



FILATEX INDIA LIMITED

CIN No. L17119DN1990PLC000091

FIL/SE/2016-17/22

3rd October, 2016

National Stock Exchange of India Limited
Listing Department
5th Floor, Exchange Plaza, C-1, Block-G,
Bandra-Kurla Complex, Bandra (E)
Mumbai-400 051

The Bombay Stock Exchange Limited
Listing Department
25th Floor, Pheroze Jeejeebhoy Towers
Dalal Street,
Mumbai - 400 001

Dear Sir,

Please find enclosed the Annual Report of the Company for the financial year 2015-2016 sent to the Shareholders.

Thanking You,

Yours Faithfully,
For FILATEX INDIA LIMITED

COMPANY SECRETARY

Encl.: a/a

CORPORATE OFFICE

Bhageria House
43 Community Centre
New Friends Colony
New Delhi - 110025, India

P +91.11.26312503, 26848633/44

F +91.11.26849915

E fildelhi@filatex.com

REGD. OFFICE & WORKS

S. No. 274 Demni Road
Dadra - 396193
U.T. of Dadra & Nagar Haveli
India

P +91.260.2668343/8510

F +91.260.2668344

E fildadra@filatex.com

SURAT OFFICE

Bhageria House
Ring Road
Surat - 395002
India

P +91.261.4030000

F +91.261.2310796

E filsurat@filatex.com

MUMBAI OFFICE

321, Maker Chamber - V
Nariman Point
Mumbai - 400021
India

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E filmumbai@filatex.com

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ANNUAL REPORT
2015–2016



FILATEX
INDIA
LIMITED



Board of Directors

Mr. Madhu Sudhan Bhageria

Vice Chairman & Managing Director
DIN: 00021934

Mr. Purrshottam Bhaggeria

Joint Managing Director
DIN: 00017938

Mr. Madhav Bhageria

Joint Managing Director
DIN: 00021953

Mr. Ashok Chauhan

Wholetime Director
DIN: 00253049

Mr. B.B. Tandon

Independent Director
DIN: 00740511

Mr. S.C. Parija

Independent Director
DIN: 0363608

Mr. S.P. Setia

Independent Director
DIN: 00255049

Mrs. Pallavi Joshi Bakhru

Independent Director
DIN: 01526618

Company Secretary

Mr. Raman Kumar Jha

Chief Financial Officer

Mr. R.P. Gupta

Bankers

Union Bank of India
Punjab National Bank
Oriental Bank of Commerce

Auditors

Amod Agrawal & Associates
D-58, East of Kailash
New Delhi - 110 025

Registered Office

S. No. 274, Demni Road,
Dadra - 396 191
(U.T. of Dadra & Nagar Haveli)
Ph: 260-2668343/8510
Fax: 260-2668344
Email: fildadra@filatex.com
Website: filatex.com
CIN: L17119DN1990PLC000091

Corporate Office

BHAGERIA HOUSE
43, Community Centre,
New Friends Colony,
New Delhi - 110 025

Works

S. No. 274, Demni Road,
Dadra - 396 191
(U.T. of Dadra & Nagar Haveli)

A-2, Extension,
Phase - II (Noida)
Distt. Gautam Budh Nagar - 201 304 (U.P.)

Plot No. D-2/6, Jolva Village
PCPIR, Dahej-2 Industrial Estate
GIDC, Distt. Bharuch
Gujarat - 392 130

Registrar & Share Transfer Agents

MCS Share Transfer Agent Limited

F-65, Okhla Industrial Area,
Phase-I, New Delhi- 110020
Tel : 011-41406148
Fax : 011-41709881
Email: admin@mcsdel.com

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Profile of Directors

**MADHU SUDHAN BHAGERIA**

Vice Chairman & Managing Director (Promoter)

- Gold medallist Commerce graduate from the reputed Shri Ram College of Commerce, Delhi University
- 35 years of rich experience in Polyester Industry
- Director in various other Companies
- President of PTA Users Association
- Chairman of Company's CSR Committee and Member of Audit Committee and Nomination & Remuneration Committee

**PURRSHOTTAM BHAGGERIA**

Joint Managing Director (Promoter)

- M.B.A., S.C. Johnson Graduates School of Management, Cornell University, USA – 1985, Major: Finance, Graduated with Distinction
- Honorary Consul of the Republic of Moldova in the Republic of India since 2011
- Treasurer, Hony. Consular Corps Diplomatique (HCCD) – India since November 2012 (An All India Body of all the Honorary Consuls in India)
- Vice Chairman of International Affairs Committee, PHD Chamber of Commerce
- Member of FICCI
- Member of many prestigious clubs in Delhi & NCR:- Delhi Golf Club, Qutab Golf club, Friends Club, Noida Golf Club, Siri Fort Sports Complex.

**MADHAV BHAGERIA**

Joint Managing Director (Promoter)

- Commerce graduate from Hindu College, Delhi University
- Looks after plant operations and marketing functions of the Company.
- Promoter Director of Tapti Valley Education Foundation which is an International School in Surat.
- Directors in various other Companies
- Member of Company's CSR Committee

**ASHOK CHAUHAN**

Wholetime Director

- B.E. (Mech) and Master Degree in Business Administration.
- Awarded Gold Medal for the best student of the College of 1968-1973 batch and also received Best Sportsman Award in college
- Vast experience in Marketing, Project Management, General and overall Operation, Corporate Planning, Risk Evaluation & Business Investment Strategies
- 44 years of experience in diverse industry segments like Pulp & Paper, Chemicals, Engineering Consultancy, Polyester Film, Hydro Power Plants, Solar / Wind / Renewable Energy, Real Estate Development & Construction, etc.

**S P SETIA***(Independent Director)*

- Textile Technologist year of graduation 1962.
- Rich experience in textile industry and providing consultancy to textile industry since 1982
- Chairman of Company's Stakeholders Relationship Committee
- Member of Company's Audit Committee and Nomination & Remuneration Committee
- Directors in various other Companies

**S C PARIJA***(Independent Director)*

- Masters Degree in Political Science from Allahabad University and a MSc in Fiscal Studies from University of Bath (U.K)
- Executive Member of International Fiscal Association, India
- Served as a Chairman of Income-Tax Settlement Commission and as Chief of Administration and Finance of All India Institute of Medical Sciences.
- 38 years of services with the Government of India and served as the Director of Income-tax Investigation, Chief Commissioner of Income-tax and Director General of Income-tax Investigation.
- Chairman of Company's Audit Committee and Nomination & Remuneration Committee
- Member of Company's Stakeholders Relationship Committee
- Independent Director of Board of ARSS Infra Projects Ltd. and Chairman of Audit Committee and Nomination & Remuneration Committee thereof

**B B TANDON***(Independent Director)*

- Retd. IAS Officer and former Chief Election Commissioner of India
- M.A. (PG in Economics) and LLB from the University of Delhi. CAIIB (Associate Certificate of the Indian Institute of Bankers)
- Served as Secretary to the Government of India in various key Ministries / Departments
- Secretary to the Govt. of Himachal Pradesh in various key Departments like Industry, Power, Mining etc. and as Chairman of the Himachal Pradesh Electricity Board
- Served as Member of the Securities & Exchange Board of India as Special Invitee.
- Independent Director in various other renowned Companies
- Member of Company's Audit Committee, CSR Committee and Nomination & Remuneration Committee

**PALLAVI JOSHI BAKHRU***(Independent Director)*

- Has more than 26 years of post-qualification experience in the field of taxation. Her area of expertise includes inbound and outbound structuring advisory (including regulatory compliance) for both Indian and Overseas Investors.
- She is a fellow member of the Institute of Chartered Accountants of India
- She is a member of The International Fiscal Association – (India Branch)
- She is a Charter Member with TIE – Delhi Chapter.
- Member of Company's Audit Committee, CSR Committee and Nomination & Remuneration Committee



Filatex India Limited





NOTICE

NOTICE is hereby given that the Twenty Sixth Annual General Meeting of the Members of FILATEX INDIA LIMITED will be held on Friday, 30th September, 2016 at 9.30 AM at the Registered Office of the Company at SURVEY NO.274, DEMNI ROAD, DADRA, (U.T. OF DADRA & NAGAR HAVELI) - 396 193 to transact the following businesses:

ORDINARY BUSINESS

1. To receive, consider and adopt:
 - (a) the Audited Financial Statements of the Company for the financial year ended March 31, 2016 together with the reports of the Board of Directors and Auditors thereon.
 - (b) the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2016 together with the Reports of the Auditors thereon
2. To appoint a Director in place of Shri Ashok Chauhan (DIN:00253049), who retires by rotation, and being eligible, offers himself for re-appointment.
3. To ratify the appointment of M/s Amod Agrawal & Associates, Chartered Accountants (Firm Registration No.005780N), as approved by the Members at the 24th Annual General Meeting as Auditors of the Company to hold office until the conclusion of the twenty seventh AGM of the Company and to fix their remuneration for the financial year ended 31st March 2017.

SPECIAL BUSINESS

4. To consider and, if thought fit, to pass the following Resolution as a **SPECIAL RESOLUTION**:

“RESOLVED THAT in accordance with the provisions of Section 196, 197, 198 & 203 read with Schedule V of the Companies Act, 2013 and all other applicable provisions, if any, of the said Act including any statutory modification(s) or re-enactment thereof for the time being in force and subject to such other approvals as may be necessary in this regard, consent of the Company be and is hereby accorded to the reappointment of Shri Madhu Sudhan Bhageria (DIN:00021934) as Managing Director of the Company for a period of 3 years w.e.f. 30.07.2016 on the following terms and conditions:-

Salary: ₹3,50,000 - 35,000 - 4,20,000 per month

Commission payable: 1% of Net Profits of First Rs. 10 crore and additional 0.50% of Net Profits exceeding Rs. 10 crore

Perquisites and Allowances: In addition to the aforesaid salary and commission, Shri Madhu Sudhan Bhageria shall also be entitled to perquisites like furnished accommodation or housing rent allowance in lieu thereof, gas, electricity, water and furnishings, medical reimbursement and leave travel concession for self and family, club fees, medical/personal accident/travel insurance and any other perquisites in accordance with the Rules of the Company, the monetary value of such perquisites would be restricted to 100% of salary. Perquisites shall be evaluated as per Income Tax Rules, wherever applicable, and in the absence of any such Rules, perquisites shall be evaluated at actual cost.

Shri Madhu Sudhan Bhageria shall also be eligible to the following perquisites which shall not be included in computation of ceiling on remuneration specified above:

- a) Company's contribution towards Provident Fund and Superannuation Fund, Annuity fund to the extent these either singly or put together are not taxable under the Income Tax, 1961.
- b) Gratuity payable not exceeding half month's salary for each completed year of service.
- c) Encashment of unavailed Earned Leaves at the end of the tenure.
- d) Use of Company's car and telephone at residence for official purposes.
- e) Notice Period: Three Months

RESOLVED FURTHER THAT consent of the Company be and is hereby accorded that in the event of loss or inadequacy of profits in any financial year during the tenure, Shri Madhu Sudhan Bhageria shall be entitled to receive remuneration including perquisites/benefits mentioned above as minimum remuneration in accordance with and subject to the applicable provisions of Schedule V of the Companies Act, 2013 including any statutory modification(s) or re-enactment thereof and subject to the approval of the shareholders and Central Government, wherever required.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary, proper or expedient for the purpose of giving effect to this resolution and for the matters connected therewith or incidental thereto.”



5. To consider and, if thought fit, to pass the following Resolution as a **SPECIAL RESOLUTION**:-

“RESOLVED THAT in accordance with the provisions of Section 196, 197, 198 & 203 read with Schedule V of the Companies Act, 2013 and all other applicable provisions, if any, of the said Act including any statutory modification(s) or re-enactment thereof for the time being in force and subject to such other approvals as may be necessary in this regard, consent of the Company be and is hereby accorded to the reappointment of Shri Purrrshottam Bhaggeria(DIN:00017938) as Joint Managing Director of the Company for a period of 3 years w.e.f. 30.07.2016 on the following terms and conditions:-

Salary: ₹3,00,000 - 30,000 - 3,60,000 per month

Commission payable: 1% of Net Profits of First Rs. 10 crore and additional 0.50% of Net Profits exceeding Rs. 10 crore

Perquisites and Allowances: In addition to the aforesaid salary and commission, Shri Purrrshottam Bhaggeria shall also be entitled to perquisites like furnished accommodation or housing rent allowance in lieu thereof, gas, electricity, water and furnishings, medical reimbursement and leave travel concession for self and family, club fees, medical/personal accident/travel insurance and any other perquisites in accordance with the Rules of the Company, the monetary value of such perquisites would be restricted to 100% of salary. Perquisites shall be evaluated as per Income Tax Rules, wherever applicable, and in the absence of any such Rules, perquisites shall be evaluated at actual cost.

Shri Purrrshottam Bhaggeria shall also be eligible to the following perquisites which shall not be included in computation of ceiling on remuneration specified above:

- (a) Company's contribution towards Provident Fund and Superannuation Fund, Annuity fund to the extent these either singly or put together are not taxable under the Income Tax, 1961.
- (b) Gratuity payable not exceeding half month's salary for each completed year of service.
- (c) Encashment of unavailed Earned Leaves at the end of the tenure.
- (d) Use of Company's car and telephone at residence for official purposes.
- (e) Notice Period: Three Months

RESOLVED FURTHER THAT the consent of the Company be and is hereby accorded that in the event of loss or inadequacy of profits in any financial year during the tenure, Shri Purrrshottam Bhaggeria shall be entitled to receive remuneration including perquisites/benefits mentioned above as minimum remuneration in accordance with and subject to the applicable provisions of Schedule V of the Companies Act, 2013 including any statutory modification(s) or re-enactment thereof and subject to the approval of the shareholders and Central Government, wherever required.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary, proper or expedient for the purpose of giving effect to this resolution and for the matters connected therewith or incidental thereto.”

6. To consider and, if thought fit, to pass the following Resolution as a **SPECIAL RESOLUTION**:-

“RESOLVED THAT in accordance with the provisions of Section 196, 197, 198 & 203 read with Schedule V of the Companies Act, 2013 and all other applicable provisions, if any, of the said Act including any statutory modification(s) or re-enactment thereof for the time being in force and subject to such other approvals as may be necessary in this regard, consent of the Company be and is hereby accorded to the reappointment of Shri Madhav Bhageria (DIN:00021953) as Joint Managing Director of the Company for a period of 3 years w.e.f. 30.07.2016 on the following terms and conditions:-

Salary: ₹3,00,000 - 30,000 - 3,60,000 per month

Commission payable: 1% of Net Profits of First Rs. 10 crore and additional 0.50% of Net Profits exceeding Rs. 10 crore

Perquisites and Allowances: In addition to the aforesaid salary and commission, Shri Madhav Bhageria shall also be entitled to perquisites like furnished accommodation or housing rent allowance in lieu thereof, gas, electricity, water and furnishings, medical reimbursement and leave travel concession for self and family, club fees, medical/personal accident/travel insurance and any other perquisites in accordance with the Rules of the Company, the monetary value of such perquisites would be restricted to 100% of salary. Perquisites shall be evaluated as per Income Tax Rules, wherever applicable, and in the absence of any such Rules, perquisites shall be evaluated at actual cost.

Shri Madhav Bhageria shall also be eligible to the following perquisites which shall not be included in computation of ceiling on remuneration specified above:

- (a) Company's contribution towards Provident Fund and Superannuation Fund, Annuity fund to the extent these either singly or put together are not taxable under the Income Tax, 1961.
- (b) Gratuity payable not exceeding half month's salary for each completed year of service.
- (c) Encashment of unavailed Earned Leaves at the end of the tenure.



(d) Use of Company's car and telephone at residence for official purposes.

(e) Notice Period: Three Months

RESOLVED FURTHER THAT the consent of the Company be and is hereby accorded that in the event of loss or inadequacy of profits in any financial year during the tenure, Shri Madhav Bhageria shall be entitled to receive remuneration including perquisites/benefits mentioned above as minimum remuneration in accordance with and subject to the applicable provisions of Schedule V of the Companies Act, 2013 including any statutory modification(s) or re-enactment thereof and subject to the approval of the shareholders and Central Government, wherever required.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary, proper or expedient for the purpose of giving effect to this resolution and for the matters connected therewith or incidental thereto."

7. To consider and, if thought fit, to pass the following Resolution as a **SPECIAL RESOLUTION**:

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198 & 203 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013 and the approval of Members in the ensuing General Meeting and subject to such other approvals as may be necessary in this regard, consent of the Company be and is hereby accorded to the reappointment and payment of remuneration to Shri Ashok Chauhan (DIN: 00253049) as Wholtime Director of the Company for a further period of two years w.e.f. 01.05.2016 on the following terms and conditions:

1. Remuneration not exceeding ₹ 40,00,000/- (Rupees Forty Lacs) per annum on cost to company basis as may be determined between the Vice Chairman & Managing Director of the Company and Shri Ashok Chauhan.
2. Reimbursement of actual traveling and out of pocket expenses incurred in the course of the company's business and mobile phone as per the rules of the company.
3. Entitlement to privilege leave with full pay and casual leave benefits as per the rules of the company.
4. No sitting fee shall be payable for attending the meeting of the Board of Directors and Committees thereof.
5. Notice Period: Three months.

RESOLVED FURTHER THAT the consent of the Company be and is hereby accorded that in the event of loss or inadequacy of profits in any financial year during the tenure, Shri Ashok Chauhan shall be entitled to receive remuneration including perquisites/benefits mentioned above as minimum remuneration in accordance with and subject to the applicable provisions of Schedule V of the Companies Act, 2013 including any statutory modification(s) or re-enactment thereof.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary, proper or expedient for the purpose of giving effect to this resolution and for the matters connected therewith or incidental thereto."

8. To consider and, if thought fit, to pass the following Resolution as an **ORDINARY RESOLUTION**:-

"RESOLVED THAT pursuant to Section 148 of the Companies Act, 2013 and rules made thereunder and other applicable provisions, if any, of the Companies Act, 2013, the payment of Remuneration of ₹ 50,000 (Rupees Fifty Thousands) plus service tax and out of pocket expense to M/s Bahadur Murao & Co., a firm of Cost Auditors, (Firm Registration No. 000008), who were appointed by the Board of Directors in their Meeting held on 22nd April, 2016, for conducting the audit of cost records of the Company for the financial year ending 31st March 2017, be and is hereby approved and ratified".

By Order of the Board of Directors
For FILATEX INDIA LIMITED

PLACE: NEW DELHI
DATE : JULY 30, 2016

RAMAN KUMAR JHA
COMPANY SECRETARY

REGISTERED OFFICE:
Survey No.274, Demni Road, Dadra
(U.T. of Dadra & Nagar Haveli) 396 193
Phone no. 260-2668343/8510
Fax No.260-2668344
Email: fildadra@filatex.com
Website: filatex.com
CIN: L17119DN1990PLC000091



NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE AT THE MEETING INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY FORM DULY COMPLETED AND SIGNED SHOULD REACH AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE SCHEDULED TIME OF THE MEETING. The blank proxy form is enclosed. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company.
2. Explanatory statement pursuant to Section 102 of the Companies Act, 2013 in respect of Special Business under item No. 4 to 8 of the Notice is annexed hereto.
3. The Register of Members and Share Transfer Books of the Company shall be closed from 19th September, 2016 to 30th September, 2016 (both days inclusive) for ensuing Annual General Meeting.
4. Members/Proxies should bring the attendance slip sent herewith duly filled in for attending the Meeting.
5. Members are requested to bring their copies of the Annual Report at the Annual General Meeting.
6. Members are requested to notify:
 - A) change of address, if any, with Pin Code, quoting reference of their folio number, to the Company.
 - B) members who are holding shares in Demat Mode are requested to notify any change in their address to their respective Depository Participant.
7. Members seeking any information with regard to Accounts are requested to write to the Company at least ten days in advance so as to enable the Company to keep the information ready.
8. Members who have not yet encashed dividend for the financial year 2009-10, 2010-11 and 2011-12 are requested to write to the Company Secretary of the Company.
9. All Documents referred to in the Notice and Explanatory Statement are open for inspection by the members at the Registered Office of the Company on any working day during office hours from 10.00 A.M. to 1.00 P.M. upto the date of the Meeting.
10. As a part of Green initiative in the Corporate Governance, the Ministry of Corporate Affairs (MCA) vide its circulars dated 21st and 29th April, 2011, permitted service of documents through electronic mode in place of physical mode to all the shareholders. Your Company is also keenly desiring to participate in such initiative and request all the shareholders **to update their email IDs with their Depositories (NSDL & CDSL) or send their email IDs alongwith DP ID/Client ID to the Company to enable your Company to serve all future communication through email.** Keeping in view of the aforesaid initiative of MCA, your Company shall send the Annual Report, to its Members in electronics form, to the email address provided by them.

11. Voting through electronic means

In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 and as amended from time to time and SEBI Listing Regulation, the Company is pleased to provide members facility to exercise their right to vote at the 26th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).

The facility for voting through polling paper shall be made available at the AGM to the members attending the meeting, who have not cast their vote by remote e-voting, to enable them to exercise their right at the meeting.

The members, who have cast their vote by remote e-voting prior to the AGM, may also attend the AGM but shall not be entitled to cast their vote again.

The remote e-voting period commences on 27th September 2016 (9:00 am) and ends on 29th September, 2016 (5:00 pm). During this period, members of the Company, holding shares either in physical form or in dematerialised form, as on the cut-off date of 23rd September, 2016 may cast their vote by remote e-voting.

The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

I. The process and manner for remote e-voting are as under:

- A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participants(s)] :
 - i. Open email and open PDF file viz; "FIL remote e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.



- ii. Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
 - iii. Click on Shareholder - Login
 - iv. Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
 - v. Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - vi. Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
 - vii. Select "EVEN" of Filatex India Limited.
 - viii. Now you are ready for remote e-voting as Cast Vote page opens.
 - ix. Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
 - x. Upon confirmation, the message "Vote cast successfully" will be displayed.
 - xi. Once you have voted on the resolution, you will not be allowed to modify your vote.
 - xii. 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 primekoss@gmail.com/shares@filatex.com with a copy marked to evoting@nsdl.co.in.
- B. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy] :
- i. Initial password is provided as below/at the bottom of the Attendance Slip for the AGM :

EVEN (E Voting Event Number)	USER ID	PASSWORD/PIN
ii. Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.		
- II. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the Downloads section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990
 - III. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.
 - IV. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
 - V. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 23rd September, 2016.
 - VI. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 23rd September, 2016 may obtain the login ID and password by sending a request at evoting@nsdl.co.in or admin@mcsdel.com.

However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on www.evoting.nsdl.com or contact NSDL at the following toll free no.: 1800-222-990.
 - VII. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
 - VIII. Mr. K.O.Siddiqui, Practising Company Secretary has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
 - IX. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of Ballot Paper for all those members who are present at the AGM) but have not cast their votes by availing the remote e-voting facility.
 - X. The Scrutinizer shall after the conclusion of voting at the meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
 - XI. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to stock exchanges.

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013****Item No(s).4 to 6**

Shri Madhu Sudhan Bhageria, Vice Chairman & Managing Director, Shri Purrshottam Bhaggeria, Joint Managing Director & Shri Madhav Bhageria, Joint Managing Director were appointed for a further period of three years w.e.f. 30.07.2013.

The Board of Directors on the recommendation of Nomination & Remuneration Committee, in their meeting held on 22nd April, 2016 have approved the reappointment of Shri Madhu Sudhan Bhageria as Managing Director, Shri Purrshottam Bhaggeria and Shri Madhav Bhageria as Wholtime Directors designated as Joint Managing Directors on the terms and conditions and remuneration as stated in the respective resolutions for a period of three years w.e.f. 30.07.2016.

In the event of loss or inadequacy of profits in any financial year, they shall be eligible to receive the said remuneration alongwith perquisites/benefits as minimum remuneration in accordance with Schedule V of the Companies Act, 2013 including any statutory modification(s) or re-enactment thereof. As an abundant caution, the statements as required under Schedule V of the Companies Act, 2013 are given at the end of this Explanatory Statement.

The profile(s) of the aforesaid appointees have been set out in the Report on Corporate Governance annexed with the Directors' Report.

Your Directors recommend passing of the Resolutions at Item No. 4 to 6 as SPECIAL RESOLUTIONS.

Except Shri Madhu Sudhan Bhageria, Shri Purrshottam Bhaggeria and Shri Madhav Bhageria, none of the Directors, Key Managerial Personnel and their relatives are deemed to be concerned or interested in these resolutions.

Item No. 7

The Board, on the recommendation of Nomination & Remuneration Committee, in their meeting held on 22nd April, 2016 have approved the reappointment of Shri Ashok Chauhan as Whole-time Director on the terms and conditions and remuneration as stated in the resolutions for a further period of two years w.e.f. 01.05.2016.

In the event of loss or inadequacy of profits in any financial year, he shall be eligible to receive the said remuneration alongwith perquisites/benefits as minimum remuneration in accordance with Schedule V of the Companies Act, 2013 including any statutory modification(s) or re-enactment thereof. As an abundant caution, the statements as required under Schedule V of the Companies Act, 2013 are given at the end of this Explanatory Statement.

The details(s) of the aforesaid appointee have been set out in the Report on Corporate Governance annexed with the Directors' Report.

Your Directors recommend passing of the Resolutions at Item No. 7 as SPECIAL RESOLUTIONS.

Except Shri Ashok Chauhan, none of the Directors of the Company, Key Managerial Personnel of the Company and their relatives are deemed to be concerned or interested in this resolution.

Item No. 8

The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of the Cost Auditors, M/s Bahadur Murao & Co., to conduct the audit of the cost records of the Company for the financial year ending 31st March 2017. In accordance with the provisions of Section 148 of the Companies Act, 2013, and rules made thereunder, the remuneration payable to the Cost Auditors has to be ratified by the members of the Company.

Accordingly, consent of the members is sought for ratification of the remuneration payable to the Cost Auditors for the financial year ending 31st March 2017 as set out at Item No. 8 by passing an Ordinary Resolution.

Your Directors recommend passing of the Resolutions at Item No. 8 as an ORDINARY RESOLUTION.

None of the Directors of the Company, Key Managerial Personnel of the Company and their relatives are deemed to be concerned or interested in this resolution.

Statement as required under Section II, Part II of the Schedule V of the Companies Act, 2013 with reference to the Resolutions at Item Nos. 4 to 7 of the Notice for the 26th Annual General Meeting of FILATEX INDIA LIMITED

I GENERAL INFORMATION

- (1) **Nature of Industry:** The Company is engaged in manufacturing of Synthetic yarns viz polyester Partially Oriented Yarns (POY), polyester Filament yarns, Fully Drawn Yarns (FDY), Textured yarns, Polyester chips, Nylon filament yarns, Polypropylene Multi & Mono Filament Yarns and Narrow fabrics.
- (2) **Date or expected date of commencement of Commercial production:** The Company was incorporated on 8th August, 1990 as a Public Limited Company. The Company is already in operation after obtaining Certificate of Commencement of business on 5th September, 1990.



- (3) **In case of new companies, expected date of commencement of activities as per project approved financial institutions appearing in the prospectus:** Not applicable

- (4) **Financial performance based on given indicators:** (₹ in lacs)

	2013-14	2014-15	2015-16
Turnover (total revenue)	195807	173059	141880
Profit/(Loss) before Tax	1150	1439	3265
Net Profit/(Loss)	(809)	960	2627
Paid up Share capital	2824	3200	3200
Reserves and Surplus	12383	13833	16460

- (5) **Foreign investments or collaborators, if any:** None

II INFORMATION ABOUT THE APPOINTEES:

SHRI MADHU SUDHAN BHAGERIA

- (1) **Background details:** Shri Madhu Sudhan Bhageria, Promoter & Managing Director, aged about 57 years, is commerce graduate from Shri Ram College of Commerce, University of Delhi. He is actively involved in the management of the company since its incorporation and has played a key role in its growth & developments and he has been the force behind the exponential growth of the Company. He is the president of PTA Users Association.
- (2) **Past Remuneration:** ₹ 45,77,091, ₹ 47,85,542 & ₹ 76,99,350 lacs for financial years 2013-14, 2014-15 & 2015-16 respectively
- (3) **Recognition or awards:** Nil
- (4) **Job profile and his suitability:** Shri Madhu Sudhan Bhageria, Promoter & Managing Director, looks after overall operations including Production, Modernization & Expansion of the Company under the supervision and control of the Board of Directors. He has more than 27 years of rich experience in polyester industry. In consideration of the performance of his duties as the Managing Director, the Board of Directors and Nomination & Remuneration Committee in their meetings held on 22nd April, 2016 have approved his appointment and remuneration as set out in Item No. 4 of the Notice.
- (5) **Remuneration proposed:** Mentioned in Item No. 4 of the Notice.
- (6) **Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin) :** Proposed remuneration of Shri Madhu Sudhan Bhageria is comparable to that drawn by the similar senior level counter parts in other companies in the industry and is commensurate with the size of the Company, diverse nature of its businesses, the profile of the appointee and responsibilities shouldered by him.
- (7) **Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any:**

Besides the remuneration proposed, Shri Madhu Sudhan Bhageria, Managing Director, holds 37,08,360 Equity Shares of Rs. 10 each representing 11.59% of the paid up capital of the Company and related to Shri Purshottam Bhageria & Shri Madhav Bhageria, Joint Managing Directors of the Company.

SHRI PURSHOTTAM BHAGGERIA

- (1) **Background details:** Shri Purshottam Bhaggeria, Promoter & Joint Managing Director, aged 55 years, is commerce graduate from Shri Ram College of Commerce, University of Delhi and Masters in Business Administration (1985) from S.C. Johnson Graduate School of Management, Cornell University, USA. He is Honorary Consul of Republic of Moldova in the Republic of India. He is the Member of Managing Committee of PHD Chamber of Commerce & Industry and is also the Director & Treasurer of Honorary Consular Corps Diplomatique – India (**HCCD-India**), body of Honorary Consulates in India. He is also Directors in various other Companies.
- (2) **Past Remuneration:** ₹ 33,99,521, ₹ 36,51,668 & ₹ 68,83,811 for financial years 2013-14, 2014-15 & 2015-16 respectively
- (3) **Recognition or awards:** FICAC Medal of Honour -2012
- (4) **Job profile and his suitability:** Shri Purshottam Bhaggeria is the Promoter & Joint Managing Director of the Company. He looks after finance, accounts, legal and secretarial department of the Company since its incorporation. He has rich experience of more than 23 years in these fields. In consideration of the performance of his duties as the Joint Managing Director, the Board of Directors and Nomination & Remuneration Committee in their meetings held on 22nd April, 2016 have approved his appointment and remuneration as set out in Item No.5 of the Notice.



- (5) **Remuneration proposed:** Mentioned in Item No. 5 of the Notice
- (6) **Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin):** Proposed remuneration of Shri Purshottam Bhaggeria is comparable to that drawn by similar senior level counter parts in other companies in the industry and is commensurate with the size of the Company, diverse nature of its businesses, the profile of the appointee and responsibilities shouldered to him by the Board of Directors.
- (7) **Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any:** Besides the remuneration proposed, Shri Purshottam Bhaggeria, Joint Managing Director holds 41,93,359 Equity Shares of Rs. 10 each representing 13.10% of the paid up capital of the Company and related to Shri Madhu Sudhan Bhageria, Managing Director, Shri Madhav Bhageria, Joint Managing Director of the Company.

SHRI MADHAV BHAGERIA

- (1) **Background details:** Shri Madhav Bhageria, Promoter & Joint Managing Director, aged 53 years, is Commerce graduate from The Hindu College, University of Delhi. He is the Promoter Director of Tapti Valley Education Foundation which is an International School in Surat. He is also Directors in various other Companies.
- (2) **Past Remuneration:** ₹ 26,58,115, ₹ 30,18,052 & ₹ 67,35,130 for financial years 2013-14, 2014-15 & 2015-16 respectively
- (3) **Recognition or awards:** Nil
- (4) **Job profile and his suitability:** Shri Madhav Bhageria is the Promoter & Joint Managing Director of the Company. He looks after plants operations and marketing functions of the Company. In consideration of the performance of his duties as the Joint Managing Director, the Board of Directors and Nomination & Remuneration Committee in their meetings held on 22nd April, 2016 have approved his appointment and remuneration as set out in Item No. 6 of the Notice.
- (5) **Remuneration proposed:** Mentioned in Item No. 6 of the Notice
- (6) **Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin):** Proposed remuneration of Shri Madhav Bhageria is comparable to that drawn by similar senior level counter parts in other companies in the industry and is commensurate with the size of the Company, diverse nature of its businesses, the profile of the appointee and responsibilities shouldered to him by the Board of Directors.
- (7) **Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any:** Besides the remuneration proposed, Shri Madhav Bhageria, Joint Managing Director holds 42,30,960 Equity Shares of Rs. 10 each representing 13.22% of the paid up capital of the company and related to Shri Madhu Sudhan Bhageria, Managing Director & Shri Purshottam Bhaggeria, Joint Managing Director of the Company.

SHRI ASHOK CHAUHAN

- (1) **Background details:** Shri Ashok Chauhan, Whole-time Director, aged 64 years, is B.E. (Mech) and Master Degree in Business Administration. He has 44 years of experience in Marketing, Project Management, General and overall Operation, Corporate Planning, Risk Evaluation & Business Investment Strategies in diverse industry segments like Pulp & Paper, Chemicals, Engineering Consultancy, Polyester Film, Hydro Power Plants, Solar / Wind / Renewable Energy, Real Estate Development & Construction, etc
- (2) **Past Remuneration:** ₹ 3,61,608, ₹ 27,15,000 & ₹ 27,15,000 for the period 12.02.2014 to 31.03.2014, financial years 2014-15 & 2015-16 respectively
- (3) **Recognition or awards:** Awarded Gold Medal for the best student of the College of 1968-1973 batch and also received Best Sportsman Award in college
- (4) **Job profile and his suitability:** Shri Ashok Chauhan is the Whole-time Director of the Company. He looks after business development, business strategy & planning implementation. In consideration of the performance of his duties as the Whole-time Director, the Board of Directors and Nomination & Remuneration Committee in their meetings held on 22nd April, 2016 have approved his appointment and remuneration as set out in Item No. 7 of the Notice.
- (5) **Remuneration proposed:** Mentioned in Item No. 7 of the Notice
- (6) **Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin):** Proposed remuneration of Shri Ashok Chauhan is comparable to that drawn by similar senior level counter parts in other



companies in the industry and is commensurate with the size of the Company in the industry, diverse nature of its businesses, the profile of the appointee and responsibilities shouldered to him by the Board of Directors.

- (7) **Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any:** Besides the remuneration proposed, Shri Ashok Chauhan, Whole-time Director doesn't hold any Equity Shares of the Company. He holds 50,000 Stock Options granted to him in accordance with Filatex Employees Stock Options Scheme, 2015. Further he is not related to anyone of the managerial personnel of the Company.

III OTHER INFORMATION

- (1) **Reason of loss or inadequate profits:** During the financial year ended 31st March, 2016, the Company has earned adequate profits calculated as per Section 197 readwith Section 198 of the Companies Act, 2013. However as an abundant caution, the Company proposed to pass the Special Resolutions to pay minimum remuneration to Managing Director and Whole-time Directors as per Schedule V of the Companies Act, 2013 in case of loss or inadequate profits in any year during their tenure of appointment.
- (2) **Steps taken or proposed to be taken for improvements:** The Company has been taking various initiatives to reduce the finance cost and cost of production. With the commencement of production of Fully Drawn Yarn, additional spinning of Polyester Yarn and Polyester Textured Yarn at the existing Plant in Dahej, Company's turnover and profits will increase in coming years.
- (3) **Expected increase in productivity and profits in measurable terms:** In view of the facts mentioned above, it is difficult to forecast the productivity and profitability in measurable terms. However, considering the continuously improving economic scenario, the Company expects that the productivity and profitability may improve and would be comparable with the industry average.

IV DISCLOSURES

Remuneration package of the managerial persons: Fully described in the respective resolutions as mentioned above.

The disclosures as required on all elements of remuneration package such as salary, benefits, bonuses, pensions, details of fixed components and performance linked incentives along with performance criteria, service contract details, notice period, severance fees, etc. have been given in the Corporate Governance Report attached to this Annual Report

By Order of the Board of Directors
For FILATEX INDIA LIMITED

PLACE: NEW DELHI
DATE : JULY 30, 2016

RAMAN KUMAR JHA
COMPANY SECRETARY

REGISTERED OFFICE:
Survey No.274, Demni Road, Dadra
(U.T. of Dadra & Nagar Haveli) 396 193
Phone no. 260-2668343/8510
Fax No.260-2668344
Email: fildadra@filatex.com
Website: filatex.com
CIN: L17119DN1990PLC000091



DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting the Twenty Sixth Annual Report alongwith the Audited Accounts for the year ended March 31, 2016.

FINANCIAL RESULTS:

	(Rs. In lacs)	
Particulars	2015-2016	2014-2015
Total revenue	127823	157276
Profit before Finance Cost, Depreciation and Tax	10511	8857
Finance Cost	5119	5360
Depreciation & amortization expense	2127	2057
Profit/(Loss) before tax	3265	1440
Tax expense		
- Current	696	301
- MAT credit entitlement	(696)	(301)
- Taxation for earlier years	--	2
- Deferred	638	478
Net Profit/(Loss) after tax	2627	960
Balance brought forward from previous year	5270	4310
Profit available for appropriation	7897	5270
Balance carried forward to Balance Sheet	7897	5270

DIVIDEND

In view of the challenging times being faced by the Man Made Fibres Industry and to conserve the resources, the Board has not recommended any dividend on the equity shares for the year 2015-16.

OPERATIONS

During the year under review, the Company achieved turnover of Rs. 127823 lacs as compared to Rs. 157276 lacs in the previous year resulting in decrease of approx. 19%. Decrease in turnover is due to decline in the prices of finished goods consequent upon decrease in the price of raw material and deep fall in crude prices. During the year under review, the Company has earned net profit of Rs. 2627 lacs as compared to net profit of Rs. 960 lacs in the previous year resulting into increase of 174% .

No material changes and commitments have occurred after the close of the year till the date of this Report, which affect the financial position of the Company.

In respect of fire at Company's POY manufacturing unit at Dadra in November, 2012, the claim under fire policy had been received during FY 2013-14 and claim under loss of profit policy amounting to Rs. 647.26 lacs has been received during the year under review.

EXPANSION

The capacity expansion at its existing unit in Dahej, Gujarat is progressing well. The Company has successfully commenced commercial production for manufacture of 100 TPD of Polyester Fully Drawn Yarn in March, 2016 and is also in the process of capacity expansion of value added product - Draw Textured Yarn (DTY). The process of installing of 40 Texturising machines is progressing as per schedule. Upon completion of this expansion, the manufacturing capacity of Draw Textured Yarn (DTY) will increase by 200 TPD. Twelve Texturising machines have been installed on which production of approx. 60 TPD has started. The remaining machines would be installed in phases and likely to be completed by 30th September, 2016.

SUBSIDIARY COMPANY

Filatex Global Pte Limited, Singapore was incorporated on 3rd Nov, 2015 as a Wholly Owned Subsidiary of the Company. No material transaction/ business has taken place during the financial year ended 31st March, 2016 except for incorporation



expenses. The financial statement of the Subsidiary Company has been prepared and consolidated with the annual accounts of the Company in terms of Section 129(3) of the Companies Act, 2013. Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014, a Statement containing salient features of the Financial Statement of the said Subsidiary Company is annexed herewith as **Annexure "A"**.

FILATEX EMPLOYEE STOCK OPTIONS SCHEME, 2015

The Board of Directors of the Company had at its meeting held on February 12, 2016, granted 9,50,000 stock options ("options") to the eligible Employees of the Company under the Filatex Employee Stock Option Scheme 2015 (Filatex ESOS 2015), at an exercise price of Rs. 37 per option (being the closing price at BSE on February 11, 2016 i.e. immediately preceding the grant date). Each option is convertible into one Equity Share of the Company upon vesting & exercise subject to the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and the terms and conditions of the Filatex ESOS 2015.

Diluted Earnings per share (EPS) taking the effect of issuance of options under Filatex ESOS 2015 had been calculated (refer Note No 29 of the Financial Statement).

Disclosures in terms of Regulation 14 of the SEBI (Share Based Employee Benefits) Regulations, 2014 are as under:

- (i) A description of each ESOS that existed at any time during the year, including the general terms and conditions of each ESOS, including -

Date of shareholders' approval	30 th September, 2015
Total number of options approved under ESOS	16,00,000
Vesting requirements	On completion of 3 Years from the date of grant of options -- 60% On completion of 4 Years from the date of grant of options -- 20% On completion of 5 Years from the date of grant of options -- remaining 20%
Exercise price or pricing formula	Exercise price is Rs. 37 per option (being the closing price at BSE on February 11, 2016 i.e. immediately preceding the grant date),
Maximum term of options granted	It depends upon the vesting period & exercise period of the respective options as determined by the Nomination and Remuneration Committee.
Source of shares (primary, secondary or combination)	Primary
Variation in terms of options	The exercise period has been modified in terms of shareholders resolution dated 12 th March, 20016.

- (ii) Method used to account for ESOS - Intrinsic or fair value

Intrinsic

- (iii) Where the company opts for expensing of the options using the intrinsic value of the options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options shall be disclosed. The impact of this difference on profits and on EPS of the company shall also be disclosed.

Particulars	Amount (Rs.)
a. Employee Compensation cost using Intrinsic Value method	Nil
b. Employee Compensation cost using Fair Value method	Nil
As the fair value of the share (Rs. 11.601) is less than the exercise price (Rs. 37), the company is not required to recognize any Employee Compensation Cost even if it had used the fair value method. Therefore, there would be no impact of using Fair value method of options on profits and on EPS.	

- (iv) Option movement during the year (For each ESOS):

Particulars	Details
Number of options outstanding at the beginning of the period	16,00,000
Number of options granted during the year	9,50,000
Number of options forfeited / lapsed during the year	N.A.
Number of options vested during the year	Nil
Number of options exercised during the year	N.A.
Number of shares arising as a result of exercise of options	N.A.



Money realized by exercise of options (INR), if scheme is implemented directly by the company	N.A.
Loan repaid by the Trust during the year from exercise price received	N.A.
Number of options outstanding at the end of the year	9,50,000
Number of options exercisable at the end of the year	Nil

(v) Weighted-average exercise prices and weighted-average fair values of options shall be disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the stock.

a. Weighted-average exercise prices	
when the exercise price is equal to market price	Rs. 37
when the exercise price is less than market price	N.A.
when the exercise price exceeds market price	N.A.
b. Weighted-average fair values:	
when the exercise price is equal to market price-	Rs. 11.601
when the exercise price is less than market price.	N.A.
when the exercise price exceeds market price	N.A.

(vi) Employee wise details (name of employee, designation, number of options granted during the year, exercise price) of options granted to -

(a) Senior Managerial Personnel /KMP	50,000 options granted to Shri Ashok Chauhan, Wholetime Director 40,000 options granted to Mr. R.P.Gupta, Chief Financial Officer 15,000 options granted to Mr. Raman Kumar Jha, Company Secretary Exercise price is the same for all eligible employees i.e. Rs. 37 per option.
(b) Any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year; and	N.A.
(c) Identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant.	N.A.

(vii) A description of the method and significant assumptions used during the year to estimate the fair value of options including the following information:

The Fair value of Option is estimated on the grant date using the Black-Scholes-Merton model with the following assumptions:

Particulars	Options granted during fiscal 2016	2015
Grant Date	12-Feb-16	-
Weighted average share price (Rs.)	37	-
Exercise Price (Rs.)	37	-
Expected Volatility (%)	1 to 5	-
Expected life of the option (years)	5	-
Expected Dividends (%)	0	-
Risk-free interest rate (%)	7.524	-
Weighted average Fair value as on grant date (Rs.)	11.601	-

Notes:

- 1 The expected term of the ESOS is estimated based on the vesting term and contractual term of the ESOS, as well as expected exercise behaviour of the employee who receives the ESOS.
- 2 Expected volatility is based on historical volatility of the observed market prices of the company's publicly traded equity shares during a period equivalent to the expected term of the ESOP.
- 3 Interest rate on Indian Government 5-year Bond is taken as the Risk-free interest rate
- 4 Dividend declaration is at the discretion of the Board of Directors. The Board has not declared any final dividend for the Financial year 2015-16 or any interim dividend. Accordingly, expected dividend is taken as zero.

**SHARE CAPITAL**

During the year the company has allotted 1,15,00,000 Convertible Warrants on preferential basis to the Promoter Group and others convertible at the option of Warrant holders in one or more tranches, within 18 months from the date of allotment of warrants (i.e. March 16, 2016) into equivalent number of fully paid equity shares of the Company of the face value of Rs. 10/- per share at an exercise price of Rs. 45/- per share (including premium of Rs. 35/- per share).

FIXED DEPOSITS

During the year under review, the Company has not accepted any fixed deposits.

DIRECTORS

Mr. Ashok Chauhan (DIN:00253049), Director, retires by rotation and being eligible, offer himself for re-appointment at the ensuing Annual General Meeting.

Mr. Madhu Sudhan Bhageria (DIN:00021934), Vice Chairman & Managing Director, Mr. Purrshottam Bhaggeria (DIN:00017938), Joint Managing Director and Mr. Madhav Bhageria (DIN:00021953), Joint Managing Director are being re-appointed for a further period of 3 years w.e.f. 30.07.2016 subject to the approval of Members in the ensuing annual general meeting.

Mr. Ashok Chauhan (DIN: 00253409) has also been re-appointed as Whole-time Director in the Board meeting held on 22nd April, 2016 for a further period of two years w.e.f. 01/05/2016 at consolidated Salary of Rs. 40.00 lacs per annum subject to the approval of Members in the ensuing annual general meeting.

The Company has received declarations from all the Independent Directors confirming that they meet the criteria of independence as prescribed both under the Companies Act, 2013 and SEBI regulations.

BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and SEBI Regulations, the Board has carried out an evaluation of its own performance, the directors individually and the evaluation of the working of its Audit, Nomination & Remuneration Committees. The manner in which the evaluation has been carried out has been given in the Corporate Governance Report.

REMUNERATION POLICY

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The Nomination & Remuneration Policy is available on the Company's website.

CORPORATE SOCIAL RESPONSIBILITY

As required under the Companies Act, 2013 ("Act"), the Corporate Social Responsibility ("CSR") Committee consists of Shri Madhu Sudhan Bhageria as the Chairman, Shri Purrshottam Bhaggeria, Shri Madhav Bhageria, Shri B.B.Tandon and Mrs. Pallavi Joshi Bakhru, as members.

The Board, on the recommendation of CSR Committee, approved Rs. 4.50 lacs being more two percent of average net profits during proceeding three financial years of the Company calculated in accordance with the provision of Section 198 of the Companies Act, 2013 to be spent on CSR activities in accordance with CSR Policy, which is available at the Company website www.filatex.com.

During the year under review, the Company has incurred an expenditure of Rs. 4,49,636 lacs on Education, toilets and medical facilities, which is more two percent of average net profits of the Company during proceeding three financial years.

Details of the expenditure incurred towards CSR for the financial year 2015-16 is annexed herewith as **Annexure "B"**.

MEETINGS OF THE BOARD

Five (5) meetings of the Board of Directors were held during the year. The details of which are given in the Corporate Governance Report.

DIRECTORS' RESPONSIBILITY STATEMENT

In terms of Section 134(5) of the Companies Act, 2013, your Directors state that:

- i. in the preparation of the annual accounts, the applicable accounting standards have been followed and that there are no material departures therefrom;
- ii. they 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 profits of the Company for that period;
- iii. they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. they have prepared the annual accounts on a going concern basis.
- v. they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- vi. That they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

**CORPORATE GOVERNANCE AND MANAGEMENT DISCUSSION & ANALYSIS**

The Corporate Governance Report and Management Discussion & Analysis as per Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 along with the Auditors' Certificate regarding compliance of conditions of Corporate Governance are annexed herewith as **Annexure "C"**.

AUDITORS

M/s Amod Agrawal & Associates, Chartered Accountants (Firm Registration No.005780N), were appointed as Statutory Auditors of the Company at the 24th Annual General Meeting of the Company held on 30th September, 2014 to hold office till the conclusion of the twenty seventh AGM of the Company in accordance with the provisions of the Companies Act, 2013. However, this appointment was subject to ratification by the members at every Annual General Meeting held after appointment during their tenure of office.

Certificate from the auditors has been received to the effect that their appointment, if made, would be within the limits prescribed under the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and therefore, their ratification for appointment as Statutory Auditors for the year 2016-17 is being sought from the Members of the Company at the ensuing Annual General Meeting.

AUDITORS' REPORT

Subsequent to the auditors' qualification relating to treatment of foreign exchange difference during FY 2012-13 onwards, SEBI/QARC vide its letter dated November 05, 2015 advised the company to give effect to Auditors' said Qualification for the Financial Years beginning from FY 2012-13. The company filed an appeal before the Securities Appellate Tribunal (SAT) at Mumbai, which vide its order dated 29th March, 2016 has quashed the orders of SEBI and hence the company is no more required to take any action on the said qualification.

There are no qualifications, reservations or adverse remarks made by M/s Amod Agrawal & Associates, Statutory Auditors in their report for the Financial Year ended March 31, 2016. The Statutory Auditors have not reported any incident of fraud to the Audit Committee of the Company in the year under review.

COST AUDITORS

Your Company has appointed M/s Bahadur Murao & Co., (Firm Registration No. 000008) a firm of Cost Auditors, for conducting the audit of cost records for the financial year 2016-17 as the Cost Auditor at a remuneration of Rs. 50,000 plus service tax and out of pocket expense subject to the approval of the Central Government and Members at the ensuing Annual General Meeting.

SECRETARIAL AUDITOR

The Board has appointed M/s Siddiqui & Associate, Practising Company Secretary, to conduct Secretarial Audit for the financial year 2015-16. The Secretarial Audit Report for the financial year ended March 31, 2016 is annexed herewith as **Annexure "D"**. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

All contracts / arrangements / transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis. During the year, the Company had not entered into any contract / arrangement / transaction with related parties which could be considered as material in accordance with the policy of the Company on materiality of related party transactions.

Pursuant to Section 134(3)(h) of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014, Form No. AOC-2 is annexed herewith as **Annexure "E"**.

The Policy on related party transactions approved by the Board may be accessed on the Company's website www.filatex.com.

Your Directors draw attention of the members to Note no. 39 to the financial statement which sets out related party disclosure.

STOCK EXCHANGE LISTING

Presently, the Equity Shares of the Company are listed on National Stock Exchange and Bombay Stock Exchange. The Annual Listing Fee for the year 2016-2017 has been paid to the Stock Exchanges.

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

A statement relating to conservation of energy, technology absorption, foreign exchange earnings and outgo, as required to be disclosed under the Companies Act, 2013, is annexed herewith as **Annexure "F"**.

PARTICULARS OF EMPLOYEES

During the year, no employees of the Company received remuneration more than Rs. 120.00 lacs per annum or Rs. 8.50 lacs per month if employed for part of the year. Accordingly, no information pursuant to the provisions of Section 197(12) of the Companies Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is required to be given.



Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and name and designation of Top ten employees in terms of remuneration drawn are annexed herewith as **Annexure “G”**.

VIGIL MECHANISM

In terms of the Section 177 of the Companies Act, 2013 and SEBI Regulations, the Company has formulated the Whistle Blower policy/Vigil Mechanism. The Protected Disclosures should be reported in writing by the complainant as soon as possible, not later than 30 days after the Whistle Blower becomes aware of the same and should either be typed or written in a legible handwriting in English/Hindi/ Gujarati and the same should be addressed to the Vigilance Officer of the Company or in exceptional cases, to the Chairman of the Audit Committee. The Policy on Vigil Mechanism and whistle blower policy may be accessed on the Company's website www.filatex.com. During the year under review, no complaint was received from any Whistle Blower. No personnel of the Company were denied access to the Audit Committee.

RISK MANAGEMENT POLICY

Pursuant to Section 134(3)(n) of the Companies Act, 2013 & SEBI Regulations, the Company has laid down Risk Management Policy to inform Board members about the risk assessment and minimization procedures which is also given in the Corporate Governance Report. The Board of Directors don't foresee any elements of risk, which in its opinion, may threaten the existence of the Company.

PARTICULARS OF LOANS GIVEN, INVESTMENTS MADE, GUARANTEES GIVEN AND SECURITIES PROVIDED

Particulars of loans given, investments made, guarantees given and securities provided along with the purpose for which the loan or guarantee or security is proposed to be utilized by the recipient are provided in the financial statement (Please refer to Note 14, 15 & 20 to the financial statement).

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has put in place and practiced an Anti Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee (ICC) had been set up to redress complaints regarding sexual harassment. All employees are covered under this policy. During the year under review, the Company has not received any complaint under the said Policy.

EXTRACT OF ANNUAL RETURN

Extract of Annual Return of the Company is annexed herewith as **Annexure “H”**.

ACKNOWLEDGEMENTS

The Board of Directors is pleased to place on record its sincere appreciation for the assistance, support and cooperation received from its Bankers, Government Authorities, Dealers, Customers and Vendors. Your Directors would like to record their sincere appreciation for the dedicated efforts put in by all employees, their commitment and contribution ensuring smooth operations that your Company has achieved during the year. Your Directors also place on record their sincere appreciation for the confidence reposed by the Members in the Company.

For and on behalf of the Board of Directors

Place : New Delhi
Date : July 30, 2016

Madhu Sudhan Bhageria
Vice Chairman and Managing Director
DIN:00021934

Purrshottam Bhaggeria
Joint Managing Director
DIN:00017938


FORM AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

**Statement containing salient features of the financial statement of Subsidiaries/
Associate Companies/Joint Ventures**

PART "A" - SUBSIDIARIES

In ₹

Sl.No	Particulars	Particulars
1.	Name of the Subsidiary	Filatex Global Pte Limited
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	31 st March, 2016
3.	Reporting Currency and Exchange rate as on the last date of the relevant financial year/Period in the case of foreign subsidiaries	USD 1 USD = INR 66.3329
4.	Share Capital	1
5.	Reserve & Surplus	--
6.	Total Assets	1,869
7.	Total Liabilities	9,987
8.	Investments	--
9.	Turnover	--
10.	Profit before Taxation	--
11.	Provision for taxation	--
12.	Profit after Taxation	--
13.	Proposed Dividend	--
14.	% of Shareholding	100

PART "A" – ASSOCIATES AND JOINT VENTURES

The Company don't have any associate companies and joint ventures, therefore the Statement pursuant to Section 129(3) of the Companies Act, 2013 relating to Associate Companies and Joint Ventures are required to be given.

Madhu Sudhan Bhageria
Vice Chairman & Managing Director
DIN: 00021934

S.C. Parija
Director
DIN: 0363608

R.P. Gupta
Chief Financial Officer

Raman Kumar Jha
Company Secretary


ANNEXURE - B

Details of Expenditure incurred towards Corporate Social Responsibility (CSR) are as under:

1	2	3	4	5	6	7	8
Sr. No.	CSR project/ activity identified	Sector in which the Project is covered	Projects/ Programmes 1. Local area/others 2. Specify the state /district (Name of the District/s, State/s where project/programme was undertaken	Amount outlay (budget) project/ programme wise	Amount spent on the project/ programme Subheads: 1. Direct expenditure on project, 2. Overheads:	Cumulative spend upto to the reporting period.	Amount spent: Direct/ through implementing agency
1.	Marriage for Poor Family People	Promoting Economically Backward Group	Silvassa	5100	5100	5100	Direct
2.	Blood Donation Camp	Medical	Dadra	8544	8544	13644	Direct
3.	Free Early Cancer Detection Camp	Medical	Silvassa	15000	15000	28644	Direct
4.	Public Toilet for Poor Tribal Peoples	Swachh Bharat Abhiyan	Navi Nagri , Dadra	199267	199267	227911	Direct
5.	Free Eye Check-Up Camp With Distribution Of Medicine & Spectacles	Medical	Silvassa	15000	15000	242911	Direct
6.	Skill Development Of Tribal Students Of Dadra	Education	Dadra	11000	11000	253911	Direct
7.	Demni Yuth Cricket Tournament	Promoting Sports	Demni, Silvassa	5000	5000	258911	Direct
8.	Dr. Babasaheb Ambedkar Yuva Uthan Sanstha	Social Services	Local, Bharuch District, Gujarat	20000	20000	278911	Direct
9.	Computer Teacher Sponsorship	Education	Local, Bharuch District, Gujarat	25000	25000	303911	Direct
10.	Donation to Poor Women Home Udhog	Setting Up Homes For Women	Local, Bharuch District, Gujarat	25000	25000	328911	Direct
11.	Donation To School	Education	Local, Bharuch District, Gujarat	25000	25000	353911	Direct
12.	Computer Teacher Sponsorship	Education	Local, Bharuch District, Gujarat	10000	10000	363911	Direct
13.	Pamplet A4 Size Front & Back For Yoga Day	Promoting Health Care	Local, Bharuch District, Gujarat	4725	4725	368636	Direct
14.	Blood Donation Camp	Medical	Local, Bharuch District, Gujarat	25000	25000	393636	Direct
15.	Navratri Festival	Social Culture Program	Local, Bharuch District, Gujarat	5000	5000	398636	Direct
16.	Donation To Poor Women Home Udhog	Setting Up Homes For Women	Local, Bharuch District, Gujarat	25000	25000	423636	Direct
17.	Sponsor Antaswar Music Festival	Education	Local, Bharuch District, Gujarat	15000	15000	438636	Direct
18.	Sponsor Antaswar Music Festival	Education	Local, Bharuch District, Gujarat	11364	11000	449636	Direct
TOTAL				4,50,000	4,49,636		

The CSR Committee has confirmed that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and the policy of the Company.

Madhu Sudhan Bhageria
Chairman of CSR Committee &
Vice Chairman & Managing Director

Pallavi Joshi Bakhru
Member of CSR Committee &
Independent Director



CORPORATE GOVERNANCE REPORT

In terms of Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 ("Listing Regulation"), given below is a Corporate Governance Report on the matters mentioned in the Schedule V of the Listing Regulation.

1. Company's Philosophy on Code of Governance

Your Company is fully committed to conduct its business with due compliance of all applicable laws, rules and regulations. The Company's philosophy on Corporate Governance lays strong emphasis on integrity, transparency, accountability and full disclosure in all facets of its operations to achieve the highest standards of Corporate Governance and also to enhance the trust of the creditors, employees, suppliers, customers and public at large. The Company continues to believe that all its operations and actions must serve the underlying goal of enhancing shareholder value, over a sustained period of time.

During the year under review, the Board continued its pursuit of achieving these objectives through the adoption and monitoring of corporate strategies, prudent business plans, monitoring of major risks of the Company's business.

2. Board of Directors

The Board of Directors consists of total 8 members comprising of 4 non-executive Directors out of which all four are Independent Directors and one is women director representing an optimum mix of professionalism, knowledge and experience in their respective fields.

i) Structure of Board of Directors

S.No.	Name	Category of Director
1.	Shri Madhu Sudhan Bhageria Vice Chairman & Managing Director	Executive Director
2.	Shri Purrshottam Bhaggeria Joint Managing Director	Executive Director
3.	Shri Madhav Bhageria Joint Managing Director	Executive Director
4.	Shri B. B. Tandon Director	Non-Executive & Independent Director
5.	Shri S.C. Parija Director	Non-Executive & Independent Director
6.	Shri S.P. Setia Director	Non-Executive & Independent Director
7.	Smt. Pallavi Joshi Bakhru Director	Non-Executive & Independent Director
8.	Shri Ashok Chauhan Wholtime Director	Executive Director

Details of Directors retiring by rotation and reappointment of directors at the ensuing Annual General Meeting are given at the end of this Report.

None of the Directors is a Director in more than 10 Public Limited Companies or acts as an Independent Director in more than 7 Listed Companies. The Wholtime Directors of the Company are not the Independent Directors of any listed Company. Shri Madhu Sudhan Bhageria, Shri Purrshottam Bhaggeria and Shri Madhav Bhageria are related to each other. The Independent Directors of the Company have been appointed for a period of five years from the date of their appointment in accordance with the Companies Act, 2013 and clarifications/circulars issued by the Ministry of Corporate Affairs, in this regard, from time to time. The Company issues a formal letter of appointment to the Independent Directors at the time of their appointment and the same are uploaded on the Company's website.

ii) Board Meetings

During the year 2015-16, the Board met five times on 4th May, 2015, 13th August, 2015, 9th November, 2015, 12th February, 2016 and 16th March, 2016.

Further, none of the Directors on the Board is a Member of more than 10 Committees and Chairman of more than 5 Committees (as specified in Regulation 26(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015) across all the Companies in which he/she is a Director.



Details of attendance of each Director at various meetings of the company and the membership held by the Directors in the Board/ Committees of other Companies are as follows: -

S. No.	Name	No. of Board Meetings attended	No. of Other Directorships*	Committee Memberships*	Committee Chairmanships*	Attendance in AGM
1.	Shri Madhu Sudhan Bhageria	5	2	-	-	NO
2.	Shri Purrshottam Bhaggeria	5	2	-	-	NO
3.	Shri Madhav Bhageria	3	-	-	-	YES
4.	Shri B. B. Tandon	4	8	6	2	YES
5.	Shri S.P. Setia	5	5	-	2	YES
6.	Shri S.C. Parija	4	1	-	2	NO
7.	Smt. Pallavi Joshi Bakhru	5	1	-	-	NO
8	Shri Ashok Chauhan	5	-	-	-	NO

* As on 31.03.2016 Represents Directorship & Membership/Chairmanship of Audit Committee & Stakeholders' Relationship Committee of Indian Public Companies.

iii) Board Procedure:

The members of the Board are provided with the requisite information mentioned in the Listing Agreement before the Board Meetings. The Board periodically reviews compliance reports of all laws applicable to the Company as well as steps taken by the Company to rectify instances of non-compliances. The Vice Chairman & Managing Director alongwith two Joint Managing Directors and Wholetime Director manage the day-to-day affairs of the Company subject to the supervision and control of the Board of Directors. The Independent Directors take active part in the Board and Committee meetings which adds value in the decision making process of the Board of Directors.

All the Directors who are on various committees are within the permissible limits of the Listing Regulation. The necessary disclosures regarding committee positions have been made by the Directors.

iv) Meeting of Independent Directors:

The meeting of Independent Directors was held on 16th March, 2016 to discuss, inter-alia :

- the performance of Non Independent Directors and the Board as a whole;
- the performance of the Vice Chairman & Managing Director of the Company, taking into account the views of Executive Director and Non Executive Directors;
- the quality, quantity and timeliness of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All Independent Directors were present at the meeting. The criteria for performance evaluation of Directors is given under the heading Nomination and Remuneration Committee mentioned in item 4 below.

v) Familiarisation programme for Independent Directors:

Independent Directors of the Company are made aware of their role, rights and responsibilities at the time of their appointment, through a formal letter of appointment, which also stipulates various terms and conditions of their engagement.

The Independent Directors have the opportunity to visit the plants of the Company, to enable them to understand of the manufacturing processes and operations and the Industry in which it operates.

All Directors of the Company are updated as and when required, of their role, responsibilities and liabilities. The Board of Directors have complete access to the information within the Company. Presentations are made regularly before the meetings of the Board of Directors and the Audit Committee, where Directors have an opportunity to interact with senior management personnel. Presentations cover, inter-alia, quarterly and annual results, business strategies, budgets, review of internal audit, risk management and such other areas as may arise from time to time.

Independent Directors have the freedom to interact with the Management of the Company. Interactions happen during the meetings of the Board or Committees, when senior management personnel of the Company make presentations to the Board.



3. Audit Committee

In terms of Section 177 of the Companies Act, 2013 and the Listing Regulation, the Audit Committee consist of Four Independent Directors and One Non Independent Director namely, Shri S.P. Setia, Shri S.C. Parija, Smt. Pallavi Joshi Bakhru and Shri B.B.Tandon and Shri Madhu Sudhan Bhageria. Shri S.C. Parija is Chairman of the Committee. The terms of reference of the Audit Committee are as per Section 177 of the Companies Act, 2013 and Listing Regulation, which inter-alia include the overview of Company's Financial Reporting Process, review of Quarterly, Half Yearly and Annual Financial Statements, Management Discussion & Analysis, Adequacy of Internal Control Systems, Major Accounting Policies & Practices, Compliances with Accounting Standards, Related Party Transactions, appointment of statutory auditors and internal auditors etc. The Company Secretary of the Company acts as the Secretary of the Committee.

The Internal Audit Reports are prepared by an external firm of Chartered Accountants & cover various areas of the operations of the Company. The Audit Committee reviews internal audit report regularly. This ensures a constant review of operations and systems and highlights the areas which need improvement. The reports form the basis for the management to develop and maintain a transparent and effective Internal Control system.

During the year 2015-16 the Committee met four times. The attendance at the meetings is as under: -

Date of Meeting	No. of Members present
04-05-2015	5
13-08-2015	4
09-11-2015	5
12-02-2016	4

Shri Purshottam Bhaggeria, Shri Madhav Bhageria, Joint Managing Directors and Shri Ashok Chauhan, Wholetime Director, Shri R P Gupta, Chief Financial Officer, Internal Auditors and Statutory Auditors are invited to attend the Audit Committee Meetings.

The minutes of the meetings of the Audit Committee are circulated to all the members of the Board.

4. Nomination and Remuneration Committee

Pursuant to Section 178 of the Companies Act, 2013 and the Listing Regulation, the Nomination & Remuneration Committee consists of five Directors namely, Shri S.P. Setia, Shri S.C. Parija and Smt. Pallavi Joshi Bakhru, Shri B.B. Tandon and Shri Madhu Sudhan Bhageria. Shri S.C. Parija is the Chairman of the Committee.

The Committee reviews and recommends the remuneration payable to Managerial persons on criteria such as industry benchmarks, the Company's performance vis-à-vis the industry, responsibilities shouldered, performance / track record etc. The Company Secretary of the Company acts as the Secretary of the Committee. During the financial year ended 31st March, 2016, there were two meetings of the Committee held on 13th August, 2015 and 12th February, 2016. The attendance of the said meetings are as under:

Date of Meeting	No. of Members present
13-08-2015	4
12-02-2016	4

Nomination and Remuneration Policy:

The Company's Nomination and Remuneration Policy for selection and appointment of Directors, Senior Management and their remuneration are available at the Company's website www.filatex.com.

Criteria for performance evaluation of Directors:

Performance evaluation of each Director was carried out based on the criteria as laid down by the Nomination and Remuneration Committee. Criteria for performance evaluation included aspects such as attendance at the meetings, participation and independence during the meetings, interaction with management, role and accountability, knowledge and proficiency. Further, performance evaluation of the Managing Director/Joint Managing Directors/Wholetime Directors was based on the implementation of various plans & policies in the Company, monitoring and implementation of the projects including the smooth day to day affairs and operations of the Company and finally performance and business achievements of the Company.


Details of Remuneration paid to the Directors during the Financial Year ended 31st March, 2016

(Amt in ₹)

S. No.	Name of Directors	Salary & Allowances	Contribution to Provident Fund	Perquisites	Commission	Sitting Fees	Total
1.	Shri Madhu Sudhan Bhageria Vice Chairman & Managing Director	37,50,000	21,600	11,19,250	28,08,500	--	76,99,350
2.	Shri Purshottam Bhaggeria Joint Managing Director	30,00,000	21,600	10,53,711	28,08,500	--	68,83,811
3.	Shri Madhav Bhageria Joint Managing Director	30,00,000	21,600	9,05,030	28,08,500	--	67,35,130
4.	Shri S.P. Setia	--	--	--	--	1,10,200	1,10,200
5.	Shri S.C. Parija	--	--	--	--	80,050	80,050
6.	Shri B B Tandon	--	--	--	--	80,200	80,200
7.	Smt. Pallavi Joshi Bakhru	--	--	--	--	1,20,200	1,20,200
8.	Shri Ashok Chauhan Wholtime Director	27,00,000	--	15,000	--	--	27,15,000

The employment of Managing/Joint Managing Directors/Wholtime Director is on contractual basis. None of the Non-Executive Directors held any Equity Shares of the Company as on 31st March, 2016. The Managing/Joint Managing Directors/Wholtime Director are paid remuneration as approved by the Board of Directors and Shareholders on the recommendation of the Nomination and Remuneration Committee and are not paid sitting fees for Board/Committee Meetings attended by them. Non-Executive Directors do not have any pecuniary relationship with the Company except payment of sitting fees for attending the Board/Committee Meetings. The Company has implemented Filatex Employees Stock Options Scheme, 2015 (Filatex ESOS, 2015) through which the Nomination & Remuneration Committee granted 9,50,000 options to eligible employees including Wholtime Director, who is a non promoter director. The re-appointments of the Managing Director/Joint Managing Directors are made for a period of three years on the terms and conditions contained in the respective resolutions to be passed by the members in the Annual General meetings. Shri Ashok Chauhan, who has been re-appointed as Wholtime Director by the Board of Directors on the recommendation of the Nomination & Remuneration Committee for a further period of two years w.e.f., 1st May, 2016 is subject to approval of members in the ensuing Annual General Meeting. The Notice period is as per the respective resolution passed for appointment of Managing Director/Joint Managing Directors/Wholtime Director. However, no severance fee is payable to them.

5. Corporate Social Responsibility Committee

As required under the Companies Act, 2013 ("Act"), the Corporate Social Responsibility ("CSR") Committee was constituted consisting of Shri Madhu Sudhan Bhageria as the Chairman, Shri Purshottam Bhaggeria, Shri Madhav Bhageria, Shri B.B.Tandon and Mrs. Pallavi Joshi Bakhru, as members.

During the financial year ended 31st March, 2016, there was one meeting of the Committee held on 13th August, 2016.

The attendance of the said meeting is as under:

Date of Meeting	No. of Members present
13-08-2015	4

6. Stakeholders Relationship Committee

For effective and efficient shareholders services, the Company has a Stakeholders Relationship Committee. The Committee comprises of Shri S.P. Setia & Shri S.C. Parija, Independent Directors and Shri Purshottam Bhaggeria, Joint Managing Director of the Company. Shri. S.P. Setia is the Chairman of the Committee. Amongst the other functions, the Committee looks into redressal of Shareholders complaints like non-transfer of Shares, non-receipt of Balance Sheet, non-receipt of Dividends etc as required pursuant to Regulation 20 of the Listing Regulation.

The Company attends to Investors' Grievances/correspondences expeditiously and all efforts are made to reply immediately. The Committee oversees the performance of the Registrar and Transfer Agent and recommends measures for overall improvement in the quality of investors' services.

During the year ended 31st March, 2016, three shareholders' complaints were received and resolved to the satisfaction of the shareholders and there was no complaint pending as at the year end. There were no share transfers pending for registration as on 31st March, 2016.



The Company has also adopted a Code of Conduct for Prevention of Insider Trading in the Shares of the Company, pursuant to Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

Name and designation of Compliance Officer

Mr. Raman Kumar Jha, Company Secretary

7. General Body Meetings:

The last three Annual General Meetings of the Company were held as under: -

Year	Location	Date	Time	Whether Special Resolution passed
2012-2013	Survey No.274 Demni Road, Dadra - 396 191 (U.T. of Dadra & Nagar Haveli)	26 th August, 2013	03.00 P.M.	Yes
2013-2014	Same as above	30 th September, 2014	09.30 A.M.	Yes
2014-2015	Same as above	30 th September, 2015	09.30 A.M.	Yes

There was an Extra Ordinary General Meeting held on 12th March, 2016 during the financial year 2015-16 in which, Special Resolutions were passed.

No Special Resolution was passed by Postal Ballot in any of the aforesaid Annual General Meetings. As on date there is no proposal to pass any resolution by postal Ballot.

8. Disclosures

- None of the transactions with any of the related party were in conflict with the interest of the Company. Attention of the members is drawn to the disclosures of transactions with the related parties set out in Note No. 39 of financial statement forming part of the Annual Report.
- No penalties or strictures have been imposed on the Company by Stock Exchanges or SEBI or any Statutory Authority on any matter related to capital markets during the last three years.
- In preparation of financial statements, the Company has followed the Accounting Standards issued by the Institute of Chartered Accountants of India. The significant accounting policies which are adopted have been set out in the Notes to Accounts forming part of the Annual Report.
- In terms of the Section 177 of the Companies Act, 2013 and Listing Regulation, the Company has formulated the Whistle Blower policy/Vigil Mechanism. The Protected Disclosures should be reported in writing by the complainant as soon as possible, not later than 30 days after the Whistle Blower becomes aware of the same and should either be typed or written in a legible handwriting in English/Hindi/ Gujarati and the same should be addressed to the Vigilance Officer of the Company or in exceptional cases, to the Chairman of the Audit Committee. The Policy on Vigil Mechanism and whistle blower policy may be accessed on the Company's website www.filatex.com.
- The Company is aware of the risks associated with the business. It has laid down Risk Management Policy to inform Board members about the risk assessment and minimization procedures quarterly. It regularly analyses and takes corrective actions for managing / mitigating the same. The Company's Risk management framework ensures compliance with the provisions of Regulation 17(9) of the Listing Regulation and has institutionalized the process for identifying, minimizing and mitigating risks which is periodically reviewed. Some of the risks identified and been acted upon by your Company are: Securing critical resources; ensuring sustainable plant operations; ensuring cost competitiveness including logistics; completion of CAPEX; Foreign Exchange fluctuation, maintaining and enhancing customer service standards and resolving environmental and safety related issues.
- The Company has complied with all mandatory requirements set out in the Listing Regulation.

9. Means of Communication

The Company publishes its quarterly/half yearly/annual results, amongst others, in The Financial Express and Lok Mitra (Gujarati) circulating in Dadra & Nagar Haveli where the Registered Office of the Company is situated. The same together with shareholding pattern and any other significant development is submitted to the Stock Exchanges and displayed on the Company's website: www.filatex.com. The Company is not making any official releases and not sending half-yearly report to the shareholders, as it is not a mandatory requirement.

The Company has not made any presentation to Institutional Investors or Analysts.

Management Discussion and Analysis Report forms part of the Annual Report, which is posted to the shareholders of the Company.


10. Code of Conduct for Directors & Senior Management Personnel

The Board has adopted a Code of Conduct for observance by Directors and Senior Management Personnel to ensure ethical conduct in performance of their duties.

The Code has been circulated to all the Directors and Senior Management Personnel and they have affirmed compliance of the same. A declaration in this regard signed by Managing Director of the Company is given at the end of this Report.

11. Shareholder's Referencer
11.1 Annual General Meeting:

- Date and Time: 30th September, 2016 at 9.30 A.M.
- Venue: Survey No. 274, Demni Road, Dadra - 396193 (U.T. of Dadra & Nagar Haveli)

- 11.2 Financial Calendar (tentative):** Results for the quarter ending 30-06-2015 on or before 14th August, 2016
 Results for the quarter/half year ending 30-09-2016 on or before 14th November, 2016
 Results for the quarter ending 31-12-2016 on or before 14th February, 2017
 Results for the quarter/year ending 31-03-2016 on or before 30th May, 2017

- 11.3 Book Closure Date:** 19th September, 2016 to 30th September, 2016(both days inclusive) for the purpose of Annual General Meeting

- 11.4 Dividend Payment Date:** Not Applicable

- 11.5 Listing of Equity Shares:** BSE & NSE. Annual Listing fee for the year on Stock Exchanges at 2016-17 has been paid to the above Stock Exchanges.

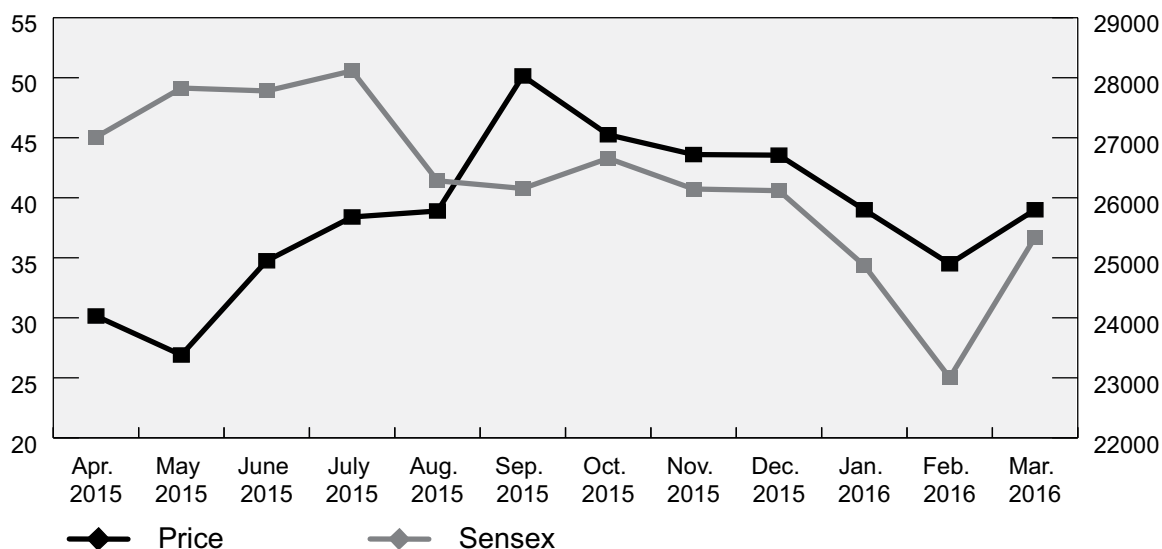
11.6 Stock Code:

- (a) Trading Symbol at: The Bombay Stock Exchange Limited 526227
 The National Stock Exchange of India Limited FILATEX
- (b) ISIN allotted to: INE816B01019
 Equity Shares

11.7 Stock Market Data :

Monthly High & Low price of the Equity Shares of the Company for the year 2015-2016 based upon BSE Price data in comparison to BSE Sensex is given below:

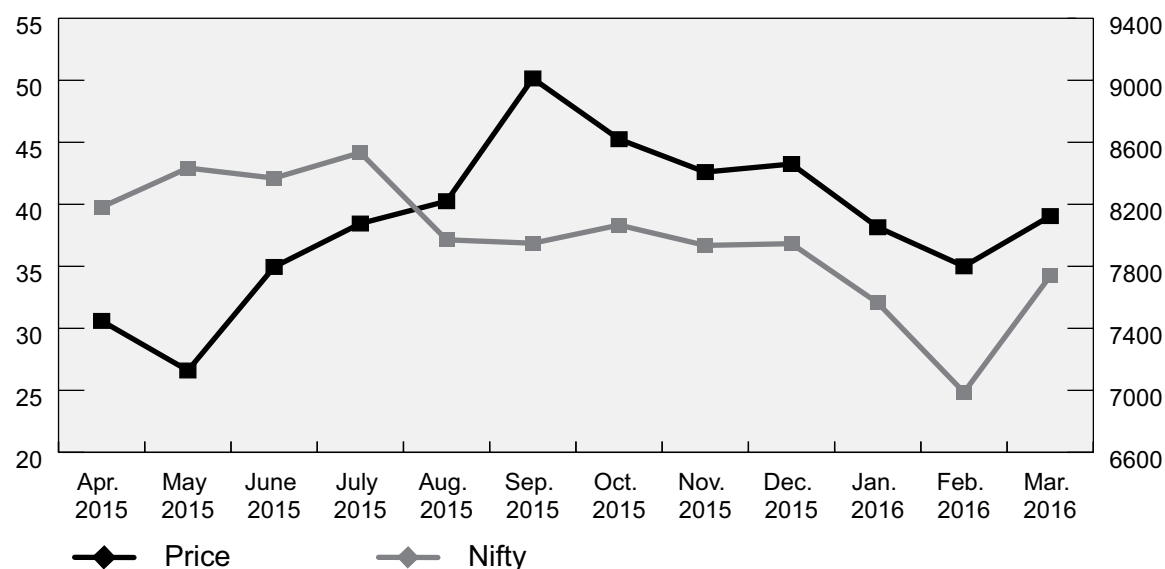
Month	High		Low	
	Share Price	Sensex	Share Price	Sensex
April, 2015	39.30	29095	26.45	26898
May, 2015	31.60	28071	23.90	26424
June, 2015	36.15	27696	24.00	26307
July, 2015	39.40	28578	32.30	27416
August, 2015	44.40	28418	34.00	25298
September, 2015	53.00	26472	34.35	24834
October, 2015	59.45	27618	44.95	26169
November, 2015	47.50	26824	35.20	25451
December, 2015	47.00	26256	37.15	24868
January, 2016	50.50	26197	35.50	23840
February, 2016	41.90	25002	32.65	22495
March, 2016	40.75	25480	32.70	23133


Stock Price Movement


Note: Sensex V/s Closing Share Price on the last trading day of the Month

Monthly High & Low price of the Equity Shares of the Company for the year 2015-2016 based upon NSE Price data in comparison to Nifty is given below:

Month	High		Low	
	Share Price	Nifty	Share Price	Nifty
April, 2015	40.95	8845	26.10	8145
May, 2015	32.00	8430	23.75	7997
June, 2015	36.00	8467	24.40	7940
July, 2015	40.00	8655	31.85	8315
August, 2015	44.35	8622	34.10	7667
September, 2015	53.15	8055	34.50	7540
October, 2015	58.75	8336	44.60	7931
November, 2015	46.90	8116	35.10	7714
December, 2015	46.60	7979	37.55	7551
January, 2016	49.90	7973	35.15	7242
February, 2016	42.90	7600	32.75	6826
March, 2016	40.50	7778	34.10	7035

Stock Price Movement


Note: Nifty V/s Closing Share Price on the last trading day of the Month



- 11.8 Registrar and Transfer : Agents All the works relating to the share registry for the shares held in the physical form as well as the shares held in the electronic form (Demat) are being done by MCS Share Transfer Agent Limited at the following address:

MCS Share Transfer Agent Limited
F-65, Okhla Industrial Area
Phase-I, New Delhi- 110020
Tel: 011-41406148
Fax: 011-41709881
Email: admin@mcsdel.com

Note: Shareholders holding shares in electronic mode should address all correspondence to their respective Depository Participants.

- 11.9 Share Transfer System: The Share Transfers in physical form are registered and returned to the respective shareholders within a period of 15 days from the date of receipt, subject to the documents lodged for transfer being valid in all respects. The Shareholders'/ Investors' Grievances Committee meets twice in a month to approve share transfers/ transmissions.

- 11.10 Distribution of Shareholding according to categories of Shareholders as on 31st March, 2016:

S. No	Category	No. of Shares	% to total
1.	Promoters Holding		
	Promoter Group	200,25,495	62.58
2.	Institutional Investors		
	Mutual Funds	13,400	0.04
	Banks and Financial Institutions	100	0.00
	Foreign Institutional Investors	23,09,136	7.21
3.	Others		
	Private Corporate Bodies	42,80,551	13.38
	Indian Public	46,17,045	14.43
	Trust	81,055	0.25
	NRIs/ OBCs	37,489	0.12
	Clearing Members	8,534	0.03
	Hindu Undivided Familes	6,27,195	1.96
	TOTAL	3,20,00,000	100.00

Distribution of Shareholding as on 31st March, 2016 according to Size:

Range		Shareholders		Shares	
No. of Shares		Number	% to total holders	Number	% to total Capital
Upto	500	3988	84.30	596632	1.86
501	1000	292	6.17	245334	0.77
1001	2000	161	3.40	259211	0.81
2001	3000	70	1.48	182422	0.57
3001	4000	32	0.68	113775	0.36
4001	5000	30	0.63	141742	0.44
5001	10000	52	1.10	387408	1.21
10001	and above	106	2.24	30073476	93.98
Total		4754	100	32000000	100

- 11.11 Dematerialization of: Shares The shares of the Company are traded in compulsory dematerialized form. In order to enable the shareholders to hold their shares in electronic form and to facilitate scripless trading, the Company has enlisted its shares with National Securities Depository Limited (NSDL) and Central Depository Services Limited (CDSL).



	Share Dematerialization record	As on 31 st March, 2016, 3,16,67,580 Equity Shares were in dematerialized form which represents 98.96% of the paid up capital.
11.12	Outstanding GDR/ ADRs/ Warrants or any Convertible Instruments, conversion dates and likely impact on Equity	During the year the Company has allotted 1,15,00,000 Convertible Warrants on preferential basis to the Promoter Group/others to be converted at the option of Warrant holders in one or more tranches, within 18 months from the date of allotment of warrants (i.e. March 16, 2016) into equivalent number of fully paid equity shares of the Company of the face value of Rs. 10/- per share at an exercise price of Rs. 45/- per share (including premium of Rs. 35/- per share).
11.13	Commodity price risk or foreign exchange risk and hedging activities	The Company is exposed to the risk of price fluctuation of raw materials as well as finished goods. The Company proactively manages these risks through forward booking Inventory management and proactive vendor development practices. The Company's reputation for quality, products differentiation coupled with existence of powerful brand image with robust marketing network mitigates the impact of price risk on finished goods. The Company takes forward cover in respect of its major foreign currency exposure such as for imports, repayment of borrowings & interest thereon denominated in foreign currency and export receivables.
11.14	Plant Location	1. Survey No.274, Demni Road, Dadra-396 193 (U.T. of Dadra & Nagar Haveli) 2. A-2, Extension Phase-II (Noida), Dist. Gautam Budh Nagar- 201 304 (U.P.) 3. Plot No. D-2/6, Jolva Village PCPIR, Dahej-2 Industrial Estate GIDC, Distt. Bharuch, Gujarat-392130
11.15	Address for Investor Correspondence	MCS Share Transfer Agent Limited F-65, Okhla Industrial Area, Phase-I, New Delhi- 110020 Tel : 011-41406148 Fax : 011-41709881 Email: admin@mcsdel.com Members can also contact: The Company Secretary Filatex India Limited 43, Community Centre, New Friends Colony, New Delhi - 110 025 Email: shares@filatex.com Shareholders are requested to quote their Folio Nos./DP Id/Client Id, No. of Shares held and address for prompt reply

12. Directors Retiring by Rotation/ Appointment/Reappointment of Directors:

Name of Director	Shri Madhu Sudhan Bhageria	Shri Purshottam Bhaggeria	Shri Madhav Bhageria	Shri Ashok Chauhan
Age (Years)	57	55	53	64
Qualifications	B.Com (Hons) from Shri Ram College of Commerce, Delhi University, Delhi	MBA, Cornell University, USA	B.Com (Hons) from Hindu College, Delhi University, Delhi	MBA, B.E (Mech.)
Date of Appointment	30-07-2003	30-07-2003	30-07-2003	12-02-2014
Expertise in specific functional areas/ other related activities.	Promoter Director, Looking after Production, Modernization & Expansion and overall operations of the Company	Promoter Director, Looking after Finance, Accounts, Legal & Secretarial	Promoter Director, looking after day to day plants operations at Dahej & Dadra and marketing functions at Mumbai & Surat	Marketing, Project Management, General Administration and formation of Business Plans, Risk Evaluation & Business Investment strategies
List of other Directorship (Indian Public Companies)	Helios Infrastructure & Projects Ltd.	Helios Infrastructure & Projects Ltd. Animate Energy Limited	Trilliant Hospitality Limited	None
Chairman/Member of the committees of the Board of the Companies on which he is a Director.	Filatex India Limited: Chairman - Corporate Social Responsibility Committee Member - Audit Committee Nomination & Remuneration Committee	Filatex India Limited Member-Stakeholders Relationship Committee & Corporate Social Responsibility Committee	Filatex India Limited Member-Corporate Social Responsibility	None

**13. CEO/CFO Certification**

In terms of Regulation 17(8) of the Listing Regulation, Managing Director and Chief Financial Officer of the Company have submitted a certificate certifying various covenants about financial/cash flow statements, internal controls, financial reporting etc. in respect of Accounts for the year ending 31st March, 2016 to the Board of Directors.

14. Non Mandatory Items:

The Company has not adopted any non mandatory requirements as mentioned in the Listing Regulation.

For and on behalf of the Board of Directors

Place : New Delhi
Date : July 30, 2016

Madhu Sudhan Bhageria
Vice Chairman and Managing Director
DIN:00021934

Purrshottam Bhaggeria
Joint Managing Director
DIN:00017938

DECLARATION

I, Madhu Sudhan Bhageria, Managing Director of the Company do hereby declare that all the Directors of the Company and Senior Management personnel have affirmed compliance with the Code of Conduct adopted by the Company for the financial year ended 31st March, 2016.

Place : New Delhi
Date : July 20, 2016

Madhu Sudhan Bhageria
Vice Chairman & Managing Director

**AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE
TO THE MEMBERS OF FILATEX INDIA LIMITED**

We have examined the compliance of conditions of Corporate Governance by Filatex India Limited for the year ended 31st March, 2016 as stipulated in Clause 49 of the Listing Agreement entered into by the Company with Stock Exchange(s) (upto 30th November, 2015) and Chapter IV of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (w.e.f. 1st December, 2015) with the Stock Exchanges.

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

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement and Chapter IV of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 except that the Chairman of Audit Committee was not present at the Annual General Meeting.

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 Siddiqui & Associates
Company Secretaries**

Place : New Delhi
Date : 27.07.2016

K.O.SIDDIQUI
FCS 2229; CP 1284



MANAGEMENT'S DISCUSSION AND ANALYSIS

FORWARD LOOKING STATEMENT

The report on Management Discussion and Analysis contains certain forward looking statements that describing expectations, estimates, plan or words with similar meaning. The Company address the expectations and projections about the future. Since these are based on certain assumptions, expectations of future events, actual results, performance or achievements which could however differ from those expressed in the statements or implied due to the influence of external and internal factors which are beyond the control of the company, the company assumes no responsibility in respect of the forward-looking statements, which may be amended or modified in future on the basis of subsequent developments, information or events.

GLOBAL ECONOMY

During the financial year 2015-16, global economic recovery continued, but at slow and increasing fragile pace .Overall sentiments remains subdued due to the amid weak aggregate demand, falling commodity prices and increasing financial markets volatility in major economies. Oil importing countries like India, Japan, China, and some Western European countries have actually benefited from lower crude oil prices. China has been a major net importer of crude oil in recent years. With the Chinese economy slowing down, a fall in crude oil prices will help by increasing its foreign exchange reserves. However, only a fall in crude oil may not be sufficient enough to help up the Chinese economy. China, now the world's largest economy on a "purchasing power parity" basis, is navigating a momentous but complex transition toward more sustainable growth based on consumption and services. Ultimately, that process should benefit both china and the world. Given China's important role in global trade, however, bumps along the way could have substantial spill over effects, especially on emerging markets and developing economies. Another threat is that persistent slow growth has scarring effects that themselves reduce potential output and with it, consumption and investment. For a few countries, like India, the fall in crude oil prices is good news, as it will help them control their current account deficit.

INDIAN ECONOMY

In 2015-16, the Indian economy grew at 7.56 % as compared to the growth rate of 7.3% in 2014-15. India is considered as 3rd largest economy of the world on "purchasing power parity" basis. Continuing its momentum, it is expected to maintain a high growth rate over the next 8-10 years. The manufacturing sector accelerated to 9.3 per cent, up from 5.5 per cent in the previous fiscal. The steps taken by the government in recent times have shown positive results as India's gross domestic product (GDP) at factor cost at constant (2011-12) prices 2015-16 is Rs 113.5 trillion (US\$ 1.668 trillion), as against Rs 105.5 trillion (US\$ 1.55 trillion) in 2014-15.

TEXTILE INDUSTRY OUTLOOK

Global Textile Industry

Polyester dominates the world fibre consumption contributing more than 60% of the overall fibre consumption. The rise in share can be attributed to the growing consumption of polyester in the developing countries. Polyester has overtaken cotton as the dominant fibre, but the cost and availability still plays a significant role in the inter-fibre substitution. Crude oil price and cotton prices will affect the demand for respective fibre in the world.

On the other hand, the Indian textile industry still is predominately a cotton-based industry. However, limited area under cultivation and erratic monsoon rain affects the cotton availability. Cotton also faces stiff competition from other Minimum Support price (MSP) based crops. Polyester consumption is expected to pick up gradually with increase in demand for apparels, home textiles and technical textiles as the macro economic scenario recovers.

Indian Textile Industry

Indian Textile sector continues to be the second largest employer in the economy, the first being Agriculture. The Domestic textile and clothing market size has grown to around \$76 billion out of which share of "Apparels" is \$56 billion. Home Textiles & all others including "Technical textiles" market is around \$20 billion in value. The textile sector growth has a strong co-relation to GDP. Indian GDP growth has outpaced other countries and India is being talked about as "Emerging Market". The fibres growth is 1.6 times the GDP growth. Keeping pace with this growth is possible through manmade fibres only. Thus Polyester fibre, the main stay of MMF segment, is poised for substantial growth

The opportunities for growth in Indian textile sector are enormous. Some of the rapidly growing sectors are Home Textiles, Lifestyle products & Automotive Textiles. Amongst emerging applications are Medical Textiles, Technical Textiles, Women wear, and Kids wear. New opportunities have emerged in Defence Textiles. These sectors are growing at a steady rate of 9 to 11%. Thus there is a very large domestic and global market which is largely untapped by Indian Manufacturers. A large market share of this is still in the hands of China, Korea and USA. It is opportune time that Indian textile industry puts up required capacities to produce the large volumes at competitive prices.

Currently domestic textile industry is passing through a bit of upheaval phase due to unabated cheaper imports of fabric from China. This has hit the domestic off take of Domestic Producers of fabrics & fibres.



On the overall production front, there is some hope, Textile sector showed an overall growth of 3.8%. Though cotton sector was a little subdued, MMF segments did well to contribute to overall growth. Polyester filament yarn contributing 80% of overall demand in domestic market which grew 5.8% in 2015-16 as polyester price decline by 18% YoY due to falling crude prices. A slight fall in export by 3% dragged overall demand growth to 4.1%. However, textured yarn export rose 11%. Polyester is the main stay amongst the man-made fibre. Its key raw material is PTA. For some incomprehensible reason, Govt. had imposed extremely high Anti-Dumping Duty. Supply chain of PTA is in the hands of three Companies and all domestic users now have to depend upon them. Indian polyester fibre producer were already at a cost disadvantage of \$50/tonne of PTA vis-a-vis polyester producer of other countries. The imposition of ADD has worsened the situation. PTA users have represented their grievance to concerned officials.

A timely decision to allow level playing field will give a big stimulus to polyester industry. If the ambitious targets of textile sector growth have to be achieved, polyester fibres sector has to flourish and take the lead.

Textile Industry is labour intensive. Indian Industry has good opportunity to compete as Indian labour costs are less than one third to that of china. To be able to compete aggressively, in addition to key raw materials, some more initiative is necessary by way of government policies and support. Key are as for support are uninterrupted power supply at competitive rates and availability of low cost funds for operation and modernisation.

FILATEX INDIA LIMITED – the Company.

Filatex India Limited is one of the major filament yarn manufacturer having three manufacturing facilities. The locations are at Dahej (Gujarat), Dadra (Union Territory of D&NH) and Noida (UP). The plant at Dahej is an integrated facility with continuous polymerisation. The products basket includes Polyester Filament Yarn, Polypropylene Filament Yarn, Draw Texturised Yarn, Fully Drawn Yarn, Textile Grade Chips, and Narrow Customized Fabrics & Monofilament Yarns.

Production Capacity of the Product	Production Capacity TPD	Capacity Under Expansion TPD
Polyester Chips	228 MT	-
Partially Oriented Yarn	310 MT	-
Fully Drawn Yarn	131 MT	14 MT
Drawn Textured Yarn	75 MT	150 MT
Polypropylene Yarn	26 MT	-

PRODUCTION PERFORMANCE

During the year 2015-16, the overall polymer production was less by around 8.2% on YoY basis. This reduction in production volume was due to shrinking margin in polyester chips. This chips production was reduced by 33% which in terms of volume was less by 21358 MT.

However the POY capacity utilisation was almost 100%. To add value to polymer, new FDY lines were commissioned in the end of fourth quarter. The New Lines are running at almost 100% capacity. Therefore, though the polymer capacity utilisation was less, the “value added products” capacity utilisation was almost 100%. To improve the product mix and capture incremental value some DTY machines have been installed at Dahej and these are also running at full capacity. Key input to DTY Machines is in-house manufactured POY.

(MT/p.a.)

Particulars	2014-15	2015-16
Partially Oriented Yarn (POY)	105182	106006
Polyester Chips	67821	46463
Fully Drawn Yarn (FDY)	12488	17768
Polypropylene Yarn (PP)	6157	5633

FINANCIAL PERFORMANCE (2015-2016)

Total income from business operation was Rs 1428.99 crores which is around 17.8% less than last year on YoY basis. This fall is due to continuous fall in raw material prices which have a direct linkage and strong co-relation to Crude prices. Though the polyester selling prices fell, the delta or the margin remain protected. Due to almost full utilisation of POY and FDY Capacity, the operating profit improved to Rs 98.13 crores, an increase of 10.8% on YoY basis.

Profit before tax also improved by 2.26 times YOY basis, to an amount of Rs 32.65 crores.

Profit after Tax also improved by 2.74 times as compared to last year.


(Rs/lacs)

Particulars	2014-15	2015-16
Total Income (including operating & other income)	174029.08	142899.10
EBIDTA	8856.59	9813.68
PBT	1439.47	3264.95
PAT	959.72	2626.99
Book value per share (Rs)	53.22	61.44
Earnings per share (Rs) (Basic)	3.12	8.21

OVERALL PERFORMANCE

In spite of volatile and declining raw material prices, which are linked to crude and caused inventory losses, the overall performance of the company improved. The operating profit increased to Rs 98.13 crores, gain of 10.8% YoY basis. This was achieved primarily by improving the product range. Addition of "Texturising Capacity" has opened up a larger market, spread all over the country & abroad. Filatex has begun export of texturised yarn. We now have our footprints in 22 countries across the world. During the current financial year, export realisation on account of Polyester yarns was around Rs 62 Cr.

GROWTH PLAN

Buoyed by the acceptance of its new product semi dull FDY, the company now plans to add bright polymer facility. Bright yarns are gaining increasing acceptance in non-apparel applications as well and growth in demands is good and sustainable. The Bright polymer will be utilised to produce Bright FDY, Bright POY and Bright Chips.

As the Company already has operating polymerisation facility, the bright polymer line will be at a "Fractional Cost" as compared to green field plant. The Company will not incur any expense on land, infrastructure like water, power, utilities, sewage drainage and no managerial manpower is needed. Additional recruitment will be only the direct labour.

The Company has discussed its plans with its principal bankers and have got favourable response. When bright polymer would be available, the company will have a diverse product basket of yarns- POY, DTY and FDY both in bright and semi dull segments in all variety of coarse and fine deniers. The Company's Product basket already has coloured, doped dyed yarn, customised to its customer needs.

SWOT ANALYSIS

Strengths

- Over four decades of experience in synthetic yarns
- Amongst India's most cost efficient polyester yarn manufacturers
- Proven track record of operations
- Favourable location of plants ;in proximity to major consumption centres as well as ports
- Well established customer base and distribution network. Good and committed relationship with customers.
- Well qualified and experienced professionals with rich and proven experience
- Well established systems for process and plant management, accredited for ISO and OEKO-TEX

Challenges and Threats

- Adverse volatility in raw material prices can affect the performance.
- Uncertain availability of PTA from domestic suppliers on account of their frequent breakdowns can reduce capacity utilization at times.
- Low bargaining power against large suppliers of key raw materials
- Commoditised and fragmented yarn market.
- Volatility in exchange rate.

BUSINESS RISKS

Risk is an integral part of business operation. It is the uncertainty regarding business decision events and their possible outcomes. That could impact an enterprise's performance and prospects. In overall perspective, the business can have economic risk, demand risk, input costs risk, competition risk, market risk, human capital risk, technology risk etc.



Filatex management team and key executives work cohesively in an effective manner by tracking crude prices, RM prices, exchange rate minimise any adverse impact due to changes in external scenario. Export earnings provide a natural hedge against imports and repayments. Filatex has state of art technology which is reviewed and updated on a regular basis.

HUMAN RESOURCES & INDUSTRIAL RELATIONS

The company recognizes that the quality of its employees is the key to successful operations. The company commits resources to augment necessary human resource development, Systematic and relevant training needs are identified and training sessions organized to equip employees with upgraded skills at all levels.

Consistent and fair HR policies ensure that industrial relations continue to be peaceful and cordial and results in improvement in productivity and effectiveness. The Company aims at creating development oriented approach for its employees by building systems, processes and focusing on recruitment of top quality manpower. Focus on transparent performance appraisal and productivity linked incentive schemes has resulted in highly motivated workforce and increased productivity.

The company provides a fair opportunity to all the employees to utilize their full potential and grow in the organization and believes in empowering its people and providing a stimulating professional environment. The work force of the company stood at 1487 as compared to 1321 in the previous year.

INTERNAL CONTROL SYSTEMS & THEIR ADEQUACY.

The company has comprehensive system of internal controls to safeguard the company's assets against any loss from unauthorised usage and ensure proper authorisation of financial transactions. The systems provide a high degree of assurance regarding the effectiveness and efficiency of operations, reliability of financial controls and compliance with applicable laws and statutory regulations. The Company has a 'Budgetary Control' system and actual performance is regularly monitored by the Management. It has well defined organization structure, authority levels and internal guidelines and rules. The internal control system ensures that the financial and other records are reliable for preparing financial statements and maintaining proper records of assets.

The company continue to have an independent agency as the Internal Auditor to conduct operations & systems audit in accordance with the audit programmes adopted by the audit committee. The internal auditors, as part of their assignment, evaluate and assess the adequacy and effectiveness of internal control measures and compliance with policies, plans & statutory requirements. The internal audit reports are discussed / reviewed by senior management and audit committee of the Board and on its recommendations appropriate actions are initiated to ensure compliance.

STATUTORY COMPLIANCE

The Chairman & Managing Director and CFO make a declaration at each Board Meeting regarding the compliance with the provisions of various statutes, after obtaining confirmation from all the units of the company. The company secretary ensures compliances in accordance with Companies Act, SEBI regulations and provisions of the Listing Agreement.

For and on behalf of the Board of Directors

Place : New Delhi
Date : July 30, 2016

Madhu Sudhan Bhageria
Vice Chairman and Managing Director
DIN:00021934

Purshottam Bhaggeria
Joint Managing Director
DIN:00017938



Form No. MR-3
SECRETARIAL AUDIT REPORT
For the Financial Year ended 31st March 2016

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

To,
The Members,
Filatex India Limited
S. No. 274, Demni Road,
Dadra 396193
Dadar Nagar Haveli

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Filatex India Limited** having **CIN No. L17119DN1990PLC000091** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing my opinion thereon.

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

We have examined the books, papers, minute books, forms and returns filed and other records maintained by **Filatex India Limited** for the financial year ended on **31st March 2016** according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made 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 (FDI), Overseas Direct Investment (ODI) and External Commercial Borrowings (ECB);

The Company has complied with the provisions, rules & regulations of FEMA to the extent applicable. The Company is not having any FDI, ODI and ECB during the 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;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **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.**



- vi. The Company has also complied with various provisions of Labour Laws, Environment Laws and other related laws to the extent applicable to the Company.

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

- i. Secretarial Standards issued by The Institute of Company Secretaries of India.
- ii. The Listing Agreements entered into by the Company with Stock Exchanges and the provisions of SEBI (Listing Requirement & Disclosure Requirements) Regulations 2015.

During the financial year under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as aforesaid.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Women Director 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. Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes, if any.

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.

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

We further report that during the audit period, the Company has allotted by way of Preferential Issue 1,15,00,000 convertible Warrants in accordance with the requirements contained in SEBI (Issue of Capital and Disclosure Requirements), Regulations, 2009 as amended.

**for Siddiqui & Associates
Company Secretaries**

**Place : New Delhi
Date : 27.06. 2016**

**K.O.SIDDIQUI
FCS 2229; CP 1284**


Form No. AOC-2

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

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

1	Details of contracts or arrangements or Transactions not at arm's length basis	Not applicable
	a) Name(s) of the related party and nature of relationship	
	b) Nature of contracts/arrangements/transactions	
	c) Duration of the contracts/arrangements/transactions	
	d) Salient terms of the contracts or arrangements or transactions including the value, if any	
	e) Justification for entering into such contracts or arrangements or transactions	
	f) date(s) 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 material contracts or arrangement or transactions at arm's length basis	Not applicable
	a) Name(s) of the related party and nature of relationship	
	b) Nature of contracts/arrangements/transactions	
	c) Duration of the contracts/arrangements/transactions	
	d) Salient terms of the contracts or arrangements or transactions including the value, if any	
	e) Justification for entering into such contracts or arrangements or transactions	
	f) date(s) 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	

For and on behalf of the Board of Directors

Place : New Delhi
Date : July 30, 2016

Madhu Sudhan Bhageria
Vice Chairman and Managing Director
DIN:00021934

Purrshottam Bhaggeria
Joint Managing Director
DIN:00017938



ANNEXURE TO DIRECTOR' REPORT

Particulars required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014.

A) CONSERVATION OF ENERGY

1 Energy Conservation measures taken:

The company, in line with its commitment towards conservation of energy, has taken the followings steps through improved operational & maintenance practices during project design & implement time:

- **In LP air Generation** ; The generating pressure setup has been optimised further and a separate distribution system for migration air has been installed.
- **In HP 7.0 Bar air Generation** ; IR cenrifugal air compressore started which has lower specific power consumption and stopped CPT reciprocating compressores . FDY suction gun modified to operate at lower pressure.
- **POY Quench air** ; filter cleaning , chilled water coil cleaning frequency increased.
- **Chillers** ; Lower efficiency old , 60 Hz , electrical chillers stopped and new 1000 TR Train chiller installed with Automatic Tube Brushing sytem for better evoparetor and condencer efficiency , also 1500 TR VAM chiller efficiency increased.
- **HTM Heaters** ; ID , FD and chain grate frequency optimized to reduce oil consumption and all hot insulation checked and attanded to reduce heat lossed in distribution network.
- **Lightings** ; LED lights provided In FDY & DTY area and light sensors provided in all godowns and outer street and open areas.
- **Water Conservation** ; The Treated RO Water Tank is converted in Aeration tank to increase the capacity of aeration tank , This has resulted in saving of chemicals like Sodium Carbonate ,Caustic Soda and which will ultimately result in reduced GIDC water consumption.
- **Power distribution losses** ; Power factor improved up to 0.997 and detuned filters provided to reduce current and voltage harmonics.
- Optimization & imprpovement of air cooling system to reduce usage of chillers.

2. Additional Investment and proposal, If any, being implemented for reduction of consumption of energy.

- 24 nos POY winders hydro splitting (Doubling) and 20 end FDY winders to increase prodution capacity.
- Additional Hot water VAM chiller to be used for HTM waste heat recovery by using HRU in exhuastr line.
- Lighting voltage to be reduce up to 380 volt by separate transformer
- Modification & improvement of process system on regular basis as per market demand.
- LED Lighting and solar lighting Fixtures to be Installed
- ETP RO pump final pressure to be optimize to reduce pumping power .

3. Impact of the measure at (1) and (2) above for reduction of energy consumption and consequent impact on the cost of product of goods:

- Reduction in wastage and energy consumption per unit of yarn.
- Improvement in quality and productivity
- Lowering of equipment engagement load will result in longer life of equipment.

4 Total energy consumption and energy consumption per unit of production:

- The details are provided in form 'A' given below,

B) TECHNOLOGY ABSORPTION

- The details are provided in form 'B' given below,

C) FOREIGN EXCHANGE EARNINGS AND OUTGO:

- a) Activities relating to exports, initiative taken to increase export, development of new exports markets for product services and export plans

The company is continuously exploring the possibilities for increasing its exports to new markets.

Participation in trade exhibition and various other publicity measures are undertaken, for export promotion



b) Foreign exchange earned	Rs. In lacs	6501.62
Foreign exchange used	Rs. In lacs	35379.62

D) INFORMATION ON POLLUTION CONTROL MEASURES:

The company is maintaining & monitoring environment & pollution control parameters at its plants on a continuous basis. The company is maintaining proper effluent treatment plant to keep the environment pollution free. Environment & pollution parameters are regularly analyzed and actual values are within the permissible norms stipulated by Gujrat Pollution Control Board.

FORM ' A '
FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY

	2015-2016	2014-2015
(A) Power and Fuel Consumption :		
1 Electricity		
(a) Purchased Units KWH	8,91,51,688	8,74,66,407
Total amount (Rs.in lacs)	4,374.82	4,762.26
Rate per unit (Rs./KWH)	4.91	5.44
(b) Own generation through DG Sets		
Units KWH	2,00,062	1,42,939
Units per Liter of Diesel oil	2.74	2.60
Cost per unit (Rs./KWH)	18.70	21.95
2 Coal		
Quantity (MT)	35,327.25	37,728.92
Total amount (Rs.in lacs)	1,374.36	1,579.28
Average rate per MT Rs.	3,890.36	4,185.87
(B) Consumption per unit production		
Electricity (KWH / MT)		
a) Chips	96	95
b) Yarn	567	586
Coal (KG /MT)		
a) Chips	229	212
b) Yarn	250	269



FORM ' B '

FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO ABSORPTION

Research and development:

1 Specific areas in which Research and Development carried out by company

- Optimization of process parameter to increase productivity, quality & efficiency
- New product development with special emphasis on specialty products.

2 Benefits derived as a result of the above research and development

- Better product mix, cost reduction resulting in improved margins.
- Consistency in product quality
- Improvement in internal process

3 Future Plan of Action

- To improve the standard of products
- Study of new material technology and development
- Re- use of waste water

4 Expenditure on research & development:

- | | | |
|---------------------------------------|---|---------------------------|
| • Capital |) | |
| • Recurring |) | |
| • Total |) | |
| • Total research & Development |) | The expenditure has been |
| • Expenditure as % of total turn over |) | charged under the primary |
| | | heads of accounts. |

TECHNOLOGY ABSORPTION, ADPTATION AND INNOVATION

1 Efforts in brief made towards technology absorption, adaptation and innovation

- Development of new products to cater to the market requirements : FDY & DTY is added in the Production capacity at Dahej Unit to cater different requirement of customers Intermingling air system introduced to improve the quality of POY Yarn
- Improvement / modification in process, equipments and products: The stress is laid on innovation in all the functions including production: The company has latest state-of-art machines and the company is continuously improving the processes of production to increase its production quality and consistency in its products. Market trends are regularly monitored to meet the requirements of the customers.

2 Benefits derived as a result of the above efforts, e.g. product improvement, cost reduction, product development, import substitution etc.

- Rationalization of manufacturing cost
- Enhanced manufacturing portfolio
- Improvement in operational efficiency and quality of product.

3 In case of Imported Technology (Imported during the last 3 years reckoned from the beginning of the financial year) following information may be furnished: - N.A.

For and on behalf of the Board of Directors

Place : New Delhi
Date : July 30, 2016

Madhu Sudhan Bhageria
Vice Chairman and Managing Director
DIN:00021934

Purshottam Bhaggeria
Joint Managing Director
DIN:00017938


ANNEXURE - G
DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND 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:

S. No.	Name of Director/KMP and Designation	Remuneration of Director/ KMP for the financial year 2015-16 (Rs. in lacs)	% increase in Remuneration in the financial year 2015-16	Ratio of Remuneration of each Director/to median Remuneration of Employees
1.	Shri Madhu Sudhan Bhageria Vice Chairman & Managing Director	77.00	60.89%	48.73
2.	Shri Purrshottam Bhaggeria Joint Managing Director	68.84	88.51%	43.57
3.	Shri Madhav Bhageria Joint Managing Director	67.35	123.16%	42.63
4.	Shri Ashok Chauhan Wholetime Director	27.15	Nil	17.18
5.	Shri B. B. Tandon Non-Executive Independent Director	#	#	#
6.	Shri S.C. Parija Non-Executive Independent Director	#	#	#
7.	Shri S.P. Setia Non-Executive Independent Director	#	#	#
8.	Smt. Pallavi Joshi Bakhru Non-Executive Independent Director	#	#	#
9.	Mr. R.P. Gupta Chief Financial Officer	14.88	6.77%	N.A
10.	Mr. Raman Kumar Jha Company Secretary	6.08	8.36%	N.A

No remuneration only Sitting Fees Paid

- ii) The median remuneration of employees of the Company during the financial year was Rs. 1.58 Lacs
- iii) In the financial year, there was an increase of 8.21% in the median remuneration of employees.
- iv) There were 1487 permanent employees on the rolls of Company as on 31 March 2016.
- v) Average percentage increase made in the salaries of employees other than the managerial personnel in the last financial year, i.e 2015-16 was 6.30% whereas the increase in the managerial remuneration for the same financial year was 62.04%.
- vi) It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(2) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014:-

The names of Top Ten Employees in terms of Remuneration drawn.

- | | |
|--------------------------|--------------------------|
| 1. Madhu Sudhan Bhageria | 6. Rajendra Prasad Gupta |
| 2. Purrshottam Bhaggeria | 7. Sunil Gupta |
| 3. Madhav Bhageria | 8. Sajjan Kumar Singhal |
| 4. Ashok Chauhan | 9. Hetal Rajnikant Gohil |
| 5. J.P Singh | 10. Neeraj Sahal |

For and on behalf of the Board of Directors

Place : New Delhi
Date : July 30, 2016

Madhu Sudhan Bhageria
Vice Chairman and Managing Director
DIN:00021934

Purrshottam Bhaggeria
Joint Managing Director
DIN:00017938



Form No. MGT-9
EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31.03.2016

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

I	REGISTRATION AND OTHER DETAILS		
1.	CIN	L17119DN1990PLC000091	
2.	Registration Date	08-08-1990	
3.	Name of the Company	Filatex India Limited	
4.	Category / Sub-Category of the Company	Public Company/Limited by shares	
5.	Address of the Registered office and contact details	Survey No.274, Demni Road, Dadra-396 193 (U.T. of Dadra & Nagar Haveli) Phone No. 260-2668343/8510	
6.	Whether listed company	Yes	
7.	Name, Address and Contact details of Registrar and Transfer Agent, if any	MCS Share Transfer Agent Ltd. F-65, Okhla Industrial Area, Phase-I, New Delhi-110020, Phone No. 011-41406148	

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:-			
Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Polyester and Polypropylene Multifilament yarn	54024600	77%
2	Polyster Chips	39076010	12%

PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:					
Sl. No.	Name and Address of the Company	CIN/GLN/ UEN NO	Holding/ Subsidiary / Associate	% of shares held	Applicable Section
1.	Filatex Globla Pte. Limited 300 Tampines Ave 5, #07-02A, NTUC Income Tampines Junction, Singapore 529653	201539583K	Subsidiary	100	2(87)(ii)

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

i) Category-wise Share Holding

Category of Shareholders		No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(A)	Promoter and Promoter Group									
	Indian									
(a)	Individuals/Hind Undivided Family	14700279	—	14700279	45.94	14700279	—	14700279	45.94	-
(b)	Central Government/ State Government(s)	—	—	—	—	—	—	—	—	—
(c)	Bodies Corporate	5325216	—	5325216	16.64	5325216	—	5325216	16.64	-
(d)	Financial Institutions / Banks	—	—	—	—	—	—	—	—	—
(e)	Any Other (specify)	—	—	—	—	—	—	—	—	—



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	
Sub Total (A)(1)	20025495	—	20025495	62.58	20025495	—	20025495	62.58	-
2. Foreign									
(a) Individuals (Non-Resident Individuals/ Foreign Individuals)	-	-	-	-	-	-	-	-	-
(b) Bodies Corporate	-	-	-	-	-	-	-	-	-
(c) Institutions									
(d) Qualified Foreign Investors	-	-	-	-	-	-	-	-	-
(e) Any Other (specify)	-	-	-	-	-	-	-	-	-
Sub Total (A)(2)	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoter and Promoter Group (A)=(A)(1)+(A)(2)	20025495	-	20025495	62.58	20025495	-	20025495	62.58	-
(B) Public shareholding									
1. Institutions									
(a) Mutual Funds/UTI	-	13400	13400	0.04	-	13400	13400	0.04	-
(b) Financial Institutions / Banks	100	-	100	-	100	-	100	-	-
(c) Central Government/ State Government(s)	-	-	-	-	-	-	-	-	-
(d) Venture Capital Funds	-	-	-	-	-	-	-	-	-
(e) Insurance Companies	-	-	-	-	-	-	-	-	-
(f) Foreign Institutional Investors	2302500	—	2302500	7.20	2309136	-	2309136	7.25	0.05
(g) Foreign Venture Capital Investors	-	-	-	-	-	-	-	-	-
(h) Qualified Foreign Investors	-	-	-	-	-	-	-	-	-
(i) Any Other (specify)	-	-	-	-	-	-	-	-	-
Sub Total (B) (1)	2302600	13400	2316000	7.24	2309236	13400	2322636	7.30	0.06
2. Non-institutions									
(a) Bodies Corporate	4294334	13900	4308234	13.46	4266651	13900	4280551	13.38	(0.08)
(b) Individuals - shareholders holding nominal share capital up to Rs 1 Lakh	1568491	277210	1845701	5.77	1366939	265920	1632859	5.10	(0.67)
Individual shareholders holding nominal share capital in excess of Rs. 1 Lakh	2837344	39200	2876544	8.99	2944986	39200	2984186	9.33	0.34
(c) Qualified Foreign Investors	-	-	-	-	-	-	-	-	
(d) Any Other									
(i) Non Resident Indians (Repat)	44133	-	44133	0.14	37489	-	37489	0.12	(0.02)
(ii) Hindu Undivided Families	501585	-	501585	1.57	627195	-	627195	1.96	0.39
(iii) Foreign Companies	-	-	-	-	-	-	-	-	
(iv) Clearing Member	1253	-	1253	-	8534	-	8534	0.03	0.03
(v) Foreign Collaborators	-	-	-	-	-	-	-	-	-
(vi) Trust	81055	-	81055	0.25	81055	-	81055	0.25	-
Sub Total (B)(2)	9328196	330310	9658505	30.18	9332849	319020	9651869	31.16	



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	
Total Public Shareholding Public Group (B)=(B)(1)+(B)(2)	11630795	343710	11974505	37.42	11642085	332420	11974505	37.42	
Total (A)+(B)	31656290	343710	32000000	100	31667580	332420	32000000	100	-
(C) Shares held by custodians and against which Depository Receipts have been issued									
Promoter and Promoter group	-	-	-	-	-	-	-	-	-
Public	-	-	-	-	-	-	-	-	-
Sub Total (C)	-	-	-	-	-	-	-	-	-
GRAND TOTAL (A)+(B)+(C)	31656290	343710	32000000	100	31656290	343710	32000000	100	

ii) Shareholding of Promoters								
	Shareholder's Name	Shareholding at the beginning of the year			Share holding 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	% change in share holding during the year
1	Madhu Sudhan Bhageria	4218360	13.18	41.78	4218360	13.18	41.78	
2	Purrshottam Bhaggeria	4193359	13.10	41.14	4193359	13.10	41.14	
3	Madhav Bhageria	4230960	13.22	41.48	4230960	13.22	41.48	

iii) Change in Promoters' Shareholding (please specify, if there is no change)					
		Shareholding at the beginning of the year		Share holding 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	Madhu Sudhan Bhageria	4218360	13.18	4218360	13.18
2	Purrshottam Bhaggeria	4193359	13.10	4193359	13.10
3	Madhav Bhageria	4230960	13.22	4230960	13.22

iv) Shareholding Pattern of top ten Shareholders (other than Promoter Director and Holders of GDRs and ADRs):

	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year					Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	Date	Increase/ (Decrease) in shareholding	Reason	No. of shares	% of total shares of the company
1	Azimuth Investments Ltd.	3125000	9.77	--	--	--	3125000	9.77
2	Nouvelle Securities Pvt. Ltd.	1989016	6.22	--	--	--	1989016	6.22
3	ELM Park Fund Limited	1182500	3.70	--	--	--	1182500	3.70
4	Hypnos Fund Limited	1120000	3.50	--	--	--	1120000	3.50
5	RMP Holdings Pvt. Ltd.	909500	2.84	--	--	--	909500	2.84
6	Shankar Somani	--	--	06.11.2015	50000	Purchase	50000	0.16
				28.01.2016	25000	Purchase	75000	0.23
				29.01.2016	25000	Purchase	100000	0.31
				03.02.2016	27961	Purchase	127961	0.40



	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year					Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	Date	Increase/ (Decrease) in shareholding	Reason	No. of shares	% of total shares of the company
				04.02.2016	23765	Purchase	151726	0.47
				05.02.2016	(57)	Sale	151669	0.47
				02.03.2016	100355	Purchase	252024	0.79
				05.03.2016	97501	Purchase	349525	1.09
				11.03.2016	25000	Purchase	374525	1.17
				16.03.2016	50000	Purchase	424525	1.33
				17.03.2016	50000	Purchase	474525	1.48
				21.03.2016	61000	Purchase	535525	1.67
				28.03.2016	100001	Purchase	635526	1.99
				29.03.2016	100000	Purchase	735526	2.30
				30.03.2016	100000	Purchase	835526	2.61
7	R N Khemka Enterprises Pvt. Ltd.	600000	1.88	--	--	--	600000	1.88
6	Ram Avtar Bhageria	462000	1.44	--	--	--	462000	1.44
7	R N Khemka Enterprises Pvt. Ltd.	600000	1.88	--	--	--	600000	1.88
8	Ram Avtar Bhageria	462000	1.44	--	--	--	462000	1.44
9	Satya Bhama Bhageria	457300	1.43	--	--	--	457300	1.43
10	ANM Fincap Pvt.Ltd.	440000	1.38	--	--	--	440000	1.38
11	Shefali Bhageria	400300	1.25	--	--	--	400300	1.25
12	Vishnu Prasad Mittal	413917	1.29	11.06.2015	(413917)	Sale	--	--
13	Bhawna Mittal	--	--	11.06.2015	413917	Purchase	413917	1.29
				07.08.2015	(18893)	Sale	395024	1.23
				10.08.2015	(25000)	Sale	370024	1.16
				20.08.2015	(16834)	Sale	353190	1.10
				24.08.2015	(20000)	Sale	333190	1.04
				25.08.2016	(10000)	Sale	323190	1.01
				07.09.2015	35000	Purchase	358190	1.12
				08.09.2016	2500	Purchase	360690	1.13
				21.09.2016	(30000)	Sale	330690	1.03
				23.09.2016	(30000)	Sale	300690	0.94
				21.01.2016	(2827)	Sale	297863	0.93
				27.01.2016	(6916)	Sale	290947	0.91
				28.01.2016	(5990)	Sale	284957	0.89
				01.02.2016	(5078)	Sale	279879	0.87
				02.02.2016	(1466)	Sale	278413	0.87
				03.02.2016	(4520)	Sale	273893	0.86
				11.02.2016	(23804)	Sale	250089	0.78
				04.03.2016	(4)	Sale	250085	0.78
				18.03.2016	(7038)	Sale	243047	0.76
				23.03.2016	(4500)	Sale	238547	0.75
				28.03.2016	(105372)	Sale	133175	0.42



v) Shareholding Pattern of Directors including promoter director and Key Managerial Personnel and Holders of GDRs and ADRs):								
		Shareholding at the beginning of the year					Cumulative Shareholding during the year	
	For Each of the Top 10 Shareholders	No. of shares	% of total shares of the company	Date	Increase/ Decrease in share-holding	Reason	No. of shares	% of total shares of the company
1	Madhu Sudhan Bhageria	4218360	13.18				4218360	13.18
2	Purshottam Bhaggeria	4193359	13.10				4193359	13.10
3	Madhav Bhageria	4230960	13.22				4230960	13.22
4	Ashok Chauhan	--	--	---	--	--	--	--
5	S.C.Parija	--	--	---	--	--	--	--
6	S.P.Setia	--	--	---	--	--	--	--
7	Pallavi Joshi Bakhru	--	--	---	--	--	--	--
8	B.B.Tandon	--	--	---	--	--	--	--
9	R.P.Gupta	--	--	---	--	--	--	--
10	Raman Kumar Jha	--	--	---	--	--	--	--

V INDEBTEDNESS					(Amount in Rs.)
Indebtedness of the Company including interest outstanding/accrued but not due for payment					
	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness	
Indebtedness at the beginning of the financial year					
i) Principal Amount	3,45,74,24,289	73,70,00,000	Nil	4,19,44,24,289	
ii) Interest due but not paid	Nil	Nil	Nil	Nil	
iii) Interest accrued but not due	79,58,370	Nil	Nil	79,58,370	
Total (i+ii+iii)	3,46,53,82,659	73,70,00,000	Nil	4,20,23,82,659	
Change in Indebtedness during the financial year · Addition · (Reduction)					
Net Change	45,20,98,731	25,49,00,000	Nil	70,99,98,731	
Indebtedness at the end of the financial year					
i) Principal Amount	3,91,24,24,058	99,19,00,000	Nil	4,90,43,24,058	
ii) Interest due but not paid	Nil	Nil	Nil	Nil	
iii) Interest accrued but not due	50,57,332	Nil	Nil	50,57,332	
Total (i+ii+iii)	3,91,74,81,390	99,19,00,000	Nil	4,90,93,81,390	



VI.	REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL					(Amount in Rs.)
A.	Remuneration to Managing Director, Whole-time Directors and/or Manager:					
Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager				Total Amount
		SH. MADHU SUDHAN BHAGERIA	SH. PURRSHOTTAM BAGGERIA	SH. MADHAV BHAGERIA	SH. ASHOK CHAUHAN*	
1.	Gross salary					
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	3,771,600	3,021,600	3,021,600	2,700,000	12,514,800
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	1,119,250	1,053,711	905,030	15,000	3,092,991
	c) Profits in lieu of salary under section 17(3) Income tax Act, 1961	--	--	--	--	--
2.	Stock Option	--	--	--	*	--
3.	Sweat Equity	--	--	--	--	--
4.	Commission - as % of profit - others, specify...	2,808,500	2,808,500	2,808,500	--	8,425,500
5.	Others, please specify	--	--	--	--	--
	Total (A)	7,699,350	6,883,811	6,735,130	2,715,000	24,033,291
	Ceiling as per the Act	As per Companies Act, 2013 and Schedules thereto				

***Grant of stock options during the year to Director Mr. Ashok Chauhan – 50,000 shares. (refer note no. 37 of the annual accounts for scheme details)**

B.	Remuneration to other directors:					
Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager				Total Amount
		SH. S.P SETIA	SH.S.C PARIJA	SH. B.B TANDON	SMT. PALLAVI JOSHI BAKHRU	
1.	Independent Directors · Fee for attending board / committee meetings · Commission · Others, please specify	110,200	80,050	80,200	120,200	390,650
	Total (1)	110,200	80,050	80,200	120,200	390,650
2.	Other Non-Executive Directors · Fee for attending board / committee meetings · Commission · Others, please specify	--	--	--	--	--
	Total (2)	--	--	--	--	--
	Total (B)=(1+2)	110,200	80,050	80,200	120,200	390,650
	Total Managerial Remuneration					24,423,941
	Overall Ceiling as per the Act	No Remuneration, only sitting fee				



A.	Remuneration to Key Managerial Personnel other than MD / Manager / WTD					(Amount in Rs.)
Sl. No.	Particulars of Remuneration		Key Managerial Personnel			
			CEO	Company Secretary	CFO	Total
1.	<u>Gross salary</u>					
	(a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	Not applicable	592,879	1,473,461	2,066,340
	(b)	Value of perquisites u/s 17(2) Income-tax Act, 1961		15,000	15,000	30,000
	(c)	Profits in lieu of salary under section 17(3) Income-tax Act, 1961		--	--	--
2.	Stock Option			*	*	--
3.	Sweat Equity			--	--	--
4.	Commission - as % of profit - others, specify...			--	--	--
5.	Others, please specify			--	--	--
	Total			607,879	1,488,461	2,096,340

* Grant of stock options during the year to key managerial personnel, CFO - 40,000 shares and Company Secretary – 15,000 shares. (refer note no. 37 of the annual accounts for scheme details)

VII PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:NIL						
	Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give Details)
A.	COMPANY					
	Penalty					
	Punishment					
	Compounding					
B.	DIRECTORS					
	Penalty					
	Punishment					
	Compounding					
C.	OTHER OFFICERS IN DEFAULT					
	Penalty					
	Punishment					
	Compounding					

For and on behalf of the Board of Directors

Place : New Delhi
Date : July 30, 2016

Madhu Sudhan Bhageria
Vice Chairman and Managing Director
DIN:00021934

Purshottam Bhaggeria
Joint Managing Director
DIN:00017938



INDEPENDENT AUDITORS' REPORT

**TO THE MEMBERS OF
FILATEX INDIA LIMITED**

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements to 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.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit.
4. We have taken into account the provisions of the Act and the Rules made thereunder including the accounting standards and matters which are required to be included in the audit report.
5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements 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.
6. 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.
7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

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

Report on Other Legal and Regulatory Requirements

9. As required by 'the Companies (Auditor's Report) Order, 2016', issued by the Central Government of India in terms of sub-section (11) of section 143 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.
10. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.



- (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on March 31, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to 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 knowledge and belief and according to the information and explanations given to us:
 - i) The Company has disclosed the impact, if any, of pending litigations as at March 31, 2016, on its financial position in its financial statements - Refer note 30 to the financial statements;
 - ii) The Company has made provision as at March 31, 2016, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
 - iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended March 31, 2016

For **AMOD AGRAWAL & ASSOCIATE**
Chartered Accountants
 Firm Registration No.005780N

(VIRENDRA KUMAR)
Partner
 M.NO- 85380

Place : New Delhi
 Dated : 22/04/2016

ANNEXURE-A TO INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 9 of the Independent Auditors' Report of even date to the members of Filatex India Limited on the financial statements as of and for the year ended March 31, 2016

- i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.
- (b) The fixed assets have been physically verified by the management during the year in a phased manner and no material discrepancies have been noticed on such verification. In our opinion, the frequency of physical verification of fixed assets is reasonable having regard to the size of the Company and the nature of its assets.
- (c) The title deeds of free hold immovable properties are held in the name of the Company.
- ii. The management has conducted physical verification of inventory at reasonable intervals and no material discrepancies in inventory were noticed on physical verification.
- iii. The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Therefore, the provisions of Clause 3(iii), (iii) (a), (iii)(b) & (iii)(c) of the said Order are not applicable to the Company.
- iv. According to the information and explanations given to us and the records of the Company examined by us, in our opinion In respect of loans, investments, guarantees & security the provisions of section 185 and 186 of the Companies Act, 2013 have been complied with.
- v. The Company has not accepted any deposits from the public.
- vi. We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Govt. for the maintenance of Cost Records under sub section 1 of section 148 of the Companies Act, 2013 and are of the opinion that prima facie the prescribed accounts and records have been maintained. We have however, not made a detailed examination of these records.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues, including provident fund, employees'



state insurance, income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax sales tax, duty of customs, service tax, cess and other material statutory dues were in arrears as at 31 March, 2016 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us and the records of the Company examined by us, the dues outstanding of income-tax, wealth-tax, sales tax, service-tax, duty of customs, duty of excise, value added tax and cess which have not been deposited on account of any dispute as at March 31, 2016 are stated below:-

Sl. No	Name of the Statute	Nature of Dues	Amt (Rs/lacs)	Period to Which it relates	Forum where Dispute is pending
1	Central Excise Act, 1944.	NCCD on Deemed Exports.	2.77	From July 2004 to Nov. 2004	Commissioner of Central Excise (Appeals), Vapi
2	Central Excise Act, 1944.	NCCD against CENVAT of basic excise duty	453.12	From March 2006 to February 2008.	The Commissioner, Central Excise & Customs, Vapi
3	Central Excise Act, 1944.	Demand towards adjustments of NCCD against CENVAT credit of Basic Excise Duty.	21.68	February, 2008	The Jt. Commissioner, Central Excise & Customs, Vapi
4	Central Excise Act, 1944.	Credit of Service Tax availed on courier service.	0.21	F.Y's 2005-06 & 206-07	The Asst. Commissioner of Central Excise, Silvassa.
5	Central Excise Act, 1944.	Credit of Service Tax availed on Courier Services, GPA, Group Mediclaim and Vehicle insurance	1.68	F.Y's 2007-08 to 2011-12	The Deputy Commissioner of Central Excies, Silvassa
6	Central Excise Act, 1944.	Demand for sale of Grey Knitted fabrics from the premises of various job workers.	472.52	FY 2008-09	CESTAT, WZB, Ahmedabad
7	Central Excise Act, 1944.	Cenvat Credit of capital goods	5.19	F.Y's 2007-08 & 2008-09	CESTAT, WZB, Ahmedabad
8	Central Excise Act, 1944.	Excess credit availed on goods supplied to 100% EOUs	35.99	FY 2007-08 & FY 2008-09	Commissioner (Appeals) C.E., Vapi
9	Central Excise Act, 1944.	Credit of Capital goods availed on Channels, Angles etc. for the year 2009-10 and 2010-11	4.83	F.Y's 2009-10 & 2010-11	CESTAT, WZB, Ahmedabad
10	Central Excise Act, 1944.	Credit of Service tax availed on the invoices issued in the name of Branch offices for the year 2010-11, 2011-12 & 2012-13	3.17	F.Y's 2010-11 to 2012-13	CESTAT, WZB, Ahmedabad
11	Central Excise Act, 1944.	Demand of Service Tax credit availed on Sales Commission for the years 2009-10 & 2010-11	15.31	F.Y's 2009-10 & 2010-11	The Addl. Commissioner, Central Excise, Customs & Service Tax, Vapi
12	Central Excise Act, 1944.	Cenvat credit of service tax availed on invoices issued in the name of branch office for the period from Nov.-2012 to March.-2013	0.69	From Nov. 2012 To Mar. 2013	Commissioner (Appeals) C.E., Vapi
13	Central Excise Act, 1944.	Cenvat credit of service tax availed on courier service for the period from Dec 2012 to Sept 2013	0.11	From Dec.-2012 to Sep.-2013	The Superintendent, Central Excise, Customs & Service Tax, Range-IV, Div.-I, Silvassa



Sl. No	Name of the Statute	Nature of Dues	Amt (Rs/lacs)	Period to Which it relates	Forum where Dispute is pending
14	Central Excise Act, 1944.	Demand of Ex. duty on Polyester FDY Yarn transferred to NWF on transaction value instead of CAS-04 for the period from April-2009 to April-2012	33.24	From Apr.-2009 to Apr -2012	The Jt. Commissioner, Central Excise, Customs & Service Tax, Vapi
15	Central Excise Act, 1944.	Cenvat credit of service tax availed on courier service for the period from Oct.-2013 to oct.-2014.	0.17	From Oct.-2013 to Oct.-2014	The Superintendent, Central Excise, Customs & Service Tax, Range-IV, Div.-I, Silvassa
16	Customs Act, 1962.	Differential duty on import of chips	14.54	December, 2007	Asst. Commissioner of Customs, Group II, E&B, JNCH, Navi Mumbai.
17	Customs Act, 1962.	Co-Party made with a customer for discrepancies in compliance of export obligation by customer.	15.00	April, 2007	CESTAT, Western Zone, Ahmedabad.
18	Customs Act, 1962.	Fraudulent availment of DEPB credit by M/s Shivam Overseas, Ludhiana by resorting to overvaluation of their exported goods	8.64	March, 2005	The Commissioner of Customs (EP), New Custom House, Ballard Estate, Mumbai
19	Central Excise Act, 1944	Demand of service tax credit availed on sales commission for the period April 2011 to December 2014.	20.10	April 2011 to December 2014.	The Additional Commissioner, Central excise ,Custom & Service Tax , Div I Vapi.
20	Central Excise Act, 1944	Demand of service tax credit availed on sales commission for the period January 2015 to November 2015.	3.58	January 2015 to November 2015.	The Assistant Commissioner, Central excise ,Custom & Service Tax , Div I Silvassa.
21	Central Excise Act, 1944	Demand of service tax credit availed on sales commission for the period April 2010 to February 2016	42.78	April 2010 to February 2016	The Superintendent, Central Ex & Custom, Range-III, Division - V , Bharuch
22	Central Excise Act, 1944	Demand of Cenvat credit on inputs used during the year 2011-12, 2013-14 & 2014-15	11.02	For the period 2011-12 ,2013-14 & 2014-15	The Addl. Commissioner, Central Excise, Customs & Service Tax, Vapi
23	Income tax Act 1961.	Penalty on Income Tax	24.67	AY 2001-02 To 2004-05	Commissioner of Income Tax (Appeals)

- viii. According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of dues to any financial institution or bank or debenture holders as at the balance sheet date.
- ix. Based on the audit procedures applied by us & according to the information & explanations provided by the management, the Company has not raised any moneys by further public offer (including debt instruments) during the year. Term loans taken by the company during the year have been applied for the purpose for which the loans were obtained.
- x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud on or by the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.
- xi. According to the records of the Company examined by us and the information and explanation given to us, the Company has paid and provided managerial remuneration 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, this clause is not applicable to the company.



- xiii. According to the records of the Company examined by us and the information and explanation given to us, the company has complied with section 177 and 188 Of the Companies Act 2013 in relation to transaction with related parties and the details have been disclosed in the Financial Statements.
- xiv. The company has made preferential allotment of share warrants during the year under review and the requirement of Section 42 of the Companies Act, 2013 have been complied and the amount raised have been used for the purposes for which the funds were raised.
- xv. As per the information & explanations given to us 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 IA of the Reserve Bank of India Act, 1934.

For **AMOD AGRAWAL & ASSOCIATES**
Chartered Accountants
Firm Registration No.005780N

(VIRENDRA KUMAR)
Partner
M.NO- 85380

Place : New Delhi
Dated : 22/04/2016

ANNEXURE-B TO THE INDEPENDENT AUDITOR'S REPORT, Report on the Internal Financial Controls

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

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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



policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) 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 March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **AMOD AGRAWAL & ASSOCIATES**
Chartered Accountants
Firm Registration No.005780N

(VIRENDRA KUMAR)
Partner
M.NO- 85380

Place : New Delhi
Dated : 22/04/2016


BALANCE SHEET AS AT MARCH 31, 2016

(Rs. in Lacs)			
Particulars	Notes	As at March 31, 2016	As at March 31, 2015
Equity & Liabilities			
Shareholders' Fund			
Share Capital	3	3,200.00	3,200.00
Reserves & Surplus	4	16,459.90	13,832.91
Money received against share warrants		1,293.75	-
Total Shareholders Fund		20,953.65	17,032.91
Non - Current Liabilities			
Long term borrowings	5	30,757.00	21,912.67
Deferred tax liability (Net)	6	2,306.84	1,668.88
Other Long term liabilities	7	530.88	534.23
Long term provisions	8	468.25	369.40
Total Non Current Liabilities		34,062.97	24,485.18
Current Liabilities			
Short term borrowings	9	13,780.51	15,763.13
Trade Payables	10	12,038.56	8,365.56
Other current liabilities	11	7,149.86	5,924.23
Short term provisions	12	97.43	76.62
Total Current Liabilities		33,066.36	30,129.54
Total		88,082.98	71,647.63
Assets			
Non - Current Assets			
Fixed Assets			
Tangible assets	13	49,231.42	38,820.69
Intangible assets	13	4.53	7.85
Capital work in progress	13	1,801.64	235.58
Non-current Investments	14	1.42	0.03
Long term loans and advances	15	1,407.38	1,792.52
Other non-current assets	16	102.44	83.62
Total Non Current Assets		52,548.83	40,940.29
Current Assets			
Inventories	17	9,857.03	11,851.74
Trade receivables	18	21,635.71	14,909.66
Cash & bank balances	19	1,253.84	1,543.66
Short term loans & advances	20	2,110.45	1,161.13
Other current assets	21	677.12	1,241.15
Total Current Assets		35,534.15	30,707.34
Total		88,082.98	71,647.63
Summary of significant accounting policies	2		

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

As per our report of even date
for AMOD AGRAWAL & ASSOCIATES
 Firm Registration No. 005780N
 Chartered Accountants

For and on behalf of the Board of Directors of
FILATEX INDIA LIMITED

VIRENDRA KUMAR
 Partner
 Membership No. 85380

MADHU SUDHAN BHAGERIA
 Vice Chairman & Managing Director
 DIN:00021934

S.C. PARIJA
 Independent Director
 DIN: 0363608

Place : New Delhi
 Date : April 22, 2016

R.P. GUPTA
 Chief Financial Officer

RAMAN KUMAR JHA
 Company Secretary


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

(Rs. in Lacs)

Particulars	Notes	For the Year ended March 31, 2016	For the Year Ended March 31, 2015
Revenue from operations (gross)	22	1,41,879.72	1,73,059.38
Less : Excise duty		14,057.09	15,783.15
Revenue from operations (net)		1,27,822.63	1,57,276.23
Other Income	23	1,019.38	969.70
Total Revenue (I)		1,28,842.01	1,58,245.93
Expenses			
Cost of material consumed	24	96,670.57	1,09,355.67
Purchases of traded goods	24	8,382.28	26,387.34
(Increase)/decrease in Inventories of finished goods, work in progress & stock in trade	25	122.31	(742.72)
Employee benefits expense	26	4,000.70	3,539.16
Finance cost	27	5,118.53	5,359.64
Depreciation & amortization expense	13	2,126.92	2,057.48
Other Expenses	28	9,852.47	10,849.89
Total Expenses (II)		1,26,273.78	1,56,806.46
Profit/(loss) before exceptional items & tax		2,568.23	1,439.47
Exceptional Items (Profit on sale of Land and building)		696.72	-
Profit/(loss) before tax		3,264.95	1,439.47
Tax Expense:			
Current tax (MAT)		695.83	301.41
MAT credit entitlement		(695.83)	(301.41)
Taxation for earlier years		-	2.12
Deferred tax		637.96	477.63
Total tax expense		637.96	479.75
Net profit/(loss) after tax		2,626.99	959.72
Earnings Per Share (EPS) in Rupees			
-Basic	29	8.21	3.12
-Diluted	29	8.08	3.12
Summary of significant accounting policies			

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

As per our report of even date
for AMOD AGRAWAL & ASSOCIATES
Firm Registration No. 005780N
Chartered Accountants

For and on behalf of the Board of Directors of
FILATEX INDIA LIMITED

VIRENDRA KUMAR
Partner
Membership No. 85380

MADHU SUDHAN BHAGERIA
Vice Chairman & Managing Director
DIN:00021934

S.C. PARIJA
Independent Director
DIN: 0363608

Place : New Delhi
Date : April 22, 2016

R.P. GUPTA
Chief Financial Officer

RAMAN KUMAR JHA
Company Secretary


CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2016

(Rs. In lacs)

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
Cash flow from operating activities		
Net profit / (loss) before tax	3,264.95	1,439.47
Adjustments for:		
Depreciation/amortization	2,126.92	2,057.48
Loss/(profit) on fixed assets sold/discarded (net)	6.97	11.49
Unrealised foreign exchange Loss/ (profit) (net)	(105.13)	51.50
Interest expense	3,387.85	3,575.75
Forward contract Premium Amortised	566.40	364.43
Exceptional Items (Profit on sale of land and building)	(696.72)	-
Bad Debts Written off	637.75	619.84
Sundry Balances Written Back	(47.96)	(23.57)
Interest income	(904.34)	(968.24)
Dividend income	(4.53)	(1.46)
Operating profit before working capital changes	8,232.16	7,126.69
Movements in working capital :		
Decrease/ (increase) in trade receivables	(7,365.91)	5,900.48
Decrease/ (increase) loans and advances/other current assets	(240.47)	3,521.09
Decrease/ (increase) in inventories	1,994.71	(5,175.75)
Increase / (decrease) in trade & other payable / provisions	4,317.05	(8,241.24)
Cash generated from operations	6,937.54	3,131.27
Direct taxes paid	(623.44)	(359.70)
Net cash flow from operating activities (a)	6,314.10	2,771.57
Cash flow from investing activities		
Purchase of fixed assets	(14,235.96)	(1,321.26)
Sale of fixed assets	749.30	18.40
Long Term Loans & Advances	919.36	(1,027.54)
Advance received against sale of assets	51.00	-
Investment in non-current investments	(1.39)	-
(Increase)/Decrease in deposits	390.26	1,485.88
Interest received	904.34	968.24
Dividend received	4.53	1.46
Net cash flow from/(used in) investing activities (b)	(11,218.56)	125.18



(Rs. In lacs)

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
Cash flow from financing activities		
Proceeds from issuance of share capital and convertible warrants	1,293.75	705.00
Proceeds from long-term borrowings from banks	10,618.64	6,389.14
Proceeds from long-term borrowings from others	3,485.45	1,350.00
Repayment of long term borrowings	(5,022.47)	(4,342.07)
Repayment of long term borrowings (Buyers Credit)	-	(6,300.58)
Net Proceeds from short-term borrowings	(1,982.62)	2,690.51
Interest paid	(3,387.85)	(3,575.75)
Net cash flow from/(used in) in financing activities (c)	5,004.90	(3,083.75)
Net increase/(decrease) in cash and cash equivalents (a + b + c)	100.44	(187.00)
Cash and cash equivalents at the beginning of the year	64.81	251.81
Cash and cash equivalents at the end of the year	165.25	64.81
Components of cash and cash equivalents		
Cash on hand	19.36	23.70
Balance with scheduled Banks :	140.68	35.90
- on deposit account	1,088.59	1,478.85
- unpaid dividend accounts*	5.21	5.21
- Cheques, draft on hand	-	-
Cash and Bank Balances	1,253.84	1,543.66
Less : Fixed deposits not considered as cash and cash equivalents		
- Deposits pledge with banks	1,088.59	1,478.85
	165.25	64.81

* These balances are not available for use by the Company as they represent corresponding unpaid dividend liability.

As per our report of even date
for **AMOD AGRAWAL & ASSOCIATES**
Firm Registration No. 005780N
Chartered Accountants

VIRENDRA KUMAR
Partner
Membership No. 85380

Place : New Delhi
Date : April 22, 2016

For and on behalf of the Board of Directors of
FILATEX INDIA LIMITED

MADHU SUDHAN BHAGERIA
Vice Chairman & Managing Director
DIN:00021934

R.P. GUPTA
Chief Financial Officer

S.C. PARIJA
Independent Director
DIN: 0363608

RAMAN KUMAR JHA
Company Secretary


NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2016
1. Nature of Operation

Filatex India Limited (hereinafter referred to as "the Company") is a manufacturer of Polyester Chips, Polyester/Nylon/Polypropylene Multi & Mono Filament Yarn and Narrow fabrics.

2. Statement of Significant Accounting Policies
a) Basis of preparation

The financial statements of the company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The company has prepared these financial statements to comply in all material respects with the accounting standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended), and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared under the historical cost convention on an accrual basis, except where stated otherwise. The accounting policies adopted in preparation of financial statements are consistent with those of previous year.

b) Use of estimates.

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although, these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

c) Fixed Assets & Depreciation:

- i) Fixed Assets are stated at cost less accumulated depreciation and impairment loss, if any. Cost comprises the purchase price and any directly attributable cost of bringing the assets to its working condition for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Borrowing costs relating to acquisition of fixed assets which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

Subsequent expenditure relating to an item of fixed asset is added back for its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts are charged to the statement of profit and loss account for the period during which such expenses are incurred.

- ii) Depreciation has been provided on straight-line method on pro-rata basis at the rates & manner prescribed in Schedule II of the Companies Act, 2013.
- iii) Depreciation on the amount of additions made to fixed assets due to upgradation / improvements is provided over the remaining useful life of the asset to which it relates.
- iv) Depreciation on fixed assets added / disposed off during the year is provided on pro-rata basis.
- v) Lease hold improvements are amortized over the primary period of lease or useful life, whichever is lower.
- vi) Lease hold Land is amortized on straight line basis over the period of lease.

d) Expenditure incurred during the construction period.

- i) Expenditure directly relating to construction activity is capitalized (net of income, if any), Indirect expenditure incurred during construction period is capitalized as part of the indirect construction cost to the extent, to which the expenditure is indirectly related to construction or is incidental thereto. Other indirect expenditure incurred during the construction period which is not related to construction activity nor is incidental thereto is charged to Profit & Loss Account.
- ii) Capital Work in Progress is stated at cost (including borrowing cost, where applicable) incurred during construction, installation/ pre-operative period relating to items or projects in progress.

e) Intangibles

Intangible assets, software's etc. are accounted at their cost of acquisition and amortized over their estimated economic life not exceeding 5 years. Leasehold improvements are charged to the Profit & Loss Account over the primary period of lease.



f) Impairment of Assets

Consideration is given at each balance sheet date to determine whether there is any indication of impairment of the carrying amount of the Company's fixed assets. If any indication exists, an asset's recoverable amount is estimated. An impairment loss is recognized whenever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is defined as value in use. In assessing value in use, the estimated future cash flows are discounted to their present value based on an appropriate discounting factor.

g) Investments

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

h) Leases

Finance leases, which effectively transfer to the Company substantially all the risks and benefits incidental to ownership of the leased item, are capitalized at the lower of the fair value and present value of the minimum lease payments at the inception of the lease term and disclosed as leased assets. Lease payments are apportioned between the finance charges and reduction of the lease liability based on the implicit rate of return. Finance charges are charged directly against income. Lease management fees, legal charges and other initial direct costs are capitalized.

If there is no reasonable certainty that the company will obtain the ownership by the end of the lease term, capitalized leased assets are depreciated over the shorter of the estimated useful life of the asset or the lease term.

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item are classified as operating leases. Operating lease payments are recognized as expenses in the statement of Profit & Loss Account on a straight-line basis over the lease term.

i) Foreign Currency Transactions

i) Initial Recognition:

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of transaction.

ii) Conversion

Foreign currency monetary items are reported using the closing rate. Non monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

iii) Exchange Differences:

Exchange differences arising on the settlement of monetary items or on reporting company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise.

In terms of the Notification No. G.S.R. 225(E) dated 31.03.2009 as amended till date issued by the Ministry of Corporate Affairs on Accounting Standard (AS-11) read with Clause 4(e) of AS-16 and Para 46A read with clarification issued by the Ministry of Corporate Affairs vide Circular No.25/2012 dated August 09, 2012 on AS-11 relating to "the effects of changes in Foreign Exchange Rates", the Company has exercised option to adjust the foreign exchange difference on long term foreign currency loans to the cost of qualifying capital assets.

iv) Forward exchange contracts not intended for trading or speculation purposes

The Company obtains forward exchange contracts to hedge its risk associated with foreign currency fluctuations. The premium or discount arising at the inception of forward exchange contract is amortized as expense or income over the life of the contract. Exchange differences on such contracts are recognized in the statement of profit and loss in the year in which the exchange rates change. Any profit or loss arising on cancellation or renewal of forward exchange contract is recognized as an income or as an expense for the year.



j) Inventories

Inventories are valued as follows:

Raw material, consumables and stores & spares:

Lower of cost or net realisable value. However, materials and other items held for use in the production of inventories are not written down below cost if finished products, in which they will be incorporated, are expected to be sold at or above cost. Cost is determined on Moving Weighted Average Method.

Work in Progress and Finished Goods:

Lower of cost or net realisable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost of finished goods includes excise duty.

Waste

At net realizable value which is the estimated selling price in the ordinary course of business, less selling expenses.

k) Employees Benefits

The employees' gratuity fund and leave encashment schemes are the company's defined benefit plan. The present value of the obligation under such defined benefit plan is determined based on the actuarial valuation using the Projected Unit credit Method.

l) Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be measured.

Sale of Goods

Revenue is recognized when the significant risks and rewards of ownership of the goods have been passed to the buyers. Sales are net of return, volume discount, trade discounts & sales tax /VAT including excise duty.

Export Benefits

Export benefits constituting duty drawback, incentives under FPS/FMS and Duty Free Advance License are accounted for on accrual basis.

Interest Income

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

Dividend Income

Dividend income is recognized when the company's right to receive dividend is established by the reporting date.

Insurance claims

Insurance claims are recognized to the extent the company is reasonably certain of their ultimate receipt.

m) Borrowing cost

Borrowing cost attributable to acquisitions and construction of assets are capitalized as a part of cost of such assets upto the date when such assets are ready for its intended use and other borrowing cost are charged to Profit & Loss Account.

n) Accounting for Taxes on Income

Provision for tax on income is made after taking into consideration benefits admissible under the provisions of the Income-tax Act, 1961.

Deferred tax resulting from "timing difference" between book and taxable profit is accounted for using the tax rates and laws that have been enacted as on the balance sheet date. The deferred tax asset is recognized and carried forward only to the extent that there is a reasonable certainty that the assets will be realized in future.

Minimum Alternate Tax (MAT) credit is recognized as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in guidance note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the statement of profit and loss account and shown as MAT Credit Entitlement. The company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal Income Tax during the specified period.


o) Provisions

A provision is recognized when an enterprise has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best management estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current management estimates.

p) Cash and Cash Equivalents

Cash and cash equivalents in the balance sheet comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

q) Contingent Liabilities.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The company does not recognize a contingent liability but discloses its existence in the financial statements.

r) Earnings Per Share (EPS)

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the year. For the purpose of calculating Diluted Earnings per Share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year and adjusted for the effects of all dilutive potential Equity Shares.

3. SHARE CAPITAL

Particulars	(Rs. in Lacs)	
	As at March 31, 2016	As at March 31, 2015
Authorised		
4,50,00,000 (Previous year 4,00,00,000) Equity Shares of Rs 10/- each	4,500.00	4,000.00
Total	4,500.00	4,000.00
Issued, subscribed and fully paid-up shares		
3,20,00,000 (previous year 3,20,00,000) Equity Shares of Rs.10/-each fully paid	3,200.00	3,200.00
Total	3,200.00	3,200.00

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period
Equity shares

Particulars	As at March 31, 2016		As at March 31, 2015	
	No of Shares	Rs. In Lacs	No of Shares	Rs. In Lacs
At the beginning of the Period	3,20,00,000	3,200.00	2,82,40,000	2,824.00
Add : Shares issued during the Period	-	-	37,60,000	376.00
Outstanding at the end of the year	3,20,00,000	3,200.00	3,20,00,000	3,200.00

b. Terms / rights attached to equity shares

1. The company has only one class of equity shares having a par value of Rs.10/- per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividend in Indian rupees.
2. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c. Issue of convertible warrants and conversion into equity shares

1. During the year the company has allotted 11,500,000 Convertible Warrants on preferential basis to the promoters/others to be converted at the option of warrant holders in one or more tranches, within 18 months



from the date of allotment (i.e. March 16, 2016) of warrants into equivalent number of fully paid equity shares of the company of the face value of Rs. 10/- per share at an exercise price of Rs. 45/- per share (including premium of Rs. 35/- per share).

2. The company received Rs. 1,293.75 lacs as application money being 25% of the issue price against 11,500,000 convertible warrants.
3. If the warrant holders fails to exercise the option as mentioned in (1) above, the right attached to the warrants shall expire and any amount paid on such warrants shall stand forfeited in accordance with chapter VII of SEBI (issue of Capital and Disclosure Requirements, 2009)

The proceeds of the same have been utilised for the intended purpose of promoters contribution in the company's expansion project.

d. Details of shareholders holding more than 5% shares in the company

Particulars	As at March 31, 2016	As at March 31, 2015
Madhu Sudhan Bhageria 3,708,360 (previous year 3,708,360) equity shares of Rs.10/- each fully paid	11.59%	11.59%
Azimuth Investments Ltd. 3,125,000 (previous year 3,125,000) equity shares of Rs.10/- each fully paid	9.77%	9.77%
Nouvelle Securities (P) Ltd. 1,989,016 (previous year 1,989,016) equity shares of Rs.10/- each fully paid	6.22%	6.22%
Purrshottam Bhaggeria 4,193,359 (Previous Year 4,193,359) equity shares of Rs. 10/- each fully paid	13.10%	13.10%
Madhav Bhageria 4,230,960 (Previous Year 4,230,960) equity shares of Rs. 10/- each fully paid	13.22%	13.22%

4. RESERVES & SURPLUS

Particulars	(Rs. in Lacs)	
	As at March 31, 2016	As at March 31, 2015
Capital Reserve	1,253.11	1,253.11
Capital Redemption Reserve	1,250.00	1,250.00
Securities Premium Reserve		
Balance as per the last financial statement	5,709.30	5,145.30
Add: Premium on securities issued during the year	-	564.00
Closing Balance	5,709.30	5,709.30
General Reserve		
Balance as per the last financial statement	350.43	424.26
Less: Adjustment during Transition Period on account of change in Depreciation method	-	73.83
Closing Balance	350.43	350.43
Surplus/(deficit) in the statement of profit & loss		
Balance as per last financial statement	5,270.07	4,310.35
Profit/ (Loss) for the year	2,626.99	959.72
Net surplus in the statement of profit and loss	7,897.06	5,270.07
Total Reserves and Surplus	16,459.90	13,832.91


5. LONG TERM BORROWINGS

Particulars	(Rs. in Lacs)	
	As at March 31, 2016	As at March 31, 2015
From Banks (secured)		
(i) Term Loans		
- Rupee loans	6,251.77	11,483.83
- Foreign currency loans	10,631.76	7,182.31
- External Commercial Borrowing (ECB)	7,238.28	-
(ii) Vehicle Loans	53.22	77.42
Total	24,175.03	18,743.56
Less : Current maturity (refer note no. 11)	4,457.41	4,200.89
Net Long Term Borrowings (Banks)	19,717.62	14,542.67
(iii) Buyers credit for capital goods	164.70	-
(iv) From a non banking financial institution (secured)		
- Term Loan	1,004.00	67.55
Less : Current maturity (refer note no. 11)	48.32	67.55
Net Long Term Borrowings (Secured)	955.68	-
(v) From body corporate (unsecured)	9,919.00	7,370.00
Net Long Term Borrowings	30,757.00	21,912.67

I. Term loans

- a) From banks under consortium arrangement Rs. 16,883.53 lacs (previous Year Rs. 17,228.43 lacs), are secured by first equitable mortgage created by way of deposit of title deeds on pari passu basis in respect of immovable properties, both present and future, and first charge by way of hypothecation of company's all movable assets (save & except inventories, book debts, vehicles, plant & machinery acquired through specific loans). These loans are further secured by second charge by way of hypothecation of inventory of raw material, finished goods, semi-finished goods, stores & spares, book debts and other receivables (both present and future), pledge of 5,472,679 equity shares of the face value of Rs.10/- each of the company held by the promoter group and mortgage of an immovable property owned by SMC Yarns Pvt Ltd (related party), personal guarantees of the promoter directors alongwith corporate guarantee of SMC Yarns Pvt Ltd (related party) upto value of the mortgage property. Rupee loan bear floating interest rate ranging from Base Rate plus 3.25% - 4.25% p.a. while Foreign Currency Term Loan (FCTL) bear interest rate of 6 /12 Months Libor + 4.00% to 5.50% P.A. The loans are repayable in quarterly installments.

- b) **External Commercial Borrowings (ECB) From Foreign Consortium Banks** Rs. 7,238.28 lacs (previous Year Rs. NIL lacs), are secured by first priority charge over Fully Drawn Yarn spinning machinery. The loan is repayable in 16 half yearly installments commencing from December 2016 and bear Interest at 6M Euribor + 1.55% P.A.

- II. **Vehicle loans** are secured by hypothecation of specific vehicles acquired out of proceeds of the Loans. The said loans carry interest rate which varies 9.20% to 13.00% and repayable in 36 - 60 Equated Monthly installments.

- III. **Buyers' Credit for capital goods** amounting to Rs. 164.70 (Previous Year Rs. NIL lacs) secured by Letters of Undertaking (LOUs) / Letter of Comfort (LOCs) issued by consortium of banks. LOUs / LOCs facility is secured by first mortgage created by way of deposit of title deeds on pari passu basis in respect of immovable properties, both present and future, and first charge by way of hypothecation of company's all movable assets (save & except inventories, book debts, vehicles, plant & machinery acquired through specific loans). These loans are further secured by second charge by way of hypothecation of inventory of raw material, finished goods, semi-finished goods, stores & spares, book debts and other receivables (both present and future), pledge of 5,472,679 equity shares of the face value of Rs.10/- each of the company held by the promoter directors, mortgage of an immovable property owned by SMC Yarns Pvt Ltd (related party) and personal guarantees of the promoter directors alongwith corporate guarantee of SMC Yarns Pvt Ltd (related party) on pari-passu basis. The loan bears floating interest 6/12 Months Libor plus 1.25% - 1.75% p.a.

- IV. **From a non banking financial institution** of Rs. 1,004.00 lacs is collaterally secured by mortgage created by way of deposit of title deeds in respect of the immoveable property situated at (i) Ground floor and Third floor of plot no. 43, New Friends Colony, New Delhi 110025, belonging to promoters group, and are further secured by corporate



guarantee of Azimuth Investment Limited, Promoter's group company restricted upto the value of property. The loan carries interest rate of 12.80% p.a. and repayable in 120 equated monthly installments starting from May, 2016.

- V. Unsecured Loans** - From body corporate carry interest @ 9% - 11% p.a. and are payable after 15 months to three years from the date of receipt.

6. DEFERRED TAX LIABILITY (NET)

Particulars	(Rs. in Lacs)	
	As at March 31, 2016	As at March 31, 2015
Deferred tax liabilities		
Fixed assets: Impact of difference between tax depreciation and depreciation/ amortization charged for the financial reporting	5,771.44	4,402.72
Gross deferred tax liability	5,771.44	4,402.72
Deferred tax assets		
Effect of expenditure debited to profit & loss statement but allowable in subsequent period for tax purposes in the following years	241.27	182.56
Effect of carried forward losses	3,223.33	2,515.82
Gross deferred tax asset	3,464.60	2,698.38
Net deferred tax liability / (assets)	2,306.84	1,704.34
Deferred Tax Adjustment during Transition Period on Depreciation as per revised schedule II	-	35.46
Net deferred tax liability / (assets) as on date	2,306.84	1,668.88
Net deferred tax Expense / (Income) for the year	637.96	477.63

7. OTHER LONG TERM LIABILITIES

Particulars	(Rs. in Lacs)	
	As at March 31, 2016	As at March 31, 2015
Dealer's Deposits Held	433.98	410.38
Deferred Payments	76.37	102.76
Deposits against vehicle	20.53	21.09
Total other long term liability	530.88	534.23

8. LONG TERM PROVISIONS

Particulars	(Rs. in Lacs)	
	As at March 31, 2016	As at March 31, 2015
Provision for Gratuity	306.86	228.51
Provision for Leave Encashment	161.39	140.89
Total long term provision	468.25	369.40

9. SHORT TERM BORROWINGS

Particulars	(Rs. in Lacs)	
	As at March 31, 2016	As at March 31, 2015
From Banks (Secured)		
(i) Working Capital :		
- Rupee loans	5,185.47	4,500.80
- Foreign currency loans	6,373.06	3,018.36
(ii) Buyer's credit for raw material	2,221.98	8,033.94
(iii) Bills discounting	-	210.03
Total short term borrowings	13,780.51	15,763.13



- I. **Working capital** loans from consortium member banks are secured by first charge by way of hypothecation of inventory of raw materials, finished goods, semi finished goods, stores and spares, book debts and other receivables (both present and future) and are further secured by way of second charge on block of fixed assets of the company save & except vehicles and plant & machinery acquired out of specific loan(s). These are further secured by pledge of 5,472,679 equity shares of the face value of Rs.10/- each of the company held by promoter group, mortgage of an immovable property owned by SMC Yarns Pvt Ltd (related party) and personal guarantees of promoter directors alongwith corporate guarantee of SMC Yarns Pvt Ltd (related party) on pari passu basis. These loans are repayable on demand. Rupee working capital loan carry an interest at Base rate plus 2.75% to 3.75% P.A and Foreign currency working capital loan carry an interest at 6/12 Months libor + 4.00% to 4.50% P.A.
- II. **Buyers' Credit for raw material** are secured by LOUs / LOCs issued by consortium of banks. The LOUs / LOCs facility is sanctioned to the Company as a sub limit of Non Fund (LCs) based facility. The facility is secured by first charge by way of hypothecation of inventory of raw materials, finished goods, semi finished goods, stores and spares, book debts and other receivables (both present and future) and are further secured by way of second charge in respect of entire block of fixed assets of the company save and except vehicles and specific plant & machinery acquired out of specific loan(s). These are further secured by pledge of 5,472,679 equity shares of the face value of Rs.10/- each of the company held by promoter group, mortgage of an immovable property owned by SMC Yarns Pvt Ltd (related party) and personal guarantees of promoter directors alongwith corporate guarantee of SMC Yarns Pvt Ltd (related party) on pari passu basis. The loans bear interest @ 3/6 Months Libor plus 0.44% - 0.94% p.a and are repayable on respective due dates following between 8th Apr, 2016 to 24th July, 2016.

10. TRADE PAYABLE

Particulars	(Rs. in Lacs)	
	As at March 31, 2016	As at March 31, 2015
Trade payable		
Dues of other than micro, small & medium enterprises		
- Acceptances - Foreign	4,349.36	6,045.84
- Acceptances - Domestic	7,485.33	1,449.44
- Others	141.74	839.28
Dues of micro, small & medium enterprises (refer note no. 34)	62.13	31.00
Total trade payable	12,038.56	8,365.56

11. OTHER CURRENT LIABILITIES

Particulars	(Rs. in Lacs)	
	As at March 31, 2016	As at March 31, 2015
Current maturity of long term borrowings		
From Banks (secured)		
(i) Term Loans		
- Rupee loans	3,478.57	3,081.39
- Foreign currency loans	945.89	1,087.62
(ii) Vehicle Loans	32.95	31.88
From a Non Banking Financial Institution (secured)		
- Rupee loans	48.32	67.55
Interest accrued but not due on borrowings	50.57	79.58
Dealer's Deposit	81.57	38.13
Advance received from customers	124.98	54.43
Advance received against sale of asset	51.00	-
Unpaid dividend (To be transferred to Investor Education & Protection Fund as and when due)	5.21	5.21
Dues to statutory authorities	321.17	238.05
Expense payable	439.37	552.08
Project Creditors for Capital Goods	578.56	-
Payable other than trade	991.70	688.31
Total other current liability	7,149.86	5,924.23


12. SHORT TERM PROVISIONS

Particulars	(Rs. in Lacs)	
	As at March 31, 2016	As at March 31, 2015
Provision for Gratuity	55.59	41.08
Provision for Leave Encashment	41.84	33.95
Provision for wealth tax	-	1.59
Total short term provision	97.43	76.62

13. FIXED ASSETS

Description	(Rs. in lacs)									
	Gross block				Accumulated Depreciation / Ammortisation				Net Block	
	April 1, 2015	Additions	Deduction / Adjustments	March 31, 2016	April 1, 2015	Current year	Deduction / Adjustments	March 31, 2016	March 31, 2016	March 31, 2015
TANGIBLE ASSETS :										
Land (Free Hold)	731.52	-	76.01	655.51	-	-	-	-	655.51	731.52
Land (Lease Hold)	1,779.63	-	21.76	1,757.87	71.77	17.14	3.30	85.61	1,672.26	1,707.86
Building \$	8,973.72	691.27	40.95	9,624.04	1,338.13	316.63	20.04	1,634.72	7,989.32	7,635.59
Plant & Machinery * # \$	42,286.79	11,835.62	51.36	54,071.05	14,039.45	1,668.12	43.42	15,664.15	38,406.90	28,247.34
Furniture & Fittings	221.46	83.78	-	305.24	134.65	19.69	-	154.34	150.90	86.81
Vehicles #	489.60	23.55	65.74	447.41	196.97	52.33	55.10	194.20	253.21	292.63
Office Equipments	219.14	20.31	38.67	200.78	128.02	34.54	37.13	125.43	75.35	91.12
Computer	134.64	14.79	22.25	127.18	106.82	14.58	22.19	99.21	27.97	27.82
Total	54,836.50	12,669.32	316.74	67,189.08	16,015.81	2,123.03	181.18	17,957.66	49,231.42	38,820.69
INTANGIBLE ASSETS :										
Software's	56.72	0.57	-	57.29	48.87	3.89	-	52.76	4.53	7.85
TOTAL	54,893.22	12,669.89	316.74	67,246.37	16,064.68	2,126.92	181.18	18,010.42	49,235.95	38,828.54
Capital Work in Progress @ (Building and Plant & Machinery)	235.58	1,801.64	235.58	1,801.64	-	-	-	-	1,801.64	235.58
Grand Total	55,128.80	14,471.53	552.32	69,048.01	16,064.68	2,126.92	181.18	18,010.42	51,037.59	39,064.12
Previous Year	53,960.74	1,347.56	179.50	55,128.81	14,021.21	2,057.48	14.01	16,064.68	39,064.12	39,939.52

Includes vehicles taken on hire purchase amounting to Rs. 119.92 lacs (previous year Rs. 124.71 lacs) and plant & machinery taken on hire purchase amounting to Rs. Nil lacs (previous year Rs.85.11 lacs)

*1. Plant & Machinery Includes cost of Rs.342.93 lacs (previous year Rs.342.93 lacs) of water supply connection from GIDC and Rs. 101.00 lacs (Previous Year Rs. 101.00 lacs) being cost of electricity transmission lines not owned by the company.

2. Foreign Exchange fluctuation aggregating Rs. 250.07 lacs (Previous year Rs. 17.82) lacs capitalised during the year.

\$ Preoperative expenses Rs. 270.98 lacs (previous year Rs. 66.37 lacs) and borrowing cost Rs. 957.26 lacs (previous year Rs. Nil) has been capitalised. (Refer note no. 41)

@ Capital Work in Progress (CWIP) includes preoperative expenses Rs. Nil (previous year Rs. 66.37 lacs) and borrowing cost Rs. 36.66 lacs (previous year Rs. Nil). (Refer note no. 41)


14. NON-CURRENT INVESTMENTS

Particulars	(Rs. in Lacs)	
	As at March 31, 2016	As at March 31, 2015
Quoted, Non Trade		
Investment in equity instruments		
50 (Previous year - 50 Equity shares of Rs. 1/- each) equity shares of Rs. 1/- each fully paid-up in Tata Coffee Ltd.	0.03	0.03
Aggregate amount of quoted investments	0.03	0.03
[Market Value Rs. 0.04 Lacs (Previous Year Rs. 0.05 Lacs)]		
Un-Quoted, Non Trade		
Investment in equity instruments		
731,500 (Previous year - Nil) equity shares of Rs. 0.10/- each fully paid-up in OPGS Power Gujarat Private Limited *	1.39	-
Aggregate amount of Unquoted investments	1.39	-
Total Non Current Investments	1.42	0.03
* Shares kept with Gita Power Ventures Limited, an escrow agent		

15. LONG TERM LOANS & ADVANCES

Particulars	(Rs. in Lacs)	
	As at March 31, 2016	As at March 31, 2015
Unsecured, considered good		
Capital Advances	283.99	1,203.35
Deposit with excise/sales tax department Under Protest	44.80	23.07
Advance to Related party [Filatex Global PTE LTD (wholly owned subsidiary)]	5.26	-
Income Tax recoverable (Net of Provision)	-	188.60
MAT Credit entitlement	1,073.33	377.50
Total long term loans & advances	1,407.38	1,792.52

16. OTHER NON - CURRENT ASSETS

Particulars	(Rs. in Lacs)	
	As at March 31, 2016	As at March 31, 2015
Security Deposits	102.44	83.37
Fixed Deposits (Refer note no. 19)	-	0.25
Total other non-current assets	102.44	83.62

17. INVENTORIES (AT LOWER OF COST OR NET REALISABLE VALUE)

Particulars	(Rs. in Lacs)	
	As at March 31, 2016	As at March 31, 2015
Raw Materials (includes Inventory in Transit Rs. 611.03 lacs, previous year Rs. 3,940.16 lacs)	4,699.18	6,969.39
Work In Progress	323.55	440.81
Finished Goods (Including goods sold in transit Rs. 14.44 lacs, previous year Nil)	3,162.90	3,156.35
Stock-in-Trade	-	11.60
Packing Material	531.15	473.09
Stores, Spares & Consumables	1,140.25	800.50
Total Inventories	9,857.03	11,851.74


18. TRADE RECEIVABLES

	(Rs. in Lacs)	
Particulars	As at March 31, 2016	As at March 31, 2015
Outstanding for a period exceeding six months from the date they are due for payment		
Unsecured, Considered Good	560.75	719.93
Other Receivables		
Unsecured, Considered Good	21,074.96	14,189.73
Total trade receivables	21,635.71	14,909.66

19. CASH AND BANK BALANCES

	(Rs. in Lacs)	
Particulars	As at March 31, 2016	As at March 31, 2015
Cash and cash equivalents		
Cash on hand	19.36	23.70
Balances with Banks	140.68	35.90
Unpaid dividend a/c *	5.21	5.21
Total (A)	165.25	64.81
Other Bank balances :-		
Short Term Deposits with original maturity of less than 3 months **	-	0.22
Deposits with original maturity for more than 3 months but upto 12 months **	927.36	1,458.13
Deposits with original maturity of more than 12 months **	161.23	20.75
Total (B)	1,088.59	1,479.10
Less : Amount disclosed under non current assets	-	0.25
Total cash & cash equivalents (A + B)	1,253.84	1,543.66

* These balance are not available for the use by the Company as they represent corresponding unpaid dividend liabilities.

** Deposits are in the nature of Margin Money pledged with bank against Bank Guarantee given/Letter of Credit established by the bank

20. SHORT TERM LOANS & ADVANCES

	(Rs. in Lacs)	
Particulars	As at March 31, 2016	As at March 31, 2015
Unsecured, considered good		
Advances recoverable in cash or in kind or for value to be received		
Advance to suppliers	1,379.29	632.67
Balance with Excise Department	416.26	396.61
Income Tax recoverable (Net of Provision)	114.62	-
Vat Recoverable	0.02	0.08
Prepaid expenses	152.51	97.25
Advances to employees	47.75	34.52
Total short term loans & advances	2,110.45	1,161.13


21. OTHER CURRENT ASSETS

Particulars	(Rs. in Lacs)	
	As at March 31, 2016	As at March 31, 2015
Export incentive receivable	378.26	284.72
DEPB in hand	16.58	59.84
Insurance claims receivable	22.43	572.00
Interest Receivable	47.02	64.00
Asset held for Sale (at net book value or estimated net realisable value, whichever is less)	76.01	-
Electricity Duty refundable	125.45	125.45
Others	11.37	135.14
Total other current assets	677.12	1,241.15

22. REVENUE FROM OPERATIONS

Particulars	(Rs. in Lacs)	
	For the Year ended March 31, 2016	For the Year Ended March 31, 2015
Sale of products	1,30,696.63	1,44,142.87
Sale of traded goods	10,839.73	27,761.12
Jobwork	82.01	719.23
Other operating revenue	261.35	436.16
Revenue from operations (gross)	1,41,879.72	1,73,059.38
Less : Excise Duty	14,057.09	15,783.15
Revenue from operations (net)	1,27,822.63	1,57,276.23

Other operating revenue comprising the following :

Particulars	For the Year ended March 31, 2016	For the Year Ended March 31, 2015
Other operating revenue		
Sales of scrap	186.92	278.60
Export incentives earned	74.43	157.56
Total other operating revenue	261.35	436.16

Sale of products

Particulars	For the year ended March 31, 2016		For the year ended March 31, 2015	
	Qty (MT)	Value (Rs/lacs)	Qty (MT)	Value (Rs/lacs)
Polyester & polypropylene multifilament yarn	1,27,719	1,08,973.30	1,20,132	1,20,315.24
Polyester chips	26,729	17,355.57	21,706	18,592.47
Narrow fabrics	1,794	2,313.06	1,922	2,829.92
Polyester, nylon & polypropylene monofilament yarn	120	211.64	236	554.86
Other	406	1,371.64	368	1,211.65
Waste		471.42		638.73
Total		1,30,696.63		1,44,142.87


22. REVENUE FROM OPERATIONS (Contd.)
Sale of traded goods

Particulars	For the year ended March 31, 2016		For the year ended March 31, 2015	
	Qty	Value (Rs/lacs)	Qty	Value (Rs/lacs)
Purified terephthalic acid * # (MT)	1,359	580.79	26,094	15,026.69
Mono ethylene glycol * # (MT)	4,820	2,584.86	16,218	9,148.43
Polyester Yarn # (MT)	4	3.33	631	632.03
Fabric (Qty in Mtr lacs)	118	7,330.94	71	2,520.37
Total		10,499.92		27,327.52

* Sale of traded goods include material sold on high seas basis to the customers who are getting the same converted into polyester chips on job work basis.

Sale of traded goods excludes Excise duty Rs. 339.81 lacs (previous year Rs. 433.60 lacs)

23. OTHER INCOME

Particulars	(Rs. in Lacs)	
	For the Year ended March 31, 2016	For the Year Ended March 31, 2015
Interest Income on		
(i) Fixed deposits	118.59	192.74
(ii) Others	785.75	775.50
Insurance claim under loss of profit policy	110.51	-
Dividend on current investment in mutual funds	4.53	1.46
Total other income	1,019.38	969.70

24. COST OF MATERIALS CONSUMED

Particulars	(Rs. in Lacs)	
	For the Year ended March 31, 2016	For the Year Ended March 31, 2015
Raw Material	93,299.56	1,06,247.69
Packing Material	2,920.97	2,659.79
Consumables	450.04	448.19
Total cost of material consumed	96,670.57	1,09,355.67

Particulars	For the year ended March 31, 2016		For the year ended March 31, 2015	
	Qty	Value (Rs/lacs)	Qty	Value (Rs/lacs)
Purified terephthalic acid (MT)	1,359	578.92	26,094	15,024.79
Mono ethylene glycol (MT)	4,820	2,439.61	16,218	9,192.78
Polyester Yarn (MT)	1	1.95	567	572.71
Fabric (Qty in Mtr lacs)	118	5,361.80	71	1,597.06
Total purchase of Traded goods		8,382.28		26,387.34


24. COST OF MATERIALS CONSUMED (Contd.)
Details of Raw Material Consumed

Particulars	For the year ended March 31, 2016		For the year ended March 31, 2015	
	Qty (MT)	Value (Rs/ lacs)	Qty (MT)	Value (Rs/ lacs)
Purified terephthalic acid	1,19,953.00	52,298.58	1,09,268	61,785.53
Mono ethylene glycol	46,004.00	23,142.20	42,111	24,541.58
Polyester chips	10,248.00	7,336.29	11,820	8,385.80
Polypropylene chips	5,556.00	4,591.06	6,041	6,127.70
Nylon chips	319.00	446.13	369	780.96
Others	-	5,485.30	-	4,626.12
Total Raw Material Consumed		93,299.56		1,06,247.69

Inventory of Raw Materials

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
	Value (Rs/lacs)	Value (Rs/lacs)
Purified terephthalic acid	1,873.05	2,290.20
Mono ethylene glycol	1,091.63	3,383.74
Polypropylene chips	288.76	255.25
Polyester chips	751.32	310.66
Nylon chips	20.67	21.58
Others Raw Material	673.75	707.97
Total	4,699.18	6,969.40

25. (INCREASE)/ DECREASE IN INVENTORIES

Particulars	(Rs. in Lacs)	
	For the Year ended March 31, 2016	For the Year Ended March 31, 2015
Closing stock		
- Finished goods	3,162.90	3,156.35
- Work- In- Progress	323.55	440.81
- Stock in Trade	-	11.60
Total	3,486.45	3,608.76
Opening stock		
- Finished goods	3,156.35	2,350.17
- Work- In- Progress	440.81	438.28
- Stock in Trade	11.60	77.59
Total	3,608.76	2,866.04
- Total (increase)/decrease	122.31	(742.72)

Particulars	For the year ended March 31, 2016		For the year ended March 31, 2015	
	Qty (MT)	Value (Rs/ lacs)	Qty (MT)	Value (Rs/ lacs)
Polyester, nylon & polypropylene				
Multifilament yarn	3,536.77	2,655.88	3,539	2,858.95
Monofilament yarn	83.96	103.60	109	154.07
Narrow fabrics	153.04	163.07	64	70.88
Polyester chips	419.20	231.90	76	51.08
Waste		8.44		21.37
Total Inventory of Finished Goods		3,162.90		3,156.35


25. (INCREASE)/ DECREASE IN INVENTORIES (Contd.)
Inventory of Work in Progress

Particulars	For the year ended March 31, 2016		For the year ended March 31, 2015	
	Qty (MT)	Value (Rs/ lacs)	Qty (MT)	Value (Rs/ lacs)
Polyester, nylon & polypropylene				
Multifilament yarn	345.42	233.72	364	264.78
Narrow fabrics	72.26	67.64	131	128.74
Monofilament yarn	15.44	22.19	25	47.29
Total Inventory of Work in Progress		323.55		440.81

Inventory of Stock-in-Trade

Particulars	For the year ended March 31, 2016		For the year ended March 31, 2015	
	Qty (MT)	Value (Rs/ lacs)	Qty (MT)	Value (Rs/ lacs)
Polyester Yarn	-	-	10	11.60
Total Inventory of Stock-in-Trade		-		11.60

26. EMPLOYEE BENEFIT EXPENSES

Particulars	(Rs. in Lacs)	
	For the Year ended March 31, 2016	For the Year Ended March 31, 2015
Salaries, wages and bonus	3,650.48	3,275.40
Contribution to provident & other funds	151.86	114.52
Gratuity	102.77	84.02
Staff welfare expenses	95.59	65.22
Total employee benefit expenses	4,000.70	3,539.16

27. FINANCE COST

Particulars	(Rs. in Lacs)	
	For the Year ended March 31, 2016	For the Year Ended March 31, 2015
Interest		
- on term loans	1,717.83	2,577.41
- on working capital & others	1,670.02	998.34
Bank Charges	450.20	545.74
Premium on forward contracts	1,280.48	1,238.15
Total finance cost	5,118.53	5,359.64


28. OTHER EXPENDITURE

	(Rs. in Lacs)	
Particulars	For the Year ended March 31, 2016	For the Year Ended March 31, 2015
Manufacturing Expenses		
Consumption of stores and spares	686.03	641.74
Power & Fuel	5,786.59	6,381.06
Increase/(decrease) in excise duty on finished goods inventory	0.79	98.69
Total manufacturing Expenses (A)	6,473.41	7,121.49
Selling Expenses		
Market Development Expenses	41.86	82.23
Freight outward	780.74	914.60
Commission on sales	456.36	411.04
Total selling expenses (B)	1,278.96	1,407.87
Administration and other expenses		
Rent	120.55	119.01
Repair & Maintenance - Machinery	91.45	140.70
- Building	65.37	114.01
- Others	83.38	76.39
Insurance	125.03	157.43
Rates & taxes excluding taxes on income	27.49	18.83
Auditor's remuneration (refer note no. 33)	10.00	9.98
Exchange fluctuation (Loss)	323.93	406.95
Electricity & Water expenses	49.48	37.07
Printing & stationery	26.39	25.11
Postage, telephone & telegram	38.07	44.56
Travelling & conveyance	196.97	190.87
Vehicle running & maintenance	114.94	134.78
Legal & professional charges	121.81	134.86
Director's sitting fees	3.91	2.30
Security services	38.88	37.33
Expenditure towards Corporate Social Responsibility (refer note 32)	4.50	4.68
General expenses	47.00	40.08
Donation & charity (Other than Political Parties)	1.24	1.16
Advertisement & publicity	4.96	5.04
Membership & subscription	7.99	11.63
Loss on sale/discarding of fixed assets [Net of profit of Rs. 3.85 lacs (previous year Rs. 0.93 lacs)]	6.97	11.49
Bad Debts Written Off	637.75	619.84
Sundry balances written back	(47.96)	(23.57)
Total administrative & other expenses (C)	2,100.10	2,320.53
Total other expenses (A + B + C)	9,852.47	10,849.89


29. EARNINGS PER SHARE (EPS)

Particulars	For the Year ended March 31, 2016	For the Year Ended March 31, 2015
Net profit/(loss) for calculation of basic/diluted EPS (Rs. In Lacs)	2,626.99	959.72
Weighted average number of equity shares - Basic	3,20,00,000	3,07,12,329
Effect of Dilution:		
Effect of dilutive issue of share warrants convertible into equity shares	5,02,732	-
Effect of dilutive issue of stock option (ESOP)	16,459	-
Weighted average number of equity shares - Diluted	3,25,19,191	3,07,12,329
Basic EPS - in Rs. per share of the face value of Rs. 10/- each	8.21	3.12
Diluted EPS - in Rs. per share of the face value of Rs. 10/- each	8.08	3.12

30. CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)

i) Contingent Liabilities (Rs. In lacs)

PARTICULARS	As At March 31, 2016	As At March 31, 2015
a) Letters of Credits	3,682.92	407.77
b) Unexpired Bank Guarantees	2,010.34	1,205.51
c) Excise / Custom duty (Mainly relating to reversal of cenvat credit of NCCD & valuation of texturised yarns)	1,202.31	1,244.19
d) Sales Tax demand	0.80	0.80
e) Income Tax demand on account of : - Penalty for the period AY 2001-02 to 2005-06	33.37	33.37
f) Claims against the company not acknowledged as debts	1,552.08	815.60
g) Amount of duty saved on import of plant & machinery under EPCG scheme – corresponding export obligation pending Rs. 11,093.79 lacs, previous year Rs. 1,005.78 lacs	1,848.96	179.59

Based on the discussion with the solicitors and as advised, the company believes that there are fair chances of decisions in its favor (in respect of the items listed in (c) to (f) above). Hence, no provision is considered necessary against the same.

ii) Commitments

Capital contracts remaining to be executed (net of payments) and not provided for Rs. 2,151.00 lacs (previous year Rs. 6,351.64 lacs).

31. Subsequent to the auditors' qualification relating to treatment of foreign exchange difference during FY 2012-13 onwards, SEBI/QARC vide its letter dated November 05, 2015 advised the company to give effect to Auditors' said Qualification for the Financial Years beginning from FY 2012-13. The company filed an appeal before the Securities Appellate Tribunal (SAT) at Mumbai, which vide its order dated 29th March, 2016 has quashed the orders of SEBI and hence the company is no more required to take any action on the said qualification.

32. In light of Section 135 of the Companies Act, 2013, the company has incurred expenses on Corporate Social responsibility (CSR) aggregating to Rs. 4.50 lacs (previous year Rs. 4.68 lacs).

The following disclosure in respect of CSR expenditure is as follows:

(Rs. In Lacs)

PARTICULARS	For the Year Ended March 31, 2016	For the Year Ended March 31, 2015
a) Gross amount required to be spent by the Company during the year	4.48	7.83
b) Amount spent during the year on the following : - Contribution towards education, skill development, rural sports, empowering women, construction of toilets, blood donation camp & free eye checkup	4.50	4.68


33. STATUTORY AUDITOR'S REMUNERATION

PARTICULARS	(Rs. In Lacs)	
	For the Year Ended March 31, 2016	For the Year Ended March 31, 2015
a) Audit fees	8.03	8.00
b) Tax audit fees	1.51	1.50
c) Certification charges	0.13	--
d) Out of pocket expenses	0.33	0.48
	<u>10.00</u>	<u>9.98</u>

34. DETAILS OF DUES TO MICRO SMALL & MEDIUM ENTERPRISES DEVELOPMENT (MSMED) ACT, 2006

Description	(Rs. In Lacs)	
	As At March 31, 2016	As At March 31, 2015
i) The principal amount & the interest due thereon remaining unpaid at the end of the year		
Principal Amount	62.13	31.00
Interest Due thereon	-	-
ii) Payments made to suppliers beyond the appointed day during the year		
Principal Amount	-	-
Interest Due thereon	-	-
iii) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006	-	-
iv) The amount of interest accrued and remaining unpaid at the end of the year; and	-	-
v) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro Small and Medium Enterprise Development Act, 2006.	-	-

The information has been given in respect of such vendor to the extent they could be identified as Micro and Small Enterprises as per MSMED Act, 2006 on the basis of information available with the company.

35. Segment reporting as defined in Accounting Standard 17 is not applicable as the Company is engaged in manufacture and trading of Synthetic Yarn & Textiles.

36. FORWARD EXCHANGE CONTRACTS AND UNHEDGED FOREIGN CURRENCY EXPOSURE:

i) Forward contract outstanding as at Balance Sheet date.

Particulars of Derivatives	Currency	Year Ended		Purpose
		March 31, 2016	March 31, 2015	
Purchase	USD	16,027,878	16,297,403	Repayment of FC Term Loan
Purchase	USD	9,607,694	--	Repayment of FC Loan (Working Capital)
Purchase	USD	3,349,745	12,835,657	Repayment of FCL (Buyer's Credits)
Purchase	USD	1,090,551	500,000	Payment of LC Creditors
Purchase	USD	6,887	3,049	Payment for Interest on FCL (Buyer's Credit)



ii) Particulars of Unhedged foreign Currency Exposures as at Balance Sheet date.

Particulars	Currency	Year Ended		Purpose
		March 31, 2016	March 31, 2015	
Purchase	USD	7,293,304	8,902,753	Payment of Creditors
	JPY	14,402,800	30,942,600	
Purchase	USD	248,249	---	Payment of FCL for capital goods (Buyers Credit & ECB)
	EURO	9,638,762	---	
Purchase	USD	9,475	26,570	Payment of Interest on FCL
	Euro	38,618	---	
Sale	USD	608,014	481,945	Proceeds from Debtors
	EURO	43,426	236,596	

- iii) Premium for forward contracts for unexpired period of Rs. 566.40 lacs has been carried over to next year (Previous year Rs. 364.43 lacs) and will be charged to Profit & Loss Account as and when the underlying transaction will crystallise.

37. EMPLOYEE STOCK OPTION SCHEME:

The Board of Directors of the Company had at its meeting held on February 12, 2016, approved grant of 9,50,000 stock options ("options") to the eligible Employees of the Company under the Filatex Employee Stock Option Scheme 2015 (Filatex ESOS -2015), at an exercise price of Rs. 37 per option (being the closing price at BSE on February 11, 2016 i.e. immediately preceding the grant date), each option being convertible in to one Equity Share of the company upon vesting subject to the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and the terms and conditions of the Filatex ESOS 2015.

The terms and conditions of the grant as per the Filatex Employee Stock Option Scheme, 2015 (Filatex ESOS 2015) are as under:

A) Vesting period

On completion of 3 Years from the date of grant of options for 60%

On completion of 4 Years from the date of grant of options for 20%

On completion of 5 Years from the date of grant of options for remaining 20%

B) Exercise period

The exercise period will commence from the date of vesting itself and shall be exercised in such period as may be decided and communicated by the Nomination & Remuneration Committee. The options, which have been vested and not exercised within such period, can be carried forward till the last vesting and can be exercised, either partially or wholly, within a period upto one year from last vesting or within such other period and at such time as may be decided and communicated by the Nomination and Remuneration committee, however, the options not so exercised with the period available for exercising of last vesting shall lapse and will not be available for exercise by the employee.

Based on the Guidance note on "Employee Share-Based Payments" issued by The Institute of Chartered Accountant of India, the company has adopted the intrinsic method for accounting for ESOP.

The details of options granted, lapsed and exercised in accordance with Filatex ESOS 2015 are as under:

S. No.	Particulars	Year ended 31 March, 2016
1	Exercise price	Rs. 37/- per Share
2	Grant Date for option	12 th Feb, 2016
3	Option Granted (No. of equity shares)	9,50,000
4	Option Lapsed (No. of equity shares)	N.A
5	Option exercised and shares allotted (No. of equity shares)	N.A
6	Option exercised but pending to be allotted (No. of equity shares)	N.A
7	Money realized by exercise of options (Rs)	N.A
7	Option Outstanding (No. of equity shares)	9,50,000
8	Diluted Earnings per share (EPS) pursuant to issuance of options under ESOP (refer note no. 29)	Rs. 8.08
9	Employee-wise details of options granted to:	
	i. Key Management Personnel	1,05,000 Shares
	ii. Senior executives	8,45,000 Shares

The numbers of shares granted have face value of Rs 10 each.

**38. SUBSIDIARY AND CONSOLIDATION OF FINANCIAL STATEMENT.**

The company namely "Filatex Global PTE Limited" was incorporated on 3rd Nov, 2015 as its wholly owned subsidiary company. No transaction/ business has taken place during the financial year ended 31st March, 2016 except for incorporation expenses. Therefore, the subsidiary's financial statement has not been prepared and consolidated with the annual accounts of the company.

39. RELATED PARTY DISCLOSURE:

(i) Names of related parties and nature of relationships:

a) Key managerial personnel:

- i) Shri Madhu Sudhan Bhageria
- ii) Shri Purrshottam Bhaggeria
- iii) Shri Madhav Bhageria
- iv) Shri Ashok Chauhan
- v) Shri Rajendra Prasad Gupta
- vi) Shri Raman Jha

b) Relative of key managerial personnel:

- i) Shri Ram Avtar Bhageria (Father of related parties mentioned at [a](i) to a)(iii) above].
- ii) Smt. Anu Bhageria (Wife of related party mentioned at a(i) above).
- iii) Smt. Shefali Bhageria (Wife of related party mentioned at a(ii) above).
- iv) Smt. Gunjan Bhageria (wife of related party mentioned at a(iii) above).
- v) Ms. Vrinda Bhageria (Daughter of related party mentioned at a(i) above).
- vi) Mr Yaduraj Bhageria (Son of related party mentioned at a(ii) above).
- vii) Mr. Vedansh Bhageria (Son of related party mentioned at a(iii) above).

c) Subsidiary Company:

- i) Filatex Global PTE Ltd.

d) Enterprises owned or significantly influenced by key managerial personnel:

- i) Madhu Sudhan Bhageria (HUF)
- ii) Purrshottam Bhaggeria (HUF) – dissolved with effect from 31/12/2014
- iii) Madhav Bhageria (HUF) - dissolved with effect from 19/12/2014
- iv) Purrshottam Bhaggeria Family Trust
- v) Nouvelle Securities Pvt Ltd
- vi) SMC Yarns Pvt Ltd
- vii) Vrinda Farms Pvt. Ltd.
- viii) Maan Softtech Private Limited
- ix) Azimuth Investment Private Limited
- x) Janus Infrastructure Projects Private Limited
- xi) Fargo Estates Private Limited
- xii) Dahej Energy Pvt. Ltd.
- xiii) Hill Estate Pvt. Ltd.



(ii) Transactions with related parties during the year :

(Rs. In lacs)

Nature of Transactions	Key Management Personnel	Relative of key Managerial Personnel	Subsidiary Company	Enterprises owned or significantly influenced by Key Managerial Personnel
Rent				
Purrshottam Bhaggeria	6.22 (6.07)			
Ram Avtar Bhageria		4.00 (12.00)		
Vrinda Bhageria		8.28 (7.92)		
Vedansh Bhageria		8.28 (5.00)		
Yaduraj Bhageria		8.28 (5.00)		
Madhusudan Bhageria (HUF)				4.14 (3.87)
Purrshottam Bhaggeria (HUF)				(--) (2.84)
Madhav Bhageria (HUF)				(--) (2.84)
Nouvelle Securities (P) Ltd.				9.11 (9.68)
Vrinda Farms Private Limited				14.40 (1.80)
Maan Softech Private Limited				10.87 (--)
Purrshottam Bhaggeria Family Trust				8.00 (--)
Hill Estate (P) Ltd.				10.91 (8.85)
Security Deposit				
Vrinda Farms Private Limited				(--) (3.60)
Maan Softech Private Limited				3.00 (--)
Purrshottam Bhaggeria Family Trust				3.00 (--)
Security Deposit Repaid				
Ram Avtar Bhageria		3.00 (--)		
Money received against convertible warrants				
Anu Bhageria		16.87 (--)		
Vrinda Bhageria		16.87 (--)		
Shefali Bhageria		16.87 (--)		



Nature of Transactions	Key Management Personnel	Relative of key Managerial Personnel	Subsidiary Company	Enterprises owned or significantly influenced by Key Managerial Personnel
Yaduraj Bhageria		16.87 (--)		
Gunjan Bhageria		16.87 (--)		
Vedansh Bhageria		16.87 (--)		
Janus Infrastructure Projects Private Limited				303.75 (--)
Fargo Estates Private Limited				180.00 (--)
Equity shares issued				
Madhusudan Bhageria	(--) (311.46)			
Purshottam Bhaggeria	(--) (313.32)			
Madhav Bhageria	(--) (315.22)			
Managerial Remuneration (Including Commission)				
Madhusudan Bhageria	77.00 (47.85)			
Purshottam Bhaggeria	68.84 (36.52)			
Madhav Bhageria	67.35 (30.18)			
Ashok Chauhan	27.15 (27.15)			
Rajendra Prasad Gupta	14.88 (13.94)			
Raman Jha	6.08 (5.61)			
Purchase of Vehicle				
Dahej Energy Pvt Ltd				(--) (5.75)
Advance to Subsidiary company				
Filatex Global PTE Ltd			5.26 (--)	
Balance outstanding as on 31.03.2016				
Managerial Remuneration				
Madhusudan Bhageria	28.09 (--)			
Purshottam Bhaggeria	28.09 (--)			
Madhav Bhageria	28.09 (--)			



Nature of Transactions	Key Management Personnel	Relative of key Managerial Personnel	Subsidiary Company	Enterprises owned or significantly influenced by Key Managerial Personnel
Security Deposit				
Vrinda Farms Private Limited				3.60 (3.60)
Maan Softech Private Limited				3.00 (--)
Ram Avtar Bhageria		(--) 3.00		
Purrshottam Bhaggeria Family Trust				3.00 (--)
Advance to Subsidiary company				
Filatex Global PTE Ltd			5.26 (--)	
Immovable Property mortgaged/Guarantee given against loan taken by the company				
SMC Yarns Pvt. Ltd. (Realisable value of the property as per valuation report dated 05.07.2014)				434.70 (434.70)
Azimuth Investment Pvt Ltd (Realisable value of the property as per valuation report dated 14.04.2014)				527.00 (527.00)
Satya Bhama Bhageria* Anu Bhageria Shefali Bhageria Gunjan Bhageria		866.00 (866.00)		
Madhu Sudhan Bhageria #	533.71 (514.52)			
Purrshottam Bhaggeria #	754.67 (371.71)			
Madhav Bhageria #	916.99 (748.75)			

Net worth as on 31st March, 2015 (previous year as on 31st March, 2014)

*Property jointly held by related parties and valuation of property as per valuation report dated 14th April, 2014

Grant of stock options during the year to key managerial personnel namely, (1) Mr. Ashok Chauhan - 50,000 Shares, (2) Mr. R.P Gupta - 40,000 Share and (3) Mr. Raman Jha - 15,000 Share (refer note no. 37).

No amount has been written off or provided for in respect of transactions with related parties. Figures in bracket represent previous year figures.

40. EMPLOYEE BENEFITS

a) Provident Fund

Contribution to recognized provident fund

The Company contributed Rs. 135.01 Lacs towards provident fund during the year ended March 31, 2016 (previous year Rs. 99.71 Lacs)

b) Gratuity Plan

The Company has a defined benefit gratuity plan. Gratuity is computed at 15 days salary, for every completed year of service or part thereof in excess of six months and is payable on retirement/ termination/resignation. The benefit vests on the employees after completion of five years of service. The company makes provisions of such gratuity liability in the books of account on the basis of actuarial valuation as per projected unit credit method (PUCM)



The following table summarizes the components of net benefit expenses recognized in the profit and loss account and amount recognized in the balance sheet for gratuity.

(Rs. In lacs)

PARTICULARS	Year Ended March 31, 2016	Year Ended March 31, 2015
RECONCILIATION OF OPENING AND CLOSING BALANCES OF THE PRESENT VALUE OF OBLIGATIONS		
Present value of obligation at the beginning of the year	269.59	194.83
Current Service Cost	55.96	42.91
Past Service Cost	----	---
Interest Cost	21.03	17.73
Benefits paid	(9.91)	(9.25)
Net actuarial (Gain) / Loss recognized in the year	25.78	23.38
Present value of obligation at the end of the year	362.45	269.59
RECONCILIATION OF PRESENT VALUE OF DEFINED BENEFIT OBLIGATION & FAIR VALUE OF PLAN ASSETS :		
Present value of obligation at the end of the year	362.45	269.59
Fair value of plan assets at the year end	---	---
Net Liability recognized in the Balance Sheet	362.45	269.59
COST OF THE YEAR :		
Current service cost	55.96	42.91
Past Service Cost	---	---
Interest Cost	21.03	17.73
Net actuarial (Gain) / Loss recognized in the year	25.78	23.38
Net cost recognized during the year	102.77	84.02
ASSUMPTION :		
Discount Rate	7.50%	7.80%
Rate of Increase in compensation	8.00%	8.00%

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

The amounts for the current and previous four years are as follows:

(Rs. in lacs)

DESCRIPTION	GRATUITY				
	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Defined benefit obligation	362.45	269.59	194.83	174.42	136.96
Plan Assets	---	---	---	--	--
Deficit	362.45	269.59	194.83	174.42	136.96
Experience adjustments on plan liabilities (Loss)/Gain	(19.26)	(3.84)	8.22	0.98	(6.33)
Experience adjustments on plan assets	--	--	--	--	--

41. During the financial year 2014-15, the company had proposed to put up manufacturing facility for manufacture of 100 MT/day of Polyester Fully Drawn Yarn, 30 MT/day additional spinning of polyester yarn along with 203 MT/day of Polyester Textured Yarn at its existing plant in Dahej, Gujarat.

The expenditure incurred on start-up and commissioning of the project along with certain revenue expenses attributable to assets under construction have been capitalised as an indirect element of the construction cost during the current



year. The trial run for FDY was carried out successfully during the year, and the FDY plant was commissioned and the assets are put to use. The assets for D-Text machine and building are under construction and the expenses related to them have been carried forward for next year.

The Company has incurred certain revenue expenses attributable to assets under construction, which are capitalised along with the cost of fixed assets. Consequently, expenses disclosed under the respective notes are net of amounts capitalised by the company. The details of such expenditure incurred along with the expenditure attributable to assets pending capitalisation are given below:

(Rs. In lacs)

Description	Upto 31.03.2015	Incurred during the 2015-16	Capitalised during 2015-16	Balance as on 31.03.2016
Finance Charges				
Interest	-	272.81	236.15	36.66
Credit Guarantee Insurance (Hermes)	-	481.00	481.00	-
Bank Charges	-	240.11	240.11	-
Administrative Expenses				
General Expenses	0.33	0.92	1.25	-
Payments and Benefits to Employee	19.86	70.72	90.58	-
Legal & Professional Expense	14.04	18.65	32.69	-
Travelling /Foreign & Conveyance Expense	32.14	0.98	33.12	-
Manufacturing Expenses				
Consumption (net of waste realisation of Rs. 34.89 lacs)	-	83.19	83.19	-
Wages	-	7.84	7.84	-
Electricity & Water Expense	-	22.31	22.31	-
Total	66.37	1,198.53	1,228.24	36.66

42. The company has taken various residential, office and warehouse premises under operating lease agreements. These are generally cancelable and are renewable by mutual agreed terms. There are no restrictions imposed under the lease agreement and there are no subleases. The company has paid Rs. 120.55 lacs (previous year Rs. 119.01 lacs) towards operating lease rentals.

43. Particulars in respect of goods dealt with by the Company:

a) Value of imported and indigenous raw materials consumed

(Rs. In lacs)

DESCRIPTION		Year Ended March 31, 2016	Percentage (%)	Year Ended March 31, 2015	Percentage (%)
i)	Raw Materials				
	- Imported	27,142.03	29.09	32,290.95	30.39
	- Indigenous	66,157.53	70.91	73,956.74	69.61
		93,299.56	100.00	106,247.69	100.00
ii)	Consumable/ Spares				
	- Imported	148.97	13.11	95.95	8.80
	- Indigenous	987.10	86.89	993.98	91.20
		1,136.07	100.00	1,089.93	100.00


b) Value of Imports on CIF Basis
(Rs. in lacs)

PARTICULARS		Year Ended March 31, 2016	Year Ended March 31, 2015
i)	Raw Materials (Including Goods in Transit)	25,483.01	57,046.03
ii)	Capital Goods	7,879.63	---
iii)	Consumable/Spares	280.94	193.82

c) Expenditure in Foreign Currency
(Rs. in Lacs)

PARTICULARS		Year Ended March 31, 2016	Year Ended March 31, 2015
i)	Foreign Travel	22.83	53.02
ii)	Commission on exports	60.44	62.08
iii)	Legal & Professional	0.50	---
iv)	Foreign Bank Charges	113.01	8.76
v)	Credit Guarantee Insurance	481.00	---
vi)	Interest on Buyer's Credit/ FCTL	1,058.26	193.68

d) Earnings in Foreign Exchange
(Rs. in Lacs)

PARTICULARS		Year Ended March 31, 2016	Year Ended March 31, 2015
FOB Value of Export of Goods (excluding deemed exports)		6,501.62	5,884.15

44. Figures have been rounded off to rupees in lacs and previous year figures have been regrouped / rearranged to the extent necessary to correspond with the figures for the current year.

As per our report of even date
for AMOD AGRAWAL & ASSOCIATES
 Firm Registration No. 005780N
 Chartered Accountants

For and on behalf of the Board of Directors of
FILATEX INDIA LIMITED

VIRENDRA KUMAR
Partner
 Membership No. 85380

MADHU SUDHAN BHAGERIA
 Vice Chairman & Managing Director
 DIN:00021934

S.C. PARIJA
 Independent director
 DIN: 0363608

Place : New Delhi
 Date : April 22, 2016

R.P. GUPTA
 Chief Financial Officer

RAMAN KUMAR JHA
 Company Secretary



INDEPENDENT AUDITOR'S REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

**TO THE MEMBERS OF
FILATEX INDIA LIMITED**

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of FILATEX INDIA LIMITED ("the Holding Company") and its subsidiary (collectively referred to as "the Group"), which comprise the consolidated Balance Sheet as at March 31, 2016, the consolidated Statement of Profit and Loss and the consolidated Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information (hereinafter referred to as 'the consolidated financial statements').

Management's Responsibility for the consolidated financial statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms with the requirement of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group 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. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of the appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as 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 consolidated financial statements are free from material misstatements.

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated 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 consolidated state of affairs of the Group as at March 31, 2016 and their consolidated profit and their consolidated cash flow for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report, to the extent applicable, 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 of the aforesaid consolidated financial statements;
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books;
- (c) The consolidated Balance Sheet, the consolidated Statement of Profit and Loss, and the consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
- (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- (e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2016 taken on record by the Board of Directors of the Holding Company, none of the directors of the Group's Companies is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting of the Company and its subsidiary company incorporated in India, since the subsidiary company is not incorporated in India, no separate report on internal financial controls over financial reporting of the group is being issued;
- (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 consolidated financial statements disclose the impact, if any, of pending litigations as at March 31, 2016, on the consolidated financial position of the Group— Refer Note 30 to the consolidated financial statements.
 - ii. The group had made provision as at March 31, 2016, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the subsidiary Company.

Other Matters

We did not audit the financial statements of subsidiary namely Filatex Global PTE Limited whose financial statements reflects total assets of Rs. 1.25 Lacs as at March 31, 2016 and total revenues and net cash outflows of Rs. Nil and Rs. 0.07 Lacs respectively for the year ended on that date. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiaries, is based solely on the report of the other auditors.

Our opinion on the consolidated financial statements, and our report on other Legal and Regulatory Requirements above, is not modified in respect of the above matters and the financial statements and other financial information certified by the Management.

For **AMOD AGRAWAL & ASSOCIATES**

Firm Registration No. 005780N

Chartered Accountants

(VIRENDR KUMAR)

Partner

M.No. 085380

Place : New Delhi
Dated : 30.07.2016


CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2016

(Rs. in Lacs)			
Particulars	Notes	As at March 31, 2016	As at March 31, 2015
Equity & Liabilities			
Shareholders' Fund			
Share Capital	3	3,200.00	3,200.00
Reserves & Surplus	4	16,454.55	13,832.91
Money received against share warrants		1,293.75	-
Total Shareholders Fund		20,948.30	17,032.91
Non - Current Liabilities			
Long term borrowings	5	30,757.00	21,912.67
Deferred tax liability (Net)	6	2,306.84	1,668.88
Other Long term liabilities	7	530.88	534.23
Long term provisions	8	468.25	369.40
Total Non Current Liabilities		34,062.97	24,485.18
Current Liabilities			
Short term borrowings	9	13,780.51	15,763.13
Trade Payables	10	12,038.56	8,365.56
Other current liabilities	11	7,151.21	5,924.23
Short term provisions	12	97.43	76.62
Total Current Liabilities		33,067.71	30,129.54
Total		88,078.98	71,647.63
Assets			
Non - Current Assets			
Fixed Assets			
Tangible assets	13	49,231.42	38,820.69
Intangible assets	13	4.53	7.85
Capital work in progress	13	1,801.64	235.58
Non-current Investments	14	1.42	0.03
Long term loans and advances	15	1,402.12	1,792.52
Other non-current assets	16	102.44	83.62
Total Non Current Assets		52,543.57	40,940.29
Current Assets			
Inventories	17	9,857.03	11,851.74
Trade receivables	18	21,635.71	14,909.66
Cash & bank balances	19	1,253.84	1,543.66
Short term loans & advances	20	2,111.71	1,161.13
Other current assets	21	677.12	1,241.15
Total Current Assets		35,535.41	30,707.34
Total		88,078.98	71,647.63
Summary of significant accounting policies	2		

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

As per our report of even date
for AMOD AGRAWAL & ASSOCIATES
 Firm Registration No. 005780N
 Chartered Accountants

For and on behalf of the Board of Directors of
FILATEX INDIA LIMITED

VIRENDRA KUMAR
 Partner
 Membership No. 85380

MADHU SUDHAN BHAGERIA
 Vice Chairman & Managing Director
 DIN:00021934

S.C. PARIJA
 Independent Director
 DIN: 0363608

Place : New Delhi
 Date : July 30, 2016

R.P. GUPTA
 Chief Financial Officer

RAMAN KUMAR JHA
 Company Secretary


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

(Rs. in Lacs)			
Particulars	Notes	For the Year ended March 31, 2016	For the Year Ended March 31, 2015
Revenue from operations (gross)	22	1,41,879.72	1,73,059.38
Less : Excise duty		14,057.09	15,783.15
Revenue from operations (net)		1,27,822.63	1,57,276.23
Other Income	23	1,019.38	969.70
Total Revenue (I)		1,28,842.01	1,58,245.93
Expenses			
Cost of material consumed	24	96,670.57	1,09,355.67
Purchases of traded goods	24	8,382.28	26,387.34
(Increase)/decrease in Inventories of finished goods, work in progress & stock in trade	25	122.31	(742.72)
Employee benefits expense	26	4,000.70	3,539.16
Finance cost	27	5,118.60	5,359.64
Depreciation & amortization expense	13	2,126.92	2,057.48
Other Expenses	28	9,857.75	10,849.89
Total Expenses (II)		1,26,279.13	1,56,806.46
Profit/(loss) before exceptional items & tax		2,562.88	1,439.47
Exceptional Items (Profit on sale of Land and building)		696.72	-
Profit/(loss) before tax		3,259.60	1,439.47
Tax Expense:			
Current tax (MAT)		695.83	301.41
MAT credit entitlement		(695.83)	(301.41)
Taxation for earlier years		-	2.12
Deferred tax		637.96	477.63
Total tax expense		637.96	479.75
Net profit/(loss) after tax		2,621.64	959.72
Earnings Per Share (EPS) in Rupees			
- Basic	29	8.19	3.12
- Diluted	29	8.06	3.12

Summary of significant accounting policies

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

As per our report of even date
for AMOD AGRAWAL & ASSOCIATES
 Firm Registration No. 005780N
 Chartered Accountants

For and on behalf of the Board of Directors of
FILATEX INDIA LIMITED

VIRENDRA KUMAR
 Partner
 Membership No. 85380

MADHU SUDHAN BHAGERIA
 Vice Chairman & Managing Director
 DIN:00021934

S.C. PARIJA
 Independent Director
 DIN: 0363608

Place : New Delhi
 Date : July 30, 2016

R.P. GUPTA
 Chief Financial Officer

RAMAN KUMAR JHA
 Company Secretary


CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2016
(Rs. In Lacs)

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
Cash flow from operating activities		
Net profit / (loss) before tax	3,259.60	1,439.47
Adjustments for:		
Depreciation/amortization	2,126.92	2,057.48
Loss/(profit) on fixed assets sold/discarded (net)	6.97	11.49
Unrealised foreign exchange Loss/ (profit) (net)	(105.13)	51.50
Interest expense	3,387.85	3,575.75
Forward contract Premium Amortised	566.40	364.43
Exceptional Items (Profit on sale of land and building)	(696.72)	-
Bad Debts Written off	637.75	619.84
Sundry Balances Written Back	(47.96)	(23.57)
Interest income	(904.34)	(968.24)
Dividend income	(4.53)	(1.46)
Operating profit before working capital changes	8,226.81	7,126.69
Movements in working capital :		
Decrease/ (increase) in trade receivables	(7,365.91)	5,900.48
Decrease/ (increase) loans and advances/other current assets	(236.47)	3,521.09
Decrease/ (increase) in inventories	1,994.71	(5,175.75)
Increase / (decrease) in trade & other payable / provisions	4,318.40	(8,241.24)
Cash generated from operations	6,937.54	3,131.27
Direct taxes paid	(623.44)	(359.70)
Net cash flow from operating activities (a)	6,314.10	2,771.57
Cash flow from investing activities		
Purchase of fixed assets	(14,235.96)	(1,321.26)
Sale of fixed assets	749.30	18.40
Long Term Loans & Advances	919.36	(1,027.54)
Advance received against sale of assets	51.00	-
Investment in non-current investments	(1.39)	-
(Increase)/Decrease in deposits	390.26	1,485.88
Interest received	904.34	968.24
Dividend received	4.53	1.46
Net cash flow from/(used in) investing activities (b)	(11,218.56)	125.18


CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2016
(Rs. In Lacs)

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
Cash flow from financing activities		
Proceeds from issuance of share capital and convertible warrants	1,293.75	705.00
Proceeds from long-term borrowings from banks	10,618.64	6,389.14
Proceeds from long-term borrowings from others	3,485.45	1,350.00
Repayment of long term borrowings	(5,022.47)	(4,342.07)
Repayment of long term borrowings (Buyers Credit)	-	(6,300.58)
Net Proceeds from short-term borrowings	(1,982.62)	2,690.51
Interest paid	(3,387.85)	(3,575.75)
Net cash flow from/(used in) in financing activities (c)	5,004.90	(3,083.75)
Net increase/(decrease) in cash and cash equivalents (a + b + c)	100.44	(187.00)
Cash and cash equivalents at the beginning of the year	64.81	251.81
Cash and cash equivalents at the end of the year	165.25	64.81
Components of cash and cash equivalents		
Cash on hand	19.36	23.70
Balance with scheduled Banks :	140.68	35.90
- on deposit account	1,088.59	1,478.85
- unpaid dividend accounts*	5.21	5.21
- Cheques, draft on hand	-	-
Cash and Bank Balances	1,253.84	1,543.66
Less : Fixed deposits not considered as cash and cash equivalents		
- Deposits pledge with banks	1,088.59	1,478.85
	165.25	64.81

* These balances are not available for use by the Company as they represent corresponding unpaid dividend liability.

As per our report of even date
for **AMOD AGRAWAL & ASSOCIATES**
Firm Registration No. 005780N
Chartered Accountants

For and on behalf of the Board of Directors of
FILATEX INDIA LIMITED

VIRENDRA KUMAR
Partner
Membership No. 85380

MADHU SUDHAN BHAGERIA
Vice Chairman & Managing Director
DIN:00021934

S.C. PARIJA
Independent Director
DIN: 0363608

Place : New Delhi
Date : July 30, 2016

R.P. GUPTA
Chief Financial Officer

RAMAN KUMAR JHA
Company Secretary


CONSOLIDATED NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2016
1. Principles of Consolidation

- a) The consolidated financial statement relates to Filatex India Limited and its Wholly owned Subsidiary companies. The consolidated financial statements have been prepared on the following basis:

The financial statement of the parent company and its subsidiaries have been combined on a line by line basis by adding together the book value of like items of assets, liabilities, Income and Expenses. Intragroup Balances and Intra Group Transactions and resulting unrealised profits are eliminated in full as per Accounting Standard 21, Consolidated Financial Statement notified under companies accounting standard rules, 2006 (as amended). Unrealised Losses resulting from Intra Group transactions are also eliminated unless cost cannot be recovered.

- b) Details of Subsidiary company which is considered in the consolidation and the parent company's holding therein are as under:

S.No	Name of the Subsidiary Company	Country of Incorporation	Extent of Holding %	Extent of Holding %
			As on March 31, 2016	As on March 31, 2015
1	Filatex Global PTE Ltd	Singapore	100%	-

- c) The parent company follows the financial year ending March 31, 2016. The subsidiary company namely Filatex Global PTE Ltd follows the same financial year. The parent company has acquired stake in Filatex Global PTE Ltd on 3rd Nov, 2015. The Consolidated Financial statement have been prepared using uniform accounting policies for line transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the holding company's separate financial statements.

2. Statement of Significant Accounting Policies
a) Basis of preparation

The financial statements of the company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The company has prepared these financial statements to comply in all material respects with the accounting standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended), and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared under the historical cost convention on an accrual basis, except where stated otherwise. The accounting policies adopted in preparation of financial statements are consistent with those of previous year.

b) Use of estimates.

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although, these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

c) Fixed Assets & Depreciation:

- i) Fixed Assets are stated at cost less accumulated depreciation and impairment loss, if any. Cost comprises the purchase price and any directly attributable cost of bringing the assets to its working condition for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Borrowing costs relating to acquisition of fixed assets which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

Subsequent expenditure relating to an item of fixed asset is added back for its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts are charged to the statement of profit and loss account for the period during which such expenses are incurred.

- ii) Depreciation has been provided on straight-line method on pro-rata basis at the rates & manner prescribed in Schedule II of the Companies Act, 2013.
- iii) Depreciation on the amount of additions made to fixed assets due to upgradation / improvements is provided over the remaining useful life of the asset to which it relates.
- iv) Depreciation on fixed assets added / disposed off during the year is provided on pro-rata basis.
- v) Lease hold improvements are amortized over the primary period of lease or useful life, whichever is lower.
- vi) Lease hold Land is amortized on straight line basis over the period of lease.



d) Expenditure incurred during the construction period.

- i) Expenditure directly relating to construction activity is capitalized (net of income, if any), Indirect expenditure incurred during construction period is capitalized as part of the indirect construction cost to the extent, to which the expenditure is indirectly related to construction or is incidental thereto. Other indirect expenditure incurred during the construction period which is not related to construction activity nor is incidental thereto is charged to Profit & Loss Account.
- ii) Capital Work in Progress is stated at cost (including borrowing cost, where applicable) incurred during construction, installation/ pre-operative period relating to items or projects in progress.

e) Intangibles

Intangible assets, software's etc. are accounted at their cost of acquisition and amortized over their estimated economic life not exceeding 5 years. Leasehold improvements are charged to the Profit & Loss Account over the primary period of lease.

f) Impairment of Assets

Consideration is given at each balance sheet date to determine whether there is any indication of impairment of the carrying amount of the Company's fixed assets. If any indication exists, an asset's recoverable amount is estimated. An impairment loss is recognized whenever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is defined as value in use. In assessing value in use, the estimated future cash flows are discounted to their present value based on an appropriate discounting factor.

g) Investments

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

h) Leases

Finance leases, which effectively transfer to the Company substantially all the risks and benefits incidental to ownership of the leased item, are capitalized at the lower of the fair value and present value of the minimum lease payments at the inception of the lease term and disclosed as leased assets. Lease payments are apportioned between the finance charges and reduction of the lease liability based on the implicit rate of return. Finance charges are charged directly against income. Lease management fees, legal charges and other initial direct costs are capitalized.

If there is no reasonable certainty that the company will obtain the ownership by the end of the lease term, capitalized leased assets are depreciated over the shorter of the estimated useful life of the asset or the lease term.

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item are classified as operating leases. Operating lease payments are recognized as expenses in the statement of Profit & Loss Account on a straight-line basis over the lease term.

i) Foreign Currency Transactions

i) Initial Recognition:

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of transaction.

ii) Conversion

Foreign currency monetary items are reported using the closing rate. Non monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

iii) Exchange Differences:

Exchange differences arising on the settlement of monetary items or on reporting company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise.

In terms of the Notification No. G.S.R. 225(E) dated 31.03.2009 as amended till date issued by the Ministry of Corporate Affairs on Accounting Standard (AS-11) read with Clause 4(e) of AS-16 and Para 46A read with clarification issued by the Ministry of Corporate Affairs vide Circular No.25/2012 dated



August 09, 2012 on AS-11 relating to “the effects of changes in Foreign Exchange Rates”, the Company has exercised option to adjust the foreign exchange difference on long term foreign currency loans to the cost of qualifying capital assets.

iv) Forward exchange contracts not intended for trading or speculation purposes

The Company obtains forward exchange contracts to hedge its risk associated with foreign currency fluctuations. The premium or discount arising at the inception of forward exchange contract is amortized as expense or income over the life of the contract. Exchange differences on such contracts are recognized in the statement of profit and loss in the year in which the exchange rates change. Any profit or loss arising on cancellation or renewal of forward exchange contract is recognized as an income or as an expense for the year.

j) Inventories

Inventories are valued as follows:

Raw material, consumables and stores & spares:

Lower of cost or net realisable value. However, materials and other items held for use in the production of inventories are not written down below cost if finished products, in which they will be incorporated, are expected to be sold at or above cost. Cost is determined on Moving Weighted Average Method.

Work in Progress and Finished Goods:

Lower of cost or net realisable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost of finished goods includes excise duty.

Waste

At net realizable value which is the estimated selling price in the ordinary course of business, less selling expenses.

k) Employees Benefits

The employees' gratuity fund and leave encashment schemes are the company's defined benefit plan. The present value of the obligation under such defined benefit plan is determined based on the actuarial valuation using the Projected Unit credit Method.

l) Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be measured.

Sale of Goods

Revenue is recognized when the significant risks and rewards of ownership of the goods have been passed to the buyers. Sales are net of return, volume discount, trade discounts & sales tax /VAT including excise duty.

Export Benefits

Export benefits constituting duty drawback, incentives under FPS/FMS and Duty Free Advance License are accounted for on accrual basis.

Interest Income

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

Dividend Income

Dividend income is recognized when the company's right to receive dividend is established by the reporting date.

Insurance claims

Insurance claims are recognized to the extent the company is reasonably certain of their ultimate receipt.

m) Borrowing cost

Borrowing cost attributable to acquisitions and construction of assets are capitalized as a part of cost of such assets upto the date when such assets are ready for its intended use and other borrowing cost are charged to Profit & Loss Account.

n) Accounting for Taxes on Income

Provision for tax on income is made after taking into consideration benefits admissible under the provisions of the Income-tax Act, 1961.

Deferred tax resulting from “timing difference” between book and taxable profit is accounted for using the tax rates and laws that have been enacted as on the balance sheet date. The deferred tax asset is recognized and carried forward only to the extent that there is a reasonable certainty that the assets will be realized in future.



Minimum Alternate Tax (MAT) credit is recognized as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in guidance note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the statement of profit and loss account and shown as MAT Credit Entitlement. The company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal Income Tax during the specified period.

o) Provisions

A provision is recognized when an enterprise has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best management estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current management estimates.

p) Cash and Cash Equivalents

Cash and cash equivalents in the balance sheet comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

q) Contingent Liabilities.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The company does not recognize a contingent liability but discloses its existence in the financial statements.

r) Earnings Per Share (EPS)

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the year. For the purpose of calculating Diluted Earnings per Share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year and adjusted for the effects of all dilutive potential Equity Shares.

3. SHARE CAPITAL

Particulars	(Rs. in Lacs)	
	As at March 31, 2016	As at March 31, 2015
Authorised		
4,50,00,000 (Previous year 4,00,00,000) Equity Shares of Rs 10/- each	4,500.00	4,000.00
Total	4,500.00	4,000.00
Issued, subscribed and fully paid-up shares		
3,20,00,000 (previous year 3,20,00,000) Equity Shares of Rs.10/-each fully paid	3,200.00	3,200.00
Total	3,200.00	3,200.00

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Equity shares

Particulars	As at March 31, 2016		As at March 31, 2015	
	No of Shares	Rs. In Lacs	No of Shares	Rs. In Lacs
At the beginning of the Period	3,20,00,000	3,200.00	2,82,40,000	2,824.00
Add : Shares issued during the Period	-	-	37,60,000	376.00
Outstanding at the end of the year	3,20,00,000	3,200.00	3,20,00,000	3,200.00

b. Terms / rights attached to equity shares

1. The company has only one class of equity shares having a par value of Rs.10/- per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividend in Indian rupees.
2. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.


c. Issue of convertible warrants and conversion into equity shares

- During the year the company has allotted 11,500,000 Convertible Warrants on preferential basis to the promoters/others to be converted at the option of warrant holders in one or more tranches, within 18 months from the date of allotment (i.e. March 16, 2016) of warrants into equivalent number of fully paid equity shares of the company of the face value of Rs. 10/- per share at an exercise price of Rs. 45/- per share (including premium of Rs. 35/- per share).
 - The company received Rs. 1,293.75 lacs as application money being 25% of the issue price against 11,500,000 convertible warrants.
 - If the warrant holders fails to exercise the option as mentioned in (1) above, the right attached to the warrants shall expire and any amount paid on such warrants shall stand forfeited in accordance with chapter VII of SEBI (issue of Capital and Disclosure Requirements, 2009)
- The proceeds of the same have been utilised for the intended purpose of promoters contribution in the company's expansion project.

d. Details of shareholders holding more than 5% shares in the company

Particulars	As at March 31, 2016	As at March 31, 2015
Madhu Sudhan Bhageria 3,708,360 (previous year 3,708,360) equity shares of Rs.10/- each fully paid	11.59%	11.59%
Azimuth Investments Ltd. 3,125,000 (previous year 3,125,000) equity shares of Rs.10/- each fully paid	9.77%	9.77%
Nouvelle Securities (P) Ltd. 1,989,016 (previous year 1,989,016) equity shares of Rs.10/- each fully paid	6.22%	6.22%
Purrshottam Bhaggeria 4,193,359 (Previous Year 4,193,359) equity shares of Rs. 10/- each fully paid	13.10%	13.10%
Madhav Bhageria 4,230,960 (Previous Year 4,230,960) equity shares of Rs. 10/- each fully paid	13.22%	13.22%

4. RESERVES & SURPLUS

Particulars	(Rs. in Lacs)	
	As at March 31, 2016	As at March 31, 2015
Capital Reserve	1,253.11	1,253.11
Capital Redemption Reserve	1,250.00	1,250.00
Securities Premium Reserve		
Balance as per the last financial statement	5,709.30	5,145.30
Add: Premium on securities issued during the year	-	564.00
Closing Balance	5,709.30	5,709.30
General Reserve		
Balance as per the last financial statement	350.43	424.26
Less: Adjustment during Transition Period on account of change in Depreciation method	-	73.83
Closing Balance	350.43	350.43
Foreign Exchange Translation Reserve		
Balance as per last Financial Statements	-	-
Add: Addition during the Year	-	-
Net surplus in the statement of profit and loss	-	-
Surplus/(deficit) in the statement of profit & loss		
Balance as per last financial statement	5,270.07	4,310.35
Profit/ (Loss) for the year	2,621.64	959.72
Net surplus in the statement of profit and loss	7,891.71	5,270.07
Total Reserves and Surplus	16,454.55	13,832.91


5. LONG TERM BORROWINGS

Particulars	(Rs. in Lacs)	
	As at March 31, 2016	As at March 31, 2015
From Banks (secured)		
(i) Term Loans		
- Rupee loans	6,251.77	11,483.83
- Foreign currency loans	10,631.76	7,182.31
- External Commercial Borrowing (ECB)	7,238.28	
(ii) Vehicle Loans	53.22	77.42
Total	24,175.03	18,743.56
Less : Current maturity (refer note no. 11)	4,457.41	4,200.89
Net Long Term Borrowings (Banks)	19,717.62	14,542.67
(iii) Buyers credit for capital goods	164.70	-
(iv) From a non banking financial institution (secured)		
- Term Loan	1,004.00	67.55
Less : Current maturity (refer note no. 11)	48.32	67.55
Net Long Term Borrowings (Secured)	955.68	-
(v) From body corporate (unsecured)	9,919.00	7,370.00
Net Long Term Borrowings	30,757.00	21,912.67

I. Term loans

- a) From banks under consortium arrangement Rs. 16,883.53 lacs (previous Year Rs. 17,228.43 lacs), are secured by first equitable mortgage created by way of deposit of title deeds on pari passu basis in respect of immovable properties, both present and future, and first charge by way of hypothecation of company's all movable assets (save & except inventories, book debts, vehicles, plant & machinery acquired through specific loans). These loans are further secured by second charge by way of hypothecation of inventory of raw material, finished goods, semi-finished goods, stores & spares, book debts and other receivables (both present and future), pledge of 5,472,679 equity shares of the face value of Rs.10/- each of the company held by the promoter group and mortgage of an immovable property owned by SMC Yarns Pvt Ltd (related party), personal guarantees of the promoter directors alongwith corporate guarantee of SMC Yarns Pvt Ltd (related party) upto value of the mortgage property. Rupee loan bear floating interest rate ranging from Base Rate plus 3.25% - 4.25% p.a. while Foreign Currency Term Loan (FCTL) bear interest rate of 6 /12 Months Libor + 4.00% to 5.50% P.A. The loans are repayable in quarterly installments.

- b) **External Commercial Borrowings (ECB) From Foreign Consortium Banks** Rs. 7,238.28 lacs (previous Year Rs. NIL lacs), are secured by first priority charge over Fully Drawn Yarn spinning machinery. The loan is repayable in 16 half yearly installments commencing from December 2016 and bear Interest at 6M Euribor + 1.55% P.A.

- II. Vehicle loans** are secured by hypothecation of specific vehicles acquired out of proceeds of the Loans. The said loans carry interest rate which varies 9.20% to 13.00% and repayable in 36 - 60 Equated Monthly installments.

- III. Buyers' Credit for capital goods** amounting to Rs. 164.70 (Previous Year Rs. NIL lacs) secured by Letters of Undertaking (LOUs) / Letter of Comfort (LOCs) issued by consortium of banks. LOUs / LOCs facility is secured by first mortgage created by way of deposit of title deeds on pari passu basis in respect of immovable properties, both present and future, and first charge by way of hypothecation of company's all movable assets (save & except inventories, book debts, vehicles, plant & machinery acquired through specific loans). These loans are further secured by second charge by way of hypothecation of inventory of raw material, finished goods, semi-finished goods, stores & spares, book debts and other receivables (both present and future), pledge of 5,472,679 equity shares of the face value of Rs.10/- each of the company held by the promoter directors, mortgage of an immovable property owned by SMC Yarns Pvt Ltd (related party) and personal guarantees of the promoter directors alongwith corporate guarantee of SMC Yarns Pvt Ltd (related party) on pari-passu basis. The loan bears floating interest 6/12 Months Libor plus 1.25% - 1.75% p.a.

- IV. From a non banking financial institution** of Rs. 1,004.00 lacs is collaterally secured by mortgage created by way of deposit of title deeds in respect of the immovable property situated at (i) Ground floor and Third floor of plot no. 43, New Friends Colony, New Delhi 110025, belonging to promoters group, and are further secured by corporate guarantee of Azimuth Investment Limited, Promoter's group company restricted upto the value of property. The loan carries interest rate of 12.80% p.a. and repayable in 120 equated monthly installments starting from May, 2016.

- V. Unsecured Loans** - From body corporate carry interest @ 9% - 11% p.a. and are payable after 15 months to three years from the date of receipt.


6. DEFERRED TAX LIABILITY (NET)

Particulars	(Rs. in Lacs)	
	As at March 31, 2016	As at March 31, 2015
Deferred tax liabilities		
Fixed assets: Impact of difference between tax depreciation and depreciation/ amortization charged for the financial reporting	5,771.44	4,402.72
Gross deferred tax liability	5,771.44	4,402.72
Deferred tax assets		
Effect of expenditure debited to profit & loss statement but allowable in subsequent period for tax purposes in the following years	241.27	182.56
Effect of carried forward losses	3,223.33	2,515.82
Gross deferred tax asset	3,464.60	2,698.38
Net deferred tax liability / (assets)	2,306.84	1,704.34
Deferred Tax Adjustment during Transition Period on Depreciation as per revised schedule II	-	35.46
Net deferred tax liability / (assets) as on date	2,306.84	1,668.88
Net deferred tax Expense / (Income) for the year	637.96	477.63

7. OTHER LONG TERM LIABILITIES

Particulars	(Rs. in Lacs)	
	As at March 31, 2016	As at March 31, 2015
Dealer's Deposits Held	433.98	410.38
Deferred Payments	76.37	102.76
Deposits against vehicle	20.53	21.09
Total other long term liability	530.88	534.23

8. LONG TERM PROVISIONS

Particulars	(Rs. in Lacs)	
	As at March 31, 2016	As at March 31, 2015
Provision for Gratuity	306.86	228.51
Provision for Leave Encashment	161.39	140.89
Total long term provision	468.25	369.40

9. SHORT TERM BORROWINGS

Particulars	(Rs. in Lacs)	
	As at March 31, 2016	As at March 31, 2015
From Banks (Secured)		
(i) Working Capital :		
- Rupee loans	5,185.47	4,500.80
- Foreign currency loans	6,373.06	3,018.36
(ii) Buyer's credit for raw material	2,221.98	8,033.94
(iii) Bills discounting	-	210.03
Total short term borrowings	13,780.51	15,763.13

- I. **Working capital** loans from consortium member banks are secured by first charge by way of hypothecation of inventory of raw materials, finished goods, semi finished goods, stores and spares, book debts and other receivables (both present and future) and are further secured by way of second charge on block of fixed assets of the company save & except vehicles and plant & machinery acquired out of specific loan(s). These are further secured by pledge of 5,472,679 equity shares of the face value of Rs.10/- each of the company held by promoter group, mortgage of an immovable property owned by SMC Yarns Pvt Ltd (related party) and personal guarantees of promoter directors alongwith corporate guarantee of SMC Yarns Pvt Ltd (related party) on pari passu basis. These loans are repayable on demand. Rupee working capital loan carry an interest at Base rate plus 2.75% to 3.75% P.A and Foreign currency working capital loan carry an interest at 6/12 Months libor + 4.00% to 4.50% P.A.



- II. **Buyers' Credit for raw material** are secured by LOUs / LOCs issued by consortium of banks. The LOUs / LOCs facility is sanctioned to the Company as a sub limit of Non Fund (LCs) based facility. The facility is secured by first charge by way of hypothecation of inventory of raw materials, finished goods, semi finished goods, stores and spares, book debts and other receivables (both present and future) and are further secured by way of second charge in respect of entire block of fixed assets of the company save and except vehicles and specific plant & machinery acquired out of specific loan(s). These are further secured by pledge of 5,472,679 equity shares of the face value of Rs.10/- each of the company held by promoter group, mortgage of an immovable property owned by SMC Yarns Pvt Ltd (related party) and personal guarantees of promoter directors alongwith corporate guarantee of SMC Yarns Pvt Ltd (related party) on pari passu basis. The loans bear interest @ 3/6 Months Libor plus 0.44% - 0.94% p.a and are repayable on respective due dates following between 8th Apr, 2016 to 24th July, 2016.

10. TRADE PAYABLE

Particulars	(Rs. in Lacs)	
	As at March 31, 2016	As at March 31, 2015
Trade payable		
Dues of other than micro, small & medium enterprises		
- Acceptances - Foreign	4,349.36	6,045.84
- Acceptances - Domestic	7,485.33	1,449.44
- Others	141.74	839.28
Dues of micro, small & medium enterprises (refer note no. 34)	62.13	31.00
Total trade payable	12,038.56	8,365.56

11. OTHER CURRENT LIABILITIES

Particulars	(Rs. in Lacs)	
	As at March 31, 2016	As at March 31, 2015
Current maturity of long term borrowings		
From Banks (secured)		
(i) Term Loans		
- Rupee loans	3,478.57	3,081.39
- Foreign currency loans	945.89	1,087.62
(ii) Vehicle Loans	32.95	31.88
From a Non Banking Financial Institution (secured)		
- Rupee loans	48.32	67.55
Interest accrued but not due on borrowings	50.57	79.58
Dealer's Deposit	81.57	38.13
Advance received from customers	124.98	54.43
Advance received against sale of asset	51.00	-
Unpaid dividend (To be transferred to Investor Education & Protection Fund as and when due)	5.21	5.21
Dues to statutory authorities	321.17	238.05
Expense payable	440.65	552.08
Project Creditors for Capital Goods	578.56	-
Payable other than trade	991.77	688.31
Total other current liability	7,151.21	5,924.23

12. SHORT TERM PROVISIONS

Particulars	(Rs. in Lacs)	
	As at March 31, 2016	As at March 31, 2015
Provision for Gratuity	55.59	41.08
Provision for Leave Encashment	41.84	33.95
Provision for wealth tax	-	1.59
Total short term provision	97.43	76.62


13. FIXED ASSETS

(Rs. in lacs)

Description	Gross block				Accumulated Depreciation / Amortisation				Net Block	
	April 1, 2015	Additions	Deduction / Adjustments	March 31, 2016	April 1, 2015	Current year	Deduction / Adjustments	March 31, 2016	March 31, 2016	March 31, 2015
TANGIBLE ASSETS :										
Land (Free Hold)	731.52	-	76.01	655.51	-	-	-	-	655.51	731.52
Land (Lease Hold)	1,779.63	-	21.76	1,757.87	71.77	17.14	3.30	85.61	1,672.26	1,707.86
Building \$	8,973.72	691.27	40.95	9,624.04	1,338.13	316.63	20.04	1,634.72	7,989.32	7,635.59
Plant & Machinery * # \$	42,286.79	11,835.62	51.36	54,071.05	14,039.45	1,668.12	43.42	15,664.15	38,406.90	28,247.34
Furniture & Fittings	221.46	83.78	-	305.24	134.65	19.69	-	154.34	150.90	86.81
Vehicles #	489.60	23.55	65.74	447.41	196.97	52.33	55.10	194.20	253.21	292.63
Office Equipments	219.14	20.31	38.67	200.78	128.02	34.54	37.13	125.43	75.35	91.12
Computer	134.64	14.79	22.25	127.18	106.82	14.58	22.19	99.21	27.97	27.82
Total	54,836.50	12,669.32	316.74	67,189.08	16,015.81	2,123.03	181.18	17,957.66	49,231.42	38,820.69
INTANGIBLE ASSETS :										
Softwares	56.72	0.57	-	57.29	48.87	3.89	-	52.76	4.53	7.85
TOTAL	54,893.22	12,669.89	316.74	67,246.37	16,064.68	2,126.92	181.18	18,010.42	49,235.95	38,828.54
Capital Work in Progress @ (Building and Plant & Machinery)	235.58	1,801.64	235.58	1,801.64	-	-	-	-	1,801.64	235.58
Grand Total	55,128.80	14,471.53	552.32	69,048.01	16,064.68	2,126.92	181.18	18,010.42	51,037.59	39,064.12
Previous Year	53,960.74	1,347.56	179.50	55,128.81	14,021.21	2,057.48	14.01	16,064.68	39,064.12	39,939.52

Includes vehicles taken on hire purchase amounting to Rs. 119.92 lacs (previous year Rs. 124.71 lacs) and plant & machinery taken on hire purchase amounting to Rs. Nil lacs (previous year Rs.85.11 lacs)

* 1. Plant & Machinery Includes cost of Rs.342.93 lacs (previous year Rs.342.93 lacs) of water supply connection from GIDC and Rs. 101.00 lacs (Previous Year Rs. 101.00 lacs) being cost of electricity transmission lines not owned by the company.

2. Foreign Exchange fluctuation aggregating Rs. 250.07 lacs (Previous year Rs. 17.82) lacs capitalised during the year.

\$ Preoperative expenses Rs. 270.98 lacs (previous year Rs. 66.37 lacs) and borrowing cost Rs. 957.26 lacs (previous year Rs. Nil) has been capitalised. (Refer note no. 41)

@ Capital Work in Progress (CWIP) includes preoperative expenses Rs. Nil (previous year Rs. 66.37 lacs) and borrowing cost Rs. 36.66 lacs (previous year Rs. Nil). (Refer note no. 41)

14. NON-CURRENT INVESTMENTS

(Rs. in Lacs)

Particulars	As at March 31, 2016	As at March 31, 2015
Quoted, Non Trade		
Investment in equity instruments		
50 (Previous year - 50 Equity shares of Rs. 1/- each) equity shares of Rs. 1/- each fully paid-up in Tata Coffee Ltd.	0.03	0.03
Aggregate amount of quoted investments	0.03	0.03
[Market Value Rs. 0.04 Lacs (Previous Year Rs. 0.05 Lacs)]		
Un-Quoted, Non Trade		
Investment in equity instruments		
731,500 (Previous year - Nil) equity shares of Rs. 0.10/- each fully paid-up in OPGS Power Gujrat Private Limited *	1.39	-
Aggregate amount of Unquoted investments	1.39	-
Total Non Current Investments	1.42	0.03

* Shares kept with Gita Power Ventures Limited, an escrow agent

15. LONG TERM LOANS & ADVANCES

(Rs. in Lacs)

Particulars	As at March 31, 2016	As at March 31, 2015
Unsecured, considered good		
Capital Advances	283.99	1,203.35
Deposit with excise/sales tax department Under Protest	44.80	23.07
Income Tax recoverable (Net of Provision)	-	188.60
MAT Credit entitlement	1,073.33	377.50
Total long term loans & advances	1,402.12	1,792.52


16. OTHER NON - CURRENT ASSETS

	(Rs. in Lacs)	
Particulars	As at March 31, 2016	As at March 31, 2015
Security Deposits	102.44	83.37
Fixed Deposits (Refer note no. 19)	-	0.25
Total other non-current assets	102.44	83.62

17. INVENTORIES (AT LOWER OF COST OR NET REALISABLE VALUE)

	(Rs. in Lacs)	
Particulars	As at March 31, 2016	As at March 31, 2015
Raw Materials (includes Inventory in Transit Rs. 611.03 lacs, previous year Rs. 3,940.16 lacs)	4,699.18	6,969.39
Work In Progress	323.55	440.81
Finished Goods (Including goods sold in transit Rs. 14.44 lacs, previous year Nil)	3,162.90	3,156.35
Stock-in-Trade	-	11.60
Packing Material	531.15	473.09
Stores, Spares & Consumables	1,140.25	800.50
Total Inventories	9,857.03	11,851.74

18. TRADE RECEIVABLES

	(Rs. in Lacs)	
Particulars	As at March 31, 2016	As at March 31, 2015
Outstanding for a period exceeding six months from the date they are due for payment		
Unsecured, Considered Good	560.75	719.93
Other Receivables		
Unsecured, Considered Good	21,074.96	14,189.73
Total trade receivables	21,635.71	14,909.66

19. CASH AND BANK BALANCES

	(Rs. in Lacs)	
Particulars	As at March 31, 2016	As at March 31, 2015
Cash and cash equivalents		
Cash on hand	19.36	23.70
Balances with Banks	140.68	35.90
Unpaid dividend a/c *	5.21	5.21
Total (A)	165.25	64.81
Other Bank balances :-		
Short Term Deposits with original maturity of less than 3 months **	-	0.22
Deposits with original maturity for more than 3 months but upto 12 months **	927.36	1,458.13
Deposits with original maturity of more than 12 months **	161.23	20.75
Total (B)	1,088.59	1,479.10
Less : Amount disclosed under non current assets	-	0.25
Total cash & cash equivalents (A + B)	1,253.84	1,543.66

* These balance are not available for the use by the Company as they represent corresponding unpaid dividend liabilities.

** Deposits are in the nature of Margin Money pledged with bank against Bank Guarantee given/Letter of Credit established by the bank


20. SHORT TERM LOANS & ADVANCES
(Rs. in Lacs)

Particulars	As at March 31, 2016	As at March 31, 2015
Unsecured, considered good		
Advances recoverable in cash or in kind or for value to be received		
Advance to suppliers	1,379.29	632.67
Balance with Excise Department	416.26	396.61
Income Tax recoverable (Net of Provision)	114.62	-
Vat Recoverable	0.02	0.08
Prepaid expenses	153.77	97.25
Advances to employees	47.75	34.52
Total short term loans & advances	2,111.71	1,161.13

21. OTHER CURRENT ASSETS
(Rs. in Lacs)

Particulars	As at March 31, 2016	As at March 31, 2015
Export incentive receivable	378.26	284.72
DEPB in hand	16.58	59.84
Insurance claims receivable	22.43	572.00
Interest Receivable	47.02	64.00
Asset held for Sale (at net book value or estimated net realisable value, whichever is less)	76.01	-
Electricity Duty refundable	125.45	125.45
Others	11.37	135.14
Total other current assets	677.12	1,241.15

22. REVENUE FROM OPERATIONS
(Rs. in Lacs)

Particulars	For the Year ended March 31, 2016	For the Year Ended March 31, 2015
Sale of products	1,30,696.63	1,44,142.87
Sale of traded goods	10,839.73	27,761.12
Jobwork	82.01	719.23
Other operating revenue	261.35	436.16
Revenue from operations (gross)	1,41,879.72	1,73,059.38
Less : Excise Duty	14,057.09	15,783.15
Revenue from operations (net)	1,27,822.63	1,57,276.23

Other operating revenue comprising the following :

Particulars	For the Year ended March 31, 2016	For the Year Ended March 31, 2015
Other operating revenue		
Sales of scrap	186.92	278.60
Export incentives earned	74.43	157.56
Total other operating revenue	261.35	436.16


22. REVENUE FROM OPERATIONS (Contd.)
Sale of products

Particulars	For the year ended March 31, 2016		For the year ended March 31, 2015	
	Qty (MT)	Value (Rs/ Lacs)	Qty (MT)	Value (Rs/ Lacs)
Polyester & polypropylene multifilament yarn	1,27,719	1,08,973.30	1,20,132	1,20,315.24
Polyester chips	26,729	17,355.57	21,706	18,592.47
Narrow fabrics	1,794	2,313.06	1,922	2,829.92
Polyester, nylon & polypropylene monofilament yarn	120	211.64	236	554.86
Other	406	1,371.64	368	1,211.65
Waste		471.42		638.73
Total		1,30,696.63		1,44,142.87

Sale of traded goods

Particulars	For the year ended March 31, 2016		For the year ended March 31, 2015	
	Qty	Value (Rs/ Lacs)	Qty	Value (Rs/ Lacs)
Purified terephthalic acid * # (MT)	1,359	580.79	26,094	15,026.69
Mono ethylene glycol * # (MT)	4,820	2,584.86	16,218	9,148.43
Polyester Yarn # (MT)	4	3.33	631	632.03
Fabric (Qty in Mtr lacs)	118	7,330.94	71	2,520.37
Total		10,499.92		27,327.52

* Sale of traded goods include material sold on high seas basis to the customers who are getting the same converted into polyester chips on job work basis.

Sale of traded goods excludes Excise duty Rs. 339.81 lacs (previous year Rs. 433.60 lacs)

23. OTHER INCOME

(Rs. in Lacs)		
Particulars	For the Year ended March 31, 2016	For the Year Ended March 31, 2015
Interest Income on		
(i) Fixed deposits	118.59	192.74
(ii) Others	785.75	775.50
Insurance claim under loss of profit policy	110.51	-
Dividend on current investment in mutual funds	4.53	1.46
Total other income	1,019.38	969.70

24. COST OF MATERIALS CONSUMED

(Rs. in Lacs)		
Particulars	For the Year ended March 31, 2016	For the Year Ended March 31, 2015
Raw Material	93,299.56	1,06,247.69
Packing Material	2,920.97	2,659.79
Consumables	450.04	448.19
Total cost of material consumed	96,670.57	1,09,355.67


Purchase of Traded goods

Particulars	For the year ended March 31, 2016		For the year ended March 31, 2015	
	Qty	Value (Rs/Lacs)	Qty	Value (Rs/Lacs)
Purified terephthalic acid (MT)	1,359	578.92	26,094	15,024.79
Mono ethylene glycol (MT)	4,820	2,439.61	16,218	9,192.78
Polyester Yarn (MT)	1	1.95	567	572.71
Fabric (Qty in Mtr lacs)	118	5,361.80	71	1,597.06
Total purchase of Traded goods		8,382.28		26,387.34

Details of Raw Material Consumed

Particulars	For the year ended March 31, 2016		For the year ended March 31, 2015	
	Qty (MT)	Value (Rs/Lacs)	Qty (MT)	Value (Rs/Lacs)
Purified terephthalic acid	1,19,953.00	52,298.58	1,09,268	61,785.53
Mono ethylene glycol	46,004.00	23,142.20	42,111	24,541.58
Polyester chips	10,248.00	7,336.29	11,820	8,385.80
Polypropylene chips	5,556.00	4,591.06	6,041	6,127.70
Nylon chips	319.00	446.13	369	780.96
Others	-	5,485.30	-	4,626.12
Total Raw Material Consumed		93,299.56		1,06,247.69

Inventory of Raw Materials

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
	Value (Rs/Lacs)	Value (Rs/Lacs)
Purified terephthalic acid	1,873.05	2,290.20
Mono ethylene glycol	1,091.63	3,383.74
Polypropylene chips	288.76	255.25
Polyester chips	751.32	310.66
Nylon chips	20.67	21.58
Others Raw Material	673.75	707.97
Total	4,699.18	6,969.40

25. (INCREASE)/ DECREASE IN INVENTORIES

Particulars	(Rs. in Lacs)	
	For the Year ended March 31, 2016	For the Year Ended March 31, 2015
Closing stock		
- Finished goods	3,162.90	3,156.35
- Work- In- Progress	323.55	440.81
- Stock in Trade	-	11.60
Total	3,486.45	3,608.76
Opening stock		
- Finished goods	3,156.35	2,350.17
- Work- In- Progress	440.81	438.28
- Stock in Trade	11.60	77.59
Total	3,608.76	2,866.04
- Total (increase)/decrease	122.31	(742.72)


25. (INCREASE)/ DECREASE IN INVENTORIES (Contd.)
Inventory of Finished Goods

Particulars	For the year ended March 31, 2016		For the year ended March 31, 2015	
	Qty (MT)	Value (Rs/Lacs)	Qty (MT)	Value (Rs/Lacs)
Polyester, nylon & polypropylene				
Multifilament yarn	3,536.77	2,655.88	3,539	2,858.95
Monofilament yarn	83.96	103.60	109	154.07
Narrow fabrics	153.04	163.07	64	70.88
Polyester chips	419.20	231.90	76	51.08
Waste		8.44		21.37
Total Inventory of Finished Goods		3,162.90		3,156.35

Inventory of Work in Progress

Particulars	For the year ended March 31, 2016		For the year ended March 31, 2015	
	Qty (MT)	Value (Rs/Lacs)	Qty (MT)	Value (Rs/Lacs)
Polyester, nylon & polypropylene				
Multifilament yarn	345.42	233.72	364	264.78
Narrow fabrics	72.26	67.64	131	128.74
Monofilament yarn	15.44	22.19	25	47.29
Total Inventory of Work in Progress		323.55		440.81

Inventory of Stock-in-Trade

Particulars	For the year ended March 31, 2016		For the year ended March 31, 2015	
	Qty (MT)	Value (Rs/Lacs)	Qty (MT)	Value (Rs/Lacs)
Polyester Yarn	-	-	10	11.60
Total Inventory of Stock-in-Trade		-		11.60

26. EMPLOYEE BENEFIT EXPENSES

Particulars	(Rs. in Lacs)	
	For the Year ended March 31, 2016	For the Year Ended March 31, 2015
Salaries, wages and bonus	3,650.48	3,275.40
Contribution to provident & other funds	151.86	114.52
Gratuity	102.77	84.02
Staff welfare expenses	95.59	65.22
Total employee benefit expenses	4,000.70	3,539.16

27. FINANCE COST

Particulars	(Rs. in Lacs)	
	For the Year ended March 31, 2016	For the Year Ended March 31, 2015
Interest		
- on term loans	1,717.83	2,577.41
- on working capital & others	1,670.02	998.34
Bank Charges	450.27	545.74
Premium on forward contracts	1,280.48	1,238.15
Total finance cost	5,118.60	5,359.64


28. OTHER EXPENDITURE

	(Rs. in Lacs)	
Particulars	For the Year ended March 31, 2016	For the Year Ended March 31, 2015
Manufacturing Expenses		
Consumption of stores and spares	686.03	641.74
Power & Fuel	5,786.59	6,381.06
Increase/(decrease) in excise duty on finished goods inventory	0.79	98.69
Total manufacturing Expenses (A)	6,473.41	7,121.49
Selling Expenses		
Market Development Expenses	41.86	82.23
Freight outward	780.74	914.60
Commission on sales	456.36	411.04
Total selling expenses (B)	1,278.96	1,407.87
Administration and other expenses		
Rent	120.55	119.01
Repair & Maintenance - Machinery	91.45	140.70
- Building	65.37	114.01
- Others	83.38	76.39
Insurance	125.03	157.43
Rates & taxes excluding taxes on income	27.66	18.83
Auditor's remuneration (refer note no. 33)	11.28	9.98
Exchange fluctuation (Loss)	323.93	406.95
Electricity & Water expenses	49.48	37.07
Printing & stationery	26.43	25.11
Postage, telephone & telegram	38.07	44.56
Travelling & conveyance	196.97	190.87
Vehicle running & maintenance	114.94	134.78
Legal & professional charges	125.60	134.86
Director's sitting fees	3.91	2.30
Security services	38.88	37.33
Expenditure towards Corporate Social Responsibility (refer note 32)	4.50	4.68
General expenses	47.00	40.08
Donation & charity (Other than Political Parties)	1.24	1.16
Advertisement & publicity	4.96	5.04
Membership & subscription	7.99	11.63
Loss on sale/discarding of fixed assets [Net of profit of Rs. 3.85 lacs (previous year Rs. 0.93 lacs)]	6.97	11.49
Bad Debts Written Off	637.75	619.84
Sundry balances written back	(47.96)	(23.57)
Total administrative & other expenses (C)	2,105.38	2,320.53
Total other expenses (A + B + C)	9,857.75	10,849.89

29. EARNINGS PER SHARE (EPS)

	(Rs. in Lacs)	
Particulars	For the Year ended March 31, 2016	For the Year Ended March 31, 2015
Net profit/(loss) for calculation of basic/diluted EPS (Rs. In Lacs)	2,621.64	959.72
Weighted average number of equity shares - Basic	3,20,00,000	3,07,12,329
Effect of Dilution:		
Effect of dilutive issue of share warrants convertible into equity shares	5,02,732	-
Effect of dilutive issue of stock option (ESOP)	16,459	-
Weighted average number of equity shares - Diluted	3,25,19,191	3,07,12,329
Basic EPS - in Rs. per share of the face value of Rs. 10/- each	8.19	3.12
Diluted EPS - in Rs. per share of the face value of Rs. 10/- each	8.06	3.12


30. CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)

i) Contingent Liabilities

(Rs. In Lacs)

PARTICULARS		As At March 31, 2016	As At March 31, 2015
a)	Letters of Credits	3,682.92	407.77
b)	Unexpired Bank Guarantees	2,010.34	1,205.51
c)	Excise / Custom duty (Mainly relating to reversal of cenvat credit of NCCD & valuation of texturised yarns)	1,202.31	1,244.19
d)	Sales Tax demand	0.80	0.80
e)	Income Tax demand on account of : - Penalty for the period AY 2001-02 to 2005-06	33.37	33.37
f)	Claims against the company not acknowledged as debts	1,552.08	815.60
g)	Amount of duty saved on import of plant & machinery under EPCG scheme – corresponding export obligation pending Rs. 11,093.79 lacs, previous year Rs. 1,005.78 lacs	1,848.96	179.59

Based on the discussion with the solicitors and as advised, the company believes that there are fair chances of decisions in its favour (in respect of the items listed in (c) to (f) above). Hence, no provision is considered necessary against the same.

ii) Commitments

Capital contracts remaining to be executed (net of payments) and not provided for Rs. 2,151.00 lacs (previous year Rs. 6,351.64 lacs).

31. Subsequent to the auditors' qualification relating to treatment of foreign exchange difference during FY 2012-13 onwards, SEBI/QARC vide its letter dated November 05, 2015 advised the company to give effect to Auditors' said Qualification for the Financial Years beginning from FY 2012-13. The company filed an appeal before the Securities Appellate Tribunal (SAT) at Mumbai, which vide its order dated 29th March, 2016 has quashed the orders of SEBI and hence the company is no more required to take any action on the said qualification.

32. In light of Section 135 of the Companies Act, 2013, the company has incurred expenses on Corporate Social responsibility (CSR) aggregating to Rs. 4.50 lacs (previous year Rs. 4.68 lacs).

The following disclosure in respect of CSR expenditure is as follows:

(Rs. In Lacs)

PARTICULARS		For the Year Ended March 31, 2016	For the Year Ended March 31, 2015
a)	Gross amount required to be spent by the Company during the year	4.48	7.83
b)	Amount spent during the year on the following : - Contribution towards education, skill development, rural sports, empowering women, construction of toilets, blood donation camp & free eye checkup	4.50	4.68

33. STATUTORY AUDITOR'S REMUNERATION

(Rs. In Lacs)

PARTICULARS		For the Year Ended March 31, 2016	For the Year Ended March 31, 2015
a)	Audit fees	9.31	8.00
b)	Tax audit fees	1.51	1.50
c)	Certification charges	0.13	--
d)	Out of pocket expenses	0.33	0.48
		11.28	9.98


34. Details of dues to Micro Small & Medium Enterprises Development (MSMED) Act, 2006
(Rs. In Lacs)

	Description	As At March 31, 2016	As At March 31, 2015
i)	The principal amount & the interest due thereon remaining unpaid at the end of the year		
	Principal Amount	62.13	31.00
	Interest Due thereon	-	-
ii)	Payments made to suppliers beyond the appointed day during the year		
	Principal Amount	-	-
	Interest Due thereon	-	-
iii)	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006	-	-
iv)	The amount of interest accrued and remaining unpaid at the end of the year; and	-	-
v)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro Small and Medium Enterprise Development Act, 2006.	-	-

The information has been given in respect of such vendor to the extent they could be identified as Micro and Small Enterprises as per MSMED Act, 2006 on the basis of information available with the company.

35. Segment reporting as defined in Accounting Standard 17 is not applicable as the Company is engaged in manufacture and trading of Synthetic Yarn & Textiles.

36. Forward Exchange Contracts and Unhedged Foreign Currency Exposure:

i) Forward contract outstanding as at Balance Sheet date.

Particulars of Derivatives	Currency	Year Ended		Purpose
		March 31, 2016	March 31, 2015	
Purchase	USD	16,027,878	16,297,403	Repayment of FC Term Loan
Purchase	USD	9,607,694	--	Repayment of FC Loan (Working Capital)
Purchase	USD	3,349,745	12,835,657	Repayment of FCL (Buyer's Credits)
Purchase	USD	1,090,551	500,000	Payment of LC Creditors
Purchase	USD	6,887	3,049	Payment for Interest on FCL (Buyer's Credit)

ii) Particulars of Unhedged foreign Currency Exposures as at Balance Sheet date.

Particulars	Currency	Year Ended		Purpose
		March 31, 2016	March 31, 2015	
Purchase	USD	7,293,304	8,902,753	Payment of Creditors
	JPY	14,402,800	30,942,600	
Purchase	USD	248,249	---	Payment of FCL for capital goods (Buyers Credit & ECB)
	EURO	9,638,762	---	
Purchase	USD	9,475	26,570	Payment of Interest on FCL
	Euro	38,618	---	
Sale	USD	608,014	481,945	Proceeds from Debtors
	EURO	43,426	236,596	

iii) Premium for forward contracts for unexpired period of Rs. 566.40 lacs has been carried over to next year (Previous year Rs. 364.43 lacs) and will be charged to Profit & Loss Account as and when the underlying transaction will crystallise.


37. EMPLOYEE STOCK OPTION SCHEME:

The Board of Directors of the Company had at its meeting held on February 12, 2016 ,approved grant of 9,50,000 stock options ("options") to the eligible Employees of the Company under the Filatex Employee Stock Option Scheme 2015 (Filatex ESOS -2015),at an exercise price of Rs. 37 per option (being the closing price at BSE on February 11,2016 i.e. immediately preceding the grant date),each option being convertible in to one Equity Share of the company upon vesting subject to the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and the terms and conditions of the Filatex ESOS 2015.

The terms and conditions of the grant as per the Filatex Employee Stock Option Scheme, 2015 (Filatex ESOS 2015) are as under:

A) Vesting period

On completion of 3 Years from the date of grant of options for 60%

On completion of 4 Years from the date of grant of options for 20%

On completion of 5 Years from the date of grant of options for remaining 20%

B) Exercise period

The exercise period will commence from the date of vesting itself and shall be exercised in such period as may be decided and communicated by the Nomination & Remuneration Committee. The options, which have been vested and not exercised within such period, can be carried forward till the last vesting and can be exercised, either partially or wholly, within a period upto one year from last vesting or within such other period and at such time as may be decided and communicated by the Nomination and Remuneration committee, however, the options not so exercised with the period available for exercising of last vesting shall lapse and will not be available for exercise by the employee.

Based on the Guidance note on "Employee Share-Based Payments" issued by The Institute of Chartered Accountant of India, the company has adopted the intrinsic method for accounting for ESOP.

The details of options granted, lapsed and exercised in accordance with Filatex ESOS 2015 are as under:

S. No.	Particulars	Year ended 31 March ,2016
1	Exercise price	Rs. 37/- per Share
2	Grant Date for option	12 th Feb, 2016
3	Option Granted (No. of equity shares)	9,50,000
4	Option Lapsed (No. of equity shares)	N.A
5	Option exercised and shares allotted (No. of equity shares)	N.A
6	Option exercised but pending to be allotted(No. of equity shares)	N.A
7	Money realized by exercise of options (Rs)	N.A
7	Option Outstanding (No. of equity shares)	9,50,000
8	Diluted Earnings per share (EPS) pursuant to issuance of options under ESOP (refer note no. 29)	Rs. 8.08
9	Employee-wise details of options granted to:	
	i. Key Management Personnel	1,05,000 Shares
	ii. Senior executives	8,45,000 Shares

The number of shares granted have face value of Rs 10 each.

38. Related Party Disclosure:

(i) Names of related parties and nature of relationships:

a) Key managerial personnel:

- i) Shri Madhu Sudhan Bhageria
- ii) Shri Purrshottam Bhaggeria
- iii) Shri Madhav Bhageria
- iv) Shri Ashok Chauhan
- v) Shri Rajendra Prasad Gupta
- vi) Shri Raman Jha



- b) Relative of key managerial personnel:
- Shri Ram Avtar Bhageria (Father of related parties mentioned at [a](i) to a)(iii) above).
 - Smt. Anu Bhageria (Wife of related party mentioned at a(i) above).
 - Smt. Shefali Bhageria (Wife of related party mentioned at a(ii) above).
 - Smt. Gunjan Bhageria (wife of related party mentioned at a(iii) above).
 - Ms. Vrinda Bhageria (Daughter of related party mentioned at a(i) above).
 - Mr Yaduraj Bhageria (Son of related party mentioned at a(ii) above).
 - Mr. Vedansh Bhageria (Son of related party mentioned at a(iii) above).
- c) Enterprises owned or significantly influenced by key managerial personnel:
- Madhu Sudhan Bhageria (HUF)
 - Purrshottam Bhaggeria (HUF) – dissolved with effect from 31/12/2014
 - Madhav Bhageria (HUF) - dissolved with effect from 19/12/2014
 - Purrshottam Bhaggeria Family Trust
 - Nouvelle Securities Pvt Ltd
 - SMC Yarns Pvt Ltd
 - Vrinda Farms Pvt. Ltd.
 - Maan Softtech Private Limited
 - Azimuth Investment Private Limited
 - Janus Infrastructure Projects Private Limited
 - Fargo Estates Private Limited
 - Dahej Energy Pvt. Ltd.
 - Hill Estate Pvt. Ltd.

(ii) Transactions with related parties during the year :

(Rs. In lacs)

Nature of Transactions	Key Management Personnel	Relative of key Managerial Personnel	Subsidiary Company	Enterprises owned or significantly influenced by Key Managerial Personnel
Rent				
Purrshottam Bhaggeria	6.22			
	(6.07)			
Ram Avtar Bhageria		4.00		
		(12.00)		
Vrinda Bhageria		8.28		
		(7.92)		
Vedansh Bhageria		8.28		
		(5.00)		
Yaduraj Bhageria		8.28		
		(5.00)		
Madhusudan Bhageria (HUF)				4.14
				(3.87)
Purrshottam Bhaggeria (HUF)				(--)
				(2.84)
Madhav Bhageria (HUF)				(--)
				(2.84)
Nouvelle Securities (P) Ltd.				9.11
				(9.68)
Vrinda Farms Private Limited				14.40
				(1.80)
Maan Softtech Private Limited				10.87
				(--)



Nature of Transactions	Key Management Personnel	Relative of key Managerial Personnel	Subsidiary Company	Enterprises owned or significantly influenced by Key Managerial Personnel
Purrshottam Bhaggeria Family Trust				8.00 (--)
Hill Estate (P) Ltd.				10.91 (8.85)
Security Deposit				
Vrinda Farms Private Limited				(--) (3.60)
Maan Softech Private Limited				3.00 (--)
Purrshottam Bhaggeria Family Trust				3.00 (--)
Security Deposit Repaid				
Ram Avtar Bhageria		3.00 (--)		
Money received against convertible warrants				
Anu Bhageria		16.87 (--)		
Vrinda Bhageria		16.87 (--)		
Shefali Bhageria		16.87 (--)		
Yaduraj Bhageria		16.87 (--)		
Gunjan Bhageria		16.87 (--)		
Vedansh Bhageria		16.87 (--)		
Janus Infrastructure Projects Private Limited				303.75 (--)
Fargo Estates Private Limited				180.00 (--)
Equity shares issued				
Madhusudan Bhageria	(--) (311.46)			
Purrshottam Bhaggeria	(--) (313.32)			
Madhav Bhageria	(--) (315.22)			
Managerial Remuneration (Including Commission)				
Madhusudan Bhageria	77.00 (47.85)			
Purrshottam Bhaggeria	68.84 (36.52)			
Madhav Bhageria	67.35 (30.18)			
Ashok Chauhan	27.15 (27.15)			
Rajendra Prasad Gupta	14.88 (13.94)			
Raman Jha	6.08 (5.61)			



Nature of Transactions	Key Management Personnel	Relative of key Managerial Personnel	Subsidiary Company	Enterprises owned or significantly influenced by Key Managerial Personnel
Purchase of Vehicle				
Dahej Energy Pvt Ltd				(--) (5.75)
Balance outstanding as on 31.03.2016				
Managerial Remuneration				
Madhusudan Bhageria	28.09 (--)			
Purrshottam Bhaggeria	28.09 (--)			
Madhav Bhageria	28.09 (--)			
Security Deposit				
Vrinda Farms Private Limited				3.60 (3.60)
Maan Softech Private Limited				3.00 (--)
Ram Avtar Bhageria		(--) 3.00		
Purrshottam Bhaggeria Family Trust				3.00 (--)
Immovable Property mortgaged/Guarantee given against loan taken by the company				
SMC Yarns Pvt. Ltd. (Realisable value of the property as per valuation report dated 05.07.2014)				434.70 (434.70)
Azimuth Investment Pvt Ltd (Realisable value of the property as per valuation report dated 14.04.2014)				527.00 (527.00)
Satya Bhama Bhageria * Anu Bhageria Shefali Bhageria Gunjan Bhageria		866.00 (866.00)		
Madhu Sudhan Bhageria #	533.71 (514.52)			
Purrshottam Bhaggeria #	754.67 (371.71)			
Madhav Bhageria #	916.99 (748.75)			

Net worth as on 31st March, 2015 (previous year as on 31st March, 2014)

* Property Jointly held by related parties and valuation of property as per valuation report dated 14th April, 2014

Grant of stock options during the year to key managerial personnel namely, (1) Mr. Ashok Chauhan - 50,000 Shares, (2) Mr. R.P Gupta - 40,000 Share and (3) Mr. Raman Jha - 15,000 Share (refer note no. 37).

No amount has been written off or provided for in respect of transactions with related parties. Figures in bracket represent previous year figures.

39. EMPLOYEE BENEFITS

a) Provident Fund

Contribution to recognized provident fund

The Company contributed Rs. 135.01 Lacs towards provident fund during the year ended March 31, 2016 (previous year Rs. 99.71 Lacs)


b) Gratuity Plan

The Company has a defined benefit gratuity plan. Gratuity is computed at 15 days salary, for every completed year of service or part thereof in excess of six months and is payable on retirement/ termination/resignation. The benefit vests on the employees after completion of five years of service. The company makes provisions of such gratuity liability in the books of account on the basis of actuarial valuation as per projected unit credit method (PUCM)

The following table summarizes the components of net benefit expenses recognized in the profit and loss account and amount recognized in the balance sheet for gratuity.

(Rs. In Lacs)

PARTICULARS	Year Ended March 31, 2016	Year Ended March 31, 2015
RECONCILIATION OF OPENING AND CLOSING BALANCES OF THE PRESENT VALUE OF OBLIGATIONS		
Present value of obligation at the beginning of the year	269.59	194.83
Current Service Cost	55.96	42.91
Past Service Cost	----	---
Interest Cost	21.03	17.73
Benefits paid	(9.91)	(9.25)
Net actuarial (Gain) / Loss recognized in the year	25.78	23.38
Present value of obligation at the end of the year	362.45	269.59
RECONCILIATION OF PRESENT VALUE OF DEFINED BENEFIT OBLIGATION & FAIR VALUE OF PLAN ASSETS:		
Present value of obligation at the end of the year	362.45	269.59
Fair value of plan assets at the year end	---	---
Net Liability recognized in the Balance Sheet	362.45	269.59
COST OF THE YEAR:		
Current service cost	55.96	42.91
Past Service Cost	---	---
Interest Cost	21.03	17.73
Net actuarial (Gain) / Loss recognized in the year	25.78	23.38
Net cost recognized during the year	102.77	84.02
ASSUMPTION:		
Discount Rate	7.50%	7.80%
Rate of Increase in compensation	8.00%	8.00%

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

The amounts for the current and previous four years are as follows:

(Rs. in Lacs)

DESCRIPTION	GRATUITY				
	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Defined benefit obligation	362.45	269.59	194.83	174.42	136.96
Plan Assets	---	---	---	--	--
Deficit	362.45	269.59	194.83	174.42	136.96
Experience adjustments on plan liabilities (Loss)/Gain	(19.26)	(3.84)	8.22	0.98	(6.33)
Experience adjustments on plan assets	--	--	--	--	--

40. During the financial year 2014-15, the company had proposed to put up manufacturing facility for manufacture of 100 MT/day of Polyester Fully Drawn Yarn, 30 MT/day additional spinning of polyester yarn along with 203 MT/day of Polyester Textured Yarn at its existing plant in Dahej, Gujarat.

The expenditure incurred on start-up and commissioning of the project along with certain revenue expenses attributable to assets under construction have been capitalised as an indirect element of the construction cost during the current year. The trial run for FDY was carried out successfully during the year, and the FDY plant was commissioned and the



assets are put to use. The assets for D-Tex machine and building are under construction and the expenses related to them have been carried forward for next year.

The Company has incurred certain revenue expenses attributable to assets under construction, which are capitalised along with the cost of fixed assets. Consequently, expenses disclosed under the respective notes are net of amounts capitalised by the company. The details of such expenditure incurred along with the expenditure attributable to assets pending capitalisation are given below:

(Rs. In Lacs)

Description	Upto 31.03.2015	Incurred during the 2015-16	Capitalised during 2015-16	Balance as on 31.03.2016
Finance Charges				
Interest	-	272.81	236.15	36.66
Credit Guarantee Insurance (Hermes)	-	481.00	481.00	-
Bank Charges	-	240.11	240.11	-
Administrative Expenses				
General Expenses	0.33	0.92	1.25	-
Payments and Benefits to Employee	19.86	70.72	90.58	-
Legal & Professional Expense	14.04	18.65	32.69	-
Travelling /Foreign & Conveyance Expense	32.14	0.98	33.12	-
Manufacturing Expenses				
Consumption (net of waste realisation of Rs. 34.89 lacs)	-	83.19	83.19	-
Wages	-	7.84	7.84	-
Electricity & Water Expense	-	22.31	22.31	-
Total	66.37	1,198.53	1,228.24	36.66

41. The company has taken various residential, office and warehouse premises under operating lease agreements. These are generally cancelable and are renewable by mutual agreed terms. There are no restrictions imposed under the lease agreement and there are no subleases. The company has paid Rs. 120.55 lacs (previous year Rs. 119.01 lacs) towards operating lease rentals.

42. Particulars in respect of goods dealt with by the Company:

a) Value of imported and indigenous raw materials consumed

(Rs. In Lacs)

DESCRIPTION	Year Ended March 31, 2016	Percentage (%)	Year Ended March 31, 2015	Percentage (%)
i) Raw Materials				
- Imported	27,142.03	29.09	32,290.95	30.39
- Indigenous	66,157.53	70.91	73,956.74	69.61
	93,299.56	100.00	106,247.69	100.00
ii) Consumable/ Spares				
- Imported	148.97	13.11	95.95	8.80
- Indigenous	987.10	86.89	993.98	91.20
	1,136.07	100.00	1,089.93	100.00

b) Value of Imports on CIF Basis

(Rs. in Lacs)

PARTICULARS	Year Ended March 31, 2016	Year Ended March 31, 2015
i) Raw Materials (Including Goods in Transit)	25,483.01	57,046.03
ii) Capital Goods	7,879.63	---
iii) Consumable/Spares	280.94	193.82


c) Expenditure in Foreign Currency
(Rs. in Lacs)

PARTICULARS		Year Ended March 31, 2016	Year Ended March 31, 2015
i)	Foreign Travel	22.83	53.02
ii)	Commission on exports	60.44	62.08
iii)	Legal & Professional	0.50	---
iv)	Foreign Bank Charges	113.01	8.76
v)	Credit Guarantee Insurance	481.00	---
vi)	Interest on Buyer's Credit/ FCTL	1,058.26	193.68

d) Earnings in Foreign Exchange
(Rs. in Lacs)

PARTICULARS	Year Ended March 31, 2016	Year Ended March 31, 2015
FOB Value of Export of Goods (excluding deemed exports)	6,501.62	5,884.15

43. Share of Parent Company and subsidiaries in net assets and profit & loss as required in schedule III of Companies Act 2013.

Name of Entity	Net Assets i.e Total Assets - Total Liabilities		Share in Profit or loss	
	As % of Consolidated Net Assets	Amount (In Rs. Lacs)	As % of Consolidated Profit or Loss	Amount (In Rs. Lacs)
Filatex India Limited	100.00%	20,953.65	100.20%	2626.99
Filatex Global PTE Ltd	0.00%	(5.35)	(0.20%)	(5.35)
Minority Interest in Subsidiary	Nil	Nil	Nil	Nil

44. PREVIOUS YEAR'S FIGURE

- Filatex Global PTE Ltd was incorporated on November 03, 2015. The Financial Statement of its Subsidiary has been included for the first time from the date of incorporation till March 31, 2016. Accordingly, these consolidated financial statements are not comparable with the financial number of the previous year.
- Previous year figures have been reclassified to confirm the year's figures.

As per our report of even date
for **AMOD AGRAWAL & ASSOCIATES**
Firm Registration No. 005780N
Chartered Accountants

For and on behalf of the Board of Directors of
FILATEX INDIA LIMITED

VIRENDRA KUMAR
Partner
Membership No. 85380

Place : New Delhi
Date : July 30, 2016

MADHU SUDHAN BHAGERIA
Vice Chairman & Managing Director
DIN:00021934

R.P. GUPTA
Chief Financial Officer

S.C. PARIJA
Independent Director
DIN: 0363608

RAMAN KUMAR JHA
Company Secretary



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New Delhi - 110025**

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Fax: +91-11-26849915

Email: secretarial@filatex.com

www.filatex.com

CIN: L17119DN1990PLC000091

**FILATEX INDIA LIMITED**

S. No. _____

CIN: L17119DN1990PLC000091

REGD. OFFICE: SURVEY NO. 274, DEMNI ROAD, DADRA (U.T. OF DADRA & NAGAR HAVELI) 396 193**ADMISSION SLIP**

PLEASE COMPLETE THE ADMISSION SLIP AND HAND IT OVER AT THE ADMISSION COUNTER

NAME AND ADDRESS OF THE ATTENDING MEMBER (IN BLOCK LETTERS)	
Folio No./DP Id/Client ID No.:	
No. of shares held:	
NAME OF THE PROXY (IN BLOCK LETTERS, TO BE FILLED): IN IF THE PROXY ATTENDS INSTEAD OF THE MEMBER	

I HEREBY RECORD MY PRESENCE AT THE TWENTY SIXTH ANNUAL GENERAL MEETING OF THE COMPANY HELD ON FRIDAY, 30TH SEPTEMBER, 2016 AT 9.30 A.M. AT SURVEY NO. 274, DEMNI ROAD, DADRA (U.T. OF DADRA & NAGAR HAVELI) 396 193.

Signature of the Member/Proxy:

Note: Jointholder(s) intending to attend the meeting are requested to obtain additional Admission slip from the Registered/Corporate Office of the Company on or before 28th September, 2016 to avoid inconvenience.

EVEN (E Voting Event Number)	USER ID	PASSWORD/PIN

FORM NO. MGT-11 (PROXY FORM)

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

**FILATEX INDIA LIMITED**

CIN: L17119DN1990PLC000091

REGD. OFFICE: SURVEY NO.274, DEMNI ROAD, DADRA (U.T. OF DADRA & NAGAR HAVELI) 396 193

Name of the member (s)	
Registered address :	
E-mail Id :	
Folio No/ Client Id	DP ID

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

1	Name	Signature
	Address	
	E-mail Id	
	Or failing him	
2	Name	Signature
	Address	
	E-mail Id	
	Or failing him	
3	Name	Signature
	Address	
	E-mail Id	
	Or failing him	

as my/our proxy to attend and vote (on a poll) for me/us on my/our behalf at the Twenty Sixth Annual General Meeting of the Company to be held on Friday, 30th September, 2016 at 9.30 A.M. at Survey No. 274, Demni Road, Dadra (U.T. of Dadra & Nagar Haveli) 396 193 and at any adjournment thereof in respect of such resolutions as are indicated below:

S. No.	Resolutions	FOR	AGAINST
1	To consider and adopt the Financial Statements (Standalone & Consolidated), Directors' Report and Auditors' Report) for the Financial Year 2015-16		
2	To appoint a Director in place of Shri Ashok Chauhan, who retires by rotation		
3	To ratify the appointment of Auditors and fixing their remuneration		
4	To re-appoint Madhu Sudhan Bhageria as Managing Director		
5	To re-appoint Shri Purrshottam Bhageria as Joint Managing Director		
6	To re-appoint Shri Madhav Bhageria as Joint Managing Director		
7	To re-appoint Shri Ashok Chauhan as Wholetime Director		
8	To ratify the remuneration of Cost Auditors		

Signature _____ Date _____

Note:

1. Proxy Form must reach the Company's Registered Office not less than 48 hours before the scheduled time of the Meeting.
2. The Instructions of Shareholders for e-voting are given in the notes of AGM Notice.
3. Route Map is given on the backside of this Form/Slip.

Affix
Re 1/-
Revenue
Stamp

ROUTE MAP OF AGM VENUE

