



L17100DL1991PLC171468

AMIT SPINNING INDUSTRIES LTD.

(Manufacturer of Yarns & Govt. Recognised Trading House)

September 30, 2016

BSE Limited
Corporate Relationship Deptt.
1st Floor, New Trading Ring, Rotunda Bldg.
P J Towers, Dalal Street
Mumbai 400 001

Stock Code. **521076**

National Stock Exchange Of India Ltd.
Exchange Plaza
Bandra Kurla Complex
Bandar (E), Mumbai-400051

Stock Code: **ASIL**

Dear Sir/Madam,

Sub: Submission of Annual Report for the year 2015-2016

Ref: Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Pursuant to Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith Annual Report of the Company for the financial year 2015-16 duly approved and adopted by the members as per the provisions of the Companies Act, 2013 at the 24th Annual General Meeting held on 27th September, 2016.

Please take the above on record.

Thanking you,

Yours truly,
For **AMIT SPINNING INDUSTRIES LIMITED**

DEEPANSHU ARORA
COMPLIANCE OFFICER

Encl : as above.

AMIT SPINNING INDUSTRIES LIMITED



24th Annual Report
■■■■■ 2015 - 2016

CLC

BOARD OF DIRECTORS

S P Setia (Non-Executive/Independent Chairman)
 I.B. Maner (Managing Director)
 Ranjan Mangtani (Non-Executive Director)
 K Sankaramani (Non-Executive Director)
 Shivani Gupta (Independent Woman Director)

AUDITORS

Sunil Jain & Co.
 Chartered Accountants
 New Delhi

AUDIT COMMITTEE

S P Setia (Chairman)
 Ranjan Mangtani
 Shivani Gupta

NOMINATION AND REMUNERATION COMMITTEE

S P Setia (Chairman)
 Ranjan Mangtani
 Shivani Gupta

STAKEHOLDERS RELATIONSHIP COMMITTEE

S P Setia (Chairman)
 Ranjan Mangtani
 Shivani Gupta

REGISTERED & CORPORATE OFFICE

A-60, Okhla Industrial Area
 Phase-II, New Delhi-110020
 Tel.: 011-26387738
 Fax: 011-26385181
 Email secretarial@clcindia.com

REGISTRAR & TRANSFER AGENTS

M/s. RCMC Share Registry Pvt. Ltd.
 B-25/1, Okhla Industrial Area, Phase-II,
 Near Rana Motor, New Delhi - 110020
 Tel.: 011-26387320 Fax : 011-26387322
 E-mail : investor.services@rcmcdelhi.com

PLANT

Gat No. 47 & 48, Sangavade Village
 Kolhapur – Hupari Road
 Taluka Karveer
 Dist. Kolhapur 416 202
 MAHARASHTRA
 Ph.: 0231 – 2676106/2676108/2676110
 Fax: 0231-2676164

BANKERS / ARC

AXIS Bank Limited
 JM Financial Asset Reconstruction Company Pvt. Ltd.

INDEX

	Page No.
Notice	1
Board's Report including Management Discussions & Analysis Report	4
Annexures to Boards' Report	8
Corporate Governance	17
Auditor's Report	24
Balance Sheet	29
Statement of Profit & Loss	30
Cash Flow Statement	31
Notes	32

- **24th AGM**

Date : September 27, 2016 Time: 12.00 Noon

Venue : Bipin Chandra Pal Memorial Bhavan, A-81, Chittaranjan Park, New Delhi 110 019

- Book Closure : From Friday, September 23, 2016 to Tuesday, September 27, 2016 (both days inclusive).

Company's shares are listed on BSE Ltd. and National Stock Exchange of India Ltd.

NOTICE

Notice is hereby given that the 24th Annual General Meeting of the Members of **Amit Spinning Industries Limited** will be held on **Tuesday the 27th day of September, 2016 at 12:00 Noon at Bipin Chandra Pal Memorial Bhavan, A-81, Chittaranjan Park, New Delhi 110019** to transact the following business:

ORDINARY BUSINESS :

1. To consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2016, and the reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Ranjan Mangtani (DIN: 00678341) who retires by rotation and being eligible, offers himself for re-appointment.
3. To ratify the appointment of the Statutory Auditors of the Company for the year financial year 2016-17 and to fix their remuneration.

SPECIAL BUSINESS:

4. To consider and, if thought fit, to pass, with or without modifications the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of sections 149, 150, 152 and other applicable provisions and Schedule IV, of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014, as may be amended from time to time, and SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, as may be amended, superseded or replaced from time to time, Mrs. Shivani Gupta (DIN 07547509), who was appointed as an Additional Director by the Board of Directors of the Company pursuant to section 161(1) of the Companies Act, 2013 and Article 85 of the Articles of Association and who holds office only upto the date of this Annual General Meeting and has submitted a declaration that she meets the criteria for independence as provided in section 149(6) of the Act and is eligible for appointment and in respect of whom the Company has received a notice in writing from a Member proposing her candidature for the office of Director, be and is hereby appointed as an Independent Non Executive Woman Director of the Company, for five consecutive years with effect from 30th June 2016 and whose office shall not be liable to retirement by rotation".

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, matters, deeds and things as may be necessary, proper or expedient to give effect to the above resolution."

5. To consider and, if thought fit, to pass with or without modifications the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, read with Schedule V of the Companies Act, 2013, including any statutory modification(s) or re-enactment(s) thereof, and other requisite approvals as may be necessitated from time to time, the consent of the Company be and is hereby accorded for seeking Shareholders approval for appointment and fixation of remuneration to Mr. I D Desai as Manager to the Company for a period of three years w.e.f. 1st September, 2016, as per the terms and conditions set out in the explanatory statement annexed to the Notice convening this meeting with liberty to alter and vary the same upto 15% increase per annum on his remuneration, subject to maximum limits specified under Schedule V of the Companies Act, 2013 or any other statutory modification(s) or re-enactment thereof or in accordance with the approval of Shareholders of the Company."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, matters, deeds and things as may be necessary, proper or expedient to give effect to the above resolution."

6. To consider and, if thought fit, to pass with or without modifications the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT pursuant to section 20 and other applicable provisions, if any, of the Companies Act, 2013 and relevant Rules prescribed thereunder, upon receipt of a request from a member for delivery of any document through a particular mode an amount of Rs.50/- (Rupees Fifty Only) for each such document, over and above reimbursement of actual expenses incurred by the Company, be levied as and by way of fees for sending the document to him in the desired particular mode.

FURTHER RESOLVED THAT the estimated fees for delivery of the document shall be paid by the member in advance to the Company, before dispatch of such document.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Compliance Officer of the Company be and is hereby authorized to do all such acts, deeds, matters and things as he may in his absolute discretion deem necessary, proper, desirable or expedient and to settle any question, difficulty, or doubt that may arise in respect of the matter aforesaid, including determination of the estimated fees for delivery of the document to be paid in advance."

By Order of the Board
For AMIT SPINNING INDUSTRIES LIMITED

Place: New Delhi
Date : August 09, 2016

Sd/-
Director

NOTES:

- A. Explanatory Statement setting out all material facts regarding Special Business contained in Item Nos. 4 to 6 as required under Section 102 (1) of the Companies Act, 2013, is annexed hereto.
- B. A MEMBER ENTITLED TO ATTEND AND VOTE 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. PROXY SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY ATLEAST 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
- C. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.
- D. The Register of Members and Share Transfer Books of the Company will be closed from **Friday, the 23th day of September, 2016 to Tuesday the 27th day of September, 2016** (both days inclusive) for the purpose of this Annual General Meeting.
- E. All documents referred to in the Notice and accompanying explanatory statement are open for inspection at the Registered Office of the Company on all the working days of the Company between 10.00 A.M. to 1.00 P.M. upto the date of Annual General Meeting and also at the meeting.
- F. Members are requested to intimate the change, if any, in their registered address immediately.
- G. Members/Proxies should bring the attendance slips duly filled in and signed for attending the meeting.
- H. It will be appreciated that queries, if any, on accounts and operations of the Company are sent to the Registered Office of the company ten days in advance of the meeting so that the information may be made readily available.
- I. As per provisions of the Companies Act, facility of nomination is available to the members in respect of the shares held by them.
- J. For any query on the Depository System, members may contact any depository participant or the Share Department at the Registered Office of the Company.
- K. In terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a brief resume of directors who are proposed to be appointed/re-appointed at this meeting is provided in Corporate Governance Report, forming part of the Annual Report.
- L. Securities and Exchange Board of India (SEBI) has made it mandatory for the transferees to furnish copy of PAN card to the Company/RTA for registration of shares held in Physical Form.
- M. Members are requested to send queries, if any, at E-mail ID secretarial@clcindia.com which is being used exclusively for the purpose of redressing the complaint(s) of the investors.

N. VOTING THROUGH ELECTRONIC MEANS

In accordance with provisions of section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 the business may be transacted through electronic voting system and the Company intends to provide facility for voting by electronic means ("e-voting") to its members. The Company has engaged the services of Central Depository Services (India) Limited (CDSL) to provide e-voting facilities and for security and enabling the members to cast their Vote in a secure manner. However, the Company has not paid the Annual Custodian Fee to the CDSL due the financial difficulties, the CDSL has blocked the benpos and not provided the shareholders list, and the Company is not in a position to conduct the e-voting process for the said meeting. Company has requested and assured the CDSL that the dues will be cleared once the rehabilitation scheme approved by the concerned authority inspite of our request, CDSL has not provided the benpos.

ANNEXURE TO THE NOTICE**EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013****ITEM NO. 4**

The Board of Directors had appointed Mrs. Shivani Gupta as an Additional Director of the Company on 30th June, 2016 under category of Independent Women Director.

In terms of Section 161(1) of the Companies Act, 2013, Mrs. Shivani Gupta holds office upto the date of the ensuing Annual General Meeting. In this regard, the Company has received a notice in writing from a member alongwith deposit of requisite

amount required under Section 160 of the Companies Act, 2013, proposing her candidature for the office of Independent Woman Director of the Company.

In terms of the provisions of Section 149 of the Companies Act, 2013, an Independent Director shall hold office for a term up to five consecutive years on the Board of a company and is not liable to retire by rotation. Mrs. Shivani Gupta has given a declaration to the Board that she meets the criteria of independence as provided under Section 149 (6) of the Act.

In compliance with the provisions of Section 149 read with Schedule IV of the Act, the appointment of Mrs. Shivani Gupta as Independent Women Director is now being placed before the Members in General Meeting for their approval.

None of the Directors and/or Key Managerial Personnel of the Company and/or their relatives, except Mrs. Shivani Gupta is concerned or interested in the resolution set out in Item No. 4.

Your Directors recommend the ordinary resolution set out at Item No. 4 of the Notice for your approval.

ITEM NO. 5:

Since the Managing Director Mr. I B Maner's term is expiring on 31st August, 2016 and keeping in view of financial difficulties, the Company cannot afford the remuneration payable to Managing Director and the Nomination and Remuneration Committee and Board of Directors at their meeting held on 9th August, 2016 have proposed to appoint Mr. Ishwar Dhondiba Desai as Manager to the Company w.e.f 1st September, 2016 as per the remuneration mutually agreed upon the Board and Mr. Desai.

Mr. Desai aged about 58 years is a Post Graduate and having 30 years of rich experience in Human Resources and related matters and has been working with the Company for the past many years.

As per the applicable provision read with Schedule V of the Companies Act, 2013, Company is not required to obtain the Central Government approval as the remuneration payable to Mr. I.D. Desai is within the limits prescribed under the said Act.

OVERALL REMUNERATION

Subject to the provisions of Section 196, 197 & 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, the remuneration payable to a Manager in a financial year shall not exceed 5% of the net profit of the company computed in the manner laid down in section 198 except that the remuneration of the Directors shall not be deducted from the gross profits.

Within the aforesaid ceiling, remuneration payable to Mr. I.D. Desai shall be as follows:

- I. Tenure of Remuneration** : 1st September, 2016 to 31st August, 2019
- II. Remuneration** : Rs. 54,256/- including perquisites for aforesaid period subject to overall increase in remuneration shall be decided by the Chairman of the Company as per the relevant provisions on yearly basis and excluding the EPF, Gratuity/Superannuation fund and applicable incentives as mentioned in the Section 197 read with Schedule V of the Companies Act, 2013.

III. Other terms of Appointment :

- a) No sitting fees shall be paid to them for attending meetings of Board of Directors/ Committee of the Board.
- b) Reimbursement of all entertainment, travelling, hotel and other expenses actually incurred by them in connection with the business of the Company.
- c) Normal annual Increment if any shall be decided by the Chairman of the Company as per the relevant provisions on yearly basis.

The draft of Agreement to be entered into between the Company and Mr. I.D. Desai for appointment and remuneration is available for inspection by the members at the Registered Office of the Company during the business hours on any working day. The explanatory statement may also be regarded as a disclosure under SEBI (LODR) Regulations.

None of the Directors and/or Key Managerial Personnel of the Company and/or their relatives, except Mr. I D Desai is concerned or interested in the resolution set out in Item No. 5.

Your Directors recommend the ordinary resolutions set out at Item No. 5 of the Notice for your approval.

ITEM NO. 6

This is to inform to the members that pursuant to Section 20 of the Companies Act, 2013 and applicable provisions of the said Act, the company is required to serve a document to any member by sending it by Post or by Registered post or by Speed post or by Courier or by delivering at his office or address or by such electronic or other mode as may be prescribed by him from time to time.

It is further informed that a member can request for delivery of any document to him through a particular mode for which he shall pay such fees as may be determined by the company in its Annual General Meeting. Therefore, to enable the members to avail of this facility, it is necessary for the Company to determine the fees to be charged for delivery of a document in a particular mode, as mentioned in the resolution. Since the Companies Act, 2013 requires the fees to be determined in the Annual General Meeting,

None of the Directors and/or Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No.6 of the accompanying Notice.

Your Directors, accordingly, recommend this Ordinary Resolution at item no. 6 of the accompanying notice, for the approval of the members of the Company.

BOARD'S REPORT

Dear Members,

Your Directors have great pleasure in presenting the 24th Annual Report together with Audited Statements of Accounts of the Company for the year ended March 31, 2016.

Financial Results

The summarized financial results for the year ended March 31, 2016 as compared to the previous year are as follows:

(` in Lakhs)

	2015-2016	2014-2015
Revenue from Operation	38.98	3205.52
Other Income	1.63	4.06
Profit before depreciation, interest finance charges and tax (PBDIT)	(847.18)	(842.59)
Less: Interest and Finance Charges	309.38	347.29
Less: Depreciation	346.61	343.59
Profit/(Loss) before Tax (PBT)	(1503.17)	(1533.46)
Less : Tax Expense/Deferred Tax	0	878.25
Profit/(Loss) after Tax (PAT)	(1503.17)	(2411.71)

FINANCIAL ANALYSIS AND PERFORMANCE REVIEW

During the financial year 2015-16 under review, your company could not utilize its capacities due to financial constraints/shortage of working capital and the unit of the company located at Kolhapur remained inoperative accordingly the revenue from operations decreased to Rs. 38.98 lakhs as compared to Rs. 3,205.52 lakhs in the previous year.

Further, over the period the company has eroded its net worth completely and it has been declared as a Sick Company under Sick Industrial Companies (Special Provisions) Act'1985 by the Board for Industrial and Financial Restructuring (BIFR) vide its order dated 18th July'2012.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

India's Textiles Sector is one of the oldest Industry in Indian economy dating back several centuries. Even today, textiles sector is one of the largest contributor to India's exports accounting for approximately 11% of total exports. The Textile Industry is also labor intensive and is one of the largest employers. The industry realised export earnings worth US\$ 41.4 billion and a growth of 5.4 per cent.

The textile industry has two broad segments. First, the unorganised sector consists of handloom, handicrafts and sericulture, which are operated on a small scale and through traditional tools and methods. The second is the organized sector consisting of Spinning, Apparel and Garment segment which apply modern machinery and technology.

Amit Spinning is producing only Cotton Yarn with a capacity of 30672 spindles. However, during the period under review, the operations of Amit Spinning were badly affected due to shortage of Working Capital and non approval of Rehabilitation Plan by BIFR.

Due to these constraints the Company operations have been suspended since 11th August, 2015 resulting in revenue from operations decreasing to Rs. 38.98 Lakhs as compared to Rs. 32.05 Crores during 2014-15.

MANAGEMENT PERCEPTION ON OPPORTUNITIES, RISKS, CONCERN & OUTLOOK

The Low per-capita domestic consumption of textile indicates potential of growth in the textile industry. The Indian government has come up with a number of export promotion policies for the textiles sector. A new National Textiles Policy is expected to be announced soon. Further, the Government has proposed the establishment of Centres of Excellence for training the workforce in the textile sector and also to establish institutes under the public-private partnership (PPP) model to encourage private sector participation in the development of the industry.

Further, with focus on Make in India, the Indian Textile industry is expected to become resilient and robust through various support measures likely to be announced by the government. The future outlook for the Indian Textile Industry looks promising, buoyed by both strong domestic consumption and increase in export turnover.

The major factors hindering progress of the textiles industry are Increase in the power costs, higher transaction costs, high cost of labour and general increase in input costs, thus the industry has to concentrate on cost reduction exercises and improvement in efficiency. With conscious and focused efforts and strategies built around optimum product mix, operational efficiencies and customer satisfaction the management is confident of a turnaround of the company in near future.

With the awaited / impending approval of rehabilitation scheme of the company by BIFR and with the continued support and co-operation of company's bankers, management believes that your Company would again resume production, optimally utilize capacities, and generate increasing sales volumes, margins in due course.

SEGMENT-WISE PERFORMANCE

Amit Spinning Industries Ltd. (ASIL) being a cotton yarn manufacturer has only one business segment. On the basis of geographical categorization of market, ASIL identified two segments i.e. exports and domestic.

During the year under review, Company has not manufactured yarn as against 1281.64 MT produced by the company in the previous year.

SUBSIDIARY COMPANIES, JOINT VENTURES AND ASSOCIATE COMPANIES

As there are no subsidiaries/associates/joint ventures of the Company, the provisions contained in Companies Act, 2013/ SEBI (LODR) Regulations relating to subsidiaries are not applicable.

DIVIDEND

During the year under review, the Company has no distributable profits hence directors regret their inability to recommend any dividend for financial period 2015-16.

TRANSFER TO RESERVES

During the year, the Company has not transferred any amount to reserves.

SHARE CAPITAL

The Company's Authorized Share Capital as on 31st March, 2016 stands at Rs. 25,00,00,000/- and issued & paid up capital as on 31st March, 2016 stands at Rs. 20,58,48,335/- divided into 4,11,69,667 fully paid up equity shares of Rs. 5/- each. During the year, under review, the Company has not issued any share(s). Further the Company has not issued any shares with differential Voting Rights/Sweat Equity shares/under Stock Option Scheme (ESOS) earlier and during the year.

The Company has no scheme of provision of money for purchase of its own shares by employees or by trustees for the benefit of employees. Hence the details under rule 16 (4) of Companies (Share Capital and Debentures) Rules, 2014 are not required to be disclosed.

DIRECTORS AND KEY MANAGERIAL PERSONNEL**(a) Change in Directors and Key Managerial Personnel**

Mr. Ranjan Mangtani, Director of the Company, retires by rotation in the forthcoming Annual General Meeting and being eligible, offer himself for re-appointment. The Board recommended his re-appointment for the consideration of the members of the company at the ensuing Annual General Meeting.

Mrs. Shivani Gupta has been appointed as Independent Women Director on 30th June, 2016 in compliance with SEBI (LODR) Regulations, 2015 regarding composition of the Board. Further, Ms. Priya Lohani, Women Director of the Company has resigned from the office of director w.e.f 10.05.2016.

During the period under review, Mr. Malpeddi Nagnath S, Manager Accounts has been entrusted with responsibility to discharge the functions of CFO (Chief Financial Officer) along with other functions of the Company w.e.f 8th February, 2016 in place of Mr. Shreyas S Alatar, who was appointed as CFO on 13th February, 2015.

Brief resume of the Directors proposed to be appointed/re-appointed, nature of their expertise in specific functional areas and names of the companies in which they hold directorship and membership/chairmanships of the Board or its Committees, as stipulated under SEBI (LODR) Regulations entered by the Company with stock exchanges in India, is provided in the Report of Corporate Governance forming part of the Annual Report.

(b) Number of Meetings of the Board

Four meetings of the Board were held during the year. The detailed information regarding meetings of the Board held during the year was mentioned in the Corporate Governance Report which forms part to this report.

(c) Declaration by Independent Directors

All Independent Directors have given declarations that they met the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and SEBI (LODR) Regulations.

(d) Annual Evaluation by the Board

Pursuant to the provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as its Committees. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

(e) Remuneration Policy

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The Remuneration Policy is enumerated in the Corporate Governance Report. During the year, neither the Managing Director nor the Whole-time Directors of the Company received any remuneration or commission from any of its subsidiaries.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement of Section 134(3)(c) of the Companies Act, 2013, with respect to Directors' Responsibility Statement, it is hereby confirmed that:

- in the preparation of the annual accounts for the financial year ended 31st March, 2016, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- 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 as at March 31, 2016 and of the profit and loss of the company for that period;
- 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 that such systems were adequate and operating effectively.

RELATED PARTY TRANSACTIONS

All transactions entered into with related parties as defined under the Companies Act, 2013 and SEBI (LODR) Regulations during the financial year were in the ordinary course of business and on an arm's length pricing basis. The Company has entered into a material transaction with one related party i.e. its holding Company M/s. Spentex Industries Limited according to the policy framed for the related party transactions and the same has been disclosed in the note to financial statements. However there was no other materially significant Related Party transaction entered into by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large.

Prior omnibus approval of the Audit Committee was obtained for Related Party Transactions for a period upto 31st March, 2016. The transactions entered into pursuant to the omnibus approval so granted were audited and a statement giving details of all related party transactions was placed before the Audit Committee for its review on a quarterly basis.

The Company has framed a Related Party Transactions Policy for purpose of identification and monitoring of such transactions. The policy on Related Party Transactions as approved by the Board has been uploaded on the Company's website.

None of the Directors has any pecuniary relationships or transactions vis-a-vis the Company. All related party transactions entered into by the Company were in ordinary course of business and were on an arm's length basis, however for the transaction entered with its holding company fall under material transaction and details of the same is mentioned in form AOC - 2 attached herewith as Annexure-1.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION BETWEEN THE DATE OF THE BOARD REPORT AND END OF FINANCIAL YEAR

The Company has appointed Mrs. Shivani Gupta as an Independent Women Director w.e.f. 30th June, 2016 and Ms. Priya Lohani, Company Secretary has resigned from the Company w.e.f. 22nd June, 2016.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS.

There are no significant or material orders passed by the Regulators / Courts which would impact the going concern status of the Company and its future operations.

AUDITORS AND AUDITORS REPORT**(a) Statutory Auditors**

At the 22nd Annual General Meeting held on 11.09.2014 M/s. Sunil Jain & Co., Chartered Accountants, (Firm Registration No. 003855N) was appointed as Statutory Auditors of the Company to hold office till the conclusion of the 26th Annual General Meeting to be held in the Calendar Year 2018. In terms of the proviso to Section 139 of the Companies Act, 2013, the appointment of the Auditors shall be placed for ratification at every Annual General Meeting. Therefore, the appointment of M/s. Sunil Jain & Co., Chartered Accountants, as statutory auditors of the Company is placed for ratification by the shareholders. The Company has received a confirmation from M/s. Sunil Jain & Co., Chartered Accountants to the effect that their appointment, if made, at the ensuing AGM would be in terms of Sections 139 and 141 of the Companies Act, 2013 and rules made there under and that they are not disqualified for re-appointment.

Further, the Statutory Auditors have submitted Auditors' Report on the accounts of the Company for the period ended 31st March 2016.

Directors' view on Auditor's Observations

Directors' response to the various observations of the auditors made in their report, has been explained wherever necessary through appropriate notes to accounts, however pertinent notes are reproduced hereunder in compliance with the relevant legal requirements and wherever required further explanation is furnished.

Note No. 29 of the Financial Statement qualified by Auditors

The Other Non Current Assets of the Company include a sum of Rs. 1,52,76,144, being an amount receivable from MSEB. The Company is making effort to recover the same and expects to reduce the outstanding dues significantly and the management is of the opinion that ultimately there would be no losses against these old balances and hence no provision is considered necessary at this stage.

Note No. 30 of the Financial Statement without qualifying, Auditors have drawn attention:

"As on March 31, 2016, the accumulated losses of the Company have far exceeded its net worth. In the opinion of the management, the Company's operations are affected by global business downturn which has resulted in reduction in demand, increase in input costs and shortage of working capital. The Company has also filed a reference with Board for Industrial and Financial Restructuring (BIFR) under Section 15 of Sick Industrial Companies (Special Provisions) Act, 1985 for determination of sickness and measures to be adopted for rehabilitation. The BIFR, vide its order, dated 18.07.2012 declared the Company as sick under section 3(1)(o) of SICA, 1985 and appointed UCO Bank as Operating Agency (OA) under section 17(3) to prepare Rehabilitation Scheme for the Company. However, on the strength of management's plan of revival including reorganization of business, these financial statements are prepared on a going concern basis."

(b) Cost Auditor:

The company having been declared as a sick Company and having not produced any yarn in the year 2015-16, the Cost Records and Audit Rules, 2014 is not applicable to the Company.

(c) Secretarial Auditor & Audit Report:

Pursuant to provisions of Section 204 of the Companies Act, 2013, the Company has appointed M/s. Loveneet Handa & Associate, Practising Company Secretary (having CP No. 10753 & Membership No. 25973) as Secretarial Auditor to carry out the secretarial audit for the financial year 2015-16.

The Secretarial Audit Report for the financial year ended March 31, 2016 is annexed herewith marked as Annexure 2 to this Report.

Secretarial Auditor have mentioned in his report towards delay/non payment of statutory dues and listing/custodian fee to concerned authorities because the Rehabilitation Scheme filed by the company with BIFR is yet to be considered and approved. The management has no option but continue to keep the manufacturing unit situated at Kolhapur, Maharashtra, inoperative, as before for the time being, due to financial constraints and non-availability of working capital.

(d) Internal Auditors

Pursuant to section 138 of the Companies Act, 2013 read with The Companies (Accounts) Rules, 2014, the Company has appointed Dr. Sunil Kumar Gupta as the Internal Auditor of the Company.

INTERNAL CONTROL SYSTEMS AND ADEQUACY

The Company has established adequate internal control systems, commensurate with its size and nature of business and such systems are periodically audited, verified and reviewed for their validity, considering the changing business scenario from time to time, the Audit Committee of the Board of Directors reviews the adequacy and effectiveness of internal control systems and suggests improvement for strengthening them.

EXTRACT OF THE ANNUAL RETURN

The details forming part of the extract of the Annual Return in form MGT 9 is annexed herewith as Annexure-3 to this Report.

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

Company has implemented energy conservation methods and such action has resulted into major savings in energy consumption as well as in cost control. The information as required to be disclosed under Section 134(3)(m) of the Companies Act, 2013 read with Rule, 8 of the Companies (Accounts) Rules, 2014 is set out in the Annexure – 4 to this Report.

PARTICULARS OF EMPLOYEES

The statement containing particulars of employees as required under section 197(12) of the Act read with Rule 5(2) & 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended, shall be made available to any shareholder on a specific request made by him in writing on or before 27th September, 2016.

DEPOSITS

The Company has not accepted or renewed any deposit during the year and there are no outstanding and/or overdue deposits as at 31st March, 2016.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

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

RISK MANAGEMENT

A Risk Management Committee has been constituted to oversee the risk management process in the Company as required under the Companies Act, 2013 and SEBI (LODR) Regulations. The details of the Committee and its terms of reference are set out in the Corporate Governance Report forming part of the Board's Report. The Risk Management Policy has also been hosted on the website of the company

VIGIL MECHANISM

The Company has framed and implemented a vigil mechanism named as Whistle Blower Policy to deal with instances of fraud and mismanagement, if any. The details of the Whistle Blower Policy are provided in the Corporate Governance Report and also hosted on the website of the Company.

During the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

HUMAN RESOURCES/INDUSTRIAL RELATIONS

A Fundamental concept embodied in the company's code of conduct is to provide working environment that motivate employees to be productive and innovative and provide opportunities for employee training and development to maximize personal potential and develop careers within the Group. The Company values the involvement of its employees and keep them informed on matters affecting them as employees and factors relevant to the company's performance and other employee related issues on a non discriminatory basis.

The Board of Directors place on record the active, dedicated and valuable contribution made by employees of the Company at all levels with regard to the affairs of the Company. The Industrial relations remained cordial within the Company.

FRAUD REPORTING

During the year no fraud has been reported to the Audit Committee / Board.

INFORMATION TECHNOLOGY

Information Technology continues to be an integral part of your company's business strategy. The Company is working on SAP platform integrating its business processes, financial parameters, customer transactions and people, effectively on real time basis.

CHANGE IN THE NATURE OF BUSINESS

There is no change in the nature of the business of the company.

CORPORATE GOVERNANCE AND MANAGEMENT DISCUSSION AND ANALYSIS

As stipulated under SEBI (LODR) Regulations, 2015, a report on Corporate Governance is attached separately as a part of the Annual Report and the Management Discussion and Analysis (MD & A) is included in this report so that duplication and overlap between Boards' Report and a separate MD & A is avoided and the entire information is provided in a composite and comprehensive manner.

LISTING OF SHARES

Presently Company's shares are listed and traded at the BSE Limited, Mumbai (BSE) and National Stock Exchange of India, Mumbai (NSE). Due to closure of operations of manufacturing unit and non approval of Rehabilitation Scheme by concerned authority the company has not paid the Annual Listing Fee for the financial year 2015-16 and 2016-17 to BSE & NSE and Company would be in a position to pay the same only after infusion of funds pursuant and subsequent to the approval of Rehabilitation Scheme.

CONCLUSION

Your company is presently going through challenging and difficult period due to market and financial constraints. It has already been declared as a Sick Company under Sick Industrial Companies (Special Provisions) Act, 1985 by BIFR vide its order dated 18th July 2012, and UCO Bank has been appointed as an Operating Agency to work out DRS for the Company in consultation with lenders. It is however expected, on Company receiving BIFR approval for its DRS, it would be in a better position to augment its production and sales, by utilizing its capacities optimally. UCO Bank has assigned its debt to JM Financial Asset Reconstruction Company Pvt. Ltd.

Acknowledgments

Your Directors place on record their sincere thanks to bankers, financial institutions business associates, consultants, customers, suppliers, contractors and various Government Authorities for their continued support extended to your Company's activities during the year under review. Your Directors also gratefully acknowledge the continuing support of the shareholders and the confidence reposed by them in the company

On behalf of the BOARD OF DIRECTORS

Place New Delhi
Date : August 9, 2016

Sd/-
S P SETIA
CHAIRMAN

Annexure - 1 to the Director's Report**FORM NO. AOC -2**

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

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

- Details of contracts or arrangements or transactions not at Arm's length basis – N.A.**
- Details of material contracts or arrangements or transactions at Arm's length basis.**

SL. No.	Particulars	Details
1	Name (s) of the related party & nature of relationship	Spentex Industries Ltd. (Holding Company)
2	Nature of contracts/arrangements/transaction	Sale/Purchase of godds/services
3	Duration of the contracts/arrangements/transaction	01.04.2015 – 31.03.2016
4	Salient terms of the contracts or arrangements or transaction including the value, if any	Ongoing transactions on normal business terms. Value of all transactions is Rs. 50,71,101/-
5	Date of approval by the Board	25.05.2016
6	Amount paid as advances, if any	-

**Annexure-2 to the Director's Report
Form No. MR-3**

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2016

(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,

Amit Spinning Industries Limited

(CIN NO: L17100DL1991PLC171468)

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2016, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by **M/s. Amit Spinning Industries Limited** as given in Annexure I for the financial year ended on 31st March, 2016 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') viz.:
 - (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, 2015;
 - (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; (N.A.)
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (N.A.)
 - (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; (N.A.) and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998. (N.A.)

(vi) OTHER APPLICABLE ACTS

- (a) Factories Act, 1948
- (b) Payment Of Wages Act, 1936, and rules made there under,
- (c) The Minimum Wages Act, 1948, and rules made there under,
- (d) Employees' State Insurance Act, 1948, and rules made there under,
- (e) The Employees' Provident Fund and Miscellaneous Provisions Act, 1952, and rules made there under,
- (f) The Payment of Bonus Act, 1965, and rules made there under,
- (g) Payment of Gratuity Act, 1972, and rules made there under.
- (h) The Water (Prevention & Control of Pollution) Act, 1974, read with Water (Prevention & Control of Pollution) Rules, 1975,
- (i) Food Safety and Standards Act, 2006, and rules made there under.
- (j) Environment (Protection) Act, 1986

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

1. Secretarial Standards issued by The Institute of Company Secretaries of India.
2. The Listing Agreements entered into by the Company with Bombay Stock Exchange and National Stock Exchange.
3. Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

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

We further report that:

1. The Board of Directors of the Company was not constituted with proper balance of Executive Directors, Non-Executive/ Independent Directors as on March 31, 2016. However, as on June 30, 2016, the composition of the Board of Directors of the Company is in conformity with the requirements as stipulated under SEBI (LODR) Regulations, 2015 and the Companies Act, 2013 and rules framed there under.

2. 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.
3. Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.
4. 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.
5. The Company has well maintained all the Statutory Registers i.e. Register of Members, Register of Charges, Register of Directors Shareholding etc. mandatory to be maintained under Companies Act, 2013.
6. The Company was unable to pay off listing fees to stock exchanges; NSE & BSE, for the financial year 2015-16 & 2016-17. The Rehabilitation Scheme filed by the company with BIFR is yet to be considered and approved. The management has no option but continue to keep the manufacturing unit situated at Kolhapur, Maharashtra, inoperative, as before for the time being, due to financial constraints and non-availability of working capital.
7. The Company has paid all the statutory dues except dues related to EPF (Employee Provident Fund) and Service Tax for the financial year 2015-2016 due to financial constraints.
8. The Company has complied with all the provisions of SEBI (Listing obligations and Disclosure Requirements) regulation, 2015 and SEBI (Insider Trading) Regulations, 2015 in respect to opening trading window, Company intimated 24 hours instead of 48 hours.
9. On July 18, 2012 Board for Industrial & Financial Reconstruction declared the company as Sick Industrial Company under Section 3(1)(o) of SICA, 1985 & has also appointed Operating Agency to prepare a rehabilitation scheme.
10. As per provisions of Companies Act, 2013 and Company rules 2014 read with various clauses of Listing Agreement/SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, the Company has constituted the Risk Management Committee, Stakeholders Relationship Committee, Audit Committee, Nomination & Remuneration Committee and uploaded applicable policies at Company's website.
11. The Company has appointed Mr. Malpeddi Nagnath S as Chief Financial Officer of the Company in the Board Meeting held on 08-02-2016 and filed all necessary documents with Registrar of Companies except MR-1 till today. At the time of appointment of CFO, Form MR-1 is applicable, however, the same have now been dispensed by Ministry of Corporate Affairs.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above and there were no specific events / actions having a major bearing on the company's affairs

For Loveneet Handa & Associates
(Practicing Company Secretary)

Place: New Delhi
Dated: August 03, 2016

Sd/-
Loveneet Handa
ACS NO: 25973
C.P.No: 10753

Annexure - I

Documents examined/verified while conducting secretarial audit:

- (a) Books ,Papers, as per Section 2 (12) of Companies Act, 2013,"book and paper" and "book or paper" include books of account, deeds, vouchers, writings, documents, minutes and registers maintained on paper or in electronic form. (Registers Maintained by RTA)
- (b) Memorandum of association
- (c) Articles of association
- (d) Certificate of Incorporation
- (e) Audited balance sheet(s)
- (f) Statutory Registers maintained by the Company i.e. Register of Members/ Register of Charges/ Register of Directors Shareholding/ Register of Contract/ Register of Investment, Register of Director Shareholdings, Register of Contracts of the Co. and firms in which directors etc are interested, Common Seal Register etc.
- (g) Minutes of the Board meetings, Annual General Meeting, Stakeholders Relationship Committee Meeting, and Audit Committee Meeting, Nomination & Remuneration Committee Meeting.
- (h) Notice of calling Annual General Meeting along with the explanatory statement.
- (i) Copy of documents related to the appointment/Resignation of Statutory Auditor of the company
- (j) Copy of Internal Audit Report given by Internal Auditor appointed u/s 138 of Companies Act, 2013.

Annexure - 3 to the Director's Report

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

as on financial year ended on 31.03.2016

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

I. REGISTRATION AND OTHER DETAILS:

i) CIN	L17100DL1991PLC171468
ii) Registration Date	18.11.1991
iii) Name of the Company	Amit Spinning Industries Limited
iv) Category/Sub-category of the Company	Public Limited Company
v) Address of the Registered office & contact details	A - 60, Okhla Industrial Area, Phase - II, New Delhi - 110020; Tel: 011-26387738; Fax : 011-26385181; Web.: www.spentex.net
vi) Whether listed company	Yes
vii) Name, Address & contact details of the Registrar & Transfer Agent, if any	RCMC Share Registry Pvt. Ltd., B-25/1, Okhla Industrial Area, Phase 2, New Delhi-110020; Tel: 011-26387320; Fax : 011-26387322

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:-

Sr. No.	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
1	Yarn	131	100

III. PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES

Sr. No.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
1	Spentex Industries Limited A - 60, Okhla Industrial Area, Phase - II, New Delhi - 110020	L74899DL1991PLC138153	Holding	50.96%	2 (46)

IV. SHAREHOLDING PATTERN (Equity Share capital Break up as % to total Equity)

i) Category wise shareholding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				%change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Share	
A. Promoters									
(1) Indian									
a) Individual/HUF	-	-	-	0.00	-	-	-	0.00	0.00
b) Central Govt. or State Govt.	-	-	-	0.00	-	-	-	0.00	0.00
c) Bodies Corporates	20,981,077	-	20,981,077	50.96	20,981,077	-	20,981,077	50.96	0.00
d) Bank/FI	-	-	-	0.00	-	-	-	0.00	0.00
e) Any other	-	-	-	0.00	-	-	-	0.00	0.00
SUB TOTAL:(A) (1)	20,981,077	-	20,981,077	50.96	20,981,077	-	20,981,077	50.96	0.00

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				%change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Share	
(2) Foreign									
a) NRI- Individuals	-	-	-	0.00	-	-	-	0.00	0.00
b) Other Individuals	-	-	-	0.00	-	-	-	0.00	0.00
c) Bodies Corporates	-	-	-	0.00	-	-	-	0.00	0.00
d) Banks/FI	-	-	-	0.00	-	-	-	0.00	0.00
e) Any other	-	-	-	0.00	-	-	-	0.00	0.00
SUB TOTAL (A) (2)	-	-	-	0.00	-	-	-	0.00	0.00
Total Shareholding of Promoter (A) = (A)(1)+ (A)(2)	20,981,077	-	20,981,077	50.96	20,981,077	-	20,981,077	50.96	0.00
B. PUBLIC SHAREHOLDING									
(1) Institutions									
a) Mutual Funds	-	-	-	0.00	-	-	-	0.00	0.00
b) Banks/FI	-	100	100	0.00	-	100	100	0.00	0.00
C) Central Govt	-	-	-	0.00	-	-	-	0.00	0.00
d) State Govt.	-	-	-	0.00	-	-	-	0.00	0.00
e) Venture Capital Fund	-	-	-	0.00	-	-	-	0.00	0.00
f) Insurance Companies	2,000	-	2,000	0.00	2,000	-	2,000	0.00	0.00
g) FIIS	-	-	-	0.00	-	-	-	0.00	0.00
h) Foreign Venture Capital Funds	-	-	-	0.00	-	-	-	0.00	0.00
i) Others (specify) Foreign Bank	-	-	-	0.00	-	-	-	0.00	0.00
SUB TOTAL (B)(1):	2,000	100	2,100	0.01	2,000	100	2,100	0.01	0.00
(2) Non Institutions									
a) Bodies Corporates									
i) Indian	860,293	7,900	868,193	2.11	799,811	7,900	807,711	1.96	-0.15
ii) Overseas	-	-	-	0.00	-	-	-	0.00	0.00
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs.1 lakhs	4,343,826	1,748,240	6,092,066	14.80	4,926,157	1,792,840	6,718,997	16.32	1.52
ii) Individuals shareholders holding nominal share capital in excess of Rs.1 lakhs	12,094,882	47,300	12,142,182	29.49	11,609,292	-	11,609,292	28.20	-1.29
c) Others (specify)									
i) Directors other than Promoters	-	-	-	0.00	-	-	-	0.00	0.00
ii) Trust	676,142	-	676,142	1.64	676,142	-	676,142	1.64	0.00
iii) Clearing Member	56,311	-	56,311	0.14	21,354	-	21,354	0.05	-0.08
iv) Hindu Undivided Families	-	-	-	0.00	-	-	-	0.00	0.00

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				%change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Share	
v) NRI	78,891	272,705	351,596	0.85	81,289	271,705	352,994	0.86	0.00
SUB TOTAL (B)(2):	18,110,345	2,076,145	20,186,490	49.03	18,114,045	2,072,445	20,186,490	49.03	0.00
Total Public Shareholding (B)= (B)(1) (B)(2)	18,112,345	2,076,245	20,188,590	49.04	18,116,045	2,072,545	20,188,590	49.04	0.00
C. Shares held by Custodian for GDRs & ADRs	-	-	-	0.00	-	-	-	0.00	0.00
Grand Total (A+B+C)	39,093,422	2,076,245	41,169,667	100.00	39,097,122	2,072,545	41,169,667	100.00	0.00

ii) Shareholding of Promoters

Sr No.	Shareholders Name	Shareholding at the beginning of the year (As on 01.04.2015)			Shareholding at the end of the year (As on 31.03.2016)			% 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	Spentex Industries Limited	20,981,077	50.96	20.00	20,981,077	50.96	20.00	0.00

iii) Change in Promoters' Shareholding (Specify if there is no change)

Sl. No	Name of Shareholders	Shareholding at the beginning of the year (As on 01-04-2015)		Cumulative Share holding during the year (As on 31-03-2016)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Spentex Industries Limited				
	At the beginning of the year	20,981,077	50.96	-	-
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment/ transfer/bonus/sweat equity etc)	Nil	Nil	Nil	Nil
	At the end of the year	Nil	Nil	20,981,077	50.96

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

Sl. No.	Name of Shareholder	Shareholding at the beginning of the year (as on 01.04.2015)		Date wise increase/decrease in Share holding during the year specifying the reasons for increase/decrease		Cumulative Shareholding during the year		Shareholding at the end of the year (as on 31.03.2016)	
		No. of shares	% of total shares of the company	Date	Reason	No of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Aparna Bharat Shah	18,85,500	4.58	No change during the year		-	-	18,85,500	4.58
2	Bharat Punamchand Shah HUF	17,55,899	4.27	No change during the year		-	-	17,55,899	4.27

3	Smita Bharat Shah	15,25,159	3.70	No change during the year	-	-	15,25,159	3.70
4	Smita Bharat Shah	11,13,626	2.70	No change during the year	-	-	11,13,626	2.70
5	Amit B Shah	10,76,500	2.61	No change during the year	-	-	10,76,500	2.61
6	Smita Bharat Shah	10,48,850	2.55	No change during the year	-	-	10,48,850	2.55
7	Ashita Seth Family Trust	6,76,142	1.64	No change during the year	-	-	6,76,142	1.64
8	Vinit Sethi	4,45,021	1.08	No change during the year	-	-	4,45,021	1.08
9	Ashish Choudhary	3,61,036	0.88	No change during the year	-	-	3,61,036	0.88
10	Abhishek Kayan	3,58,488	0.87	No change during the year	-	-	3,58,488	0.87

v) Shareholding of Directors & KMP

None of the directors/KMP was holding any share in the Company at the beginning of the year i.e. as on 01.04.2015 and nor there is any transaction made by any director in the shares of the Company during the year 2015-16.

V) Indebtedness
(Figures in `)

Indebtedness of the Company including interest outstanding/accrued but not due for payment				
	Secured Loan	Unsecured Loan	Deposits	Total Indebtedness
Indebtedness At the beginning of the Financial Year				
i) Principal Amount	29,70,11,741	32,01,28,019	3,64,478	61,75,04,238
ii) Interest due but not paid	3,18,45,000	0	0	3,18,45,000
iii) Interest accrued but not due	0	9,59,50,583	0	9,59,50,583
Total (i+ii+iii)	32,88,56,741	41,60,78,602	3,64,478	74,52,99,821
Change in Indebtedness during the financial year				
Addition	2,66,47,194	0	0	2,66,47,194
Reduction	(1,55,54,296)	0	(4067)	(1,55,58,363)
Net Change	1,10,92,898	0	(4,067)	1,10,88,831
Indebtedness at the end of the financial year				0
i) Principal Amount	29,58,95,798	32,01,28,019	3,60,411	61,63,84,228
ii) Interest due but not paid	4,40,53,841	0	0	4,40,53,841
iii) Interest accrued but not due	0	9,59,50,583	0	9,59,50,583
Total (i+ii+iii)	33,99,49,639	41,60,78,602	3,60,411	75,63,88,652

VI. Remuneration of Directors and Key Managerial Personnel
A. Remuneration to Managing Director, Whole time director and/or Manager:
(Figures in `)

Sl. No.	Particulars of Remuneration	Name of the MD/ WTD/Manager	Total Amount
1	Gross salary	Mr. I B Maner	
	(a) Salary as per provisions contained in section 17(1) of the Income Tax. 1961.	26,29,100	26,29,100
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	2,45,358	2,45,358
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-
2	Stock option	-	-
3	Sweat Equity	-	-
4	Commission	-	-
	as % of profit	-	-
	others (specify)	-	-
5	Others, please specify	-	-
	Total (A)	28,74,458	28,74,458
	Ceiling as per the Act	30,00,000	30,00,000

B. Remuneration to other directors:

(Figures in `)

Sl. No.	Particulars of Remuneration	Name of the Directors			Total Amount
1	Independent Directors	Mr. S P Setia	Mr. K Sankaramani	Mr. Ranjan Mangtani	
	(a) Fee for attending board committee meetings	40,000	-	-	40,000
	(b) Commission	-	-	-	-
	(c) Others, please specify	-	-	-	-
	Total (1)	40,000	-	-	40,000
2	Other Non Executive Directors				
	(a) Fee for attending Board Committee meetings	-	-	-	-
	(b) Commission	-	-	-	-
	(c) Others, please specify	-	-	-	-
	Total (2)	-	-	-	-
	Total (B)=(1+2)	40,000	-	-	40,000
	Total Managerial Remuneration				29,14,458
	Overall Ceiling as per the Act.	-	-	-	30,00,000

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

(Figures in `)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
1	Gross Salary	CEO	Co. Sec. (Ms. Priya Lohani)	CFO* (Mr. Nagesh Malpeddi S)	Total
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	N.A.	3,65,976	59,471	4,25,447
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	N.A.	24,024	2,198	26,222
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	N.A.	0	0	0
2	Stock Option	N.A.	0	0	0
3	Sweat Equity	N.A.	0	0	0
4	Commission	N.A.	0	0	0
	as % of profit	N.A.	0	0	0
	others, specify	N.A.	0	0	0
5	Others, please specify	N.A.	0	0	0
	Total		3,90,000	61,669	4,51,669

*Mr. Nagesh Malpeddi S has been appointed as CFO w.e.f. 8th February, 2016 in place of Mr. Shreyas Alatkhar.

VII) Penalties/punishment/compounding of Offences

There were no penalties, punishment or compounding of offences during the year ended March 31, 2016.

Annexure – 4 to the Board's Report

Information on Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of The Companies (Accounts) Rules, 2014

A. CONSERVATION OF ENERGY

During the year under review continuous efforts were being made to ensure optimum utilization of fuel and electricity and reduction in energy costs.

a. Energy conservation measures taken

Continuous installation and development of fuel efficient equipment and accessories, resulting in lower consumption of power.

b. Relevant data in respect of energy consumption is as below

	Current year 2015-16	Previous year 2014-15
A. Power and Fuel Consumption		
Electricity		
a. Purchased		
- Total Units consumed (KWH)	Nil	100.21
- Total Amount (Rs. in Lacs)	Nil	813.40
- Rate/unit (Rs.)	Nil	8.12
b. Own Generation (Through Genset)		
- Units (KWH)	Nil	Nil
- Units per litre of Diesel/Furnace Oil	N.A.	N.A.
- Cost/Unit (Rs)*	Nil	Nil
B. Electricity Consumption (Units)		
Per Kg. of Production of yarn	Nil	4.19

B. TECHNOLOGY ABSORPTION

Research & Development (R & D)

- Specific areas in which R&D has been carried out by the Company:
Continuing to identify opportunity for improvements to processes through properly documented systems to upgrade yarn quality and improve productivity.
- Benefits derived as result of the above R & D
Meeting customer requirements and effective resource utilization.
- Future plan of action
Identifying measures to further improve productivity and there by contribution per unit of production.
- Expenditure on R & D.
 - Capital Nil
 - Revenue Nil
 - Total Nil
 - Total R & D Expenditure as percentage of total turnover Nil

Technology Absorption, Adaptation and Innovation

- Efforts:** upgrading machines with technologically advanced accessories and spares.
- Benefits:**, Higher output and improved quality of product
- Technology imported during the last 5 years: None

C. Foreign Exchange Earnings and Outgo

- Efforts:** Significant exports to various countries round the globe on very competitive prices have brought in foreign exchange to the National Ex-chequer.
- Earnings and Outgo:** Particulars with regard to foreign exchange earnings and outgo appears in Note No. 38 in Annual Accounts.

On behalf of the BOARD OF DIRECTORS

Place New Delhi
Date : August 9, 2016

Sd/-
S P SETIA
CHAIRMAN

CORPORATE GOVERNANCE REPORT FOR THE YEAR 2015-16

(As required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

1. Company's Philosophy on Corporate Governance

The Company's philosophy on Corporate Governance encompasses a set of systems and practices to ensure that the affairs of the Company are managed in a manner which ensures accountability, transparency and fairness in all aspects and transactions in widest sense. This is ensured by carefully balancing the complex inter-relationship of Board of Directors, management and various departments of the company and by conducting business with a firm commitment to values to enhance long term shareholders values.

2. Board of Directors

As on 31st March, 2016 the Board of Directors of the Company comprises of 5 Directors out of which two are Non-executive Directors, One Independent Directors, One Executive Director and One Woman Director. The Chairman of the Company is Non-Executive & Independent Director. The Company has appointed One Independent Women Director w.e.f. 30-6-2016 to fulfill Regulation 17 of SEBI (LODR) Regulations 2015.

Number of Board Meetings

During the year under review, four meetings of the Board of Directors were held and the gap between two meetings did not exceed 120 days (as stipulated by law in force). The respective dates on which the Board Meetings were held are 27th May, 2015, 11th August, 2015, 5th November, 2015 and 8th February, 2016. The names and categories of the Directors on the Board, their attendance at the Board Meetings held during the year and the number of Directorships and Committee Chairmanships/Memberships held by them in other companies are given herein below:

Directors	Category	No. of Board Meetings Attended	No. of Directorship(s) and Chairmanship(s)/Membership(s) of Board / Committees of other companies			Attendance at Last AGM
		Attended	Directorship [#]	Member ^{**}	Chairperson	Yes/No
Mr. S P Setia (Chairman)	Independent, Non-executive	4	6	1	1	Yes
Mr. I.B. Maner (Managing Director)	Executive	1	-	-	-	No
Mr. Ranjan Mangtani	Non-executive	4	-	-	-	Yes
Mr. Krishnan Sankaramani	- do -	1	-	-	-	No
Miss Priya Lohani	Woman	4	-	-	-	Yes

The Directorships held by Directors as mentioned above, do not include Alternate Directorships and Directorships of Foreign Companies, Private Limited Companies, Section 8 Companies.

In accordance with Regulation 26 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Memberships / Chairmanships of only the Audit Committees and Stakeholders Relationship Committees of all Public Limited Companies (excluding Amit Spinning Industries Limited) have been considered.

** Video/Tele Conferencing facilities were used for all meetings except on 27th May, 2015 to facilitate the director(s) participation in the said meetings who otherwise were present at other locations

Details of shares held by the Non-Executive/Independent Directors as on 31st March, 2016

Name	No. of shares held	Name	No. of shares held
Mr. S P Setia	Nil	Mr. K Sankaramani	Nil
Mr. Ranjan Mangtani	Nil		

Information supplied to the Board

- Annual operating plans, budgets and any updates.
- Capital budgets and any updates.
- Quarterly results for the company and its operating divisions or business segments.
- Minutes of meetings of audit committee and other committees of the Board of Directors.
- The information on recruitment and remuneration of senior officers just below the level of board of Directors, including appointment or removal of Chief Financial Officer and the Company Secretary.
- Show cause, demand, prosecution notices and penalty notices, which are materially important.
- Fatal or serious accidents, dangerous occurrences, material effluent or pollution problems.
- Any material default in financial obligations to and by the listed entity, or substantial non-payment for goods sold by the listed entity.
- Any issue, which involves possible public or product liability claims of substantial nature, including any judgement or order which, may have passed strictures on the conduct of the listed entity or taken an adverse view regarding another enterprise that may have negative implications on the listed entity.

10. Details of joint venture or collaboration agreements.
11. Transactions that involve substantial payment towards goodwill, brand equity or intellectual property.
12. Significant labour problems and their proposed solutions. Any significant development in Human Resources/ Industrial Relations front like signing of wage agreement, implementation of Voluntary Retirement Scheme etc.
13. Sale of investments, subsidiaries, assets which are material in nature and not in normal course of business
14. Quarterly details of foreign exchange exposures and the steps taken by management to limit the risks of adverse exchange rate movement, if material.
15. Non-compliance of any regulatory, statutory or listing requirements and shareholders service such as non-payment of dividend, delay in share transfer etc.

Disclosure of Appointment/Re-appointment of Directors at the Annual General Meeting

According to the Articles of Association, one-third of the directors shall retire by rotation and, if eligible, they can seek re-appointment at the Annual General Meeting of Shareholders. Accordingly, Mr. Ranjan Mangtani will retire in the ensuing Annual General Meeting and being eligible he has given his consent for re-appointment. Ms. Priya Lohani, Women Director has resigned from the Board of Directors w.e.f. 10-5-2016 and Company has appointed Mrs. Shivani Gupta as Women Independent Director on 30-6-2016.

The Board has recommended the appointment/re-appointment of aforesaid retiring director(s) in the ensuing Annual General Meeting. The brief details of the aforesaid directors are indicated herein below

Mr. Ranjan Mangtani (64) S/o Late Shri Manghan Das Vishan Das Mangtani is a director of the Company since 25th August, 2006. He is a fellow member of the Institute of Companies Secretaries of India and Bachelor of Law. Before joining the Company he was advisor to various corporate houses in Corporate Law and other legal matters. He is director of CLC Technologies Pvt. Ltd.

Mr. Mangtani is member of Audit Committee, Nomination & Remuneration Committee and Stakeholder Relationship Committee of the Company and does not hold any of the shares.

Mrs. Shivani Gupta, (32) D/o. Shri P K Gupta, is a Director of the Company w.e.f. 30th June, 2016. She is a Associate member of the Institute of Companies Secretaries of India, Bachelor of Law and also having Master degree in Economics. Presently she is serving at PHD Chamber of Commerce and Industry as Dy. Secretary.

Independent Directors' Meeting

In compliance with Regulation 25 of Listing Regulations, 2015 during the year under review, the Independent Directors met on 08.02.2016 inter alia to discuss:

1. The performance of Non- Independent Directors and the Board of Directors as a whole.
2. Review the performance of the chairperson of the listed entity, taking into account the views of executive directors and non-executive directors;
3. Assess the quality, quantity and timeliness of flow of information between the management of the listed entity and the board of directors that is necessary for the board of directors to effectively and reasonably perform their duties.

During the year, Board consisted of only one Independent Director; therefore Non-Executive directors also attended the meeting held on 08.02.2016.

Code of Conduct for Independent Directors

Pursuant to the provisions of sub section (6) of section 149 read with schedule IV of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a "Code of Conduct" has been framed for Independent Directors reflecting underlying core values, commitment towards personal integrity, respect for the individual, transparency, fairness, accountability, etc being some of the key elements for achieving desired excellence. The code is available on the website of its holding Company i.e. www.spentex.net

Familiarization Programme for Independent Directors

Pursuant to Regulation 25 of SEBI (LODR) Regulation, 2015, the Company has put in place a system to familiarize the Independent Directors with the Company, their roles, rights, responsibilities in the company, nature of the business and the information about ongoing events relating to the Company. The Company has formulated a policy on familiarization programme for Independent Directors. The Policy is available on the website of the holding Company i.e. www.spentex.net

At the time of appointing a Director, a formal letter of appointment is given to him, inter alia explaining the role, function, duties and responsibilities expected of him as a Director of the Company. The Director is also explained in detail the Compliance required from him under the Companies Act, 2013 and Listing Regulations, 2015 and affirmation taken with respect to the same.

3. Audit Committee

The Audit Committee of the Board consists of three members namely Mr. S P Setia (Non-Executive/Independent Chairman), Mr. Ranjan Mangtani (Non-Executive Member) and Mr. Krishnan Sankaramani (Non Executive Member). The members have the requisite accounting and related financial management expertise. Statutory Auditors and Internal Auditors are invited to the meetings of Audit Committee for presenting their periodical reports.

The terms of reference / powers of the Audit Committee include the following:

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval.
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval.
6. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;

7. Approval or any subsequent modification of transactions of the listed entity with related parties;
8. Scrutiny of inter-corporate loans and investments;
9. Valuation of undertakings or assets of the listed entity, wherever it is necessary;
10. Evaluation of internal financial controls and risk management systems;
11. To review the function of the Whistle Blower Mechanism.
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. To look into the payment being made to the depositors, creditors and shareholders in case of dividend declared and reasons for substantial defaults/delay if due amount has not paid as per statutory due date.

During the year, four meetings of the Audit Committee were held on 27th May, 2015, 11th August, 2015, 5th November, 2015 and 8th February, 2016. The details of attendance of each member at the Audit Committee are given herein below:

Name of the Director	No. of Meetings Attended
Mr. S P Setia	4
Mr. Ranjan Mangtani	4
Mr. K Sankaramani	1

*Video/Tele Conferencing facilities were used for all meetings except the meeting held on 27th May, 2015 to facilitate the director(s) to participate in the meetings who were otherwise present at other locations.

4. Nomination and Remuneration Committee

A Nomination and Remuneration Committee of the Board has been constituted to review/recommend the remuneration package of the Managing Director/Whole Time Director(s) based on performance and defined criteria. The Nomination & Remuneration Committee of the Board comprises of Independent/Non-Executive Directors, namely Mr. S P Setia (Chairman), Mr. Ranjan Mangtani (Member) and Mr. Krishnan Sankaramani (member) of the Committee. During the year, two meetings of the Nomination & Remuneration Committee were held on 27th May 2015 and 5th November, 2015. All the members were present at the meeting.

Details of remuneration paid to Directors for the financial year 2015-16 are as under:

Name of Director	Category	Sitting Fee for Board Meetings (₹)	Sitting Fee for Remuneration Committee Meetings (₹)	Sitting Fee for Audit Committee Meetings (₹)	Salaries and Perquisites p.a. (₹)	Total (₹)
Mr. S P Setia	Non-Exec. Chairman	40,000	NIL	NIL	N.A.	40,000
Mr. I.B. Maner	Executive	NIL	NIL	NIL	28,74,458	28,74,458
Mr. Ranjan Mangtani*	Non-Executive	NIL	NIL	NIL	NIL	NIL
Mr. Krishnan Sankaramani*	- Do -	NIL	NIL	NIL	NIL	NIL
Ms. Priya Lohani	Executive	NIL	NIL	NIL	N.A.	NIL

*Mr. Ranjan Mangtani and Mr. K Sankaramani, had informed the Board of Directors that they would not take sitting fee till the company earns adequate profits, accordingly the Company is not paying sitting fee to them.

Performance Evaluation

Pursuant to the provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015, the annual evaluation has been made by the Board of its own performance, evaluation of the working of the Board Committees and of the Directors individually. The evaluation has been conducted as per manner mentioned in the policy formulated by the Company for Selection and remuneration of Directors, KMP & Senior Management, recommended by the Nomination and Remuneration Committee and forms the part of Annual Report. The Policy is available on the website of the holding's Company i.e. www.spentex.net.

5. Stakeholders Relationship Committee:

Stakeholders Relationship Committee of the Board comprises of three members, namely Mr. S P Setia, as Chairman, Mr. Ranjan Mangtani and Mr. Krishnan Sankaramani as Members of the Committee.

The Committee members meet from time to time, inter alia, to approve issue of duplicate share certificates and oversee and review all matters connected with the transfer of securities. The Committee also reviews the performance of the Registrar and Transfer Agent besides supervising the mechanism of investor grievance redressal to ensure cordial investor relations.

The committee also reviews all investors' complaints and grievances. During the year the Company has received one complaint from the investors / SEBI / Stock Exchanges/MCA and resolved the same. There was no complaint outstanding as on 31st March 2016. Mr. Deepanshu Arora is Compliance officer of the Company for complying in accordance with the requirements of SEBI (LODR) Regulations, 2015 with the Stock Exchanges in India.

During the year, four meetings of the Committee were held on 6th April, 2015, 6th July, 2015, 5th October, 2015, and 5th January, 2016. The details of Attendance of each Member at the Stakeholders Relationship Committee:

Name of the Director	No. of Meetings Attended
Mr. S.P. Setia	4
Mr. Ranjan Mangtani	4
Mr. Krishnan Sankaramani	NIL

6. Risk Management Committee

The Committee comprises of 2 members viz, Mr I.B.Maner and Mr. M.R. Attri. No Risk Management Committee meeting was held during the year.

The Company has framed Risk Management Policy to inform the Board about the Risk Management and Minimization procedures. Policy is disclosed and is available on the website of the holding Company i.e. www.spentex.net

Related Party Transactions

As per Regulation 23 of SEBI (LODR) Regulations, 2015, all Related Party Transactions shall require prior approval of the Audit Committee. However, the Audit Committee may grant omnibus approval for Related Party Transactions proposed to be entered into by the company subject to the conditions mentioned in the applicable provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015. However, all material Related Party Transactions shall require approval of the shareholders through special resolution and the related parties shall abstain from voting on such resolutions.

The Company has formulated a policy on materiality of Related Party Transactions and also on dealing with Related Party Transactions. The Policy is available on the website of the holding Company i.e. www.spentex.net.

Subsidiary Companies

SEBI (LODR) Regulations, 2015 defines a "material subsidiary" as subsidiary, whose turnover or net worth (i.e. paid up capital and free reserves) exceeds 20% of the consolidated turnover or net worth respectively, of the listed holding company and its subsidiaries in the immediately preceding accounting year. As per this definition, the Company does not have a 'material subsidiary'. However the Company has formulated a policy for determining "Material Subsidiary" policy which is disclosed on the website of the holding Company i.e. www.spentex.net

Whistle Blower Policy

The Company has devised a Vigil mechanism pursuant to Section 177 of the Companies Act, 2013 and Listing Regulations, 2015 for directors and employees to report genuine concerns about unethical behavior, actual or suspected fraud or violation of the company's code of conduct or ethics.

This mechanism provides for adequate safeguards against victimization of director(s) / employee(s) who use such mechanism and also provide for direct access to the Chairman of the Audit Committee in exceptional cases. No personnel have been denied access to the Audit Committee. The policy is uploaded on the website of the holding Company i.e. www.spentex.net

Code for prevention of insider-trading practices

In compliance with the SEBI regulation on prevention of insider trading, the company has instituted a comprehensive code of conduct for its Directors, management and staff. The code lays down guidelines, which advises them on procedures to be followed and disclosures to be made, while dealing with shares of company, and cautioning them of the consequences of violations. The code clearly specifies, among other matters, that Directors and specified employees of the company can trade in the shares of the company only during 'Trading Window Open Period'. The trading window is closed during the time of declaration of results, dividend and material events, as per the Code.

Ms. Priya Lohani, Asst. Company Secretary of the Company is also the Compliance Officer of the Company and is monitoring the various stipulated compliances. Due to resignation of Company Secretary, the Company has appointed Mr. Deepanshu Arora, a qualified Company Secretary as Compliance Officer of the Company.

7. General Body Meetings

(A) Annual General Meetings;

Details of last three Annual General Meetings and the Special Resolutions passed thereat are as under:

AGM	LOCATION	DATE & TIME	SPECIAL RESOLUTIONS PASSED
21st AGM	Bipin Chandra Pal Memorial Trust Auditorium, A – 81, Chittaranjan Park, New Delhi - 110019	30th September, 2013 at 3:30 P.M.	None
22nd AGM	Bipin Chandra Pal Memorial Trust Auditorium, A – 81, Chittaranjan Park, New Delhi - 110019	11th September, 2014. at 11:30 A.M	1. To approve the ratification of resolution authorizing Board of Directors to borrow up to the limit of Rs. 100 crs. 2. To approve the ratification of resolution authorizing Board of Directors to mortgage/charge/lease/sell/ dispose off the immovable/movable properties of the Company for an amount

AGM	LOCATION	DATE & TIME	SPECIAL RESOLUTIONS PASSED
			<p>not exceeding Rs. 200 Crs.</p> <p>3. To approve the ratification of resolution authorizing Board of Directors to make loans/investment and/or to give Guarantees/ Securities for an amount not exceeding Rs. 100 crs.</p> <p>4. To approve and adopt the substitution/alteration and the entire exclusion of the regulations in the existing Articles of Association of the company.</p>
23rd AGM	Bipin Chandra Pal Memorial Trust Auditorium, A – 81, Chittaranjan Park, New Delhi - 110019	30th September, 2015 at 4:30 P.M.	None

(B) Special Resolution passed through Postal Ballot

No special resolution was passed through postal Ballot during the year 2015-16.

8. Code of Conduct

The Board of Directors has adopted a Code of Conduct and ethics for Directors, Senior Management and designated employees. The Code has been posted on its holding company's website www.spentex.net. The declaration in compliance with Clause (D) of Schedule V of the SEBI (LODR) Regulations, 2015 is given below:

To The Shareholders of Amit Spinning Industries Limited

Sub: Declaration on Compliance with Code of Conduct as required under Schedule V (Part D) of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015

Dear Sirs,

I hereby declare that all the Board Members and Senior Management Personnel of the Company have affirmed compliance with the code of conduct as adopted by the Board of Directors for the year ended 31st March, 2016 in terms of Schedule V (Part D) of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015.

Place : New Delhi
Date : August 9, 2016

Sd/-
I.B. Maner
Managing Director

9. Compliance

a. Mandatory Requirements

The Company is fully compliant with the applicable mandatory requirements of Regulation 27 of the SEBI (LODR) Regulation, 2015 except composition of Board till 29th June, 2016.

b. Adoption of Non-Mandatory Requirements

Details of all the above mentioned committees i.e. Risk Management Committee, have been provided in this report.

10. Disclosures

- The disclosure relating to transactions of material nature with the related parties are disclosed in the financial statements.
- Company has fulfilled all Statutory Compliances and there were no penalties, stricture imposed on the Company by Stock Exchanges or SEBI or any Statutory Authority, on any matter related to Capital Markets, during the last three years.
- Company has issued circular in connection with Visual Mechanism/Whistle Blower Policy and no employee was denied the access to the Audit Committee.
- Pursuant to Regulation 6 (2) (d) of the Listing Regulation, 2015, the Company has created E-mail ID secretarial@clcindia.com exclusively for the purpose of registering complaints/queries by investors. Pursuant to Circular No CIR/OIAE/2/2011 dated June 3, 2011 issued by SEBI, the investors' complaints are processed in a centralized web based complaints redress system 'SCORES'.
- As per Green Initiative introduced by the Ministry of Corporate Affairs vide its circular No. 18/2011 dated 29th April, 2011, members are requested to intimate e-mail address to facilitate to send Annual Reports and other reports/notices through e-mail.
- The Management Discussions and Analysis is communicated as a part of Annual Report.

11. Means of Communication

- Information on quarterly/ half yearly/ annual financial results and press releases on significant developments in the Company, are submitted to the Stock Exchanges immediately after Board approves the same to enable stock exchanges to put the results on their websites and communicate to their members.
- The quarterly/half-yearly/annual financial results are published in The Pioneer (English & Hindi) newspaper and the same are also displayed on its holding company's website www.spentex.net

12. General Shareholder information

- The 24th Annual General Meeting will be held at Bipin Chandra Pal Memorial Bhavan, A – 81, Chittaranjan Park, New Delhi - 110019 on 27th September, 2016 at 12.00 Noon.
 - Financial Calendar (Tentative) :
 - Financial reporting for the Quarter ending June 30, 2016 : on 9th August, 2016
 - Financial reporting for the Quarter ending September 30, 2016 : on or before 15th November, 2016
 - Financial reporting for the Quarter ending December 31, 2016 : on or before 15th February, 2017
 - Annual Results for the Year ending March 31, 2017 : on or before 30th May, 2017
 - Date of Book closure : Friday the 23rd September, 2016 to Tuesday the 27th September, 2016 (Both days inclusive)
 - Dividend Payment Date : Not Applicable.
 - Unclaimed/Unpaid Dividend : Not Applicable.
 - Listing of Equity Shares on Stock Exchanges: BSE Limited, Mumbai (scrip code = 521076) and National Stock Exchange of India Ltd., Mumbai (scrip code = ASIL).
 - ISIN No. INE988A01026.
 - Due to financial crises and running the manufacturing unit on job work basis, the Annual Listing Fee for the financial year 2015-16 & 2016-17 yet to paid to BSE & NSE and Company is in process to clear the same in due course.
- Market Price Data : High/Low during each month in last financial year 2015-16 : on BSE & NSE.

Month	April	May	Jun	July	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
The Bombay Stock Exchange Ltd. (BSE)												
High	0.91	0.93	1.00	Not Traded	0.91	0.91	0.95	0.99	0.99	1.00	0.95	0.95
Low	0.87	0.93	0.95	Not Traded	0.91	0.91	0.95	0.95	0.91	0.88	0.90	0.77
National Stock Exchange of India Ltd. (NSE)												
High	1.05	1.35	1.45	Not Traded								
Low	1.05	1.10	1.35	Not Traded								

- The Registrars and Transfer Agents of the Company: RCMC Share Registry Pvt. Ltd., B-25/1, First Floor, Near Rana Motors, Okhla Industrial Area Phase 2, New Delhi-110020. Tel. No. 011-26387320 / 011-26387321 and Fax No.011-26387322. E-mail ID investor.services@rcmcdelhi.com.
- Contact person: Mr. Rakesh Kumar, Email : mdnair@rcmcdelhi.com Share Transfer System: The Company's shares are traded under compulsorily D-mat mode. Shares in physical mode lodged for transfer are processed and returned to the shareholders within the stipulated time.
- **Distribution of shareholding as on 31.03.2016 :**

No. of Shares	No. of Shareholders	Percentage	No. of Shares	Percentage
1 to 5000	16,396	94.50	33,46,257	8.13
5001 to 10000	406	2.34	6,56,417	1.59
10001 to 20000	228	1.31	6,71,332	1.63
20001 to 30000	130	0.75	6,50,303	1.58
30001 to 40000	35	0.20	2,44,300	0.59
40001 to 50000	36	0.21	3,43,539	0.84
50001 to 100000	54	0.31	7,72,887	1.88
100001 and above	66	0.38	3,44,84,236	83.76
TOTAL	17,351	100.00	4,11,69,667	100.00

➤ Category of Shareholders as on : 31.03.2016

Category	Shares held	%age
Promoters	2,09,81,077	50.96
Financial Institutions/Insurance Companies/ Banks/Mutual Funds/Trust	678,242	1.65
NRIs/OCBs/Foreign Nationals	352,994	0.86
Body Corporate(s)	807,711	1.96
Public and Others	1,83,49,643	44.57
Total	4,11,69,667	100.00

- Dematerialization of shares: As on 31st March, 2016 the shares in demat form were 3,90,97,122 representing 94.96% of the total paid up capital.
- The Company has been declared as Sick Company under Section 3(1)(o) of Sick Industrial Companies (Special Provisions) Act, 1985 on 18th July, 2012.
- There are no outstanding GDR/ADR/Warrant or any convertible instruments, conversion date and likely impact on equity of the Company.
- The equity shares of the Company are frequently traded on BSE Limited, Mumbai and National Stock Exchange of India Ltd., Mumbai.
- Plant: Gat. No. 47 & 48, Village Sangawade, Taluka Karveer, Kolhapur – Hupari Road, Dist. Kolhapur 416005.
- Address for Correspondence :
 1. Registered & Corporate Office A-60, Okhla Industrial Area, Phase II, New Delhi 110 020
Ph. 011 - 2638 7738, 4161 4999, Fax: 011 – 2638 5181.
Email: secretarial@clcindia.com
 2. Registrars & Transfer Agents RCMC Share Registry Private Ltd.
B-25/1, Okhla Industrial Area, Phase-2, Near Rana Motors, New Delhi- 110020.
Ph. No. 011-26387320 / 011-26387321 & Fax No. 011-26387322.
Contact person Mr. Rakesh Kumar,
Email: mdnair@rcmcdelhi.com & investor.services@rcmcdelhi.com
 3. Compliance Officer Mr. Deepanshu Arora
Ph. 011 - 26387738, 41614999, Fax: 011 – 26385181.
Email: deepanshu@clcindia.com, secretarial@clcindia.com

13. CEO/CFO Certification

To

The Board of Directors of Amit Spinning Industries Limited

Sub: CEO/CFO Certificate

We, I.B. Maner, Managing Director and Nagnath S Malpeddi, Chief Financial Officer to the best of our knowledge and belief, certify that:

- (a) We have reviewed the financial statements and the cash flow statement for the year ended 31st March, 2016 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 contain statements that might be misleading.
 - (ii) These statements together present a true and fair view of the Company's affairs, and are in compliance with the existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditor and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the auditors and the Audit Committee;
 - (i) significant changes in internal controls over financial reporting, during the year.
 - (ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements and
 - (iii) instances of significant fraud of which we have become aware, if any, and the involvement therein, if any, of the management or an employee having significant role in the Company's internal control system over financial reporting.

Place: New Delhi
Date: May 25, 2016

Sd/-
I.B. Maner
Managing Director

Sd/-
Nagnath S Malpeddi
Manager Accounts/CFO

Certificate on Corporate Governance

(Pursuant to Clause E of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To the Members of **Amit Spinning Industries Limited**

We have examined the compliance of conditions of Corporate Governance by **Amit Spinning Industries Limited** ('the Company'), for the year ended March 31, 2016, as stipulated in Clause 49 of the Listing Agreement of the Company with the stock exchanges for the period 1st April, 2015 to 30th November, 2015 and as per Regulation 15(2) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the period 1st December, 2015 to 31st March, 2016.

- The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to 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.
- We have examined the relevant records of the Company in accordance with the Generally Accepted Auditing Standards in India, to the extent relevant, and as per the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India.
- In our opinion and to the best of our information and according to our examination of the relevant records and the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement and regulations of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, during the year ended March 31, 2016.

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

For **SUNIL JAIN & CO.**
Chartered Accountants
(Registration No. 003855N)
Sd/-

Sanchit Jain

Partner

Membership No. 511714

Place: New Delhi
Date: August 9, 2016

INDEPENDENT AUDITOR'S REPORT

To the Members of **AMIT SPINNING INDUSTRIES LIMITED**

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

The management and Board of Directors of the Company are 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 Companies (Accounts) Rules, 2014. This responsibility 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; design, implementation and maintenance of adequate internal financial controls, that are operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement

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

Basis for Qualified Opinion

We draw attention to:

(a) Note No. 29 with respect to recoverability of amount of Rs.1,52,76,144 in respect of dues recoverable from MSEB.

We report that had the Company decided to write off the sums as mentioned above, the loss for the year would have been greater by Rs.1,52,76,144 and would have amounted to Rs.16,55,93,083 (as against the reported figure of Rs.15,03,16,939), with a consequential effect on Accumulated losses and Loans and Advances.

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion paragraph above, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at 31st March 2016, its loss and its cash flows for the year ended on that date

Emphasis of Matters

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

Note 30 in the financial statements which indicates that the Company has accumulated losses and its net worth has been fully eroded, the Company has incurred a net cash loss during the current and previous year(s) and, the Company's current liabilities exceeded its current assets as at the balance sheet date. These conditions, along with other matters set forth in Note 30, indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. However, the financial statements of the Company have been prepared on a going concern basis for the reasons stated in the said Note.

Our opinion is not modified in respect of these matters.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters Specified in paragraphs 3 and 4 of the Order.

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

- a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- b. in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
- c. the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- d. in our opinion, the aforesaid financial statements comply with the applicable Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules 2014;
- e. The going concern matter described in sub-paragraph (b) under the Emphasis of Matters paragraph above, in our opinion, may have an adverse effect on the functioning of the Company;
- f. on the basis of written representations received from the directors as on March 31, 2016, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016, from being appointed as a director in terms of Section 164(2) of the Act;
- g. with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
- h. In our opinion and to the best of our information and according to the explanations given to us, we report as under with respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014:
 - (i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 25 to the financial statements;
 - (ii) The Company did not have any long-term contracts including derivative contracts; as such the question of commenting on any material foreseeable losses thereon does not arise;
 - (iii) There has not been an occasion in case of the Company during the year under report to transfer any sums to the Investor Education and Protection Fund; as such the question of delay in transferring such sums does not arise.

For Sunil Jain & Co.
Chartered Accountants
(Registration No. 003855N)

Sd/-
Sanchit Jain
Partner

Membership No. 511714

Place New Delhi
Date : May 25, 2016

**Annexure A of our report of even date to the members of Amit Spinning Industries Limited
on the accounts of the company for the year ended 31st March, 2016**

On the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of our audit, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) As explained to us, the fixed assets are physically verified by the management according to a phased programmed designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets; as informed to us no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (ii) (a) The company has conducted physical verification of inventory at reasonable intervals during the year. In our opinion, the frequency of such verification is reasonable.
- (b) The discrepancies noticed have been properly dealt with in the books account.
- (iii) The company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Act. As the Company has not granted any such loans, provisions of clause 3(iii)(a), (iii)(b) and (iii)(c) of the Order are not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made and guarantees given.
- (v) The Company has not accepted any deposits from the public covered under Section 73 to 76 of the Companies Act, 2013
- (vi) We have broadly reviewed the books of account maintained by the Company in respect of products where, pursuant to the Rules made by the Central Government of India, the maintenance of cost records has been prescribed under (1) of Section 148 of the Companies Act, 2013 and are of opinion that prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- (vii) (a) According to the information and explanations given to us and based on the records of the company examined by us, the company is not regular in depositing the undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Value Added Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty and other material statutory dues, as applicable, with the appropriate authorities. The arrears of undisputed outstanding statutory dues as on the last day of the financial year concerned for a period of more than six months from the date they became payable are as under:

Nature of Dues	Amount
Provident Fund	4,138,044
Professional Tax	310,625
Service Tax	23,988
Total	4,472,657

- (b) According to the information and explanations given to us, details of following government dues, which have not been deposited on account of any dispute are given below:

Sl No.	Name of the statute	Nature of dues	Amount (Rs.)	Period to which the amount relates	Forum where the dispute is pending
1	Maharashtra Value Added Tax, 2005	Sales Tax and penalty	10,44,000 (net of payment of Rs.2,00,000 under protest)	2004-05	First Appellate Authority
2	Maharashtra Value Added Tax, 2005	Sales Tax and penalty	9,64,390(net of payment of Rs.16,90,614 by way of adjustment of refund)	2009-10	First Appellate Authority

- (viii) According to the information and explanations given to us and records examined by us, we are of the opinion that the Company has defaulted in repayment of loans or borrowing to a bank as infra. The Company did not have outstanding dues to any financial institution and debentures during the year under audit. The loan facilities as mentioned below have become non-performing asset (NPA) for the lender as the company has not paid the dues within 90 days of payments being falling due:

(C)

Bankers	Type of Loan	Out Standing as on 31.3.2016	Period of Default
Axis Bank	Term Loan	11,19,52,183	More than 90 days
Axis Bank	FITL	56,17,448	
Axis Bank	WCTL	49,01,529	
Axis Bank	Short Term Loan	4,82,77,044	
Axis Bank	Cash Credit	5,76,27,208	
UCO Bank	WCTL	94,60,163	
UCO Bank	Cash Credit	10,21,14,063	
Grand Total		33,99,49,639	

- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.
- (x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For Sunil Jain & Co.
Chartered Accountants
(Registration No. 003855N)
Sd/-

Place New Delhi
Date : May 25, 2016

Sanchit Jain
Partner
Membership No. 511714

Annexure B to the Independent Auditor's Report of Even Date on the Standalone Financial Statements of Amit Spinning Industries Limited

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

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

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the

safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

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

For Sunil Jain & Co.
Chartered Accountants
(Registration No. 003855N)
Sd/-
Sanchit Jain
Partner
Membership No. 511714

Place New Delhi
Date : May 25, 2016

BALANCE SHEET AS AT 31ST MARCH, 2016

(Figures in `)

Particulars	Note No.	AS AT 31st March 2016	AS AT 31st March 2015
I. EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share capital	2	20,58,48,335	20,58,48,335
(b) Reserves and surplus	3	-92,48,07,659	-77,44,90,720
(c) Money received against share warrants		-	-
		-71,89,59,324	-56,86,42,385
2 Share application money pending allotment			
3 Non-current liabilities			
(a) Long-term borrowings	4	35,92,18,019	40,72,08,019
(b) Deferred tax liabilities (Net)		-	-
(c) Other Long term liabilities	5	13,19,36,646	13,19,36,646
(d) Long-term provisions	6	1,18,55,298	1,57,75,887
		50,30,09,963	55,49,20,552
4 Current liabilities			
(a) Short-term borrowings	7	16,39,64,475	14,95,26,122
(b) Trade payables		56,25,02,019	49,76,68,099
(c) Other current liabilities	8	19,64,38,964	13,60,87,269
(d) Short-term provisions	9	34,50,541	40,58,695
		92,63,55,999	78,73,40,185
TOTAL		71,04,06,638	77,36,18,352
II. ASSETS			
Non-current assets			
1 (a) Fixed assets			
(i) Tangible assets	10	38,25,65,198	41,72,25,804
(b) Non-current investments	11	23,231	23,231
(c) Deferred tax assets (net)		-	-
(d) Long-term loans and advances	12	7,28,46,995	6,92,14,580
(e) Other non-current assets	13	72,95,261	2,66,41,833
		46,27,30,685	51,31,05,448
2 Current assets			
(a) Current investments			
(b) Inventories	14	28,28,225	1,00,68,683
(c) Trade receivables	15	83,13,766	80,03,562
(d) Cash and cash equivalents	16	21,75,475	17,21,526
(e) Short-term loans and advances	17	22,48,56,488	23,12,17,135
(f) Other current assets	18	95,02,000	95,02,000
		24,76,75,953	26,05,12,905
TOTAL		71,04,06,638	77,36,18,352

See accompanying notes forming part of the financial statements

As per our report of even date

For **SUNIL JAIN & CO.**
Chartered Accountants
(Registration No. 003855N)

For and on behalf of Board of Directors

Sd/-
Sanchit Jain
Partner
Membership No. 511714

Place New Delhi
Date : May 25, 2016

Sd/-
S P Setia
Chairman

Sd/-
Priya Lohani
Secretary

Sd/-
I.B. Maner
Managing Director

Sd/-
Ranjan Mangtani
Director

Sd/-
K. Sankaramani
Director

Sd/-
N S. Malpeddi
CFO

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2016

(Figures in `)

Particulars	Refer Note No.	Year ending 31st March 2016	Year ending 31st March 2015
I. Revenue from operations	19	38,98,103	32,05,51,896
II. Other income	20	1,63,308	4,06,045
III. Total Revenue (I + II)		40,61,411	32,09,57,941
IV. Expenses:			
Cost of materials consumed	21	14,19,985	18,84,59,321
Purchases of Stock-in-Trade		-	-
Changes in inventories of finished goods work-in-progress and Stock-in-Trade	22	31,71,255	-20,69,053
Employee benefits expense	23	5,69,71,912	10,04,67,696
Finance costs	24	3,09,38,158	3,47,28,640
Depreciation and amortization expense	10	3,46,60,606	3,43,58,757
Other expenses	25	2,72,16,434	11,83,58,557
Total expenses		15,43,78,350	47,43,03,919
V. Profit before exceptional and extraordinary items and tax (III-IV)		-15,03,16,939	-15,33,45,978
VI. Exceptional items		-	-
VII. Profit before extraordinary items and tax (V - VI)		-15,03,16,939	-15,33,45,978
VIII. Extraordinary Items		-	-
IX. Profit before tax (VII- VIII)		-15,03,16,939	-15,33,45,978
X Tax expense:			
(1) Current tax		-	-
(2) Deferred tax		-	-8,78,24,766
XI Profit (Loss) for the period from continuing operations (VII-VIII)		-15,03,16,939	-24,11,70,744
XII Profit/(loss) from discontinuing operations		-	-
XIII Tax expense of discontinuing operations		-	-
XIV Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)		-15,03,16,939	-24,11,70,744
XV Profit (Loss) for the period (XI + XIV)		-15,03,16,939	-24,11,70,744
XVI Earnings per equity share:			
(1) Basic		-3.65	-5.86
(2) Diluted		-3.65	-5.86

See accompanying notes forming part of the financial statements.

As per our report of even date

 For **SUNIL JAIN & CO.**
 Chartered Accountants
 (Registration No. 003855N)

 Sd/-
Sanchit Jain
 Partner
 Membership No. 511714

 Place New Delhi
 Date : May 25, 2016

For and on behalf of Board of Directors

 Sd/-
S P Setia
 Chairman

 Sd/-
Priya Lohani
 Secretary

 Sd/-
I.B. Maner
 Managing Director

 Sd/-
Ranjan Mangtani
 Director

 Sd/-
K. Sankaramani
 Director

 Sd/-
N S. Malpeddi
 CFO

CASH FLOW STATEMENT FOR YEAR ENDED 31st March 2016

(Figures in `)

		For the year ending 31st March, 2016	For the year ending 31st March, 2015
A. Cash flow from operating activities:			
Net (loss)/profit before tax but after exceptional/extraordinary items		-15,03,16,939	-15,33,45,978
Adjustments for:			
Depreciation	3,46,60,606		3,43,58,757
Interest Expense	3,09,38,158		3,47,28,640
Interest Income	-1,34,273		-3,51,797
Income from Investment - Dividends	0		-2,280
Provision/ (Reversal) for Gratuity	-31,05,331		-26,95,864
Provision for Leave Encashment	-7,19,963		5,64,812
Miscellaneous balances written Back	0		-10,93,754
Export Incentives written off	1,93,46,572		
VAT Set-Off Reduction	0		9,817
Unrealised Foreign Exchange loss/ (gain)	-29,035	8,09,56,734	-51,958
Operating profit before working capital changes		-6,93,60,205	-8,78,79,614
Adjustments for changes in working capital :			
(INCREASE)/DECREASE in Sundry Debtors	-2,81,169		-13,00,380
(INCREASE)/DECREASE in Other Receivables	62,54,563		-6,40,54,682
(INCREASE)/DECREASE in Inventories	72,40,458		-41,65,308
INCREASE/(DECREASE) in Trade and Other Payables	7,62,05,205	8,94,19,057	18,71,79,001
Cash generated from/ (used in) operations		2,00,58,852	2,97,79,017
Direct Taxes (Paid) / Received (net)		1,06,084	24,44,201
Net cash from / (used in) operating activities		2,01,64,936	3,22,23,219
B. Cash flow from Investing activities:			
Purchase of fixed assets	-		-75,69,535
Interest Received	1,34,273		3,51,797
Dividend Received	-	1,34,273	2,280
Net cash from/ (used in) investing activities		1,34,273	-72,15,458
C. Cash flow from financing activities:			
Proceeds/ (Repayment) of term loans (net)	-1,55,54,296		-3,64,39,454
Proceeds/ (Repayment) of short term borrowings (net)	1,44,38,353		3,64,65,708
Interest Paid	-1,87,29,317	-1,98,45,260	-2,49,48,293
Net cash used in financing activities		-1,98,45,260	-2,49,22,039
Net Increase/ (Decrease) in Cash & Cash Equivalents		4,53,950	85,721
Cash and Cash Equivalents at the Beginning of the Year		17,21,526	16,35,805
Cash and Cash Equivalents at the End of the Year		21,75,475	17,21,526
Increase/(Decrease) in Cash/Cash Equivalents		4,53,950	85,721
Cash and cash equivalents comprise:			
Cash in hand		69,223	91,123
Balance in Current Accounts		4,30,476	66,463
Balance in Fixed Deposit Accounts		16,75,777	15,63,940
		21,75,475	17,21,526

See accompanying notes forming part of the financial statements

As per our report of even date

For **SUNIL JAIN & CO.**Chartered Accountants
(Registration No. 003855N)Sd/-
Sanchit Jain
Partner
Membership No. 511714Place New Delhi
Date : May 25, 2016Sd/-
S P Setia
ChairmanSd/-
Priya Lohani
SecretarySd/-
I.B. Maner
Managing DirectorSd/-
Ranjan Mangtani
DirectorSd/-
K. Sankaramani
DirectorSd/-
N S. Malpeddi
CFO

NOTES FORMING PART OF THE FINANCIAL STATEMENTS**Note 1 : SIGNIFICANT ACCOUNTING POLICIES****(a) SYSTEM OF ACCOUNTING**

The Company follows the accrual system of accounting.

(b) OVERALL VALUATION POLICY

The accounts have been prepared under the historical cost convention.

(c) REVENUE RECOGNITION

Revenue on sale of goods is recognized on transfer of significant risks & rewards of ownership to the buyer and on reasonable certainty of the ultimate collection. Sales are net off sales tax, trade discounts and sales returns. Job work income is recognized when the finished goods are accepted by the principal.

Interest Income is recognized on time proportion basis taking into account the amount outstanding and the rate applicable

(d) VALUATION OF INVENTORY

Inventories are valued at lower of cost and net realisable value.

The cost in respect of raw materials, store and spares and packing material is determined under the Specific Identification of cost method. Cost is net of credit under CENVAT scheme, wherever applicable.

The cost in respect of work-in-progress and finished goods is determined using the weighted average cost method and includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity.

The cost in respect of the inventory produced (whether own production or on job work basis) is valued on the basis of labour and a proportion of manufacturing overheads based on normal operating capacity.

Waste is valued at estimated net realisable value.

(e) FIXED ASSETS

All fixed assets are stated at original cost less depreciation. Cost includes freight, duties (net of CENVAT), taxes and other incidental expenses relating to acquisition and installation.

(f) DEPRECIATION

Depreciation has been provided on straight line method in accordance with the rates prescribed under Schedule II to the Companies Act, 2013. On the basis of technical advice, the Company has treated its spinning Process Plant as a Continuous Process Plant and has provided depreciation accordingly.

(g) FOREIGN CURRENCY TRANSACTIONS

Transactions in foreign currency are accounted for at the exchange rates prevailing on the date of transaction. All monetary items denominated in foreign currency are translated at year end rates. Exchange differences arising on such transactions and also exchange differences arising on the settlement of such transactions are adjusted in the profit and loss account.

In case of forward contracts the premium or discount on all such contracts arising at the inception of each contract is recognized / amortised as income or expense over the life of the contract. Any profit or loss arising on the cancellation or renewal of such contract is recognized as income or expense for the period.

(h) EMPLOYEE BENEFITS**i. Defined Contribution Plan**

The company's contributions to recognized Provident Fund and Labour Welfare Fund are charged to profit and loss account on accrual basis.

ii. Defined Benefit Plan

Gratuity - The Gratuity plan, a defined benefit plan, provides a lump sum payment to vested employees, at the retirement or termination of employment, an amount based on the respective employees' last drawn salary and the years of employment with the Company. The liability with regard to Gratuity plan is accrued based on the actuarial valuation at the balance sheet date, carried out by an independent actuary. Actuarial gain or loss is recognised immediately in the statement of profit and loss as income or expense. The Company has employees' Gratuity fund managed by Life Insurance Corporation of India ("LIC").

Compensated Absences – The Company provides for the encashment of absence or absences with pay based on policy of the Company in this regard. The employees are entitled to accumulate such absences subject to certain limits, for the future encashment or absence. The Company records an obligation for compensated absences in the period in which the employee renders the services that increases this entitlement. The Company measured the expected cost of compensated absences as the additional amount that the Company expects to pay as a result of the unused entitlement that has accumulated at the Balance Sheet date on the basis of an independent actuarial valuation.

(i) INVESTMENTS

Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long term investments. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of investments.

(j) BORROWING COST

Borrowing costs that are directly attributable to acquisition, construction or production of a qualifying asset are capitalised as a part of the cost of that asset. Other borrowing costs are recognised as expense in the period in which they are incurred.

(k) LEASES

The company has taken premises on lease. Lease rental in respect of operating lease arrangement are charged to Profit and Loss Account.

(l) TAXES ON INCOME

Tax expense for the year, comprising current tax and deferred tax is included in determining the net profit/(loss) for the year.

A provision is made for the current tax based on tax liability computed in accordance with the relevant tax rates and tax laws. Deferred tax assets are recognized for all deductible timing differences and carried forward to the extent it is reasonably certain that future taxable profit will be available against which such deferred tax assets can be realized.

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

(m) IMPAIRMENT OF ASSETS

At each Balance Sheet date, the carrying amount of assets is tested for impairment so as to determine:

- the provision for impairment, if any, required; or
- the reversal, if any, required of impairment loss recognised in previous period.

Impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount.

Recoverable amount is determined

- In the case of an individual asset, on the higher of the net selling price and the value in use.
- In the case of a cash-generating unit, on the higher of the cash generating units net selling price and value in use.

(Value in use is determined on the present value of estimated future cash flows from the continuing use of an asset and from its disposal at the end of its useful life)

(n) GOVERNMENT GRANT

Government grants of the nature of promoter's contribution are credited to capital reserve and treated as part of shareholder's funds.

(o) PROVISIONS AND CONTINGENCIES

The company creates a provision when there is present obligation as a result of past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of obligation. A disclosure for a contingent liability is made when there is possible obligation or a present obligation that probably will not require an outflow of resources or where a reliable estimate of the obligation cannot be made.

Note 2 Share Capital

Share Capital	As at 31st March 2016		As at 31st March 2015	
	Number		Number	
Authorised				
Equity Shares of Rs 5 each with voting rights	5,00,00,000	25,00,00,000	5,00,00,000	25,00,00,000
Issued				
Equity Shares of Rs 5 each with voting rights	4,11,69,667	20,58,48,335	4,11,69,667	20,58,48,335
Subscribed & fully Paid up				
Equity Shares of Rs 5 each with voting rights	4,11,69,667	20,58,48,335	4,11,69,667	20,58,48,335
Total	4,11,69,667	20,58,48,335	4,11,69,667	20,58,48,335

2.(i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	Equity Shares Year ending 31.03.2016		Equity Shares Year ending 31.03.2015	
	Number		Number	
Equity Shares outstanding at the beginning of the year	4,11,69,667	20,58,48,335	4,11,69,667	20,58,48,335
Equity Shares Issued during the year	-	-	-	-
Equity Shares bought back during the year	-	-	-	-
Equity Shares outstanding at the end of the year	4,11,69,667	20,58,48,335	4,11,69,667	20,58,48,335

2.(ii) Details of Equity Shares held by each shareholder holding more than 5% shares:

Name of Shareholder	As at 31st March 2016		As at 31st March 2015	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Spentex Industries Limited	2,09,81,077	50.96	2,09,81,077	50.96
Smita Bharat Shah	34,82,009	8.46	34,82,009	8.46

(Figures in `)

Note 3 Reserves & Surplus	As at 31st March 2016	As at 31st March 2015
a. Capital Reserves		
Opening Balance	30,00,000	30,00,000
(+) Current Year Transfer	-	-
(-) Written Back in Current Year	-	-
Closing Balance	30,00,000	30,00,000
b. Securities Premium Account		
Opening Balance	4,46,01,665	4,46,01,665
Add : Securities premium credited on Share issue	-	-
Less : Premium Utilised for various reasons	-	-
Closing Balance	4,46,01,665	4,46,01,665
c. Surplus/ (Deficit) in Statement of Profit and Loss		
Opening balance	(82,20,92,385)	(76,78,96,917)
(+) Depreciation adjustment on account of Companies Act, 2013	-	18,69,75,276
(+) Net Profit/(Net Loss) For the current year	(15,03,16,939)	(24,11,70,744)
Closing Balance	(97,24,09,324)	(82,20,92,385)
Total	(92,48,07,659)	(77,44,90,720)

Note 4 Long Term Borrowings
Secured - Term loans

From banks	13,19,31,323	14,74,85,619
Less - Amount disclosed as 'other current liabilities'	9,28,41,323	6,04,05,619
	3,90,90,000	8,70,80,000

Unsecured

Loans and advances from related parties	32,01,28,019	32,01,28,019
	32,01,28,019	32,01,28,019

Total	35,92,18,019	40,72,08,019
--------------	---------------------	---------------------

4.1 Term Loans are secured by first paripassu charge by on fixed assets of the company, both present and future. The loans are further secured by Corporate Guarantee of its holding company, Spentex Industries Limited.

4.2 Maturity Profile

Bankers	Type of Loan	Out Standing as on 31.3.2016	Insallment FY-16-17	Installment FY-17-18	Default status
Axis Bank	Term Loan (10% p.a.)	11,19,52,183	4,27,00,000	3,46,00,000	All the loan Accounts have become NPA and the matter is before BIFR/ ARC for restructuring.
Axis Bank	FITL (10% p.a.)	56,17,448	21,40,000	17,40,000	
Axis Bank	WCTL (10% p.a.)	49,01,529	19,00,000	15,00,000	
UCO Bank	WCTL	94,60,163	12,50,000	12,50,000	
Grand Total		13,19,31,323	4,79,90,000	3,90,90,000	

Note 5 Other Long Term Liabilities

	As at 31st March 2016	As at 31st March 2015
(i) Contractually reimbursable expenses	3,59,86,063	3,59,86,063
(ii) Interest accrued but not due on borrowings	9,59,50,583	9,59,50,583
Total	13,19,36,646	13,19,36,646

Note 6 Long Term Provisions
Provision for employee benefits

Gratuity (funded)	1,12,95,592	1,45,12,863
Leave Encashment (unfunded)	5,59,706	12,63,024
Total	1,18,55,298	1,57,75,887

(Figures in `)

Note 7 Short Term Borrowings**Repayable on demand:****Secured****Working Capital Borrowings**

From banks	11,56,87,431	11,46,62,242
------------	--------------	--------------

Other Short Term Loan

From banks	4,82,77,044	3,48,63,880
------------	-------------	-------------

Total	16,39,64,475	14,95,26,122
--------------	---------------------	---------------------

7.1 Working Capital borrowings are secured by first charge on all current assets (both present and future) of the company and second pari passu charge on fixed assets. The loans are further secured by Corporate Guarantee of its holding company, Spentex Industries Limited. The account has been classified as NPA and is pending for restructuring before BIFR.

7.1 Short Term Loan from Bank is secured by subservient charge on all current assets (both present and future) and movable fixed assets of the company. The loans are further secured by Corporate Guarantee of its holding company, Spentex Industries Limited and personal Guarantee of Shri Mukund Choudhary & Kapil Choudhary. Loan is repayable within 6 months from date of disbursement. Interest is payable monthly @ 13.40 % p.a. The account has been classified as NPA and is pending for restructuring before BIFR.

Note 8 Other Current Liabilities

Current Maturities of Long Term debt	9,28,41,323	6,04,05,619
--------------------------------------	-------------	-------------

Interest accrued and due on borrowings	4,40,53,841	3,18,45,000
--	-------------	-------------

Credit Balance with Banks	-	6,18,449
---------------------------	---	----------

Other payables :

(i) Statutory remittances	1,12,13,627	34,68,295
---------------------------	-------------	-----------

(ii) Trade /security deposits received	3,60,411	3,64,478
--	----------	----------

(iii) Advances from customers	8,65,200	8,65,200
-------------------------------	----------	----------

(iv) Others	4,71,04,562	3,85,20,227
-------------	-------------	-------------

Total	19,64,38,964	13,60,87,269
--------------	---------------------	---------------------

Note 9 Short Term Provisions**Provision for employee benefits:**

Bonus and Ex-gratia	27,39,580	33,40,484
---------------------	-----------	-----------

Gratuity (Funded)	6,07,966	5,98,571
-------------------	----------	----------

Leave Encashment (unfunded)	1,02,995	1,19,640
-----------------------------	----------	----------

Total	34,50,541	40,58,695
--------------	------------------	------------------

Note 10 Fixed Assets

(Figures in `)

Fixed Assets	Gross Block			Accumulated Depreciation					Net Block		
	Balance as at 1st April 2015	Additions	Disposals	Balance as at 31st March 2016	Balance as at 1st April 2015	Depreciation Adjusted to Opening Reserve	Depreciation charge for the year	On disposals	Balance as at 31st March 2016	Balance as at 1st April 2016	Balance as at 31st March 2015
Tangible Assets											
Freehold Land	50,17,299	-	-	50,17,299	-	-	-	-	-	50,17,299	50,17,299
Buildings:											
Factory Building	4,37,81,147	-	-	4,37,81,147	2,52,95,716	-	14,33,783	-	2,67,29,499	1,70,51,648	1,84,85,431
Non Factory Building	11,57,30,572	-	-	11,57,30,572	2,95,83,124	-	18,50,637	-	3,14,33,761	8,42,96,811	8,61,47,448
Plant and Equipment	81,00,02,918	-	-	81,00,02,918	50,44,09,036	-	3,07,26,463	-	53,51,35,499	27,48,67,419	30,55,93,882
Furniture & Fixtures	80,26,614	-	-	80,26,614	77,38,063	-	12,600	-	77,50,663	2,75,951	2,88,551
Vehicles	17,27,172	-	-	17,27,172	16,41,062	-	-	-	16,41,062	86,110	86,110
Office equipment	2,51,47,005	-	-	2,51,47,005	2,35,39,923	-	6,37,123	-	2,41,77,046	9,69,959	16,07,082
Total	1,00,94,32,728	-	-	1,00,94,32,728	59,22,06,924	-	3,46,60,606	-	62,68,67,530	38,25,65,198	41,72,25,804
Previous Year	1,00,18,63,192	75,69,535	-	1,00,94,32,728	74,48,23,443	-18,69,75,276	3,43,58,757	-	59,22,06,924	41,72,25,804	25,70,39,749

(Figures in `)

	As at 31st March 2016	As at 31st March 2015
Note 11 Non-Current Investments		
Non-Trade Investments		
Investment in Equity instruments	23,231	23,231
Total	23,231	23,231
Aggregate amount of quoted investments	-	-
Aggregate amount of unquoted investments	23,231	23,231

Name of the Body Corporate	No. of Shares / Units		Quoted / Unquoted	Partly Paid / Fully paid	Amount (`)		Whether stated at Cost Yes/No
	2016	2015			2016	2015	
Investment in Equity Instruments							
Shares of Shamrao Vitthal Co-Op Bank of Rs 10 each	250	250	Unquoted	Fully paid-up	2,500	2,500	Yes
Share of United Yarn of Rs 31 each	1	1	Unquoted	Fully paid-up	31	31	Yes
Share of Lotus House Prem Co-op Soc.	1	1	Unquoted	Fully paid-up	1,500	1,500	Yes
Shares of Datta Nagari Patsanstha of Rs 10 each	500	500	Unquoted	Fully paid-up	5,000	5,000	Yes
Shares of Saraswat Co-op Bank Ltd of Rs 10 each	1,420	1,420	Unquoted	Fully paid-up	14,200	14,200	Yes
Total					23,231	23,231	

(Figures in `)

	As at 31st March 2016	As at 31st March 2015
Note 12 Long Term Loans and Advances		
Unsecured, considered good		
a. Capital Advances	6,04,06,745	6,04,06,745
b. Security Deposits	3,93,856	3,93,856
c. Other loans and advances		
Balance with Sales Tax Authorities	1,20,46,394	84,13,979
Doubtful Loans and advances	92,35,000	92,35,000
Less: Provision for doubtful loans and advances	92,35,000	92,35,000
Total	7,28,46,995	6,92,14,580
Note 13 Other Non Current Assets		
Claims Receivable with Excise & Custom Authorities	15,21,117	2,08,67,689
Other Claims Receivable	57,74,144	57,74,144
Total	72,95,261	2,66,41,833
Note 14 Inventories		
a. Raw Materials (Valued at Cost)	-	35,10,019
b. Finished goods (Valued at Cost or NRV whichever is lower)		
Manufactured	-	31,04,922
Waste	-	66,333
	-	66,81,274
d. Stores and spares (Valued at Cost)	28,28,225	33,87,408
Total	28,28,225	1,00,68,682

	As at 31st March 2016	(Figures in `) As at 31st March 2015
Note 15 Trade Receivable		
Trade receivables outstanding for a period less than six months from the date they are due for payment		
Unsecured, considered good		
Due from Spentex Industries Limited	-	24,11,510
Others	-	31,18,700
	-	55,30,210
Trade receivables outstanding for a period exceeding six months from the date they are due for payment		
Unsecured, considered good	83,13,766	24,73,352
Unsecured, considered doubtful	10,27,38,232	10,27,38,232
Less: Provision for doubtful debts	10,27,38,232	10,27,38,232
	83,13,766	24,73,352
Total	83,13,766	80,03,562
Note 16 Cash and cash equivalents		
a. Balances with banks:		
In current accounts	4,30,476	66,463
In margin accounts	16,75,777	15,63,940
b. Cash on hand	69,223	91,123
	21,75,475	17,21,526
Note 17 Short-term loans and advances		
Loans and Advances		
Unsecured, considered good		
Security Deposits	24,09,981	19,53,951
Prepaid Expenses	7,49,235	11,83,611
Balance with Customs and Excise Authorities	5,04,051	5,04,051
Balance with Sales Tax Authorities	-	80,07,797
Balance with Income Tax Authorities	11,466	1,17,550
Inter-corporate deposits (unsecured)	21,75,66,863	21,75,66,863
Others	36,14,891	18,83,312
	22,48,56,488	23,12,17,135
Note 18 Other Current Assets		
Other Claims Receivable	95,02,000	95,02,000
Total	95,02,000	95,02,000
	For the year ended 31st March 2016	For the year ended 31st March 2015
Note 19 Revenue from Operations		
Sale of products	36,23,353	25,34,02,558
Sale of services	-	5,47,72,071
Other operating revenues	2,74,750	1,23,77,267
Total	38,98,103	32,05,51,896
19.1 Other Operating Income comprises of:		
Sundry Balances Written back	-	10,93,754
Sale of old material/ testing charges	2,74,750	17,22,706
Power and Fuel incentive	-	95,02,000
Cash Discount Received	-	58,807
	2,74,750	1,23,77,267

(Figures in `)

	For the year ended 31st March 2016	For the year ended 31st March 2015
Note 20 Other Income		
Interest Income	1,34,273	3,51,797
Dividend Income	-	2,280
Foreign Exchange Fluctuation Gain (net)	29,035	51,968
Total	1,63,308	4,06,045
Note 21 Cost of Materials Consumed		
Opening Stock	12,91,942	2,37,620
Add : Purchases	1,28,044	19,17,31,721
Less : Closing Stock	-	35,10,019
Total	14,19,985	18,84,59,321
Note 22 Changes in inventories of finished goods, work-in-progress and stock-in-trade		
Opening Stock :		
Finished goods	31,04,922	-
Work in process	-	8,08,400
Cotton Waste	66,333	2,93,802
	31,71,255	11,02,202
Closing Stock :		
Finished goods	-	31,04,922
Cotton Waste	-	66,333
Sub-Total	-	31,71,255
Increase/ (Decrease) in Stock	31,71,255	-20,69,053
Note 23 Employee Benefit Expenses		
(a) Wages & Salaries	4,87,68,047	8,61,57,646
(b) Contributions to Provident Fund & Other Funds	39,85,936	98,20,688
(c) Staff welfare expenses	8,67,083	44,89,362
(d) Staff welfare expenses	33,50,846	-
Total	5,69,71,912	10,04,67,696
Note 24 Finance Expenses		
Interest expense:		
(i) Term Loans	1,88,40,505	1,86,80,629
(ii) Others	1,15,09,276	1,57,21,375
Other borrowing costs	5,88,376	3,26,636
Total	3,09,38,158	3,47,28,640
Note 25 Other Expenses		
Stores and Spares Consumption	8,27,297	95,56,051
Packing Material	-	31,40,254
Sub-Contracting Charges	13,62,279	96,94,300
Power, Fuel & Water	3,88,015	8,23,34,362
Rent	7,44,989	2,43,940
Repairs & Maintenance - Buildings	16,032	1,54,435
Repairs & Maintenance - Machinery	1,74,963	11,84,222
Repairs & Maintenance -Others	28,094	1,03,187
Insurance	6,37,371	7,34,302
Rates & Taxes	2,65,735	3,75,649
Communication Expenses	5,93,462	5,61,484
Export Incentives written off	1,93,46,572	-
Travelling and Conveyance	7,59,421	14,04,014

(Figures in `)

	As at 31st March 2016	As at 31st March 2015
Auditor's Remuneration:		
As Auditors	2,74,800	2,69,664
Legal and Professional charges	4,42,572	19,23,893
Selling & Other Expenses	43,339	28,19,280
Commission on sales	-	11,64,564
Freight Outward and Clearing Charges (net of recoveries)	-	7,04,424
Directors Sitting Fees	45,486	44,944
Printing and Stationary Expenses	4,96,117	4,08,581
Loss on sale of raw material	-5,674	-
Other Expenses	7,75,565	15,37,007
Total	2,72,16,434	11,83,58,557

Note No. 25 (a): Contingent Liabilities

Contingent Liabilities not provided for in respect of –

a. The following guarantees provided by/ on behalf of the company:

(Figures in `)

Particulars	As at 31.03.16	As at 31.03.15
Corporate guarantee given to State Bank of India, Tokyo Branch (SBI) for loan extended to Spentex (Netherlands), B.V. USD 10.825 millions (previous year USD 10.825 millions)	71,71,56,250	67,76,45,000
Total	71,71,56,250	67,76,45,000

The Company had provided corporate guarantee for jointly with Spentex Industries Limited for the loan given to Spentex (Netherlands), B.V. by Lehman Brothers and SBI for assets of its subsidiary Spentex Tashkent Toyepa LLC (STTL). In accordance with the decision of the Tashkent Economic Court, dated 25.09.2013, the assets of STTL were transferred in settlement of the loan availed from Lehman Brothers and SBI. In view of these developments, the management of the opinion that guarantee is longer enforceable as the loan availed is completely settled.

b. Claims against company not acknowledged as debts

(Figures in `)

S.No.	Description	As at 31.03.16	As at 31.03.15
1.	Electricity duty by Maharashtra State Government on units generated through captive power plant between the period Apr-2000 to Apr-2005 (petition pending before the Supreme Court)	1,43,55,000	1,43,55,000
2.	Demands from MSEDCCL under appeal (including interest of Rs.3,82,53,158, previous year Rs. 3,15,27,267)	9,33,15,290	7,90,15,566
3.	Demands from Maharashtra Sales Tax Authorities under appeal for FY 2004-05 not provided for.	12,44,000	12,44,000
4.	Demands from Maharashtra Sales Tax Authorities under appeal for FY 2009-10 not provided for.	26,55,004	26,55,004
	Total	11,15,69,294	9,72,69,570

Note No.26

Disclosure in accordance with section 22 of Micro, Small and Medium Enterprise Development Act, 2006:

(Figures in `)

S.No.	Particulars	As at 31st March 2016	As at 31st March 2015
a.	Principal amount remaining and paid and interest due thereon	3,26,317	3,26,317
b.	Interest paid in terms of section 16	NIL	NIL
c.	Interest due and payable for the period of delay in payment	NIL	NIL
d.	Interest accrued and remaining unpaid	NIL	NIL
e.	Interest due and payable even in succeeding years	NIL	NIL

As certified by the management based on the available information.

Note No.27

The Sundry Debtors include export receivables of Rs. 1027.38 lakhs and Loans and advances include advances of Rs.92.35 lacs, for which the Company has made a provision for Doubtful Debts for the aforesaid amounts. The Company has also sought the permission of the Reserve Bank of India (RBI) through its authorized dealer to write off these debts. However, pending approval from RBI, the management has decided not to write off the said amounts from books of account.

Note No.28

The outstanding balance as on March 31, 2016 in respect of certain Sundry debtors, Creditors, Loans & Advances and Bank and other deposits are subject to confirmation from the respective parties and consequential reconciliations/ adjustments arising therefrom, if any. The management, however, does not expect any material variations.

Note No. 29

The Other Non Current Assets of the Company include a sum of Rs. 1,52,76,144, being an amount receivable from MSEB. The Company is making effort to recover the same and expects to reduce the outstanding dues significantly and the management is of the opinion that ultimately there would be no losses against these old balances and hence no provision is considered necessary at this stage.

Note No.30

As on March 31, 2016, the accumulated losses of the Company have far exceeded its net worth. In the opinion of the management, the Company's operations are affected by global business downturn which has resulted in reduction in demand, increase in input costs and shortage of working capital. The Company has also filed a reference with Board for Industrial and Financial Restructuring (BIFR) under section 15 of Sick Industrial Companies (Special Provisions) Act, 1985 for determination of sickness and measures to be adopted for rehabilitation. The BIFR, vide its order, dated 18.07.2012 declared the Company as sick under section 3(1)(o) of SICA, 1985 and appointed UCO Bank as Operating Agency (OA) under section 17(3) to prepare Rehabilitation Scheme for the Company. However, on the strength of management's plan of revival including reorganization of business, these financial statements are prepared on a going concern basis.

Note No.31

The Loans and Advances of the Company included a sum of Rs.1,93,46,572, being an amount receivable from Customs Department as drawbacks against the export sale pertaining to the period 1993 to September, 2004 when the unit was 100% Export Oriented Unit (EOU). The company has earlier filed an application with the office of DGFT for the claim and made significant efforts for receiving the claim. The company has also filed claim against Jak Traders Private Limited for recovery of the claims. However, in view of the uncertainty in realizing the same, the company has decided to write off the same during the current year.

Note No. 32: Segmental Reporting

In accordance with Accounting Standard - 17 on Segment Reporting issued by the Institute of Chartered Accountants of India, the Company has identified two business segments viz. Textile Manufacturing and Textile Trading. Further, two geographical segments by location of customers have been considered as secondary segments viz, Within India and Outside India. The segment wise disclosure are as follows:

A. Business Segment Reporting

(Figures in `)

DESCRIPTION	TEXTILE-MANUFACTURING	TEXTILE-TRADING	TOTAL
Segment Revenue			
Total Revenue	3,927,138 (320,551,896)	- (-)	3,927,138 (320,551,896)
Segment Results	-98,131,942 (-114,797,327)	- (-)	-98,131,942 (-114,797,327)
Unallocated corporate expense (Net)	- (-)	- (-)	21,381,112 (4,184,088)
Operating Profit	- (-)	- (-)	-119,513,054 (-118,971,415)
Finance Charges	- (-)	- (-)	30,938,158 (34,728,640)
Interest income	- (-)	- (-)	134,273 (351,797)
Dividend income	- (-)	- (-)	- (2,280)

(Figures in `)

DESCRIPTION	TEXTILE-MANUFACTURING	TEXTILE-TRADING	TOTAL
Profit/(Loss) before Prior period items and Tax	- (-)	- (-)	-150,316,939 (-153,345,978)
Exceptional Items	- (-)	- (-)	- (-)
Tax Expense	- (-)	- (-)	- (87,824,766)
Profit/(Loss) after tax and Exceptional Items	- (-)	- (-)	-150,316,939 (-241,170,744)
OTHER INFORMATION			
Segment Assets	425,755,301 (490,704,348)	1,352,364 (1,352,364)	427,107,665 (492,056,712)
Unallocated corporate assets	- (-)	- (-)	283,298,974 (281,561,640)
Total Assets	- (-)	- (-)	710,406,638 (773,618,352)
Segment liabilities	730,146,964 (693,198,841)	- (-)	637,305,640 (693,198,841)
Unallocated corporate liabilities	- (-)	- (-)	73,100,998 (80,419,511)
Total Liabilities	- (-)	- (-)	710,406,638 (773,618,352)
Capital expenditure incurred during the year	- (7,569,535)	- (-)	- (7,569,535)

B) GEOGRAPHICAL SEGMENT REPORTING:

(Figures in `)

DESCRIPTION	REVENUE	ASSETS
Domestic	3,623,353	709,054,274
	(308,174,629)	(772,265,988)
Outside India	-	1,352,364
	(-)	(1,352,364)
Current Year	3,623,353	710,406,638
Previous Year	(308,174,629)	(773,618,352)

Note No. 33: Earnings per share

Information on Earning Per Share as per Accounting Standard 20 on "Earnings Per Share" issued by the Institute of Chartered Accountants of India:

Sl. No.	Particulars	Period ended 31.03.2016	Period ended 31.03.2015
1	Net Profit / (Loss) For the year	(15,03,16,939)	(24,11,70,744)
2	Number of Equity shares Outstanding	41,169,667	41,169,667
3	Basic and Diluted earnings Per Share	(3.65)	(5.86)
4	Nominal value per share	5	5

Note: As informed by the management, there are no Potential Dilutive Equity Shares.

Note No. 34

Break-up of deferred tax assets and deferred tax liabilities

(Figures in `)

	Current Year	Previous Year
Deferred tax liability recognised due to timing difference due to:		
Depreciation and other differences in block of fixed assets	96,350,599	104,173,745
Total Deferred Tax liabilities	96,350,599	104,173,745
Deferred tax asset recognised due to timing difference due to:		
Tax impact of provision for doubtful debts and other provisions	34,858,191	34,784,031
Tax impact of disallowances under section 43B of the Income tax Act, 1961	25,319,484	17,558,048
Realisation of tax impact of unabsorbed depreciation	181,765,755	128,539,713
Realisation of tax impact of carried forward losses	165,676,959	33,868,105
Total Deferred Tax Asset	407,620,389	214,749,897
Net Deferred Tax Asset/ (Deferred Tax Liability)	311,269,790	110,576,153
(Credit)/ Charge to profit and loss account	-	87,824,766

In view of brought forward losses, deferred tax asset is not being recognized on prudence consideration.

Note No. 35 : Related Party Disclosures

Related Party Disclosures in terms of Accounting Standard 'AS-18' Issued by the Institute of Chartered Accountants of India.

Relationships:

- Holding Company
- Fellow subsidiary
- Key Management Personnel

Spentex Industries Limited
 Spentex (Netherlands), B.V.
 Mr. I.B. Maner - Managing Director
 Mr. N.S. Malpeddi - CFO

(Figures in `)

Particulars	Holding Company	Other related Parties where Control exists	Key Management Personnel
Sale of goods/ services	36,61,307	-	-
	(9,07,49,302)	(-)	(-)
Sale of Packing Material & Spares	13,67,638	-	-
	(34,50,459)	(-)	(-)
Purchase of Goods	-	-	-
	(1,81,46,363)	(-)	(-)
Purchase of Spares	42,156	-	-
	(8,96,381)	(-)	(-)
Purchase of fixed assets	-	-	-
	(12,59,533)	(-)	(-)
Directors sitting fees	-	-	45,486
	(-)	(-)	(44,944)
Outstanding balance at year end			
Unsecured loans	32,01,28,019	-	-
	(32,01,28,019)	(-)	(-)
Trade and other debtors	-	-	-
	(24,11,510)	(-)	(-)
Trade Payable	41,20,72,004	-	-
	(32,84,57,148)	(-)	(-)
Corporate Guarantees	-	71,71,56,250	-
	(-)	(67,76,45,000)	(-)

Note : Related party relationship is as identified by the Company and relied upon by the auditors.

Note No. 36 Employee Benefits

Consequent upon the adoption of Accounting Standard on Employee Benefits AS-15 (Revised) Issued by the Institute of Chartered Accountants of India, as required by the Standard the following disclosures are made:

Reconciliation of Opening and Closing balances of the Present Value of Defined Benefit Obligation

(Figures in `)

	Current Year		Previous Year	
	Gratuity (Funded)	Compensated Absences (unfunded)	Gratuity (Funded)	Compensated Absences (unfunded)
Components of Employer Expense				
Current service cost	6,91,452	81,096	11,00,991	2,11,410
Interest Cost	12,16,328	1,10,613	10,59,312	1,55,798
Expected return on Plan assets	-	-	32,058	-
Actuarial (gain)/ Loss	16,40,773	(34,164)	6,59,704	(9,32,020)
Total expense recognised in the Statement of Profit & Loss Account	35,48,553	1,57,545	27,87,949	(5,64,812)
Change in Defined Benefit Obligation (DBO) during the year				
Obligation at period beginning	1,52,04,094	13,82,664	1,32,41,406	19,47,476
Current service cost	6,91,452	81,096	11,00,991	2,11,410
Interest Cost	12,16,328	1,10,613	10,59,312	1,55,798
Actuarial (gain)/ Loss	16,40,773	(34,164)	6,59,704	(9,32,020)
Benefits Paid	(68,49,086)	(8,77,508)	(8,57,319)	(-)
Obligation at the Year end	1,19,03,558	6,62,701	1,52,04,094	13,82,664
Change in Plan Assets				
Plan assets at period beginning, at fair value	92,660	Not Applicable	8,25,836	Not Applicable
Expected return on Plan assets	-		32,058	
Actuarial gain/ (Loss)	-		-	
Contributions	-		92,085	
Benefits paid	(92,660)		(8,57,319)	
Plan assets at the year end, at fair value	-		92,660	
Reconciliation of Present Value of the Obligation and Fair value of plan assets				
Fair value of plan assets at the end of the year	-	-	92,660	-
Present value of the defined benefit obligation at the end of the year	1,19,03,558	6,62,701	1,52,04,094	13,82,664
Liability/ (Asset) Recognized in the Balance Sheet Comprising of:	1,19,03,558	6,62,701	1,51,11,434	13,82,664
Current Liability	6,07,966	1,02,995	5,98,571	1,19,640
Non-Current Liability	1,12,95,592	5,59,706	1,45,12,863	12,63,024
Experience adjustment on plan assets and liabilities				
Experience adjustment on plan assets	-	-	1,702	-
Experience adjustment on plan liabilities	16,40,773	(34,164)	(3,64,102)	(10,21,482)
Assumptions used to determine the benefit obligation				
Discount Rate	8.00%	8.00%	8.00%	8.00%
Estimated rate of Return on Plan Assets	-	-	9.00%	-
Expected rate of Increase in salary	2.50%	2.50%	2.50%	2.50%
Withdrawal rate (18 to 58 years)	2%	2%	2%	2%

The estimates of future salary increase, considered in actuarial assumptions take account of inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market.

Note No.37

Previous period figures given in brackets have been regrouped and restated wherever considered necessary.

Note No.38 Foreign Exchange Disclosures
(Figures in `)

CIF Value of Imports	2015-16	2014-15
Stores Spares & Components	-	2,69,550
(A)	-	2,69,550
Expenditure in Foreign Currency (On Accrual Basis)		
Foreign Travel Expenses	-	53,059
(B)	-	53,059
(A+B)	-	3,22,609

Earnings in Foreign Currency (On Accrual Basis)		
FOB Value of Exports	-	-

Value of Imported and Indigenous Raw Materials, Stores Spares and Packing Material Consumed

a) Raw Materials

	2015-16		2014-15	
	%	Value (`)	%	Value (`)
Imported	-	-	-	-
Indigenous	100%	14,19,985	100%	18,84,59,321
	100%	14,19,985	100%	18,84,59,321

b) Stores, Spares and Packing Materials

	2015-16		2014-15	
	%	Value (`)	%	Value (`)
Imported	-	-	2.12%	2,69,550
Indigenous	100%	8,27,297	97.88%	1,24,26,756
	100%	8,27,297	100%	1,26,96,306

For **SUNIL JAIN & CO.**
Chartered Accountants
(Registration No. 003855N)

Sd/-
Sanchit Jain
Partner
Membership No. 511714

Place New Delhi
Date : May 25, 2016

For and on behalf of Board of Directors

Sd/-
S P Setia
Chairman

Sd/-
I.B. Maner
Managing Director

Sd/-
K. Sankaramani
Director

Sd/-
Priya Lohani
Secretary

Sd/-
Ranjan Mangtani
Director

Sd/-
N S. Malpeddi
CFO

AMIT SPINNING INDUSTRIES LIMITED
Regd. Office : A-60, Okhla Industrial Area, Phase II, New Delhi 110 020

ATTENDANCE SLIP

DP ID

Regd. Folio No.

Client ID

No. of Shares held

I certify that I am a registered Member/Proxy for the registered member of the Company. I hereby record my presence at the **24th Annual General Meeting** of the Company on **Tuesday, the 27th day of September, 2016 at 12:00 Noon at Bipin Chandra Pal Memorial Bhavan, A-81, Chittaranjan Park, New Delhi 110019.**

.....
Name of the Member/Proxy (in BLOCK LETTERS)

.....
Signature of Member/Proxy

Note: Please complete this attendance slip and hand it over at the Entrance of the Meeting Hall

PROXY FORM

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

CIN : L17100DL1991PLC171468

Name of the Company : **AMIT SPINNING INDUSTRIES LTD**

Registered office : A-60 OKHLA INDUSTRIAL AREA, PHASE II, NEW DELHI - 110020

Name of the Member (s) :

Registered address :

E-mail Id :

Folio No. / DP ID - Client Id :

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

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

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the **24th Annual General Meeting** of the company, to be held on **Tuesday, the 27th day of September, 2016 at 12.00 Noon at Bipin Chandra Pal Memorial Bhavan, A-81, Chittaranjan Park, New Delhi 110019** in respect of such resolutions as are indicated below :

Res No.	Resolutions
	Ordinary Business :
1.	Adoption of Financial Statements, Reports of Directors and Auditors of the Company for the financial year ended 31st March, 2016.
2.	Re-appointment of Mr. Ranjan Mangtani as a Director, who retires by rotation.
3.	Ratification of the appointment of Statutory auditors of the Company for the financial year 2016-17 and to fix their remuneration.
	Special Business :
4.	Appointment of Mrs. Shivani Gupta as Woman Director of the Company.
5.	Appointment of Mr. I.D. Desai an Manager of the Company
6.	Service of Documents to the Members

Signed this day of 20.....

Signature of shareholder

Signature of Proxy holder(s)

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

Affix
Rupee One
Revenue
Stamp

Book - Post

If undelivered, please return to :
AMIT SPINNING INDUSTRIES LIMITED
REGISTERED & CORPORATE OFFICE :
A-60, Okhla Industrial Area, Phase-II,
New Delhi - 110 020