewith to attend the meeting. Shareholders/ Proxy holders are requested to produce at the entrance, duly filled and signed attendance slips for admission to the Meeting Hall.

Corporate members are required to send a certified copy of the Board Resolution to the Company, pursuant to Section 113 of the Companies Act, 2013, authorizing their representative to attend and vote at the AGM.

4. The explanatory statement pursuant to Section 102 of the Companies Act, 2013 with respect to the Special Business set out in the Notice is annexed.

5. The Register of Members and Share Transfer books of the Company shall remain closed from Thursday 6<sup>th</sup> August, 2015 to Wednesday 12<sup>th</sup> August, 2015 (both days inclusive), for the purpose of AGM, for both physical and electronic segments.

6. Members desirous of obtaining any information concerning the accounts and operations of the Company are requested to address their question in writing to the Company, so as to reach the registered office of the Company at least 10 days before the date of the meeting so that information required may be made available at the time of the Meeting.

7. Copies of the Annual Report are being sent by electronic mode only to those members whose email addresses are registered with the company/depository participants(s) for communication purposes unless any members has requested for hard copy of the same. For members who have not registered their email

addresses, physical copies of the Annual Report 2015 are being sent by the permitted mode.

8. Members are requested to :

- Quote their folio number/Client ID & DP-ID in all correspondence with the company.
- Notify immediately to the company any change in their address/ mandate, if any.
- Register their e-Mail id with the company or its Registrar or their depository participant to enable the company to send the notices and other reports through email.

9. Shares of the Company are available for De-Materialization under ISIN- INE207C01019. Members who have not opted for De- Materialization are requested to do so in their own interest.

**10. Please note that the meeting is for members or their proxies only. Please avoid being accompanied by non-members and children.**

11. A remote e-voting facility for the members shall also be provided in terms of Section 108 of the Companies Act, 2013 and rules made there under and clause 35B of the Listing Agreement. The facility for voting through ballot paper shall also be made available at the meeting and members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise the right at the meeting. The members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.

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

- The remote e-voting period begins on Saturday Aug 08, 2015 (09.00 A.M.) and ends on Tuesday Aug 11, 2015 (5.00 P.M.). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) Wednesday, Aug 05, 2015, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

Any person, who acquires shares of the Company and becomes a shareholder of the Company after dispatch of the Notice of AGM and holds shares as of the cut-off date i.e. Wednesday, Aug 05, 2015, may obtain the login ID and password by sending a request at [atl@shreyansgroup.com](mailto:atl@shreyansgroup.com).

- The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com) during the voting period

- Click on "Shareholders" tab.

- Now Enter your User ID

- For CDSL: 16 digits beneficiary ID,

- For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

- Members holding shares in Physical Form should enter Folio Number registered with the Company.

- Next enter the Image Verification as displayed and Click on Login.

- If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.

- If you are holding shares in physical form or first time user in case holding shares in demat form, follow the steps given below:

	For Members holding shares in Physical Form and Demat Form
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <p>Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the <b>sequence number*</b> in the PAN field.</p> <p>In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</p>
DOB	<p>Please enter the DOB or Dividend Bank Details in order to login.</p> <p>Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.</p>
Dividend Bank Details	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <p>If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).</p>

\* Sequence number shall be as per separate sheet attached with the Annual Report.

(viii) After entering these details appropriately, click on "SUBMIT" tab.

(ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

EVSN (E-voting Sequence Number)	USER ID (16 Digit Demat Account/ Folio No. of members holding shares in physical mode)	PASSWORD (as per point (vi) to (ix) of e-voting instructions)
150622003		

(x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xi) Click on the EVSN for the <Adinath Textiles Limited> on which you choose to vote.

(xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

(xvii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xviii) **Note for Institutional Shareholders**

Institutional shareholders (i.e. other than

Individuals, HUF, NRI etc.) are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.

A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.

The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.

A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

12. M/s P.S. Bathla & Associates, Company Secretaries in practice, Ludhiana have been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner (including the ballot forms). The Scrutinizer shall within a period of two working days from the conclusion of e-voting period, unblock the votes in presence of at least two witnesses not in employment of the Company and makes a report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.

13. The Results shall be declared within two working days from the conclusion of the AGM. The results declared along with the Scrutinizer's report shall be placed on the Company's website [www.adinathtextiles.com](http://www.adinathtextiles.com) and on the website of CDSL and communicated to the Stock Exchanges.

**By order of the Board  
For Adinath Textiles Limited**

**Sd/-  
Rajneesh Oswal**

**Managing Director  
(DIN: 00002668)**

**Dated : 28.05.2015**

**Regd. Office: Village: Bholapur,**

**P.O. Sahabana, Chandigarh Road,**

**Ludhiana 141 123**

**CIN: L17115PB1979PLC003910**

**Tel.: +91 161 2685271, 2685272 Fax: +91 161 2685270**

**Email: [atl@shreyansgroup.com](mailto:atl@shreyansgroup.com)**

**Website: [www.adinathtextiles.com](http://www.adinathtextiles.com)**

## ANNEXURE TO THE NOTICE

### **EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013, FORMING PART OF THE NOTICE OF ANNUAL GENERAL MEETING**

#### **ITEM NO.4**

The Board of Directors of the Company in their meeting held on 30<sup>th</sup> September, 2014, had re-designated Sh. Rajneesh Oswal (DIN: 00002668) as the Managing Director of the Company, liable to retire by rotation, subject to the approval of the shareholders. The other terms of the appointment, as approved by the shareholders in the Annual General Meeting of the Company held on 13<sup>th</sup> August, 2014, remains unchanged."

Directors of your company recommend the same for your consideration and approval.

#### **NOTICE OF INTEREST**

None of the Directors/Key Managerial Personnel of the Company / their relatives, except Sh. Rajneesh Oswal (DIN: 00002668) himself, are in any way concerned or interested in the said resolution.

#### **ITEM NO.5**

In terms of second proviso to Section 149(1) of the Companies Act, 2013 and Clause 49 of the Listing Agreement, listed/prescribed class of companies shall have at least one Woman Director.

Dr. Shalini Gupta (DIN- 07128078) has been appointed as an Additional Director (Independent) w.e.f. 26<sup>th</sup> March, 2015 on the Board of the Company, who shall hold office up to the conclusion of the 35<sup>th</sup> Annual General Meeting of the Company.

The Board, in its meeting held on 28<sup>th</sup> May, 2015, has considered and recommended the appointment of Dr. Shalini Gupta (DIN: 07128078) as an Independent Director (Woman Director) of the Company for the approval of the shareholders.

The Company has received a notice under Section 160 of the Act proposing her candidature for the office of Director of the Company, along with the requisite deposit.

In the opinion of the Board, Dr. Shalini Gupta fulfills the conditions for her appointment as an Independent Director as specified in the Act and the Listing Agreement. The Board also opined that she possess appropriate skills, experience and knowledge as required for occupying the position of an Independent Director.

The Board has also received declaration from Dr. Shalini Gupta that she meets the Criteria of Independence as prescribed under section 149(6) read with Schedule IV of the Companies Act, 2013 and Clause 49 of the Listing

Agreement.

The Board recommends the appointment of Dr. Shalini Gupta (DIN: 07128078) as an Independent Director, to hold office from 12th August, 2015 to 11th August, 2020, not liable to retire by rotation.

#### **NOTICE OF INTEREST**

None of the Directors/Key Managerial Personnel of the Company / their relatives, except Dr. Shalini Gupta (DIN: 07128078) herself, are in any way concerned or interested in the said resolution.

#### **ANNEXURE TO THE ITEM NOS. 2, 4 & 5**

#### **Details of Directors seeking re-appointment/ appointment at the Annual General Meeting (Pursuant to Clause 49 of the Listing Agreement)**

Name of the Director	Sh. Rajneesh Oswal	Dr. Shalini Gupta
DIN	00002668	07128078
Date of Birth	27.06.1966	17.04.1971
Date of Appointment	30.06.1989	26.03.2015
Expertise in Specific functional areas	Business Management	Management-Education
Qualification	MBA	Ph.D, MBA
Directorship of other Public Limited Companies	Shreyans Industries Limited	Shreyans Industries Limited Shreyans Financial & Capital Services Ltd.
Membership of Committees of Other Public Limited Companies (Mandatory Committees only)	Stakeholder's Relationship Committee (Shreyans Industries Ltd.)	Audit Committee (Shreyans Industries Ltd.) Audit Committee Shreyans Financial & Capital Services Ltd.
Nos. of shares held in the Company	NIL	NIL

**By order of the Board  
For Adinath Textiles Limited**

**Sd/-  
Rajneesh Oswal  
Managing Director  
(DIN: 00002668)**

**Dated : 28.05.2015**  
**Regd. Office: Village: Bholapur,**  
**P.O. Sahabana, Chandigarh Road,**  
**Ludhiana 141 123**  
**CIN: L17115PB1979PLC003910**  
**Tel.: +91 161 2685271, 2685272 Fax: +91 161 2685270**  
**Email: atl@shreyansgroup.com**  
**Website: www.adinathtextiles.com**

## DIRECTORS' REPORT

Your Directors are pleased to present the 35<sup>th</sup> Annual Report on the business and operations of the Company along with audited statements of accounts for the year ended 31<sup>st</sup> March, 2015.

### FINANCIAL RESULTS

Particulars	(Amount in Rs.)	
	2014-15	2013-14
Income from Operations	8879220.00	9244196.16
Other Income	12638867.00	8846524.87
Profit/ (Loss) before interest & depreciation	5923454.01	3483498.77
Less Interest	6074.71	1628.97
Gross Profit/ (Loss)	5917379.30	3481869.80
Depreciation	1720022.00	934133.00
Net Profit/ (Loss) Before Tax	4197357.30	2547736.80
Provision For Taxation (including deferred tax)	1013410.00	391240.00
Net Profit/ (Loss) after Tax	3183947.30	2156496.80

### CORPORATE REVIEW

During the year under consideration the income from operations of the company is Rs. 88,79,220.00/- against Rs. 92,44,196.16/- in the last Financial Year. Other Income of the company is Rs. 1,26,38,867.00/- in comparison to Rs. 88,46,524.87/- in previous year.

As reported earlier that the company has been declared as Sick by the BIFR. The management of the company has submitted its Detailed Rehabilitation Scheme (DRS) to the BIFR through the operating agency appointed by the BIFR after incorporating the changes suggested by different agencies. The BIFR has recorded its opinion against the scheme and company has filed an appeal with AAIFR in this regard.

### SHARE CAPITAL

The paid up Equity Share Capital as on March 31, 2015 was Rs. 681.44 Lacs. During the year under review, the Company has neither issued any shares nor granted stock options and nor sweat equity.

### PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

### RESERVES & SURPLUS

Profit for the period of Rs. 31.84 lac has been transferred to reserve and surplus.

### DIVIDEND

Due to absence of adequate profits, your Directors are unable to recommend any dividend for the year under review.

### DEPOSITS

During the year under review the company has not accepted any deposits within the meaning of section 73 of the Companies Act, 2013 and the rules made there under.

### NUMBER OF MEETINGS HELD

The details of Board and Committee Meetings are given in the Corporate Governance Report.

### DIRECTORS

Sh. Rajneesh Oswal, Managing Director of the Company, is liable to retire by rotation at the forthcoming Annual General Meeting under clause 86(1) of Article of Association of the Company and being eligible, offer himself for reappointment.

Dr. [Mrs.] Shalini Gupta has been appointed as an Additional Director (Independent) with effect from 26<sup>th</sup> March 2015 and she shall hold office till the date of forthcoming Annual General Meeting wherein she is proposed to be appointed as an Independent director not liable for retirement by rotation.

All Independent Directors have given declarations that they meet the criteria of Independence as laid down under Section 149(6) of the Companies Act, 2013 and Clause 49 of the Listing Agreement.



**BOARD EVALUATION**

Pursuant to 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 and the performance of the individual Directors as well as the evaluation of the working of its committees. The manner in which the evaluation was carried out has been explained in the Corporate Governance.

**KEY MANAGERIAL PERSONNEL**

Sh. Rajesh Kumar was appointed as Chief Financial Officer of the Company w.e.f. 26<sup>th</sup> May, 2014.

The following employees were designated as Whole-time Key Managerial Personnel by the Board of Directors during the year under review:

- ♦ Sh. Rajneesh Oswal, Managing Director
- ♦ Sh. Rajesh Kumar, Chief Financial Officer
- ♦ Sh. Preet Kanwar Singh, Company Secretary

**REMUNERATION POLICY**

The Board has, on the recommendation of the Nomination and Remuneration Committee, framed a policy for selection and appointment of Directors, Key Managerial Personnel, Senior Management and their Remuneration. The said policy has been uploaded on the website of the Company. The Key provisions of Nomination and Remuneration policy are appended as an **Annexure I** to the Board's report.

**AUDIT COMMITTEE**

The company has duly constituted Audit Committee, the scope of which is quite comprehensive and is in conformity with the provisions of the Companies Act, 2013 and revised Clause 49 of the listing Agreement. The composition of the Audit Committee is given in Corporate Governance Report.

All the recommendations of the Audit Committee were accepted by the Board.

**DETAILS OF ESTABLISHMENT OF VIGIL MECHANISM/ WHISTLE BLOWER POLICY**

The Company has adopted the Whistleblower Policy/Vigil mechanism for directors and employees to report concerns about unethical behavior, actual or suspected fraud, or violation of the Company's Code of Conduct and Ethics. Such mechanism/policy is also uploaded on the website of the Company.

**STATUTORY AUDITORS**

At the Annual General Meeting held on 13<sup>th</sup> August, 2014 M/s Dass Khanna & Company, Chartered Accountants, Ludhiana were appointed as statutory auditors of the Company to hold office till the conclusion of the 37<sup>th</sup> Annual General Meeting. In terms of the first proviso to Section 139 of the Companies Act, 2013, the appointment of the auditors shall be placed for ratification at every Annual General Meeting. Accordingly, the appointment of M/s Dass Khanna & Company, Ludhiana, as statutory auditors of the Company, is placed for ratification by the shareholders. In this regard, the Company has received a certificate from the auditors to the effect that their appointment is in accordance with the provisions of Section 141 of the Companies Act, 2013.

The auditors' report on the accounts of the Company for the year under review requires no comments.

**COST AUDIT**

Cost audit for the financial year 2014-15 is not applicable to the Company as per Notification issued by the Ministry of Corporate Affairs, hence no cost auditor was appointed for cost audit purposes.

**SECRETARIAL AUDIT**

M/s P. S. Bathla & Associates, Practising Company Secretaries, Ludhiana, were appointed to conduct the secretarial audit of the Company for the financial year 2014-15, as required under Section 204 of the Companies Act, 2013 and Rules made there under. The secretarial audit report for FY 2014-15 is appended as an **Annexure II** to the Board's report.

The Secretarial auditors' report for the year under review requires no comments.

The Board has appointed M/s P. S. Bathla & Associates, Practising Company Secretaries, Ludhiana as secretarial auditor of the Company for the financial year 2015-16.



**RELATED PARTY TRANSACTIONS**

No Related Party transactions was entered during the financial year.

There were no material contract or arrangement or transactions with Related Party during the year. Thus, disclosure in form AOC-2 is not required.

The Board of Directors of the Company has, on the recommendation of the Audit Committee, adopted a policy to regulate transactions between the Company and its Related Parties, in compliance with the applicable provisions of the Companies Act, 2013, the rules there under and the Listing Agreement. This Policy was considered and approved by the Board has been uploaded on the website of the Company at [http://www.adinathtextiles.com/pdf/Related\\_Party\\_Transaction\\_Policy.pdf](http://www.adinathtextiles.com/pdf/Related_Party_Transaction_Policy.pdf)

**PARTICULARS OF EMPLOYEES**

The information required pursuant to Section 197 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is appended as an **Annexure III** and forms an integral part of this report.

**EXTRACT OF ANNUAL RETURN**

In accordance with Section 134(3) (a) of the Companies Act, 2013, an extract of the annual return in the prescribed format is appended as an **Annexure IV** to the Board's report.

**INDUSTRIAL RELATIONS**

The Company maintained healthy, cordial and harmonious industrial relations at all levels.

**DEVELOPMENT AND IMPLEMENTATION OF A RISK MANAGEMENT POLICY**

The Company has been addressing various risks through well defined risk management policy/procedures, which are in the opinion of the Board may threaten the existence of the Company.

**INTERNAL FINANCIAL CONTROL SYSTEMS**

The Company has laid down adequate internal financial controls with reference to financial statements. During the year such controls were tested and no material weakness in their operating effectiveness was observed.

**ASSOCIATES AND SUBSIDIARIES**

The Company has no Associates & Subsidiaries as on March 31, 2015.

**CORPORATE GOVERNANCE**

As per Clause 49 of the Listing Agreement with the Stock Exchange, a separate Report on Corporate Governance practices followed by the Company together with a Certificate from the Practicing Company Secretary confirming compliance forms part of this report.

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

As required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 the particulars relating to conservation of energy, technology, absorption and foreign exchange earning and outgo is appended as an **Annexure V** to the Board's Report.

**DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE**

There were no significant and material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and Company's operations. except that the BIFR has recorded its opinion against the DRS (Detailed Rehabilitation Scheme) and Company has filed an appeal with AAIFR in this regard.

**DIRECTORS' RESPONSIBILITY STATEMENT**

In accordance with the provisions of Section 134(5) of the Companies Act, 2013, your Directors confirm that:

- (a) in the preparation of the annual accounts for the year ended 31<sup>st</sup> March, 2015, the applicable accounting standards have been followed and there has been no 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 account 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 the Companies Act, 2013 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 these were adequate and operating effectively.

**ACKNOWLEDGMENTS**

Your Directors wish to place on record their appreciation for the dedicated work and co-operation extended by all the employees. Your Directors also wish to record their gratitude to the shareholders, Customers and Suppliers for their valuable support.

**For and on Behalf of the Board  
For Adinath Textiles Limited**

**Place : Ludhiana  
Date : 28th May, 2015**

**Sd/-  
Rajneesh Oswal  
(Managing Director)  
(DIN : 00002668)**

**Annexure I****NOMINATION AND REMUNERATION POLICY**

The Key provisions of the Nomination and Remuneration policy are given below:

The guiding principle is that the remuneration and the other terms of employment shall be competitive in order to ensure that the Company can attract and retain competent Executives.

The Nomination and Remuneration policy for executives reflects the remuneration philosophy and principles of the Adinath Textiles Limited. When determining the remuneration policy and arrangements for Executive Directors/KMP's, the Nomination and Remuneration Committee shall consider pay and employment conditions with peers / elsewhere in the competitive market to ensure that pay structures are appropriately aligned and that levels of remuneration remain appropriate in this context.

The Committee while designing the remuneration package considers the level and composition of remuneration to be reasonable and sufficient to attract, retain and motivate the person to ensure the quality required to run the company successfully.

The Nomination and Remuneration Committee while considering a remuneration package must ensure a balanced approach reflecting short and long term performance objectives appropriate to the working of the company and its goals.

The Committee shall consider that a successful remuneration policy must ensure that any increase in the remuneration package is linked to the achievement of corporate performance targets and a strong alignment of interest with stakeholders.

The Nomination and Remuneration policy is guided by a common reward framework and set of principles and objectives as particularly envisaged under section 178 of the Companies Act 2013, inter alia principles pertaining to determining qualifications, positives attributes, integrity and independence etc.

Remuneration packages are designed to attract high-caliber executives in a competitive market and remunerate executives fairly and responsibly. The remuneration shall be competitive and based on the individual responsibilities and performance.

Remuneration is designed to motivate delivery of our key business strategies, create a strong performance-orientated environment and reward achievement of meaningful targets over the short- and long-term.

Executive remuneration shall be proposed by the Committee and subsequently approved by the Board of Directors. Executive remuneration is evaluated annually against performance and a benchmark of other companies, which in size and complexity are similar to Adinath Textiles Limited. Benchmark information is obtained from recognized compensation service consultancies/other relevant sources. In determining packages of remuneration, the Committee may consult with the Chairman/ Managing Director as appropriate.

Information on the total remuneration of members of the Company's Board of Directors and KMPs shall be disclosed in the Company's Annual Report.

The Company may grant any advance salary/loan to employees of the Company at concessional/NIL interest rates as it deems fit subject to tax laws.

The Board may delegate the appointment and remuneration powers in case of Sr. Management Personnel (except KMPs and Directors) to the Managing Director by way of Board Resolution.

The appointment letters of all Sr. Management Personnel, KMPs and Directors shall draw reference to the fact that the appointment and remuneration is in accordance with the Nomination and Remuneration Policy of the Company.

#### Annexure II

#### Form No. MR-3

#### SECRETARIAL AUDIT REPORT

#### FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> MARCH, 2015

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

To,

The Members,

Adinath Textiles Limited

Vill. Bhoapur P O Sahabana

Chandigarh Road, Ludhiana-141123

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

Based on my verification of the books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year 1<sup>st</sup> April, 2014 to 31<sup>st</sup> March, 2015 generally complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. I have examined the books, papers, minute books, forms and returns filed and other records maintained by **Adinath Textiles Limited** ("The Company") for the financial year ended on 31<sup>st</sup> March, 2015 according to the provisions of:

- I. The Companies Act, 2013 (the Act) and the rules made there under;
- II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- IV. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- (VI) Factories Act, 1948, Industrial Dispute Act, 1947, The Payment of Wages Act, 1936, Employees State Insurance Act, 1948, The Employees Provident Fund & Miscellaneous Provisions Act, 1952, Payment of Bonus Act, 1965, The Payment of Gratuity Act, 1972, The Maternity Benefit Act, 1961, The Child Labour (Prohibition & Regulation) Act, 1986, The Industrial Employment (Standing Orders) Act, 1946, The Apprentices Act, 1961, Equal Remuneration Act, 1976, The Environment (Protection) Act, 1986, The Hazardous Wastes (Management, Handling & Transboundary Movement) Rules, 2008.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India are to be followed for the meetings to be held on 1<sup>st</sup> July, 2015 or thereafter as the case may be by all companies and thus were not enforceable on the company for the period under review.
  - (ii) The Listing Agreements entered into by the Company with Bombay Stock Exchange and other exchanges.
- During the period under review and as per the explanations and clarifications given to me and the representations made by the Management, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

## 2. I further report that

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

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

Decisions at the Board Meetings, as represented by the management, were taken unanimously.

I further report as per the explanations given to me and the representations made by the Management and relied upon by me 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 P S Bathla & Associates  
Company Secretaries**

**(P. S. Bathla)  
FCS No. 4391  
C.P No. 2585**

**Place : Ludhiana  
Date : 28<sup>th</sup> May, 2015**

**Note: This Report is to be read with my Letter of even date which is annexed as Annexure A and forms an integral part of this report.**

## 'Annexure A'

To,  
The Members,  
Adinath Textiles Limited  
Vill. Bhoapur P O Sahabana  
Chandigarh Road, Ludhiana-141123

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

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

**For P S Bathla & Associates  
Company Secretaries**

**(P. S. Bathla)  
FCS No. 4391  
C.P No. 2585**

**Place : Ludhiana  
Date : 28<sup>th</sup> May, 2015**

## Annexure III

The information required pursuant to Section 197 read with Rule 5 (1) and (2) of Chapter XIII, Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is furnished hereunder:

1 (i)

Name of the Director/KMP and Designation	Remuneration in Fiscal 2015 ₹ in lacs	% Increase in remuneration from previous year	Ratio of Remuneration to MRE#	Comparison of the remuneration of the KMP against the Performance of the Company	
				% of Net Profits	% of Turnover
Sh. Rajneesh Oswal (Managing Director)	NIL	NIL	NIL	NIL	NIL
Sh. Rajesh Kumar (Chief Financial Officer)	3.58	7.98	5.7:1	11.24	1.66
Sh. Preet Kanwar Singh* (Company Secretary)	NIL	NIL	NIL	NIL	NIL

\*Appointed on 31st March, 2015.

Note: For this purpose, sitting fees paid to the Directors have not been considered as remuneration.

#MRE-Median Remuneration of Employee based on annualized salary

- (ii) The median remuneration of employees of the Company during the financial year was ₹0.63 lac p.a;
- (iii) In the financial year, there was an increase of 7.85% in the median remuneration of employees;
- (iv) There were 44 permanent employees on the rolls of the Company as on March 31, 2015;
- (v) Relationship between average increase in remuneration and Company performance:- The following factors are considered while giving increase in the remuneration:
- (a) Financial performance of the Company,
- (b) Comparison with peer companies, and
- (c) Industry benchmarking and consideration towards cost of living adjustment/ inflation.
- (vi) Comparison of the remuneration of the Key Managerial Personnel(s) against the performance of the Company:- For the financial year 2014-15 Key Managerial Personnel were paid 11.24 % and 1.66 % of the net profit and turnover respectively of the Company.
- (vii) (a) Variation in market capitalisation of the Company: The market capitalisation as on March 31, 2015 was Rs.102.22 lac (Rs. 143.10 lac as on March 31, 2014);
- (b) Price Earnings ratio of the Company was 0.31 as at March 31, 2015 and was 0.15 as at March 31, 2014;
- (c) Percent increase or decrease in the market quotations of the shares of the Company as compared to the rate at which the Company came out with the last public offer in the year:- There has not been any public offer by the Company in last year.
- (viii) Average percentile increase made in the salaries of employees other than the managerial personnel in the last financial year i.e 2014-15 was 14.64 % whereas the percentile increase in the managerial remuneration for the same financial year was 7.98 %;
- (ix) The key parameters for the variable component of remuneration availed by the Managing Director - Not applicable
- (x) The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year :- Not applicable; and
- (xi) It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel, Senior Management Personnel and other employees.
- 2 (i) Employed throughout the year and were in receipt of remuneration at the rate of not less than ₹60 lac per annum. Not applicable**
- (ii) Employed for a part of the financial year and separated, were in receipt of remuneration at the rate of not less than ₹ 5 lac per month. Not applicable**

**Annexure IV**
**FORM NO. MGT 9**
**EXTRACT OF ANNUAL RETURN**
**As on financial year ended on 31.03.2015**

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

1	CIN	L17115PB1979PLC003910
2	Registration Date	16/01/1979
3	Name of the Company	ADINATH TEXTILES LIMITED
4	Category/Sub-category of the Company	Company having share capital
5	Address of the Registered office & contact details	Village Bholapur, P.O. Sahabana, Chandigarh Road, Ludhiana 141 123. Tel.: 161-2685271, 2685272, 6574125 Email: atl@shreyansgroup.com Web: www.adinathtextiles.com

6	Whether listed company	Yes
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Skyline Financial Services Private Limited, D-153 A, 1st Floor, Okhla Industrial Area, Phase- I, New Delhi-110 020. Tel.: 011 26812682, 83 & 011 41044923 Email: info@skylinerta.com Web: www.skylinerta.com

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

(All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
	JOB WORK		

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

S. No.	Name & Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
	The Company has no holding, subsidiary and associate company.				

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

A) Category-wise Share Holding	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
Category of Shareholders	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
(1) Indian									
a) Individual / HUF	---	900	900	0.01	---	900	900	0.01	---
b) Central Govt	---	---	---	---	---	---	---	---	---
c) State Govt(s)	---	---	---	---	---	---	---	---	---
d) Bodies Corp.	2883360	---	2883360	42.31	2883360	---	2883360	42.31	---
e) Banks / FI	---	---	---	---	---	---	---	---	---
f) Relatives of Individual Promoters	10800	---	10800	0.16	10800	---	10800	0.16	---
<b>Sub Total (A) (1):</b>	<b>2894160</b>	<b>900</b>	<b>2895060</b>	<b>42.48</b>	<b>2894160</b>	<b>900</b>	<b>2895060</b>	<b>42.48</b>	<b>---</b>
(2) Foreign									
a) NRIs- Individuals	---	---	---	---	---	---	---	---	---



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	
b) Other- Individuals	---	---	---	---	---	---	---	---	---
c) Bodies Corporate	---	---	---	---	---	---	---	---	---
d) Banks / FI	---	---	---	---	---	---	---	---	---
e) Any Other....	---	---	---	---	---	---	---	---	---
<b>Sub Total (A) (2)</b>	---	---	---	---	---	---	---	---	---
<b>Total Shareholding of Promoter (A)= (A)(1)+(A)(1)</b>	<b>2894160</b>	<b>900</b>	<b>2895060</b>	<b>42.48</b>	<b>2894160</b>	<b>900</b>	<b>2895060</b>	<b>42.48</b>	---
<b>B. Public Shareholding</b>									
1. Institutions	---	---	---	---	---	---	---	---	---
a) Mutual Funds	---	---	---	---	---	---	---	---	---
b) Banks / FI	600	---	600	0.01	600	---	600	0.01	---
c) Central Govt	---	---	---	---	---	---	---	---	---
d) State Govt(s)	---	---	---	---	---	---	---	---	---
e) Venture Capital Funds	---	---	---	---	---	---	---	---	---
f) Insurance Companies	---	---	---	---	---	---	---	---	---
g) FIs	---	---	---	---	---	---	---	---	---
h) Foreign Venture Capital Funds	---	---	---	---	---	---	---	---	---
i) Others (specify)	---	---	---	---	---	---	---	---	---
<b>Sub-total (B)(1) :-</b>	<b>600</b>	<b>---</b>	<b>600</b>	<b>0.01</b>	<b>600</b>	<b>---</b>	<b>600</b>	<b>0.01</b>	---
<b>2. Non- Institutions</b>									
a) Bodies Corp.	44035	74590	118625	1.74	42809	74490	117299	1.72	-0.02
b) Individuals	---	---	---	---	---	---	---	---	---
i) Individual shareholders holding nominal share capital upto ₹ 1 lac	800303	2833260	3633563	53.32	800820	2708810	3509630	51.50	-1.82
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lac	138462	---	138462	2.03	167700	---	167700	2.46	0.43
c) Others (specify)	---	---	---	---	---	---	---	---	---
Non Resident Indians	18375	---	18375	0.27	17900	93200	111100	1.63	1.36
Trusts	200	---	200	---	300	---	300	---	---
HUF	7865	1600	9465	0.14	10662	1600	12262	0.18	0.05
Clearing members/house	---	---	---	---	399	---	399	0.01	0.01

Sub-total (B)(2) :-	1009240	2909450	3918690	57.51	1040590	2878100	3918690	57.51	---
Total Public Shareholding (B)=(B)(1) + (B)(2)	1009840	2909450	3919290	57.52	1041190	2878100	3919290	57.52	---
C. Shares held by Custodian for GDRs & ADRs	---	---	---	---	---	---	---	---	---
Grand Total(A+B+C)	3904000	2910350	6814350	100.00	3935350	2879000	6814350	100.00	---

**B) Shareholding of Promoters**

SN	Shareholder's Name	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 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	Sh. D. K. Oswal	900	0.01	---	900	0.01	---	---
2	Mrs. Nirmal K. Oswal	1100	0.02	---	1100	0.02	---	---
3	Mr. Kunal Oswal	5400	0.08	---	5400	0.08	---	---
4	Mr. Vishal Oswal	4300	0.06	---	4300	0.06	---	---
5	Shreyans Industries Limited	1980000	29.06	---	1280000	18.78	---	-10.28
6	Ojasvi Investment & Mercantile Company	204920	3.01	---	429920	6.31	---	3.30
7	Adeep Investment Company	175600	2.58	---	175600	2.58	---	---
8	Achin Investment & Mercantile Company	161950	2.38	---	386950	5.68	---	3.30
9	Levina Investment & Mercantile Company	161150	2.36	---	411150	6.03	---	3.67
10	Virat Investment & Mercantile Company	95840	1.41	---	95840	1.41	---	---
11	Shreyans Financial & Capital Services Ltd.	89000	1.31	---	89000	1.31	---	---
12	Jagvallah Parasnath Capital Investment (P) Ltd.	14700	0.22	---	14700	0.22	---	---
13	Noble Share Trading (P) Ltd.	200	---	---	200	---	---	---
	<b>TOTAL</b>	<b>2895060</b>	<b>42.48</b>	<b>---</b>	<b>2895060</b>	<b>42.48</b>	<b>---</b>	<b>---</b>

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

SN	Shareholder's Name	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 in share-holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Sh. D. K. Oswal	900	0.01	---	900	0.01	---	---
2	Mrs. Nirmal K. Oswal	1100	0.02	---	1100	0.02	---	---
3	Mr. Kunal Oswal	5400	0.08	---	5400	0.08	---	---
4	Mr. Vishal Oswal	4300	0.06	---	4300	0.06	---	---
5	Shreyans Industries Limited	1980000	29.06	---	1280000	18.78	---	-10.28
6	Ojasvi Investment & Mercantile Company	204920	3.01	---	429920	6.31	---	3.30
7	Adeep Investment Company	175600	2.58	---	175600	2.58	---	---
8	Achin Investment & Mercantile Company	161950	2.38	---	386950	5.68	---	3.30
9	Levina Investment & Mercantile Company	161150	2.36	---	411150	6.03	---	3.67
10	Virat Investment & Mercantile Company	95840	1.41	---	95840	1.41	---	---
11	Shreyans Financial & Capital Services Ltd.	89000	1.31	---	89000	1.31	---	---
12	Jagvallah Parasnath Capital Investment (P) Ltd.	14700	0.22	---	14700	0.22	---	---
13	Noble Share Trading (P) Ltd.	200	---	---	200	---	---	---

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

SN	For Each of the Top 10 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 in share-holding during the year
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company	
1	Mahendra GirdhariLal	62000	0.91	62000	0.91	---
2	Vinod Chandra MansukhLal Parekh	38000	0.56	38000	0.56	---
3	Dugar Securities Limited	29250	0.43	29250	0.43	---
4	Aema Investments Pvt. Ltd.	22710	0.33	22710	0.33	---
5	Neeta Jain	3300	0.05	15103	0.22	0.17
6	SMC Global Securities Limited	10142	0.15	14918	0.22	0.07

7	Parmesh Chander Khosla	14700	0.22	14700	0.22	---
8	SBI Capital Markets Limited	14700	0.22	14700	0.22	---
9	Abdussalam Chittalikkal	4200	0.06	14135	0.21	0.15
10	Uma Sharma	13487	0.20	13487	0.20	---

**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
	<b>Directors</b>				
1	<b>Sh. Rajneesh Oswal</b>				
	At the beginning of the year	NIL	---	NIL	---
	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment/ transfer / bonus/ sweat equity etc.):	---		---	
	At the end of the year	NIL	---	NIL	---
2	<b>Sh. Rajendra Prasad Gupta</b>				
	At the beginning of the year	NIL	---	NIL	---
	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer / bonus/ sweat equity etc.):				
	At the end of the year	NIL	---	NIL	---
3	<b>Sh. Arun Kumar Goel</b>				
	At the beginning of the year	NIL	---	NIL	---
	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment/ transfer / bonus/ sweat equity etc.):				
	At the end of the year	NIL	---	NIL	---
4	<b>Sh. Surinder Kumar Sekhri</b>				
	At the beginning of the year	NIL	---	NIL	---
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment/ transfer / bonus/ sweat equity etc.):				
	At the end of the year	NIL	---	NIL	---

5	<b>Dr. Shalini Gupta</b>				
	At the beginning of the year	NIL	---	NIL	---
	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment/ transfer / bonus/ sweat equity etc.):				
	At the end of the year	NIL	---	NIL	---
<b>Key Managerial Personnel</b>					
1	<b>Mr. Preet Kanwar Singh (Company Secretary)</b>				
	At the beginning of the year	NIL	---	NIL	---
	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment/ transfer / bonus/ sweat equity etc.):				
	At the end of the year	NIL	---	NIL	---
2	<b>Mr. Rajesh Kumar (CFO)</b>				
	At the beginning of the year	NIL	---	NIL	---
	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment/ transfer / bonus/ sweat equity etc.):				
	At the end of the year	NIL	---	NIL	---

**V. INDEBTEDNESS** -Indebtedness of the Company including interest outstanding/accrued but not due for payment. (₹ in lac)

	Secured Loans excluding deposits Term Loans	Secured Loans Workin Capital	Un-secured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>					
i) Principal Amount			166.50		
ii) Interest due but not paid			---		
iii) Interest accrued but not due			---		
<b>Total (i+ii+iii)</b>	---	---	166.50	---	---
<b>Change in Indebtedness during the financial year*</b>					
* Addition			---		
* Reduction			32.00		
<b>Net Change</b>	---	---	32.00	---	---
<b>Indebtedness at the end of the financial year</b>					
i) Principal Amount			134.50		
ii) Interest due but not paid			---		
iii) Interest accrued but not due			---		
<b>Total (i+ii+iii)</b>	---	---	134.50	---	---

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-**  
**A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

SN.	Particulars of Remuneration	Name of MD/WTD / Manager	Total Amount
		Sh Rajneesh Oswal	
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	NIL	NIL
	(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 (A)	NIL	NIL
	Ceiling as per the Act	Rs. 1.60 lac being 5% of the net profits of the company calculated as per Section 198 of the Companies Act, 2013	

\* Company has not paid any remuneration to its Managing Director.

**B. Remuneration to other directors**

SN.	Particulars of Remuneration	Name of Directors				Total Amount
		Sh. R. P. Gupta	Sh. S. K. Sekhri	Sh. Arun K. Goel	Dr. Shalini Gupta	
1	Independent Directors					
	Fee for attending board committee meetings	3750	3000	3750	---	10500
	Commission	NII	NII	NII	---	NII
	Others, please specify	NII	NII	NII	---	NII
	Total (1)	3750	3000	3750	---	10500
	Other Non-Executive Directors					
	Fee for attending board committee meetings					
	Commission					
2	Others, please specify					
	Total (2)					
	Total (B)=(1+2)	3750	3000	3750	---	10500
	Total Managerial Remuneration					
	Overall Ceiling as per the Act	Overall ceiling Rs. 1.91 lac being 6% of the net profits of the company calculated as per Section 198 of the Companies Act, 2013				

\*Dr. Shalini Gupta has been appointed as an Additional Director (Independent) w.e.f. 26th March, 2015

**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD** (₹ in lac)

SN.	Particulars of Remuneration	Key Managerial Personnel		
		CFO : Mr. Rajesh Kumar	CS : Mr. Preet Kanwar Singh*	Total
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	3.58	NIL	NIL
	(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	---	---	---
	Stock Option	---	---	---
2	Sweat Equity	---	---	---
3	Commission	---	---	---
4	- as % of profit	---	---	---
	others, specify...	---	---	---
5	Others, please specify	---	---	---
	Total	3.58	NIL	NIL

\*Mr. Preet Kanwar Singh has been appointed as Company Secretary w.e.f 31st March, 2015.

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

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



## Annexure V

**INFORMATION UNDER SECTION 134 (3) (m) OF THE COMPANIES ACT, 2013 READ WITH COMPANIES (ACCOUNTS) RULES, 2014 AND FORMING PART OF THE REPORT OF THE BOARD OF DIRECTORS CONSERVATION OF ENERGY**

**A) Energy Conservation** is an ongoing process in the Company. The Company continued its efforts to improve energy usage efficiencies and increase the share of renewable energy. Various key performance indicators like specific energy (energy consumed per unit of production), specific energy costs and renewable energy contributions were continuously tracked to monitor alignment with the Company's overall sustainability approach.

**(i) Steps taken or impact on conservation of energy:**

- a) Improvement in energy usage efficiency in lighting systems by installation of more efficient lighting solutions such as Light Emitting Diodes.
- b) Installation of Capacitors to maintain power factor for efficient use of power.

**(ii) Steps taken for utilizing alternate sources of energy:**

The Company is exploring potential of using alternate source of energy, which may be considered for implementation in future.

**(iii) Capital investment on energy conservation equipment during the year: NIL****B) TECHNOLOGY ABSORPTION**

Your company is keeping a close eye on the new product development and upgradation of technology in existing products. Upgradation in various areas of plant and machinery is continuously carried out.

**(i) Efforts made towards technology absorption: NIL****ii) Benefits derived: NIL****iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year): N.A.**

- a. Details of Technology: N.A.
- b. Year of Import: N.A.
- c. whether the technology has been fully absorbed: N.A.
- d. if not fully absorbed, areas where absorption has not taken place, and the reasons thereof – N.A.

**iv) Expenditure incurred on Research and Development: NIL****C) FOREIGN EXCHANGE EARNING AND OUTGO: NIL**

## REPORT ON CORPORATE GOVERNANCE

### 1. Company's philosophy of Corporate Governance

The Company is in compliance with requirements of the guidelines on corporate governance stipulated under clause 49 of the listing Agreement. The status with regard to the various aspects of the corporate governance is given below.

The company has laid down a code of conduct for all its Board Members and senior management personnel for avoidance of conflicts of interests. Company has received the necessary declaration affirming compliance with the code of conduct for the year 2014-15.

### 2. Board of Directors

#### (a) Composition:

The Board of Directors of the Company comprises of a One Promoter Managing Director, One Additional Director (Independent) and three Independent with professional expertise and experience in their respective field.

(b) Attendance of each Director at the Board Meetings and the last Annual General Meeting (AGM):

Name of the Director	DIN	Category of Directorship	No. of Board Meetings attended	Attendance at the last AGM
Sh. Rajneesh Oswal Managing Director	0002668	Promoter & Executive Director	7	Yes
Sh. R. P. Gupta	00958239	Non Executive (Independent)	5	Yes
Sh. S. K. Sekhri	00002601	Non Executive (Independent)	4	Yes
Sh. Arun K. Goel	06450046	Non Executive (Independent)	5	Yes
Dr. Shalini Gupta*	07128078	Additional Director (Independent)	---	---

\*Dr. Shalini Gupta has been appointed as an Additional Director (Independent) w.e.f. 26<sup>th</sup> March, 2015

(c) Number of other Companies or Committees the Director of the Company is a Director/Member/Chairman: -

Name of the Director	No. of Directorships in all public companies*	Membership of the Board Committees in all Public Companies**	Chairmanship of the Board Committees in all Public Companies**
Sh. Rajneesh Oswal	2	2	---
Sh. R. P. Gupta	1	---	2
Sh. S. K. Sekhri	2	1	---
Sh. Arun K. Goel	1	2	---
Dr. Shalini Gupta	3	2	---

\*including Adinath Textiles Ltd. and excluding private limited companies, foreign companies, unlimited liability companies and Companies under Section 8 of the Companies Act, 2013.

\*\*Board committee for this purpose includes Audit Committee and Stakeholder's Relationship Committee (including committees of Adinath Textiles Limited)

(d) Seven Board Meetings were held during the financial year 2014-15 on 26<sup>th</sup> May, 2014, 14<sup>th</sup> August, 2014, 30<sup>th</sup> September, 2014, 14<sup>th</sup> November, 2014, 12<sup>th</sup> February, 2015, 26<sup>th</sup> March, 2015 and 31<sup>st</sup> March, 2015.

**Board Evaluation**

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, a system has been put in place to carry out performance evaluation of the Board, its Committees and individual directors. An appraisal format has been devised covering various aspects of the Board's functioning such as adequacy of composition of the board and its Committees, board process, culture and accountability etc. Similarly, a separate format is also formulated for carrying out evaluation of the performance of individual Directors including the Chairman of the Board, which inter-alia include parameters such as level of engagement and contribution, understanding of industry and global trends, and independence of judgement etc.

**Board Familiarization Programme**

At the time of appointing a Director, a formal letter of appointment is given to him / her, which inter alia explains the role, functions, duties and responsibilities expected from him / her as a Director of the Company. The Director is also explained in detail the compliance required from him / her under the Companies Act, 2013, Clause 49 of the Listing Agreement and other relevant regulations.

The above initiatives help the Director to understand the Company, its business and the regulatory framework in which the Company operates and equips him / her to effectively fulfil his / her role as Director of the Company. The details of familiarization programmes have been posted on the website of the Company.

**3. Audit Committee****i. Terms of Reference:**

Company has constituted Audit Committee in compliance with the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement. The committee's terms and reference, authority and powers are in conformity with the requirements of the Companies Act, 2013 and Clause 49 of the Listing Agreement. All financial statements are reviewed by the Audit Committee before submission to the Board. There were four meetings of the committee during the year.

**ii. Composition, Name of Members and Chairperson**

Name of Member	Designation	Meetings Attended
Sh. R. P. Gupta	Chairman	3
Sh. S. K. Sekhri	Member	2
Sh. Arun K. Goel	Member	3

iii. Four Audit Committee Meetings were held during the financial year 2014-15 on 26<sup>th</sup> May, 2014, 14<sup>th</sup> August, 2014, 14<sup>th</sup> November, 2014 and 12<sup>th</sup> February, 2015.

**4. Nomination and Remuneration Committee****i. Terms of Reference:**

The terms of reference of this Committee are wide enough covering the matters specified under the revised Listing Agreement and the Companies Act, 2013.

**ii. Composition, Name of Members and Chairperson**

One Meeting of the Nomination and Remuneration Committee was held during the Financial Year 2014-15 on 12<sup>th</sup> February, 2015.

Name of Member	Designation	Meetings Held	Meetings Attended
Sh. S.K. Sekhri	Chairman	1	1
Sh. R.P. Gupta	Member	1	1
Sh. Arun K. Goel	Member	1	1

**iii. Nomination and Remuneration Policy**

The Nomination and Remuneration policy of the Company is designed to attract, motivate and retain manpower in competitive market. The Key provisions of such policy are given in Board's Report.

**iv. Remuneration of Directors**

Company has not paid any remuneration to its Managing Director. Sitting fee was paid to the Non Executive Directors during the year under consideration as per detail given below:

**Non- Executive Directors**

(Amount in Rs.)

Name of Member	Category	Sitting Fees for Board Meeting
Sh. R.P. Gupta	Independent Director	3750
Sh. S.K. Sekhri	Independent Director	3000
Sh. Arun K. Goel	Independent Director	3750
Dr. Shalini Gupta*	Additional Director (Independent Director)	---

\*Dr. Shalini Gupta has been appointed as an Additional Director (Independent) w.e.f. 26<sup>th</sup> March, 2015

**5. Stakeholders Relationship Committee**

The Board has formed an investors' Grievance Committee named as Stakeholder's Relationship Committee to specifically look into the redressal of investors' complaint like transfer of shares, non receipt of balance sheet or non receipt of credit of shares into the Demat account etc. the committee also approves issue of duplicate share certificate(s) and oversees and reviews all matters connected with the share transfer.

**i. Composition**

Name of Member	Designation	Meetings Held	Meetings Attended
Sh. R.P. Gupta	Chairman	1	1
Sh. Rajneesh Oswal	Member	1	1
Sh. Arun K. Goel	Member	1	1

ii. Mr. Rajesh Kumar, CFO is the Compliance Officer of the Company. The company has designated the email id [atl@shreyansgroup.com](mailto:atl@shreyansgroup.com) for the purpose of registering complaints by investors electronically. The email id is displayed on the company's website.

iii. The details regarding the investor's complaints are as under:

Particulars	No. of Complaints
Pending as on 01.04.2014	0
Received during the year	7
Resolved during the year	7
Pending as on 31.03.2015	0

**6. Independent Directors Meeting**

During the year, the Independent Directors met on 12<sup>th</sup> February, 2015 to:

- ♦ Review the performance of Non-Independent Directors and the Board as a whole.
- ♦ Review the performance of the Chairman of the Company, taking into account the views of Executive Directors and Non-Executive Directors.
- ♦ Evaluate the quality, quantity and timeliness of flow of information between the Company Management and the

**7. General Body Meetings**
**(i) Location and time where last three Annual General Meetings were held:**

Financial Year	Date of A.G.M	Time	Venue
2013 - 2014	13th Aug, 2014	11.30 A.M.	Regd. Office of the Company at Vill. Bholapur, P.O. Shabana, Chandigarh Road, Ludhiana- 141123
2012 - 2013	30th Aug, 2013	11.30 A.M.	---Do---
2011 - 2012	29th Sep, 2012	11.00 A.M.	---Do---

**(ii) Special Resolution passed in the previous three Annual General Meetings:**

Financial Year	Date of A.G.M	Special Resolution Passed
2013 - 2014	13th Aug, 2014	Yes
2012 - 2013	30th Aug, 2013	---
2011 - 2012	29th Sep, 2012	---

**(iii) Postal Ballot**

There was no occasion to pass Special Resolutions through postal ballot on any of the matters as required under the rules for passing of resolution through Postal Ballot. Further no such proposal is proposed to be placed for the shareholders approval in the forthcoming Annual General Meeting.

**8. Disclosures**

- As a matter of practice, The related party transactions, if any, are placed before Audit Committee. There were no transactions with related parties.
- There are no pecuniary relationships or transactions of non executive directors vis-à-vis Company that have a potential conflict with the interests of the company.
- The company has complied with requirements of the stock exchanges as well as the Regulations and Guidelines prescribed by the Securities & Exchange Board of India. There were no penalties or strictures imposed on the company by Stock Exchanges or SEBI, any statutory authority on any matter related to capital markets during last three years.  
Listing fee has been paid to the Bombay Stock Exchange up to the F.Y. 2014-15. Company has also made applications for the voluntary delisting from the stock exchanges at Delhi, Chennai, Kolkata and Ahmedabad, which are pending for decision at end of respective stock exchange. Company has not paid listing fee to these stock exchanges in view of poor financial position.
- The company has complied with all mandatory requirements of clause 49 of listing agreement on corporate governance.
- As on 31 March, 2015 none of the non executive directors, is holding any equity shares of the company.
- The company has a Whistle Blower Policy in place and it has not denied access to any personnel to approach the Management or the Audit Committee on any issue.
- No director of the company is having any relationship with each other

## 9. Means of Communication

i	Quarterly Results	Published in the newspapers every quarter
ii	Newspapers wherein results normally published	The Economic Times and Desh Sewak
iii	Any website, where results are displayed	<a href="http://www.adinathtextiles.com">www.adinathtextiles.com</a>
iv	Whether it also displays official news releases	No
v	The presentations made to Institutional Investors or to the Analysts	No

**Online Filing:** Periodical compliance filings like shareholding pattern, corporate governance report, announcements, corporate actions etc. have been filed electronically on BSE –Corporate Compliance & Listing Centre.

**SCORES (Sebi Complaints Redressal System):** The Investor Complaints are processed in a centralized web based complaints redressal system on [www.scores.gov.in](http://www.scores.gov.in), a website maintained by SEBI (Securities and Exchange Board of India). The main feature of this system is central database of all complaints, online upload of action taken reports (ATR's) by the concerned companies and online view by investors of action taken on complaints and its current status. The Company had dispose of all the pending complaints filed through scores.

### General Share Holders Information

#### (i) Annual General Meeting:

Date & Time: Wednesday, the 12<sup>th</sup> day of August, 2015 at 03.30 P.M.

Place: Regd. office of the Company at Vill. Bholapur, P.O. Sahabana, Chandigarh Road, Ludhiana -141 123.

#### (ii) Financial Year:

The company's Financial Year starts from 1<sup>st</sup> April every year and conclude on 31<sup>st</sup> March, next year.

#### (iii) Book Closure:

From Thursday the 6<sup>th</sup> day of August 2015 to Wednesday the 12<sup>th</sup> day of August 2015 (both days inclusive).

#### (iv) Company has not declared any dividend during the year 2014-15.

#### (v) Listing Details:

The Equity shares of the Company are listed on

(i) The Bombay Stock Exchange, Pheroze Jeejeebhoy Towers, 25<sup>th</sup> floor, Dalal street, Mumbai-400001

(ii) The Ludhiana Stock Exchange Association Limited, Feroze Gandhi Market, Ludhiana -141001

(iii) The Delhi Stock Exchange Association Limited, DSE House, Asaf Ali Road, New Delhi-110002

(iv) The Culcatta Stock Exchange Limited, 7, Lyons Range, Kolkata-700001.

(v) The Madras Stock Exchange Limited, Post Bag No. 183, 11 Second Line Beach, Chennai - 600 001

(vi) The Ahmedabad Stock Exchange Limited, Kamdhenu complex, Panjara Road, Ahmedabad-380015

Stock Code: BSE Code: 514113

(vi) Depositories for Equity Shares: National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL)

ISIN No. for the Companies Equity Shares: INE207C01019

#### (vii) Registrar and Share Transfer Agent.

The details of Registrar & Transfer Agents areas under

Name : Skyline Financial Services (P) Ltd.

Address : D-153/A 1<sup>st</sup> Floor, Okhla Industrial Area, Phase-1 New Delhi-11 0020

Phone No. : 011-26812682-83-84

Fax No. : 011-26812682

Contact Person : Mr. Subhash Aggarwal, Director.

(viii) The distribution of Company's shareholding is as follows:

		PHYSICAL FORM			D-MAT FORM		
NO OF SHARES		NO. OF SHARE HOLDERS	NO. OF SHARES HELD	PERCENTAGE OF SHARE CAPITAL HELD	NO. OF SHARE HOLDERS	NO. OF SHARES HELD	PERCENTAGE OF SHARE CAPITAL HELD
From	To						
1	500	19510	2387020	82.84	3068	469422	11.93
501	1000	300	232380	8.06	143	115006	2.92
1001	2000	87	120420	4.18	70	100197	2.55
2001	3000	15	35850	1.24	24	59404	1.51
3001	4000	6	20050	0.70	7	24400	0.62
4001	5000	0	0	---	7	33200	0.84
5001	10000	3	19070	0.66	10	67183	1.71
10001	Above 10001	3	66660	2.31	19	3066538	77.92
<b>TOTAL</b>		<b>19924</b>	<b>2881450</b>	<b>100.00</b>	<b>3348</b>	<b>3935350</b>	<b>100.00</b>

\* The above percentage is after excluding the shares forfeited but not re-allotted.

- (ix) As on 31.03.2015, 57.75% of the total paid up capital of the company is held with depositories in dematerialized form.
- (x) Share Transfer System:  
The company's shares are in compulsory dematerialized list and are transferable through depository system. Shares in physical form are processed and approved by M/s Skyline Financial Services Pvt. Ltd., the Registrar and Transfer Agents and approved/taken note of by the Stakeholder's Relationship Committee. The physical share transfers are generally processed within a period of 15 days from the date of receipt of transfer documents by M/s Skyline Financial Services Pvt. Ltd.
- (xi) Market Price data: The monthly high and low stock quotations for the shares of the company at the Stock Exchange, Mumbai, during the last financial year are not available.
- (xii) The Company has not issued any GDR's / ADR's and there are no warrants or any convertible warrants.
- (xiii) Location of Plant:  
Adinath Textiles Ltd., Vill. Bholapur, P.O. Sahabana, Chandigarh Road, Ludhiana
- (xiv) Address for Correspondence:  
Adinath Textiles Limited, Vill. Bholapur, P.O. Sahabana, Chandigarh Road, Ludhiana (India) -141 123  
Ph. (0161)2685271, 2685272 Fax. 91-161-2685270  
Email: atl@shreyangroup.com Website: www.adinathtextiles.com



**DECLARATION BY THE EXECUTIVE DIRECTOR UNDER CLAUSE 49 II (E) OF THE LISTING AGREEMENT**

To,  
The Members,  
Adinath textiles Ltd.  
Ludhiana.

I hereby confirm that all Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct for the Directors and Senior Management Personnel as approved by the Board, for the Financial Year ended 31<sup>st</sup> March, 2015 in terms of clause 49 II (E) of the Listing Agreement entered with the Stock Exchanges.

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

**Place: Ludhiana**  
**Date : 28<sup>th</sup> May, 2015**

**Sd/-**  
**Rajneesh Oswal**  
**Managing Director**

**Practicing Company Secretary Certificate on Compliance with the condition of Corporate Governance under clause 49 of the Listing Agreement**

To  
The Members  
Adinath Textiles Ltd

We have examined the compliance of conditions of corporate governance by Adinath Textiles Limited (the company) for the year ended 31<sup>st</sup> March, 2015 as stipulated in clause 49 of the listing agreement of the said Company with stock exchanges.

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

In our opinion and to the best of our information and according to the explanations given to us, and based on the presentation made to the Directors and Management, we certify that the Company has complied with the conditions of corporate governance as stipulated in the above mentioned listing agreement.

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

**For P. S. Bathla & Associates**  
**Company Secretaries**

**Place : Ludhiana**  
**Dated : 28<sup>th</sup> May, 2014**

**(P.S. Bathla)**  
**C. P. No. 2585**  
**M. No. 4391**

**MD & CFO CERTIFICATION**

To  
The Members,  
Adinath Textiles Ltd,  
Ludhiana.

- a) We have reviewed financial statements and the cash flow statements for the year ended 31<sup>st</sup> March, 2015 and that to the best of our knowledge and belief:
- i. these statements do not contain any materially untrue statement or omit any material fact or contains statements that might be misleading;
  - ii. these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) To the best of our knowledge and belief, no transactions entered into by the company during the year, which 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 internal control systems of the company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design of operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify 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 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.

**Sd/-**  
**Rajneesh Oswal**  
**Managing Director**

**Sd/-**  
**Rajesh Kumar**  
**Chief Financial Officer**

**Place : Ludhiana**  
**Date : May 28, 2015**

## INDEPENDENT AUDITOR'S REPORT

To,

**The Members**

**ADINATH TEXTILES LIMITED**

**Report on the Financial Statements**

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

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

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

**Auditor's Responsibility**

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

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the rules made 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 ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

**Opinion**

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

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Audit Report) Order, 2015 ("the order"), issued by central government of India in terms of sub-section (11) of section 143 of the Companies act, 2013, we give in Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

- e) On the basis of the written representations received from the directors as on 31st March, 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:
- The Company has disclosed the impact of pending litigations on its financial statements as referred to in Note No. 27 to the financial statements.
  - The Company did not have any long-term contracts including derivative contracts on which there were any material foreseeable losses.
  - There were no amounts which were required to be transferred to the investor Education and Protection Fund by the Company.
- (b) The procedure of physical verification of inventories followed by the management, are reasonable & adequate in relation to the size of the company & the nature of business.
- (c) The Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks & the book records were not material.
- (iii) (a) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted any loans, secured or unsecured, to companies, firms or other parties listed in the register maintained under Section 189 of the Companies Act, 2013. Consequently, the provisions of clauses iii (b) and iii (c) of paragraph 3 of the order are not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchase of fixed assets and sale of services. The activities of the Company do not involve purchase of inventory and the sale of goods. We have not observed any major weakness in the internal control system during the course of the audit.

**For DASS KHANNA & Co.**

Chartered Accountants  
Firm's Reg. No. 000402N

Place : Ludhiana  
Date : 28-05-2015

**CARAKESH SONI**  
Partner  
Membership No. 083142

## Annexure to the Auditors' Report

The Annexure referred to in our report to the members of Adinath Textiles Limited ('the Company') for the year ended 31 March 2015.

We report that:

- (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- (ii) (a) The inventory has been physically verified during the year, by the management. In our opinion the frequency of verification is reasonable.
- (v) In our opinion and according to the information and explanations given to us, the company has not accepted deposit with the provisions of sections 73 to 76 or any other relevant provisions of the Act. No order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other Tribunal. Therefore, the provisions of clause (v) paragraph 3 of the Companies (Auditor's Report) Order, 2015, are not applicable to the company.
- (vi) As per information & explanation given by the management, maintenance of cost records is not required to be maintained as required as per Rule 3 of Companies (Cost Records and Audit) Amendment Rules, 2014.
- (vii) (a) According to the information and explanations given to us, following are the undisputed amounts payable in respect of Statutory dues including Provident Fund, Sales-tax, are in arrears as at 31 March 2015 for a period of more than six months from the date they became payable.

Nature of Dues	Amount in (Rs.)
Sales Tax	2277956
Entry Tax	237798
Interest on PF/ESI/ Sales Tax	1847720

(b) According to the information and explanations given to us, the disputed statutory dues aggregating to Rs. 1500000/- that have not been deposited on account of matters pending before the appellate authorities in respect of custom duty and excise duty are as follows.

Sr. No.	Forum where dispute is pending	Nature of Dues	Disputed Amount (Rs.)
1.	Commissioner Central Excise & Customs, Chandigarh	Penalty	10,00,000**

\*\* Note: However Rs. 500000/- has been deposited under protest.

(c) According to the information and explanations given to us, there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made there under.

(viii) In our opinion and according to the information and explanations given to us, the Company does not have accumulated losses at the end of the financial year and have not incurred cash losses in the financial year and in the immediately preceding financial year.

(ix) Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that, the Company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.

(x) Based on our examination of documents and records and according to the information and explanations given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.

(xi) The Company did not have any term loans outstanding during the year.

(xii) According to the information and explanations

given to us, no material fraud on or by the company has been noticed or reported during the course of our audit.

**For DASS KHANNA & Co.**  
Chartered Accountants  
Firm's Reg. No. 000402N

Place : Ludhiana  
Date : 28-05-2015

**CARAKESH SONI**  
Partner  
Membership No. 083142

# ADINATH TEXTILES LIMITED

# 35<sup>th</sup> Annual Report

## BALANCE SHEET AS AT 31st MARCH 2015

PARTICULARS	Note No.	As at 31/03/2015 Rs.	As at 31/03/2014 Rs.
<b>I. EQUITY AND LIABILITIES</b>			
<b>1 Shareholder's Funds</b>			
(a) Capital	3	70,143,500.00	70,143,500.00
(b) Reserves & Surplus	4	(5,90,35,334.03)	(6,21,06,662.33)
		<u>1,11,08,165.97</u>	<u>80,36,837.67</u>
<b>2 Share application money pending allotment</b>		---	---
<b>3 Non-current liabilities</b>			
(a) Long-term borrowings	5	1,34,50,000.00	1,66,50,000.00
(b) Long-term provisions	6	4,75,012.00	5,83,268.00
(c) Deferred Tax Liabilities	7	21,99,920.00	23,77,240.00
		<u>1,61,24,932.00</u>	<u>1,96,10,508.00</u>
<b>4 Current liabilities</b>			
(a) Short-term borrowings	8	3,05,620.56	3,05,620.56
(b) Trade Payables	9	6,59,722.45	6,71,947.50
(c) Other current liabilities	10	92,71,515.91	88,97,440.62
(d) Short-term provisions	11	16,48,020.00	7,62,891.00
		<u>1,18,84,878.82</u>	<u>1,06,37,899.68</u>
<b>TOTAL</b>		<u>3,91,17,976.89</u>	<u>3,82,85,245.35</u>
<b>II. ASSETS</b>			
<b>1 Non-current assets</b>			
(a) Fixed Assets	12		
(i) Tangible assets		1,76,19,895.82	1,94,89,696.82
(b) Non-current investments	13	1,71,250.00	1,71,250.00
(c) Other non-current assets	14	8,15,353.00	6,92,313.00
		<u>1,86,06,498.82</u>	<u>2,03,53,259.82</u>
<b>2 Current Assets</b>			
(a) Inventories	15	3,54,064.00	8,30,754.00
(b) Trade receivables	16	73,77,429.95	75,44,757.66
(c) Cash and cash equivalents	17	82,16,763.44	58,45,377.23
(d) Short-term loans and advances	18	45,27,656.68	32,45,859.04
(e) Others current assets	19	35,564.00	4,65,237.60
		<u>2,05,11,478.07</u>	<u>1,79,31,985.53</u>
<b>TOTAL</b>		<u>3,91,17,976.89</u>	<u>3,82,85,245.35</u>

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

Significant Accounting Policies

This is the Balance Sheet referred to in our report of even date.

**For Dass Khanna & Co.**  
Chartered Accountants

(Rakesh Soni)  
Partner

(Rajesh Kumar)  
CFO

(Preet Kanwar Singh)  
Company Secretary

(Arun K. Goel)  
Director

(Rajneesh Oswal)  
Managing Director

PLACE : LUDHIANA  
DATED : 28.05.2015



# ADINATH TEXTILES LIMITED

# 35<sup>th</sup> Annual Report

## PROFIT & LOSS STATEMENT FOR THE YEAR ENDING 31st MARCH 2015

PARTICULARS	Note No.	Current Year Rs.	Previous Year Rs.
I. Revenue from operations	20	88,79,220.00	92,44,196.16
II. Other income	21	1,26,38,867.00	88,46,524.87
III. <b>Total Revenue (I+II)</b>		<b>2,15,18,087.00</b>	<b>1,80,90,721.03</b>
IV. <b>EXPENSES</b>			
Cost of Materials consumed	22	---	---
Changes in inventories of finished goods, work in progress & stock in trade	23	---	---
Purchases of stock-in-trade		---	---
Employee Benefits Expenses	24	59,33,486.00	54,16,623.35
Financial Expenses	25	6,074.71	1,628.97
Depreciation and amortization		17,20,022.00	9,34,133.00
Other expenses	26	96,61,146.99	91,90,598.91
		<b>1,73,20,729.70</b>	<b>1,55,42,984.23</b>
V. <b>Profit before exceptional and extraordinary items and tax(III-IV)</b>		<b>41,97,357.30</b>	<b>25,47,736.80</b>
VI. Add: Exceptional items		---	---
VII. <b>Profit before extraordinary (V-VI)</b>		<b>41,97,357.30</b>	<b>25,47,736.80</b>
VIII. Extraordinary items		---	---
IX. <b>Profit before Tax (VII-VIII)</b>		<b>41,97,357.30</b>	<b>25,47,736.80</b>
X. Tax expenses:			
i) Current tax		11,40,370.00	218701.00
ii) Deferred tax liabilities		(1,26,960.00)	391240.00
iii) MAT Credit Entitlement		---	(218701.00)
iv) Tax expense relating to earlier years		---	---
XI. <b>Profit(Loss)for the period from continuing operations (IX-X-XIV)</b>		<b>31,83,947.30</b>	<b>21,56,496.80</b>
XII. Profit for the period(XI-XIV)		<b>31,83,947.30</b>	<b>21,56,496.80</b>
XIII. <b>Earing per equity share (Nominal Value per share :Rs.10/-(2013:Rs.10/-)</b>			
Basic (including extraordinary items)		0.47	0.32
Diluted (including extraordinary items)		0.47	0.32
Basic (excluding extraordinary items, net of tax expense)		0.47	0.32
Diluted (excluding extraordinary items, net of tax expense)		0.47	0.32
Significant Accounting Policies	2		

This is the Profit & Loss Statement referred to in our report of even date.

For and on behalf of the Board

**For Dass Khanna & Co.**  
**Chartered Accountants**

**(Rakesh Soni)**  
Partner

**(Rajesh Kumar)**  
CFO

**(Preet Kanwar Singh)**  
Company Secretary

**(Arun K. Goel)**  
Director

**(Rajneesh Oswal)**  
Managing Director

**PLACE : LUDHIANA**  
**DATED : 28.05.2015**





**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2015**

PARTICULARS	DETAIL	2014-15	DETAIL	2013-14
<b>A CASH FLOW FROM OPERATIONS</b>				
Net Profit/(Loss) Before Tax And Extraordinary Items		4197357		2547737.00
<b>Adjustment For Non Cash &amp; Non Operating Items:-</b>				
Depreciation	1720022		934133.00	
Interest Received	(154968)		(56271.00)	
Financial (Bank charges) Expenses	6075		1629.00	
Loss on Sale of Fixed Assets Sold	---		---	
Gain on Sale of Machinery Scrap	---		---	
Rental Income	(10824092)		(6916806.00)	
	(9252963)	(9252963)	(6037315.00)	(6037315.00)
<b>Operating Profit Before Working Capital Changes</b>		<b>(5055606)</b>		<b>(3489578.00)</b>
<b>Adjustment For Working Capital</b>				
Decrease in Trade Receivable	167328		2358528.00	
Decrease in Inventory	476690		312645.00	
Increase/Decrease in Trade Payables	(12225)		(2308632.00)	
Increase/(Decrease) in short term loans & advances	305295		(75039.00)	
Repayment of Short term Borrowings	---		---	
Increase/Decrease in other Current Liabilities	374075		527048.00	
Increase/(Decrease) In Provision for Employee Benefits	(144796)		(56339.00)	
	1166367	1166367	758211.00	758211.00
<b>Cash Flow From Operating Activities Before Tax &amp; Extraordinary Items</b>		<b>(3889239)</b>		<b>(2731367.00)</b>
Interest received on Income Tax Refund	---		35715.00	
Taxes Paid	(1376120)		---	
	(1376120)	(1376120)	35715.00	35715.00
<b>Net Cash Used in Operating Activities</b>		<b>(5265359)</b>		<b>(2695652.00)</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>				
Purchase of Fixed Assets	(13200)		(81900.00)	
Purchase of Equity Shares	---		---	
Sale of Fixed Assets	---		---	
Rental Receipt	10824092		6916806.00	
Interest received on FDR	154968		20556.00	
Refund on Telephone Security	(123040)		268.00	
<b>Net Cash Generated in Investing Activities</b>	<b>10842820</b>	<b>10842820</b>	<b>6855730.00</b>	<b>6855730.00</b>
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>				
Repayment of Long Term Borrowings	(3200000)		(500000.00)	
Financial (Bank charges) Expenses	(6075)		(1629.00)	
<b>Net Cash Generated/(used) in Financing Activities</b>	<b>(3206075)</b>	<b>(3206075)</b>	<b>(501629.00)</b>	<b>(501629.00)</b>
Net Increase/(Decrease) in Cash and Cash Equivalents		<b>2371386.21</b>		<b>3658449.00</b>
Opening Cash and Cash Equivalents		<b>5845377.24</b>		<b>2186928.24</b>
Closing Cash and cash Equivalents		<b>8216763.44</b>		<b>5845377.24</b>

The is the cash flow statement reffered to in our report of even date.

**For Dass Khanna & Co.**  
Chartered Accountants

**For and on behalf of the Board**

**(Rakesh Soni)**  
Partner

**(Rajesh Kumar)**  
CFO

**(Preet Kanwar Singh)**  
Company Secretary

**(Arun K. Goel)**  
Director

**(Rajneesh Oswal)**  
Managing Director

**PLACE : LUDHIANA**  
**DATED : 28.05.2015**

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2015

### 1. GENERAL INFORMATION

ADINATH TEXTILES LIMITED is a public limited company incorporate in India under the provisions of the Companies Act, 1956. The company is engaged in the business of Manufacturing of Blended acrylic Yarn and Trading of Unstitched Suitings, Shirtings & Dress Materials.

### 2. SIGNIFICANT ACCOUNTING POLICIES

#### (A) Accounting Conventions:

The company's financial statements have been prepared in accordance with the historical cost convention on accrual basis of accounting, as applicable to going concern in accordance with generally accepted accounting principle in India (Indian GAAP), mandatory accounting standards prescribed in the companies (Accounting Standards) Rules 2006 issued by Central Government in consultation with the provisions of companies act, 2013 to the extent applicable. The financial statements are presented in Indian rupees.

All assets and liabilities have been classification as current or non current as per company's normal operating cycle and other criteria set out in the Schedule-III of Companies Act, 2013. Based on the nature of business, the company has ascertained its operating cycle as 12 months for the purpose of current or non current classification of Assets and liabilities.

#### (B) Use of Estimates

The preparation of financial statements requires the management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to the contingent liabilities as at the date of the financial statements and reported amounts of income and expenses during the year. Difference between the actual results and estimates are recognised in the year in which the results are known/materialised. Example of such estimates include provision for doubtful debts, employee benefits, provision for income tax, the useful lives of depreciable fixed assets and provision for impairment.

#### (C) Revenue Recognition

1. Sales are recognized at the time of delivery of goods from the factory, net of trade discount & sales tax.
2. Interest income is recognised on time proportion basis taking into account the amount outstanding and the rate applicable.

#### (D) Fixed Assets:

Fixed assets are stated at cost of acquisition and inclusive of inward freight, duties & taxes & incidental expenses related to acquisition net of capital subsidy relating to specific fixed assets.

#### (E) Inventory Valuation

Inventories are valued at cost or net realizable price whichever is lower except scrap at net realisable value. The cost formula used for valuation of inventories are:-

1. Cost of stores & spares is calculated at weighted average of cost plus direct expenses.
2. Wastes are valued at net realisable value.

#### (F) Depreciation

- i) Depreciation for the year has been provided on Straight Line Method on the basis of useful lives specified in the Schedule-II of Companies Act, 2013 as against the amount of depreciation calculated on the basis of rates of depreciation in respect of various assets contained in schedule XIV of the Companies Act, 1956.

In view of this change carrying amounts of various tangible fixed assets as at 1st April, 2014. After retaining residual value of an amount of Rs. 112619/- has been recognized in the opening balance of retained earning net of deferred tax of Rs. 50360/- on account of change in useful life of assets. In other cases, the carrying amounts as at 1st April, 2014 have been depreciated over the revised useful life of the assets as per schedule-II. The depreciation for the year is high to the extent of Rs. 788251/- on account of this change and accordingly the profit for the year is lower by Rs. 788251/-

- ii) Assets costing Rs. 5000/- or less acquired during the year are depreciated at 100%.

**(G) Accounting for Taxes on Income**

Tax expense comprises of current tax and deferred tax. Current tax is measured at the amount expected to be paid to the tax authorities, using the applicable tax rates. Deferred income tax reflect the current period timing differences between taxable income and accounting income for the period and reversal of timing differences of earlier years/period. Deferred tax assets are recognised only to the extent that there is a reasonable certainty that sufficient future income will be available except that deferred tax assets, in case there are unabsorbed depreciation or losses, are recognised if there is virtual certainty that sufficient future taxable income will be available to realise the same.

Deferred tax assets and liabilities are measured using the tax rates and tax law that have been enacted or substantively enacted by the Balance Sheet date.

**(H) Employee Benefits**

- (i) Short - term employee benefits are recognised as an expense at the undiscounted amount in the profit and loss statement of the year in which the related service is rendered.
- (ii) Contribution to Provident Fund is made in accordance with the provisions of the Employees Provident Fund and Miscellaneous Provision Act, 1952 and is charged to the Profit and Loss statement.
- (iii) The liability for Gratuity is provided on the basis of actuarial valuation at the end of financial year.
- (iv) Provision for leave encashment is made on the basis of actuarial valuation at the end of the year.

**(I) Provisions, Contingent Liabilities and Contingent Assets**

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past event and it is probable that there will be outflow of resources. Contingent liability, which are considered significant and material by the company, are disclosed in the Notes to Accounts. Contingent Assets are neither recognised nor disclosed in financial statements.

**(J) Investments**

Long term investments are carried "at cost" Less Provision, if any, for diminution in value, which is other than temporary.

**(K) Segment Reporting**

The Company is a single segment company engaged in manufacturing of blended acrylic yarn. Accordingly the disclosure requirement as prescribed in the Accounting Standard (AS) -17 on Segment Reporting issued by the institution of Chartered Accountants of India is not applicable.

**(L) Earning Per Share**

Basic earning per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earning considered in ascertaining the Company's earnings per share is the net profit for the period after deducting preferences dividends and any attributable tax thereto for the period.

**(M) Leases**

Rental Income from factory building given on operating lease, which can be renewed by the mutual consent of the parties after the expiry date, is recognised as income in the profit & loss statement .

**3. SHARE CAPITAL**

<b>PARTICULARS</b>	<b>As at 31/03/2015 Rs.</b>	<b>As at 31/03/2014 Rs.</b>
<b>(a) AUTHORISED</b>		
9900000 Equity Shares of Rs. 10/-each	<b>99000000.00</b>	99000000.00
10000, 11% Redeemable Non-cumulative preference shares of RS 100/- each	<b>1000000.00</b>	1000000.00
	<b>100000000.00</b>	100000000.00
<b>(b) ISSUED AND SUBSCRIBED</b>		
8616800 Equity Shares of Rs.10/- each.	<b>86168000.00</b>	86168000.00
2000, 11% Redeemable Non-cumulative preference shares of RS 100/- each	<b>200000.00</b>	200000.00
	<b>86368000.00</b>	86368000.00
<b>(c) PAID UP CAPITAL</b>		
6814350 Equity Shares of Rs.10/- each.	<b>68143500.00</b>	68143500.00
2000, 11% Redeemable Non-cumulative preference shares of RS 100/- each*.	<b>200000.00</b>	200000.00
Add : Shares Forfeited (Amount originally paid up)	<b>1800000.00</b>	1800000.00
<b>TOTAL</b>	<b>70143500.00</b>	70143500.00

\*Note:- 11% Non-cumulative Redeemable Preference Shares will be redeemed with in the period specified under section 55 of the Companies Act, 2013 from the date of allotment i.e.29.11.1998 or earlier at the discretion of Board of Directors.

**(d) Reconciliation of shares outstanding at the beginning and at the end of the reporting period.**

<b>PARTICULARS</b>	<b>No. of Shares</b>	<b>Amounts Rs.</b>	<b>No. of Shares</b>	<b>Amounts Rs.</b>
Opening Equity Shares	6814350	68143500	6814350	68143500
Addition during the year.	---	---	---	---
<b>Closing Equity Shares</b>	<b>6814350</b>	<b>68143500</b>	<b>6814350</b>	<b>68143500</b>
Opening Preference Shares	2000	200000	2000	200000
Addition during the year.	---	---	---	---
<b>Closing Preference Shares</b>	<b>2000</b>	<b>200000</b>	<b>2000</b>	<b>200000</b>

**(e) Shareholders holding more than 5% of share capital.**

<b>Name of Shareholder/ Class of Equity shares</b>	<b>No. of Shares EQUITY SHARES</b>	<b>% of Holding</b>	<b>No. of Shares EQUITY SHARES</b>	<b>% of Holding</b>
(i) Shreyans Industries Ltd.	1280000.00	18.78	1980000.00	29.06

**4. RESERVES & SURPLUS**

PARTICULARS	As at 31/03/2015 Rs.	As at 31/03/2014 Rs.
<b>(A) Securities Premium Reserve</b>		
Opening Balance	69507250.00	69507250.00
Add: Addition During the year	---	---
	<b>69507250.00</b>	<b>69507250.00</b>
<b>(B) Capital Reserve</b>		
Opening Balance	12000.00	12000.00
Add: Addition During the year	---	---
	<b>12000.00</b>	<b>12000.00</b>
<b>(C) Surplus</b>		
Opening Balance	(131625912.33)	(133782409.13)
Less: Depreciation Charged to Reserve as Per Schedule - II (Net of Deferred Tax) ( Ref. Note No. 2(F) and Note No. 12)	112619.00	---
Add: Profit for the period transferred from profit & loss statement.	3183947.30	2156496.80
	<b>(128554584.03)</b>	<b>(131625912.33)</b>
<b>TOTAL</b>	<b>(59035334.03)</b>	<b>(62106662.33)</b>

**5. LONG-TERM BORROWINGS**

PARTICULARS	NON CURRENT PORTION		CURRENT MATURITIES	
	AS AT 31.03.2015 Rs.	AS AT 31.03.2014 Rs.	AS AT 31.03.2015 Rs.	AS AT 31.03.2014 Rs.
<b>(A) UNSECURED LOANS</b>				
(i) From Others	13450000.00	16650000.00	---	---
(Interest free loan is Repayable on or after 2016.)				
<b>TOTAL</b>	<b>13450000.00</b>	<b>16650000.00</b>	<b>---</b>	<b>---</b>

**6. LONG-TERM PROVISIONS**

PARTICULARS	As at 31/03/2015 Rs.	As at 31/03/2014 Rs.
Provision for employee benefits - Gratuity	475012.00	583268.00
	<b>475012.00</b>	<b>583268.00</b>
<b>7. DEFFERED TAX ASSETS/LIABILITIES</b>		
<b>Timing Differences</b>		
On account of unabsorbed depreciation & b/f losses	---	517312.00
On account of Provision for Gratuity & Leave Encashments payable	303643.00	---
Less DTL : On account of timing Difference of depreciation	2503563.00	2894552.00
<b>Deferred Tax (Assets) Liability</b>	<b>2199920.00</b>	<b>2377240.00</b>

**8. SHORT TERM BORROWINGS**

PARTICULARS	As at 31/03/2015 Rs.	As at 31/03/2014 Rs.
<b>UNSECURED LOANS</b>		
<b>Loans &amp; Advances from related parties</b>		
From Director (Interest free) Repayable on demand	305620.56	305620.56
<b>TOTAL</b>	<b>305620.56</b>	<b>305620.56</b>

**9. TRADE PAYABLES**
**Sundry Creditors**

Total Outstanding to Small, Medium &amp; Micro enterprises

---

---

Total Outstanding to other than Small, Medium &amp; Micro enterprises

659722.45

671947.50

**TOTAL**
**659722.45**
**671947.50**

The Micro, Small and Medium Enterprises Development Act, 2006 has come into force with effect from October 2, 2006. As per the Act, the company is required to identify the Micro and Small Vendors/Service providers and pay interest to them on overdue beyond the specified period irrespective of the terms agreed upon. The company has not received any confirmation from its Vendors/Service Providers regarding their status of registration under the said Act, which has been relied upon by the auditors, hence prescribed disclosures under Section 22 of the said Act has been provided.

**10. OTHER CURRENT LIABILITIES**

PARTICULARS	As at 31/03/2015 Rs.	As at 31/03/2014 Rs.
(a) Current maturities of long-term debt	---	---
(b) Income received in advance	---	---
(c) <b>Other Payables</b>		
i) Statutory Duties & Taxes	2536116.91	2528432.91
ii) Employee Benefits	1069622.77	1306450.67
iv) Advance from Customer	208172.00	223038.00
v) For Expenses	3222547.23	2874519.04
vi) Advance Rent Received	70057.00	---
vii) Securities Payables	2165000.00	1965000.00
<b>TOTAL</b>	<b>9271515.91</b>	<b>8897440.62</b>

**11. SHORT-TERM PROVISIONS**
**Provision for Employee benefits.**

- Leave encashment

309758.00

368542.00

- Gratuity

197892.00

175648.00

- Provision for Income Tax

1140370.00

218701.00

**TOTAL**
**1648020.00**
**762891.00**

**12. FIXED ASSETS**

PARTICULARS	GROSS BLOCK			DEPRECIATION				NET BLOCK		
	As at 01/04/2014	Addition during the year	Sale/Adjust- ment during the year	As at 31/03/2015	As at 01/04/2014	Adjustment during the year	Provided for the year	As at 31/03/2015	As at 31/03/2015	As at 31/03/2014
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Land	8,68,977	0	0	868,977	0	0	0	0	8,68,977	8,68,977
Building	3,30,97,152	13,200	0	3,31,10,352	1,80,45,871	72,012	15,65,269	1,96,83,152	1,34,27,200	1,67,18,917
Plant & Machinery	5,31,19,849	0	0	5,31,19,849	5,03,74,129	39,186	21,654	5,04,34,969	26,84,880	27,80,021
Furniture, Fixture & Other Equipment	23,67,279	0	0	23,67,279	20,28,184	51,781	57,642	21,37,607	2,29,672	2,87,777
Vehicles	6,04,056	0	0	6,04,056	1,19,432	0	75,457	1,94,889	4,09,167	5,30,046
<b>Total</b>	<b>9,00,57,313</b>	<b>13,200</b>	<b>0</b>	<b>90,070,513</b>	<b>7,05,67,616</b>	<b>1,62,979</b>	<b>17,20,022</b>	<b>7,24,50,617</b>	<b>1,76,19,896</b>	<b>1,94,89,697</b>
Previous Year	89,975,413	81,900	0	90,057,313	6,96,33,483	0	9,34,133	7,05,67,616	1,94,89,697	-----

**13. NON-CURRENT INVESTMENTS**

PARTICULARS	As at 31/03/2015 Rs.	As at 31/03/2014 Rs.
<b>Other Investment (At Cost)</b>		
21500 equity shares of RS 10/- Each fully paid up of Fountain Tie-Up Pvt. Ltd	<b>171250.00</b>	171250.00
<b>Aggregate amount of unquoted investment</b>	<b>171250.00</b>	171250.00

**14. OTHER NON-CURRENT ASSETS**
**Unsecured, Considered Goods**
**Others**

Secuirty Deposits

**TOTAL**

<b>815353.00</b>	692313.00
<b>815353.00</b>	692313.00

**15. INVENTORIES**
**STOCK & STORES**

(Taken as valued and certified by the Management)

Stores &amp; Spares

Others (scrap of machinery)

**TOTAL**

<b>302207.00</b>	778897.00
<b>51857.00</b>	51857.00
<b>354064.00</b>	830754.00

**16. TRADE RECEIVABLES**

<b>PARTICULARS</b>	<b>As at 31/03/2015 Rs.</b>	<b>As at 31/03/2014 Rs.</b>
<b>Outstanding for a period exceeding six months from the date they become due.</b>		
- Unsecured, consider good	---	---
- Doubtful	<b>11858779.81</b>	13701268.89
Less: Provision For Doubtful Debts	<b>5500000.00</b>	7110000.00
	<b>6358779.81</b>	6591268.89
ii) Other Debts	<b>1018650.14</b>	953488.77
<b>TOTAL</b>	<b>7377429.95</b>	7544757.66

**17. CASH AND CASH EQUIVALENTS**

(A) Balance With Banks in Current Accounts	<b>4617800.14</b>	2270480.23
(B) Cheques in hand	<b>183553.22</b>	143000.00
(C) Cash in Hand Including Imprest	<b>3415410.08</b>	3431897.00
<b>TOTAL</b>	<b>8216763.44</b>	5845377.23

**18. SHORT TERM LOAN AND ADVANCES  
UNSECURED, CONSIDERED GOODS**

<b>Others</b>		
i) Advance to Suppliers	---	---
ii) Advance to Employees	<b>21532.15</b>	96737.15
iii) Advance tax	<b>2020113.00</b>	643993.00
iv) Prepaid Expenses	<b>24492.00</b>	20690.00
v) Excise duty receivable	<b>470651.89</b>	470651.89
vi) Sales Tax Receivable	<b>1255732.00</b>	1255732.00
vii) Vat input	<b>196224.00</b>	164034.00
viii) Service Tax input	---	4031.00
ix) Custom duty receivable	<b>500000.00</b>	500000.00
x) Expenses Receivable	<b>38911.64</b>	89990.00
<b>TOTAL</b>	<b>4527656.68</b>	3245859.04

**19. OTHER CURRENT ASSETS**

<b>Others</b>		
i) Rent receivable	<b>35564.00</b>	246536.60
ii) MAT Credit Entitlement Receivable	---	218701.00
<b>TOTAL</b>	<b>35564.00</b>	465237.60

**20. REVENUE FROM OPERATIONS**

<b>(A) Sale of products</b>		
(a) Finished Goods		
Yarn	---	---
(b) Traded Goods		
Unstitched Suitings, Shirts & Dress Materials	---	---
(c) Sale of Acrylic Waste	---	---
<b>(B) Sale of services</b>		
Job Charges Received (Yarn manufacturing)	<b>8879220.00</b>	9244196.16
<b>TOTAL</b>	<b>8879220.00</b>	9244196.16



**21. OTHER INCOME**

PARTICULARS	Curent Year Rs.	Previous Year Rs.
Interest received	36827.00	94042.00
Rent	10824092.00	6916806.00
Sundry Balances written back	12980.00	435676.87
Provision on Doubtfull Debts W/back	1610000.00	1400000.00
Interest Income on FDR's	154968.00	---
<b>TOTAL</b>	<b>12638867.00</b>	<b>8846524.87</b>

**22. COST OF MATERIALS CONSUMED**

Opening Stock of Raw Material Yarn	---	---
Add : Purchases of Yarn	---	---
	---	---
Less : Closing Stock of Raw Material Yarn	---	---
<b>TOTAL</b>	<b>---</b>	<b>---</b>

**23. CHANGE IN INVENTORIES**
**(A) OPENING STOCK**
**(i) FINISHED GOODS**

-Acrylic Waste

<b>TOTAL (A)</b>	---	---
------------------	-----	-----

**(B) CLOSING STOCK**
**(i) FINISHED GOODS**

-Acrylic Waste

<b>TOTAL (B)</b>	---	---
------------------	-----	-----

<b>TOTAL (A-B)</b>	---	---
--------------------	-----	-----

**24. EMPLOYEES BENEFITS EXPENSE**

Salaries, Wages & Other Allowances	5870120.00	5315949.35
Staff & Labour Welfare	63366.00	100674.00
<b>TOTAL</b>	<b>5933486.00</b>	<b>5416623.35</b>

**25. FINANCE COST**

Bank Charges & Commission	6074.71	1628.97
<b>TOTAL</b>	<b>6074.71</b>	<b>1628.97</b>

**26. OTHER EXPENSES**

<b>PARTICULARS</b>	<b>Curent Year Rs.</b>	<b>Previous Year Rs.</b>
<b>(A) MANUFACTURING EXPENSES</b>		
Stores & Spares	455571.00	336360.70
Packing Expenses	253282.00	207401.00
Power and Fuel	3896353.00	4040255.00
Repairs to Machinery	456708.00	312395.00
<b>SUB TOTAL</b>	<b>5061914.00</b>	<b>4896411.70</b>
<b>(B) ADMINISTRATIVE EXPENSES</b>		
Insurance	59149.00	67019.00
Listing Fees	160750.00	85750.00
Legal & Professional Expenses	676850.00	519900.00
Demat Charges	85572.00	94154.00
E-Voting Charges	16334.00	---
Directors Sitting Fees	10500.00	8528.00
Canteen Expenses	119748.50	105188.50
Fees & Taxes	604923.00	209348.00
Travelling Expenses	65076.50	90530.00
<u>Auditors Remuneration</u>		
- Audit Fee	25000.00	25000.00
- Tax Audit	5000.00	5000.00
Vehicle Expenses	89221.35	78736.59
Interest Paid on Provident fund (Demand)	269.00	685414.00
Bad debts written off	1839162.08	1490720.00
Other Expenses	543945.53	529520.67
<b>SUB TOTAL</b>	<b>4301500.96</b>	<b>3994808.76</b>
<b>(C) SELLING EXPENSES</b>		
Advertisement	114956.00	120818.00
Commission	125790.00	163102.00
Sundry Balances Written off	16056.03	78.45
Freight & Cartage Outward	40930.00	15380.00
<b>SUB TOTAL</b>	<b>297732.03</b>	<b>299378.45</b>
<b>GRAND TOTAL</b>	<b>9661146.99</b>	<b>9190598.91</b>

**27 CONTINGENT LIABILITIES NOT PROVIDED FOR :**

- a) Outstanding Excise Duty (Penalty) of Rs. 10,00,000/-\*\*.

\*\* Note: The amount includes Rs.5,00,000/- has been deposited under protest.

- 28** In the opinion of the Board of Directors, the current assets, loans and advances have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated except as expressly stated otherwise.
- 29** Since the company has become sick and has been registered with the Board for Industrial and Financial Reconstruction.
- 30** Confirmation of balances, whether in debit or credit from parties have not been obtained. As such their effect on Profit & Loss Account cannot be reflected.
- 31** As per Accounting Standard (AS)-28 on "Impairment of Assets" At each Balance Sheet date, an assessment is made whether any indication exists that an asset has been impaired. If any such indication exists, an impairment loss i.e. the amount by which the carrying amount of an asset exceeds its recoverable amount is provided in the books of account.
- 32** Earning Per Share- The numerators and denominators used to calculate Basic and Diluted Earning per Share.

PARTICULARS	As at 31/03/2015 Rs.	As at 31/03/2014 Rs.
1 Profit Attributable to the Equity Shareholders (A)	<b>3183947.30</b>	2156496.80
2 Basic/Weighted average no. of Equity Shares o/s during the Year (B)	<b>6814350</b>	6814350
3 Nominal Value of Share Rs.	<b>10.00</b>	10.00
4 Basic/Diluted E.P.S. Rs. (A)/(B)	<b>0.47</b>	0.32

- 33** Previous year figures have been regrouped/recasted wherever necessary to make them comparable.
- 34** Sundry Debtors exceeding six month amount to Rs.11858779.89/- ,against which provision of Rs 5500000/- has been made. However the company has filed suits against some of the debtors whose outstanding amount as on 31.03.2015 is Rs.4176132/-
- 35** Detail of transactions entered into with the related parties during the year as required by Accounting Standard (AS)-18 on "Related Party Disclosure" issued by the Institute of Chartered Accountants of India are as under:

**(A) Transactions with the related parties**

(In Rs.)

Name of Transactions during the year	Associate	Key Management Personnel	Relatives of Key Management Personnel
Remuneration	NIL	NIL	NIL
Salary	NIL	NIL	NIL
Interest paid	NIL	NIL	NIL
Rent Paid	NIL	NIL	NIL
Loan Taken	NIL	NIL	NIL
Loan Repaid	NIL	NIL	NIL
Opening Balance	NIL	305620.56 Cr.	NIL
Closing Balance	NIL	(305620.56 Cr.)	NIL
	NIL	305620.56 Cr.	NIL
	NIL	(305620.56 Cr.)	NIL

\* Note : Amounts shown in bracket relates to previous year figures.

**A. Key Management Personnel and relatives of Key Management Personnel:**
**1. Key Management Personnel:**

- i) Rajneesh Oswal (Managing Director)
- ii) Rajesh Kumar, CFO
- iii) Preet Kanwar Singh, Company Secretary

**2. Relatives of Key Management Personnel**

- i) Mr. Vishal Oswal (Brother)
- ii) Mr. Kunal Oswal (Brother)
- iii) Mrs. Priti Oswal (Wife)
- iv) Mrs. Nirmal Oswal (Mother)

**B. Entities Over Which Key Management Personnel and Relatives of Such Personnel are able to Exercise Significant Influence**

- i) Punctual Dealers Private Limited
- ii) Fountain Tie-up Private Limited

**36 Employee Benefits (Defined Benefit Plan)**

The Company has a defined benefit plan for gratuity and leave encashments. The present value of obligation is determined based on the actuarial valuation using the Project unit Credit Method, which recognised each period of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation.

The Accounting Standard (AS-15 Revised) prescribed by Companies Accounting Standard Rules 2006 is being followed and the following table summarize the components of net benefit/expenses recognised in the statement of Profit and loss and the amount recognised in the balance sheet for the gratuity and Leaves with wages plan.

**1 Changes in the present value of obligation:-**

PARTICULARS	AS ON 31.03.2015		AS ON 31.03.2014	
	Gratuity (Unfunded)	Leave (Unfunded)	Gratuity (Unfunded)	Leave (Unfunded)
Present value of obligation at the beginning of the period	758916.00	368542.00	617504.00	353276.00
Interest cost	47437.00	16985.00	48760.00	26619.00
Current service cost	140785.00	168372.00	140075.00	169207.00
Benefits paid	(316889.00)	(307083.00)	(163363.00)	(121522.00)
Actuarial (Gain)/Loss on obligation	42655.00	62942.00	115940.00	(59038.00)
Present Value of obligation at the end of period	672904.00	309758.00	758916.00	368542.00

**2 fair value of plan asset:-**

PARTICULARS	AS ON 31.03.2015		AS ON 31.03.2014	
	Gratuity (Unfunded)	Leave (Unfunded)	Gratuity (Unfunded)	Leave (Unfunded)
Fair value of plan assets at the beginning of the period	----	----	----	----
Actual return on plan assets	----	----	----	----
Contribution	----	----	----	----
Withdrawals/ Benefits Paid	----	(307083.00)	----	(121522.00)
Fair value of plan assets at the end of the period	----	----	----	----
Present Value of obligation at the end of period	672904.00	309758.00	758916.00	368542.00
Funded status	(672904.00)	(309758.00)	(758619.00)	(368542.00)

**3 Actuarial gain/(loss) recognised:-**

PARTICULARS	AS ON 31.03.2015		AS ON 31.03.2014	
	Gratuity (Unfunded)	Leave (Unfunded)	Gratuity (Unfunded)	Leave (Unfunded)
Actuarial gain/(loss) on obligation	(42655.00)	(62942.00)	(115940.00)	59038.00
Actuarial gain/(loss) on plan assets	---	---	---	---
Total (gain)/loss	42655.00	62942.00	115940.00	(59038.00)
Actuarial (gain)/loss recognized in the period	42655.00	62942.00	115940.00	-59038.00
Unrecognized actuarial (gain)/loss at the end of the period	---	---	---	---

**4 Amount to be recognised in the balance sheet:-**

PARTICULARS	AS ON 31.03.2015		AS ON 31.03.2014	
	Gratuity (Unfunded)	Leave (Unfunded)	Gratuity (Unfunded)	Leave (Unfunded)
Unrecognized actuarial (gain)/loss at the end of the period	672904.00	309578.00	758916.00	368542.00
Unrecognized actuarial (gain)/loss at the end of the period	----	----	----	----
Funded status	(672904.00)	(309578.00)	(758916.00)	(368542.00)
Unrecognized actuarial (gain)/loss at the end of the period	----	----	----	----
Net assets/(liability) recognized in the balance sheet	672904.00	309578.00	758619.00	368542.00

**5 Expenses recognised in the profit and loss statement:-**

PARTICULARS	AS ON 31.03.2015		AS ON 31.03.2014	
	Gratuity (Unfunded)	Leave (Unfunded)	Gratuity (Unfunded)	Leave (Unfunded)
Current service cost	140785.00	168372.00	140075.00	169207.00
Interest cost	47437.00	16985.00	48760.00	26619.00
Expected return on plan assets	----	----	----	----
Actuarial (gain)/loss recognized on the period	42655.00	62942.00	115940.00	(59038.00)
Expenses recognized in the statement of profit and loss	230877.00	248299.00	304775.00	136788.00

**6 Principal actuarial assumptions at the balance sheet date:-**

PARTICULARS	AS ON 31.03.2015		AS ON 31.03.2014	
	Gratuity (Unfunded)	Leave (Unfunded)	Gratuity (Unfunded)	Leave (Unfunded)
Imputed rate of interest	7.90% p.a.	7.90% p.a.	9.10% p.a.	9.10% p.a.
Future salary rise	8.00% p.a.	8.00% p.a.	8.00% p.a.	8.00% p.a.
Remaining working life	17.53 years	17.53 years	17.54 years	17.54 years
Method of Valuation	Projected Unit Credit	Projected Unit Credit	Projected Unit Credit	Projected Unit Credit

**37 Disclosure requirement as per AS - 19 on 'Leases':-**

factory building is given on Lease to different parties for the period varies between 1 to 7 years.

General discription of the Lease agreement :

- i) lease aggrement can be terminated by either party by giving advance notice either by lesse or lessor.
- ii) Lessees can not sublet the building further.
- iii) lease rent is subject to yearly increase by 10%.

PARTICULARS	2014-15 (In Rs.)	2013-14 (In Rs.)
Future minimum lease payments under non cancellable operating leases	<b>25797172.00</b>	23451966.00
Not later than one year	<b>4225508.00</b>	3841369.00
Later than one year & not later than five years	<b>21571664.00</b>	19610597.00
Later than five years	---	---
Lease income recognised in the profit & loss statement	<b>10824092.00</b>	6916806.00

**38. (i) Value Of Raw Material, Stores And Spares Consumed**

PARTICULARS	Indigenous		Percentage	
	Current Year	Previous Year	Current Year	Previous Year
Raw materials	---	---	---	---
Stores & Spares	<b>264117.00</b>	102590.00	<b>62.45%</b>	72.84%

PARTICULARS	Imported		Percentage	
	Current Year	Previous Year	Current Year	Previous Year
Raw materials	---	---	---	---
Stores & Spares	<b>212573.00</b>	210055.00	<b>37.55%</b>	27.16%

**(ii) Purchase of Traded Goods**

PARTICULARS	Amounts in Rs.	
	Current Year	Previous Year
Suiting ,Shirtings fabrics & Dress materials	---	---
<b>TOTAL</b>	<b>---</b>	<b>---</b>

**39. C.I.F. value of Imports - NIL**

These are the notes to financial statements referred to in our report of even date.

**For Dass Khanna & Co.**  
**Chartered Accountants**

**(Rakesh Soni)**  
Partner

**(Rajesh Kumar)**  
CFO

**(Preet Kanwar Singh)**  
Company Secretary

**(Arun K. Goel)**  
Director

**(Rajneesh Oswal)**  
Managing Director

**PLACE : LUDHIANA**  
**DATED : 28.05.2015**

**For and on behalf of the Board**

## ADINATH TEXTILES LIMITED

Regd. Office: Village Bholapur, P.O. Sahabana, Chandigarh Road, Ludhiana 141 123  
Tel. No. 0161-2685271-72, Fax - 0161-2685270, CIN- L17115PB1979PLC003910  
Website : [www.adinathtextiles.com](http://www.adinathtextiles.com), Email : [atl@shreyansgroup.com](mailto:atl@shreyansgroup.com)

### 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 Adinath Textiles Limited, hereby appoint:

1. Name : .....
2. Address : .....
3. E-mail Id : .....
4. Signature : ....., or failing him

1. Name : .....
2. Address : .....
3. E-mail Id : .....
4. Signature : .....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 35<sup>th</sup> Annual general meeting of the company, to be held on Wednesday the 12<sup>th</sup> day of August, 2015 At 03.30 p.m. at the registered office of the company at Village: Bholapur, P.O. Sahabana, Chandigarh Road, Ludhiana 141 123 and at any adjournment thereof in respect of such resolutions as are indicated below:

### Resolution(s):

- 1 ..... 3 ..... 5 .....
- 2 ..... 4 .....

Signed this ..... day of ..... 2015

Signature of shareholder

Signature of Proxy holder(s)

Affix  
Revenue  
Stamp here

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

## ADINATH TEXTILES LIMITED ATTENDANCE SLIP

I here by record my presence at the 35<sup>th</sup> ANNUAL GENERAL MEETING of the Company being held on Wednesday, the 12th August, 2015 at 03.30 p.m. at the Registered Office of the Company Village Bholapur, P.O. Sahabana, Chandigarh Road, Ludhiana - 141 123

.....  
Full Name of the Shareholder  
(IN BLOCK LETTERS)

Signature

Folio No .....

Client ID. ....

Full Name of Proxy .....  
(IN BLOCK LETTERS)

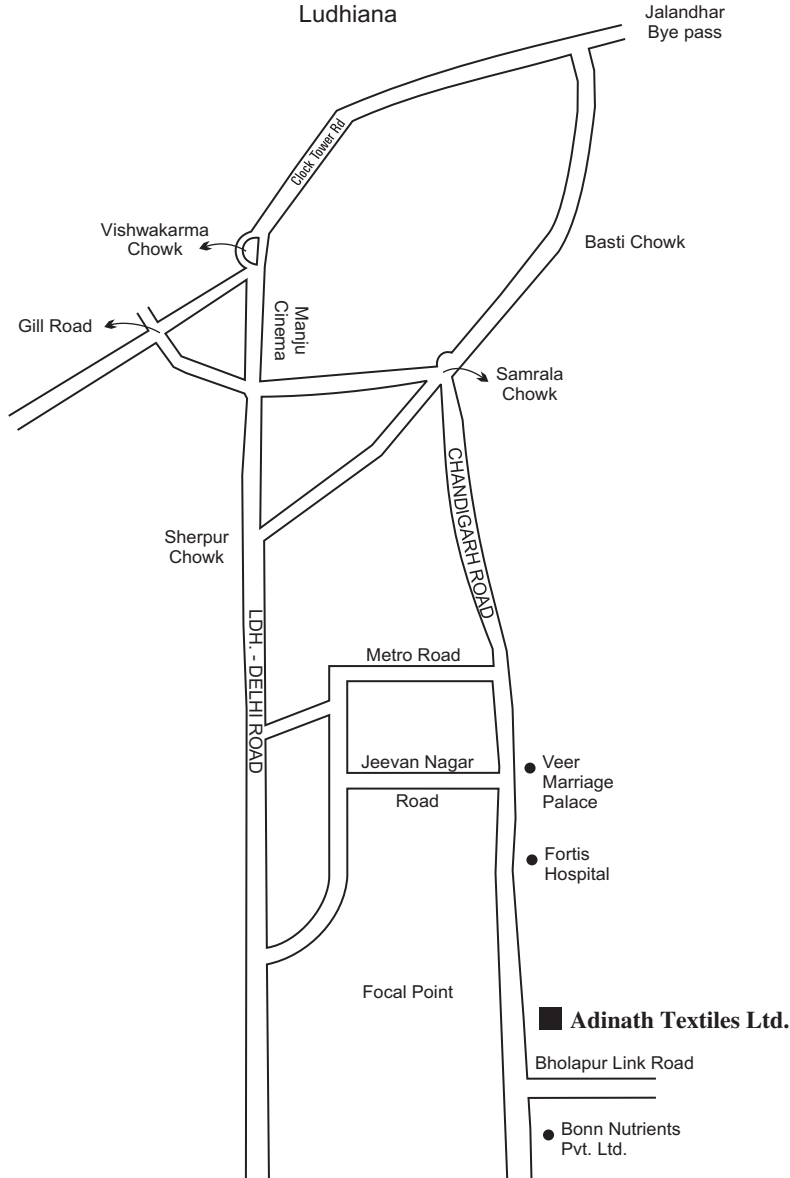
D. P. ID. ....

- NOTE :**
1. The Proxy Form duly completed must be deposited at the Registered Office of the Company not less than 48 hours before the time for holding the meeting.
  2. A proxy need not be a member.

Route map to the venue of the AGM

Venue : **Adinath Textiles Limited**

Village Bholapur, P.O. Sahabana, Chandigarh Road,  
Ludhiana



If undelivered, please return to :

**ADINATH TEXTILES LIMITED**

Village Bholapur, P.O. Sahabana,

Chandigarh Road, Ludhiana - 141 123.

CIN: L17115PB1979PLC003910

TEL: +91-161-2685271, 2685272, 6574125 FAX: +91-161-2685270

EMAIL: [at@shreyansgroup.com](mailto:at@shreyansgroup.com) WEBSITE: [www.adinathtextiles.com](http://www.adinathtextiles.com)