

**39<sup>th</sup>**  
**ANNUAL REPORT**  
**2014-2015**



**SUNIL INDUSTRIES LIMITED**

**(L99999MH1976PLC019331)**

**BOARD OF DIRECTORS**

MR. VINOD LATH (DIN: 00064774)	:	CHAIRMAN AND MANAGING DIRECTOR
MR. PRADEEP ROONGTA (DIN: 00130283)	:	WHOLE-TIME DIRECTOR & CFO
MR. RAMESH KHANNA (DIN: 00130351)	:	WHOLE-TIME DIRECTOR
MR. RAVINDER KUMAR GUPTA (DIN: 00464098 RESIGNED ON 1 <sup>ST</sup> JANUARY,2015)	:	INDEPENDENT AND NON EXECUTIVE DIRECTOR
MR. ROHIT GADIA (DIN: 02175342)	:	INDEPENDENT AND NON EXECUTIVE DIRECTOR
MR. MOHD. IQBAL (DIN: 06908835)	:	INDEPENDENT AND NON EXECUTIVE DIRECTOR
MRS. ALKA GOPAL BAJAJ (DIN: 07035805) (APPOINTED ON 23RD MARCH, 2015)	:	ADDITIONAL INDEPENDENT DIRECTOR

**REGISTERED OFFICE**

D-8, M.I.D.C., Phase II,  
Manpada Road, Dombivli (E) - 421 203  
Dist. Thane , Maharashtra

**MANUFACTURING UNITS:****Spinning Unit:**

S.F.No. 324/1, Karungal Village,  
K. Anapatti Post, Vedasandur Taluk,  
Dist. Dindigul – 624 620

**Weaving Unit:**

Plot No. 60- B, Parvati Industrial Area,  
Kondigre Road, Near Gangajal Water Tank,  
Yadrav, Ichalkaranji.

**Processing Unit:**

D-8, MIDC, Phase II,  
Manpada Road, Dombivli (E) - 421 203  
Dist. Thane

**BANKERS:**

Yes Bank Ltd

**AUDITORS**

M/s. V. K. Beswal & Associates  
Chartered Accountants

**SECRETARIAL AUDITOR**

HS Associates,  
Company Secretaries

**INTERNAL AUDITOR**

Sushil Budhia Associates,  
Chartered Accountants

**COST AUDITOR**

M/s Shanker Chaudhary & Co.,  
Cost Accountants

**SHARE TRANSFER AGENTS**

Link Intime India Private Limited.  
Add.: C-13, Pannalal Silk Mills Compound,  
L.B.S. Marg, Bhandup, Mumbai – 400 078

**SHARES LISTED AT:****The Bombay Stock Exchange Limited**

Phiroze Jeejeebhoy Towers, Dalal Street,  
Mumbai – 400 001

**The Ahmedabad Stock Exchange Limited**

Kamdheni Complex, Opp Sahajanand College,  
Panjara Pole, Ahmedabad – 380 015

**Delhi Stock Exchange Limited**

3-1 Asaf Ali Road, Chandni Chowk,  
New Delhi – 110 002

**The Calcutta Stock Exchange Limited**

7, Lyons Range, Kolkatta – 700 001

<b>39<sup>TH</sup> ANNUAL GENERAL MEETING</b>	
<b>Date</b>	: 26 <sup>th</sup> September, 2015
<b>Day</b>	: Saturday
<b>Time</b>	: 3.00 PM
<b>Place</b>	: D-8, MIDC Phase II, Manpada Road, Dombivli (East), Dist – Thane, 421-203

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**SUNIL INDUSTRIES LIMITED**

CIN No: L99999MH1976PLC019331

Reg Office: D 8 MIDC Phase II Manpada Road, Dombivli (East), Thane, Maharashtra-421203

Web: www.sunilgroup.com, Tel:022-22017389

**NOTICE**

**NOTICE IS HEREBY GIVEN THAT THE 39<sup>TH</sup> ANNUAL GENERAL MEETING OF MEMBERS OF SUNIL INDUSTRIES LIMITED WILL BE HELD ON SATURDAY THE 26<sup>TH</sup> DAY OF SEPTEMBER 2015 AT 3.00 PM AT THE REGISTERED OFFICE OF THE COMPANY SITUATED AT D-8, MIDC PHASE II, MANPADA ROAD, DOMBIVLI (EAST), DIST – THANE – 421 203 TO TRANSACT THE FOLLOWING BUSINESS.**

**ORDINARY BUSINESS:**

- To receive, consider and adopt the Audited Balance Sheet as at 31st March 2015, Statement of Profit & Loss & Cash Flow Statement for the year ended on that date and the Reports of the Directors and the Auditors thereon.
- To appoint Mr. Ramesh Khanna, Whole Time Director (holding Din no 00130351) who retires by rotation being eligible offers himself for re-appointment as Director.
- To ratify appoint M/s V. K Beswal & Associates, Chartered Accountant (FRN 101083W) as Statutory Auditors of the Company and to fix their remuneration.  
**“RESOLVED THAT** M/s V. K Beswal & Associates, Chartered Accountants, Mumbai registered with the Institute of Chartered Accountants of India vide firm registration no 101083W be who were appointed as Statutory Auditors of the Company at the Annual General Meeting on 27th September, 2014 (hereinafter referred as said AGM) from the conclusion of the said AGM till the conclusion of Forty First Annual General Meeting to be held in the year 2017, be and is hereby ratified for the financial year 2015-16 to audit the accounts of the Company, including the audit of Cash Flow statements, on a remuneration plus service tax and out of pocket expenses to be mutually decided by the Board in consultation with the Statutory Auditors of the Company.”

**SPECIAL BUSINESS:**

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

**RESOLVED THAT** pursuant to provisions of Section 148 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modifications(s) or re- enactment thereof for the time being in force) and any other applicable provisions, if any, the appointment of M/s Shanker Chaudhary & Co., Cost Accountants as Cost Auditors of the Company by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year 2015-16 and remuneration of Rs. 1,25,000/- p.a plus service taxes as paid to them be and is hereby ratified.”

**“RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

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

**“RESOLVED THAT** pursuant to the provisions of section 149, 150, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Mrs. Alka Gopal Bajaj (holding DIN 07035805), who was appointed as an Additional Director pursuant to the provisions of Section 161 of the Companies Act, 2013 and the Articles of Association of the Company and who hold office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing her candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for 5 consecutive years commencing from 23rd March, 2015 to 22nd March, 2020, not liable to retire by rotation

**RESOLVED FURTHER THAT** any Director of the Company be and is hereby severally authorized to do all such acts, deeds, matters and things as may be necessary for effecting the aforesaid resolution including but not limited to filing of necessary forms with Registrar of Companies”

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

**“ RESOLVED THAT** pursuant to Sections 5, 14, 15 of the Companies Act, 2013 (including rules made thereunder), applicable provisions of Listing Agreement, if any and subject to the approval of any statutory Authorities, if applicable, the consent of the members of the Company be and is hereby accorded to adopt new set of Articles of Association of the Company in place of its existing Articles of Association of the Company.

**RESOLVED FURTHER THAT** any Director of the Company be and is hereby severally authorized to do all such acts, deeds, matters and things as may be necessary for effecting the aforesaid resolution including but not limited to filing of necessary forms with Registrar of Companies”

**EXPLANATORY STATEMENT****AS REQUIRED BY SECTION 102 OF THE COMPANIES ACT, 2013****(CORRESPONDING TO SECTION 173(2) OF THE COMPANIES ACT, 1956)****Item No. 4**

The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of Rs. 1,25,000/- p.a to be paid to M/s Shanker Chaudhary & Co., Cost Accountants as Cost Auditors to conduct the audit of the cost records of the Company for the financial year 2015 -16.

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014,

## SUNIL INDUSTRIES LIMITED

the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the Company. Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 4 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year 2015 - 16.

The Board of Directors accordingly recommends the Resolutions set out at Item No. 4 of the accompanying Notice for the approval of the Members.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in aforementioned resolution.

### **Item No. 5**

The Board of Directors has received a notice from the shareholder proposing the candidature of Mrs. Alka Gopal Bajaj (holding DIN 07035805), as a Women / Independent Director to be appointed under the provisions of Section 149 and 152 of the Companies Act, 2013, Mrs. Alka Gopal Bajaj (holding DIN 07035805), having experience in Accounts and Administration and she is a Bachelor in Commerce. The Company has received from Mrs. Alka Gopal Bajaj (i) consent in writing to act as Women / Independent Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules 2014 (ii) intimation in Form DIR- 8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014 to the effect that she is not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013 and (iii) a declaration to the effect that she meets the criteria of independence as provided in sub-section (6) of Section 149 of the companies Act, 2013. The Resolution seeks the approval of members for the appointment of Mrs. Alka Gopal Bajaj as Women / Independent Director of the Company for a term of 5 consecutive years pursuant to Section 149 and other applicable provisions of the Companies Act, 2013 and the Rules made hereunder. She is not liable to retire by rotation. In the opinion of the Board of Directors, Mrs. Alka Gopal Bajaj proposed to be appointed, as a Women / Independent Director, fulfill the conditions specified in the Companies Act, 2013 and the Rules made hereunder and she is independent. A copy of the draft letter for the appointment of Mrs. Alka Gopal Bajaj as a Women / Independent Director setting out the terms and conditions is available for inspection without any fee by the members at the Company's Registered Office during normal business hours on working days up to the date of the Annual General Meeting. None of the Directors, Key Managerial Personnel or their relatives, except Mrs. Alka Gopal Bajaj for whom the Resolution relates, are interested or concerned in the Resolution. The Board seeks approval of the members for the appointment of Mrs. Alka Gopal Bajaj as Independent Director of the Company for five consecutive years for a term upto 21.03.2020 pursuant to section 149 and other applicable provisions of the Act, Rules made there under and that she shall not be liable to retire by rotation.

### **Item No. 6**

The Companies Act, 2013 has come into force partially on 12<sup>th</sup> September, 2013 and partially on 1<sup>st</sup> April, 2014. With the advent of Companies Act, 2013, the provisions of Companies Act, 1956 have become redundant and therefore it is in the interest of the Company, that the Board of Directors of the Company at their meeting held on August 14, 2015 have decided to adopt new set of Articles of Association of the Company, subject to approval of Shareholders to bring the Articles of Association in line with the provisions of Companies Act, 2013

A copy of the revised Articles of Association of the Company is available for inspection by Members at the registered office of the Company on any working day during office hours of the Company. As per provisions of Section 13 of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014, Alteration of Articles of Association requires approval of Shareholders by means of passing Special Resolution. Therefore consent of the Shareholders is required for the Resolutions as set out in Item No.6 of the Notice.

None of the Directors, Key Managerial Personnel (KMP) and / or Relatives of Directors or KMP are concerned or interested financially or otherwise in the proposed resolution.

### **NOTES:**

- 1) **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT PROXY / PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
- 2) A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company.
- 3) The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 will be available for inspection by the members at the Annual General Meeting of the Company.  
The Register of Contracts or Arrangements in which the Directors are interested, maintained under Section 189 of the Companies Act, 2013 will be available for inspection by the Members at the Annual General Meeting of the Company.
- 4) The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. A Proxy form is sent herewith.
- 5) Members/Proxies should bring the Attendance Slip duly filled in for attending the Meeting and also their copy of the Annual Report.
- 6) The Register of Members and Share Transfer Register in respect of equity shares of the Company will remain closed from **Thursday, September 17, 2015 to Saturday, September 26, 2015** (both days inclusive).
- 7) As a measure of economy, copies of the Annual Reports and Accounts will not be distributed at the Meeting. Members are therefore, requested to bring their copies to the Meeting.
- 8) In furtherance of Green Initiative in Corporate Governance by Ministry of Corporate Affairs, the Shareholders are requested to register their email Id with the Company or with the Registrar and Transfer Agents.
- 9) Members/Proxies are requested to produce the attendance slip duly signed, sent along with the Annual Report and Accounts, for admission to the meeting hall.
- 10) Members who are holding shares in identical order or names in more than one folio are requested to write to the company to enable the company to consolidate their holdings in one folio.
- 11) Members whose shareholding is in the electronic mode are requested to direct change of address notifications and updation of Savings Bank Account details to their respective Depository Participants.

12) In terms of section 124 of the Companies Act, 2013 (corresponding to Section 205A Companies Act, 1956), any dividend remaining unpaid for a period of seven years from the due date of payment is required to be transferred to Investor Education and Protection Fund. Members who have not encashed their dividend warrants are requested to write to the Registrars and Share Transfer Agents. The details of dividend unclaimed are uploaded on the Company's website at [www.sunilgroup.com](http://www.sunilgroup.com) for shareholders information.

13) Electronic copy of the Notice of the 39<sup>th</sup> Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company/Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice of the 39<sup>th</sup> Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.

14) Members may also note that the Notice of the 39<sup>th</sup> Annual General Meeting and the Annual Report for 2015 will also be available on the Company's website [www.sunilgroup.com](http://www.sunilgroup.com) for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office in Dombivli for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's investor email id: [info@sunilgroup.com](mailto:info@sunilgroup.com)

15) Voting through electronic means :  
In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the 39<sup>th</sup> Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services Limited (CDSL):

**In case of members receiving e-mail:**

- (i) The voting period begins on 23<sup>rd</sup> September, 2015 at 09.00 a.m and ends on 25<sup>th</sup> September, 2015 at 5.00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 19<sup>th</sup> September, 2015 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Open e-mail
- (iii) Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
- (iv) Click on "Shareholders" tab.
- (v) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

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

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

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- (xii) Click on the EVSN number **150907060** of Sunil Industries Limited
- (xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xviii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) Note for Non – Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details they have to create a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
  - In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- In case of members receiving the physical copy:**  
Please follow all steps from sl. no. (i) To sl. no. (xix) Above to cast vote.
- Other Instructions**
- (A) If you are already registered with CDSL for e-voting then you can use your existing user ID and password/PIN for casting your vote.
- (B) You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- (C) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help Section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- (D) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- (E) The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date (record date) of September 19, 2015.
- (F) Mr. Hemant Shetye, Partner of M/s HS Associates, Practicing Company Secretaries (Membership No. FCS 2827) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent Manner.
- (G) The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company
- (H) The Results shall be declared on or after the AGM of the Company. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.sunilgroup.com](http://www.sunilgroup.com) and on the website of CDSL within two (2) days of passing of the resolutions at the AGM of the Company and communicated to the BSE Limited.
- (I) Members who do not have access to e-voting facility may send duly completed Ballot Form (enclosed with the Annual Report) so as to reach the Scrutinizer appointed by the Board of Directors of the Company, Mr. Hemant Shetye, Partner of HS Associates, Practicing Company Secretaries, at the Registered office of the Company not later than September 25, 2015 ( 5.00 pm IST)
- (J) Ballot Form received after this date will be treated invalid.
- (K) A member can opt only for one mode of voting i.e either through e-voting or by Ballot. If a Member casts vote by both modes, then voting done through e-voting shall prevail and Ballot shall be treated as invalid.
16. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours (10.00 am to 5.00 pm) on all working days, up to and including the date of the Annual General Meeting of the Company.
17. The Ministry of Corporate Affairs (MCA) has taken a "Green Initiative in Corporate Governance" (Circular No. 17/2011 dated 21.04.2011 and Circular No. 18/2011 dated 29.04.2011) allowing companies to dispatch documents to the shareholders through electronic mode. Considering the above theme, your company had decided to send Annual Report through electronic mode.

**ON BEHALF OF THE BOARD  
FOR SUNIL INDUSTRIES LIMITED**

**DATE : 14<sup>TH</sup> AUGUST, 2015**  
**PLACE : DOMBIVLI**  
**VINOD LATH**  
**MANAGING DIRECTOR**  
**DIN NO: 00064774**

**DIRECTORS' REPORT TO THE SHAREHOLDERS**

To,  
The Members  
**SUNIL INDUSTRIES LIMITED**  
**DOMBIVLI**

Your Directors have great pleasure in presenting **39<sup>TH</sup> Annual Report** along with the Audited Balance Sheet and Profit And Loss Account for the year ended on **31<sup>st</sup> March, 2015**

**1) FINANCIAL RESULTS**

The financial Results are briefly indicated below:

PARTICULARS	(Amt in Rs.)	
	For the year ended on	
	31 <sup>st</sup> March, 2015	31 <sup>st</sup> March, 2014
Total Income	2,022,138,270	127,33,67,533
Total Expenditure	1,990,453,448	125,16,26,810
Profit/(Loss) before Taxation	31,684,822	2,17,40,723
Provision for Tax	11,698,762	75,07,001
Net Profit/(Loss) after Tax	19,986,060	1,42,33,722
Profit/(Loss) b/f previous year	37,632,834	2,33,99,113
Balance c/f to Balance Sheet	56,969,319	3,76,32,834

**2) REVIEW OF OPERATIONS**

During the year ended 31<sup>st</sup> March, 2015, your Company reported total Income of Rs. 2,022,138,270 in comparison to Rs. 127,33,67,533/- in previous year resulting to an increase of Rs. 74,87,70,737. The Net Profit after tax Increased to Rs. 19,986,060 as compared to Rs. 1,42,33,722/- in previous year marking a increase of Rs. 57,52,338 due to increase in demand of product.

**3) DIVIDEND**

In order to conserve the reserves, your Company do not recommend dividend for the financial year 2014-15.

**4) FUTURE PROSPECTS**

Indian economy is expected to achieve a 6% CAGR in the next 10 years while many other countries are predicted to face a slow growth or even stagnation. Interest of global brands and retailers in the Indian market is likely to fuel the growth. India would attract more investments from global brands and retailers in the coming years. This is likely to spur the country's domestic demand and further enhance India's investment in supply chain processes.

The country's clothing and textile industry would become more competitive both at the domestic and global forefront. There would be diversification of the product mix thereby creating new opportunities for exports. Until 2005, Indian textile industry was driven by the availability of raw material, labor and Government policies. Till 2015 economists predict that the industry will be driven by manufacturing excellence, supply chain efficiency, and a various range of product mix. After 2015, the industry is expected to be product, brand, and process driven.

**5) TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND.**

The provisions of Section 125(2) of the Companies Act, 2013 do not apply as there was no dividend declared and paid last year.

**6) CONSERVATION OF ENERGY-TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE ETC.**

The information pertaining to conservation of energy, technology absorption, Foreign exchange Earnings and outgo as required under Section 134 (3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is Annexure A to Director's Report.

**7) STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY**

The Company has in place a mechanism to identify, assess, monitor and mitigate various risks to key business objectives. Major risks identified by the businesses and functions are systematically addressed also discussed at the meetings of the Audit Committee and the Board of Directors of the Company.

The Company's internal control systems are commensurate with the nature of its business and the size and complexity of its operations. These are routinely tested and certified by Statutory as well as Internal Auditors. Significant audit observations and follow up actions thereon are reported to the Audit Committee.

**8) DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES**

The Company is not required to constitute a Corporate Social Responsibility Committee as it does not fall within purview of Section 135 of the Companies Act, 2013 and hence it is not required to formulate policy on corporate social responsibility.

**9) PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013**

The particulars of investment made under Section 186 of the Companies Act, 2013 have been disclosed in the financial statements in Note 10 of the Financial Statement.

The particulars of loans made under Section 186 of the Companies Act, 2013 have been disclosed in the financial statements in Note 11 and Note 15 of the Financial Statement.

The Company has not given any loans or given any guarantees.

## SUNIL INDUSTRIES LIMITED

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- 10) PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES**  
The particulars of contracts or arrangements with related parties referred to in Section 188(1), as prescribed in Form AOC - 2 of the rules prescribed under Chapter IX relating to Accounts of Companies under the Companies Act, 2013, is appended is attached as Annexure B to Director's Report.
- 11) EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS AND THE PRACTICING COMPANY SECRETARY IN THEIR REPORTS**  
The auditors' report and secretarial auditors' report does not contain any qualifications, reservations or adverse remarks. Report of the secretarial auditor is given as an annexure which forms part of this report.
- 12) ANNUAL RETURN**  
The extracts of Annual Return pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 is furnished as Annexure C to Director's Report,
- 13) NUMBER OF BOARD MEETINGS CONDUCTED DURING THE YEAR UNDER REVIEW**  
During the financial year, the Board had met four times on 30th May, 2014 ; 14<sup>th</sup> August, 2014 ; 14<sup>th</sup> November, 2014 and 14th February, 2015.
- 14) DIRECTORS RESPONSIBILITY STATEMENT**  
In terms of Section 134(5) of the Companies Act, 2013 The Board of Directors of the Company hereby confirm:
- That in the preparation of the annual accounts, the applicable accounting standards have been followed and there has been no material departure.
  - That the selected accounting policies were applied consistently and the directors 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, 2015, and that of the profit of the Company for the year ended on that date.
  - That proper and sufficient care has been taken 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.
  - That the annual accounts have been prepared on a going concern basis.
  - The Board has laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.-
  - The directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.
- 15) DEPOSITS**  
The Company has neither accepted nor renewed any deposits during the year under review
- 16) PARTICULARS OF REMUNERATION**  
No details as required under section 197 (12) of the Companies Act 2013 and Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, have been provided as there are no employees drawing remuneration in excess of the prescribed limits.  
The information as required under section 197 (12) of the Companies Act 2013 with regard to the comparative statement of remuneration paid to Directors and the median salary paid to the employees of the company is available for inspection at the company's registered office during business hours.  
The Nomination and Remuneration Committee of the Company has affirmed at its meeting held on February 14, 2015 that the remuneration is as per the remuneration policy of the Company. The policy is available on the company's website: [www.sunilgroup.com](http://www.sunilgroup.com)
- 17) DIRECTORS**  
Mr. Ravinder Kumar Gupta, resigned from the office of Directorship with effect from 1st January, 2015. Your Directors place their appreciation for the work done by him during his tenure.  
Mrs. Alka Gopal Bajaj was inducted as an Additional Director on the Board of the Company on 23<sup>rd</sup> March, 2015 pursuant to the provisions of section 149, 150, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014. She would hold office till the conclusion of ensuing Annual General Meeting. Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing her candidature to appoint as an Independent Director of the Company to hold office for 5 consecutive years commencing from 23rd March, 2015 to 22nd March, 2020. Your Directors hereby recommends her appointment as Independent Women Director of the Company and resolution for her appointment is put forward for your approval.  
Mr. Ramesh Khanna is liable to retire by rotation in this Annual General Meeting and being eligible he has offered himself for reappointment as Director.  
The Company has received notice in writing from member along with requisite fee proposing candidature of Mrs. Alka Gopal Bajaj as Directors of the Company. Your Directors recommend their appointment.
- 18) DECLARATION OF INDEPENDENT DIRECTORS**  
The Independent Directors have submitted their disclosures to the Board that they fulfill all the requirements as stipulated in Section 149(7) of the Companies Act, 2013 so as to qualify themselves to be appointed as Independent Directors under the provisions of the Companies Act, 2013 and the relevant rules.
- 19) STATUTORY AUDITORS**  
M/s V. K Beswal & Associates, Chartered Accountants, Mumbai registered with the Institute of Chartered Accountants of India vide firm registration no 101083W were appointed as Statutory Auditors at their Annual General Meeting held on 27th September, 2014 for the period of three (3) years. i.e for the Annual General Meeting to be held in year 2017 subject to ratification at each Annual General Meeting. The Company has received letter from them to the effect that their appointment, if made, would be within the prescribed limits under Section 141(3)(g) of the Companies Act, 2013 and that they are not disqualified from appointment.  
The resolution for ratification of his appointment is put forward for your approval in the ensuing Annual General Meeting.
- 20) COST AUDITOR**  
M/s Shanker Chaudhary & Co, Cost Accountant are appointed as Cost Accountants in compliance of Section 148(1) read with Section 139 of the Companies Act, 2013 to audit Cost records maintained by the Company for the financial year ended March 31, 2016. The resolution for ratification of remuneration paid to them is put forward for your approval in compliance of Section 148 read with Companies (Audit and Auditors) Rules, 2014.



- 21) **INTERNAL AUDITORS**  
The company has appointed Sushil Budhia Associates, Chartered Accountants, Mumbai, as internal auditor of the company for financial year 2015-16.
- 22) **SECRETARIAL AUDITOR**  
The Company has appointed M/s HS Associates, Company Secretaries, as Secretarial Auditors of the Company to carry out the Secretarial Audit for the Financial Year 2015-16 and to issue Secretarial Audit Report as per the prescribed format under rules in terms of Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. Their report is appended to this report as Annexure D to Director's Report.
- 23) **MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT**  
The Management's Discussion and Analysis Report for the year under review, as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges in India, is annexed to this Annual Report.
- 24) **CORPORATE GOVERNANCE**  
The Company is committed to maintaining the highest standards of Corporate Governance and adhering to the Corporate Governance requirements as set out by Securities and Exchange Board of India. The Report on Corporate Governance as stipulated under Clause 49 of the Listing Agreement forms part of the Annual Report. The Certificate from the practicing Company Secretary confirming compliance with the conditions of Corporate Governance as stipulated under Clause 49 is also published elsewhere in this Annual Report.
- 25) **SUBSIDIARY JOINT VENTURES AND ASSOCIATE COMPANIES**  
The company does not have any subsidiary, joint venture or associate company and therefore provision with respect to Section 129 of the Companies Act, 2013 are not applicable to the Company.
- 26) **CORPORATE GOVERNANCE REPORT**  
Corporate Governance Report prepared by HS Associates, Company Secretaries, is annexed hereto as Annexure E.
- 27) **DISCLOSURE OF COMPOSITION OF AUDIT COMMITTEE AND PROVIDING VIGIL MECHANISM**  
The Audit Committee consists of the following members  
 . \*Mr. Rohit Gadia- Chairman  
 . \*Mr. Mohd Iqbal-Member  
 . Mr. Pradeep Roongta- Member  
 \* Mohd Iqbal was inducted as member on 14<sup>th</sup> November, 2014  
 \*Rohit Gadia was elected as chairman of Audit Committee on 14<sup>th</sup> February, 2015 due to resignation of Mr. Ravinder Kumar Gupta.  
 The above composition of the Audit Committee consists of independent directors, viz., Mr. Rohit Gadia and Mr. Mohd Iqbal who form the majority.  
 The Company has established a vigil mechanism policy to oversee, the genuine concerns expressed by the employees and other Directors. The Company has also provided adequate safeguards against victimization of employees and Directors who express their concerns. The Company has also provided direct access to chairman of Audit committee on reporting issues concerning the interests of co-employees and the Company. The Vigil Mechanism Policy is available at the website of the company: [www.sunilgroup.com](http://www.sunilgroup.com)
- 28) **ANNUAL EVALUATION BY THE BOARD**  
The evaluation framework for assessing the performance of Directors comprises of the following key areas:  
 i. Attendance of Board Meetings and Board Committee Meetings  
 ii. Quality of contribution to Board deliberations  
 iii. Strategic perspectives or inputs regarding future growth of Company and its performance  
 iv. Providing perspectives and feedback going beyond information provided by the management  
 v. Commitment to shareholder and other stakeholder interests  
 The evaluation involves Self-Evaluation by the Board Member and subsequently assessment by the Board of Directors. A member of the Board will not participate in the discussion of his / her evaluation.
- 29) **COMMITTEES OF THE BOARD**  
During the year, in accordance with the Companies Act, 2013, the Board constituted some of the Committees. There are currently three Committees of the Board, as follows:  
 . Audit Committee  
 . Nomination and Remuneration Committee  
 . Stakeholders' Relationship Committee  
 Details of all the Committees along with their charters, composition and meetings held during the year, are provided in the "Report on Corporate Governance", a part of this Annual Report in Annexure
- 30) **MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY:**  
There were no material changes and commitments affecting the financial position of the Company between the end of the financial year of the Company to which the financial statements relate and the date of the report
- 31) **OTHER DISCLOSURES**  
The company does not have any Employees Stock Option Scheme in force and hence particulars are not furnished, as the same are not applicable.  
Pursuant to clause 49 of the Listing Agreement, a report on Corporate Governance is given in Annexure E
- 32) **ACKNOWLEDGEMENTS**  
Your Company wishes to sincerely thank all the customers, commercial banks, financial institution, creditors etc. for their continuing support and co-operation.  
Your Directors express their appreciation for the dedicated and sincere services rendered by the employees of the company and also sincerely thank the shareholders for the confidence reposed by them in the company and from the continued support and co-operation extended by them

ON BEHALF OF THE BOARD  
FOR SUNIL INDUSTRIES LIMITED  
VINOD LATH  
MANAGING DIRECTOR  
DIN NO: 00064774

DATE : 14<sup>TH</sup> AUGUST, 2015  
PLACE : DOMBIVLI

## SUNIL INDUSTRIES LIMITED

### ANNEXURE-"A" TO THE DIRECTORS' REPORT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2015

Information pursuant to the Companies (Accounts) Rules, 2014

**(A) CONSERVATION OF ENERGY:**

In line with the company's commitment towards conservation of energy, all units continue with their endeavor to make more efficient use of energy through improved operational and maintenance practices. The measures taken in this direction at the units are as under:

- Replaced inefficient motors with energy efficient motors;
- Installed power factor capacitor banks to save energy;
- Heat recovery from CRP hot water to boiler feed;
- Increase in temperature of feed water for saving on coal consumption in boilers;
- Shades were covered by installing Natural ventilation equipment;
- Made use of waste water generated by cooling coil moisture;
- Trimming of impellers to save on power consumption in chilled water pumps;

**(B) TECHNOLOGY ABSORPTION :** Regarding Research and development and technology absorption is not enclosed due to the fact that there is at present no scope for R&D and absorbing any new technology in view of type of product which is accepted by the customers. However, your company shall certainly go for it in future if any new development in technology takes place.

**(C) RESEARCH AND DEVELOPMENT :** Regarding Research and development and technology absorption is not enclosed due to the fact that there is at present no scope for R&D and absorbing any new technology in view of type of product which is accepted by the customers. However, your company shall certainly go for it in future if any new development in technology takes place.

**(D) FOREIGN EXCHANGE EARNINGS AND OUTGO :** The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual out flows are as under

Particulars	31/03/2015 Rs in Lakhs	31/03/2014 Rs in Lakhs
<b>Foreign exchange Earnings</b> (FOB Value of Exports)	—	—
<b>Foreign Exchange outgo:</b>		
Stores Imported	20.20	5.96
Foreign travel	10.59	—

### ANNEXURE B TO THE DIRECTORS' REPORT

#### FORM NO. AOC - 2

[Pursuant to clause (h) of sub-section (3) of section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies(Accounts) Rules, 2014]

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

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

- |  |                   |
|--|-------------------|
| <p>(a) Name(s) of the related party and nature of relationship</p> <p>(b) Nature of contracts/arrangements/transactions</p> <p>(c) Duration of the contracts / arrangements/transactions</p> <p>(d) Salient terms of the contracts or arrangements or transactions including the value, if any</p> <p>(e) Justification for entering into such contracts or arrangements or transactions</p> <p>(f) date(s) of approval by the Board</p> <p>(g) Amount paid as advances, if any</p> <p>(h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188</p> | <p><b>NIL</b></p> |
|--|-------------------|

**2. Details of material contracts or arrangement or transactions at arm's length basis**

(a) Name(s) of the related party and nature of relationship	RAREFAB TEXTILES PVT LTD	RAREFAB TEXTILES PVT LTD	VANDANA TEXTILES	SUNIL FABRICS PVT LTD
(b) Nature of contracts/arrangements/ transactions	Purchase of Goods	Sales of Goods	Leasing of Property	Leasing of Property
(c) Duration of the contracts / arrangements/transactions	12 months	12 Months	12 Months	12 Months
(d) Salient terms of the contracts or arrangements or transactions including the value, if any	1,10,92,967	2,50,435	6,00,000	5,000
(e) Date(s) of approval by the Board, if any:	30 <sup>th</sup> May, 2014	30 <sup>th</sup> May, 2014	30 <sup>th</sup> May, 2014	30 <sup>th</sup> May, 2014
(f) Amount paid as advances, if any	NIL	NIL	NIL	NIL

## ANNEXURE C TO DIRECTOR'S REPORT

FORM NO. MGT - 9

## EXTRACT OF ANNUAL RETURN

as on the financial year ended 31.03.2015

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

## I. REGISTRATION AND OTHER DETAILS:

i	CIN	L99999MH1976PLC019331
ii	Registration Date	19/11/1976
iii	Name of the Company	SUNIL INDUSTRIES LIMITED
iv	Category/Sub-Category of the Company	Public Company
v	Whether listed Company (Yes/No)	Yes
vi	Address of the Registered Office and contact details	D/8, M.I.D.C., Phase II, Manpada Road, Dombivli (East), Thane – 421203 Tel : 0251-2870749 , Fax – 0251-2870749, Email - info@sunilgroup.com
vii	Name, Address and Contact details of Registrar and Transfer Agent, if any	Link Intime India Private Limited C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup, Mumbai – 400078.

## II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sr. No.	Name and Description of main products/ services	NIC Code of the Product	% to total turnover of the Company
1.	Manufacturing of Textiles	1311 & 1312	99.76 %

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

Sr. No.	Name and Address of the Company	CIN/ GLN	Holding/ Subsidiary/ of the Company	% of Shares held	Applicable Section
NOT APPLICABLE					

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

## i) Category-wise Share Holding:

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/ HUF	995100	126600	1121700	26.71	995100	126500	1121600	26.70	-
b) Central Govt.	0	0	0	0	0	0	0	0	-
c) State Govt(s).	0	0	0	0	0	0	0	0	-
d) Bodies Corp.	974600	317500	1292100	30.76	974600	317500	1292100	30.76	-
e) Bank/ FI	0	0	0	0	0	0	0	0	-
f) Any Other	0	0	0	0	0	0	0	0	-
<b>Sub-Total (A)(1)</b>	<b>1969700</b>	<b>444100</b>	<b>2413800</b>	<b>57.47</b>	<b>1969700</b>	<b>444000</b>	<b>2413700</b>	<b>57.47</b>	<b>-</b>
<b>(2) Foreign</b>	0	0	0	0	0	0	0	0	-
a) NRIs-Individuals	0	0	0	0	0	0	0	0	-
b) Other-Individuals	0	0	0	0	0	0	0	0	-
c) Bodies Corp.	0	0	0	0	0	0	0	0	-

**SUNIL INDUSTRIES LIMITED**

d) Bank/ FI	0	0	0	0	0	0	0	0	0	—
e) Any Other	0	0	0	0	0	0	0	0	0	—
<b>Sub-Total (A)(2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>—</b>
<b>Total shareholding of Promoter (A) (A)(1) + (A)(2)</b>	<b>1969700</b>	<b>444100</b>	<b>2413800</b>	<b>57.47</b>	<b>1969700</b>	<b>444000</b>	<b>2413700</b>	<b>57.47</b>	<b>57.47</b>	<b>—</b>
<b>B. Public Shareholding</b>										
<b>1. Institutions</b>										—
a) Mutual Funds	0	0	4800	0.11	0	0	4800	0.11	0.11	—
b) Bank/ FI	0	0	18700	0.45	0	0	18700	0.45	0.45	—
c) Central Govt.	0	0	0	0	0	0	0	0	0	—
d) State Govt(s).	0	0	0	0	0	0	0	0	0	—
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0	—
f) Insurance Companies	0	0	0	0	0	0	0	0	0	—
g) FIs	0	0	0	0	0	0	0	0	0	—
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0	—
i) Others (specify)	0	0	0	0	0	0	0	0	0	—
<b>Sub-Total (B)(1)</b>	<b>0</b>	<b>0</b>	<b>23500</b>	<b>0.56</b>	<b>0</b>	<b>0</b>	<b>23500</b>	<b>0.56</b>	<b>0.56</b>	<b>—</b>
<b>2. Non- Institutions</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>—</b>
a) Bodies Corp.	12600	155600	168200	4.00	13200	155600	168800	4.02	4.02	—
i) Indian	0	0	0	0	0	0	0	0	0	—
i) Overseas	0	0	0	0	0	0	0	0	0	—
b) Individuals	0	0	0	0	0	0	0	0	0	—
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	73300	1049600	1122900	26.74	93600	1022300	1115900	26.57	26.57	—
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	54400	162500	216900		71600	150000	221600	5.28	5.28	—
c) Others (specify)	0	0	0	0	0	0	0	0	0	—
(c-i) Clearing Members	0	0	0		2000	0	2000	0.05	0.05	—
(c-ii) Office Bearers	0	0	12500	0.30	0	0	12300	0.29	0.29	—
(c-iii) Non Resident Indians (Repat)	0	0	242200	5.77	0	0	242200	5.77	5.77	—
<b>Total Public shareholding (B) (B)(1) + (B)(2)</b>	<b>140300</b>	<b>1622400</b>	<b>1762700</b>	<b>41.96</b>	<b>180400</b>	<b>1605900</b>	<b>1786300</b>	<b>41.97</b>	<b>41.97</b>	<b>—</b>
<b>A. Shares held by Custodian for GDRs &amp; ADRs</b>										
<b>Grand Total (A+B+C)</b>	<b>2110000</b>	<b>2090000</b>	<b>4200000</b>	<b>100</b>	<b>2150100</b>	<b>2049900</b>	<b>4200000</b>	<b>100</b>	<b>100</b>	<b>—</b>

## (ii) Shareholding of Promoters

Sr No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	SUNIL EXIM PVT LTD	344900	8.21	-	344900	8.21	-	-
2	SAROJ VINOD LATH	335200	7.98	-	335200	7.98	-	-
3	RAJSHREE FISCAL SERVICES LTD	317500	7.56	-	317500	7.56	-	-
4	VINOD GAJANAND LATH	274000	6.52	-	274000	6.52	-	-
5	LAXMIKANT LATH	235600	5.61	-	235600	5.61	-	-
6	SUNIL PRINTS P LTD	204400	4.87	-	204400	4.87	-	-
7	SUNIL FABRICS PVT LTD	161000	3.83	-	161000	3.83	-	-
8	SUNIL SYNTHETICS PVT LTD	136100	3.24	-	136100	3.24	-	-
9	ESKE-TEX INDIA PVT LTD	128200	3.05	-	128200	3.05	-	-
10	VINOD GAJANAND LATH	69500	1.65	-	69500	1.65	-	-
11	VANDANA LAXMIKANT LATH	54400	1.30	-	54400	1.30	-	-
12	ASHOK S MAHESHWARI	35000	0.83	-	35000	0.83	-	-
13	PRADEEP ROONGTA	13600	0.32	-	13600	0.32	-	-
14	BEENA P ROONGTA	12800	0.30	-	12800	0.30	-	-
15	RATAN LATH	10900	0.26	-	10900	0.26	-	-
16	LEENA J SALOT	10000	0.24	-	10000	0.24	-	-
17	RAMASHANKAR LATH	9600	0.23	-	9600	0.23	-	-
18	BHAVESH HASMUKHLAL MEHTA	5000	0.12	-	5000	0.12	-	-
19	CHANDRAKUMAR K JAIN	5000	0.12	-	5000	0.12	-	-
20	KIRIT BACHULAL MEHTA	5000	0.12	-	5000	0.12	-	-
21	PRAKASH RAICHAND SHAH	5000	0.12	-	5000	0.12	-	-
22	KAMAL KUMAR CHOUDHARY	4400	0.10	-	4400	0.10	-	-
23	RAJ JAISINGH	4400	0.10	-	4400	0.10	-	-
24	KAMALUDDIN ESSABHAI VASTANI	4400	0.10	-	4400	0.10	-	-
25	NALINI P KAPOOR	4000	0.10	-	4000	0.10	-	-
26	DEEPAK LATH	3900	0.09	-	3900	0.09	-	-
27	SATYANARAYAN KHYALIDUTT LATH	3200	0.08	-	3200	0.08	-	-
28	KIRIT B MEHTA	2900	0.07	-	2900	0.07	-	-
29	ASHOK S MAHESHWARI	2600	0.06	-	2600	0.06	-	-
30	JAGADISH KUMAR SANWALKA	2000	0.05	-	2000	0.05	-	-
31	PAYAL P KAPOOR	2000	0.05	-	2000	0.05	-	-
32	JUGAL KISHOR TELA	1500	0.04	-	1500	0.04	-	-
33	PUSHPADEVI J SANWALKA	1500	0.04	-	1500	0.04	-	-
34	VINOD DHARNIDHARKA	1100	0.03	-	1100	0.03	-	-
35	JAGADISH KUMAR SANWALKA	1200	0.03	-	1200	0.03	-	-
36	CHANDRAPRAKASH SINGHANIA	700	0.02	-	700	0.02	-	-
37	PREETI LATH	400	0.01	-	400	0.01	-	-
38	JYOTI LATH	300	0.01	-	300	0.01	-	-
39	DEEPAK LATH	300	0.01	-	300	0.01	-	-
40	MAHESH TIBREWAL	200	0.00	-	200	0.00	-	-
41	BINDUDEVILATH	100	0.00	-	100	0.00	-	-
	<b>TOTAL</b>	<b>2413800</b>	<b>57.47</b>	<b>-</b>	<b>2413800</b>	<b>57.47</b>	<b>-</b>	<b>-</b>

**SUNIL INDUSTRIES LIMITED**

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

Sr. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
	At the beginning of the year				
	At the beginning of the year Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	<b>There is no change in the shareholding pattern of the Promoter group</b>			
	At the End of the year				

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

Sr. No.	Top 10 Shareholders	Shareholding at the beginning of the year- 1 <sup>st</sup> April, 2014		Shareholding at the end of the year- 31 <sup>st</sup> March, 2015	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Abhishek Lath	55800	1.33	55800	1.33
2.	Mita D Doshi	35000	0.83	35000	0.83
3.	Montana Securities Ltd	35000	0.83	35000	0.83
4.	Shell Securities Ltd	34900	0.83	34900	0.83
5.	Raj Kaushik	32500	0.77	32500	0.77
6.	Pawan Kaushik	32500	0.77	32500	0.77
7.	Krishnamurthy Vaidyanathan	30500	0.72	30500	0.72
8.	Aditya Vinod Kanodia	27200	0.65	27200	0.65
9.	Sanjay Kumar Khandelwal	20000	0.48	20000	0.48
10.	Chandrashekhar Bhandarkar	19500	0.46	19500	0.46
11.	Canara Bank	18400	0.44	18400	0.44

(v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Vinod Lath	343500	8.17	343500	8.17
2.	Pradeep Roongta	13600	0.32	13600	0.32
3.	Ramesh Khanna	Nil	Nil	Nil	Nil
4.	Rohit Gadia	Nil	Nil	Nil	Nil
5.	Mohd Iqbal	Nil	Nil	Nil	Nil
6.	Alka Gopal Bajaj	Nil	Nil	Nil	Nil

**V. INDEBTEDNESS**
**Indebtedness of the Company including interest outstanding/accrued but not due for payment**

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	58262486	192230331	0	250492817
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	58262486	192230331	0	250492817
Change in Indebtedness during the financial year				
- Addition	5600000	0	0	5600000
- Reduction	4822371	101371016	0	106193387
Net Change	777629	-101371016	.0	-100593387
Indebtedness at the end of the financial year				
i) Principal Amount	59040115	90859315	0	149899430
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	59040115	90859315	0	149899430

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

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

Sr. No.	Particulars of Remuneration	Name of MD/WTD/Manager			Total Amount
		Vinod Lath- Managing Director	Praddep Roongta- Whole Time Director & CFO	Ramesh Khanna Whole Time Director	
1.	Gross Salary	600000	600000	476820	1676820
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act	0	0	0	0
	(b) Value of perquisites u/s 17(2) Income Tax Act, 1961	0	0	0	0
	(c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961	0	0	0	0
2.	Stock Option	0	0	0	0
3.	Sweat Equity	0	0	0	0
4.	Commission - As % of Profit - Others, specify	0	0	0	0
5.	Others, please specify	0	0	0	0
	<b>Total (A)</b>	600000	600000	476820	1676820
	Ceiling as per the Act	30,00,000	30,00,000	30,00,000	30,00,000

## B. Remuneration of other directors:

Sr. No.	Particulars of Remuneration	Name of Directors			Total Amount
		Rohit Gadia – Independent Director	Mohd Iqbal- Independent Director	Alka Baja- Additional Independent Director	
.	Fee for attending board committee meetings	Nil	Nil	Nil	Nil
.	Commission	Nil	Nil	Nil	Nil
.	Others, please specify	Nil	Nil	Nil	Nil
	<b>Total (1)</b>	Nil	Nil	Nil	Nil
	<b>Total Managerial Remuneration</b>	Nil	Nil	Nil	Nil
	Overall Ceiling as per the Act	N.A	N.A	N.A	N.A

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

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty	0	0	0	0	0
Punishment	0	0	0	0	0
Compounding	0	0	0	0	0
<b>B. DIRECTORS</b>					
Penalty	0	0	0	0	0
Punishment	0	0	0	0	0
Compounding	0	0	0	0	0
<b>C. OTHER OFFICERS</b>					
<b>IN DEFAULT</b>					
Penalty	0	0	0	0	0
Punishment	0	0	0	0	0
Compounding	0	0	0	0	0

## SUNIL INDUSTRIES LIMITED

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### Annexure D to Director's Report

#### Secretarial Audit Report

Form No. MR-3

FOR FINANCIAL YEAR ENDED ON 31ST MARCH, 2015.

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

To,  
The Members,  
**Sunil Industries Limited**

*We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Sunil 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 books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period ended on 31st March, 2015, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

*We have examined the books, papers and minute books as mentioned in **Annexure 1**, Forms and returns filed and other records maintained by **Sunil Industries Limited** ("The Company"), for the year ended on 31st March, 2015 to the extent applicable to the provisions of:*

- I. The Companies Act, 2013 ("**The Act**") and the Rules made thereunder;
- II. The Securities Contracts (Regulation) Act, 1956 ("**SCRA**") and the Rules made thereunder;
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- IV. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("**SEBI Act**") to the extent applicable to the Company:-
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - d. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - e. The Company has complied with the requirements under the Equity Listing Agreements entered into with BSE Limited.
- VI. We have relied on the representation made by the Company and its Officers for systems and mechanism put in place by the Company for Compliances under other applicable Act, Laws and Regulations to the Company.

We report that, since the Secretarial Standard-1 "Meeting of Board of Directors" and Secretarial Standard-2 "General Meetings" are effective from 1st July, 2015, compliance are not required for the year ended 31st March, 2015 as per notification dated 23rd April, 2015 issued by the Institute of Company Secretaries of India. We further report that the Company has complied with the applicable clauses of the Listing Agreement entered into by the Company with the BSE. During the period under review the company has complied with the provisions of the Act, Rules, Regulations, and Guidelines, mentioned above subject to the following observation.

- The Company has not appointed a whole time Company Secretary as per section 203 of Companies Act 2013

**We further report that:**

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

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



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**We further report that** there are adequate systems and processes in the company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period the company has:

1. Passed Special Resolution in the Annual General meeting of the Company held on September 27, 2014 to lease, mortgage or create charge on the properties of the Company not exceeding Rs 100 Crores
2. Passed Special Resolution in the Annual General meeting of the Company held on September 27, 2014 to borrow amount exceeding paid up capital and free reserves of the Company not exceeding Rs 100 Crores

**For HS Associates  
Company Secretaries**

**Hemant S. Shetye  
Partner**

**FCS No.: 2827  
CP No.: 1483**

**Date : 14<sup>th</sup> August, 2015.**

**Place : Mumbai**

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

### **Annexure – I**

#### **BOOKS, PAPERS AND MINUTE BOOKS MAINTAINED BY THE COMPANY**

1. Book containing the Minutes of Board Meeting, General Meeting and Committee Meeting.
2. Book of accounts.
3. Register of Members.
4. Register of index of members.
5. Register of Transfer.
6. Register of Directors and Key managerial personnel and their shareholding.
7. Register of Charges.
8. Register of investments or loans made, guarantee or security provided.
9. Register of particulars of contracts.
10. Attendance Register.

**For HS Associates  
Company Secretaries**

**Hemant S. Shetye  
Partner**

**FCS No.: 2827  
CP No.: 1483**

**Date : 14<sup>th</sup> August, 2015.**

**Place : Mumbai**

### **Annexure – II**

To,  
The Members,  
**Sunil Industries Limited**

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

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these Secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness appropriateness of financial records and books of accounts of the Company.
4. Where ever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial audit report is neither an assurance as to the future viability of the Company nor of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For HS Associates  
Company Secretaries**

**Hemant S. Shetye  
Partner**

**FCS No.: 2827  
CP No.: 1483**

**Date : 14<sup>th</sup> August, 2015.**

**Place : Mumbai**

**CORPORATE GOVERNANCE REPORT  
ANNEXURE E TO THE DIRECTORS REPORT**

**COMPANY'S PHILOSOPHY:**

The Corporate Governance code as introduced by Security and Exchange Board of India (SEBI) in pursuance of clause 49 of Listing Agreement is became applicable to the company by March, 2003. The same has been implemented by the Company.

The Company believes in maximum utilization of resources at minimum cost and attaining maximum long-term shareholders value.

**BOARD OF DIRECTORS:**

The Board of the Company comprises of 6 (Six ) Directors as on March 31, 2015 out of which 1 (One) is Managing Director, 2 (Two) are Whole Time Director 2 (Two) are Independent Non-Executive Directors and 1 (One) Additional Women Independent Director of the Company. There is no nominee or Institutional Directors in the Company.

None of Directors has pecuniary or Business relationship with the Company other than as mentioned elsewhere in Annual Report. No Director of the Company is either member in more than 10 (Ten) committees and/or Chairman of more than 5 (Five) committees across all Companies in which he is Director.

During the year, there were in total **4(Four)** Board Meetings were held. The time gap between the two meetings was not more than 120days . All the information required to be furnished to the Board was made available to them along with detailed Agenda notes. The dates on which the Board Meeting was held are as follows:

30th May, 2014 ; 14<sup>th</sup> August, 2014 ; 14<sup>th</sup> November, 2014 and 14th February, 2015

The following table gives the attendance of the Directors at Board Meetings of the Company and also other Directorship in other Companies and Chairmanship/Membership in Board Committees of public limited companies as on March 31, 2015:

Sr. No.	Name of Director	Category	No. of Board meetings Attended	Attendance at Last AGM	*No. Of Other Directorship	No. of Other Committee membership in other Companies
1.	Mr. Vinod Lath	Chairman & Managing Director	4	Yes	Nil	Nil
2	Mr. Pradeep Roongta	Whole Time Director	4	Yes	Nil	Nil
3	Mr. Ramesh Khanna	Whole Time Director	4	Yes	Nil	Nil
4.	Mr. Ravinder Gupta resigned on (1 <sup>st</sup> January,2015 )	Independent and Non Executive Directors	3	Yes	1	Nil
5.	Mr. Rohit Gadia	Independent and Non Executive Directors	4	Yes	1	Nil
6.	Mrs. Alka Gopal Bajaj (Appointed on 23 <sup>rd</sup> March,2015)	Additional Independent Non-Executive Director	-	N.A	Nil	Nil
7.	Mr. Mohd Iqbal	Independent Non-Executive Director	2	Yes	Nil	Nil

\* Directorship only of public limited company is considered

**Profile of Director seeking appointment/re-appointment at the forthcoming Annual General Meeting**

(A) Appointment of Mrs. Alka Gopal Bajaj, Independent Director for a period of 5 years

Name of Director : **Mrs. Alka Gopal Bajaj**  
 Age : **52 years**  
 Qualification : **Bachelor in Commerce**  
 Expertise in functional Area : **Accounting and Administration**  
 Directorship in other Indian Public Limited Companies and other firms as on 31<sup>st</sup> March, 2014. : **Nil**

**Guidelines regarding appointment of Directors**

The Board has formulated the Nomination and Remuneration Policy of Directors, Key Managerial Personnel (KMPs) and other employees in terms of the provisions of the Companies Act, 2013 and the Listing Agreement. The said Policy outlines the appointment criteria and qualifications, the term / tenure of the Directors on the Board of Sunil Industries Limited and the matters related to remuneration of the Directors. The said Policy is available on the website of the company: [www.sunilgroup.com](http://www.sunilgroup.com)

**Membership term**

As per the Articles of Association of the Company, at least two-thirds of the Board of Directors should be retiring Directors. One-third of these Directors are required to retire every year and if eligible, the retiring Directors qualify for re-appointment.

**Succession policy**

The Board constantly evaluates the contribution of its members and recommends to shareholders their re-appointment periodically as per the statute. Executive Directors are appointed by the shareholders for a maximum period of Five years at one time, but are eligible for re-appointment upon completion of their term. Non-Independent, Non-Executive Directors do not have any term, but retire by rotation as per the law.

The Board has adopted a retirement policy for its Executive Directors. The maximum age of retirement of Executive Directors is seventy years, provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.

**COMMITTEES OF THE BOARD:****A. Audit Committee**

The Audit Committee of the Company is constituted in line with the provisions of Section 177 of the Companies Act, 2013 read with revised Clause 49 of the Listing Agreement. Audit Committee comprises of 2 Non Executive Independent Directors & 1 Executive Directors. However pursuant to the resignation of Mr. Ravinder Kumar Gupta, Audit Committee was reconstituted during the year.

\*Mr. Rohit Gadia Chairman

\*Mr. Mohd Iqbal Member

Mr. Pradeep Roongta Member

\* Mohd Iqbal was inducted as member on 14<sup>th</sup> November, 2014

\*Rohit Gadia was elected as chairman of Audit Committee on 14<sup>th</sup> February, 2015 due to resignation of Mr. Ravinder Kumar Gupta.

The Audit Committee has held 4 meetings during the year. The attendance of the meetings is given below.

Name of Director	Category of Directorship	No. of Committee Meetings attended
Rohit Gadia	NED	4
Mohd Iqbal	NED	2
Pradeep Roongta	ED	4

**Broad terms of reference of the Audit Committee are as per 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) Recommending the appointment, remuneration and terms of appointment of auditors of the company
- 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 the auditor's report thereon, before submission to the board for approval, with particular reference to:
  - a. Matters required to be included in Director's Responsibility Statement included in Board's report
  - b. Changes, if any, in accounting policies and practices and reasons for the same
  - c. Major accounting entries based on exercise of judgment by management
  - d. Significant adjustments made in the financial statements arising out of audit findings
  - e. Compliance with listing and other legal requirements relating to financial statements
  - f. Disclosure of any related party transactions
  - g. Qualifications in the draft audit report
- 5) Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.
- 6) Reviewing, with the management, statement of uses and application of funds raised through an issue, statement of funds utilised for other purposes and report of monitoring agency
- 7) Review and monitor the auditors' independence and performance, and effectiveness of audit process.
- 8) Approval or any subsequent modification of transactions of the company with related parties
- 9) Scrutiny of inter-corporate loans and investments.
- 10) Valuation of undertakings or assets of the company, wherever it is necessary;
- 11) Evaluation of internal financial controls and risk management systems;
- 12) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

## SUNIL INDUSTRIES LIMITED

- 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) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
- 16) Discussion with statutory auditors before the audit commences about nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- 17) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
- 18) To review the functioning of the Whistle Blower mechanism.
- 19) Approval of appointment of CFO
- 20) To review report submitted by Monitoring Agency informing material deviations in the utilisation of issue proceeds and to make necessary recommendations to the Board, if, when and where applicable.
- 21) Carrying out any other function as is mentioned in the terms of reference of the Audit committee.

### B. Nomination and Remuneration Committee

Pursuant to the changes in the composition of the Board of Directors of the Company in 2014, the Committee was reconstituted by the Board of Directors. Also, pursuant to Section 178(1) of the Companies Act, 2013, the Committee was renamed by the Board of Directors on 30<sup>th</sup> May 2014 as "Nomination and Remuneration Committee". The Nomination and Remuneration Committee met thrice in financial year 2014-15 on 30<sup>th</sup> May, 2014, 14<sup>th</sup> February, 2015 and 23<sup>rd</sup> March, 2015. The necessary quorum was present in the said meetings. The Chairman of the Nomination and Remuneration Committee was present at the last Annual General Meeting of the Company held on September 27, 2014. The composition of the Committee during 2014 and the details of meetings held and attended by the Directors are as under

Name of Director	Category of Directorship	No. of Committee Meetings attended
Rohit Gadia	Chairman & NED	3
Mohd Iqbal	Member & NED	2
Alka Bajaj	Member & NED	1

\*Mohd Iqbal was inducted as member in his place on 14<sup>th</sup> February 2015

\*Ravinder Kumar Gupta resigned on 1<sup>st</sup> January 2015 and in his place Rohit Gadia was elected as chairman on 14<sup>th</sup> February, 2015

\* Alka Gopal Bajaj was inducted as member on 23<sup>rd</sup> March, 2015

#### The broad terms of reference of the Nomination and Remuneration Committee are :

- a. To formulate the criteria for determining qualifications, competencies, positive attributes and independence for appointment of a Director (Executive and Non-Executive) and recommend to the Board, policies relating to the remuneration of the Directors, key managerial personnel and other employees;
- b. To formulate the criteria for evaluation of all the Directors on the Board;
- c. To devise a policy on Board diversity; and
- d. To lay out remuneration principles for employees linked to their effort, performance and achievement relating to the Company's goals.

The Nomination and Remuneration Policy devised in accordance with Section 178(3) and (4) of the Companies Act, 2013 is available at the website of the Company: [www.sunilgroup.com](http://www.sunilgroup.com). Further, the details of remuneration paid to all the Directors and the other disclosures required to be made under revised clause 49 of the Listing Agreement have been published in the previous section of this Report titled "Board of Directors

#### Remuneration Policy

The remuneration of the managing director and executive director is recommended by the Nomination and remuneration committee, then approved by the board of directors and subsequently by the shareholders in general meeting within the limits prescribed in Companies Act, 2013. The non-executive directors are paid sitting fees for board meetings attended by them.

Details of remuneration paid to Executive Directors

Name of Director	Designation	Salary	Provident Fund & Gratuity Fund
Mr. Vinod Lath	MD	Rs 6,00,000 p.a	72000 & 13788 respectively
Mr. Pradeep Roongt	ED	Rs 6,00,000 p.a	72000 & 9372 respectively
Mr. Ramesh Khanna	ED	Rs 4,76,820 p.a	0

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Mr Vinod Lath is appointed as Managing Director with effect from 1st September 2014 to 31<sup>st</sup> August,2019 for a period of 5 years.

Mr. Pradeep Roongta is appointed as Executive Director with effect from 1st September 2014 to 31<sup>st</sup> August,2019 for a period of 5 years

Mr. Ramesh Khanna is appointed as Executive Director with effect from 1st September 2014 to 31<sup>st</sup> August,2019 for a period of 5 years.

During the year the Non-Executive Directors were paid sitting fees as per the details given below.

Name	Rupees	No. of equity shares	Non convertible instruments
Mr. Rohit Gadia	0	0	0
Mr. Mohd Iqbal	0	0	0
Mr.Ravinder Kumar Gupta (Resigned on 1st January,2015)	0	0	0
Mrs. Alka Bajaj (appointed on 23 <sup>rd</sup> March, 2015)	0	0	0

The company has no pecuniary relationship or transaction with any of the Directors of the company save as otherwise mentioned in this annual report.

### C. Stakeholder Relationship Committee

Pursuant to the changes in the composition of the Board of Directors of the Company in 2014, the Committee was reconstituted by the Board of Directors. Also, pursuant to Section 178(5) of the Companies Act, 2013, the Committee was renamed by the Board of Directors on 30<sup>th</sup> May,2014 as "Stakeholders' Relationship Committee".

The Committee periodically reviews the status of Stakeholders' grievances and redressal of the same. The Committee met four times in FY 2014-15 - on 30<sup>th</sup> May, 2014 ; 14<sup>th</sup> August, 2014 ; 14<sup>th</sup> November, 2014 and 14<sup>th</sup> February, 2015. The necessary quorum was present for all the meetings. The Chairman of the Committee was present at the last Annual General Meeting of the Company held on 27<sup>th</sup> September,2014.

The composition of the Committee during 2014 and the details of meetings held and attended by the Directors are as under

The committee consists of two Non Executive Independent Directors, Executive Director and Compliance Officer of the Company. The committee looks into the Stakeholders and investors grievances that are not settled at the level of Compliance Officer and helps to expedite the share transfers and related matters.

Following are the members of the Committee.

*Rohit Gadia	Chairman
Ramesh Khanna	Member
*Mohd Iqbal	Member
Vinod Lath	Compliance Officer

\* Mohd Iqbal was inducted as member on 14<sup>th</sup> November 2014.

\*Ravinder Kumar Gupta resigned on 1<sup>st</sup> January, 2015 and in his place Rohit Gadia was elected as chairman.

Name of Director	Category of Directorship	No. of Committee Meetings attended
Mr. Rohit Gadia	NED	4
Mr. Mohd Iqbal	NED	2
Mr. Ramesh Khanna	ED	4
Mr. Vinod Lath	ED & Compliance Officer	4

### Meeting of Independent Directors

The Company's Independent Directors met on 14<sup>th</sup> February,2015 without the presence of the Managing Director & CEO, the Non-Executive, Non-Independent Directors and the Management Team. The meeting was attended by all the Independent Directors and was conducted informally to enable the Independent Directors to discuss matters pertaining to the Company's affairs and put forth their combined views to the Board of Directors of the Company.

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### GENERAL BODY MEETINGS:

Details of last 3 (Three) Annual General Meetings are given below:

Financial Year	Date	Time	Venue	Special Resolution(s)
2011-2012	29.09.2012	11.00 A.M	D-8, MIDC, Manpada Road, Dombivli (E), Thane – 421 201.	I Appointment of Mr.Rashmi Khanna as Whole Time Director II Appointment of Mr.Beena Roongta as Whole Time Director III Appointment of Mr.Prateek Roongta as Whole Time Director
2012-13	30.09.2013	12.30 P.M	D-8, MIDC, Manpada Road, Dombivli (E), Thane – 421 201.	0 (Nil)
2013-2014	27.09.2014	12.00 P.M	D-8, MIDC, Manpada Road, Dombivli (E), Thane – 421 201	I Authority to lease and mortgagage II Authority to borrow

No special resolutions were put through postal ballot as all the above special resolutions were voted unanimously by show of hands.

### DISCLOSURES:

During the year under review, besides the transactions reported under 2.14 to the Balance Sheet, there were no other related party transactions with the promoters, directors, the management or their relatives during the year with potential conflict of interest with the Company at large.

There were no instances of non-compliance on any matter related to the capital markets during the year and none of the Stock Exchanges or SEBI imposed any penalties or strictures on the Company.

### Disclosure of accounting Treatment:

The Company follows accounting standards notified by the Central Government of India under the Companies (Accounting Standards) Rules, 2006 and/or by the institute of chartered accountants of India in the preparation of financial statements and has not adopted a treatment different from that prescribed in any accounting standard.

### Code of Conduct:

The Board of Directors has adopted the code of conduct for the directors and senior management and the same has been placed on the company's website. All board members and senior management personnel have affirmed compliance with the code of conduct for the period under review.

### CEO/CFO Certification:

The Managing Director (CEO) and the Chief Finance Officer (CFO) have certified to the Board in accordance with Clause 49(IX) of the Listing Agreement pertaining to CEO/CFO certification for the financial year ended 31st March, 2015 which is annexed separately in Annual report.

The board affirms that no person has been denied access to the audit committee during the year. The company has complied with mandatory provisions of corporate governance and is in the process of adopting the non-mandatory provisions of corporate governance.

### Vigil Mechanism and Whistle-Blower Policy

Pursuant to Section 177(9) and (10) of the Companies Act, 2013 and the revised clause 49 of the Listing Agreement, the Company has a Whistle-Blower Policy for establishing a vigil mechanism for Directors and employees to report genuine concerns regarding unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct and Ethics policy. The said mechanism also provides for adequate safeguards against victimization of persons who use such mechanism and makes provision for direct access to the chairperson of the Audit Committee in appropriate or exceptional cases. We affirm that no employee of the Company was denied access to the Audit Committee. The said Whistle-Blower Policy has been hosted on the website of the Company at [www.sunilgroup.com](http://www.sunilgroup.com)

### MEANS OF COMMUNICATION:

The yearly/quarterly results were duly approved by the Board of Directors of the Company and the same has been submitted to BSE. The Company has its website named as [www.sunilgroup.com](http://www.sunilgroup.com)

No presentation was made during the year either to Institutional Investors or to the analysts.

Management Discussion & Analysis Report is attached herewith forming part of the Annual Report.

**GENERAL SHAREHOLDERS INFORMATION:**

- i. The 39<sup>th</sup> Annual General Meeting is scheduled to be held on Saturday, the 26<sup>th</sup> day of September, 2015 at 3.00 pm at the Regd. Office of the Company.
- ii. The Financial year of the company is from April to March. The financial calendar is as per following.
 

First quarter results (30 <sup>th</sup> June)	By Mid August
Mailing of Annual Reports	By First Week of September
Annual General Meeting	26th September, 2015
Second quarter results (30 <sup>th</sup> September)	By Mid November
Third quarter results (31 <sup>st</sup> December)	By Mid February
Fourth quarter / Annual Results	By End of May
- iii. Book Closure dates are from 17<sup>th</sup> September, 2015 to 26<sup>th</sup> September, 2015 (both days inclusive).
- iv. The Board of Directors has not proposed any dividend for the current financial year.
- v. The company's shares are listed at Bombay, Ahmedabad, Delhi and Calcutta Stock Exchanges out of which Bombay Stock Exchange is a Regional Stock Exchange. The Company is in process of getting its securities voluntary delisted with Ahmedabad, Calcutta and Delhi Stock Exchange.
- iv. **The Stock Exchange, Mumbai**  
 Security in Physical Form No. BSE- 521232  
 ISIN No.INE124M01015  
 Scrip Name: SUNIL INDUSTRIES LIMITED.
 

<b>The Stock Exchange, Delhi;</b> Security in physical form no. DSE - 7819; ISIN No. INE124M01015 Scrip Name - Sunil Industries Limited	<b>The Stock Exchange, Calcutta;</b> Security in physical form no. CSE - 29100; ISIN No. INE124M01015 Scrip Name - SUNIL INDUSTRIES LIMITED	<b>The Stock Exchange, Ahmedabad.</b> Security in Physical Form No. ASE- 57764 ISIN No. INE124M01015 Scrip Name: SUNIL INDUSTRIES LIMITED.
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- v. Market price data:  
 The Stock Market Price for the period April 2014 to the end of March 2015 at BSE is given hereunder  
 Stock Market Price data for the year 2014-15 at BSE –

Month	BSE		Volume (No. of shares Traded)
	High	Low	
April 2014	13.00	12.50	700
May 2014	13.10	11.00	1,500
June 2014	12.00	9.32	3,000
July 2014	11.44	9.00	2,700
August 2014	15.10	10.50	2,100
September 2014	19.90	15.10	2,800
October 2014	20.80	20.80	100
November 2014	22.65	21.50	500
January 2015	21.40	16.70	3,500
February 2015	15.90	14.55	900
March 2015	17.60	13.80	6,300

**Performance in comparison to broad-based indices such as BSE Sensex**



## SUNIL INDUSTRIES LIMITED

### E-Voting Facility to members

In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members the facility to exercise their right to vote at the 39th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services (India) Limited (CDSL).

Pursuant to the amendments made in clause 35B of the Listing Agreement by SEBI, the company has sent assent/dissent forms to the members to enable those who do not have access to e-Voting facility to cast their vote on the shareholders resolution to be passed at the ensuing Annual General Meeting, by sending their assent or dissent in writing.

### viii. Share Transfer System

The share transfer of securities in physical form are registered, duly transferred and dispatched within 15 days of the receipt, if the transfer documents are in order. The share transfers are approved every fifteen days. The shares in de-materialized form are processed and transferred within 15 days from receipt of dematerialization requests.

Address of Registrars and Share Transfer Agent.

**Link Intime India Private Limited.**

**Add.:** C-13, Pannalal Silk Mills Compound,  
L.B.S. Marg, Bhandup, Mumbai – 400 078

### ix. Distribution of Shareholding as on 31<sup>st</sup> March, 2015:

No. of shares	No. of Share-holders	% of Share-holders	Share-holding(Rs.)	% of Share-holding
1 - 500	6408	95.34	8027000	19.11
501 - 1000	152	2.26	1295000	3.08
1,001 - 2000	53	0.78	844000	2.00
2,001 - 3000	19	0.28	491000	1.69
3,001 - 4000	12	0.17	427000	1.01
4,001 - 5000	20	0.29	960000	2.28
5,001 - 10000	18	0.26	1483000	3.53
Above 1000039	0.39	6.58	28473000	67.79
<b>TOTAL</b>	<b>6721</b>	<b>100.00</b>	<b>42000000</b>	<b>100.00</b>

### x. Dematerialization of securities

As on 31<sup>st</sup> March, 2015, **51.19** of the Company's total shares representing **21,50,100** shares were held in dematerialized form and the balance **48.81** representing **20,49,900** shares in paper form. The details are given below

Type	No. of Shares held	% Shareholding
<u>Dematerialized Shares</u>		
With CDSL	11,10,300	26.43%
With NSDL	10,39,800	24.76%
Total Demat Shares	21,50,100	51.19%
Physical Shares	20,49,900	48.81%
<b>TOTAL</b>	<b>42,00,000</b>	<b>100.00%</b>

### xi. Company has not issued either ESOP or any GDRs/ADRs/Warrants/Convertible instrument.

### xii. The Company's Plant is located as under.

#### **Spinning Unit:**

S. F. Mo. 324/1, Karungal Village, K. Anapatti Post, Veda sandur Taluk, Dist. Dindigul – 624 620

#### **Weaving Unit:**

Plot No. 60-B, Parvati Industrial Area, Kondigre Road, Near Gangajal Water Tank, Yadrav, Ichalkaranji

#### **Processing Unit:**

D-8, MIDC, PHASE II, Manpada Road, Dombivli (E), Dist. Thane

### xiii. Address for correspondence:

Shareholders of the company can send correspondence at company's share & Transfer Agent's Office or the Regd. office of the company situated at following address:

D-8, MIDC, PHASE II, MANPADA ROAD, DOMBIVLI (E), DIST. THANE



**CEO/CFO Certificate**

To,  
The Board of Directors,  
**SUNIL INDUSTRIES LIMITED**  
D-8, MIDC, Phase II,  
Manpada Road, Dombivli (E),  
Dist. Thane

We, Mr. Vinod Lath, CEO and Mr. Pradeep Roongta, CFO of the Company do hereby certify that for the financial year, ending 31st March, 2015:

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

DATE : 14<sup>th</sup> August, 2015  
PLACE : Dombivli

**FOR SUNIL INDUSTRIES LTD**  
Sd/- Sd/-  
Mr. Vinod Lath Mr. Pradeep Roongta  
(CEO) (CFO)

**DECLARATION REGARDING AFFIRMATION OF CODE OF CONDUCT**

In terms of the requirements of the Clause 49 of the listing Agreement, Code of Conduct as approved by the Board of Directors of the Company, all the members of the Board and the senior management personnel had affirmed compliance with the Code for the period 31<sup>st</sup> March, 2015.

DATE : 14<sup>th</sup> August, 2015  
PLACE : DOMBIVLI

**ON BEHALF OF THE BOARD  
FOR SUNIL INDUSTRIES LIMITED**

VINOD LATH  
MANAGING DIRECTOR  
DIN NO: 00064774

**SUNIL INDUSTRIES LIMITED**

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**CERTIFICATE ON CORPORATE GOVERNANCE BY  
PRACTICING COMPANY SECRETARY**

To,  
The Shareholders,  
**SUNIL INDUSTRIES LIMITED**  
D-8, MIDC, Phase II,  
Manpada Road, Dombivli (E),  
Dist. Thane

We have reviewed the implementation of Corporate Governance procedures by the Company during the year ended March 31, 2015, with the relevant records and documents maintained by the Company, furnished to us for our review and the report on Corporate Governance as approved by the Board of Directors.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination is neither an audit nor an expression of opinion on the financial statements of the Company.

On the basis of the above and according to the information and explanations given to us, in our opinion, the Company has complied in all material respects with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement with the Stock Exchanges.

We further state that our examination of 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 **HS Associates,**  
**Company Secretaries**  
**Hemant Shetye**

**PLACE: Mumbai.**  
**DATE: 14<sup>th</sup> August, 2015**

**Partner**  
**FCS: 2827**  
**COP: 1483**

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**MANAGEMENT DISCUSSION AND ANALYSIS REPORT**
**A) INDUSTRY STRUCTURE AND DEVELOPMENT:**

India's Textiles and Garments industry, which accounts for 14% of India's total industrial production and 4% of India's GDP, is considered as one of the significant contributor to the national economy. After witnessing challenges during the year 2013 and for most part of 2014 given unfavorable economic conditions, the Indian textiles and garments sector has seen reversal of trends in second half of 2014. With domestic and global economic conditions gradually improving along with the focused efforts made by Ministry of Textiles, Indian textiles and garments sector is set for growth, buoyed by revival in domestic consumption and export demand.

Improved demand from the US market, rising cost of labour in China would provide boost to the Indian textile exports. In dollar terms, the total value of textile products exported from India touched US \$35.4 bn in FY14, which was 12% higher compared to FY13. The US has been the primary market for Indian textile exporters and accounts for the major share of India's textile and garments exports. As per the US Dept. of Commerce's Office of Textiles and Apparel (OTEXA), Indian textile and apparel exports to the US have risen nearly 7% during Jan – Oct 2014 as compared to the previous corresponding period. During the same period, textile/apparel exports of China to the US increased by 1.5%.

**B) Opportunities, Outlook & Threats:**

India's share in the world trade of textiles is expected to increase from the current level of 5% to 8% by 2020 and reach \$80 billion by then.

Government has explored new markets for textile exports in Japan, Australia, Israel, Latin America, Malaysia, Africa, South East Asia and Middle East Countries.

Availability of cheap labour has been a positive for India. Apart from China and Bangladesh, India is one of the most important low-wage, high-capacity sourcing hubs for international apparel brands.

China is the largest exporter of textiles and is a strong competitor in the segment. However, over the years, rise in labour cost, labour unrest and production delays have resulted in marginal price difference in fabric prices in China as compared to India. This has provided India a golden opportunity to grab the market share and increase exports in the sector.

Government has also taken various initiatives to boost exports in the textile sector.

India's growth in textile and apparel exports can largely be attributed to the steady growth in demand from the US market. In addition to this, others factors that are contributing to India's textile growth story are:

- Continuing slowdown in the Chinese textile exports to the US due to rising labour costs and power shortages
- Non-compliance of textiles units in Bangladesh to the global safety standards
- Labour unrest in Cambodia's textile plant
- High cost of credit in Vietnam
- Appreciation of Indonesian currency during January, 2014

All these factors combined together are expected to enable India to significantly turnaround its textile industry. Also, with economic scenario in the US gradually improving, the demand for textile products is expected to improve further. This would help in the growth of India's textile exports.

In addition, the 'Make in India' campaign launched by the government intends to provide a further boost to the Indian textile industry and enable it achieve 20% growth in exports and sustain 12% growth rate in domestic market till 2024-25 as suggested by report of expert committee on Vision, Strategy and Action Plan for Indian Textiles and Apparel Sector. The campaign also focused on providing investment opportunities for foreign companies and entrepreneurs across the entire value chain of synthetics, value-added and speciality fabrics, fabric processing set-ups for all kinds of natural and synthetic textiles, technical textiles, garments and retail brands.

These initiatives taken by the Indian government to provide boost to the textile industry coupled with the recent developments in the global market are expected to widen the export markets for the textile exporters and also help in driving textile growth in the domestic market

Over the years the world demand for value added products has increased, however, contribution of textiles in India's export basket has not been increasing as compared to clothing. In 2011, out of our total textile exports, 52% constituted textiles against the world average 42% and 48% constituted clothing against the world average of 56%.

The problems related to inadequate infrastructure, obsolete machinery, lack of trained manpower, decentralised and fragmented nature of the industry, besides the inflexible labour laws are additional challenges faced by the textile industry.

India in the 2nd largest producer of cotton in the world, but in terms of productivity per hectare we are one of the lowest. Similarly, our cotton is among the most contaminated in the world.

**C) Segment-Wise Performance or product wise performance**

The company has only one segment i.e. Manufacturing of Textiles, therefore the requirement of segmentwise reporting is not applicable to the Company.

**D) Risk & concerns**

Your company is taking adequate steps to safeguard against Risks & Concerns

**E) Internal control systems & their adequacy**

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

**F) Human Resource Policies :**

Your company considers its human resources as its most valuable assets, among all other assets of the Company. It has been the policy of the company to actuate the talent by providing opportunities to develop themselves within the organization. The company continued to have maintained very cordial & harmonious relations with its employees

**ON BEHALF OF THE BOARD  
FOR SUNIL INDUSTRIES LIMITED  
VINOD LATH  
MANAGING DIRECTOR  
DIN NO: 00064774**

**DATE : 14<sup>th</sup> August, 2015  
PLACE : DOMBIVLI**

To  
The Members of  
**Sunil Industries Limited**

**Report on the Financial Statement**

We have audited the accompanying standalone financial statements of **Sunil Industries Limited**, which comprise the Balance Sheet as at March 31, 2015, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

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

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

**Auditor's Responsibility**

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

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

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the 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:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2015
- (b) in the case of Statement of Profit and Loss, of the **Profit** for the year ended on that date and
- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

**Report on Other Legal and regulatory Requirements**

As required by the Companies (Auditor's Report) Order, 2015 ("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 statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

- a. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- b. In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books [and proper returns adequate for the purposes of our audit have been received from branches not visited by us];
- 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 Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in section read with Rule 7 of the Companies (Accounts) Rules, 2014;
- e. On the basis of written representations received from the directors as on March 31, 2015, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015, from being appointed as a director in terms section 164(2) of the Act; and
- f. with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. the Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer note 2.19 to the financial statements;

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- ii. the Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses; and
- iii. There were no amounts which were required to be transferred to the Investor education and protection fund by the Company.

**For V.K. BESWAL & ASSOCIATES**  
**Chartered Accountants**  
**FIRM REGN NO 101083W**  
**CA V.K.BESWAL**  
**Partner**  
**Membership Number: 030426**

**PLACE : Mumbai**  
**DATED : 30.05.2015**

**ANNEXURE TO THE INDEPENDENT AUDITORS REPORT OF EVEN DATE**

(Referred to in paragraph 3 thereof)

- i. a) the company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
- b) the fixed assets have been physically verified by the management during the year. We are informed that no material discrepancies were noticed by the management on such verification;
- ii) In respect of inventories:
  - a) as explained to us, physical verification of inventory has been conducted during the year by the management at reasonable intervals;
  - b) in our opinion, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and nature of its business;
  - c) in our opinion, and according to the information and explanation given to us, the Company is maintaining proper records of its inventory and no material discrepancies were noticed on physical verification.
- iii) The company has not granted any loans, secured or unsecured to the companies, firms or other parties covered in the register maintained under Section 189 of the companies Act, 2013.
- iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of the audit we have not observed any continuing failure to correct any major weakness in internal control.
- v) In our opinion and according to the information and explanations given to us, the company has not accepted any deposits covered under section 73 to 76 or any other relevant provisions of the Companies Act and hence the question of contravention of the provisions thereof does not arise.
- 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 subsection (1) of Section 148 of the Companies Act, and are of the opinion that Prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examinations of records with a view to determine whether they are accurate or complete
- vii) According to the information and explanation given to us in respect of statutory and other dues:
  - a) the company has been regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance Scheme, Income Tax, Sales Tax ,Excise Duty and any other statutory dues with appropriate authorities where applicable. As explained to us, the company did not have any dues on account of investor education and protection fund, wealth tax, cess and customs duty.
  - b) the following dues have not been deposited by the company on account of disputes:

S. No.	Name of the Statute	Amount (In Lacs)	Forum where dispute is pending
i)	Central Excise Duty	211.98	Adjudication
ii)	Central Excise Duty (Payment made under protest Rs. 20 Lakhs)	238.26	Central Excise Appellate Tribunal (CEGAT)
iii)	Custom Duty	336.00	Appellate Tribunal (CESTAT)
iv)	TNVAT	7.04	The Appellate Deputy Commissioner(CT)

- c) There are no amount due of the company to be transferred to Investor education and protection fund in accordance with relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made there under.
- viii) The company has no accumulated losses at the end of the year under review. The company has not incurred cash losses during the year under review and in the immediately preceding previous year.
- ix) The company has not defaulted in repayment of loan taken from banks and financial institutions. Since the company has not taken loan by way of debentures the question of default therein does not arise.
- x) According to the information and explanations given to us, the Company has not given any guarantee for loan taken by others from banks or financial institutions.
- xi) According to the records of the Company, the Company has applied the term loans for the purposes of which it was taken during the year.
- xii) According to the information and explanations given to us, no fraud on or by the Company have been noticed or reported during the financial year under review.

**For V.K. BESWAL & ASSOCIATES**  
**Chartered Accountants**  
**FIRM REGN NO 101083W**  
**CA V.K.BESWAL**  
**Partner**  
**Membership Number: 030426**

**PLACE : Mumbai**  
**DATED : 30.05.2015**

**SUNIL INDUSTRIES LIMITED**

**BALANCE SHEET AS AT 31st MARCH 2015**

	Notes	As at March 2015	As at March 2014
<b>A EQUITY AND LIABILITIES</b>			
<b>1 Shareholders' funds</b>			
(a) Share capital	1	41,984,000	41,984,000
(b) Reserves and surplus	2	247,107,242	227,770,757
		<b>289,091,242</b>	<b>269,754,757</b>
<b>2 Non-current liabilities</b>			
(a) Long-term borrowings	3	143,727,556	245,759,904
(b) Deferred tax liabilities (net)	4	9,226,488	8,274,806
		<b>152,954,044</b>	<b>254,034,710</b>
<b>3 Current liabilities</b>			
(a) Short-term borrowings	5	124,138,257	64,735,178
(b) Trade payables	6	64,947,477	41,575,616
(c) Other current liabilities	7	17,071,626	11,800,583
(d) Short-term provisions	8	2,570,767	1,055,808
		<b>208,728,127</b>	<b>119,167,185</b>
<b>TOTAL</b>		<b>650,773,413</b>	<b>642,956,652</b>
<b>B ASSETS</b>			
<b>1 Non-current assets</b>			
(a) Fixed assets			
(i) Tangible assets	9	138,647,221	139,074,033
(ii) Capital work-in-progress		-	-
		<b>138,647,221</b>	<b>139,074,033</b>
(b) Non-current investments	10	117,640	1,000
(d) Long-term loans and advances	11	30,019,950	30,628,388
		<b>30,137,590</b>	<b>30,629,388</b>
<b>2 Current assets</b>			
(a) Inventories	12	163,219,449	159,821,965
(b) Trade receivables	13	216,014,842	193,431,880
(c) Cash and cash equivalents	14	75,261,453	93,193,438
(d) Short-term loans and advances	15	27,492,859	26,805,948
		<b>481,988,603</b>	<b>473,253,231</b>
<b>TOTAL</b>		<b>650,773,413</b>	<b>642,956,652</b>

Notes forming part of the financial statements

As per our attached report of even date

**For V.K.BESWAL & ASSOCIATES**  
 CHARTERED ACCOUNTANTS  
 ICAI Firm Registration No.101083W

CA V.K.Beswal  
 (PARTNER)  
 Membership No.030426

PLACE : Mumbai  
 DATE : 30.05.2015

For and on behalf of the board

Vinod Lath (Chairman & Managing Director)

Pradeep Roongta (Director)

PLACE : Mumbai  
 DATE : 30.05.2015

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2015**

Particulars	Note No.	For the year ended 31 March, 2015	For the year ended 31 March, 2014
1 Revenue from operations (net)	16	2,017,402,670	1,264,337,499
2 Other income	17	4,735,600	9,030,034
<b>3 Total revenue (1+2)</b>		<b><u>2,022,138,270</u></b>	<b><u>1,273,367,533</u></b>
<b>4 Expenses</b>			
(a) Cost of materials consumed	18A	1,620,923,514	949,587,601
(b) Purchases of Made Ups of Stock in trade		14,661,032	40,197,478
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	18B	9,976,331	(11,190,514)
(d) Employee benefits expense	19	15,913,550	11,589,258
(e) Finance costs	20	29,903,377	21,472,594
(f) Depreciation and amortisation expense	9	11,680,597	7,977,657
(g) Other expenses	21	287,395,047	231,992,736
<b>Total expenses</b>		<b><u>1,990,453,448</u></b>	<b><u>1,251,626,810</u></b>
<b>5 Profit before tax (3 - 4)</b>		<b><u>31,684,822</u></b>	<b><u>21,740,723</u></b>
<b>6 Tax expense:</b>			
(a) Current tax expense for current year		10,810,282	5,902,383
(b) MAT (Credit)/Credit Utilized		-	-
(c) Current tax expense relating to prior years		-63,202	-
(d) Net current tax expense		10,747,080	5,902,383
(e) Deferred tax		951,682	1,604,618
		<b><u>11,698,762</u></b>	<b><u>7,507,001</u></b>
<b>7 Profit After Tax from continuing operations (5 - 6)</b>		<b><u>19,986,060</u></b>	<b><u>14,233,722</u></b>
<b>8 Earnings per share (of ₹ 10/- each):</b>			
(a) Basic		4.76	3.39
(b) Diluted		4.76	3.39

Notes forming part of the financial statements

As per our attached report of even date

**For V.K.BESWAL & ASSOCIATES**  
**CHARTERED ACCOUNTANTS**  
**ICAI Firm Registration No.101083W**

**CA V.K.Beswal**  
**(PARTNER)**  
**Membership No.030426**

PLACE : Mumbai  
DATE : 30.05.2015

For and on behalf of the board

**Vinod Lath (Chairman & Managing Director)**

**Pradeep Roongta (Director)**

PLACE : Mumbai  
DATE : 30.05.2015

**SUNIL INDUSTRIES LIMITED**
**NOTES FORMING PART OF BALANCE SHEET**
**NOTE - 1 : SHARE CAPITAL**

Share Capital	As at 31 March, 2015		As at 31 March, 2014	
	Number of shares		Number of shares	
<b>(a) Authorised</b>				
Equity Shares of ₹ 10 each	5,000,000	50,000,000	5,000,000	50,000,000
	5,000,000	50,000,000	5,000,000	50,000,000
<b>(b) Issued</b>				
Equity Shares of ₹ 10 each	4,200,000	42,000,000	4,200,000	42,000,000
	4,200,000	42,000,000	4,200,000	42,000,000
<b>(c) Subscribed &amp; fully Paid up</b>				
Equity Shares of ₹ 10 each	4,200,000	42,000,000	4,200,000	42,000,000
	4,200,000	42,000,000	4,200,000	42,000,000
<b>(d) Subscribed but not fully paid up</b>		16,000		16,000
<b>Total</b>	<b>4,200,000</b>	<b>41,984,000</b>	<b>4,200,000</b>	<b>41,984,000</b>

**Disclosure pursuant to the Companies Act, 2013  
(Following disclosure should be made for each class of Shares)**

Particulars	Equity Shares			
	As at 31 March, 2015		As at 31 March, 2014	
	Number		Number	
Shares outstanding at the beginning of the year	4,200,000	41,984,000	4,200,000	41,984,000
Shares Issued during the year	-	-	-	-
Bonus Issue/ESOP/Conversion	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	4,200,000	41,984,000	4,200,000	41,984,000

**Disclosure pursuant to the Companies Act, 2013 (if more than 5%)**

Name of Shareholder	As at 31 March, 2015		As at 31 March, 2014	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Sunil Exim Pvt Ltd	344,900	8.21	344,900	8.21
Saroj Vinod Lath	335,200	7.98	335,200	7.98
Rajshree Fiscal Services Ltd	317,500	7.56	317,500	7.56
Vinod Gajanand Lath	274,000	6.52	274,000	6.52
Lakshmikant Lath	234,500	5.58	234,500	5.58

Particulars	Year (Aggregate No. of Shares)				
	2014-15	2013-14	2012-13	2011-12	2010-11
Equity Shares :					
Fully paid up pursuant to contract(s) without payment being received in cash	-	-	-	-	-
Fully paid up by way of bonus shares	-	-	-	-	-
Shares bought back	-	-	-	-	-

Particulars	Year (Aggregate No. of Shares)				
	2014-15	2013-14	2012-13	2011-12	2010-11
Equity Shares :					
Fully paid up pursuant to contract(s) without payment being received in cash	-	-	-	-	-
Fully paid up by way of bonus shares	-	-	-	-	-
Shares bought back	-	-	-	-	-
Disclosure pursuant to the Companies Act, 2013					
Unpaid Calls	-	-	-	-	-
By Directors	-	-	-	-	-
By Officers	-	-	-	-	-



**39TH ANNUAL REPORT 2014-15**

	As at 31 March, 2015	As at 31 March, 2014
<b>NOTE - 2 : RESERVE AND SURPLUS</b>		
<b>(a) Securities premium account</b>		
Opening balance	49,343,289	49,343,289
Add : Premium on shares issued during the year		
Arrears in Share Premium Account	63,000	63,000
Closing balance	<b>49,280,289</b>	<b>49,280,289</b>
<b>(b) General reserve</b>		
Opening balance	140,857,634	140,857,634
Add: Transferred from surplus in Statement of Profit and Loss	-	-
Closing balance	<b>140,857,634</b>	<b>140,857,634</b>
<b>(c) Surplus in Statement of Profit and Loss</b>		
Opening balance	37,632,834	23,399,112
Less : Depreciation adjustment in respect of assets having NIL useful life	-649,575	-
Add: Profit for the year	19,986,060	14,233,722
Closing balance	<b>56,969,319</b>	<b>37,632,834</b>
<b>Total</b>	<b>247,107,242</b>	<b>227,770,757</b>

1. As per the provisions of schedule II of the companies Act 2013 , The carrying value of assets after retaining the residual value is reduced from retained earnings in respect of assets with "NIL" remaining useful life.

**NOTE 3: LONG TERM BORROWINGS**

Particulars	As at 31 March, 2015	As at 31 March, 2014	As at 31 March, 2015	As at 31 March, 2014
	Non- Current	(')	Current	(')
<b>Secured Loan</b>				
<b>1. Term Loans From Bank</b>				
Yes Bank Term Loan	8,948,581	5,762,533	2,274,494	1,236,058
2. Edelweiss Housing Finance Ltd	43,919,660	47,079,865	3,210,205	2,870,135
3. Yes Bank Car Loan	-	687,175	687,175	626,720
Total [A]	52,868,241	53,529,573	6,171,874	4,732,913
<b>Unsecured Loan</b>				
Inter Corporate Deposit				
Total [B]	90,859,315	192,230,331	-	-
	<b>143,727,556</b>	<b>245,759,904</b>	<b>6,171,874</b>	<b>4,732,913</b>

1. Term Loan from Yes Bank secured by hypothecation of machinery purchaseout of term loan, charge over the company's Factory Building, equitable mortgage of Industrial Property at Dombivali East, personal guarantee of Directors Mr. Vinod Lath and Mr.Pradeep Roongta and Corporate Guarantees of M/s Sunil Exim Pvt Ltd, M/s Sunil Print Pvt Ltd, M/s Sunil Fabrics Pvt Ltd., M/s Sunil Synthetics Pvt Ltd and owners of the property till the end of tenor of facility.
2. Loan from Edelweiss Housing Finance Ltd secured by mortgage of residential property at Sunbean May Flower chs Ltd, Peddar Road, Mumbai-400026.
3. Car loan from Yes bank secured by hypothecation of Rexton motor car.

	As at 31 March, 2015	As at 31 March, 2014
<b>NOTE 4. DEFFERED TAX LIABILITIES (NET)</b>		
Tax effect of items constituting deferred tax liability		
Book balance of fixed assets	138,647,221	139,074,033
Balance of fixed asset computed as per Income Tax rules	110,209,902	113,569,929
Timing differences of items constituting deferred tax assets	28,437,318	25,504,104
<b>Net deferred tax liability</b>	<b>9,226,488</b>	<b>8,274,806</b>

**NOTE 5: SHORT TERM BORROWINGS**

**Loans Repayable on Demand**

	As at 31 March, 2015	As at 31 March, 2014
<b>Secured loan</b>		
Working Capital loan from Yes bank	124,138,257	64,735,178
<b>Total</b>	<b>124,138,257</b>	<b>64,735,178</b>

(Secured by hypothecation of Fixed Assets and current assets, charge over the company's Factory Building, equitable mortgage of Industrial Property at Dombivali East, personal guarantee of Directors Mr. Vinod Lath and Mr.Pradeep Roongta and Corporate Guarantees of M/s Sunil Exim Pvt Ltd, M/s Sunil Print Pvt Ltd, M/s Sunil Fabrics Pvt Ltd., M/s Sunil Synthetics Pvt Ltd and owners of the property till the end of tenor of facility)

## SUNIL INDUSTRIES LIMITED

	As at 31 March, 2015	As at 31 March, 2014
<b>NOTE 6 TRADE PAYABLES</b>		
Trade payables:	64,947,477	41,575,616
<b>Total</b>	<b>64,947,477</b>	<b>41,575,616</b>

Trade Payables include ' Nil payable to "Suppliers" registered under Micro, Small and Medium enterprises development act,2006.No interest has been paid /payable by company during the year to the suppliers covered under the Micro,Small and Medium enterprises development act,2006

### NOTE 7 OTHER CURRENT LIABILITIES

(i) Other Liabilities	3,729,599	609,215
(ii) Current maturities of Term Loan	2,274,494	1,236,058
(iii) Current maturities of Housing Loan	3,210,205	2,870,135
(iv) Current maturities of Vehicle Loan	687,175	626,720
(v) Creditors For Expenses	5,090,047	4,652,989
(vi) Statutory remittance	2,080,106	1,805,466
<b>Total</b>	<b>17,071,626</b>	<b>11,800,583</b>

Note 7.1- Statutory dues includes payables in respect of Tax deducted at source, ESIC, Provident Fund etc.

### NOTE 8 SHORT-TERM PROVISIONS

Provision For Income tax	2,267,984	884,824
Provision For Interest on Income tax	302,783	170,984
<b>Total</b>	<b>2,570,767</b>	<b>1,055,808</b>

### NOTE- 6 : TANGIBLE FIXED ASSETS

Particulars	Gross block			Accumulated depreciation				Net block			
	Balance as at 1st April 2014	Additions	Disposals	Balance as at 31 March 2015	Balance as at 1st April 2014	Depreciation for the year	Transferred to reserves and Surplus	Eliminated on disposal of assets	Balance as at 31 March 2015	Balance as at 31 March 2015	Balance as at 31 March 2014
a) Land (Leasehold)	4,669,409	-	-	4,669,409	30,631	3,829	-	-	34,461	4,634,948	4,638,778
b) Building											
Factory Building	40,794,441	-	-	40,794,441	21,005,570	1,289,963	-	-	22,295,533	18,498,908	19,788,871
Bhiwandi Godown	198,920	-	-	198,920	128,809	5,014	-	-	133,823	65,097	70,111
Office Premises	830,050	-	-	830,050	291,135	13,090	-	-	304,225	525,825	538,915
Residential Premises	66,287,750	-	-	66,287,750	200,448	1,049,306	-	-	1,249,754	65,037,996	66,087,302
Bore Well	-	56,040	-	56,040	-	8,868	-	-	8,868	47,172	-
Building	8,647,576	-	-	8,647,576	1,291,482	271,608	-	-	1,563,090	7,084,486	7,356,094
c) Office Equipments											
Lab Equipments	1,857,095	-	-	1,857,095	1,837,773	6,086	-	-	1,843,859	13,236	19,322
Office Equipment	1,870,537	13,000	-	1,883,537	1,511,508	117,121	114,558	-	1,743,187	140,350	359,029
d) Plant & Machineries											
Plant & Machinery	114,401,440	11,055,940	13,856,414	111,600,966	77,961,073	7,598,892	283,889	13,856,414	71,987,440	39,613,526	36,440,367
Tube Well	106,833	-	-	106,833	105,903	930	-	-	106,833	-	930
e) Electrical Equipments	3,427,507	-	-	3,427,507	2,476,897	383,966	213,722	-	3,074,585	352,922	950,610
f) Computers	4,260,222	3,750	-	4,263,972	4,134,773	51,469	15,668	-	4,201,910	62,062	125,449
g) Furniture & Fixtures	4,834,395	71,500	-	4,905,895	4,379,505	127,973	21,737	-	4,529,215	376,680	454,890
h) Vehicles	4,427,357	703,130	-	5,130,488	2,183,993	752,483	-	-	2,936,476	2,194,012	2,243,365
<b>Total</b>	<b>256,613,533</b>	<b>11,903,360</b>	<b>13,856,414</b>	<b>254,660,479</b>	<b>117,539,500</b>	<b>11,680,597</b>	<b>649,574</b>	<b>13,856,414</b>	<b>116,013,258</b>	<b>138,647,221</b>	<b>139,074,033</b>
Previous Year	197,305,180	88,076,502	28,768,150	256,613,532	137,682,527	7,977,657	-	28,120,684	117,539,500	139,074,033	59,622,654

Had the company followed the earlier method, the depreciation would have been higher by Rs 41,43,936

	As at 31 March, 2015	As at 31 March, 2014
<b>NOTE 10 : NON CURRENT INVESTMENTS</b>		
<b>A Non- Trade Investments (Refer A below)</b>		
(A) Investment in Equity instruments	117,640	1,000
<b>Total (A)</b>	<b>117,640</b>	<b>1,000</b>

#### A) Details of Non- Trade Investments

Sr. No.	Particulars	Subsidiary / Associate/JV/ Controlled Entity /Others	No. of Shares / Units	Quoted / Unquoted	Partly Paid / Fully paid	Extent of Holding (%)		Amount (₹)		Whether stated at Cost Yes / No	
						31.03.2015	31.03.2014	31.03.2015	31.03.2014		
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
<b>A</b>	<b>Investment in Equity Instruments</b>										
	Sunil Fabrics Private Limited	Others	10	10	Unquoted	Fully Paid	0.02		1,000	1,000	Yes
	Fairdeal Supplies Ltd		12000	-	Quoted	Fully Paid	0.6		116,640	-	Yes
									<b>117,640</b>	<b>1,000</b>	

### 39TH ANNUAL REPORT 2014-15

	As at 31 March, 2015	As at 31 March, 2014
<b>NOTE 11 LONG-TERM LOANS AND ADVANCES</b>		
(a) Security deposits		
Unsecured, considered good	1,597,738	1,879,812
	<b>1,597,738</b>	<b>1,879,812</b>
(b) Balances with government authorities		
Unsecured, considered good		
(i) Excise Authorities	2,065,000	2,065,000
(ii) Others	7,756,793	7,508,693
(iii) Income Tax Refund Due	141,405	313,237
(iii) VAT credit receivable	8,948,014	9,350,646
	<b>18,911,212</b>	<b>19,237,576</b>
(c) Capital Advances	<b>9,511,000</b>	<b>9,511,000</b>
	<b>9,511,000</b>	<b>9,511,000</b>
<b>Total</b>	<b>30,019,950</b>	<b>30,628,388</b>
<b>NOTE 12 INVENTORIES</b>		
<b>(As certified by the management)</b>		
(a) Raw materials	31,388,053	18,650,512
(b) Work-in-progress	82,084,652	86,988,940
(c) Finished goods (other than those acquired for trading)	36,251,809	41,323,852
(d) Stores and spares	12,695,849	12,459,791
(e) Packing Materials	322,846	334,554
(f) Fuel, Oil & Gases	476,240	64,315
<b>Total</b>	<b>163,219,449</b>	<b>159,821,965</b>
<b>Method of Valuation of Stock :</b>		
a) Stock of Raw Material & Packing material is valued at lower of Cost determined on FIFO basis or net realisable value		
b) Stores & spares and Fuel ,oil & Gases are valued at lower of Cost or net realisable value		
c) Work -in Progress and Finished Goods are valued at cost or net realizable value whichever is lower.		
The cost includes manufacturing expenses and appropriate overheads.		
<b>NOTE 13 TRADE RECEIVABLES</b>		
Trade receivables outstanding for a period exceeding six months from the date they were due for payment		
Secured, considered good		
Unsecured, considered good	53,509,383	44,960,716
Doubtful	-	-
	<b>53,509,383</b>	<b>44,960,716</b>
Less: Provision for doubtful trade receivables	-	-
	<b>53,509,383</b>	<b>44,960,716</b>
Other Trade receivables		
Secured, considered good		
Unsecured, considered good	162,505,459	148,471,164
Doubtful	162,505,459	148,471,164
Less: Provision for doubtful trade receivables	-	-
<b>Total</b>	<b>216,014,842</b>	<b>193,431,880</b>
<b>NOTE 14 CASH AND CASH EQUIVALENTS</b>		
(a) Cash on hand	926,203	512,120
(b) Cheques, drafts on hand		
(c) Balances with banks		
(i) In current accounts	57,891,783	58,231,624
(ii) In deposit accounts	16,443,466	34,449,695
<b>Total</b>	<b>75,261,453</b>	<b>93,193,438</b>
Of the above, the balances that meet the definition of Cash and cash equivalents as per AS 3 Cash Flow Statements is 931,93,438/- for the PY 2013-2014 and 752,61,453/- for the CY 2014-2015		
<b>NOTE 15 SHORT-TERM LOANS AND ADVANCES</b>		
Advances Recoverable in Cash or Kind		
Secured, considered good	-	-
Unsecured, considered good	21,988,820	22,610,967
Balance with government Authorities	550,887	-
Intercompany Deposits	4,207,567	3,388,333
Prepaid Insurance	745,585	806,648
<b>Total</b>	<b>27,492,859</b>	<b>26,805,948</b>

**SUNIL INDUSTRIES LIMITED**

	For the year ended 31 March, 2015	For the year ended 31 March, 2014
<b>NOTE 16 REVENUE FROM OPERATIONS</b>		
(a) Sale of products @ (Refer Note (i) below)	1,975,512,781	1,172,925,358
(b) Sale of services @ (Refer Note (ii) below)	41,889,888	91,412,141
<b>Total</b>	<b>2,017,402,670</b>	<b>1,264,337,499</b>
<b>(i) Sale of products comprises</b>		
Cloth	1,954,895,374	1,118,954,276
Made-Ups	16,791,365	40,396,160
Yarn	3,826,042	13,574,921
<b>Total - Sale of manufactured &amp; Traded goods</b>	<b>1,975,512,781</b>	<b>1,172,925,358</b>
<b>(ii) Sale of services comprises</b>		
Processing Charges	41,889,888	91,412,141
<b>Total - Sale of services</b>	<b>41,889,888</b>	<b>91,412,141</b>
<b>NOTE 17 OTHER INCOME</b>		
Interest income	3,487,085	7,551,348
Sundry Balances Written Back	111,477	53,040
Sundry Sales	671,538	661,501
Miscellaneous Income	-	189,226
Profit on sale of fixed Asset	465,500	574,919
<b>Total</b>	<b>4,735,600</b>	<b>9,030,034</b>
<b>NOTE 18.A COST OF MATERIALS CONSUMED</b>		
<b>Raw Material Consumed</b>		
Opening Stock	18,650,512	35,354,286
Add: Purchases	1,633,997,051	473,915,819
	<b>1,652,647,563</b>	<b>509,270,105</b>
Less: Closing stock	31,388,053	18,650,512
Rebate & discount	335,997	384,476
	<b>1,620,923,514</b>	<b>490,235,117</b>
<b>Purchases</b>	<b>-</b>	<b>459,352,484</b>
<b>Total Consumption</b>	<b>1,620,923,514</b>	<b>949,587,601</b>
<b>(i) Raw Material Comprises of:</b>		
(A) Yarn	307,259,977	150,478,108
(B) Cloth	1,267,973,737	286,855,583
(C) Fibre	58,763,337	36,582,128
	<b>1,633,997,051</b>	<b>473,915,819</b>
<b>(ii) Purchase Comprises of:</b>		
Cloth	-	459,352,484
	<b>-</b>	<b>459,352,484</b>
<b>NOTE 18.B CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE</b>		
<b>(a) Inventories at the end of the year:</b>		
Finished goods	36,251,809	41,323,852
Work-in-progress	82,084,652	86,988,940
	<b>118,336,461</b>	<b>128,312,792</b>
<b>(b) Inventories at the beginning of the year:</b>		
Finished goods	41,323,852	61,696,982
Work-in-progress	86,988,940	55,425,296
	<b>128,312,792</b>	<b>117,122,278</b>
<b>Net (increase) / decrease</b>	<b>9,976,331</b>	<b>(11,190,514)</b>

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	For the year ended 31 March, 2015	For the year ended 31 March, 2014
<b>NOTE 19 EMPLOYEE BENEFITS EXPENSE</b>		
(a) Salaries and wages	12,379,201	9,170,087
(b) Contributions to provident and other funds	2,277,790	1,219,165
(c) Staff welfare expenses	1,256,559	1,200,006
<b>Total</b>	<b>15,913,550</b>	<b>11,589,258</b>
<b>NOTE 20 FINANCE COSTS</b>		
(a) Interest Expenses		
(i) on Borrowings	14,342,317	13,080,880
(ii) others-		
- on Working Capital	4,980,553	5,146,663
- on Fixed Loan	6,494,181	770,607
- on Income Tax	369,808	311,487
(b) Other Borrowing Cost		
(i) Bank Charges and Commission	2,511,719	1,342,146
(ii) Loan Processing Charges	1,204,800	820,810
<b>Total</b>	<b>29,903,378</b>	<b>21,471,593</b>
<b>NOTE 21 OTHER EXPENSES</b>		
<b>MANUFACTURING EXPENSES</b>		
Processing and Labour Charges	105,214,502	76,726,553
Weaving & Other Mfg exp	17,885,073	17,626,393
Stores, Dyes and Chemicals consumed	38,335,237	47,537,661
Power and Fuel	43,113,467	39,901,962
Water Charges	5,363,460	3,427,006
Repairs to Building	409,475	1,246,660
Repairs to Machinery	3,742,409	2,725,105
Repairs to Others	1,084,831	1,261,369
Screen Design Expenses	354,467	452,673
Packing Material consumed	24,364,027	11,801,831
<b>ADMINISTRATIVE EXPENSES</b>		
Corporate Social Responsibility	140,570	498,960
Rent, Rates and Taxes	1,791,626	5,477,423
Insurance Charges	1,589,570	1,598,388
Travelling and Conveyance	1,745,323	903,275
Other Expenses	7,988,705	7,073,709
Freight, Octroi and Forwarding Expenses	26,049,298	10,168,072
Auditors's Remuneration	300,563	303,372
<b>SELLING EXPENSES</b>		
Advertisement and Sales Promotion	2,126,674	1,736,055
Brokerage and Commission	5,795,770	1,526,269
<b>Total</b>	<b>287,395,047</b>	<b>231,992,736</b>
<b>Auditors Remuneration :</b>		
a) Statutory Audit Fees	280,900	280,900
b) Other	19,663	22,472
<b>Total</b>	<b>300,563</b>	<b>303,372</b>
<b>NOTE 22: DEPRECIATION &amp; AMORTIMISATION OF ASSETS</b>		
Depreciation on Tangible Assets	116,013,258	117,539,500
Depreciation on Intangible Assets	-	-
<b>Total</b>	<b>116,013,258</b>	<b>117,539,500</b>

## SUNIL INDUSTRIES LIMITED

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### 1 Corporate information

The Company is engaged in the business of manufacturing of cloth and processing thereof.

### 2 Significant accounting policies

#### 2.1 Basis of accounting and preparation of financial statements

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

#### 2.2 Use of estimates

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

#### 2.3 Cash and cash equivalents (for purposes of Cash Flow Statement)

Cash comprises cash on hand and deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

#### 2.4 Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

#### 2.5 Depreciation and amortisation

##### Accounting Policies:

##### Fixed Assets :

a) **Gross Block** : All Fixed Assets are stated at cost.

b) **Depreciation:** Depreciation on Plant & Machinery, Factory Building, Office Premises, Godown at Bhiwandi, Residential Premises, Tube Well, Bore well, Lab Equipments, Computers and Electric Installations is provided on Straight Line Method at the rates and in the manner specified in Schedule II of the Companies Act, 2013 (the Act).

Depreciation on Furniture, Office Equipments and Vehicles is provided on Written Down Value Method at the rates and in the manner specified in Schedule II of the Act.

Depreciation on Additions to Fixed Assets during the year is calculated on pro-rata basis.

5% on the original cost of the asset is considered as residual value of the asset and depreciation is calculated based on the remaining useful life of the asset.

#### 2.6 Other income

Interest income is accounted on accrual basis. Dividend income is accounted for when the right to receive it is established.

#### 2.8 Revenue recognition

##### Sale of goods

Sales are recognised, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to customers.

#### 2.9 Tangible fixed assets

All Fixed Assets are stated at cost less depreciation.

Fixed assets retired from active use and held for sale are stated at the lower of their net book value and net realisable value and are disclosed separately in the Balance Sheet.

#### 2.10 Foreign currency transactions and translations

##### Initial recognition

Transactions in foreign currencies entered into by the Company and its integral foreign operations are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.

Measurement of foreign currency monetary items at the Balance Sheet date

Foreign currency monetary items (other than derivative contracts) of the Company and its net investment in non-integral foreign operations outstanding at the Balance Sheet date are restated at the year-end rates. In the case of integral operations, assets and liabilities (other than non-monetary items), are translated at the exchange rate prevailing on the Balance Sheet date. Non-monetary items are carried at historical cost. Revenue and expenses are translated at the average exchange rates prevailing during the year. Exchange differences arising out of these translations are charged to the Statement of Profit and Loss.

Treatment of exchange differences

Exchange differences arising on settlement / restatement of short-term foreign currency monetary assets and liabilities of the Company and its integral foreign operations are recognised as income or expense in the Statement of Profit and Loss. The exchange differences on restatement / settlement of loans to non-integral foreign operations that are considered as net investment in such operations are accumulated in a "Foreign currency translation reserve" until disposal / recovery of the net investment. The exchange differences arising on restatement / settlement of long-term foreign currency monetary items are capitalised as part of the depreciable fixed assets to which the monetary item relates and depreciated over the remaining useful life of such assets or amortised on settlement / over the maturity period of such items if such items do not relate to acquisition of depreciable fixed assets. The unamortised balance is carried in the Balance Sheet as "Foreign currency monetary item translation difference account" net of the tax effect thereon.

**2.11 Investments**

Long-term investments (excluding investment in properties), are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Current investments are carried individually, at the lower of cost and fair value. Cost of investments include acquisition charges such as brokerage, fees and duties.

**2.12 Employee benefits**

Employee benefits include provident fund & gratuity fund. **Defined contribution plans:** The Company's contribution to provident fund are considered as defined contribution plans and are charged as an expense as they fall due based on the amount of contribution required to be made. **Short-term employee benefits:** The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service. The cost of such compensated absences is accounted as under : (a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and (b) in case of non-accumulating compensated absences, when the absences occur.

**Gratuity (Funded)****31/03/2015****Reconciliation of Fair Value of Plan Assets**

	₹	
Present Value of Defined Benefit Obligation as at the Beginning of the Year	1,630,609	
Interest Cost	130,449	
Current Service Cost	69,801	
Net Actuarial (Gain) / Loss	-	
Present Value of Obligations as at end of the year	<b>1,830,859</b>	
	<b>31/03/2015</b>	<b>31/03/2014</b>

**Reconciliation of Fair Value of Plan Assets**

	₹	₹
Fair Value of Plan Assets as at the Beginning of the Year	1,865,931	1,665,962
Expected Return on Plan Assets	168,907	153,102
Employer's Contribution	81,669	46,867
Fair Value of Plan Assets as at the End of the Year	<b>2,116,507</b>	<b>1,865,931</b>

**Gratuity**

	3/31/2015	3/31/2014
Funds Maintained with Life Insurance Corporation of India	100%	100%

**2.13 Segment reporting**

**Business Segments :** The company is primarily engaged in business of processing of fabrics and sale. The company also processes fabrics on job work basis. However the revenue from processing on job work basis during the year under review and in the preceding financial year is less than 10% of the total revenue, the disclosure requirements of Accounting Standard (AS-17) issued by the Institute of Chartered Accountants Of India are not applicable. Since there are no exports reporting on geographical segments is not required.

## SUNIL INDUSTRIES LIMITED

### 2.14 Related party transactions

#### Details of related parties:

#### A) Related party and their relationships :

##### i) Enterprises controlled by Director and Relatives.

Eske Tex (India) Private Limited	Sunil Fabrics Private Limited
Sunil Synthetics Private Limited	Sunil Prints Private Limited
Sunil EXIM Private Limited	Sunil Bleaching Co. Private Limited
Apple Mines & Minerals Private Limited	Rarefab Textiles pvt ltd

##### Name of Key Management

##### Personnel and their relatives :

Mr. Vinod Lath – Managing Director	Mr. Laxmikant Lath – Son of Managing Director
Mr. Ramesh Khanna- Whole time Director	Mr. Pradeep Rungta – Whole time Director
Mr. Prateek Rungta - Son of Director	Mrs. Saroj Lath – Wife of Managing Director
Mrs. Rashmi Khanna – Wife of the Director	Mrs. Beena Rungta – Wife of the Director
Mrs. Vandana Lath – Daughter-in-law of Managing Director	

Note: Related parties have been identified by the Management.

#### Details of related party transactions during the year and balances outstanding as at 31 March, 2015:

#### B) Transactions with Related Parties :

Nature of Transaction:	31/03/2015	31/03/2014
	₹ In Lakhs	₹ In Lakhs
<b>a) Transactions with enterprises controlled by directors &amp; Relative</b>		
1. Cloth Purchase	11.09	18.72
2. Cloth Sales	2.50	-
3. Weaving Charges Paid	-	-
4. Interest Paid	16.17	57.60
5. Rent Paid	6.05	6.05
6. Outstanding Receivables	-	0.21
7. Outstanding Payables	2.75	10.60
8. Loan Taken	59.10	135.60
9. Loan repaid	67.00	1,126.68
10. Loan outstanding balance	-	64.48
<b>b) Transactions with key management person</b>		
Directors Remuneration	16.50	16.20
<b>c) Transactions with Relative</b>		
Salary Paid	12.83	-

### 2.15 Earnings per share

#### Earnings per equity share is computed as under-

	31/03/2015	31/03/2014
	₹	₹
Numerator - Profit after Tax	19,986,060	14,233,722
Denominator - as the weighted average no of shares at the end of the year.	4,200,000	4,200,000
Basic and diluted EPS	4.76	3.39

### 2.16 Taxes on income

Tax expense comprises current and deferred tax. Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income tax Act, 1961. Deferred tax reflects the impact of the current year timing differences between taxable income and accounting income for the year and the reversal of timing differences of earlier years. Deferred Tax is measured based on the tax rate and tax laws enacted or substantially enacted as at the balance sheet date.

### 2.17 Impairment of assets

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



**2.18 Provisions and contingencies**

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes.

**2.19 Contingent Liabilities not provided for:**

Particulars	31/03/2015	31/03/2014
	₹ In Lakhs	₹ In Lakhs
i) Disputed Excise Duty liability	450.24	458.04
ii) Disputed Customs Duty liability of M/s. Sunil Impex, a firm in which the company was an erstwhile partner sharing 80% profit and loss (to the extent of the profit and loss sharing ratio).	336.00	336.00
iii) Bank Guarantee	465.37	344.50
iv) Disputed TNVAT liability ( Inclusive of penalty of Rs. 20.56 lakhs)	27.60	0

**2.20 Capital Commitments**

i) Estimated amount of Capital Contracts remaining to be executed (net of advances)	20.69	20.69
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**3 In the opinion of the Board :**

- i) The current assets, loans and advances will realise in the ordinary course of business, at least the amount at which these are stated in the Balance Sheet
- ii) Provision for all known liabilities have been made.

4 The balances of Sundry Debtors, Creditors, Loans and Advances are subject to confirmation.

5 The Company has been informed by their suppliers that they are not falling under the category of Small Scale Industries.

**5.1 Stores, Spares, Dyes and Chemicals consumed:**

Indigenous	365.51	498.87
Imported	20.20	5.96
<b>Total</b>	<b>385.71</b>	<b>504.83</b>

**Expenditure in Foreign Currency:**

C.I.F Value of Stores Imported	14.81	4.50
Foreign Travel	10.59	-

5.2 The company has a spinning unit at Dindigul, Tamilnadu. The accounts of the Dindigul unit has been audited by S.M.M & Co. -Chartered Accountants

5.3 Cash flow statement is enclosed as Annexure – 1

6 The previous year's figures have been reclassified to conform to the current year's classification.

**SUNIL INDUSTRIES LIMITED**

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

Particulars	For the year ended 31.03.2015		For the year ended 31.03.2014	
	₹	₹	₹	₹
<b>A) CASH FLOW ARISING FROM OPERATING ACTIVITIES</b>				
Profit/(Loss) Before Taxation		<b>31,684,822</b>		<b>21,740,723</b>
Add/(Less) : Interest paid	26,119,833		19,169,135	
Depreciation	11,680,597		7,977,657	
Retained Earning	37,800,431		27,146,792	
		<b>69,485,253</b>		<b>48,887,514</b>
<b>Deduct:</b> Profit on sale of Fixed Assets	465,500		574,719	
Interest received	3,487,085		7,551,348	
Dividend Income	3,952,585		8,126,267	
<b>OPERATING PROFIT/(LOSS) BEFORE WORKING CAPITAL CHANGES AND EXTRAORDINARY ITEMS</b>		<b>65,532,668</b>		<b>40,761,247</b>
<b>Add:</b> Increase in Trade Payables	23,371,861		-	
Increase in Other than Trade Payables	5,271,043		4,265,402	
Decrease In Long term Loans And Advances	608,438		1,666,661	
Decrease in Trade Receivable	-		22,144,437	
Decrease in Inventories	-		2,835,932	
Decrease in Short term Loans And Advances	-		46,792,432	
		<b>29,251,342</b>		<b>77,704,864</b>
		<b>94,784,010</b>		<b>118,466,111</b>
<b>Deduct :</b>				
Increase in Short term Loans And Advances	686,911		-	
Increase Long term Loans And Advances	-		-	
Increase in Trade Receivable	22,582,962		-	
Increase in Inventories	3,397,484		-	
Decrease in Trade Payable	-		55,987,513	
Decrease in Other than Trade Payables	-		-	
		<b>26,667,357</b>		<b>55,987,513</b>
		<b>68,116,653</b>		<b>62,478,598</b>
Less : Taxes Paid		<b>9,534,904</b>		<b>5,331,310</b>
<b>Net Cash Inflow/ (Outflow) in Course of Operating Activities</b>		<b>58,581,748</b>		<b>57,147,288</b>
<b>B) CASH FLOW ARISING FROM INVESTING ACTIVITIES</b>				
<b>OUTFLOW:</b> Acquisition of fixed assets	11,903,360		88,076,502	
Add/(Less): Capital Work in progress	-	11,903,360	-	88,076,502
Deduct Inflow : Sale of Fixed Assets/Machinery Scrapped	465,500	1,222,385	1,222,385	
<b>Net Cash (Outflow)/Inflow arising from Investing Activities</b>		<b>-11,437,860</b>		<b>-86,854,117</b>
<b>C) CASH FLOW ARISING FROM FINANCIAL ACTIVITIES</b>				
<b>INFLOW:</b> Increase of Unsecured Loans	-		36,186,568	
Increase of Secured Loans	58,741,748		60,161,387	
Interest received	3,487,085		7,551,348	
		<b>62,228,833</b>		<b>103,899,303</b>
<b>OUTFLOW:</b> Purchases of Investments	116,640		-	
Interest paid	25,817,050		18,998,151	
decrease of Unsecured Loans	101,371,016	127,304,706	-	18,998,151
<b>Net Cash Inflow/ (Outflow) arising from Financing Activities</b>		<b>-65,075,874</b>		<b>84,901,152</b>
<b>Net Cash Increase/(Decrease) in inflow of cash/ cash equivalents “(A+B+C)”</b>		<b>-17,931,985</b>		<b>55,194,323</b>
<b>Add: Cash and cash equivalents at the beginning of the year</b>		<b>93,193,438</b>		<b>37,999,115</b>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR</b>		<b>75,261,453</b>		<b>93,193,438</b>
<b>COMPONENTS OF CASH AND CASH EQUIVALENTS</b>				
Cash in hand		926,203		512,120
Balances with scheduled banks in current account and Fixed deposits		57,891,783		58,231,624
Fixed deposits (Margin money against Bank Guarantees)		16,443,466		34,449,695
<b>Total</b>		<b>75,261,453</b>		<b>93,193,438</b>

As per our attached report of even date

**For V.K.BESWAL & ASSOCIATES**  
 CHARTERED ACCOUNTANTS  
 ICAI Firm Registration No.101083W  
 CA V.K.Beswal  
 (PARTNER)  
 Membership No.030426  
 PLACE : Mumbai  
 DATE : 30.05.2015

For and on behalf of the board

**Vinod Lath (Chairman & Managing Director)**

**Pradeep Roongta (Director)**

PLACE : Mumbai  
 DATE : 30.05.2015

**Form No. SH-13**  
**Nomination Form**  
 [Pursuant to section 72 of the Companies Act, 2013 and rule 19(1) of the Companies  
 (Share Capital and Debentures) Rules, 2014].

To,  
 Sunil Industries Limited  
 D-8, MIDC, Phase II,  
 Manpada Road, Dombivli (E),  
 Dist. Thane

I/We \_\_\_\_\_ the holder(s) of the securities particulars of which are given hereunder wish to make nomination and do hereby nominate the following persons in whom shall vest, all the rights in respect of such securities in the event of my/our death.

(1) PARTICULARS OF THE SECURITIES (in respect of which nomination is being made)

Nature of securities	Folio. No	No. of securities	Certificate No.	Distinctive No.

(2) PARTICULARS OF NOMINEE(S) —

- a) Name:
- b) Date of Birth:
- c) Father's/Mother's/Spouse's name:
- d) Occupation:
- e) Nationality:
- f) Address:
- g) E-mail id:
- h) Relationship with the security holder:

(3) IN CASE NOMINEE IS A MINOR—

- a) Date of birth:
- b) Date of attaining majority:
- c) Name of guardian:
- d) Address of guardian:

Name: \_\_\_\_\_

Address: \_\_\_\_\_

Name of the Security Holder (s): \_\_\_\_\_

Signature: \_\_\_\_\_

Witness with name and address: \_\_\_\_\_

**SUNIL INDUSTRIES LIMITED**

**Form No. SH-14**

**Cancellation or Variation of Nomination [Pursuant to section 72 of the Companies Act, 2013 and rule 19(1) of the Companies (Share Capital and Debentures) Rules 2014]**

To,  
Sunil Industries Limited  
D-8, MIDC, Phase II,  
Manpada Road, Dombivli (E),  
Dist. Thane

I/We hereby cancel the nomination(s) made by me/us in favor of..... (name and address of the nominee) in respect of the below mentioned securities

or

I/We hereby nominate the following person in place of ..... as nominee in respect of the below mentioned securities in whom shall vest all rights in respect of such securities in the event of my/our death

**PARTICULARS OF THE SECURITIES (in respect of which nomination is being made)**

Nature of Securities	Folio No.	No of Securities	Certificate No	Distinctive No

**PARTICULARS OF NOMINEE/S –**

Name :  
Date of Birth:  
Father's/Mother's/Spouse's name:  
Occupation:  
Nationality:  
Address:  
E-mail Id:  
Relationship with the security holder:  
**IN CASE NOMINEE IS A MINOR -**  
Date of Birth  
Date of attaining majority  
Name of guardian  
Address of guardian  
Name : \_\_\_\_\_  
Address: \_\_\_\_\_  
Name of the Security Holder (s) : \_\_\_\_\_  
Signature \_\_\_\_\_  
Witness with the name and address: \_\_\_\_\_

Please fill this Nomination form in Duplicate after carefully reading the instruction given below:

1. The Nomination can be made by individual's only holdings shares singly or jointly. Non- individuals including Society, Trust, Body Corporate, Partnership firm, Karta of Hindu Undivided Family and Power of Attorney holder cannot nominate.
2. The nominee shall not be a Trust, Society, Body Corporate, and Partnership firm, Karta of Hindu Undivided Family and power of attorney holder.
3. The shareholder [s] can nominate a minor as a nominee and in that event the name and address of the guardian shall be provided.
4. As per section 72 of Companies Act, 2013, if the shares are held by more than one person jointly, then the joint holders may together nominate a person to whom all the rights in the shares of the Company shall vest, in the event of death of all the joint holders.
5. If the shares are held jointly, subsequent to the death of anyone of the holders, the shares would not be registered in favour of the nominee but would be transferred in the name of the surviving shareholders.
6. The nomination form filled in "duplicate" should be lodged with the Registrar and Share transfer Agent of the Company i.e. **Link Intime India Private Limited**, C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup, Mumbai – 400078.
7. The shareholder[s] can delete or change an earlier nomination by executing Form No. SH-14 (Cancellation or Variation of Nomination form)
8. Nomination stands cancelled whenever the shares in the given folio are transferred/ dematerialized. Also in case of change in folio due to consolidation/ transmission a new nomination has to be filed.
9. The nomination made through Form No. SH-13 will be considered valid if the nomination made by the holder[s] of the shares is registered with the company before the death of the registered holder[s] of the shares.
10. Kindly note that the nomination being a legal document should be dated by the nominator and the witness should certify that the nominator has signed the form in their presence. Furthermore the date of execution on the Nomination Form should match with the date of witness, witnessing the document.

PROXY FORM

SUNIL INDUSTRIES LIMITED

Regd Office: D-8, MIDC, PHASE II, MANPADA ROAD, DOMBIVLI (E), DIST. THANE

Thirty Ninth Annual General Meeting –

I/we being the member (s) of \_\_\_\_\_ shares of the above named company hereby appoint

1) Name: \_\_\_\_\_ Address \_\_\_\_\_  
 Email Id \_\_\_\_\_ Signature \_\_\_\_\_ or Failing him

2) Name: \_\_\_\_\_ Address \_\_\_\_\_  
 Email Id \_\_\_\_\_ Signature \_\_\_\_\_

As per my/our proxy to vote (On Poll) for me/us on my/our behalf at the Thirty Ninth Annual General Meeting of the Company to be held on 26<sup>th</sup> September, 2015 at 3.00pm at D-8, MIDC, Phase II, Manpada Road, Dombivli (E), Dist. Thane or and adjournment thereof.

**Ordinary Business**

1. **Ordinary Resolution** for adoption of Audited Financial Statements for the year ended 31<sup>st</sup> March, 2015.
2. **Ordinary Resolution** for re-appointment of Mr. Ramesh Khanna, Whole Time Director (holding Din No : 00130351) who is retiring by rotation and being eligible offers himself for re-appointment
3. **Ordinary Resolution** for ratification of appointment of M/s V. K Beswal & Associates, Chartered Accountant as a statutory auditor of the Company and fixing their remuneration.

**Special Business**

4. **Ordinary Resolution** for ratification of remuneration paid to M/s Shanker Chaudhary, Cost Accountants as Cost Auditors of the Company by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year 2015-16 and remuneration of Rs. 125000/- p.a plus service taxes.
5. **Ordinary Resolution** for Appointment of Mrs. Alka Gopal Bajaj as Director and Independent Director of the Company with effect from 23<sup>rd</sup> March, 2015 to 22<sup>nd</sup> March, 2020.
6. **Special Resolution** to adopt new set of Article of Association of Company in place of existing , in pursuant to New Companies Act 2013

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2015

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2015

Signature of the Shareholders \_\_\_\_\_



Note:

1. This form of proxy in order to be effective should be duly completed and deposited at the registered office of the Company, not less than 48 hours before the commencement of the meeting.
2. For the resolutions, explanatory statements and notes, please refer to the notice of 39<sup>th</sup> Annual General Meeting.
3. \* It is Optional to put 'X' in the appropriate column against the Resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all resolution, your proxy will be entitled to vote in the manner as he / she thinks appropriate
4. Please complete all details including details of member(s) in the above box before submission



ASSENT/ DISSENT FORM FOR VOTING ON AGM RESOLUTIONS  
SUNIL INDUSTRIES LIMITED

Regd Office: D-8, MIDC, PHASE II, MANPADA ROAD, DOMBIVLI (E), DIST. THANE

Thirty Ninth Annual General Meeting – 26<sup>th</sup> September, 2015

1. Name(s) & Registered Address :  
Of the sole / first named Member

---

2. Name(s) of the Joint-Holder(s) :  
If any

---

3. i) Registered Folio No. :  
ii) DP ID No & Client ID No.  
[Applicable to Members Holding  
shares in dematerialized Form]

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4. Number of Shares(s) held :

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5. I/ W hereby exercise my/our vote in respect of the following resolutions to be passed for the business stated in the Notice of the Annual general Meeting dated 26<sup>th</sup> September, 2015, by conveying my/ our assent or dissent to the resolutions by placing tick ( " ) mark in the appropriate box below:

Sr. No	Resolutions	Optional **	
		For	Against
<b>Ordinary Business</b>			
1	<b>Ordinary Resolution</b> for adoption of Audited Financial Statements for the year ended 31 <sup>st</sup> March, 2015.		
2	<b>Ordinary Resolution</b> for re-appointment of Mr. Ramesh Khanna, Whole Time Director (holding Din No : 00130351 who is retiring by rotation and being eligible offers himself for re-appointment		
3	<b>Ordinary Resolution</b> for ratification of appointment of M/s V. K Beswal & Associates, Chartered Accountant as a statutory auditor of the Company and fixing their remuneration.		
<b>Special Business</b>			
4	<b>Ordinary Resolution</b> for ratification of remuneration paid to M/s Shanker Chaudhary, Cost Accountants as Cost Auditors of the Company by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year 2015-16 and remuneration of Rs. 125000/- p.a plus service taxes.		
5	<b>Ordinary Resolution</b> for Appointment of Mrs. Alka Gopal Bajaj as Director and Independent Director of the Company with effect from 23 <sup>rd</sup> March, 2015 to 22 <sup>nd</sup> March, 2020.		
6	<b>Special Resolution</b> to adopt new set of Article of Association of Company in place of existing , in pursuant to New Companies Act 2013		

Place:

Signature of the Member

Date:

Or

Authorized Representative

- Notes: i) If you opt to cast your vote by e-voting, there is no need to fill up and sign this form.  
ii) Last date for receipt of Assent/ Dissent Form: 25<sup>th</sup> September 2015 (5.00 pm)  
iii) Please read the instructions printed overleaf carefully before exercising your vote.

**General Instructions**

1. Shareholders have option to vote either through e-voting i.e. electronic means or to convey assent/dissent. If a shareholder has opted for physical Assent/Dissent Form, then he/she should not vote by e-voting and vice versa. However, in case Shareholders cast their vote through physical assent/dissent form and e-voting, then vote cast through physical assent/dissent shall be considered, subject to the assent/dissent form being found to be valid and vote cast through e-voting shall be treated as invalid.
2. The notice of Annual General Meeting is dispatch/ e-mailed to the members whose names appear on the Register of Members as on 21<sup>st</sup> August, 2015.
3. Voting through physical assent/ dissent form cannot be exercised by a proxy. However, corporate and institutional shareholders shall be entitled to vote through their authorized representatives with proof of their authorization, as stated below.

**Instructions for voting physically on Assent / Dissent Form**

1. A member desiring to exercise vote by Assent/ Dissent should complete this Form (no other form or photocopy thereof is permitted) and send it to the Scrutinizer, at their cost to reach the Scrutinizer at the registered office of the Company on or before the close of working hours i.e. 5.00 pm on 25<sup>th</sup> September, 2015 . All Forms received after this date will be strictly treated as if the reply from such Member has not been received.
2. This Form should be completed and signed by the Shareholder (as per the specimen signature registered with the Company/ Depository Participants). In case of joint holding, this Form should be completed and signed by the first named Shareholder and in his absence, by the next named Shareholder.
3. In respect of shares held by corporate and institutional shareholders (companies, trusts, societies etc.) the completed Assent/ Dissent Form should be accompanied by a certified copy of the relevant Board Resolution/ appropriate authorization, with the specimen signature(s) of the authorized signatory(ies) duly attested.
4. The consent must be accorded by recording the assent in the column "FOR" or dissent in the column "AGAINST" by placing a tick mark (") in the appropriate column in the Form. The assent or dissent received in any other form shall not be considered valid.
5. Members are requested to fill the Form in indelible ink and avoid filling it by using erasable writing medium(s) like pencil.
6. There will be one Assent/ Dissent Form for every folio / Client id irrespective of the number of joint holders.
7. A member may request for a duplicate Assent/ Dissent Form, if so required and the same duly completed should reach the Scrutinizer not later than the specified under instruction No.1 above.
8. Members are requested not to send any other paper along with the Assent / Dissent Form. They are also requested not to write anything in the Assent/ Dissent form except giving their assent or dissent and putting their signature. If nay such other paper is sent the same will be destroyed by the Scrutinizer.
9. The Scrutinizers decision on the validity of the Assent/ Dissent Form will be final and binding.
10. Incomplete, unsigned or incorrectly ticked Assent/ Dissent Forms will be rejected.

*If undelivered, please return to*

**SUNIL INDUSTRIES LIMITED**

CIN No: L99999MH1976PLC019331

Reg Office:

D 8 MIDC Phase II Manpada Road  
Dombivli (East), Thane, Maharashtra-421203

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