

**36th  
Annual Report  
2015-16**



**PASUPATI SPINNING & WEAVING MILLS LIMITED**

**Board of Directors**

Mr. Ramesh Kumar Jain  
Mrs. Vrinda Jain  
Mr. Vinod Katyal

Mr. Vedit Jain

Mr. Ram Karan Bhardwaj

Mr. Jitender Singh Malik

Mr. Praveen Paliwal

Mr. Ghanshyam Das Gupta

Mr. Ashwani Kumar Rathore

Mr. Anil Gupta

**Company Secretary**

Ms. Rekha Sharma

**Chief Finance Officer**

Mr. A. K. Monga

**Auditors**

M/s. B.K. Shroff & Co.

3/7-B, Asaf Ali Road,

New Delhi-110002.

**Bankers**

Bank of Baroda

Canara Bank

ING Vysya Bank Ltd.

Punjab National Bank

State Bank of Patiala

State Bank of Travancor

The Nainital Bank Ltd.

**Registered Office & Works**

Village Kapriwas (Dharuhera), Distt. Rewari, Haryana.

Company Identity Number (CIN) : L74900HR1979PLC009789

Website : pasupatitextiles.com

**Sewing Thread Unit :**

Village Kheri (Kala-Amb), Distt. Sirmour,

Himachal Pradesh.

**Head Office**

127-128 Tribhuvan Complex,

Ishwar Nagar,

Mathura Road,

New Delhi 110065,

Phone : +91-11-47632200,

Fax : 011-23316441

E'mail : rekhasharma@pasupatitextiles.com

**Registrar & Shares / Debentures Transfer Agent**

M/s. Skyline Financial Services Pvt. Ltd.

D - 153 A, 1st Floor, Okhla Industrial Area.

Phase - I, New Delhi - 110020

Phones : +91-11-26812682, 83, 64732681-88

Fax : +91-11-26812682

Email : www.skylinert.com

- Chairman & Managing Director
- Non Executive Director Non Independent Director
- Whole Time Director (Appoint w.e.f. 14/08/2015 and resigned w.e.f. 09/01/2016)
- Executive Director
- Whole Time Director (resigned w.e.f. 17.7.2015)
- Executive Director (appoint w.e.f. 01.04.2016)
- Independent Director
- Independent Director
- Independent Director
- Independent Director

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Dear Shareholder

**Sub: - Go Green Initiative in Corporate Governance: Go Paperless.**

The Ministry of Corporate Affairs (MCA) has taken a "Green Initiative in Corporate Governance" (Circular No 17/2011 dated 21-4-2011 and Circular No 18/2011 dated 29-4-2011) allowing paperless compliances by companies through electronic mode and same also has been allowed under the New Companies Act, 2013. Companies are now permitted to send various notices / documents to its shareholders through electronic mode to the registered email address of shareholders. This move by the MCA is welcome since it will benefit the society at large through reduction in paper consumption and towards a Greener Environment. It will also ensure prompt receipt of communication, avoid loss in postal transit and helps the larger participation of shareholders in **E-Voting**. Keeping in view the underlying theme and circular issued by MCA and provisions of companies Act, 2013, we are keen to participate in Green Initiative and henceforth propose to send documents like General Meeting Notices (Including AGM), Audited Financial Statements, Directors Report, Auditors Report etc to the shareholders in electronic form, to the e-mail address provided by you and made available to us by Depositories / RTA.

In case you are holding shares in electronic form and have registered your e-mail id with the Depository, we will send all notices / documents etc at that e-mail id. If you desire to have a different e-mail id registered, please update the same with your Depository Participant (DP) or email at rekhasharma@pasupatitextiles.com or ho@pasupatitextiles.com or admin@skylinerta.com specifying your Client ID and DP ID.

All those shareholders who have not yet registered their e mail IDs or holding shares in physical form are requested to register their email IDs with NSDL/ CDSL and **or** our RTA or send their request to register their e- mail id at any one of the following mail ids along with Folio No and No of Shares / Client Id and DP ID:-

- 1 rekhasharma@pasupatitextiles.com
- 2 ho@pasupatitextiles.com
- 3 admin@skylinerta.com

Kindly note that if any shareholders still wish to receive a physical copy of all the above mentioned communications / documents, the company undertakes to provide the same at no extra cost to you, if a request in this connection is received by the company or RTA. Please note that these documents will also be available on the Company's website [www.pasupatitextiles.com](http://www.pasupatitextiles.com)

We look forward for your encouraging support in welcoming the "Green Initiative"

Thanking You,

Yours faithfully

**For Pasupati Spg. & Wvg. Mills Ltd**

Sd/-

**Ms. Rekha Sharma**

Company Secretary and Compliance Officer

**NOTICE**

**NOTICE IS HEREBY GIVEN THAT THE 36<sup>th</sup> ANNUAL GENERAL MEETING OF THE MEMBERS OF THE COMPANY WILL BE HELD AT THE REGISTERED OFFICE & WORKS OF THE COMPANY AT VILLAGE KAPRIWAS (DHARUHERA), DISTT. REWARI, HARYANA ON THURSDAY 29<sup>TH</sup> SEPTEMBER, 2016 AT 10.00 A.M TO TRANSACT THE FOLLOWING BUSINESS:**

**ORDINARY BUSINESS**

1. To receive, consider and adopt the audited financial statement of the Company for the financial year ended March 31, 2016, the reports of the Board of Directors and Auditor thereon.
2. To appoint director in place of Mr. Vidit Jain , who retires by rotation and being eligible, offers himself for reappointment.
3. Ratification of Appointment of Statutory Auditors: To consider and if thought fit, to pass with or without modifications, the following resolution as Ordinary Resolution:

**"RESOLVED THAT** pursuant to the provisions of Section 139 ,142 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder, as amended from time to time, the company hereby ratifies the appointment of M/s B.K. Shroff & Co, Chartered Accountants (Firm Registration No. 302166E ) as the statutory auditors of the company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of next AGM of the Company and that the Board of Directors be and is hereby authorized to fix the remuneration payable to them for the financial year ending 31st March, 2017, as may be determined by the audit committee in consultation with the auditors, in addition to the reimbursement of service tax and actual out-of-pocket expenses incurred in connection with the audit of accounts of the Company."

**SPECIAL BUSINESS****ITEM-4**

**TO APPROVE THE REMUNERATION OF THE COST AUDITORS FOR THE FINANCIAL YEAR ENDING MARCH 31, 2017 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 148 the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2015 and Companies (Cost Records and Audit) Rules, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the Company hereby ratifies the remuneration of `Rs.60,000/- plus service tax and actual out-of-pocket expenses payable to M/s. Avtar Singh & Co., Cost Accountants, who are appointed as Cost Auditors to conduct the audit of cost records maintained by the Company for the Financial Year 2016-17.”

**ITEM-5 APPROVAL OF RELATED PARTY TRANSACTIONS**

**To consider and if thought fit, to pass, with or without modification(s), the following resolution as ordinary resolution:**

**“RESOLVED THAT** pursuant to provisions of Section 188 and other applicable provisions and rules of the Companies Act, 2013, (including any statutory modification(s) or re-enactment thereof for the time being in force) and regulation 23 of Listing Regulations 2015, the consent of the company, be and is hereby accorded to the related party contracts/transactions proposed to be entered between the company and M/s Shivani Textiles Ltd, a Public Ltd Company in which Shri Ramesh Kumar Jain, Mrs. Vrinda Jain and Shri Vinit Jain, Directors of the company, are holding more than 2% paid up share capital along with their relatives as per details given below: -

Nature of Contract	Amount (Lacs ) Per Year	Name of Party in which Directors are interested
Purchase of died fabric	Rs. 250	Shivani Textiles Ltd
Sales of grey fabric	Rs. 500	Shivani Textiles Ltd
Job Work charges	Rs. 700	Shivani Textiles Ltd
Vehicle Hire Charges being paid to Shivani Textiles Ltd.	Rs. 15	Shivani Textiles Ltd

**RESOLVED FURTHER THAT** all the transactions as stated aforesaid shall be done at best competitive market prices.

**RESOLVED FURTHER THAT** pursuant to provisions of Section 188 and other applicable provisions and rules of the Companies Act, 2013, (including any statutory modification(s) or re-enactment thereof for the time being in force) and regulation 23 of Listing Regulations 2015, the consent of the company, be and is hereby accorded to the lease agreement(s) up to the value of Rs. 35,00,000/- per year, which may be entered by the company with any Director(s) or relatives of directors of the company or with any other Related Party / Parties”

**ITEM-6****APPOINTMENT OF MR. JITENDER MALIK, AS WHOLE TIME DIRECTOR LIABLE TO RETIRE BY ROTATION**

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

**“RESOLVED THAT** in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), approval of the Company be and is hereby accorded to the appointment of Mr. Jitender Malik as Whole Time Director of the Company for a period of five years w.e.f. 1-4-2016, up to 31-3-2021 (both days inclusive) liable to retire by rotation on the terms and conditions and remuneration as set out hereunder:

**Remuneration**

- 1 Basic Salary at the scale of:- Rs.120,000-30000-240,000
- 2 Perquisites :-
  - i) Accommodation shall be provided by the company.
  - ii) Expenses pertaining to electricity and water charges of his residence will be borne/ reimbursed by the Company.
  - iii) Conveyance facilities: Company's car and driver for official use.
  - iv) Communication facilities:- Company shall provide mobile phone to Whole Time Director and his mobile bills will be borne by the Company.

**RESOLVED FURTHER THAT** in the event of there being loss or inadequacy of profits for any financial year, the aforesaid remuneration payable to Mr. Jitender Malik shall be the minimum remuneration payable to him in terms of the applicable provisions of Schedule V to the Companies Act, 2013.



**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds and matters and things as in its absolute discretion it may consider necessary, expedient or desirable to give effect to this resolution and also to revise the remuneration of Mr. Jitender Malik within the limits stipulated in the Companies Act, 2013"

#### ITEM-7

##### **PAYMENT OF REMUNERATION TO MR. RAMESH KUMAR JAIN , CHARMAN & MANAGING DIRECTOR**

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

**"RESOLVED THAT** in accordance with the provisions of Sections 197 , 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 , Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) approval of the Company be and is hereby accorded to the payment of remuneration to Mr. Ramesh Kumar Jain ,( Chairman & Managing Director ) ,as set out hereunder for a period of three years w.e.f. 1-4-2017 up to March 31, 2020 (both days inclusive).

##### **Remuneration**

- a) Basic Salary at the scale of:- Rs. 130000-20000-210000
- b) Perquisites:-
  - i) Expenses pertaining to electricity and water charges of his residence will be borne/ reimbursed by the Company.
  - ii) Medical Expenses:- All expenses on Medical including hospitalization, diagnostic checks, periodic health checks will be borne by the Company at actual.
  - iii) Personal Accident Insurance. Reimbursement of personal accident insurance premium subject to a maximum of Rs. 15,000 per annum.
  - iv) Conveyance facilities: Company's car and driver for official use.
  - v) Communication facilities:-Company shall provide telephone, telefax and other communication facilities at the Chairman & Managing Director's residence. The mobile bills of the Chairman & Managing Director will be borne by the Company.
  - vi) Club Fees: Fees of clubs subject to a maximum of two clubs. This will not include admission and life membership fees.
  - vii) Terminal Benefits:
    - (a) Company's contribution to provident fund at the Rate of 12% of the basic salary.
    - (b) Gratuity in accordance as per the rules of the Company.
    - (c) Encashment of leave at the end of the tenure as per Company's rules

**RESOLVED FURTHER THAT** in the event of there being loss or inadequacy of profits for any financial year, the aforesaid remuneration payable to Mr. Ramesh Kumar Jain shall be the minimum remuneration payable to him in terms of the applicable provisions of Schedule V to the Companies Act,2013.

**RESOLVED FURTHER THAT** the ceiling on remuneration shall not include the terminal benefits"

#### ITEM-8

##### **PAYMENT OF REMUNERATION TO MR. VIDIT JAIN , WHOLE TIME DIRECTOR .**

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

**RESOLVED THAT** in accordance with the provisions of Sections 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 , Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) approval of the Company be and is hereby accorded to the payment of remuneration to Mr. Vidit Jain (Whole Time Director ) as set out hereunder for a period of three years w.e.f. 1-4-2017 up to March 31, 2020 (both days inclusive).

##### **Remuneration**

- a) Basic Salary at the scale of:- Rs. 1,30,000-20000-2,10,000.
- b) Perquisites:-
  - i) Expenses pertaining to electricity, gas and water charges of his residence will be borne/reimbursed by the Company.
  - ii) Medical Expenses:- All expenses on Medical including hospitalization, diagnostic checks, periodic health checks will be borne by the Company at actual.
  - iii) Personal Accident Insurance:-Reimbursement of personal accident insurance premium subject to a maximum of Rs. 50,000 per annum.
  - iv) Conveyance facilities:- Company's car and driver for official use.



- v) Communication facilities:-Company shall provide telephone, telefax and other communication facilities at the Whole Time Director's residence. The mobile bills of the **Whole Time Director** will be borne by the Company.
- vi) Club Fees: Fees of clubs subject to a maximum of two clubs. This will not include admission and life membership fees.
- vii) Leave Travel Concession:-Two journeys in a block of four years alongwith his family members on actual basis.
- viii) Terminal Benefits:
  - (a) Company's contribution to provident fund at the applicable rates.
  - (b) Gratuity in accordance with the rules of the Company.
  - (c) Encashment of leave at the end of the tenure as per Company's rules.

**RESOLVED FURTHER THAT** in the event of there being loss or inadequacy of profits for any financial year, the aforesaid remuneration payable to Mr. Vidit Jain shall be the minimum remuneration payable to him in terms of the applicable provisions of Schedule V to the Companies Act, 2013.

**RESOLVED FURTHER THAT** the ceiling on remuneration shall not include the terminal benefits.

**STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 ("the Act")**

**THE FOLLOWING STATEMENT SETS OUT ALL MATERIAL FACTS RELATING TO THE SPECIAL BUSINESS MENTIONED IN THE ACCOMPANYING NOTICE:**

#### **ITEM-4**

The Board of Directors of the Company, on the recommendation of the Audit Committee, approved the appointment and remuneration of M/s. Avtar Singh & Co., Cost Accountants, to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2017. In terms of the provisions of Section 148(3) of the Companies Act, 2013 read with Rule 14(a)(ii) of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor is required to be ratified by the Members of the Company. Accordingly, consent of the Members is sought to ratify the remuneration payable to the Cost Auditors. None of the Directors or Key Managerial Personnel and their relatives, are concerned or interested (financially or otherwise) in this Resolution. The Board recommends the Ordinary Resolution set out at Item No. 4 for the approval of Members.

#### **ITEM 5**

The ordinary resolution as set out in item no 5 relates to approval of material related party transactions by members as required under Sec 188 of the Act and regulation 23 of Listing Regulations 2015. As per regulation 23 of Listing Regulations 2015, related party transaction said to be material if such transaction(s) to be entered into individually or taken together during a financial year exceeds ten percent of the annual turnover as per the previous audited financial statements of the company. Board of directors is expecting that in coming year(s) transactions with Shivani Textiles Ltd (In which Mr. Ramesh Kumar Jain, Mrs. Vrinda Jain and Mr. Vidit Jain, Directors of the company, along with their relatives are holding more than 2% paid up share capital), Mrs. Vrinda Jain (Director), Mrs. Vandita Jain (Relative of Mr. Vidit Jain, Mrs. Vrinda Jain and Mr. Ramesh Kumar Jain) and with other Related Parties, may exceed ten percent of the annual turnover of the previous audited financial statements of the company. Hence, Board of Directors recommends the passing of the resolution at Item No- 5 of the Notice as ordinary resolution.

Save and except Mr. Vidit Jain, Mrs. Vrinda Jain and Mr. Ramesh Kumar Jain (alongwith their relatives), none of the other Director(s) / Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

#### **ITEM-6**

The Board of Directors of the Company (the 'Board'), at its meeting held on 11-02-2016, appointed Mr. Jitender Malik as Additional Director w.e.f. 1-4-2016. In terms of the provisions of Section 161(1) of the Act, Mr. Jitender Malik would hold office up to the date of the ensuing Annual General Meeting. Now, it is proposed to seek the members' approval for the appointment of Mr. Jitender Malik as Whole Time Director of the company for a period of 5 (five) years i.e. w.e.f. 1-4-2016 at the remuneration recommended by Nomination and Remuneration Committee and approved by the Board. He is not disqualified from being appointed as Director in terms of Section 164 of the Act. Nomination of Mr. Jitender Malik for the office of whole time director is proposed by Nomination and Remuneration committee. A notice u/s 160 of the Companies Act, 2013 has been received from a member proposing Mr. Jitender Malik as a candidate for the office of Whole Time Director of the Company. Brief resume of Mr. Jitender Malik, nature of his expertise in specific functional areas, names of companies in which he is holding directorships and memberships/chairmanships of Board Committees, shareholding and relationships amongst directors inter-se as stipulated under Listing Regulations, 2015, are provided in the Corporate Governance Report forming part of the Annual Report. Mr. Jitender Malik is interested in the resolution set out at Item No. 6 of the Notice, which pertains to his appointment and payment of remuneration.

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

The Board recommends the Ordinary Resolution set out at Item No. 6 of the Notice for approval by the shareholder.

#### **ITEM -7 & 8**

The members approval for payment of remuneration to Mr. Ramesh Kumar Jain, Chairman & Managing Director & Mr. Vidit Jain



,Whole Time Director, is expiring on 31-3-2017. Hence, approval of shareholders is required for payment of remuneration to Mr. Ramesh Kumar Jain & Mr. Vedit Jain. The Board of Directors accordingly recommends the resolutions set out at Item No.7& 8 of the accompanying Notice for the approval of the Members. None of the Directors except Mr. Vedit Jain, Mr. Ramesh Kumar Jain & Mrs. Vrinda Jain is deemed to be interested in the said Resolution.

The Board recommends the Ordinary Resolution set out at Item No. 7 & 8 of the Notice for approval by the shareholder.

**REGISTERED OFFICE**

Village Kapriwas  
(Dharuhera), Distt. Rewari,  
HARYANA

**BY ORDER OF THE BOARD**  
**For PASUPATI SPG & WVG MILLS LTD.**

DATED: 9-8-2016

**REKHA SHARMA**  
**COMPANY SECRETARY**  
**(Membership No:-14021)**

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**NOTES :**

- 1 The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 relating to the Special Business to be transacted at the Annual General Meeting is annexed hereto.
- 2 MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON POLL ON HIS / HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. Pursuant to Section 105 of the Companies Act, 2013, a person can act as a Proxy on behalf of not more than fifty members holding in aggregate, not more than ten percent of the total share capital of the Company. Members holding more than ten percent of the total share capital of the Company may appoint a single person as Proxy, who shall not act as a Proxy for any other Member. The instrument of Proxy, in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not later than 48 hours before the commencement of the meeting. A Proxy Form is annexed to this Report. Proxies submitted on behalf of limited companies, societies, etc., must be supported by an appropriate resolution / authority, as applicable.
- 3 Corporate members intending to send their authorised representative(s) to attend the Annual General Meeting are requested to send certified copy of the Board Resolution authorising such representative (s) to attend and vote on their behalf.
- 4 The Register of Members and Transfer Books of the Company will be closed from 22<sup>nd</sup> September, 2016 to 29<sup>th</sup> September, 2016, both days inclusive.
- 5 Copies of relevant documents can be inspected at the Registered Office of the Company on all working days from Monday to Friday during business hours up to date of meeting.
- 6 In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
- 7 In terms of Section 72 of the Companies Act, 2013, the shareholders of the company may nominate a person on whom the shares held by him/her/them, shall vest in the event of his/her/their death. Shareholders desirous of availing this facility may submit nomination in Form SH-13.
- 8 Members are requested to update their valid email id with company's RTA or same can be done by sending a email at the company's investors email id:-rekhasharma@pasupatitextiles.com.
- 9 Members who hold shares in de-materialised form are requested to bring their client ID and DP ID numbers for facilitating identification for attendance at the meeting.
- 10 Members and Proxies are requested to produce the Attendance slip duly signed, at the entrance of the meeting venue.
- 11 The Ministry of Corporate Affairs (MCA) has vide its circular dated 29-4-2011 stated that service of notice/documents including Annual Report to the members can be made email. To support this green initiative of MCA, members who have not yet registered their e-mail addresses are requested to do so (i) in respect of the electronic holdings through their concerned depository participants and (ii) in respect of physical holdings to Skyline Financial Services Pvt. Ltd ( RTA).
- 12 Members may also note that the Notice of the 36<sup>th</sup> Annual General Meeting and Annual Report, for the year 2015-16 will also be available on the Company's website [www.pasupatitextiles.com](http://www.pasupatitextiles.com) for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered office and New Delhi office for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication form, upon making a request for the same, by post, free of cost. For any communication, the shareholders may also send request to the Company's investor email id: rekhasharma@pasupatitextiles.com.
- 13 Pursuant to Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of Listing Regulations, the Company is pleased to provide the facility to Members to exercise their right to vote on the resolutions proposed to be passed at AGM by electronic means. The Members, whose names appear in the Register of Members / list of Beneficial Owners as on Thursday, 22<sup>nd</sup> September , 2016, i.e. the date prior to the commencement of book closure, being the cut-off date, are entitled to vote on the Resolutions set forth in this Notice.





Members may cast their votes on electronic voting system from any place other than the venue of the meeting (remote e-voting). The remote e-voting period will commence at 9.00 a.m. on Monday, 26<sup>th</sup> September, 2016 and will end at 5.00 p.m. on Wednesday, 28<sup>th</sup> September, 2016. In addition, the facility for voting through electronic voting system shall also be made available at the AGM and the Members attending the AGM who have not cast their vote by remote e-voting shall be eligible to vote at the AGM. The Members desiring to vote through remote e-voting are requested to refer to the detailed procedure given hereinafter.

**In compliance of BIFR order dated 13.02.2012, the company has sent cheques to all the debenture holders towards full and final settlement of their dues. In case non-receipt of cheques by any debenture holder(s), they may please contact the company at the following address:**

**Pasupati Spinning & Weaving Mills Ltd**

127-128, Tribhuvan Complex, Ishwar Nagar,  
Mathura Road, New Delhi-110065, Phone: 011-47632200  
e-mail: [ajay.monga@pasupatitextiles.com](mailto:ajay.monga@pasupatitextiles.com);  
e-mail: [rekhasharma@pasupatitextiles.com](mailto:rekhasharma@pasupatitextiles.com)

**In compliance with the provisions of section 108 of the Act and the Rules framed thereunder, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by NSDL, on all resolutions set forth in this Notice.**

The instructions for e-voting are as under:

**A. In case a Member receives an e-mail from NSDL (for Members whose e-mail addresses are registered with the Company/Depositories):**

1. Open the e-mail and also open PDF file namely "SPG e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password for e-voting. Please note that the password is an initial password.
2. Open the internet browser and type the following URL: <https://www.evoting.nsdl.com>.
3. Click on Shareholder Login.
4. If you are already registered with NSDL for e-voting then you can use your existing user ID and password.
5. If you are logging in for the first time, please enter the user ID and password provided in the PDF file attached with the e-mail as initial password.
6. The Password Change Menu will appear on your screen. Change to a new password of your choice, making sure that it contains a minimum of 8 digits or characters or a combination of both. Please take utmost care to keep your password confidential.
7. Once the e-voting home page opens, click on e-voting> Active Voting Cycles.
8. Select "EVEN" (E-Voting Event Number) of Pasupati Spg. & Wvg. Mills Ltd. Now you are ready for e-voting as Cast Vote page opens.
9. Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
10. Upon confirmation, the message "Vote cast successfully" will be displayed.
11. Once the vote on the resolution is cast, the Member shall not be allowed to change it subsequently.
12. Institutional shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned copy (PDF/JPG format) of the relevant Board Resolution/Authority letter, etc., together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to [shreyanshpjain@gmail.com](mailto:shreyanshpjain@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
13. In case of any queries, you may refer the Frequently Asked Questions (FAQs) - Shareholders and e-voting user manual - Shareholders, available at the downloads section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com).

**B. In case a Member receives physical copy of the Notice of AGM (for Members whose email addresses are not registered with the Company/Depositories):**

1. Initial password is provided in the enclosed ballot form: EVEN (E-Voting Event Number), user ID and password.
2. Please follow all steps from Sl. No. (ii) to Sl. No. (xiii) above, to cast vote.

**C. Other Instructions:**

1. The e-voting period commences on 26<sup>th</sup> September, 2016 (9.00 a.m. IST) and ends on 28<sup>th</sup> September, 2016 (5 P.M). During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 22-9-2016, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, he shall not be allowed to change it subsequently.





2. The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on 22-9-2016
3. Mr. Shreyansh Pratap Jain Practicing Company Secretary (C.P. No 9515, Membership No.25359) has been appointed as the Scrutinizer to scrutinize the e-voting process (including the Ballot Form received from the Members who do not have access to the e-voting process) in a fair and transparent manner.
4. The Scrutinizer shall, after the conclusion of the e-voting period, unblock the votes in the presence of at least two 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.
5. 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. Shreyansh Pratap Jain ,Practicing Company Secretary, at the Registered Office of the Company not later than 28th September, 2016 (5.00 p.m. IST). Members have the option to request for physical copy of the Ballot Form by sending an e-mail to rekhasharma@pasupatitextiles.com by mentioning their Folio / DP ID and Client ID No. However, the duly completed Ballot Form should reach the Registered Office of the Company not later than 28th September, 2016 (5.00 p.m. IST). Ballot Form received after this date will be treated as invalid.
6. A Member can opt for only one mode of voting i.e. either through e-voting or by Ballot. If a Member casts votes by both modes, then voting done through e-voting shall prevail and Ballot shall be treated as invalid.
7. The results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.pasupatitextiles.com](http://www.pasupatitextiles.com) and on the website of NSDL [www.evoting.nsdl.com](http://www.evoting.nsdl.com) on 29<sup>th</sup> September, 2016 and communicated to the BSE Limited and DSE, where the shares of the Company are listed.

## ANNEXURE

### PROFILE OF DIRECTORS (Seeking Re-appointment or Appointment )

NAME OF THE DIRECTOR	MR. VIDIT JAIN	MR. JITENDER MALIK
Date of Birth	13.09.1979	15-4-1958
Date of Appointment	1-4-2010	1-4-2016
Qualification	B.Sc. in Economics from University of Pennsylvania (USA)	B. Textiles
Expertise in specific functional areas	Industrial and business experience of 14 years	Industrial and business experience of 37 years
Remuneration	As set out in Item No-8 of the accompanying Notice	As set out in Item No-6 of the accompanying Notice
Name of the other Companies in which he/she holds Directorship	<b>Pasupati Fincap Ltd.</b> - Shailja Investments Ltd. - Sulabh Impex Ltd. - Pasupati Olefin Ltd. - India Spintex Ltd.	Nil
Memberships/ Chairmanships of committees of other companies	<b>Pasupati Fincap Ltd.</b> - Audit Committee (Member) - Share Transfer Committee (Member)	Nil
Number of shares held in the Company	134076 ( 1.44%)	Nil

The Directors may be deemed to be concerned or interested to the extent of shares held by them in the Company.

Mr. Vidit Jain is son of Mr. Ramesh Kumar Jain, CMD of the company and Mrs. Vrinda Jain , Non Executive Director of the company.



## DIRECTORS REPORT TO THE MEMBERS

Your Directors have pleasure in presenting their Report together with the Audited Accounts for the year ended 31st March, 2016.

### 1. FINANCIAL RESULTS

PARTICULARS	2015-16 Rs./Lacs	2014-15 Rs./Lacs
Sales and other Income	18994.99	20658.50
Profit before Finance Costs and Depreciation	1076.75	1080.88
Financial Charges	653.95	660.66
Depreciation	400.52	402.51
Profit before Taxes	22.28	17.71
Payment/Provision for Taxation	10.14	(1.09)
Profit after Taxation but before extra-ordinary items	12.14	18.80
Net Profit after extra-ordinary items	12.14	18.80

### 2. COMPANY'S PERFORMANCE

During the year under review, although the turnover of the company has declined by 7.39%, the profit before taxes marginally increased from Rs. 17.71 Lacs to Rs.22.28 lacs. The decline in turnover is mainly attributable to significant decline in exports. During the year under review, the company made exports to the tune of Rs. 1075.58 Lacs as against exports of Rs. 3662.24 Lacs made during previous financial year showing a decline of 70.63%.

#### THE MANAGEMENT DISCUSSION & ANALYSIS

##### Spinning Unit at Dharuhera, Haryana

It was stated in the last report of directions that in order to meet the growing competition in cotton yarn market, the company had decided to go for value addition by producing doubled yarn, for which the company had decided to procure/import state-of-the-art Circular Knitting Machine to manufacture fine quality fabric out of cotton yarn (i.e. forward integration), which will result in better value addition. The said machines have been successfully commissioned in June 2016. With the commissioning of new machines, the profitability of the spinning unit is expected to improve.

##### Knitting & Garment unit at Dharuhera, Haryana

The production activities of the Fabric/Garment Division at Dharuhera are going on smoothly. The company is supplying garments for well known brands i.e. Future Group, Reliance Trend, Pantloon Retail, Spencer and Bharti Walmart etc. Besides, the company is also exporting garments.

##### Sewing Thread Unit At Kala Amb, Himachal Pradesh

During the year under review, the capacity utilisation again remained a cause of concern due to labour shortage problem. Although the company has been partially able to overcome the labour shortage problem but this still remains the area of concern for the company. To avoid production losses due to labour shortage, the company has also recruited additional work force resulting increase in manpower cost. The situation is gradually improving and it is expected that the situation is expected to be better during current year. The company has been exporting significant percentage of its production and more than 90% of the same was being exported to Turkey. However, due to some internal problem in Turkey, our exports had virtually stopped during the year under review. However, the situation is gradually improving and exports have started picking up during the current year.

#### DIVIDEND

In view of the requirement of fund for working capital of the company, the Board of Directors is not in a position to recommend any dividend for the year under review.

#### DEPOSITS

During the year, the Company did not accept any deposits from the public within the meaning of Companies Act, 2013.

#### DIRECTOR'S RESPONSIBILITY STATEMENT:

In terms of Section 134 (5) of the Companies Act, 2013, the directors would like to state that:

- In the preparation of the annual accounts, the applicable accounting standards have been followed.
- The directors have selected such accounting policies and applied them consistently and made judgments and estimates that



were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for the year under review.

- iii) The directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv) The directors have prepared the annual accounts on a going concern basis.
- v) The directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- vi) The directors had devised proper system to ensure compliance with the provisions of all applicable laws and that such system were adequate and operating effectively.

#### **STATUTORY AUDITORS**

During the year under review, the auditors need no rotation as they can continue as statutory auditors up to the F.Y 2016-2017. M/s. B.K. Shroff & Co. Chartered Accountants, who are the statutory auditors of the Company, hold office till the conclusion of the forthcoming AGM and are eligible for re appointment. The Company has received a letter from the retiring Auditors to the effect that their appointment as Statutory Auditors, if made, would be within the limits prescribed u/s 141 of the Companies Act, 2013. Members are requested to consider and re-appoint M/s. B.K. Shroff & Co., Chartered Accountants, as the Statutory Auditors of the Company from the ensuing Annual General Meeting till the conclusion of next Annual General Meeting

#### **INTERNAL CONTROL SYSTEMS**

Your Company has evolved a system of internal controls to ensure that the assets are safeguarded and transactions are authorised, recorded and correctly reported. The internal control system is supplemented by management reviews and independent periodical reviews by the outside chartered accountancy firms which evaluate the functioning and quality of internal controls and provides assurance of its adequacy and effectiveness. The scope of internal audit covers a wide variety of operational methods and, as a minimum, ensures compliance with specified standards with regard to availability and suitability of policies and procedures, extent of adherence, reliability of management information system and authorization procedures including steps for safeguarding of assets. The reports of internal audit are placed before Audit Committee of the Directors and Board. Audit Committee and board reviews such audit findings and the adequacy of internal control systems. The Statutory Auditors and the Internal Auditors of the Company also interact with the Audit Committee and Board to share their findings and the status of corrective actions under implementation.

M/s. M.C. Jain & Co. Chartered Accountants, New Delhi were appointed as Internal Auditors of the Company for the Financial Year 2015-16 and their reports for the year were submitted to the Audit Committee and to the Board.

#### **COST AUDIT**

The Central Govt has approved the appointment of M/s Avtar Singh & Co. as cost auditors for conducting Cost Audit for the Financial Year 2015-16. The report of Cost Auditors in respect of audit of the cost records of the Company for the year ended 31st March 2016 will be submitted to the Central Government in due course.

#### **SECRETARIAL AUDIT**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s Suchita Gupta & Co., a firm of Company Secretaries in Practice, to undertake the Secretarial Audit of the Company. The Report of the Secretarial Audit is annexed herewith as Annexure-A.

#### **AUDITORS' OBSERVATIONS**

Auditors' observations relating to Note no. 12 as contained in the Main Report under the para 'Basis of Qualified Opinion' are explained hereunder: -

Although, the company has made representation to the competent authority for payment of compensation at market rate in respect of part of company's factory land acquired by Government of Haryana, the company feels that final decision in this regard may take a very long time and moreover there is uncertainty about the success of company's representation. Hence, it has been decided that its affect would be given in company's books as and when actual compensation is received from Government of Haryana.

#### **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:**

During the year under review, company has not given any loans, Guarantee or made any investments covered under the provisions of Section 186 of the Companies Act, 2013.

#### **SUBSIDIARY COMPANIES:**

The Company does not have any subsidiary.

#### **BUSINESS RISK MANAGEMENT**

Pursuant to the requirement of Listing regulations, 2015, the Company has constituted a Risk Management Committee. The details of the Committee and its terms of reference are set out in the Corporate Governance Report forming part of the Board's Report. On



the recommendation of the Risk Management Committee, the Board has adopted Risk Management Policy, which outlines the program implemented by the Company to ensure appropriate risk management within its system and culture. The Risk Management Policy is also posted on the website of the Company. The Company's risk management program comprises of a series of processes, structures and guidelines which assist the Company to identify, assess, monitor and manage its business risks, including any material changes to its risk profile. To achieve this, the Company has clearly defined the responsibility and authority of the Company's Board of Directors and of the Risk Management Committee to oversee and manage the risk management program while conferring responsibility and authority on the Company's senior management to develop and maintain the risk management program in light of the day to day needs of the Company. Regular communication and review of risk management practices provide the Company with important checks and balances to ensure the efficacy of its risk management program.

#### **SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS**

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

#### **POSTAL BALLOT:**

For the year ended March 31, 2016 there have been no ordinary or special resolutions passed by the Company's Shareholders through postal ballot.

#### **DIRECTORS**

##### **(i) Retirement by rotation**

In accordance with the provisions of the Companies Act, 2013 and Articles of Association of the Company, Mr. Vedit Jain retires by rotation and is eligible for reappointment. The brief resume(s) of the all Directors proposed to be appointed or reappointed at the ensuing AGM, as required in terms of Listing Regulations, 2015 is provided in the annexure(s) to the notice of Annual General Meeting. Members are requested to re-appoint him.

##### **(ii) Resignation of Director:-**

During the year, Mr. R.K.Bhardwaj and Mr. Vinod Katyal, whole Time Directors of the company resigned from the Board.

##### **(iii) Declarations by Independent Directors**

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Listing regulations, 2015.

##### **(iv) Board Evaluation**

Pursuant to the provisions of the Companies Act, 2013, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration and other Committees. The board's performance for the current year was assessed on the basis of participation of directors, quality of information provided/available, quality of discussion and contribution etc. A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering the aforesaid aspects of the Board's functioning. The overall performance of the Board and

Committee's of the Board was found satisfactory. The overall performance of Chairman, Executive Directors and the Non-executive Directors of the Company is satisfactory. The review of performance was based on the criteria of performance, knowledge, analysis, quality of decision making etc.

##### **(v) Nomination & Remuneration Policy**

The Board has, on the recommendation of the Nomination & Remuneration Committee, framed a Policy for selection, appointment and remuneration of Directors and Key Managerial Personnel. More details of the same are given in the Corporate Governance Report.

##### **(vi) Board Meetings**

During the year, four (4) Board Meetings and four (4) Audit Committee Meetings were convened and held. The details are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013

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

The information relating to conservation of energy, technology absorption and foreign exchange earnings & 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 Annexed herewith as **Annexure-B**.

#### **EXTRACT OF ANNUAL RETURN**

The details forming part of the extract of the Annual Return in form MGT-9 is annexed herewith as **Annexure-C**

#### **PARTICULARS OF EMPLOYEES**

The provisions of Rule 5(2) & (3) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 requiring



particulars of the employees in receipt of remuneration in excess of Rs.60 lacs per year to be disclosed in the Report of Board of Directors are not applicable to the Company as none of the employees was in receipt of remuneration in excess of Rs.60 lacs during the financial year 2015-16. The information in accordance with the provisions of Section 197 of the Companies Act, 2013 read with rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 is annexed as **Annexure-D**.

#### **CORPORATE GOVERNANCE**

As required under SEBI (LODR) 2015, a detailed Report on Corporate Governance is given as a part of Annual Report. The Company is in full compliance with the requirements and disclosures that have to be made in this regard. The Certificate of the compliance with Corporate Governance requirements by the Company issued by Statutory Auditors is attached to the Report on Corporate Governance.

#### **OBLIGATION OF COMPANY UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

In order to prevent sexual harassment of women at work place a new act The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 has been notified on 9th December, 2013. Under the said Act every company is required to set up an Internal Complaints Committee to look into complaints relating to sexual harassment at work place of any women employee.

Company has adopted a policy for prevention of Sexual Harassment of Women at workplace and has set up Committee for implementation of said policy. During the year Company has not received any complaint of harassment.

#### **ACKNOWLEDGEMENT**

The Board wishes to place on record its appreciation of sincere efforts put in by the employees and directors of the Company, in helping it reach its current growth levels. Your Directors place on record their appreciation for the support and assistance received from the investors, customers, vendors, bankers, financial institutions, business associates, regulatory and governmental authorities.

**For & On Behalf of Board of Directors**

Place : New Delhi

Dated : 09-8-2016

**Ramesh Kumar Jain**  
Chairman & Managing Director



## SECRETARIAL AUDIT REPORT

FORM NO. MR.3

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2016

[Pursuant to section 204(1) of the Companies Act 2013, and Rule 9 of the Companies  
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members

**PASUPATI SPINNING AND WEAVING MILLS LIMITED**

VILLAGE KAPRIWAS, DHARUHERA,

DISTRICT REWARI, HARYANA

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

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31 March 2016 ('Audit Period') 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31 March 2016 according 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; **(Not applicable to the Company during the Audit Period);**
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **(Not applicable to the Company during the Audit Period);**
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 **(Not applicable to the Company during the Audit Period);**
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 notified on 28 October 2014; **(Not applicable to the Company during the Audit Period);**
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not applicable to the Company during the Audit Period);**
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **(Not applicable to the Company during the Audit Period);** and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 **(Not applicable to the Company during the Audit Period).**
  - (i) **The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 (Published on 2<sup>nd</sup> day of September 2015 and come into force on the nineteenth day from the date of their publication, hence applicable to the company during audit period)**

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



(i) Secretarial Standards issued by The Institute of Company Secretaries of India (**SS1 and SS2 notified hence applicable to the Company during the audit period**).

(ii) The Listing Agreements entered into by the Company with Stock Exchanges.

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

**I further report that,** Pasupati Spinning & Weaving Mills Limited is an India based textile company. It has two manufacturing units. Its polyester viscose yarn and cotton yarn unit is located at Village Kariwas , Dhaurhera , Distt Rewari, Haryana. Its sewing thread unit is located at Kala-Amb, Himachal Pradesh. As per the information and documents provided by the company, the company is not registered in any act as related to Textile as under-

1. **Textile undertaking Act, 1995**
2. **The Textile Committee Act, 1963**
3. **Central Silk Board, 1948**
4. **The Handloom Act, 1985**
5. **Cotton Control order, 1986**
6. **Textiles (Development and Regulation) Order, 2001**

**I further report that,** having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the following laws applicable specifically to the Company:

- a) The Factories Act, 1948
- b) Industrial Dispute Act, 1947
- c) The Payment of wages Act, 1936
- d) The Minimum Wages Act, 1948
- e) Employees State Insurance Act, 1948
- f) The Employees Provident Fund and Miscellaneous Provisions Act, 1952
- g) The Payment of Bonus Act, 1965
- h) The Payment of Gratuity Act, 1972
- i) The Contract Labour (Regulation and Abolition) Act, 1970
- j) The Industrial Employment (Standing Orders) Act, 1946

**I further report that, the company having its unit in Kala-Amb (Himachal Pradesh) and in Dharuhara, (Haryana) and it has constituted separately for each of its unit a Internal Complaint Committee as per provision of Section 4 of the Sexual Harassment of Women at Workplace (Prevention, prohibition, and Redressal) Act, 2013 and there is no case of Sexual harassment in any unit of the company during Audit period of 2015-2016.**

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

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

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

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

**For Sucheta Gupta & Associates**  
**(Company Secretaries)**

**Place: New Delhi**  
**Date: 9-8-2016**

**Sucheta Gupta**  
**(Proprietor)**  
**C.P. No. 9891**





## CONSERVATION OF ENERGY

### a) ENERGY CONSERVATION MEASURES TAKEN:

1. Ring frame lift reduction to get more production with same power consumption (2-3%)
2. Putting 36 / 38 mm dia-meter rings to get more productivity with same power consumption.
3. Adjusted the blades of S.A. & R.A. Fans at H. Plants to maintain humidity with minimum power consumption.
4. Replacement of ordinary motors by high power factor high efficiency motors
5. Some innovative modifications carried out in machine to reduce down the given load such as simplex pneumatic suction motor stopped by introducing under clearer.
6. By changing the filter media of filtration plant the filtration efficiency improved and thus reduced the load, on suction fans and effected on energy saving.
7. Optimising the Humidification plants saturation efficiency the load on supply air fan and water pumps reduced.
8. By modifying the compressed air line consumption of compressed air reduced thus resulted in energy saving.
9. We have replaced old reciprocative compressor with new screw compressor having high efficiency & low consumption of power. There would be 10-15% power saving in compressor units.
10. We have obtained additional sanction of 1000 KVA load during peak hours from HPSEB resulting reduction in P.U. cost of power.
11. The new generation air-compressor is added to save the power consumption as well as maintenance cost.
12. Some modifications carried out in our Humidification Plant provided the stationary V Notch Type Filter in place of Rotary filter and save 3.2 KW/Hrs.
13. Optimize the power voltage and reduce the energy consumption
14. Optimize the compressed air pressure by reducing from 9.5 Kgs to 8 Kgs and save the power.
15. Over-head cleaner travelling frequency reduced by 3 to 4 minutes in all Ring Frames and achieved the conservation in this area.
16. Plugged all air leakage, hence saving of air results power saving.
17. By installing power capacitors near to load.
18. By replacing conventional tube-lights with new energy saving (TS) Tube-lights.
19. By maintaining Power Factor 11-100%.
20. By providing transparent sheets at Godowns for maximum utilisation of natural day light.
21. By installing online energy Monitoring system in our power house, which helped us to make power saving (approx. 5-10%).

### b) ADDITIONAL INVESTMENT PROPOSALS, IF ANY, BEING IMPLEMENTED FOR SAVING ENERGY :

1. To install spinmax system on Ring frames, enabling to increase productivity without increase in power consumption up to 5%.

### c) IMPACT OF THE MEASURES FOR REDUCTION OF ENERGY CONSUMPTION AND CONVERSANT IMPACT ON THE COST OF PRODUCTION OF GOODS:

The above measures have resulted in saving of energy and to that extent the cost had reduced.

**Form A:**



A POWER AND FUEL CONSUMPTION	CURRENT YEAR	PREVIOUS YEAR
<b>1 Electricity</b>		
a) Purchased Units	29322357	30330270
Total amount paid (Rs)	183651215	186205225
Rate/unit (Rs)	6.26	6.14
b) Own generated through Diesel generators (units)	166504	140324
Rate of diesel/HFO (Rs/Ltr)	42.50	51.71
Cost/Unit (Rs)	12.24	14.79
<b>2 Coal used in boiler</b>		
Quantity (MT)	1256	2029
Total Cost (Rs.)	11275655	15760455
Avg. Cost per MT (Rs)	8977.43	7768.70
<b>B) CONSUMPTION PER UNIT OF PRODUCTION :</b>		
Production of Yarn (MT)	5327.068	5513.996
Electricity (KWH/Ton)	5535.66	5526.05
Coal (Kg/Ton)	235.75	367.92
Others (Diesel/HFO Ltr/Ton)	9.00	7.28

#### FORM B : TECHNOLOGY ABSORPTION, RESEARCH AND DEVELOPMENT

Specific areas in which R & D carried out by the Company:

- 1) Developed Cotton / Wool yarn
- 2) Developed Bamboo Fibre Yarn
- 3) Developed Polyester / Wool yarn
- 4) Well equipped quality control Lab with premier art, premier classic, evenness tester, cascade and TPI Tester. Latest addition is premier classic, which helps to optimise yarn forming processes and electronic clearers of winding.

#### BENEFITS ARRIVED AS A RESULT OF R&D

With developing different type of yarn, there is a value addition, hence increase margins. With the addition of Premier art and classmate the quality of yarn is adjudged and control result increase in Export of yarn.

#### FUTURE PLAN OF ACTION

R&D is being carried out for developing new product range from cotton and polyester fibres such as compact yarn. Further, R&D activities will continue and more efforts will be made towards new innovations and diversifications of the product range for optimisation of process for improving quality and productivity as well.

#### FOREIGN EXCHANGE EARNING AND OUTGO

Total Foreign Exchange earned (on FOB basis)	Rs. 95978676/-
Total Foreign Exchange used	Rs 4068301 /-



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

as on financial year ended on 31.03.2016

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

**I REGISTRATION & OTHER DETAILS:**

I	CIN	L74900HR1979PLC009789
II	Registration Date	13/08/1979
III	Name of the Company	PASUPATI SPINNING AND WEAVING MILLS LIMITED
IV	Category of the Company	Company limited by Shares
	Sub-category of the Company	Indian Non-Government Company
V	Address of the Registered office & contact details	VILLAGE KAPRIWAS, DHARUHERA, DISTRICT REWARI ,HARYANA
VI	Whether listed company	yes
VII	Name , Address & contact details of the Registrar & Transfer Agent, if any.	M/s. Skyline Financial Services Pvt. Ltd D-153 , 1st Floor , Okhala Industrial, 1st Floor , Okhala Industrial Area Phase -1, Area Phase -1 , New Delhi 110020 . Tel.: 011 -26812682,83 , 011-64732681-88 Fax: +91 11 26812682 , Web:www.skylinerta.com

**II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

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

S.No.	Name & Description of Main Products/Services	NIC Code of the Product/Service	% to total turnover of the Company
1	SYNTHETIC YARN	55092200	0.08
2	COTTON YARN	52052110	39.31
3	SEWING THREAD	55081000	48.88
4	KNITTED FABRIC	60062100	3.41
5	READYMADE GARMENTS	61044200	6.73
6	POLYSTER WASTE	550510	0.19
7	COTTON WASTE	52029900	1.41
	<b>TOTAL</b>		100

**III PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES**

S.No.	Name & Address of the Company	CIN/GLN	Holding/Subsidiary/ Associate	% of Shares Held	Applicable Section
NOT APPLICABLE					

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

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>									
(1) Indian	979734	-	979734	10.49	979734	-	979734	10.49	-
a) Individual/HUF	-	-	-	-	-	-	-	-	-



b) Central Govt.or State Govt.	-	-	-	-	-	-	-	-	-
c) Bodies Corporates	6014236	-	6014236	64.41	6014236	-	6014236	64.41	-
d) Bank/FI	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
<b>SUB TOTAL:(A) (1)</b>	<b>6993970</b>		<b>6993970</b>	<b>74.91</b>	<b>6993970</b>		<b>6993970</b>	<b>74.91</b>	<b>-</b>
<b>(2) Foreign</b>									
a) NRI- Individuals	-	-	-	-	-	-	-	-	-
b) Other Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks/FI	-	-	-	-	-	-	-	-	-
e) Any other...	-	-	-	-	-	-	-	-	-
<b>SUB TOTAL (A) (2)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Shareholding of Promoter</b>	<b>6993970</b>	<b>-</b>	<b>6993970</b>	<b>74.91</b>	<b>6993970</b>	<b>-</b>	<b>6993970</b>	<b>74.91</b>	<b>-</b>
<b>(A)= (A)(1)+(A)(2)</b>									
<b>B. PUBLIC SHAREHOLDING</b>									
<b>(1) Institutions</b>									
a) Mutual Funds	60	2400	2460	0.03	60	2400	2460	0.03	-
b) Banks/FI	2462	5360	7822	0.08	2462	5360	7822	0.08	-
C) Central govt	-	-	-	-	-	-	-	-	-
d) State Govt.	-	-	-	-	-	-	-	-	-
e) Venture Capital Fund	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIS	-	-	-	-	-	-	-	-	-
h) Foreign Venture	-	-	-	-	-	-	-	-	-
Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)									
<b>SUB TOTAL (B)(1):</b>	<b>2522</b>	<b>7760</b>	<b>10282</b>	<b>0.11</b>	<b>2522</b>	<b>7760</b>	<b>10282</b>	<b>0.11</b>	<b>-</b>
<b>(2) Non Institutions</b>									
a) Bodies corporates	1586159	37612	1623771	17.39	1584068	37612	1621680	17.36	-0.03
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs.1 lakhs	279830	334192	614022	6.57	279830	334192	614022	6.57	-0.02
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakhs	79087	-	79087	0.84	79087	-	79087	0.84	-
c) Others (specify)	-	-	-	-	-	-	-	-	-
Non Resident Indians	540	-	540	0.01	540	-	540	0.01	0.01
Hindu Undivided Families	10801	-	10801	0.12	10801	-	10801	0.12	-0.01
Clearing Member/Public	0	4000	4000	0.04	0	4000	4000	0.04	-
Trust	-	-	-	-	-	-	-	-	-
Clearing Members	595	-	595	0.01	595	-	595	0.01	-0.01
<b>SUB TOTAL (B)(2):</b>	<b>1957012</b>	<b>375804</b>	<b>2332816</b>	<b>24.98</b>	<b>1957012</b>	<b>375804</b>	<b>2332816</b>	<b>24.98</b>	<b>-0.02</b>
<b>Total Public Shareholding</b>	<b>1959534</b>	<b>383564</b>	<b>2343098</b>	<b>25.09</b>	<b>1959534</b>	<b>383564</b>	<b>2343098</b>	<b>25.09</b>	<b>-</b>
<b>(B)= (B)(1)+(B)(2)</b>									
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>									
<b>Grand Total (A+B+C)</b>	<b>8953504</b>	<b>383564</b>	<b>9337068</b>	<b>100</b>	<b>8953504</b>	<b>383564</b>	<b>9337068</b>	<b>100</b>	<b>-</b>



## (ii) SHARE HOLDING OF PROMOTERS

S. No.	Shareholder Name	Shareholding at the beginning of the year			Shareholding at the end of 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	Vrinda Jain	7,14,052	7.65	-	7,14,052	7.65	-
2	Vidit Jain	1,34,076	1.44	-	1,34,076	1.44	-
3	Tushar Jain	1,31,606	1.41	-	1,31,606	1.41	-
4	Shailja Investment	1,68,454	1.8	-	1,68,454	1.8	-
5	Sulabh Impex Ltd	17,77,354	19.04	-	17,77,354	19.04	-
6	Pasupati Olefin Ltd	40,68,428	43.57	7.49	40,68,428	43.57	7.49
				-			-
	<b>Total</b>	<b>69,93,970</b>	<b>74.91</b>	<b>7.49</b>	<b>69,93,970</b>	<b>74.91</b>	<b>7.49</b>

## (iii) CHANGE IN PROMOTERS' SHAREHOLDING ( SPECIFY IF THERE IS NO CHANGE)

S. No.	Shareholder Name	Shareholding at the end 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
	For Each of the Directors & KMP				
	At the beginning of the year				
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	No change in the Promoters Shareholding during the year			
	At the end of the year				

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

S. No.	Shareholder Name	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	JM financial Assets Reconstruction Co. Pvt. Ltd.	1000000	10.71	1000000	10.71
2	India Spintex Ltd.	311620	3.34	311620	3.34
3	Priyanka overseas Private Ltd.	108574	1.16	108574	1.16
4	MVA Finance p LTD.	81727	0.88	81727	0.88
5	Manish Jain	52920	0.57	52920	0.57
6	R R B Securities Ltd.	20800	0.22	20800	0.22
7	Bijay Paper Traders & Investment L	20000	0.21	20000	0.21
8	Rashmi Jain	15000	0.16	15000	0.16
9	VMA Finance Private Limited	11495	0.12	11495	0.12
10	Varsha Merani	11167	0.12	11167	0.12
	<b>Total</b>	<b>1633303</b>	<b>17.49</b>	<b>1633303</b>	<b>17.49</b>



## (v) Shareholding of Directors &amp; KMP

S. No.	Shareholder Name	Shareholding at the end of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	<b>For Each of the Directors &amp; KMP</b>				
1	<b>RAMESH KUMAR JAIN</b> (Managing director) At the beginning of the year	-	-	-	-
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	-	-	-	-
	At the end of the year	-	-	-	-
2	<b>RAM KARAN BHARDWAJ</b> Whole-time director ( Resign w.e.f 17.7.15) At the beginning of the year	-	-	-	-
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	-	-	-	-
	At the end of the year	-	-	-	-
3	<b>VIDIT JAIN</b> Whole-time director At the beginning of the year	1,34,076	1.44	1,34,076	1.44
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	-	-	-	-
	At the end of the year	1,34,076	1.44	1,34,076	1.44
4	<b>PRAVEEN PALIWAL</b> (Director) At the beginning of the year	-	-	-	-
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	-	-	-	-
	At the end of the year	-	-	-	-
5	<b>GHANSHYAM DASS GUPTA</b> (Director) At the beginning of the year	-	-	-	-
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	-	-	-	-
	At the end of the year	-	-	-	-
6	<b>ASHWANI KUMAR RATHORE</b> (Director) At the beginning of the year	-	-	-	-
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	-	-	-	-
	At the end of the year	-	-	-	-



## (v) Shareholding of Directors &amp; KMP

S. No.	Shareholder Name	Shareholding at the end of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	<b>For Each of the Directors &amp; KMP</b>				
7	<b>VRINDA JAIN</b> (Director) At the beginning of the year	7,14,052	7,65	7,14,052	7,65
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	-	-	-	-
	At the end of the year	7,14,052	7,65	7,14,052	7,65
8	<b>ANIL GUPTA</b> (Director) At the beginning of the year	-	-	-	-
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	-	-	-	-
	At the end of the year	-	-	-	-
9	<b>VINOD KATYAL</b> Whole Time Director (Resigned w.e.f. 9.1.2016) At the beginning of the year	-	-	-	-
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	-	-	-	-
	At the end of the year	-	-	-	-
11	<b>AJAY KUMAR MONGA CFO</b> At the beginning of the year	-	-	-	-
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	-	-	-	-
	At the end of the year	-	-	-	-
12	<b>REKHA SHARMA</b> (Company Secretary) At the beginning of the year	-	-	-	-
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	-	-	-	-
	At the end of the year	-	-	-	-



**V INDEBTEDNESS**

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

	Secured Loans Excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	437,616,841.00	67,275,865.00	-	504,892,706.00
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	4,107,564.00	-	-	4,107,564.00
<b>Total (i+ii+iii)</b>	441,724,405.00	67,275,865.00	-	
<b>Change in Indebtedness during the financial year</b>				-
Additions		-	-	
Reduction	(13,476,862.00)	(1,450,000.00)	-	(14,926,862.00)
<b>Net Change</b>	(13,476,862.00)	(1,450,000.00)	-	(14,926,862.00)
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	425,159,342.00	65,825,865.00	-	490,985,207.00
ii) Interest due but not paid	3,088,201.00	-	-	3,088,201.00
iii) Interest accrued but not due		-	-	-
<b>Total (i+ii+iii)</b>	428,247,543.00	65,825,865.00	-	494,073,408.00

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

S.No.	Particulars of Remuneration	Key Managerial Personnel				Total
		MD				
	Name of the MD/WTD/Manager	MR. RAMESH KUMAR JAIN	MR. SK.K. CHAJER	MR. RAM KARAN BHARDWAJ	MR. VIDIT JAIN	
1	<b>Gross salary(Rs.)</b>	(Rs.)	(Rs.)	(Rs.)	(Rs.)	
	(a) Salary as per provisions contained in section 17(1) of the Income Tax. 1961.	-	340,967.00	301,613.00	720,000.00	1,362,580.00
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	264,364.00	38,000.00	27,323.00	286,636.00	616,323.00
	(c ) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961					
2	Stock option	-	-	-	-	-
3	Sweat Equity	-	-	-	-	-
4	Commission as % of profit	-	-	-	-	-
	others (specify)	-	-	-	-	-
5	Others, please specify-	-	-	-	-	-
	<b>Total (A)</b>	264,364.00	378967	328,936.00	1,006,636.00	1,978,903.00
	<b>Ceiling as per the Act (Rs.)</b>	42,00,000				

**B. Remuneration to other directors:**

S.No.	Particulars of Remuneration	Remuneration to other directors				Total
		PRAVEEN PALIWAL	GHANSHYAM DASS GUPTA	ASHWANI KUMAR RATHORE	ANIL GUPTA	
1.	Name of Independent Directors	Rs.	Rs.	Rs.	Rs.	Rs.
	(a) Fee for attending board committee meetings	20,000.00	25,000.00	20,000.00	20,000.00	85,000.00
	(b) Commission					
	(c ) Others, please specify	-	-	-	-	-
	<b>Total (1)</b>	20,000.00	25,000.00	20,000.00	20,000.00	85,000.00
2	Other Non Executive Directors					
	<b>Non Executive Directors</b>					
	(a) Fee for attending board committee meetings	-	-	-	-	-
	(b) Commission	-	-	-	-	-
	(c ) Others, please specify.	-	-	-	-	-
	<b>Total (2)</b>	-	-	-	-	-
	<b>Total (B)=(1+2)</b>	85,000				
	<b>Total Managerial Remuneration (Rs.)</b>	1,978,903				
	<b>Overall Ceiling as per the Act. (Rs.)</b>	42,00,000				

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

S.No.	Particulars of Remuneration	Key Managerial Personnel		
		Company Secretary Rekha Sharma	CFO Ajay Kumar Monga	Total
1.	Gross Salary			
	Name of KMP			
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	720,000.00	1,366,200.00	2,086,200.00
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	-	-	-
	(c ) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	as % of profit	-	-	-
	others, specify	-	-	-
5	Others, please specify			
	<b>Total (Rs.)</b>	720,000.00	1,366,200.00	2,086,200.00



## VII PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

S.No.	Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Com,pounding fees imposed	Authority (RD/NCLT/ Court)	Appeal made if any (give details)
	<b>A. COMPANY</b>					
	Penalty			None		
	Punishment					
	Compounding					
	<b>B. DIRECTORS</b>					
	Penalty			None		
	Punishment					
	Compounding					
	<b>C. OTHER OFFICERS IN DEFAULT</b>					
	Penalty			None		
	Punishment					
	Compounding					

## Annexure-D

## PARTICULARS PURSUANT TO SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5 OF THE COMPANIES (APPOINTMENT &amp; REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

- (i) The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2015-16, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2015-16 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

Name of Director and KMP	Designation	Remuneration of Director/KMP for financial year 2015-16	Remuneration of Director/KMP for financial year 2014-15	% increase in Remuneration in the Financial Year 2015-16	Ratio of remuneration of each Director/ to median remuneration of employees
Mr. Ramesh Kumar Jain	Managing director	264364	2,87,617	(8.08)	1.14
Mr. Ram Karan Bhardwaj*	Executive Director	328,936	7,37,600	(55.4)	1.42
Mr. Vidit Jain	Executive Director	10,06,636	10,07,617	(0.1)	4.35
Mr. S.K. Chajjer (resigned w.e.f. 30/6/2014)	Executive Director	—	18,1600	—	—
Mr. Vinod Katyal**	Whole Time Director	378967	—	—	1.64
Mr. Praveen Paliwal	Independent Director	20000	20,000	—	0.08
Mr. Ghanshyam Dass Gupta	Independent Director	25000	35,000	40	0.11
Mr. Ashwani Kumar Rathore	Independent Director	20000	20,000	—	0.08
Ms. Vrinda Jain	Non- Executive Director	NIL	NIL	—	-
Mr. Anil Gupta	Independent Director	20000	10,000	100	0.08
Mr. Ajay Kumar Monga	CFO	1366200	13,20,600	3.45	5.91
Ms. Rekha Sharma	Company Secretary	720000	6,72,000	7.14	3.11



\* Ram Karan Bhardwaj resigned his office w.e.f. 17/07/2015

\*\* Mr Vinod Katyal appointed as Whole-time Director w.e.f. 14/08/2015 and resigned his office w.e.f. 9/01/2016

- ii) The median remuneration of employees of the Company during the financial year was 2.31 lakh p.a..
- iii) In the financial year, there was an increase of 7% in the median remuneration of employees;
- iv) There were 778 permanent employees on the rolls of Company as on March 31, 2016;
- v) Relationship between average increase in remuneration and company performance:- **During the year under review, the profit before taxes increased to Rs.22.28 lacs from Rs. 17.71 lacs.** The average increase in median remuneration was in line with the performance of the Company.
- vi) Comparison of Remuneration of the Key Managerial Personnel(s) against the performance of the Company:-  
The total remuneration of Key Managerial Personnel declined by 3.37 (%) from Rs. 4,207,034 lacs in 2014-15 to 4,065,103 lacs in 2015-16 whereas **during the year under review, the profit before taxes increased to Rs.22.28 lacs from Rs. 17.71 lacs.**
- vii) Variations in the market capitalization of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase or decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer:

Closing date of Financial Year	Issued Capital (Shares) No. of Shares	Closing Market Price (Per Shares)	EPS	PE Ratio	Market Capitalization (Rs.)
31-3-2015	9337068	17.10	.20	85.5	15,96,63,863
31-3-2016	9337068	21.85	.13	168.08	20,40,14,935
Increase/(Decrease)	-	4.75	(0.07)	82.58	44,351,072
% of Increase/ (Decrease)	-	27.77	(.35)	96.59	27.77

Market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer:-

The equity shares of the Company were initially listed on BSE Ltd. in the year 1982. The last public offer of the equity shares was made in the year 1991 by way of Rights Issue to the existing equity shareholders in the ratio of 1:5 at a price of Rs. 25/- per equity share of Rs.10/- at a premium of Rs. 15 per share. As on 31st March, 2016, the market quotation of the Company's share price (closing price) was Rs. 21.85 i.e. increase of 27.77%.

- viii) Average percentage increase made in the salaries of employees other than the managerial personnel in the last financial year i.e. 2015-16 was 7 %
- ix) The key parameters for the variable component of remuneration availed by the directors are considered by the Board of Directors based on the recommendations of the Nomination and Remuneration Committee as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.
- x) The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year Not Applicable; and
- xi) It is hereby affirmed that the remuneration paid is as per the as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.



**FORM NO. AOC -2**  
**(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2)**  
**of the Companies (Accounts) Rules, 2014.**

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

S.No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Not Applicable
b)	Nature of contracts/arrangements/transaction	
c)	Duration of the contracts/arrangements/transaction	
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	
e)	Justification for entering into such contracts or arrangements or transactions'	
f)	Date of approval by the Board	
g)	Amount paid as advances, if any	
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	

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

S.No.	Name (s) of the related party & nature of relationship	Details	Nature of contracts/ arrangements/ transaction	Duration of the contracts/ arrangements/ transaction	Salient terms of the contracts or arrangements or transaction including the value, if any	Date of approval by the Board, If any	Amount paid as advances, if any
1	Mr. Ramesh Kumar Jain	Chairman and Managing Director	Remuneration and perquisites paid during the year :- Rs 264364/-	One Year	N/A	27-5-2015	NIL
2	Mr. Vinod Katyal	Whole time Director (Ceased w.e.f 9-1-2016)	Remuneration and perquisites paid during the year :- Rs 378967	One Year	N/A	27-5-2015	NIL
3	Mr. Vedit Jain	Executive Director	Remuneration and perquisites and Retirement Benefits paid during the year :- Rs 1093036/- and Rent paid for Rs 128813/-	One Year	N/A	27-5-2015	NIL
4	Mr. Ram Karan Bhardwaj	Whole time Director (Ceased w.e.f 17-7-2015)	Remuneration and perquisites paid during the year :- Rs 328,936/-	One Year	N/A	27-5-2015	NIL
5	Mr. Aditya Bhardwaj	Relative of Whole Time Director	Remuneration and perquisites paid during the year :- Rs 88,710/-	One Year	N/A	27-5-2015	NIL
6	Ms. Anubha Bhardwaj	Relative of Whole Time Director	Remuneration and perquisites paid during the year :- Rs 88,710/-	One Year	N/A	27-5-2015	NIL
7	Mrs. Vimal Bhardwaj	Wife of Whole Time Director	Remuneration and perquisites paid during the year :- Rs 212904/-	One Year	N/A	27-5-2015	NIL



S.No.	Name (s) of the related party & nature of relationship	Details	Nature of contracts/ arrangements/ transaction	Duration of the contracts/ arrangements/ transaction	Salient terms of the contracts or arrangements or transaction including the value, if any	Date of approval by the Board, If any	Amount paid as advances, if any
8	Ms. Leeza Anand	Relative of Whole Time Director	Remuneration and perquisites paid during the year :- Rs 118161/-	One Year	N/A	27-5-2015	NIL
9	Mr. Praveen Paliwal	Independent Director	Sitting Fees Rs 20000/-	One Year	N/A	27-5-2015	NIL
10	Mr. Ghanshyam Das Gupta	Independent Director	Sitting Fees Rs 25000/-	One Year	N/A	27-5-2015	NIL
11	Mr. Ashwani K Rathore	Independent Director	Sitting Fees Rs 20000/-	One Year	N/A	27-5-2015	NIL
12	Mr. Anil Gupta	Independent Director	Sitting Fees Rs 20000/-	One Year	N/A	27-5-2015	NIL
13	Mrs. Vrinda Jain	Non Executive Director	Rent paid for Rs 198,000/-	One Year	N/A	27-5-2015	NIL
14	Mrs. Vandita Jain	Wife of Executive Director	Rent paid for Rs 193,600/-	One Year	N/A	27-5-2015	NIL
15	Mr. Tushar Jain	Son of CMD	Rent paid for Rs 120750/-	One Year	N/A	27-5-2015	N/L
16	M/s Shivani Textiles	Directors along with their relatives are holding more than 2% shareholding of the company	Sales :- Rs 17,366,903/- Job Work :- Rs 40,219,146/- Vehicle Hire Charges :- Rs 510,000/- Rent-Paid:- Rs 128,813/-	One Year	N/A	27-5-2015	N/L



## PASUPATI SPINNING & WEAVING MILLS LIMITED

### REPORT ON CORPORATE GOVERNANCE

Your Directors present the Company's Report on Corporate Governance as per the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the year ended 31st March, 2016.

#### 1 COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE :

Your Company's philosophy of corporate governance is to conduct its business on the basis of ethical business value and maximize its value to all its stakeholders. The Company has inculcated a culture of transparency, accountability and integrity. The Company has already put in place systems and procedures and has complied with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

#### 2 BOARD OF DIRECTORS :

The Company has a Executive Chairman and the number of Independent Directors is half of the total strength of the Board. The Company has complied with the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of the Composition of the Board of Directors (Board). None of the Independent Directors have any material pecuniary relationship or transactions with the Company.

Necessary disclosures regarding composition of the Board, category, attendance of Directors at the Board Meetings and last Annual General Meeting, number of other Directorship and other Committee Memberships are given below:-

Name & Designation of Directors	Category	No. of Board Meetings attended	No. of Directorships held in other Companies	Attendance at last AGM	No. of Committee positions held in other Companies		No of Shares and Cover table Instruments held by NED
					Chairman of Committee	Member of Committee	
Mr. Ramesh Kumar Jain Chairman & Managing Director	ED and Promoter	4	2	Yes	Nil	Nil	Nil
Mrs. Vrinda Jain	NED & Promoter	4	4	Yes	Nil	Nil	Share held are :-714052
Mr. Vedit Jain	ED & Promoter	4	4	Yes	Nil	3	-
Mr. Anil Gupta	NED &Independent	2	3	No	2	-	-
Mr. Ghanshyam Das Gupta	NED &Independent	4	Nil	Yes	Nil	Nil	Nil
Mr. Praveen Paliwal	NED &Independent	4	Nil	No	Nil	Nil	Nil
Mr. Ashwani Kumar Rathore	NED &Independent	4	2	No	Nil	Nil	Nil
Mr. R.K.Bhardwaj ( Resigned 17-7-2015)	ED	Nil	Nil	No	Nil	Nil	-
Mr. Vinod Katyal (Appointed on 14-8-2015 and resigned on 9.1.2016)	ED	Nil	Nil	No	Nil	Nil	-



**ED Executive Director/ NED Non-Executive Director / NED (I) Non-Executive Director.**

None of the Directors on the Board is a member of more than 10 committees or Chairman of more than 5 Committees as specified in SEBI LODR 2015 across all the Companies in which he/she is a Director.

Mr. Ramesh Kumar Jain is father of Mr. Vidit Jain and husband of Mrs. Vrinda Jain, none of the other Directors on the Board are related to each other.

Web link of Familiarisation Programmes imparted to Independent Directors is :-

[http://www.pasupatitextiles.com/pdf/familiarization\\_programme.pdf](http://www.pasupatitextiles.com/pdf/familiarization_programme.pdf)

**Number of Board Meetings:-**

During the financial year 2015-2016, four Meetings were held on the following dates:-

S. No.	Date	Board Strength	No. of Directors present
1	28/05/2015	8	7
2	14/08/2015	8	7
3	14/11/2015	8	6
4	11/02/2016	7	6

**3 AUDIT COMMITTEE :-****Composition, meetings and the attendance during the year:**

The Company has complied with all the requirements of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 (SEBI LODR 2015) relating to the composition of the Audit Committee. During the financial year 2015-2016, four meetings of the Audit Committee were held on the 28<sup>th</sup> May, 2015, 14<sup>th</sup> August, 2015, 14<sup>th</sup> November, 2015 and 11<sup>th</sup> February, 2016.

The details of the composition of the Committee and attendance of the members at the meetings are given below:

Date of the Meetings	Composition	Attendance (Yes/No)	Chairman
28/05/2015	1. Sh. G.D. Gupta Member and Chairman 2. Sh. Praveen Paliwal, Member 3. Sh. Ashwani Rathore, Member 4. Sh. Anil Gupta, Member	Yes Yes Yes Yes	Sh. G.D. Gupta
14/08/2015	1. Sh. G.D. Gupta Member and Chairman 2. Sh. Praveen Paliwal, Member 3. Sh. Ashwani Rathore, Member 4. Sh. Anil Gupta	Yes Yes Yes Yes	Sh. G.D. Gupta
14/11/2015	1. Sh. G.D. Gupta Member and Chairman 2. Sh. Praveen Paliwal, Member 3. Sh. Ashwani Rathore, Member 4. Sh. Anil Gupta	Yes Yes Yes No	Sh. G.D. Gupta
11/02/2016	1. Sh. G.D. Gupta Member and Chairman 2. Sh. Praveen Paliwal, Member 3. Sh. Ashwani Rathore, Member 4. Sh. Anil Gupta	Yes Yes Yes No	Sh. G.D. Gupta

The Audit Committee meetings were attended by Chief Financial Officer and representatives of the Internal Auditors, Statutory Auditors were also invited to the meeting. The Company Secretary acted as the Secretary to the Committee.

**Terms of reference:**

The terms of reference of the Committee, inter alia covers the matters specified under Regulation 18 of SEBI (LODR) 2015 as amended from time to time as well as specified in Section 177 of the Companies Act, 2013 read alongwith rules made thereunder. Besides, in additions to other terms as may be referred by the Board of Directors, the Audit Committee has the power inter alia, to investigate any activity within its terms of reference and to seek information from any employee of the Company and seek legal and professional advice.

**4 NOMINATION AND REMUNERATION COMMITTEE****Composition:**

The strength of the Nomination and Remuneration Committee as on 01.04.2015 was four members i.e. Sh. G. D. Gupta, Chairman, Sh. Praveen Paliwal, Sh. Anil Gupta and Sh. Ashwani Rathore as Members. Presently all the members of the Committee including its Chairman are independent Directors. The Company Secretary acted as the Secretary of the Committee.

**Terms of Reference:**

The role, terms of reference, authority and powers of the Remuneration Committee are in conformity with the SEBI LODR 2015 and as prescribed under the Companies Act, 2013. The remuneration committee of the Company reviews approves and recommends to the Board the matters connected with fixation and periodic revision of remuneration of Chairman & Managing Director, whole time Directors and Executive Directors.

**Role of committee inter-alia includes the following:**

- (1) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
- (2) Formulation of criteria for evaluation of performance of independent directors and the board of directors;
- (3) Devising a policy on diversity of board of directors;
- (4) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.
- (5) whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.

**Number of Committee Meetings and Attendance:-**

Date of the Meetings	Composition	Attendance (Yes/No)	Chairman
14/08/2015	1. Sh. G.D. Gupta Member and Chairman 2. Sh. Praveen Paliwal, Member 3. Sh. A.K. Rathore, Member 4. Sh. Anil Gupta, Member	Yes Yes Yes Yes	Sh. G.D. Gupta

**APPOINTMENT & REMUNERATION POLICY:**

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Key Managerial Personnel, Senior Management and their remuneration and evaluation criteria for performance evaluation of Independent Directors.

**POLICY FOR APPOINTMENT AND REMOVAL OF DIRECTOR, KMP AND SENIOR MANAGEMENT IS GIVEN BELOW:-****1. Appointment Criteria and Qualifications**

- a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment.
- b) A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.
- c) The Company shall not appoint or continue the employment of any person as Whole-time Director who has attained the age of 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.

**2. Term/Tenure****a) Managing Director/Whole-time Director:**

The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for



a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

**b) Independent Director**

An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report. No Independent Director shall hold office for more than two consecutive terms of upto maximum of 5 years each, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly. At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company or such other number as may be prescribed under the Act.

**3. Evaluation**

The Committee shall carry out evaluation of performance of every Director, KMP and Senior Management Personnel at regular interval (yearly).

**4. Removal**

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations there under, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

**5. Retirement**

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

**POLICY FOR REMUNERATION TO DIRECTORS/KMP/SENIOR MANAGEMENT PERSONNEL.**

**1. Remuneration to Managing/Whole-time / Executive / Managing Director, KMP and Senior Management Personnel:**

The Remuneration/ Compensation/ Commission etc. to be paid to Director / Managing Director etc. shall be governed as per provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in force.

**2. Remuneration to Non- Executive / Independent Director:**

The Non-Executive Independent Director may receive remuneration / compensation / commission as per the provisions of Companies Act, 2013. The amount of sitting fees shall be subject to ceiling/ limits as provided under Companies Act, 2013 and rules made there under or any other enactment for the time being in force.

The aforesaid Policy and evaluation criteria is disclosed on the Company's website and the weblink for the same is:

[http://www.pasupatitextiles.com/pdf/Pasupati%20\\_Nomination\\_and\\_RemunerationPolicy.pdf](http://www.pasupatitextiles.com/pdf/Pasupati%20_Nomination_and_RemunerationPolicy.pdf)

**Details of Remuneration/Sitting fees paid to directors during the year 2015-16:-**

S. No.	Name of the Director	Description of Transaction	Salary (Rs.)	Perquisites (Rs.)	Sitting Fee (Rs.)	Retirement Benefits	Total (Rs.)
1	Sh. Ramesh Kumar Jain Chairman & Mg. Director	Perquisites	NIL	264364	NIL		264364
2	Ram Karan Bhardwaj Whole Time Director	Remuneration & perquisites	301613	27323	NIL		328936
3	Sh. Vedit Jain Whole Time Director	Remuneration & perquisites	720000	286636	NIL	86400	1093036
4	Sh. Praveen Paliwal	Sitting Fees	NIL	NIL	20000		20000
5	Sh. G. D. Gupta	Sitting Fees	NIL	NIL	35000		35000
6	Sh. Ashwani Kumar Rathore	Sitting Fees	NIL	NIL	20000		20000
7	Sh. Anil Gupta	Sitting Fees	NIL	NIL	10000		10,000
8	Sh. Vinod Katyal	Remuneration and perquisites	340967	38000	NIL		378967



## 5 STAKEHOLDERS RELATIONSHIP COMMITTEE

The Committee is vested with the requisite power and authority to specifically look into the Redressal of the shareholders'/Debenture holders/ Investors' Grievance. The Committee consider and resolve the grievances of the security holders including complaints related to transfer of shares, non-receipt of annual report and non-receipt of declared dividends.

### a) Composition

Presently the Share/Debenture Transfer-cum-Shareholders'/Investors' Grievance Committee consisted of three members Sh. Ashwani Rathore as Chairman, Sh. Ramesh Kumar Jain and Sh. Vedit Jain as members.

### b) Name & Designation of Compliance Officer

Ms. Rekha Sharma, Company Secretary of the Company acts as the Compliance Officer of the Company.

### c) Investors Complaints received and resolved during the year

During the financial Year 2015-16, no Complaint was received and no complaint was pending as on 31.03.2016.

### d) Meetings:-

During the year ending 31.03.2016, 36 (Thirty Six) Meetings of Share/ Debenture Transfer-cum Shareholders'/ Investors' Grievance Committee were held. The Details of attendance of Members are as under:

Name of Member	No. of Meetings Held	No of Meetings attended
1. Sh. Ashwani Rathore (Chairman)	36	36
2. Sh. Ramesh Kumar Jain	36	36
3. Sh. Vedit Jain	36	36

## 6 THE COMPANY HAS FORMED A BUSINESS RISK EVALUATION/ MANAGEMENT COMMITTEE CONSISTING OF THE FOLLOWING MEMBERS

Name of Member	Designation	No of Meetings held during the year
Mr. Ramesh Kumar Jain	Chairman	Nil
Mrs. Vrinda Jain	Member	Nil
Mr. Vedit Jain	Member	Nil

### The objectives and scope of the Risk Management Committee broadly comprise of

- To consider the Company's risk management strategies;
- To consider, review and approve risk management policies and guidelines;
- To decide on risk levels, risk appetite and related resource allocation;
- To approve major decisions affecting the Group's risk profile or exposure and give such directions as it considers appropriate;
- To approve major risk management activities such as hedging transactions;
- To review the Group's approach to risk management and approve changes or improvements to key elements of its processes and procedures; and
- Provide an update report to the Board in this regard no less frequent than annually.

## 7 CODE OF CONDUCT:

The Board of Directors of the Company have adopted Code of Business Conduct & Ethics. This Code is based on three fundamental principles, viz. good corporate governance, good corporate citizenship and exemplary conduct and is applicable to all the Directors and senior management personnel. In terms of the requirements of Clause 49 of the Listing Agreement, the Code of Business Conduct & Ethics, as approved by the Board of Directors, has been displayed at the website of the company, [www.pasupatitextiles.com](http://www.pasupatitextiles.com). All the members of the Board and senior management personnel have affirmed compliance with the Code for the year ended 31<sup>st</sup> March, 2016 and a declaration to that effect signed by the Chairman & Managing Director is attached and forms part of this report.

## 8 CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING :

The Company has adopted Model Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Board is responsible for implementation of the Code. All Board Directors and the designated employees have confirmed



compliance with the Code. Web link for Modal Code of Insider trading of the company is : [http://www.pasupatitextiles.com/pdf/PREVENTION\\_OF\\_INSIDER\\_TRADING\\_CODE\\_OF\\_CONDUCT.pdf](http://www.pasupatitextiles.com/pdf/PREVENTION_OF_INSIDER_TRADING_CODE_OF_CONDUCT.pdf)

#### 9 PERFORMANCE EVALUATION:

In compliance with the provisions of the Companies Act, 2013 ('the Act') and SEBI Listing Regulations, 2015, the Board during the year adopted a formal mechanism for evaluation of its performances as well as that of its committees and individual Directors, including the Chairman of the Board. A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance. A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgement, safeguarding the interest of the Company and its minority shareholders, etc. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors. The Directors expressed their satisfaction with the evaluation process.

#### 10 INDUCTION & FAMILIARIZATION PROGRAMS FOR INDEPENDENT DIRECTORS:

On appointment of the Independent Directors a letter of Appointment setting out in detail, the terms of appointment, duties and responsibilities is issued. Each newly appointed Independent Director is taken through a familiarization programme. The program aims to familiarize the Directors with the Company, their role and responsibilities, business model of the Company etc.

#### 11 INDEPENDENT DIRECTORS' MEETING:

As required under Schedule IV of the Companies Act, 2013 and Regulation 25 of the SEBI LODR 2015, the Independent Directors have to hold at least one meeting in a year, without the attendance of non-independent directors and members of the management. During the financial year 2015-2016 one (1) meeting was held on 14<sup>th</sup> March, 2016, which was attended by all the independent directors.

**The role, broad terms and reference of the committee shall include the following:**

- Review the performance of Non-Independent Directors and the Board as a whole;
- Review the performance of the Chairperson of the Company, taking into account the views of Executive directors and Non-executive Directors;
- Assess the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties

#### 12 RELATED PARTY TRANSACTIONS

Company has entered Related Party Transactions during the financial year 2015-16. All Related Party Transactions entered into during the year are on an arm's length basis and are in the ordinary course of business. There are no materially significant Related Party Transactions made by the Company with promoters, directors, Key Managerial Personnel or other designated persons which may have potential conflict with the interests of the Company at large. On the recommendation of the Audit Committee, the Board of Directors has adopted a policy on Related Party Transactions, which is also uploaded on the website of the Company [www.pasupatitextiles.com](http://www.pasupatitextiles.com) under the head 'Investor Relations'. The Policy envisages the procedure governing related party transactions required to be followed to ensure compliance with the applicable laws and regulations as well as to ensure that the Related Party Transactions are managed and disclosed in accordance with the strict legal and accounting requirements. A statement of all related party transactions is presented before the Audit Committee on a quarterly basis, specifying the nature, value and terms & conditions of the transactions. The statement is supported by a certificate from the CMD and CFO. The particulars of related party transactions are given in form AOC-2 and is annexed as Annexure-E to Directors report. Web link where policy on dealing with related party transactions is:

[http://www.pasupatitextiles.com/pdf/related\\_party\\_transaction\\_policy.pdf](http://www.pasupatitextiles.com/pdf/related_party_transaction_policy.pdf)

#### 13 MEANS OF COMMUNICATION & WEBSITE :

- The Quarterly & Annual Results were generally published in the newspaper i.e. Pioneer (English edition) and in the Hari Bhumi (Hindi edition). The Quarterly results are also displayed on the website of the Company, i.e., [www.pasupatitextiles.com](http://www.pasupatitextiles.com)
- In line with the existing provisions of SEBI LODR 2015, the Company has created a separate e-mail address viz. [rekhasharma@pasupatitextiles.com](mailto:rekhasharma@pasupatitextiles.com) to receive complaints and grievances of the investors.

#### 14 GENERAL BODY MEETINGS

##### Annual General Meetings:

Location and time for the three previous AGM's are as follows:-

Year	Date	Venue	Time
2013	30.09.2013	Village Kapriwas (Dharuhera), Distt. Rewari, Haryana	10.00 A.M.
2014	29.09.2014	-do-	10.00 A.M.
2015	29.09.2015	-do-	10.00 A.M.



### Special Resolutions

Three (3) Special Resolutions were passed at the 35th Annual General Meeting for F.Y 2014-15, eight (8) Special Resolutions were passed at the 34<sup>th</sup> Annual General meeting for F.Y 2013-14, and two (2) Special Resolutions were passed at the 33<sup>rd</sup> Annual General Meeting F.Y 2012-13.

### Postal Ballot:

For the year ended March 31, 2016 there have been no ordinary or special resolutions passed by the Company's Shareholders through postal ballot.

During the year Company does not propose to pass any special resolution through postal ballot.

### 15 GENERAL SHAREHOLDERS INFORMATION :

#### Annual General Meeting date , time and venue:-

The 36th Annual General Meeting of the members of the company will be held at the registered office & works of the company at village Kapriwas (Dharuhera), Distt. Rewari, Haryana on Thursday 29th September, 2016 at 10.00 A.M.

Annual General Meeting	
Date & Time	29-9-2016 at 10 A.M
	Registered Office of the Company at Village Kapriwas (Dharuhera) Distt. Rewari, Haryana

### Financial Calendar:-

Financial Year	1st April 31st March
Unaudited Results for the quarter ending 30th June, 2016	Mid of August, 2016
Unaudited Results for the quarter ending 30th September, 2016	Mid of November, 2016
Unaudited Results for the quarter ending 31st December, 2016	Mid of February, 2016
Audited Results for the year ending 31st March, 2017	end of May, 2017
Date of Book Closure	22 <sup>nd</sup> September , 2016 to 29 <sup>th</sup> September, 2016 ( Both Days are Inclusive)
Demat ISIN in CDSL/NSDL	INE909B01020

#Company has not declared any dividend during the year 2015-16.

### Listing at Stock Exchanges:

The details regarding payment of listing fee to Stock Exchange are given below:

S.No.	Stock Exchange Code No.	Name of Exchange Stock	Listing Fee Paid up to
1	A-2	Delhi Stock Exchange	2004-5
2	A-1	Bombay Stock Exchange	2015-16

Market Price data : High/Low during the year 2015-16



Month	High (Rs.)	Low (Rs.)	BSE Sensex	
			High	Low
April, 2015	17.9	15.2	29095	26898
May, 2015	16.7	15.2	28071	26424
June, 2015	15.2	14	27969	26307
July, 2015	16.2	14	28578	27416
August, 2015	15.2	15.1	28418	25298
September, 2015	16.25	15.5	26472	24834
October, 2015	16	14	27618	26169
November, 2015	15.75	12.4	26824	25451
December, 2015	18.85	13.77	26256	24868
January, 2016	23.4	17.1	26197	23840
February, 2016	26.25	21.5	25002	22495
March, 2016	25.4	21.85	25480	23133

#### Registrars and Share Transfer Agents for Shares:

Address & Contact No. of Registrar & Share Transfer Agent are as follows:

M/s. Skyline Financial Services Pvt. Ltd D-153 ,  
1st Floor , Okhala Industrial Area Phase -1, New Delhi 110020 .  
Tel.: 011 -26812682,83 , 011-64732681-88, Fax: +91 11 26812682 |  
Web:www.skylinerta.com

#### Share Transfer System:

Shareholders seeking demat/remat of their shares must approach the Depository Participants (DP) with whom they maintain a demat account. The DP will generate an electronic request and will send the physical share certificates to the Registrar and Share transfer Agent ("the Registrar") of the Company. Upon receipt of the request and share certificate, the Registrar will verify the same. Upon verification, the Registrar will request the National Securities Depository Ltd. (NSDL)/Central Depository Services Ltd. (CDSL) to confirm the Demat request. The Demat account of the concerned shareholder will be credited with an equivalent number of shares. In case of a rejection of the request, it will be communicated to the shareholder. In the case of remat, upon receipt of a request from the shareholder, the DP generates a request and verification of the same is done by the Registrar. The Registrar then requests the NSDL and CDSL to confirm the request. The approval of the company is sought and an equivalent number of shares are issued in the physical form to the shareholder. The share certificates are dispatched within one month from the date of issue of shares.

#### Distribution of Shareholding as on 31.03.2016:

No. of Equity Shares Held	No. of Shareholders	Percentage of Shareholders	No. of Shares	Percentage of Shares
Up to 500	6484	97.07	468936	5.02
501 - 1000	117	1.75	83358	0.89
1001 - 2000	36	0.54	52086	0.56
2001 - 3000	11	0.16	26505	0.28
3001 - 4000	7	0.10	24140	0.26
4001 - 5000	4	0.06	18050	0.19
5001 - 10000	5	0.07	37419	0.40
10001 and above	16	0.24	8626574	92.39
<b>TOTAL</b>	<b>6680</b>	<b>100</b>	<b>9337068</b>	<b>100</b>



**Dematerialisation of Shares:**

As on 31st March, 2016, 96.10% of the Company's equity shares were held in dematerialized form and balance are held in physical form. Trading in Company's shares is permitted only in demat form w.e.f. 06.09.2000 as per notification issued by the Securities & Exchange Board of India.

**Outstanding: GDR/ADR/Warrants/Options :** As of date, the Company has not issued GDRs/ADRs/Options.

**Subsidiary Company :** Company does not have any subsidiary company.

**Plant Location:**

Polyester Viscose Yarn & Cotton Yarn Unit	Village Kapriwas(Dharuhera)Distt. Rewari, Haryana
Sewing Thread Unit	Village Kheri (Kala-Amb) Distt. Sirmour, H.P.

**Address for correspondence:-**

Registered Office:	Village Kapriwas (Dharuhera), Distt. Rewari (Haryana)
Corporate office address :	127-128 , Tribhuvan Complex, Ishwar Nagar , Mathura Road , Delhi-110065
Telephone No	011-47632200,01147632221
Email	rekhasharma@pasupatitextiles.com, ho@pasupatitextiles.com

**Secretarial Department**

The Company's Secretarial Department, headed by the Company Secretary, is situated at the Office mentioned above. Shareholders/Investors may contact the Company Secretary for any assistance they may need.

**16 DISCLOSURES****Related Party Transactions**

The Company did not enter into any materially significant related party transactions, which had potential conflict with the interest of the Company at large.

**Compliance with Regulations**

The Company has complied with all the requirements of the SEBI LODR 2015 with the Stock Exchanges as well as the regulations and guidelines of SEBI. Consequently, no penalties were imposed or strictures passed against your Company by SEBI, Stock Exchanges or any other statutory authority in any matter relating to capital markets.

**Vigil Mechanism / Whistle Blower Policy**

The Company has a vigil mechanism named Whistle Blower Policy to deal with instance of fraud and mismanagement, if any. The objective of the Policy is to explain and encourage the directors and employees to raise any concern about the Company's operations and working environment, including possible breaches of Company's policies and standards or values or any laws within the country or elsewhere, without fear of adverse managerial action being taken against such employees. It is hereby affirmed that in relation to the same, no personnel have been denied access to the audit committee. The Whistle Blower Policy of the Company has been uploaded and can be viewed on the Company's website.

**CEO / CFO Certification**

Managing Director & Chief Financial Officer of the Company have furnished the requisite Compliance Certificates to the Board of Directors under Regulation 17 of the SEBI (LODR) 2015.

**Compliance with Corporate Governance requirements**

The Company has complied with the mandatory corporate governance requirements specified in regulations 17 to 27 and clause (b) to (i) of sub-regulation (2) of regulation 46 of SEBI (LODR) 2015

**Mandatory and non-mandatory requirements**

The Company has complied with the mandatory requirements of SEBI LODR 2015 which are detailed in the annual report. As regard non mandatory requirements company is planning to adopt some non mandatory requirement in future for good governance.

**Commodity Price Risk/Foreign Exchange Risk and Hedging Activities**

On exports, foreign exchange risk is low as company discounts its foreign debtor's bills on dispatch; similarly foreign exchange risk is also low on import of raw material as company makes payment on receipt. Hence, no hedging activities are undertaken.

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

Place : New Delhi

Dated: 9-8-2016

**Ramesh Kumar Jain**  
Chairman & Managing Director


**DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH CODE OF CONDUCT.**

This is to confirm that Company has adopted "Pasupati Spinning & Weaving Mills Ltd Code of Conduct" for its Senior Management and Board members and the same has been posted on Company's website.

I confirm that the Company has in respect of the financial year ended 31st March, 2016, received from the senior management team of the Company and the Members of the Board a declaration of compliance with the Code of Conduct as applicable to them

For the purpose of this declaration, Senior Management Senior means personnel of the Company who are members of its core management team excluding Board of Directors. Normally, this would comprise all members of management i.e. Executive Directors and all functional heads

**Ramesh Kumar Jain.**

**New Delhi,  
9-8-2016**

**Chairman & Managing Director**

**CHAIRMAN AND MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER CERTIFICATION.**

**To,**

**The Board of Directors,**

**Pasupati Spinning & Weaving Mills Ltd,**

We, the undersigned, in our respective capacities as Chairman & Managing Director and Chief Financial Officer of Pasupati Spinning & Weaving Mills Ltd ("the Company"), to the best of our knowledge and belief certify that:

1. We have reviewed financial statements and the cash flow statement of Pasupati Spg & Wvg Mills Ltd for the year ended 31st March, 2016 and to the best of our knowledge and belief:
  - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. 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.
3. We hereby declare that all the members of the Board of Directors and Management Committee have confirmed compliance with the Code of Conduct as adopted by the Company.
4. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of Company's internal control systems pertaining to financial reporting. We have not come across any reportable deficiencies in the design or operation of such internal controls.
5. We have indicated, based on our most recent evaluation, whenever applicable to the Auditors and the Audit Committee:
  - (i) that there are no significant changes in internal control over financial reporting during the year;
  - (ii) that there are no significant changes in accounting policies during the year; and
  - (iii) that there are no instances of significant fraud of which we have become aware.

**Ramesh Kumar Jain**  
Chairman & Managing Director

**Ajay Kumar Monga**  
Chief Financial Officer

**Place: New Delhi  
Date: 9-8-2016**

**AUDITORS' CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE**

To  
The Members,  
**PASUPATI SPINNING & WEAVING MILLS LIMITED**

We have examined the compliance of conditions of Corporate Governance by Pasupati Spinning & Weaving Mills Limited ("the Company"), for the financial year ended on 31st March 2016, as stipulated in Clause 49 of the Listing Agreement of the Company with stock exchanges for the period 1st April, 2015 to 30th November, 2015 and as per relevant provisions of Securities and Exchange Board of India ( Listing Obligations and Disclosure Requirements ) Regulations, 2015 ("SEBI (LODR) Regulations, 2015") as referred to in Regulation 15(2) of SEBI (LODR) Regulations, 2015 for the period 1st December, 2015 to 31st March, 2016.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

We have examined the relevant records of the Company in accordance with the Generally Accepted Auditing Standards in India, to the extent relevant, and as per the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India.

In our opinion and to the best of our information and according to the explanation given to us, we report as under:-

(i) *Annual listing fees payable to Delhi Stock Exchange Association Limited has not been paid from the financial year 2005-06 to 2015-16.*

Subject to the above we clarify that the company has complied with the condition of corporate governance as stipulated in the above- mentioned Listing Agreement / SEBI (LODR) Regulations, 2015, as applicable.

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

**For B.K.Shroff & Co.**  
Chartered Accountants  
Reg. No. : 302166E

Partner  
Membership No: 6329

Date: 9<sup>th</sup> August, 2016  
Place: New Delhi



## INDEPENDENT AUDITORS' REPORT

To

The Members of

### PASUPATI SPINNING & WEAVING MILLS LIMITED

#### 1. Report on the Standalone Financial Statements

We have audited the accompanying Statement of Standalone Financial Statements of **PASUPATI SPINNING & WEAVING MILLS LIMITED** ("the Company"), which comprise the Balance Sheet as at 31 March, 2016, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

#### 2. Management's Responsibility for the Standalone Financial Statements

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

#### 3. 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. 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.

#### 4. Basis of Qualified Opinion

The company has claimed additional compensation in respect of part of factory land acquired. The additional compensation demand is Rs.61464287 (including amount upto previous year Rs. 61464287), which according to the management shall be accounted for as and when received. Had the additional compensation been accounted for the profit for the year and other current assets would have been higher by the said amount. (Refer Note no. 34 of the accompanying notes to the financial statements).

#### 5. Qualified Opinion

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

#### 6. Report on Other Legal and Regulatory Requirements

- I. As required by the Companies (Auditor's Report) Order, 2016 issued by the Central Government of India in terms of Section 143(11) of the Act (hereinafter referred to as the "Order") and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the "**Annexure A**" a Statement on the matters specified in paragraphs 3 and 4 of the Order.
- II. As required by Section 143 (3) of the Act, we report that.
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.



- d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) As per information and explanations given to us, we report that as on 31.3.2016 none of the directors of the company are disqualified from being appointed as a director of the company under Section 164((2) of the Companies Act, 2013 As the company had not redeemed its debentures on due dates and as the default continued for more than a year, directors of the company were not qualified for being appointed as directors of any other public company in terms of provision of Section 164(2) of the Companies Act, 2013 as amended by the companies Amendment Act, 2000. Board for Industrial and Financial Reconstruction (BIFR) has sanctioned rehabilitation scheme for the company vide its order dated 17.2.2012. The said scheme has approved payments of the settled amount to debenture-holders in installments. The payment as approved by BIFR has been made and there is no default in such payment. Besides, three of the directors have been appointed after the scheme has been sanctioned. They have certified that they are not disqualified from being appointed as a director in any other company
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- g) 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 21 to the financial statements;
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

**For B.K Shroff & Co**

Chartered Accountants

Firm Registration Number: 302166E

Place: New Delhi

Partner

Date: 28<sup>th</sup> May, 2016

Membership Number: 6329

#### **Annexure A**

**Referred to in Paragraph 6(I) under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date to the members of Pasupati Spinning & Weaving Mills Limited on the standalone financial statements for the year ended 31<sup>st</sup> March 2016.**

- (i) (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) All the fixed assets have been physically verified by the management according to a regular program, which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies with respect to book records were noticed on such verification. Discrepancies noticed have been properly dealt with in the books of account.
- (c) The title deeds of immovable properties are held in the name of the company.
- (ii) Physical verification of inventory (except material lying with third party and material in transit) has been conducted by the management at reasonable intervals. In our opinion, the frequency of verification is reasonable. No material discrepancies with respect to book records were noticed on such verification. Discrepancies noticed have been properly dealt with in the books of account.
- (iii) The company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013 and as such clauses (iii) (a), (b) and (c) of the order are not applicable to the company.
- (iv) In our opinion and according to the information and explanations given to us no loans, investments, guarantees and security covered under section 185 and 186 of the Companies Act, 2013 has been given by the company.
- (v) According to the information and explanation given to us, the company has not accepted any deposit from the public. Therefore, the provisions of clause (v) of the order are not applicable to the company.
- (vi) We have broadly reviewed the books of account maintained by the company pursuant to the order made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013 and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of such accounts and records.
- (vii) (a) The company is generally regular in depositing with the appropriate authorities undisputed statutory dues including provident fund, employees state insurance, income tax, sales tax, service tax, duty of custom, duty of excise, value added tax, cess and any other statutory dues applicable to it. According to the information and explanations given to us, no undisputed amounts payable in respect thereof were outstanding as at 31st March, 2016 for a period of more than six months from the date they became payable.
- (b) According to the records of the company, dues of income-tax or Sales tax or service tax or duty of custom or duty of excise or value added tax which have not been deposited on account of any dispute are as under:-



Name of the statute	Nature of Dues	Amount (Rs.)	Forum where pending
Central Excise Act	Excise Duty	9418907	Hon'ble High Court of Punjab & Haryana
Central Excise Act	Excise Duty	2583953	Central Excise & Service Tax Tribunal
Haryana Value Added Tax Act	VAT	4222661	Sales Tax Tribunal
Service Tax Act	Service Tax	229316	Central Excise & Service Tax Tribunal
Income Tax Act	Income Tax	465270	Income Tax Tribunal
Himachal Pradesh Value Added Tax Act	VAT	347910	Commissioner (Appeals)

**VIII In our opinion and according to the information and explanations given to us, the delay in repayment of dues to a financial institution or bank or debenture holders are as under :**

Name of the Institution	Nature of Dues	Amount (Rs. in Lacs)	Due Date	Remarks
Bank of Baroda	Term Loan & Interest thereon	41.19	31.03.2016	Recovered by bank on 06.04.2016

Nature of Limit	Name of Bank	Limit (Rs. in Lacs)	Balance as per Bank (Rs. in Lacs)	Excess (Rs. in Lacs)	Remarks
Cash Credit	Canara Bank	734.50	740.31	5.81	Due to interest charged by bank on 31.3.2016 and paid subsequently
	State Bank of Patiala	421.00	426.02	5.02	
	State Bank of Travancore	562.00	563.94	1.94	
	Nainital Bank	103.00	104.01	1.01	
	ING Vysya Bank Ltd	407.75	419.87	12.12	

Nature Limit	Name of Bank	Amount (Rs. in Lacs)	Due Date	Remarks
Foreign Bill Purchased	Bank of Baroda	37.33	27.03.2016	Realized on 05.04.2016

- (ix) In our opinion, moneys raised by way of initial public offer or further public offer (including debt instruments) and term loans have been applied for the purposes for which they were obtained.
- (x) According to the information and explanations given to us, no fraud by the company or on the company by its officers or employees has been noticed or reported during the year.
- (xi) In our opinion, and according to the information and explanation given to us, managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V of the Companies Act, 2013.
- (xii) The company is not a nidhi company and hence provisions of clause (xii) of the order are not applicable to the company.
- (xiii) In our opinion all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- (xiv) During the year under review the company has not made any preferential allotment on private placement of shares or fully or partly convertible debentures.
- (xv) The company has not entered into any non cash transactions with directors or persons connected with him.
- (xvi) The Company is not required to be registered under section 45-1A of the Reserve Bank of India Act, 1934

**For B.K Shroff & Co**

Chartered Accountants

Firm Registration Number: 302166E

Place: New Delhi  
Date: 28<sup>th</sup> May, 2016

Partner  
Membership Number: 6329



## Annexure - B

**Referred to in paragraph 6(II)(f) to the Independent Auditor's Report of even date on the Standalone Financial Statements of Pasupati Spinning & Weaving Mills Limited.**

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

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

#### **Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India (ICAI)". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

#### **Auditors' Responsibility**

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

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

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

#### **Meaning of Internal Financial Controls Over Financial Reporting**

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that:

- pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and
- provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

#### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

#### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2016, based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI".

**For B.K Shroff & Co.,**

Chartered Accountants

Firm Registration Number: 302166E

Place: New Delhi

Dated: 28<sup>th</sup> May, 2016

Partner

Membership Number: 6329




**BALANCE SHEET**  
**As at 31st March 2016**

Particulars	Note No.	As at 31.03.2016 Rs.	As at 31.03.2015 Rs.
<b>EQUITY AND LIABILITIES</b>			
<b>SHAREHOLDERS' FUNDS</b>			
Share Capital	2	93,370,680	93,370,680
Reserves & Surplus	3	189,332,235	282,702,915
			188,118,029
281,488,709			
<b>NON-CURRENT LIABILITIES</b>			
Long-Term Borrowings	4	100,619,719	124,686,808
Deferred Tax Liability	5	13,314,781	12,545,237
Other Long Term Liabilities	6	19,700	3,100,802
Long Term Provisions	7	8,964,035	122,918,235
			8,429,310
148,762,157			
<b>CURRENT LIABILITIES</b>			
Short-Term Borrowings	8	357,893,002	354,800,027
Trade Payables	9	219,335,367	243,048,321
Other Current Liabilities	10	114,628,243	112,431,011
Short Term Provisions	11	3,708,018	695,564,630
			2,081,720
712,361,079			
		1,101,185,780	1,142,611,945
<b>ASSETS</b>			
<b>NON CURRENT ASSETS</b>			
Fixed Assets			
Tangible Assets	12	403,623,138	432,352,792
Capital Work-in-Progress		450,937	-
Non-Current Investments	13	1,052,792	1,052,792
Long-Term Loans & Advances	14	15,167,268	420,294,135
			10,352,282
443,757,866			
<b>CURRENT ASSETS</b>			
Current Investments	15	-	-
Inventories	16	341,389,078	363,311,062
Trade Receivables	17	253,006,137	244,275,126
Cash & Cash Equivalents	18	41,978,017	35,859,346
Short Term Loans & Advances	19	28,778,453	31,636,876
Other Current Assets	20	15,739,960	680,891,645
			23,771,669
698,854,079			
		1,101,185,780	1,142,611,945

See accompanying notes to the financial statements

As per our report of even date annexed  
For B.K. SHROFF & CO.  
Chartered Accountants  
Firm Registration No. 302166E

Chairman & Managing Director  
DIN No. 00575142

Executive Director  
DIN No.01347588

Place : New Delhi  
Dated : 28 May, 2016

Membership No.

Partner

Company Secretary

Chief Financial Officer





**PROFIT & LOSS STATEMENT**  
For the year ended 31st March, 2016

Particulars	Note No.	Year ended 31.03.2016 Rs.	Year ended 31.03.2015 Rs.
Revenue from Operations	23	1,890,029,738	2,040,944,448
Other Income	24	9,469,400	24,905,238
Total Revenue		<u>1,899,499,138</u>	<u>2,065,849,686</u>
Expenses			
Cost of Materials Consumed	25	938,931,151	1,095,089,462
Purchases of Stock in Trade	26	-	3,458,746
Changes in Inventories of Finished Goods, Work in Progress and Stock in Trade	27	(9,063,588)	(3,808,045)
Share of Profit of Joint Venture partner	28	2,746,606	(1,480,680)
Employee Benefits Expense	29	178,666,375	159,386,437
Finance Costs	30	65,394,826	66,066,061
Depreciation and Amortisation Expense	31	40,051,600	40,251,595
Other Expenses	32	680,543,608	705,115,389
Total Expenses		<u>1,897,270,578</u>	<u>2,064,078,965</u>
Profit/(Loss) before tax		2,228,560	1,770,721
Tax Expense			
Income Tax		424,652	337,411
Wealth Tax		-	1,750
Deferred Tax		769,544	(593,015)
Earlier Year's Tax		244,810	482,054
MAT Credit Entitlement		(424,652)	(337,411)
Profit/(Loss) for the year		<u>1,214,206</u>	<u>1,879,932</u>
Earnings per Equity Share	33		
Basic & Diluted		0.13	0.20

See accompanying notes to the financial statements

As per our report of even date annexed  
For B.K. SHROFF & CO.  
Chartered Accountants  
Firm Registration No. 302166E

Chairman & Managing Director  
DIN No. 00575142

Executive Director  
DIN No.01347588

Place : New Delhi  
Dated : 28 May, 2016

Membership No.

Partner

Company Secretary

Chief Financial Officer



## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016

	Year ended 31.03.2016 Rs.	Year ended 31.03.2015 Rs.
<b>A. Cash Flow from Operating Activities</b>		
<b>Net Profit/(Loss) before Tax and extraordinary item</b>	2,228,560	1,770,721
Adjustments for:		
Depreciation	40,051,600	40,251,595
Interest Income	(1,599,286)	(2,079,999)
(Profit)/Loss on Fixed Assets sold/discarded	-	(915,835)
Interest Charged	57,103,829	55,269,450
<b>Operating Profit before Working Capital Charges</b>	97,784,703	94,295,932
Adjustments for:		
Trade & Other Receivables	(2,458,375)	(8,295,955)
Inventories	21,921,985	(27,199,194)
Trade Payables & Other Liabilities	(28,568,544)	7,123,061
<b>Cash Generated from Operations</b>	88,679,769	65,923,844
Interest Paid	(58,123,193)	(55,823,046)
Taxes Paid	(244,422)	262,687
<b>Net Cash from Operating Activities</b>	30,312,154	10,363,485
<b>B. Cash Flow from Investing Activities</b>		
Purchase of Fixed Assets	(11,772,883)	(12,161,653)
Sale of Fixed Assets	-	1,796,300
Interest Received	1,486,899	1,908,825
<b>Net Cash used in Investing Activities</b>	(10,285,984)	(8,456,528)
<b>C. Cash Flow from Financing Activities</b>		
Proceeds from Borrowings		
- Short Term	3,092,975	21,341,887
- Long Term	(19,920,984)	(24,040,000)
Repayment of Loans		
- Long Term	2,920,510	6,388,709
<b>Net Cash used in Financing Activities</b>	(13,907,499)	3,690,596
Net (Decrease)/Increase in Cash & Cash equivalents	6,118,671	5,597,553
Cash & Cash equivalents at start of the year	35,859,346	30,261,793
Cash & Cash equivalents at close of the year	41,978,017	35,859,346

Note: Brackets represent cash outflows

See accompanying notes to the financial statements

As per our report of even date annexed  
For B.K. SHROFF & CO.  
Chartered Accountants  
Firm Registration No. 302166E

Chairman & Managing Director  
DIN No. 00575142

Executive Director  
DIN No.01347588

Place : New Delhi  
Dated : 28 May, 2016

Membership No.

Partner

Company Secretary

Chief Financial Officer



## ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS

### 1 SIGNIFICANT ACCOUNTING POLICIES

#### A. Basis of Preparation of Financial Statements

- a) The financial statements have been prepared under the historical cost convention in accordance with the generally accepted accounting principles and the provisions of the Companies Act subject to what is stated herein below, as adopted consistently by the company.
- b) The company generally follows mercantile system of accounting and recognizes significant items of income and expenditure on accrual basis.

#### B. Fixed Assets

Fixed assets are stated at cost of acquisition inclusive of inward freight, duties & taxes and incidental expenses relating to acquisition and are net of modvat credit. In respect of major projects, related pre-operational expenses form part of the value of assets capitalized.

#### C. Depreciation

Depreciation is calculated on fixed assets on 'Straight Line Method' in accordance with Schedule II of the Companies Act, 2013.

#### D. Foreign Currency Transactions, Derivatives Instruments and hedge Accounting

- a) Transactions denominated in foreign currencies are normally recorded at the exchange rate prevailing at the time of the transaction
- b) Items denominated in foreign currencies at the year end and not covered by forward exchange contracts are translated at year end rates and those covered by forward exchange contracts are translated at the rate ruling at the date of transaction as increased or decreased by the proportionate difference between the forward rate and exchange rate on the date of transaction, such difference having been recognized over the life of the contract.
- c) Any income or expense on account of exchange difference either on settlement or on translation is recognized in the profit & loss statement.
- d) The company uses foreign currency forward contracts and currency options to hedge its risks associated with foreign currency fluctuations relating to certain firm commitments and forecasted transactions. Derivative instruments are initially measured at fair value and are re-measured at subsequent reporting dates. Mark to market losses on such measurement are recognized in the profit & loss statement.

#### E. Investments

- a) Long term investments are stated at cost. Provision for diminution in the value of long term investments is made only if such a decline is other than temporary in the opinion of the management.
- b) Current investments are valued at cost or market value whichever is lower. The decline in the value of current investments is provided in the accounts each year.

#### F. Inventories

Inventories are valued at lower of cost or market price except for waste. Waste is valued at realizable value. The cost comprises of cost of purchase, cost of conversion and other cost including appropriate production overheads incurred in bringing such inventories to their present location. In case of raw materials and stores & spares the cost is determined using FIFO method.

#### G. Sales

Sales are inclusive of recovery of excise duty and packing charges and net of returns and sales tax.

#### H. Taxes, Duties etc.

Excise duty has been accounted on the basis of both payments made in respect of goods cleared as also provision made for goods lying in bonded warehouses. Provision is made for goods meant for sale in domestic tariff area only.

#### I. Employee Retirement Benefits

Company's contribution to state plans are charged to revenue every year. Liability to defined benefit plans is determined on the basis of an actuarial valuation at the end of the year. Actuarial gains and losses comprises experience adjustments and the effect of changes in actuarial assumptions and are recognized immediately in the profit and loss statement as income or expense.

#### J. Borrowing Cost

Interest and other costs in connection with the borrowing of the funds to the extent related / attributed to the acquisition / construction of qualifying fixed assets are capitalized upto the date when such assets are ready for its intended use and other borrowing cost are charged to profit & loss statement.

**K. Earning per Share**

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

Diluted earning per share is calculated by dividing the net profit attributable to equity shareholders by the weighted average number of equity shares outstanding during the year (adjusted for the effects of dilutive options)

**L. Deferred Taxation**

Deferred taxation is provided using the liability method in respect of the taxation effect arising from all material timing differences between the accounting and tax treatment of income and expenditure which are expected with reasonable probability to crystallize in the foreseeable future

Deferred tax benefits are recognized in the financial statements only to the extent of any deferred tax liability or when such benefits are reasonably expected to be realizable in the near future.

**M. Impairment of Assets**

Impairment loss is provided to the extent the carrying amount of assets exceeds their recoverable amount. Recoverable amount is the higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life.

**N. Operating Lease**

Operating lease receipts and payments are recognized as income or expenses in the profit and loss statement on a straight line basis over the lease term

**O. Contingent Liabilities**

Contingent liabilities not provided for in the accounts are separately shown in the Annual Statement of Accounts

**P. Events occurring after Balance Sheet date**

Events occurring after the Balance Sheet date have been considered in the preparation of financial statements.

**2 SHARE CAPITAL****a) Authorised**

Particulars	No. of Shares		Amount (Rs.)	
	As at 31.03.2016	As at 31.03.2015	As at 31.03.2016	As at 31.03.2015
<b>Equity Shares of Rs. 10 each</b>				
At the beginning of the year	12,100,000	12,100,000	121,000,000	121,000,000
Add: Additions during the year	-	-	-	-
Less: Reduction during the year	-	-	-	-
At the end of the year	12,100,000	12,100,000	121,000,000	121,000,000
Total			121,000,000	121,000,000

**b) Issued, Subscribed and Paid up**

Particulars	No. of Shares		Amount (Rs.)	
	As at 31.03.2016	As at 31.03.2015	As at 31.03.2016	As at 31.03.2015
<b>Equity Shares of Rs. 10 each fully paid up</b>				
At the beginning of the year	9,337,068	9,337,068	93,370,680	93,370,680
Add: Additions during the year	-	-	-	-
Less: Reduction during the year	-	-	-	-
At the end of the year	9,337,068	9,337,068	93,370,680	93,370,680
Total			93,370,680	93,370,680

**c) Details of shares in the company held by each shareholder holding more than 5% of shares is as under:**

Name of the Shareholder	No. of Shares		% of Holding	
	As at 31.03.2016	As at 31.03.2015	As at 31.03.2016	As at 31.03.2015
Pasupati Olefin Limited	4,068,428	4,068,428	43.57%	43.57%
Sulabh Impex Limited	1,777,354	1,777,354	19.04%	19.04%
J M Financial Asset Reconstruction Co. Pvt. Ltd	1,000,000	1,000,000	10.71%	10.71%
Mrs. Vrinda Jain	714,052	714,052	7.65%	7.65%

**3 RESERVE & SURPLUS**

Particulars	Amount (Rs.)	
	As at 31.03.2016	As at 31.03.2015
<b>Capital Reserve</b>		
At the beginning of the year	40,352,040	40,352,040
Add: Additions during the year	-	-
Less: Reduction during the year	-	-
At the end of the year	40,352,040	40,352,040
<b>Share Premium Account</b>		
At the beginning of the year	86,610,090	86,610,090
Add: Additions during the year	-	-
Less: Reduction during the year	-	-
At the end of the year	86,610,090	86,610,090
<b>Surplus</b>		
At the beginning of the year	61,155,899	59,275,967
Add: Additions during the year	1,214,206	1,879,932
Less: Reduction during the year	-	-
At the end of the year	62,370,105	61,155,899
<b>Total</b>	<b>189,332,235</b>	<b>188,118,029</b>

**4 LONG TERM BORROWINGS**

Particulars	Amount (Rs.)	
	As at 31.03.2016	As at 31.03.2015
<b>Secured</b>		
- From Banks		
Term Loan	61,389,883	78,900,000
Vehicle Loans	7,130,822	6,621,179
Sub Total	68,520,705	85,521,179
Less: Transferred to Current maturity of long term debts (Refer note no. 10)	32,472,486	25,405,871
	36,048,219	60,115,308
<b>Unsecured</b>		
From Companies - Free of interest	64,571,500	64,571,500
<b>Total</b>	<b>100,619,719</b>	<b>124,686,808</b>

**Notes: -**

- i) Term loan are secured on pari-passu basis by way of joint equitable mortgage of fixed assets of the company alongwith personal guarantee of the chairman & managing director (CMD). Loan of Rs.2410867 is additionally secured against pledged of 699115 equity shares held by promoters/associates.
- ii) Vehicle loans are secured against hypothecation of vehicle financed out of the loan amount.
- iii) The above loans are repayable as follows:

Particulars	Amount (Rs.)	
	As at 31.03.2016	As at 31.03.2015
Payable after 1 year	35,172,039	25,536,720
Payable after 2 years	18,013,287	34,719,280
Payable after 3 years	10,359,040	17,498,575
Payable after 4 years	9,401,853	10,034,233
Payable after 5 years	9,224,500	9,224,500
Payable after 6 years	9,224,500	9,224,500
Payable after 7 years	9,224,500	9,224,500
Payable after 8 years	-	9,224,500
<b>Total</b>	<b>100,619,719</b>	<b>124,686,808</b>

**5 DEFERRED TAX LIABILITIES (NET)**

Particulars	Amount (Rs.)	
	As at 31.03.2016	As at 31.03.2015
Deferred Tax (Liability)		
Fixed Assets	(71,199,255)	(75,265,062)
Sub Total	(71,199,255)	(75,265,062)
Deferred Tax Assets		
Carry forward losses	51,869,397	55,685,443
Section 43B items	1,965,719	1,835,812
Provision for Gratuity	4,049,358	3,363,125
Others	-	1,835,445
Sub Total	57,884,474	62,719,825
Net deferred tax asset / (liability)	(13,314,781)	(12,545,237)

Deferred tax assets in respect of amount disputed in appeals has not been considered.

**6 OTHER LONG TERM LIABILITIES**

Particulars	Amount (Rs.)	
	As at 31.03.2016	As at 31.03.2015
Security Deposits	19,700	19,700
Interest accrued on borrowings	-	3,081,102
Total	19,700	3,100,802

**7 LONG TERM PROVISIONS**

Particulars	Amount (Rs.)	
	As at 31.03.2016	As at 31.03.2015
Provisions for employees benefits	8,964,035	8,429,310
Total	8,964,035	8,429,310

**8 SHORT TERM BORROWINGS**

Particulars	Amount (Rs.)	
	As at 31.03.2016	As at 31.03.2015
Secured		
Loans repayable on demand		
From Banks		
Working capital Loans	356,638,637	352,095,662
Sub Total	356,638,637	352,095,662
Unsecured		
Loans repayable on demand		
From Companies		
- Free of Interest	1,254,365	2,704,365
Sub Total	1,254,365	2,704,365
Total	357,893,002	354,800,027

Secured loans are secured against hypothecation of raw materials, finished goods, semi-finished goods, stores and spare parts, book debts, etc. together with second charge on all immovable/movable fixed assets of the company both present and future alongwith personal guarantee of CMD and two outsiders. The loans are further secured against pledge of 699115 equity shares of the company held by promoters/associates

**9 TRADE PAYABLES**

The company is in the process of identifying suppliers covered under the Micro, Small and Medium Enterprises Development Act, 2006. Hence, information thereto has not been provided.

**10 OTHER CURRENT LIABILITIES**

Particulars	Amount (Rs.)	
	As at 31.03.2016	As at 31.03.2015
Current maturity of long term debts	32,472,486	25,405,871
Interest accrued on borrowings	3,088,201	4,107,564
Advance from customers	4,496,954	5,892,363
Other liabilities	74,570,602	77,025,213
Total	114,628,243	112,431,011

Note: No unclaimed amounts were outstanding to be credited to investor education & protection fund as on 31.03.2016

**11 SHORT TERM PROVISIONS**

Particulars	Amount (Rs.)	
	As at 31.03.2016	As at 31.03.2015
Provision for Income Tax	424,652	337,411
Provision for Wealth Tax	-	1,750
Provision for employees Benefits	3,283,366	1,742,559
<b>Total</b>	<b>3,708,018</b>	<b>2,081,720</b>

**11 TANGIBLE FIXED ASSETS**

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 1.4.2015 Rs.	Additions Rs.	Sales/ Adjustments Rs.	Total Rs.	Upto 31.3.2015 Rs.	For the Year Rs.	Adjustments Rs.	Total Rs.	As at 31.03.2016 Rs.	As at 31.03.2015 Rs.
Land - Freehold	4,793,031	-	-	4,793,031	-	-	-	-	4,793,031	4,793,031
Land - Leasehold	1,802,615	-	-	1,802,615	90,130	45,065	-	135,195	1,667,420	1,712,485
Buildings	256,240,918	-	-	256,240,918	162,391,368	7,351,020	-	169,742,388	86,498,530	93,849,550
Plant & Machinery	1,736,442,038	7,988,815	-	1,744,430,853	1,416,605,476	30,151,520	-	1,446,756,996	297,673,857	319,836,562
Furniture & Fixtures	6,747,356	29,925	-	6,777,281	6,170,252	135,391	-	6,305,643	471,638	577,104
Factory & Office Equipments	17,715,197	893,757	-	18,608,954	15,076,442	1,042,560	-	16,119,002	2,489,952	2,638,755
Vehicles	17,605,120	2,409,449	-	20,014,569	8,659,815	1,326,044	-	9,985,859	10,028,710	8,945,305
<b>Total</b>	<b>2,041,346,275</b>	<b>11,321,946</b>	<b>-</b>	<b>2,052,668,221</b>	<b>1,608,993,483</b>	<b>40,051,600</b>	<b>-</b>	<b>1,649,045,083</b>	<b>403,623,138</b>	<b>432,352,792</b>
Previous Year	2,044,038,491	13,890,801	16,583,017	2,041,346,275	1,584,444,440	40,251,595	15,702,552	1,608,993,483	432,352,792	

In earlier years, the company had received compensation of Rs.6160713 on acquisition of part of its factory land at Dharuhera. Representation has been made before Sub Divisional Magistrate, Gurgaon cum competent authority(LA) of National Highway Authority of India for payment of compensation at a higher rate. Additional compensation of Rs. 61464287 demanded in the representation will be accounted for as and when received.

**13 NON CURRENT INVESTMENTS (At Cost)**

Particulars	No. of Shares		Amount (Rs.)	
	As at 31.03.2016	As at 31.03.2015	As at 31.03.2016	As at 31.03.2015
<b>Equity Shares of Rs. 10 each</b>				
<b>Quoted - Trade</b>				
Amit Spinning Industries Limited	100	100	2,329	2,329
Global Syntex (Bhilwara) Limited	9,900	9,900	108,900	108,900
G.T.N. Industries Limited	100	100	17,597	17,597
Malwa Cotton Spinning Mills Limited	50	50	16,325	16,325
Sanghi Polyesters Limited	200	200	7,141	7,141
<b>Quoted - Not-Trade</b>				
Pasupati Fincap Limited	70,000	70,000	700,000	700,000
<b>Unquoted - Non Trade</b>				
India Comm Directories Limited	50	50	500	500
Shivalik Solid Waste Management Ltd.	20,000	20,000	200,000	200,000
<b>Total</b>			<b>1,052,792</b>	<b>1,052,792</b>
Aggregate value of quoted investments			852,292	852,292
Aggregate value of unquoted investments			200,500	200,500
<b>Total</b>			<b>1,052,792</b>	<b>1,052,792</b>
Market value of quoted investments			279,817	180,353

In the opinion of the management the diminution in the value of long term investments is temporary in nature and hence provision for the same is not required.

**14 LONG TERM LOANS & ADVANCES**

(Unsecured - considered good)

Particulars	Amount (Rs.)	
	As at 31.03.2016	As at 31.03.2015
Capital Advances	4,606,876	-
Security Deposits	10,560,392	10,352,282
<b>Total</b>	<b>15,167,268</b>	<b>10,352,282</b>

**15 CURRENT INVESTMENTS (At Cost)**

Particulars	No. of Shares		Amount (Rs.)	
	As at 31.03.2016	As at 31.03.2015	As at 31.03.2016	As at 31.03.2015
<b>Equity Shares of Rs. 10 each</b>				
<b>Quoted - Not-Trade</b>				
Srishti Video Corp. Limited	240,000	240,000	2,008,050	2,008,050
Less: Provision for diminution in value of investments			2,008,050	2,008,050
Total			-	-
Market value of quoted investments			-	-

**16 INVENTORIES**

(As taken, valued and certified by the management)

Particulars	Amount (Rs.)	
	As at 31.03.2016	As at 31.03.2015
Stores & Spares	22,024,049	24,079,459
Raw Materials	21,993,619	20,118,813
Raw Materials in Transit	1,417,376	32,222,344
Finished goods	173,542,516	179,344,848
Semi-finished goods	120,981,282	105,779,093
Waste	1,430,236	1,766,505
Total	341,389,078	363,311,062

\*including in transit Rs. 4988763 (previous year Rs. 8951870)

**17 TRADE RECEIVABLES**

(Unsecured - considered good)

Particulars	Amount (Rs.)	
	As at 31.03.2016	As at 31.03.2015
Exceeding six months	41,221,144	33,355,154
Others	211,784,993	210,919,972
Total	253,006,137	244,275,126

**18 CASH & CASH EQUIVALENTS**

Particulars	Amount (Rs.)	
	As at 31.03.2016	As at 31.03.2015
Cash in hand	8,153,706	6,209,783
Cheques/drafts in hand	5,450,687	3,388,412
Balances with Scheduled Banks		
Held as Margin/Security	23,774,726	23,389,405
Others	4,432,798	2,705,646
Balance in Post Office Savings Bank Account		
Held as Margin/Security	166,100	166,100
Total	41,978,017	35,859,346

There are no bank deposits with more than 12 months maturity.

**19 SHORT TERM LOANS & ADVANCES**

(Unsecured - Considered good unless stated otherwise)

Particulars	Amount (Rs.)			
	As at 31.03.2016		As at 31.03.2015	
Loans				
- Staff		718,925		567,925
Advances (recoverable in cash or in kind or for value to be received)				
- considered good	26,314,298		29,408,824	
- considered doubtful	12,960,000		12,960,000	
	39,274,298		42,368,824	
Less : Provision for doubtful advances	12,960,000	26,314,298	12,960,000	29,408,824
Advance Payment of Taxes (including tax deducted at source)		1,745,230		1,660,127
Total		28,778,453		31,636,876





**20 OTHER CURRENT ASSETS**  
(Unsecured - considered good)

Particulars	Amount (Rs.)	
	As at 31.03.2016	As at 31.03.2015
Interest receivable	1,331,110	1,218,723
Other receivables	13,646,787	22,215,535
MAT Credit Entitlement	762,063	337,411
<b>Total</b>	<b>15,739,960</b>	<b>23,771,669</b>

**21 CONTINGENT LIABILITIES AND COMMITMENTS**  
(to the extent not provided for)

Particulars	Amount (Rs.)	
	As at 31.03.2016	As at 31.03.2015
Contingent Liabilities & Commitments		
<b>A. Contingent Liabilities</b>		
Letters of Credit outstanding	13,466,434	-
Bank Guarantees	7,653,500	7,653,500
Claims not acknowledged as debts	20,913,128	20,913,128
Excise Duty demands disputed by the Company	12,002,860	15,957,610
Sales Tax demands disputed by the company	4,570,571	4,222,661
Service Tax demands disputed by the company	229,316	229,316
Income tax demands disputed by the company	465,270	465,270
<b>B. Commitments</b>		
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	17,898,934	-

**22 In the opinion of the board the assets other than fixed assets have a value on realization in the ordinary course of business at least equal to the amount at which they are stated.**

**23 REVENUE FROM OPERATIONS**

Particulars	Amount (Rs.)	
	Year ended 31.03.2016	Year ended 31.03.2015
Gross Sales of Products*		
Sewing Thread	872,084,755	997,534,298
Polyester/Synthetic/Blended Yarn	488,959	1,588,339
Cotton Yarn	798,574,621	802,245,206
Fabrics	19,949,608	69,528,701
Garments	177,705,547	137,386,174
Others	21,229,802	32,661,730
	<b>1,890,033,292</b>	<b>2,040,944,448</b>
Less: Excise Duty	3,554	-
<b>Net Sales of Products</b>	<b>1,890,029,738</b>	<b>2,040,944,448</b>

\*Sales include Export Incentives

**24 OTHER INCOME**

Particulars	Amount (Rs.)	
	Year ended 31.03.2016	Year ended 31.03.2015
Rent	2,106,788	1,080,115
Interest from Banks & Others	1,599,286	2,079,999
Miscellaneous Receipts	1,911,086	937,990
Claims, Rebates & Discounts	1,120,913	2,152,952
Liabilities no longer required written back	2,339,080	11,548,343
Bad Debts/Advances provided in earlier years now recovered	378,492	-
Profit on Sale of Fixed Assets (Net)	-	915,835
Profit on cancellation of cotton contract	-	5,149,670
Royalty Income	-	1,039,125
Sundry Balances written off	2,374	1,209
Income relating to earlier years	11,381	-
<b>Total</b>	<b>9,469,400</b>	<b>24,905,238</b>

**25 RAW MATERIALS CONSUMED**

Particulars	Amount (Rs.)	
	Year ended 31.03.2016	Year ended 31.03.2015
<b>Polyester/Synthetic Fibre</b>		
At the beginning of the year	2,574,579	7,699,691
Add: Purchases during the year	269,075,430	364,969,818
Less: Consumption during the year	267,533,405	370,094,930
At the end of the year	4,116,604	2,574,579
<b>Cotton</b>		
At the beginning of the year	9,612,881	17,153,300
Add: Purchases during the year	558,486,686	603,988,860
Less: Consumption during the year	554,326,969	611,529,279
At the end of the year	13,772,598	9,612,881
<b>Yarn</b>		
At the beginning of the year	7,931,353	5,846,739
Add: Purchases during the year	110,330,889	99,490,630
Less: Consumption during the year	114,157,825	97,406,016
At the end of the year	4,104,417	7,931,353
<b>Fabric</b>		
At the beginning of the year	-	-
Add: Purchases during the year	2,912,952	16,059,237
Less: Consumption during the year	2,912,952	16,059,237
At the end of the year	-	-
<b>Total</b>		
At the beginning of the year	20,118,813	30,699,730
Add: Purchases during the year	940,805,957	1,084,508,545
Less: Consumption during the year	938,931,151	1,095,089,462
At the end of the year	21,993,619	20,118,813

**26 PURCHASES OF STOCK IN TRADE**

Particulars	Amount (Rs.)	
	Year ended 31.03.2016	Year ended 31.03.2015
Polyester Yarn	-	3,458,746
Total	-	3,458,746

**27 CHANGE IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK IN TRADE**

Particulars	Amount (Rs.)	
	Year ended 31.03.2016	Year ended 31.03.2015
<b>Closing Stocks</b>		
Finished Goods	173,542,516	179,344,848
Semi-finished Goods	120,981,282	105,779,093
Waste	1,430,236	1,766,505
	295,954,034	286,890,446
<b>Opening Stocks</b>		
Finished Goods	179,344,848	186,364,125
Semi-finished Goods	105,779,093	94,375,695
Waste	1,766,505	2,342,581
	286,890,446	283,082,401
Change in Inventories of Finished Goods, Work in Progress and Stock in Trade	(9,063,588)	(3,808,045)



- 28 The company(Pasupati) has w.e.f. 1.4.2013 entered into joint venture with Star Cotspin Limited(Star) for the purpose of getting cotton yarn manufactured on job work basis from any outside party for sale. As per terms of joint venture agreement dated 1.4.2013, the profit sharing ratio between Star and Pasupati is 75:25 respectively. All the income, expenses, assets and liabilities of joint venture operations are included in the accounts of Pasupati as per the terms of joint venture agreement and amount of share of profit of Star Rs. 2746604 (previous year Rs.(-)1480680) for the year has been adjusted in the accounts of Pasupati, the details of which are as under :-

Particulars	Amount (Rs.)	
	Year ended 31.03.2016	Year ended 31.03.2015
Sales(net of excise)	459,681,324	530,309,065
Other Income	10	893,447
Total Income	459,681,334	531,202,512
Cost of material consumed	304,655,468	372,684,464
Changes in Inventories of Finished Goods, Work in Progress and Stock in Trade	362,243	7,316,133
Job work charges	126,148,354	126,447,531
Other Expenses	24,853,130	26,728,624
	456,019,195	533,176,752
Profit for the year	3,662,139	(1,974,240)
Share of profit of Star @ 75%	2,746,604	(1,480,680)

The assets and liabilities of the joint venture at the year end included in the assets and liabilities of Pasuapti are as under: -

Particulars	Amount (Rs.)			
	As at 31.03.2016		As at 31.03.2015	
PASUPATI'S CONTRIBUTION		(9,746,330)		9,538,766
CURRENT LIABILITIES				
Short-Term Borrowings	1,254,365		2,704,365	
Trade Payables	43,659,897		41,966,341	
Other Current Liabilities	549,333	45,463,595	1,890,868	46,561,574
		35,717,265		56,100,340
CURRENT ASSETS				
Inventories	15,991,170		34,425,910	
Trade Receivables	3,925,343		1,370,690	
Cash & Cash Equivalents	16,500		1,527,793	
Short Term Loans & Advances*	15,784,252	35,717,265	18,775,947	56,100,340
		35,717,265		56,100,340

\* Includes Rs. 15390411 (previous year Rs. 18137016) due from Star

## 29 EMPLOYEE BENEFITS EXPENSE

Particulars	Amount (Rs.)	
	Year ended 31.03.2016	Year ended 31.03.2015
Salaries, Wages, Bonus & Other benefits	165,323,851	147,422,612
Gratuity	2,523,467	1,184,414
Contribution to Provident Fund, Employees' State Insurance etc.	8,244,122	7,964,605
Workmen & Staff Welfare expenses	2,472,131	2,609,582
Staff Recruitment & Training expenses	102,804	205,224
Total	178,666,375	159,386,437

**EMPLOYEE POST RETIREMENT BENEFITS**

Particulars	Amount (Rs.)	
	Year ended 31.03.2016	Year ended 31.03.2015
a) State Plans Contribution made by the company to various state plans which have been recognized as an expense in the profit & loss statement are: -		
Employer's contribution to Employees State Insurance Scheme	2,422,586	2,233,179
Employer's contribution to Employees Provident Fund	5,821,536	5,731,426
b) Defined Benefit Plan The present value of obligation on account of gratuity (unfunded) is determined based on actuarial valuation		
I. <b>Assumptions</b>		
Discount Rate	7.80%	8.00%
Rate of increase in Compensation	7.00%	7.00%
II. <b>Table showing Changes in Present Value of Obligations during the period</b>		
Present Value of Obligation as at the beginning of the period	10,171,869	9,823,089
Interest cost	815,486	893,901
Current Service Cost	2,032,288	2,121,036
Benefit paid	(447,935)	(835,634)
Actuarial (gain) / loss on obligations	(324,307)	(1,830,523)
Present Value of Obligation as at the end of the period	12,247,401	10,171,869
III. <b>Table showing Fair Value of Plan Assets</b>		
Funded Status	(12,247,401)	(10,171,869)
IV. <b>Actuarial gain / loss recognized for the period</b>		
Actuarial gain / (loss) for the period – Obligation	324,307	1,830,523
Total (gain) / loss for the period	(324,307)	(1,830,523)
Actuarial (gain) / loss recognized in the period	(324,307)	(1,830,523)
V. <b>The amounts to be recognized in Balance Sheet and statements of profit and loss</b>		
Present Value of Obligation as at the end of the period	12,247,401	10,171,869
Funded Status	(12,247,401)	(10,171,869)
Net Liability Recognized in Balance sheet	12,247,401	10,171,869
VI. <b>Expense recognized in the statement of profit and loss for the period</b>		
Current Service Cost		
Interest cost	2,032,288	2,121,036
Net actuarial (gain) / loss recognized in the period	815,486	893,901
Expenses Recognized in the statement of Profit & Loss	(324,307)	(1,830,523)
	2,523,467	1,184,414

Notes: -

- i) The above information is certified by the actuary
- ii) As per rules of the company leaves are not encashed

**30 FINANCE COSTS**

Particulars	Amount (Rs.)	
	Year ended 31.03.2016	Year ended 31.03.2015
Interest	57,103,829	55,269,450
Bank & Finance procurement expenses	8,290,997	10,796,611
Total	65,394,826	66,066,061

**31 DEPRECIATION & AMORTISATION EXPENSE**

Particulars	Amount (Rs.)	
	Year ended 31.03.2016	Year ended 31.03.2015
Depreciation	40,051,600	40,251,595
Total	40,051,600	40,251,595

**32 OTHER EXPENSES**

Particulars	Amount (Rs.)	
	Year ended 31.03.2016	Year ended 31.03.2015
Consumption of Stores, Spare, Dyes, Chemicals and Packing Materials	138,894,916	160,889,183
Job Work expenses	203,994,708	188,271,024
Power & Fuel	196,965,439	204,040,783
Rent	7,122,906	7,264,255
Repairs to Buildings	1,013,513	778,086
Repairs to Machinery	903,667	971,517
Insurance	2,011,547	1,898,102
Rates & Taxes	3,329,892	2,252,975
Travelling & Conveyance	14,872,146	13,407,747
Directors' sitting fees	85,000	85,000
Difference in Exchange (Net)	1,017,422	776,320
Irrecoverable claims written off	517,631	4,368,888
Charity & Donation	79,632	107,984
Bad Debts/Advances written off	567,031	4,060,151
Freight & Forwarding Charges	33,178,068	41,825,468
Packing Expenses	20,199,294	13,208,292
Claims, Rebate & Discount	25,033,007	23,565,457
Other Selling Expenses	6,625,245	9,832,145
Miscellaneous Expenses	23,043,294	26,360,104
Previous Year Expenses	17,250	27,408
Auditors' Remuneration		
As Audit Fees	488,000	488,000
As Quarterly Review Fees	366,000	366,000
As Tax Audit Fees	122,000	122,000
In Other Capacity	96,000	148,500
<b>Total</b>	<b>680,543,608</b>	<b>705,115,389</b>

**33 EARNING PER SHARE (EPS)**

Particulars	Amount (Rs.)	
	Year ended 31.03.2016	Year ended 31.03.2015
<b>Basic and Diluted</b>		
Net Profit after tax	1,214,206	1,879,932
Total No. of Equity Shares	9,337,068	9,337,068
Earning per share	0.13	0.20

- 34** In earlier years, the company had received compensation of Rs.6160713 on acquisition of part of its factory land at Dhuruhera. Representation has been made before Sub Divisional Magistrate, Gurgaon cum competent authority(LA) of National Highway Authority of India for payment of compensation at a higher rate. Additional compensation of Rs. 61464287demanded in the representation will be accounted for as and when received.

**35 Related Party Disclosure:**

Names of related parties and description of relationship

- i) Key Management Personnel and their relatives
  - Shri Ramesh Kumar Jain - CMD
  - Shri Vedit Jain - ED
  - Shri S. K. Chhajjer, WTD (ceased to be a director from 1.7.2014)
  - Shri Ram Karan Bhardwaj, WTD (ceased to be a director from 18.7.2015)
  - Shri Vinod Katyal, WTD (from 14.08.2015 to 09.01.2016)
  - Smt. Vrinda Jain , Director
  - Shri Praveen Paliwal, Director
  - Shri Ghanshyam Das Gupta, Director
  - Shri Ashwani Kumar Rathore, Director
  - Shri Anil Gupta, Director
  - Smt. Sangeeta Chhajjer, Relative of Director
  - Smt. Leeza Anand, Relative of Director
  - Smt. Vimal Bhardwaj, Relative of Director
  - Smt. Anubha Bhardwaj, Relative of Director
  - Shri Aditya Bhardwaj, Relative of Director
- ii) Associate
  - Shivani Textiles Limited
  - Pasupati Olefin Limited
  - Sulabh Impex Limited



Particulars	Amount (Rs.)		
	Key Management Personnel and Relatives	Associate	Total
Remuneration paid	2,573,788 (3,213,028)	- ( - )	2,573,788 (3,213,028)
Sitting Fee paid	85,000 (85,000)	- ( - )	85,000 (85,000)
Rent paid	641,163 (483,750)	128,813 ( - )	769,976 (483,750)
Purchases	- ( - )	2,912,952 (16,059,237)	2,912,952 (16,059,237)
Sales	- ( - )	17,366,903 (55,045,623)	17,366,903 (55,045,623)
Job Work Charges paid	- ( - )	40,219,146 (13,631,220)	40,219,146 (13,631,220)
Vehicle hire charges paid	- ( - )	510,000 (612,000)	510,000 (612,000)
Balance outstanding at the end of year	-	23,136,500	23,136,500
Loans Outstanding	- ( - )	(23,136,500)	(23,136,500)
Amount Payable	- (453,950)	- ( - )	- (453,950)
Amount Receivable	- ( - )	4,856,842 (15,405,986)	4,856,842 (15,405,986)

Note: - Previous year figures have been given in brackets.

**36** The company's business activity falls within a single primary reportable segment viz. Textiles and Textile Articles. Accordingly, pursuant to Accounting standard (AS-17) "Segment Reporting" issued by the Institute of Chartered Accountants of India segmental information is not required to be given

**37 MANAGERIAL REMUNERATION**

Particulars	Amount (Rs.)	
	Year ended 31.03.2016	Year ended 31.03.2015
Salary	1,362,580	1,590,000
Contribution to Provident and Other Funds	86,400	104,400
Other Benefits	616,323	624,434



Note : Sh. Ramesh Kumar Jain, Chairman & Managing Director has not been paid salary w.e.f. 1.4.2011. Other benefits are being paid.

**38** In view of the accumulated losses incurred by the company exceeding its net worth, the company made a reference under Section 15(1) of Sick Industrial Companies (Special provisions) Act, 1985 to the Board for Industrial and Financial Reconstruction (BIFR). The company was declared a sick Industrial company within the meaning of section 3(1)(o) of the said Act by BIFR on 14.7.2005 and Bank of Baroda was appointed as the operating agency (OA) to examine viability of the company and formulate rehabilitation scheme. The OA filed a draft rehabilitation scheme with BIFR which was approved by BIFR vide its order dated 17.2.2012. The company has substantially implemented the scheme sanctioned by BIFR and taken credit for relief and concessions granted by BIFR in the accounts resulting in positive net worth. Application for de-registration has been made to BIFR.

**39** In pursuance of Accounting Standard on Impairment of Assets (AS28) issued by The Institute of Chartered Accountants of India the company had identified and impaired certain assets / cash generating units. There is no further impairment / reversal during the year.

**40** Balance of sundry creditors, sundry debtors, investments and loans and advances are subject to confirmation and reconciliation

**41** Previous year figures have been regrouped and / or re-arranged wherever considered necessary

**42** Paise have been rounded off to the nearest rupee

**43 OPERATING LEASE**

As Lessee

The Company has taken generators on hire for which total rent of Rs.1412125 (previous year Rs. 1169850) has been paid, which is being recognized as an expense in the statement of profit & loss statement. The period of hire in not contracted and hence future lease payments are not determinable. The assets have not been subleased

**44 VALUE OF IMPORTED/INDIGENOUS RAW MATERIALS, STORES & SPARES CONSUMED.**

Class of Goods	Year ended 31.03.2016		Year ended 31.03.2015	
	%	Amount (Rs.)	%	Amount (Rs.)
Raw Materials				
Imported	0.47%	4,375,769	0.47%	5,173,893
Indigenous	99.53%	934,555,382	99.53%	1,089,915,569
Total	100.00%	938,931,151	100.00%	1,095,089,462
Stores, Dyes & Packing materials				
Imported	4.19%	5,825,337	1.06%	1,699,120
Indigenous	95.81%	133,069,579	98.94%	159,190,063
Total	100.00%	138,894,916	100.00%	160,889,183

**45 OTHER INFORMATIONS**

Particulars	Amount (Rs.)	
	Year ended 31.03.2016	Year ended 31.03.2015
C.I.F. value of Imports		
Raw Materials	1,280,065	5,173,893
Stores & Spares	6,377,335	1,699,120
Expenditure in foreign currency		
Travelling (does not include cost of air tickets)	652,219	793,263
Commission & Brokerage	3,412,994	6,279,665
Claims	3,088	46,169
Earnings in Foreign currency		
FOB Value of Exports (Does not include export through merchant exporters)	95,978,676	275,489,714

As per our report of even date annexed  
For B.K. SHROFF & CO.  
Chartered Accountants  
Firm Registration No. 302166E

Chairman & Managing Director  
DIN No. 00575142

Executive Director  
DIN No.01347588

Partner  
Membership No.

Company Secretary

Chief Financial Officer

Place : New Delhi  
Dated :

**PASUPATI SPINNING & WEAVING MILLS LTD.**

Regd Office & Works: Village Kapriwas (Dharuhera) Distt. Rewari (Haryana)  
 Head Office: 127-128 , Tribhuvan Complex, Ishwar Nagar , Mathura Road, New Delhi-110065  
 Website-www.pasupatitextiles.com, Email-ho@pasupatitextiles.com Ph: 011--47632200

**CIN- L74900HR1979PLC009789**

**PROXY FORM**

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

<b>CIN:</b>	<b>L74900HR1979PLC009789</b>
<b>Name of the company:</b>	<b>Pasupati Spinning &amp; Weaving Mills Limited</b>
<b>Registered office:</b>	<b>Village Kapriwas (Dharuhera) Distt. Rewari, Haryana</b>
<b>Name of the member (s):</b>	
<b>Registered address:</b>	
<b>E-mail Id:</b>	
<b>Folio No*</b>	
<b>Client Id:</b>	
<b>DP ID:</b>	

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

- Name: -----

Address: -----

E-mail Id: -----

Signature: -----, ----- or failing him/her
- Name: -----

Address: -----

E-mail Id: -----

Signature: -----, ----- or failing him/her
- Name: -----

Address: -----

E-mail Id: -----

Signature: -----

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 36th Annual general meeting of the company, to be held on Thursday ,the 29th September, 2016, At 10 a.m.. at Village Kapriwas (Dharuhera) Rewari, Haryana, and at any adjournment thereof in respect of such resolutions as are indicated below:





Resolution No.	Description	For	Against
1	Consideration and adoption of Annual Audited Account & Reports for the Financial Year ended 31st March, 2016, Reports of the Board of Directors and the Auditors.		
2	To re-appoint Mr. Vidit Jain (DIN- 01347588) as Director who retire by rotation.		
3	To ratify the appointment of M/s B K Shroff & Co, Chartered Accountants, as Statutory Auditors of the company & fix their remuneration.		
4	To approve the remuneration of the cost auditors.		
5	To approve the related party transactions.		
6	To approve appointment and payment of remuneration of Mr. Jitender Malik (DIN 07497981) as Whole Time Director.		
7	To approve payment of remuneration of Mr. Ramesh Kumar Jain, Chairman & Managing Director of the company.		
8	To approve payment of remuneration of Mr. Vidit Jain, Whole Time Director of the company		

Signed this .....day of.....2016

Signature of shareholder.....Signature of Proxy

Holder(s) .....

Affix  
Revenue  
Stamp  
of Rs. 1/-

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

**Notes:**

- \* 1. Please put a 'X' in the Box in the appropriate column against the respective resolutions. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
2. A Proxy need not be a Member of the Company. Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as proxy on behalf of not more than fifty Members and holding in aggregate not more than ten percent of the total Share Capital of the Company. Members holding more than ten percent of the total Share Capital of the Company may appoint a single person as proxy, who shall not act as proxy for any other Member.
3. This form of Proxy, to be effective, should be deposited at the Registered Office of the Company not later than FORTY-EIGHT HOURS before the commencement of the aforesaid meeting.



## ATTENDENCE SLIP

PASUPATI SPINNING & WEAVING MILLS LTD.

CIN L74900HR1979PLC009789

Regd. Office & Works: Village Kapriwas (Dharuhera) Distt. Rewari (Haryana)

Head Office: 127-128 , Tribhuvan Complex, Ishwar Nagar , Mathura Road, New Delhi-110065

Tel: 011-47632200, Website: [www.pasupatitextiles.com](http://www.pasupatitextiles.com)

E-mail: [rekhasharma@pasupatitextiles.com](mailto:rekhasharma@pasupatitextiles.com)

I hereby record my presence at the 36<sup>th</sup> Annual General Meeting being held on Thursday, the 29<sup>th</sup> September, 2016 at 10.00 AM at Village Kapriwas (Dharuhera), Distt. Rewari, Haryana.

Name of the Shareholder.....

(In block letters)

Folio No./ DPID\* No. and Client I D No.\* .....

No. of shares held .....

.....  
(Signature of the shareholder/ Proxy)

\*Applicable for Members holding shares in electronic form.

### Note:-

1. Member/Proxyholder desiring to attend the meeting must bring the Attendance Slip to the meeting and hand it over at the entrance duly signed.
2. Member/Proxyholder desiring to attend the meeting should bring his/her copy of the Annual Report for Reference at the meeting.





**PASUPATI SPINNING & WEAVING MILLS LIMITED**

**CORP. OFFICE :** 127-128, 1st FLOOR, TRIBHUVAN COMPLEX, ISHWAR NAGAR,  
MATHURA ROAD, NEW DELHI-110065 (INDIA) PHONE : 91-11-47632200

E-mail : [ho@pasupatitextiles.com](mailto:ho@pasupatitextiles.com) ; [admin@pasupatitextiles.com](mailto:admin@pasupatitextiles.com)

Website : <http://www.pasupatitextiles.com>

**CIN - L74900HR1979PLC009789**