



WEARIT
GROUP

HIND SYNTEX LTD.



Date: October 11, 2018

The Manager (Listing)
Department of Corporate Service
Bombay Stock Exchange Limited
P J Towers, Dalal Street, Fort
Mumbai – 400 001.

The Manger (Listing Department)
National Stock Exchange of India Ltd.
Exchange Plaza, Plot No. C/1, G Block
Bandra-Kurla Complex, Bandra (E)
Mumbai – 400 051

Dear Sir/Madam,

Sub.: Annual Report for the year ended 31st March, 2018

Ref.: Scrip Code- 503881; Scrip ID- HINDSYNTEX

Pursuant to Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) please find enclosed herewith a copy of Annual Report for the financial year ended 2017-18 containing Notice for AGM, Directors Report, Auditors Report, Balance Sheet as at 31st March, 2018, Statement of Profit and Loss for the year ended on that date, Cash Flow Statement and Notes to the Financial Statements duly approved and adopted by the members at its 37th Annual General Meeting held on 22nd September, 2018.

This is for your information and records.

Thanking you,

Yours faithfully,

For **Hind Syntex Limited**

Nidhi Rath
Company Secretary



Encl.: As above

Corporate Office : 5E & F, Crescent Tower, 229, A.J.C. Bose Road, Kolkata-700 020.
Ph : +91 33 4003 6164 / 6165. Fax : +91 33 4003 6158. Email : kolkata@wearitgroup.com
Indore Office : Sterling Tower, Office No. 214, 4th Floor, 2, M. G. Road, Indore-452 001. Madhya Pradesh
Ph : +91 731 4065347. Fax : +91 731 4064767. Email : indore@wearitgroup.com
Registered Office & Manufacturing Complex : Plot No. 2, 3, 4 & 5 Sector A, Industrial Growth Centre,
Pillukhedi-465667, Dist : Rajgarh, Madhya Pradesh.
Ph : +91 7375 2444350; +91 93015 28698. Email : pillukhedi@wearitgroup.com
CIN : L17118MP1980PLC001697

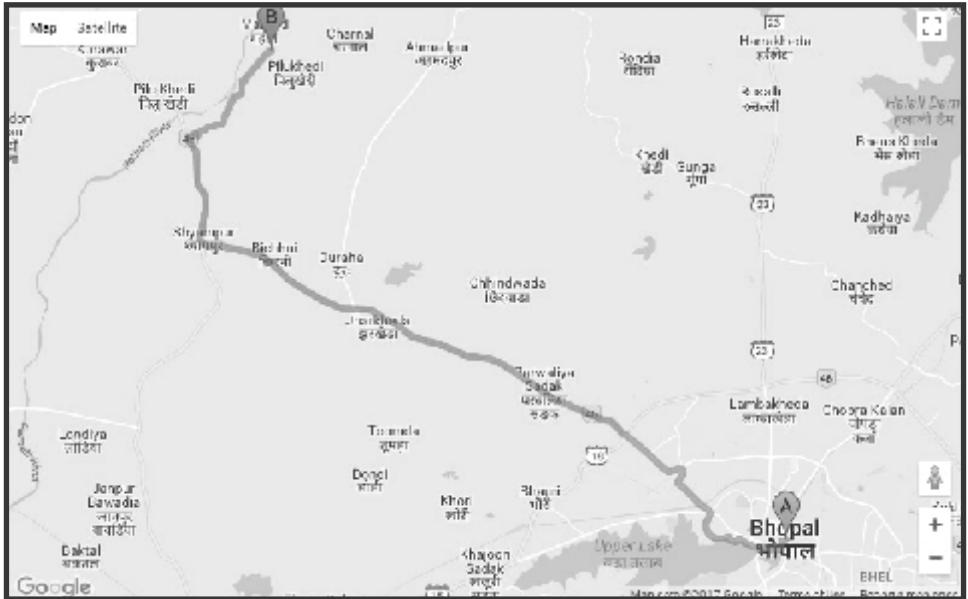


WEARIT
GROUP

HIND SYNTEX LTD.

Annual Report
2017-2018

Route Map to the Venue of AGM :



Venue :

HIND SYNTEX LIMITED

CIN : L17118MP1980PLC001697

Registered Office: Plot No. 2, 3, 4 & 5 Sector A, Industrial Growth Centre
Pillukhed - 465667, Dist : Rajgarh, Madhya Pradesh Ph : +91 7375 2444350; +91 93015 28698
Email: pillukhed@wearitgroup.com Website: www.hindsyntexltd.com

Date : September 22, 2018

Time : 11.30 AM

HIND SYNTEX LIMITED

CORPORATE INFORMATION

BOARD OF DIRECTORS	:	Shri Manish Kumar Shri Manadath Pillai Rajan Shri Viveck Somiah Crishna Shri Hemant Vasant Ambekar Shri Balesh Kumar Bagree	Director Independent Director Independent Director Whole-time Director Additional Director
CHIEF FINANCIAL OFFICER	:	Shri Balesh Kumar Bagree	
COMPANY SECRETARY	:	Mrs. Nidhi Rathi	
STATUTORY AUDITORS	:	M/s. V. Singhi & Associates, Chartered Accountants	
BANKERS	:	HDFC Bank Bank of India State Bank of India Axis Bank Limited ICICI Bank Limited	
REGISTERED OFFICE & MANUFACTURING COMPLEX	:	Plot No. 2, 3, 4 & 5, Sector A, Industrial Growth Centre, Pillukhedi, District - Rajgarh (M.P.) 465 667 Mob. No.: +91 93015 28698 Email : pillukhedi@wearitgroup.com	
CORPORATE OFFICE	:	5E & F, Crescent Tower, 229 A.J.C. Bose Road, Kolkata – 700 020 Tel.: +91 33 4003 6164 / 6165. Fax: +91 33 4003 6158, Email : compliance@wearitgroup.com	
INDORE OFFICE	:	Office No. 214, 4th Floor, Sterling Tower, 2 M.G. Road, Indore – 452 001 (M.P.) Tel.: +91 731 4065347 Email : indore@wearitgroup.com	
CIN	:	L17118MP1980PLC001697	
REGISTRAR & SHARE TRANSFER AGENTS	:	M/s. Link Intime India Pvt. Ltd. C-101,247 Park, L.B.S Marg, Vikhroli (W), Mumbai – 400 083 E-mail: mumbai@linkintime.co.in Phone: +91 22 49186270/49186000	
COMPANY WEBSITE	:	www.hindsyntexltd.com	

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Notice of 37th Annual General Meeting

NOTICE is hereby given that 37th Annual General Meeting of the Members of **HIND SYNTEX LIMITED** (CIN No. L17118MP1980PLC001697) will be held at the Registered Office of the Company, at Plot No. 2, 3, 4 & 5 Sector – A, Industrial Growth Centre, Pillukhedi - 465667 Madhya Pradesh on Saturday, the 22nd day of September, 2018 at 11.30 a.m to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2018, together with the Report of Board of Directors' and Auditors' thereon.
2. To appoint a Director in place of Mr. Manish Kumar (DIN-00121900), who retires by rotation, and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

3. To appoint Mr. Balesh Kumar Bagree (DIN- 01625256) as a Non-Executive Director and in this regard to consider and, if thought fit, to pass, with or without modification (s) the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014, including any statutory modification(s) or re – enactment thereof for the time being in force and in accordance with the provisions of the Articles of Association of the Company, Mr. Balesh Kumar Bagree (DIN: 01625256) who was appointed as an Additional Non-Executive Director of the Company w.e.f. 30th May, 2018 at the meeting of the Board of Directors and who holds office under section 161(1) of the Act upto the date of this Annual General Meeting and in respect of whom the Company has received notice in writing from members under section 160 of the Act, proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation.

RESOLVED FURTHER THAT any one Director / Secretary of the Company be and is hereby authorized to take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

Date: 11th August, 2018

Place: Kolkata

Registered Office:

Plot No. 2,3,4 & 5, Sector- A,
Industrial Growth Centre,
Pillukhedi - (M.P.) 465667

**By Order of the Board
For Hind Syntex Limited**

**Sd/-
Nidhi Rathi
Company Secretary**

NOTES:

1. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, relating to Special Business to be transacted at the AGM is annexed thereon.
2. **A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and on a Poll to vote instead of himself. The proxy need not be a member of the company. A blank form of proxy is enclosed herewith and, if intended to be used, it should be returned duly completed at the registered office of the company not less than forty eight hours before the scheduled time of the commencement of 37th annual general meeting. Revenue stamp should be affixed.**
3. **A person can act as proxy on behalf of members not exceeding fifty in number and holding in the aggregate not more than 10% of the total share capital of the company carrying voting rights. However, a member holding more than 10% of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.**
4. Corporate Members intending to send their Authorized Representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company a Certified true copy of the resolution authorizing their representative to attend & vote on their behalf at the Meeting. **Members holding equity shares in electronic form and proxies thereof, are requested to bring their DP ID and client ID for identification.**
5. Members/Proxies/Authorized representatives are requested to bring to the AGM, the enclosed Attendance Slip sent along with the Annual Report duly completed and signed mentioning therein details of their DP ID and Client ID/Folio Number. Duplicate Attendance Slip and/or Copies of the Annual report shall not be issued/ available at the venue of the meeting.
6. In case of joint holders attending the meeting, only the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
7. This Notice along with the relevant financial statements and annexures thereto are being sent in in electronic mode to those members whose email addresses are registered with the depositories, unless any member has requested a physical copy of the same. Physical copies are being sent to other members. All members are requested to support the Green Initiative of the Ministry of Corporate Affairs, Government of India and register their email addresses with the company by sending details to compliance_hsl@wearitgroup.com or with Link Intime India Private Limited at Mumbai@linkintime.co.in or rnt.helpdesk@linkintime.co.in. to receive all these documents electronically from the Company, in accordance with Rule 18 of

Notice of 37th Annual General Meeting - Continued

the Companies (Management & Administration) Rules, 2014 and Rule 11 of the Companies (Accounts) Rules, 2014. All the aforesaid documents have also been uploaded on and are available for download from the Company's website, being www.hindsyntextd.com. Kindly bring your copy of the Annual Report to the meeting.

8. Rule 3 of the Companies (Management & Administration) Rules, 2014 mandates that the Register of Members of all companies should include details pertaining to e-mail address, Permanent Account Number or CIN, Unique Identification Number, if any, Father's/Mother's/Spouse's name, Occupation, Status, Nationality, in case member is a minor, name of the guardian and the date of birth of the member, and name and address of nominee. All members are requested to update their details as aforesaid with their respective depository participant.
9. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to the Depository Participants with whom they maintain their demat accounts. Members holding shares in physical form should submit their PAN to Unit: Hind Syntex Ltd, Link Intime India Pvt Ltd, C 101, 247 Park, L B S Marg, Vikhroli West, Mumbai-400 083.
10. The Register of Members and Share Transfer Book shall remain closed from Sunday 16th September, 2018 to Saturday 22nd September 2018 (both days inclusive) for purpose of 37th AGM of the Company.
11. The requirement to place the matter relating to appointment of Auditors for ratification by members at every Annual General Meeting has been done away with vide notification No. S.O. 1833 (E) dated May 7, 2018 issued by the Ministry of Corporate Affairs, Government of India. Accordingly, no resolution is proposed for ratification of appointment of Auditors, who had been appointed at the Annual General Meeting held on September 23, 2017.
12. The shares of the Company are under compulsory Demat trading. Members holding shares in physical form are requested to convert their shares into dematerialized form in their own interest and convenience purpose.
13. Members holding shares in physical form are requested to promptly notify in writing any changes in their address/bank account details/e-mail address/mandates/nominations/ contact numbers etc., to Link Intime India Private Limited, C -101, 247 Park, L.B.S Marg, Vikhroli (W), Mumbai – 400 083, Tel : 022- 4918 6000.
14. Members holding shares in electronic form are requested to intimate immediately any changes pertaining to their address/ bank account details/ e-mail address/mandates, nomination/contact numbers etc., if any, directly to their Depository Participant(s) with whom they maintain their demat accounts.
15. The Company provides its members the electronic facility to exercise their right to vote at the Annual General Meeting (AGM). The business at the AGM may be transacted through remote e-voting services provided by Central Depository Services Limited (CDSL). It is hereby clarified that it is not mandatory for a member to vote using the remote e-voting facility, and a member may avail of the facility at his/her/its discretion, subject to compliance with the instructions appearing below.
16. Voting rights will be reckoned on the paid-up value of shares registered in the name of the Members on 15th September, 2018 (cut-off date). Only those Members whose names are recorded in the Register of Members of the Company or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date will be entitled to cast their votes by remote e-voting as well as voting at the General Meeting through ballot form. A person who is not a Member on the cut-off date should accordingly treat this Notice as for information purposes only.

17. **E-Voting Facility:**

A. Instructions for members using remote e-voting are as under:-

1. The remote e-voting period commences on Wednesday September 19, 2018 at 9.00 a.m. and ends on Friday September 21, 2018 at 5.00 p.m. During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of September 15, 2018, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
2. The procedure and instructions for members for remote e-voting are as under:
 - i. Log on to the e-voting website www.evotingindia.com
 - ii. Click on "Shareholders" tab.
 - iii. Now, select the "COMPANY NAME" from the drop down menu and click on "SUBMIT".
 - iv. Now Enter your User ID for Members holding shares in Demat Form:-
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID &
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
 - v. Next enter the Image Verification as displayed and Click on Login.
 - vi. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
 - vii. If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form

Notice of 37th Annual General Meeting - Continued

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

- viii. After entering these details appropriately, click on "SUBMIT" tab.
- ix. Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- x. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- xi. Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- xii. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- xiii. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- xiv. After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- xv. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xvi. You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- xvii. If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- xviii. Note for Non-Individual Shareholders and custodians
- a. Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.
- b. They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.
- c. After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
- d. The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- e. A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in the PDF format in the system for the scrutinizer to verify the same.
- xix. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

B. Members who wish to vote using Ballot Form:

Members may fill in the Ballot Form and submit the same in a sealed envelope to the Scrutinizer, Mr Neelesh Gupta, Practising Company Secretary, Unit: Hind Syntex Ltd Link Intime India Pvt Ltd, C 101, 247 Park, L B S Marg, Vikhroli West, Mumbai-400 083, so as to reach there by 5.00 p.m. on September 22, 2018. Unsigned, incomplete or incorrectly ticked forms are liable to be rejected and the decision of the Scrutinizer on the validity of the forms will be final.

In the event a member casts his votes through both the processes i.e. remote e-voting and Ballot Form, the votes in the remote e-voting system would be considered, and the Ballot Form would be disregarded.

Other instructions:

- a. 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.

Notice of 37th Annual General Meeting - Continued

- b. The Facility for voting, either through electronic voting system or ballot form shall also be made available at the AGM and members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their rights at the meeting through ballot form.
- c. Any person, who acquires shares of the Company and becomes member of the Company after dispatch of notice of AGM and holds shares as of the cut-off date i.e. 15th September, 2018, may obtain the login ID and password by sending a request at helpdesk.evoting@cdslindia.com or at compliance_hsl@wearitgroup.com. However, if you are already registered with CDSL 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.india.com or contact CDSL at the following toll free no.: 1800-200-5533.
- d. Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the Meeting, i.e. September 22, 2018.
- e. The Scrutinizer shall after the conclusion of voting at the general meeting, 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 of the meeting or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith
- f. Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.hindsyntexltd.com and on the website of CDSL www.cdslindia.com within two days of the passing of the Resolutions at the 37th AGM of the Company. The results shall also be immediately forwarded to the stock exchanges at which the shares of the Company are listed.

INFORMATION PURSUANT TO REGULATION 36 OF THE SEBI (LODR) REGULATIONS, 2015, REGARDING THE DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT IN THE MEETING.

Name of the Director	Mr. Manish Kumar	Mr. Balesh Kumar Bagree
DIN	00121900	01625256
Date of Birth	17.06.1969	12.08.1969
Date of Appointment	23.03.2013	30.05.2018
Qualification	Bachelor's degree in Commerce & Diploma in Business Management from Harvard University, U.S.A.	Bachelor's degree in Commerce (B.Com) from St. Xavier's College, Kolkata.
Expertise	Industrialist having rich experience in Finance and Management	Possess expertise in Finance & Accounting.
No. of equity shares held in the Company	9,56,456	NIL
Other Public Limited Companies in which Directorship held as on 31.03.2018	Wearit Global Ltd Ritspin Synthetics Ltd SPBP Tea (India) Ltd	SPBP Tea (India) Ltd S.B. Granites Ltd Ritspin Synthetics Ltd
Membership/Chairmanship of Committees of other Public Companies	None.	Member of Audit Committee in M/s. Ritspin Synthetics Ltd.
Relationship with other Directors	None	None

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

Item 3:

The Board of Directors of the Company appointed Mr. Balesh Kumar Bagree, DIN-01625256 as an Additional Director with effect from 30th May, 2018. Pursuant to the provisions of Section 161 of the Act, Mr. Balesh Kumar Bagree will hold the office of a Director up to the date of the forthcoming Annual General Meeting. The Company has received a notice in writing from a member under the provisions of Section 160 of the Act proposing the candidature of Mr. Balesh Kumar Bagree for the office of Director. A brief profile of Mr. Bagree is provided in the notes to the Notice of the Annual General Meeting. Mr. Balesh Kumar Bagree is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director of the Company.

In the opinion of the Board, Mr. Balesh Kumar Bagree fulfills the conditions specified in the Companies Act, 2013 and Rules made thereunder for his appointment as a Director of the Company. A copy of the draft letter for appointment of Mr. Balesh Kumar Bagree as a Director would be available for inspection without any fee to the members at the Registered Office of the Company during normal business hours on any working day till the date of the AGM.

The Board of Directors of your Company recommends the ordinary resolution for appointment of Mr. Balesh Kumar Bagree as a Director, for the approval by the shareholders of the Company.

None of the other directors and key managerial personnel of the Company and their relatives are concerned or interested, financially or otherwise, in this resolution.

Date: 11th August, 2018

Place: Kolkata

Registered Office:

Plot No. 2,3,4 & 5, Sector- A,

Industrial Growth Centre,

Pillukhedi - (M.P.) 465667

**By Order of the Board
For Hind Syntex Limited**

**Sd/
Nidhi Rathi
Company Secretary**

DIRECTORS' REPORT

Dear Members,

The Directors of your Company have pleasure in presenting the 37th Annual Report on the business and operations of the Company together with the Audited Financial Statements for the year ended March 31, 2018.

The Statement of Accounts have been prepared in accordance with Indian Accounting Standards (IND AS) which have been made applicable to the Company w.e.f. 1st April, 2017 as per the Rules laid down in this regard. Accordingly, accounts of the Company have been restated w.e.f. 1st April, 2016 (being comparative year for the current financial year) as per the IND AS requirements.

1. Financial Results:

A summary of the Company's Financial Results for the Financial Year 2017-18 is as under:-

(Rs. in Lakh)

Particulars	2017-18	2016-17
Total Revenue	4401.28	4085.18
Profit / (Loss) before finance cost, depreciation & tax	(347.71)	(128.69)
Finance Cost	0.63	0.83
Depreciation	67.68	68.36
Profit/(Loss) before Tax	(279.40)	(59.50)
Tax Expenses	-	-
Profit/(Loss) after Tax	(245.47)	(38.32)
Other Comprehensive Income	33.82	21.18
Total Comprehensive Income/(Loss) for the year	(245.57)	(38.32)
Earnings per Equity Share (EPS) Basic & Diluted	(2.20)	(0.47)

2. Financial Performance:

The gross revenue from operations of your Company during the year under review was Rs. 4290.91Lakh compared with Rs. 4056.10 Lakh in the previous year. The net loss for the year stood at Rs. (279.40) lakh against Rs. (59.50) lakh reported in the previous year.

Your Directors are optimistic about the Company's business and are hopeful for better performance in upcoming years. Your Company anticipates that the moderation in the growth rates will show steady recovery in the short to medium term and the growth momentum will revive soon.

3. Dividend And Reserves:

On account of losses during the financial year ended 31st March, 2018, the Board of Directors of the Company have not recommended dividend. The Company did not transfer any amount to reserves in view of the losses incurred by the Company during the year under review.

4. Share Capital:

The Authorized Share Capital of your Company is Rs. 16,00,00,000/-. The Paid-up Equity Share Capital of the Company as at March 31, 2018 stood at Rs 12,71,86,000/-. During the year under review, the Company has not issued shares with differential voting rights nor has granted any stock options or sweat equity. As on March 31, 2018, none of the Directors of the Company hold instruments convertible into equity shares of the Company.

5. Change in the Nature of Business, if any:

During the period under review, there was no change in the nature of business of the Company.

6. Public Deposits:

The Company has not invited or accepted any deposits from public within the meaning of Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014.

7. Management Discussion And Analysis Report:

The Management Discussion and Analysis Report on the operations of the Company as stipulated under Regulation 34(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is provided in a separate section and forming part of this Annual Report.

8. Corporate Governance:

The Company has complied with corporate governance requirements under the Companies Act, 2013 and as stipulated under SEBI (LODR) Regulations, 2015. A separate report on corporate governance practices followed by the Company, together with a certificate from the Company's Auditors confirming the compliance, is annexed and forms part of the Annual Report.

9. Directors:

In accordance with the provisions of Section 160 of Companies Act 2013 and the Company's Articles of Association, Mr. Manish Kumar, Director retires by rotation at the forthcoming Annual General Meeting and, being eligible have offered himself for re-appointment. The Board of Directors recommends his re-appointment for the consideration of the Members of the Company at the ensuing Annual General Meeting. Brief profile of Mr. Manish Kumar has been given in the Notice convening the Annual General Meeting.

DIRECTORS' REPORT - *Continued*

During the year under review, Mr. Alok Krishna Agarwal, who was Director of the Company with effect from 11.11.2017 ceased to hold office on 15.03.2018. Mr. Nirmal Kumar Maheshwari was appointed as the Additional Non-Executive Director w.e.f. 27.05.2017 and resigned from the Directorship on 19.03.2018. The Board places on record its appreciation for the assistance and guidance rendered by them during their association as Directors of the Company.

Further Mrs. Shailja Haldia also placed her resignation from the Directorship of the Company w.e.f. 24.05.2018. The Board places on record the appreciation for valuable guidance and support extended by Mrs. Haldia during her tenure as a Director of the Company.

All the Independent Directors have given declarations stating that for the financial year 2018-19, they meet the criteria of independence as contemplated under Section 149(6) read with Schedule IV to the Act as well as SEBI Listing Regulations 2015 and the same was taken on record by the Board in its meeting held on May 30, 2018.

As per the provisions of Section 152 of the Companies Act, 2013 Mr. Balesh Kumar Bagree was appointed as the Additional Director of the Company at the Board meeting held on 30th May, 2018.

10. **Board Meetings:**

The details of the number of meetings of the Board along with their composition held during the financial year 2017-18 are furnished in the Corporate Governance Report, which forms part of this Annual Report. The Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

11. **Key Managerial Personnel:**

The following are the Key Managerial Personnel of the Company:

1. Mr. Hemant Vasant Ambekar: Whole-time Director
2. Mr. Balesh Kumar Bagree: Chief Financial Officer
3. Mrs. Nidhi Rathi: Company Secretary

12. **Committees of the Board:**

The Board of Directors has the following Committees:

1. Audit Committee
2. Nomination and Remuneration Committee
3. Stakeholders' Relationship Committee

The details of the Committees along with their composition, number of meetings held and attendance at the meetings are provided in the Corporate Governance Report.

13. **Board Evaluation:**

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, a structured questionnaire was prepared after taking into consideration the various aspects of the Board's functioning, composition of the Board and its Committees, culture, execution and performance of specific duties, obligations and governance. The Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its committees. The performance evaluation of the Independent Directors was completed during the year under review. The performance evaluation of the Non-Independent Directors was carried out by the Independent Directors and Non-Executive Directors. The Board of Directors expressed their satisfaction with the evaluation process.

14. **Nomination & Remuneration Policy:**

The Board of Directors has, on the recommendation of the Nomination & Remuneration Committee framed a policy which lays down a framework in relation to selection and appointment of Directors, Key Managerial Personnel, Senior Management of the Company and their remuneration. The Remuneration Policy is enclosed as **Annexure - A** to the boards' report and also posted on the website of the Company viz. www.hindsyntaxltd.com and the terms of reference are given separately in the Corporate Governance Report.

15. **Listing with Stock Exchanges:**

The Company's Equity Shares are listed on National Stock Exchange of India Ltd. (NSE) and Bombay Stock Exchange Limited (BSE). Necessary stock exchange regulations are complied with from time to time. Applicable listing fee for the year 2018-19 has already been paid to the respective stock exchanges.

16. **Subsidiaries, Associates & Joint Venture:**

During the year under review, your Company does not have any subsidiary, joint venture and associate Company.

17. **Particulars of Loans, Guarantees or Investments:**

Details of investments and guarantees made by the Company, are given in the notes to the Financial Statements (Please refer Note Nos. 4 and 30). During the year under review, your Company did not give any other loans or guarantees, provide any security or made any Investments as covered under Section 186 of the Companies Act, 2013, other than as disclosed above.

18. **Directors' Responsibility Statement :**

Pursuant to Section 134(5) of the Companies Act, 2013, with respect to Directors' Responsibility Statement, the Directors of your Company hereby state that:

- a) In the preparation of the annual accounts for the year ended 31st March, 2018 the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed along with proper explanation relating to material departures, if any;

DIRECTORS' REPORT - Continued

- b) Appropriate accounting policies have been selected and applied consistently and have made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2018 and of the profit and loss of the Company for the year ended on that date;
- c) Proper and sufficient care have been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) The Annual accounts have been prepared on a 'going concern' basis;
- e) Proper internal financial controls were followed by the Company and such internal financial controls are adequate and were operating effectively; and
- f) Proper systems are devised to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

19. Related Party Transactions:

All transactions entered with Related Parties for the year under review were on arm's length basis and in the ordinary course of business and do not attract the provisions of Section 188 of the Companies Act, 2013. Thus a disclosure in Form AOC-2 in terms of Section 134 of the Companies Act, 2013 is not required. Further, there are no material related party transactions during the year under review with the Promoters, Directors or Key Managerial Personnel. Suitable disclosure as required by Accounting Standard (AS)-18 for all related party transactions are mentioned in the Notes to the Financial Statements.

All Related Party Transactions are placed before the Audit Committee as also before the Board for review and approval on quarterly basis. Omnibus approval was obtained on a yearly basis for transactions which were of repetitive nature.

The policy on Related Party Transactions as approved by the Board of Directors has been uploaded on the website of the Company under Investor Relation Section viz. www.hindsyntexltd.com. None of the Directors has any pecuniary relationship or transactions vis-à-vis the Company except remuneration.

20. Disclosure under Sexual Harassment of Women at Workplace:

Your Company has always believed in providing a safe and harassment free workplace for every individual working and associating with the Company, through various interventions and practices. The Company always endeavors to create and provide an environment that is free from discrimination and harassment including sexual harassment.

The Company has in place a policy for prevention of Sexual Harassment in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. All employees (permanent, contractual, temporary, trainees) are covered under this policy. An Internal Complaints Committees have been framed to redress complaints received regarding sexual harassment. During the year under review, the Company has not received any complaint from any employee related to sexual harassment.

21. Vigil Mechanism /Whistle Blower Policy:

In compliance with the Listing Regulations, Whistle Blower Policy has been implemented as a mechanism for Directors and employees to report concerns about unethical behavior or actual or suspected fraud of all kinds, including alleged fraud by or against the Company, abuse of authority, whether made by a named complainant or anonymously. The Policy is a step towards better Corporate Governance and is available on the Company's website namely www.hindsyntexltd.com under "Investors" Section. The functioning of the Vigil mechanism is reviewed by the Audit Committee from time to time. No complaint under this head has been received by the Company during the year.

22. Prevention of Insider Trading:

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

23. Auditors:

(a) Statutory Auditor:

M/s V. Singhi & Associates, Chartered Accountants (Registration No. 311017E) are the statutory auditors of the Company for the year ended March 31, 2018. Their appointment as the statutory auditors will be ratified at the ensuing Annual General Meeting pursuant to the provisions of Section 139 of the Companies Act, 2013, and Rules made thereunder.

(b) Secretarial Auditor:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and rules made thereunder, the Board has appointed M/s. Neelesh Gupta & Co, Indore, a firm of Company Secretaries in Practice (C.P.No.6846) to undertake the Secretarial Audit of the Company for the financial year 2017-18. The Secretarial Audit Report is annexed as **Annexure-B** and forms an integral part of this Report. The Secretarial Audit Report does not contain any adverse qualification, reservation or remark.

(c) Internal Auditor:

M/s Parihar & Sonpar, Chartered Accountants perform the duties of internal auditors of the company and their reports are reviewed by the audit committee from time to time.

24. Auditors' Report:

The Statutory Auditors of the Company have submitted Auditors' Report on the Financial Statements of the Company for the financial year ended 31st March, 2018. There are no qualifications, reservations, or adverse remarks or disclaimers in the Auditors' Report. Observations made in the Auditors' Report are self-explanatory and therefore do not call for any further comments under Section 134(1) of the Companies Act, 2013.

DIRECTORS' REPORT - *Continued*

25. **Internal Control System and Their Adequacy:**

The Company's internal audit system has been continuously monitored and updated to ensure that assets are safeguarded, established regulations are complied with and pending issues are addressed promptly. The audit committee reviews reports presented by the internal auditors on a routine basis. The committee makes note of the audit observations and takes corrective actions, if necessary. It maintains constant dialogue with statutory and internal auditors to ensure that internal control systems are operating effectively.

26. **Particulars of Employees and Related Disclosures:**

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 are provided in the Annual Report as **Annexure-C** to this report.

None of the employee has received remuneration exceeding the limit as stated in rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

27. **Extract of Annual Return:**

The details forming part of the extract of the Annual Return in form MGT-9, as required under Section 92 of the Companies Act, 2013, is annexed as **Annexure-D** and forms an integral part of this Report.

28. **Significant & Material Orders Passed by the Regulators or Courts or Tribunal:**

There were no significant and material orders passed by the Regulators or Courts or Tribunals which would impact the going concern status and the Company's operations in future.

29. **Material Changes from end of Financial Year to Date of this Report:**

Except as disclosed elsewhere in this report, there have been no material changes and commitments, which can affect the financial position of the Company, occurred between the end of the financial year of the Company and date of this report.

30. **Conservation of Energy, Technology Absorption, Foreign Exchange Earnings & Outgo:**

The information required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 on conservation of energy, technology absorption and foreign exchange earnings and outgo is enclosed herewith as **Annexure-E**.

31. **Indian Accounting Standards (IND AS):**

The Ministry of Corporate Affairs (MCA) has notified phase-wise road map for the adoption of Indian Accounting Standard ("Ind AS"), converged with International Financial Reporting Standards (IFRS), vide its notification dated 16 February, 2015, announcing the Companies (Indian Accounting Standards) Rules, 2015 as amended by Indian Accounting Standards ("Ind AS") Rules 2016 and 2017 for application of the Ind AS. Accordingly, your Company has adopted Ind AS with effect from the FY 2017-18 (along with comparative for the FY 2016-17), which is covered under Phase-II, based on listed Companies criteria. Your Company maintains highest Standards of Corporate Governance and recognizes that Financial Statements are important source of information for the Shareholders and other Stakeholders. The Financial Statements for the FY 2017-18 are the First Financial Statements with comparatives prepared under Ind AS. Notes to Standalone Financial Statements provide further explanation on the transition to Ind AS.

The company had adopted Indian Accounting Standards (Ind As) with effect from 1st April, 2017 pursuant to Ministry of Corporate affairs notification of the Companies (Indian Accounting Standards) Rules, 2015.

32. **Risk Management:**

Pursuant to the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board formally adopted steps for framing, implementing and monitoring the risk management plan for the Company by way of Risk Management Policy. The main objective of this policy is to ensure sustainable business growth with stability and to promote a pro-active approach in reporting, evaluating and mitigating risks associated with the business. The policy establishes a structured and disciplined approach to Risk Management, in order to guide decisions on risk related issues. In today's challenging and competitive environment, strategies for mitigating inherent risks associated with business and for accomplishing the growth plans of the Company are imperative. The common risks inter alia are risks emanating from; Regulations, Competition, Business, Technology obsolescence, Investments, retention of talent, finance, politics and fidelity. As a matter of policy, these risks are assessed and steps as appropriate are taken to mitigate the same. The Risk Management Policy is also hosted on the Company's website www.hindsyntextltd.com.

33. **Corporate Social Responsibility:**

Your Company is not required to spend any amount on Corporate Social Responsibility (CSR) activities during the year under review as the provisions of Companies Act, 2013 regarding CSR is not attracted to the Company.

34. **Acknowledgement:**

Your Directors would like to express their sincere appreciation for the assistance and co-operation received from the financial institutions, banks, Government authorities, customers, vendors and members during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the committed services by the Company's executives, staff and workers.

For and on behalf of the Board of Directors

Sd/-

(Manish Kumar)

Director

DIN: 00121900

Sd/-

(Hemant Vasant Ambekar)

Whole-Time Director

DIN: 07644396

Date: 11th August, 2018

Place: Kolkata

Annexure-A
NOMINATION AND REMUNERATION POLICY

1. PREFACE:

In terms of the provisions of Section 178 of the Companies Act, 2013 read with the applicable rules thereto and Regulation 19(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, this policy on Nomination and Remuneration of Directors, Key Managerial Personnel (KMP), Senior Management and other employees of the Company has been formulated by the Nomination and Remuneration Committee of the Company and approved by the Board of Directors.

Upon the recommendations of Nomination and Remuneration Committee, the Board of Directors of Hind Syntex Limited ("HSL") in their meeting held on 10th November, 2016 made certain amendments in the existing policy and thereafter replaced the existing policy with the amended policy.

The amended policy is as under:-

2. APPLICABILITY:

The policy is applicable to:

- a) Directors (Executive and Non-Executive)
- b) Key Managerial Personnel
- c) Senior Management Personnel or such other persons of the Company as the Committee may deem fit for that purpose.

3. TERMS OF REFERENCE/ROLE OF THE COMMITTEE:

The Terms of Reference of the Nomination and Remuneration Committee are as follows:

- a. To identify persons who are qualified to become Directors (Executive and Non-Executive) and who may be appointed in Senior Management and Key Managerial positions in accordance with the criteria laid down in the policy and recommend to Board their appointment and removal.
- b. To formulate criteria for determining qualifications, positive attributes and independence of a Director.
- c. To recommend to the Board on Remuneration payable to the Directors (whole time Directors, Executive Directors etc), Key Managerial Personnel and employees of Senior Management while ensuring the following:-
 - i) That the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully.
 - ii) That relationship of remuneration to performance in respect of Directors, Key Managerial Personnel and employees of Senior Management is clear and meets appropriate performance benchmarks.
 - iii) That remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate of the working of the Company and its goals.
- d. To formulate criteria for evaluation of every Director including Independent Director and the Board.
- e. To carry out evaluation of the performance of Directors, as well as Key Managerial and Senior Management Personnel and provide necessary report to the Board for further evaluation by the Board.
- f. To enable the company to attract, retain and motivate highly qualified members for the Board and other executive level to run the Company effectively and successfully.
- g. To provide to Key Managerial Personnel and Senior Management, reward linked directly to their efforts, performance, dedication and achievement relating to the Company's operations.
- h. To devise a policy on Board diversity from time to time; and
- i. To develop a succession plan for the Board and to regularly review the plan.

4. STATUTORY POWERS OF THE COMMITTEE:

- a) The committee shall have a power to express opinion whether the Director possesses the requisite qualification for the practice of the profession, when remuneration is proposed to be paid for the services to be rendered in any other capacity and such services to be rendered are of a professional nature.
- b) Where in any Financial Year during the currency of tenure of a managerial person, a Company has no profits or its profits are inadequate, the Committee may approve the payment of remuneration as per Section II of Part II of Schedule V to the Companies Act, 2013.

5. COMPOSITION OF THE COMMITTEE:

- a. The Committee shall consist of a minimum 3 Non-Executive Directors, majority of them being Independent Directors.
- b. Minimum two (2) members shall constitute a quorum for the Committee meeting.
- c. Membership of the Committee shall be disclosed in the Annual Report.
- d. Term of the Committee shall be continued unless terminated by the Board of Directors.

6. CHAIRMAN:

- a. The Chairman of the Committee shall be an Independent Director.
- b. The Chairman of the Company may be appointed as a member of the Committee but shall not be a Chairman of the Committee.
- c. In the absence of the Chairman, the members of the Committee present at the meeting shall choose one of the Independent Directors amongst them to act as Chairman.
- d. The Chairman of the Committee shall endeavor to be present at the Annual General Meeting or, in his absence any other member of the committee as authorized shall attend the Annual General Meeting.

DIRECTORS' REPORT - Continued

7. FREQUENCY OF MEETINGS:

The Committee shall meet as per the requirement of Companies Act, 2013 rules made there under read with requirement of SEBI (LODR) Regulations, 2015. The meeting of the Committee shall be held at such regular intervals as may be required.

8. COMMITTEE MEMBERS' INTERESTS:

- a. A member of the Committee is not entitled to be present when his or her own remuneration is discussed at a meeting or when his or her performance is being evaluated.
- b. The Committee may invite such executives, functional heads and outside experts, as it considers appropriate, to be present at the meetings of the Committee.

9. SECRETARY:

The Company Secretary of the Company shall act as Secretary of the Committee.

10. VOTING:

- a. Decisions of the Committee shall be decided by a majority of votes of Members present and voting and any such decision shall for all purposes be deemed a decision of the Committee.
- b. In the case of equality of votes, the Chairman of the meeting will have a casting vote.

11. MINUTES OF COMMITTEE MEETING:

The minutes of all the proceedings of all meetings must be signed by the Chairman of the Committee at the subsequent meeting. Minutes of the Committee meetings will be tabled at the subsequent Board Meetings.

12. POLICY FOR APPOINTMENT AND REMOVAL OF DIRECTORS, KMP AND SENIOR MANAGEMENT:

1. Appointment Criteria and Qualifications:

- a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person in one or more fields of finance, law, management, sales, marketing, administration, public administrative services, research, corporate governance, technical operations or any other discipline related to the Company's business for appointment as Director, KMP or at Senior Management level and recommend to the Board for his/her appointment.
- b) A person should possess adequate qualification, expertise and experience for the position he/she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient/satisfactory for the concerned position.
- c) The Company shall not appoint or continue the employment of any person as Whole Time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.
- d) As per Selection Criteria of Senior Management shall mean employees hired at the level of Divisional Heads and Corporate Functional Heads or equivalent positions. The policy provides that the candidate should have appropriate qualifications, skills and experience for discharging the role. The qualifications, skills and experience of each such position shall be defined in the job description, which will be maintained by the HR function.

2. Term/Tenure :

a) Managing Director/Whole-time Director :

The Company shall appoint or re-appoint any person as its Managing Director or Executive Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

b) Independent Director :

- An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.
- No Independent Director shall hold office for more than two consecutive terms of upto maximum of 5 years each, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.
- At the time of appointment of Independent Director it should be ensured that number of Board on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company or such other number as may be prescribed under the Act.
- The candidate proposed to be appointed as Independent Director, should not have any direct or indirect material pecuniary relationship with the Company and must satisfy the requirements imposed under the Companies Act or under the SEBI (LODR) Regulations, 2015 requirements.

3. Evaluation:

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

4. Removal:

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

DIRECTORS' REPORT - *Continued*

5. Retirement:

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

13. BOARD DIVERSITY:

The Board shall consist of such number of Directors, including at least one women Director and not less than fifty percent of the Board of Directors comprising non-executive directors, as is necessary to effectively manage the Company of its size.

When the Chairman of the Board is a non-executive director, at least one-third of the Board should comprise independent directors and in case the Company does not have a regular non-executive Chairman or in case the regular non-executive Chairman is a promoter of the Company, at least half of the Board comprise independent directors.

The Committee will lead the process for Board appointments. All Board appointments will be based on the skills, diverse experience, independence and knowledge which the Board as a whole requires to be effective. The Committee shall seek to address Board vacancies by actively considering candidates that bring a diversity of background and opinion from amongst those candidates with the appropriate background and industry or related expertise and experience. The candidates will be considered against objective criteria, having due regard to the benefits of diversity on the Board.

Additionally the Board may consider appointment of experts from various specialized fields such as finance, law, information technology, corporate strategy, marketing and business development, operations management etc. so as to bring diversified skill sets on board or succeed any outgoing director with the same expertise.

14. POLICY FOR REMUNERATION TO DIRECTORS/KMP/SENIOR MANAGEMENT PERSONNEL:

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

The Board, on the recommendation of the Nomination and Remuneration Committee, reviews and approves the remuneration payable to the Executive Directors and Key Managerial Personnel. The Board and the Committee considers the provisions of the Companies Act, 2013, the limits approved by the shareholders and the individual and corporate performance in recommending and approving the remuneration to the Executive Directors and Key Managerial Personnel and Senior Management Personnel.

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

2. Remuneration to Non-Executive/Independent Director:

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

15. PERFORMANCE EVALUATION:

The process approved by the Nomination and Remuneration Committee requires the Chairman to initiate the performance evaluation process in the month of April every year. The performance evaluation is conducted based on approved criteria in the evaluation forms. The process highlights are as under:

- a) **Board:** Each Board member completes the self-evaluation form. Independent Directors discuss the self-evaluation forms in a separate meeting and share their feedback with the Chairman of the Company. The Chairman discusses with the entire Board at the Board Meeting.
- b) **Committees:** Each Committee member completes the self-evaluation form and shares feedback with the Chairman of the Committee. The Chairman of the Committee discusses the evaluation form analysis with the Whole-time Director and later with the entire Board at the Board Meeting.
- c) **Independent Directors:** Each Board member completes the peer evaluation form. Independent Directors discuss the peer evaluation forms in a separate meeting and share their feedback with the Chairman. The Chairman conveys feedback individually to the concerned Directors.

The evaluation of individual directors including Independent Directors shall be done by the Board as a whole keeping in view the inputs provided by Nomination & Remuneration Committee.

16. DISSEMINATION:

The policy shall be published on Company's website and accordingly disclosed in the Annual Report as part of Board's Report therein.

17. EFFECTIVE DATE:

This policy will be effective from 10th November, 2016 and may be amended subject to the approval of Board of Directors.

18. REVIEW AND AMENDMENT:

The Nomination & Remuneration Committee or the Board may review the policy as and when it deems necessary and it may be amended or substituted by the Committee or by the Board as and when required and also by the Compliance Officer where there is any statutory changes necessitating the change in the policy.

In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities, not being consistent with the provisions laid down under this Policy, then such amendment(s), clarification(s), circular(s) etc. shall prevail upon the provisions hereunder and this Policy shall stand amended accordingly from the effective date as laid down under such amendment(s), clarification(s), circular(s) etc.

For and on behalf of the Board of Directors

Sd/-

(Manish Kumar)

Director

DIN: 00121900

Sd/-

(Hemant Vasant Ambekar)

Whole-Time Director

DIN: 07644396

Date: 11th August, 2018

Place: Kolkata

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2018
[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies
(Appointment and Remuneration Personnel) Rules, 2014]

To,
The Board of Directors,
HIND SYNTEX LIMITED
Plot No.2, 3, 4 & 5 Industrial Growth Centre
Dist.- Rajgarh, Pillukhedi - 465667,
Madhya Pradesh

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Hind Syntex Limited (hereinafter called 'the Company'). The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts /statutory compliances and expressing our opinion thereon.

The Company's Board of Directors is responsible for the matters of Compliances of the various provisions of the Companies Act, 2013 and other applicable laws. Our responsibility is to conduct the audit of the Compliances made during the year upon test check basis. We have adopted such methods and procedure and based on our verification of the books, papers, minutes book, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit. We hereby report that in our opinion the Company has during the audit period ended on 31st March, 2018 has 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, minutes book, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2018 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
 - (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

During the period under review and as per the explanations and representations made by the management and subject to clarifications given to us, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, etc., as mentioned above.

We further report that:

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

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

All decisions at Board Meetings and Committee Meetings were carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committees 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.

DIRECTORS' REPORT - *Continued*

We further report that:-

During the audit period of the company, there were no instances of:

- (i) Public / Rights / Preferential issue of shares / debentures / sweat equity.
- (ii) Redemption / buy-back of securities.
- (iii) Merger / amalgamation / reconstruction etc.
- (iv) Foreign technical collaboration.

However the members of the Company have passed following resolutions

- Ordinary resolution for appointment of Statutory Auditor of the Company.
- Ordinary resolution for re- appointment of Mr. Manish Kumar as Director of the company

Except the above event no other event has held during the reporting period for which the company needs approval of its members by way of passing special or ordinary resolution.

We further report that:-

During the audit period of the company, there were instances of:

Appointment of Secretarial Auditor under section 204(1) of Companies Act, 2013

Name	Designation	Date of Appointment	Date of cessation
Mr. Neelesh Gupta	Secretarial Auditor	05/ 02/2018	

Appointment of independent Director

The Board has appointed Mr. Alok Krishan Agarwal as additional Independent Director of the company in the duly convened Board meeting held on 11th November 2017. On 15th March 2018 he has submitted his resignation from the post of Independent Director of the Company.

Regularizations of Directors in Annual General Meeting

Mr. Hemant Vasant Ambekar having DIN- 07644396 and Mr. Nirmal Kumar Maheshwari having DIN- 07831337 have been appointed as Director of the company by members in Annual General Meeting held on 23rd September 2017. On 19th March 2018, Mr. Nirmal Kumar Maheshwari has submitted his resignation from the post of Director of the Company.

Corporate Guarantee to Allahabad Bank

The Company has provided Corporate Guarantee in favour of ALLAHABAD BANK, KOLKATA MAIN BRANCH as per the terms of the borrowing agreed by Wearit Global Limited for availing the credit facility to the extent of Rs 10 crore/-. However, the same is repaid by the Borrower.

Related Party Transaction:

The Company has conducted related party transaction with Wearit Global Ltd & Ritspin Synthetics Ltd and has obtained the requisite approval from the Board of Directors of the Company.

Date: 01/08/2018

Place: Indore

For Neelesh Gupta & Co.

Company Secretaries

Sd/-

CS. Neelesh Gupta

Proprietor

C.P. No.6846

To,

The Board of Directors,

HIND SYNTEX LIMITED

Plot No.2, 3, 4 & 5 Industrial Growth Centre

Dist.- Rajgarh, Pillukhedi - 465667,

Madhya Pradesh

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

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
 - Company has held all requisite no. of Board Meetings/Audit Committee meetings/ Nomination & Remuneration Committee/ Stakeholders Relationship committee Meetings/ Independent Directors Meetings complied with the provisions of Companies Act, 2013.
 - Management properly maintained minutes book and duly authenticated by the Chairman.
 - Management has kept and properly entered records in all statutory books in their registered office
 - Notice of Board meetings were duly sent to all the directors.

DIRECTORS' REPORT - Continued

- Notice of Annual General Meeting has been duly sent to all the members.
 - The Company is regular in publishing Audited and Unaudited Financial Result.
 - Company has not obtained secured loans from banks / financial institutions, however Company has given Corporate Guarantee and the same were entered in statutory register.
 - Company has not directly indirectly advanced any loans to any of the its Director or KMP or any other person in whom the director is interested or given any guarantee or provided any security in connection with any loan taken by him or such other person (under section 185 & 188 of Companies Act, 2013)
 - Company has not accept any deposit (under section 73 of Companies Act, 2013)
 - The Company has maintained a proper website with all statutory required information.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards are the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Date: 01/08/2018
Place: Indore

For Neelesh Gupta & Co.
Company Secretaries
Sd/-
CS. Neelesh Gupta
Proprietor
C.P. No.6846

Annexure - C
PARTICULARS OF EMPLOYEES

DISCLOSURE IN DIRECTORS' REPORT PURSUANT TO SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5 OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

A. Requirements under Rule 5(1)		
(i)	The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year;	Mr. Hemant Vasant Ambekar, Whole-time Director (Date of appointment 10.11.2016) - 1.49x (Ratio in x times). The median remuneration of employees of the Company was Rs.1412.54 Lakh.
(ii)	The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year.	Mr. Hemant Vasant Ambekar, Whole-time Director - Nil Key Managerial Persons : Mr. Balesh Kumar Bagree, CFO –1.38% Mrs. Nidhi Rathi, CS –19.44%
(iii)	The percentage increase in the median remuneration of employees in the financial year;	(-)18.49% During the FY 2017-18, the percentage decreased in the median remuneration of employees by 18.49% as compared to FY 2016-17 due to Production reduced resulted in reduction of manpower hands.
(iv)	The number of permanent employees on the rolls of the company;	There were 779 permanent employees as on March 31, 2018.
(v)	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;	Average increase in remuneration for Employees other than Managerial Personnel is (-)18.49% and for managerial personnel is 4.99%. Salary percentile of non-managerial personnel decrease due to Production reduced resulted in reduction of manpower hands.
(vi)	Affirmation that the remuneration is as per the remuneration policy of the company	Remuneration paid by the company during the financial year 2017-18 is as per the Remuneration policy of the Company.

Date: 11th August, 2018
Place: Kolkata

For and on behalf of the Board
Sd/-
(Manish Kumar)
Director
DIN: 00121900

Sd/-
(Hemant Vasant Ambekar)
Whole-Time Director
DIN: 07644396

**Annexure-D
Form No. MGT-9**

EXTRACT OF ANNUAL RETURN as on the financial year ended on March 31, 2018 of HIND SYNTEX LTD [Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS									
(i)	CIN	:	L17118MP1980PLC001697						
(ii)	Registration Date	:	03/12/1980						
(iii)	Name of the Company	:	HIND SYNTEX LIMITED						
(iv)	Category/Sub-Category of the Company	:	Company Limited by Shares						
(v)	Address of the Registered office and contact details:	:	Plot No.2,3,4& 5, Sector –A, Industrial Growth Centre, Pillulkedi -465667, District – Rajgarh, Madhya Pradesh Tel. No. +91 7375 2444350; +91 9301528698						
(vi)	E-Mail	:	pillukhedi@wearitgroup.com						
(vii)	Website	:	www.hindsyntexltd.com						
(viii)	Whether listed Company	:	Yes. BSE Ltd & N SE Ltd.						
(ix)	Name, Address and Contact details of Registrar and Transfer Agent, if any	:	Saili Lad Client Relations- Corporate Registry LINK INTIME INDIA PRIVATE LIMITED C-101, 247 Park, L. B. S. Marg, Vikhroli (W), Mumbai-400083. Tel No: +91 22 49186000, Fax: +91 22 49186060						
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 Product	NIC Code of the Product		% to total turnover of the Company					
1.	Income from Job Work	17114		54.76%					
2.	Sale of Products – Synthetic & Blended Yarn			38%					
III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES									
Sl. No.	Name & Address of the Company	CIN	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section				
NIL									
IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup As Percentage of Total Equity)									
(i) Category-wise Share Holding									
Category of Share holders	No. of shares held at the beginning of the year (01.04.17)				No. of shares held at the end of the year (31.03.18)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
Individual/HUF/Trust	3689263	-	3689263	29.00	3689263	-	3689263	29.00	-
Central Govt.	-	-	-	-	-	-	-	-	-
State Govt.	-	-	-	-	-	-	-	-	-
Bodies Crop.	-	-	-	-	-	-	-	-	-
Banks/FI	-	-	-	-	-	-	-	-	-
Any other- Trust	2445919	-	2445919	19.24	2445919	-	2445919	19.24	-
Sub Total (A)(1)	6135182	-	6135182	48.24	6135182	-	6135182	48.24	-

DIRECTORS' REPORT - Continued

Category of Share holders	No. of shares held at the beginning of the year (01.04.17)				No. of shares held at the end of the year (31.03.18)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(2) Foreign									
NRIs Individuals	-	-	-	-	-	-	-	-	-
Other individuals	-	-	-	-	-	-	-	-	-
Bodies Crop.	-	-	-	-	-	-	-	-	-
Banks/FI	-	-	-	-	-	-	-	-	-
Any other	-	-	-	-	-	-	-	-	-
Sub Total (A)(2)	-	-	-	-	-	-	-	-	-
Total Shareholding									
(A+=(A)(1)+(A)(2)	6135182	-	6135182	48.24	6135182	-	6135182	48.24	-
B. Public Shareholding									
1. Institutions									
(a) Mutual Funds	-	-	-	-	-	-	-	-	-
(b) Fin Ins	1840000	9933	1849933	14.54	1840000	9933	1849933	14.54	-
(c) Central Govt	-	-	-	-	-	-	-	-	-
(d) State Govt.	-	-	-	-	-	-	-	-	-
(e) Venture Cap	-	-	-	-	-	-	-	-	-
(f) Insurance Co.	-	-	-	-	-	-	-	-	-
(g) FIs	-	-	-	-	-	-	-	-	-
(h) Foreign Venture Cap.Fund	-	-	-	-	-	-	-	-	-
(i) Others- Banks	1100	-	1100	0.0086	1100	-	1100	0.0086	-
Sub Total (B)(1)	1841100	9933	1851033	14.55	1841100	9933	1851033	14.55	-
2. Non Institutions									
(a) Bodies Crop									
(i) Indian	794899	129350	924249	7.27	949133	129350	1078483	8.48	-
(ii) Overseas	-	102000	102000	0.80	-	102000	102000	0.80	-
(b) Individuals									
(i) Individual Shareholder Holding Sh Cap. upto Rs. 1 lakh	2004593	628330	2632923	20.70	1945871	617130	2563001	20.15	-
(ii) Individual Shareholder Holding Sh Cap. in excess of Rs. 1 lakh	825339	40100	865439	6.80	769440	40100	809540	6.37	-
(c) Others	195174	12600	207774	1.64	166761	12600	179361	1.41	-
Sub Total (B)(2)	3820005	912380	4732385	37.21	3831205	901180	4732385	37.22	-
Total Public Shareholding (B)=(B)(1)+(B)(2)	5661105	922313	6583418	51.76	5672305	911113	6853418	12.77	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	11796287	922313	12718600	100.00	11807487	911113	12718600	100.00	-

DIRECTORS' REPORT - Continued

V. Shareholding of Promoters								
Sl. No.	Shareholder's Name	Shareholding at the beginning of the year (01.04.2017)			Shareholding at the end of the year (31.03.2018)			% Change in Shareholding during the year
		No. of shares	% of total Shares of the Company	% of Shares Pledged/ Encumbered to Total shares	No. of shares	% of total Shares of the Company	% of Shares Pledged/ Encumbered to Total shares	
1	Manish Kumar	956456	7.52	-	956456	7.52	-	-
2	Ritika Kumar	2732807	21.49	-	2732807	21.49	-	-
3	RDM Family Trust	747348	5.88	-	747348	5.88	-	-
4	Devmanu Family Trust	1698571	13.36	-	1698571	13.36	-	-
	Total	6135182	48.24	-	6135182	48.24	-	-

VI. Change in Promoters' Shareholding (Please specify, if there is no change)							
Sl. No.	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of Shares	% of Total Shares	No. of Shares	% of Total Shares
A	At the beginning of the year			NO CHANGE			
B	Changes during the year			DURING			
C	At the end of the year			THE YEAR			

VII. Shareholding pattern of top ten shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)					
Sl. No.	For Each of the Top 10 shareholders	Shareholding at the beginning of the year 01.04.17		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1.	Asset Reconstruction Company (India) Ltd.	1840000	14.46	1840000	14.46
2.	Stock Path Advisors LLP	232001	1.82	232001	1.82
3.	Gunny Chem Tex India Limited	145128	1.14	145128	1.14
4.	Dalmia Sec Pvt Ltd	-	-	130988	1.03
5.	Impact Labs Pvt.Ltd.	123329	0.96	123329	0.96
6.	Ashok Kumar Damani	118100	0.93	118100	0.93
7.	Rajendra Kumar Makhan Lal Gupta Vimala Rajendra Kumar Gupta	110897	0.87	110897	0.87
8.	Ivana Holdings Limited	102000	0.80	102000	0.80
9.	State Bank of Saurashtra	98000	0.77	98000	0.77
10.	Umesh Kumar Narsaria	77508	0.61	77508	0.61
11.	Anushreya Investments Pvt Ltd	-	-	53054	0.42
12.	KusumDhelia	99438	0.78	-	-

VIII. Shareholding of Directors and Key Managerial Personnel						
Sl. No.	For Each of the Directors & KMP	Shareholding at the beginning of the year (1st April 2017)		Increase/decrease during the year specifying the reasons	Shareholding at the end of the Year (31st March 2018)	
		No. of shares	% of total Shares of the Company		No. of shares	% of total Shares of the Company
1.	Manish Kumar	956456	7.52	-	956456	7.52

Note: No other Directors except above hold any shares in the Company

DIRECTORS' REPORT - Continued

IX. INDEBTEDNESS				
Indebtedness of the Company including interest outstanding/accrued but not due for payment: NIL				
	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the Financial year 01.04.17				
(i) Principal Amt.				
(ii) Interest due but not paid				
(iii) Interest accrued but not due				
Total (i+ii+iii)				
Change in Indebtedness during the financial year				
Addition				
Reduction				
Net Change		NIL		
Indebtedness at the end of the financial year 31.03.18				
(i) Principal Amt.				
(ii) Interest due but not paid				
(iii) Interest accrued but not due				
Total (i+ii+iii)				

X. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL			
A. Remuneration to Managing Director, Whole-time Directors and/or Manager:			
Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager	Total Amount (in Rs)
		Mr. Hemant Vasant Ambekar	
1	Gross Salary (a) Salary as per provisions contained in Sec 17(1) of the Income Tax Act, 1961 (b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961 (c) Profits in lieu of salary u/s17(3) of the Income Tax Act, 1961	12,29,712 8,75,763 NIL	12,29,712 8,75,763 NIL
2	Stock Option	--	--
3	Sweat Equity	--	--
4	Commission - As % of Profit - Others, specify	--	--
5	Others, please specify	--	--
Total (A)		21,05,475	21,05,475
Ceiling as per the Act			

B. Remuneration to other directors : NIL			
Sl. No.	Particulars of Remuneration paid during 1.04.17 to 31.03.2018	Name of Directors	Total Amount
1.	Independent Directors - Fee for attending Board Committee Meetings - Commission - Others		
Total (1)			

DIRECTORS' REPORT - Continued

Sl. No.	Particulars of Remuneration paid during 1.04.17 to 31.03.2018	Name of Directors	Total Amount
2.	Other Non-Executive Directors - Fee for attending Board Committee Meetings - Commission - Others		
	Total (2)	NIL	NIL
	Total (B) = (1) + (2) Total Managerial Remuneration Overall Ceiling as per the Act	NIL	NIL

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD:			
Sl. No.	Particulars of Remuneration	Key Managerial Personnel	
		Mr. Balesh Kumar Bagree CFO	Mrs. Nidhi Rathi Company Secretary
1	Gross Salary (a) Salary as per the provisions contained in section 17(1) of the Income Tax Act, 1961 (b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961 (c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	12,00,000 2,65,000 Nil	1,92,000 2,38,155 Nil
2	Stock Option	--	--
3	Sweat Equity	--	--
4	Commission - As % of Profit - Others, specify	--	--
5	Others, please specify	--	--
	Total	14,65,000	4,30,155

XI. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES: NIL

Sl. No.	Type	Section of the Companies Act	Brief Description	Details of Penalties/Punishment/Compounding fees imposed	Authority [RD/NCLT/COURT]	Appeal made, if any
A	Company Penalty Punishment Compounding			NIL		
B	Directors Penalty Punishment Compounding			NIL		
C	Other Officers in default Penalty Punishment Compounding			NIL		

For and on behalf of the Board of Directors

Sd/-

(Manish Kumar)

Director

DIN: 00121900

Sd/-

(Hemant Vasant Ambekar)

Whole-Time Director

DIN: 07644396

Date: 11th August, 2018

Place: Kolkata

Information on Conservation of energy, Technology absorption, Foreign exchange earnings and outgo required to be disclosed under Section 134(3)(m) of the Companies Act, 2013 and Rule 8(3) of the Companies (Accounts) Rules, 2014 are provided hereunder:

A. CONSERVATION OF ENERGY

I. Steps taken or impact on conservation of energy:

Cables rerouting was done to reduce the length, addition cable in parallel were laid for proper distribution. This has reduced power consumption due to reduction in voltage loss in distribution. Secondly we are shifting compressor near to maximum air requirement machine this will reduce the energy consumption; also plant will get optimum air pressure in the machine.

II. Steps taken for utilizing alternate sources of energy: NA

III. Capital investment on energy conservation equipments: Nil

In the financial year 2018-19 the investment would be around Rs 1,00,00,000/-

Power and Fuel Consumption:

	Particulars	Current year ended on March 31, 2018	Previous year ended on March 31, 2017
1.	Electricity		
	Purchase Unit	193,53,577	283,41,921
	Total Amount	1272,78,377	1646,16,634
	Rate/Unit	6.58	5.81

Consumption per unit of production:

	Particulars	Current year ended on March 31, 2018	Previous year ended on March 31, 2017
	Product (with details)	Synthetic Blended yarn	Synthetic Blended yarn
	Unit	Kg	Kg
	Electricity	3.05 (Units)	3.68 (Units)

A. TECHNOLOGY ABSORPTION :

I. Efforts made towards technology absorption:

We have started producing dyed and mélange yarn apart from grey yarn. Also we have started few machines permanently on sewing thread machine to cater the sewing thread market.

II. In case of imported technology (imported during the last three years reckoned from the beginning of the financial year): Nil

(a) Details of technology imported: N.A

(b) Year of import: N.A.

(c) Whether the technology has been fully absorbed: N.A.

(d) If not fully absorbed, areas where absorption has not taken place, & the reasons thereof: N.A

III. Expenditure incurred on Research and Development: Nil

B. FOREIGN EXCHANGE EARNINGS & OUTGO : Nil

For and on behalf of the Board of Directors

Sd/-

(Manish Kumar)

Director

DIN: 00121900

Sd/-

(Hemant Vasant Ambekar)

Whole-Time Director

DIN: 07644396

Date: 11th August, 2018

Place: Kolkata

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

1. TEXTILE SECTOR OVERALL REVIEW

India's textiles sector is one of the oldest industries in Indian economy dating back several centuries. Even today, textiles sector is one of the largest contributors to India's exports with approximately 13 per cent of total exports. The textiles industry is also labour intensive and is one of the largest employers. The textile industry has two broad segments. First, the unorganised sector consists of handloom, handicrafts and sericulture, which are operated on a small scale and through traditional tools and methods. The second is the organised sector consisting of spinning, apparel and garments segment which apply modern machinery and techniques such as economies of scale.

The textile industry employs about 105 million people directly and indirectly. India's overall textile exports during FY 2017-18 stood at US\$ 37.74 billion.

The Indian textiles industry is extremely varied, with the hand-spun and hand-woven textiles sectors at one end of the spectrum, while the capital intensive sophisticated mills sector at the other end of the spectrum. The decentralised power looms/ hosiery and knitting sector form the largest component of the textiles sector. The close linkage of the textile industry to agriculture (for raw materials such as cotton) and the ancient culture and traditions of the country in terms of textiles make the Indian textiles sector unique in comparison to the industries of other countries. The Indian textile industry has the capacity to produce a wide variety of products suitable to different market segments, both within India and across the world.

Textile plays a major role in the Indian Economy-

- (i) It contributes 14 per cent to industrial production and 4 per cent to GDP
- (ii) With over 45 million people, the industry is one of the largest source of employment generation in the country.

2. IMPACT OF GST ON TEXTILE INDUSTRY

Despite some changes under the GST regime, the textile sector is in for certain advantages with the implementation of the regime. The tax regime will impact the textile industry by bringing in following changes.

A. Introducing a break in input credit chain:

As a large chunk of the textile industry in the country works under the unorganised sector or the composition scheme, therefore creating a gap between the flow of ITC. If a registered taxpayer procures the input from taxpayers under the composition scheme or the unorganised sector, ITC will not be allowed for him. Now with the implementation of GST, the input credit system smoothly shifts the balance toward the organised sector.

B. Reduction in manufacturing costs

By subsuming the different taxes such as the entry tax, luxury tax, Octroi, etc., the costs for the manufacturers will be reduced in the textile industry.

C. Allowing input credit on capital goods

The cost of import of procuring the latest technology to manufacture textile goods is expensive because the excise duty paid for the same is not allowed at ITC. Under GST, however, ITC will be available for all the tax paid on capital goods.

D. Increase in export of textile products

The process of claiming ITC is streamlined due to GST which allows the textile sector to be competitive in the export market. Due to the extensive cost of the procedure and delays made in the process of duty drawback, a lot of manufacturers and traders were not inclined towards export during the pre-GST regime. Under the GST regime, the duty drawback system has lost its significance, and input tax credit will be given as refund instead of the duty drawback schemes. This is an important boost that was required for promoting the export of textile products.

Though there are a few disadvantages of the GST on the textile industry, it is safe to say that it will help the sector in the long run. It will get many registered taxpayers under a well-maintained system. It can also be said that the new tax regime will help the textile industry expand itself in both the domestic as well as global markets thereby creating sustainable and long-term growth opportunities.

3. COMPANY'S FINANCIAL PERFORMANCE & ANALYSIS

The Company's financial performance for the year 2017-18 is mentioned in the Director's Report.

4. OPPORTUNITY

Our long-standing relationship with our major customers has been one of the most significant factors contributing to our growth. Our commitments to quality and customer service practices have been strong contributing factors to our robust customer relations. Over the years, we have steadily developed a robust base of international customers for our products in different countries. Even though we do not have any long-term supply agreements with them, we have continually received repeat business from many of our international customers. This indicates their level of confidence in our ability to understand latest trends and ensure timely delivery of quality products. It is expected that Synthetic Blended yarn industry will perform better due to growth in domestic and export market and also likely to withstand with the global competition due to economic measures taken by Government of India.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT - *Continued*

5. THREATS

Our business and results of operations are dependent on our ability to effectively plan our manufacturing processes and on our ability to optimally utilize our manufacturing capacities for the various products we manufacture. Any disruption to our manufacturing process or the operation of our production facilities may result from various factors beyond our control, including, among others, the following:

- Utility supply disturbances, particularly power supply;
- Forced close down or suspension of our manufacturing facilities due to factors such as breakdown or failure of equipment, performance below expected levels of output or efficiency, facility obsolescence or disrepair, labour disputes such as strikes and work stoppages, natural disasters and industrial accidents;
- Severe weather condition;
- Interruption of our information technology systems that facilitate the management of our manufacturing facilities; and
- Other production or distribution problems, including limitations to production capacity due to regulatory requirements, changes in the types of products produced or physical limitations that could impact continuous supply.

We are making all efforts to cope up with the challenges through continuous cost reduction, process improvements, diversification of products, rationalization of costs, training the workforce on the continued basis, improving efficiencies and creating a strong customer oriented approach.

6. People At Hind Syntex Ltd

Our people are the heart of our Business and a critical lever for our growth. We implement a systematic performance management strategy, while investing heavily on human resource initiatives to attract and retain the best talent. In order to maximize the employee satisfaction, we provide comprehensive learning opportunities and good long- term prospects. We ensure free flow of knowledge across all the tiers of the management, in an endeavor to maintain transparency and collaborative spirit.

7. Internal Control Systems and their Adequacy

The Company has adequate systems of internal Controls commensurate with its size and operations to ensure orderly and efficient conduct of business.

8. Material developments in Human Resources/Industrial Relations front, including the number of people employed

During the year under review, no such initiatives and/or developments in Human Resources/Industrial Relations front has been taken by the Company.

9. Statutory Compliance

The Directors 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 compliance according to SEBI regulations and provisions of the Listing Regulation.

10. Cautionary Statement

Statements in this report on Management Discussion and Analysis and Directors Report describing the Company's strengths, strategies, projections, estimates, expectations or predictions may be forward-looking, considering the applicable laws and regulations. Actual results may vary from those expressed or implied, depending upon economic conditions, Government Policies and other incidental factors.

For and on behalf of the Board of Directors

Date: 11th August, 2018
Place: Kolkata

Sd/-
(Manish Kumar)
Director
DIN: 00121900

Sd/-
(Hemant Vasant Ambekar)
Whole-Time Director
DIN: 07644396

CORPORATE GOVERNANCE REPORT

The Directors present the Company's Report on Corporate Governance for the year ended 31st March, 2018, in terms of Regulation 34(3) read with schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulation").

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The company believes in adapting and adhering globally recognized standards of corporate conduct towards its employees, clients and society. Corporate Governance is an on-going process ensuring integrity, transparency and accountability in dealing with employees, shareholders, suppliers, customers and the community at large. The company has benchmarked its practices with the prevailing guidelines by upholding the core values across all aspects of its operations. The company's Board is fully aware of its fiduciary responsibilities in the widest sense of the term. The company is committed to attain high standards of Corporate Governance by ensuring integrity in financial reporting, disclosure of material information, continuous improvement of internal controls and sound investor relations. The Company's Governance code is available on the Company's website www.hindsyntextltd.com for general information.

2. THE BOARD OF DIRECTORS

(a) Composition of the Board:

As on 31st March, 2018, the Board comprises of 5 (five) directors out of which one is Executive Director and four are Non-executive Directors including one woman director. The half of the Board comprises of Independent Directors. The Board of the Company is composed of eminent individuals from diverse fields. The composition of the Board represents an optimum combination of Executive, Non-Executive and Independent Directors who have an in-depth knowledge of business, in addition to the expertise in their areas of specialization. Details of composition of the board are as under:

Name of Director	Category of Director	No. of Directorship held in Other Public Ltd Companies (excluding Hind Syntex) as on 31.03.2018	Committee Positions as on 31.03.2018 (#)	
			Member in other Companies	Chairman in other Companies
Mr. Manish Kumar	Promoter & Non Executive Director	3	1	-
Mr. M. P. Rajan	Non-Executive Independent Director	1	1	-
Mr. V S Krishna	Non-Executive Independent Director	None	0	-
Mr. Hemant Vasant Ambekar	Executive & Whole-time Director	None	-	-
Mrs. Shailja Haldia	Non-Executive Independent Director	None	2	-

(#) Board Committees for this purpose includes Audit Committee and Stakeholders Relationship Committee of other public limited companies.

(b) Board Meetings and attendance of Directors:

The Board meets at regular intervals to discuss and decide on business strategies/policies and review the financial performance of the Company. The Board Meetings are pre-scheduled and a tentative annual calendar of the Board Meeting is circulated to the Directors well in advance to facilitate them to plan their schedules accordingly. The notice and detailed agenda along with the relevant notes and other material information are sent in advance separately to each Director and in exceptional cases tabled at the Meeting with the approval of the Board. This ensures timely and informed decisions by the Board.

As mandated by Regulation 26(1)(b) of the Listing Regulations, none of the Directors is a member of more than ten Board Level Committees (considering only Audit Committee and Stakeholders Relationship Committee) or Chairman of more than five Committees across all public limited companies (listed or unlisted) in which he/she is a Director. Further all Directors have informed about their Directorships, Committee memberships/ Chairmanships including any changes in their positions.

The Board of Directors of the company met five times during the financial year 2017-18:

1. 27th May, 2017
2. 19th August, 2017
3. 4th September, 2017
4. 11th November, 2017
5. 5th February, 2018

The Interval between two consecutive meetings of the Board of Directors of the Company did not exceed one hundred and twenty days as stipulated under Section 173(1) of the Act, and Regulation 17(2) of the Listing Regulations and the Secretarial Standards issued by Institute of Company Secretaries of India.

CORPORATE GOVERNANCE REPORT-Continued

Attendance of Directors at the Board Meetings and at the last Annual General Meeting (AGM):

Sl. No.	Name of Director	No. of Board Meetings Held	No. of Board Meetings Attended	Attendance at the last AGM held on 23.09.2017
1.	Mr. Manish Kumar	5	3	No
2.	Mr. M. P. Rajan	5	5	No
3.	Mr. V. S. Crishna	5	3	Yes
4.	Mr. Alok Krishna Agarwal	3	1	No
5.	Mr. Hemant Vasant Ambekar	5	5	Yes
6.	Mrs. Shailja Haldia	5	3	No
7.	Mr. Nirmal Kumar Maheshwari	5	1	Yes

Notes:

1. None of the present directors are "Relative" of each other defined in Sec 2 (77) of the Companies Act, 2013 and Rule 4 of the Companies (Specification of Definition Details) Rules 2014.
2. None of the Directors hold the office of director in more than the permissible number of companies under the Companies Act, 2013 or Regulation 25 and 26 of the Securities and Exchange Board of India, (Listing Obligations & Disclosure Requirements) Regulations, 2015.

(c) Change in Directorship:

The Changes in the Directorship that took place in year 2017-18 has been briefly mentioned in the Director's Report.

(d) Details of Directors Seeking Appointment/ Re-Appointment:

The brief profile of the directors seeking appointment/re-appointment is provided in the Notice convening the Annual General Meeting, which forms part of Annual Report.

(e) Familiarization Programme For Directors:

The Company regularly provides orientation and business overview to its Directors by way of detailed presentations by various business & functional heads at Board Meetings and through other interactive programmes. Such Meetings / programmes include briefings on the culture, values, business model of the Company, the roles and responsibilities of Directors and Senior Executives. The Directors are regularly updated about Company's New projects, changes in regulatory environment and strategic direction. The Board members are provided with necessary documents, reports and internal policies enable them to familiarize with the Company's procedures and practices. The details of such familiarization programmes for Independent Directors are available on the Company's website under Investor Relation Section at <http://www.hindsyntaxltd.com>.

(f) Independent Directors' Meeting:

Independent directors are non-executive directors as defined under Regulation 16(1)(b) of the SEBI (LODR) Regulations read with Section 149(6) of the Companies Act, 2013 ("Act"). The terms and conditions of appointment of the independent directors are disclosed on the website of the Company.

During the financial year under review, a separate meeting of the independent directors was held on 5th February, 2018 inter-alia reviewed the performance of Non-Independent Directors and the Board as a whole and Assess 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 their duties.

All the Independent Directors were present at the meeting.

3. COMMITTEE OF THE BOARD

The Board of Directors has constituted Board Committees to deal with specific areas and activities which concern the Company and requires a closer review. The Board Committees are formed with approval of the Board and function under their respective Charters. These Committees play an important role in the overall Management of day to-day affairs and governance of the Company. The Board Committees meet at regular intervals and take necessary steps to perform its duties entrusted by the Board. The Minutes of the Committee Meetings are placed before the Board for noting.

The Company has three Board level Committees which are as follows:

- a. Audit Committee
- b. Nomination & remuneration Committee
- c. Stakeholder's Relationship Committee

(i) Audit Committee:

The Audit Committee is constituted in line with Regulation 18 of SEBI (LODR), Regulations, 2015 and section 177 of Companies Act, 2013. The Board decides the members and terms of reference of Audit Committee laid down by SEBI. The Audit committee comprises of three Independent Directors i.e. Mr. M. P. Rajan, Chairman, Mr. V. S. Crishna, and Mrs. Shailja Haldia, Members. The Company Secretary acts as a Secretary of the Committee. Statutory Auditors and Head of Finance & Accounts Department are the permanent invitees to the Committee.

The terms of reference of the Audit Committee sufficiently cover the requirements of Section 177 of the Companies Act, 2013 and Regulation 18 of the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations 2015 and include overseeing of financial reporting process and development of financial information, ensuring

CORPORATE GOVERNANCE REPORT-Continued

the correctness of financial statements, reviewing with management, internal and external Auditors the adequacy of internal control system, reviewing the Company's financial and risk management policies and reviewing the related party transaction besides Internal Financial Controls and risk management systems.

The Audit Committee met 4 times during the year on 27.05.2017, 04.09.2017, 11.11.2017, 05.02.2018. Necessary quorum was present during all meetings. The attendance of the members of the Committee was as under:

Name of the Members	Category	No. of meetings attended
Mr. M. P. Rajan, Chairman	Non-Executive Independent Director	4
Mr. V. S. Crishna, Member	Non-Executive Independent Director	3
Mrs. Shailja Hadia, Member	Non-Executive Independent Director	3

(ii) Nomination & Remuneration Committee:

The Company has Nomination & Remuneration Committee in terms of Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI (LODR) Regulations, 2015, which comprises of three Non-Executive Directors i.e. Mr M.P. Rajan, Chairman, Mr. V.S Crishna and Mr. Nirmal Kumar Maheshwari, Members, of which majority of them are Independent Directors of the Company.

The terms of reference of the Committee include remuneration and terms and conditions of appointment of Executive Directors and Senior Management personnel. The role of the committee shall include formulation of the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board of Directors a policy relating to, the remuneration of the Directors, key managerial personnel and other employees and criteria for evaluation of performance of Independent Directors and the Board of Directors.

During the financial year 2017-18, the Nomination and Remuneration committee was re-constituted. Mr. Alok Krishna Agarwal resigned from the Board on 27.05.2017 and thereafter Mr. Nirmal Kumar Maheshwari was appointed in the same meeting and also became the member of Nomination & Remuneration committee.

Two meetings were held during the year on 27.05.2017 and 11.11.2017.

The Attendance Record of members were as follows:

Name of the Members	Category	No. of meetings attended
Mr. M. P. Rajan, Chairman	Non-Executive Independent Director	2
Mr. V. S. Crishna, Member	Non-Executive Independent Director	2
Mr. Alok Krishna Agarwal, Member	Non-Executive Director	1
Mr. Nirmal Kumar Maheshwari, Member	Non-Executive Director	1

The selection and remuneration criteria of directors, senior management personnel and performance evaluation of directors/ board/committee are defined in the Nomination and Remuneration Policy which forms part of the Annual Report.

(iii) Stakeholders Relationship Committee:

The Committee, inter-alia, approves issue of duplicate share certificates as well as oversees and reviews all matters connected with the securities transfer, transmission, nomination, dematerialization and rematerialisation including redressing grievances related thereto. The Committee also considers redressing of shareholder's complaints relating to non-receipt of notices/annual reports and non-receipt of declared dividends etc.

The Stakeholders Relationship Committee comprises of three non-executive directors, Mr. M. P. Rajan, Chairman, Mr. V. S. Crishna and Mr. Manish Kumar - Members. The Committee met once during the year on 27.05.2017 and all members were present at the meeting.

During the financial year 2017-18, no complaints were received from the investors.

Mrs. Nidhi Rathi, Company Secretary of the Company acts as the Compliance Officer of the Company.

The Secretarial Department of the Company and the Registrar and Share Transfer Agent, Link Intime India Private Limited attend to all grievances of the shareholders received directly or through SEBI, Stock Exchanges, Ministry of Corporate Affairs, Registrar of Companies, etc. The Minutes of the Stakeholders Relationship Committee Meetings are circulated to the Board and noted by the Board of Directors at the Board Meetings.

Continuous efforts are made to ensure that grievances are more expeditiously redressed to the complete satisfaction of the investors. Shareholders are requested to furnish their updated telephone numbers and e-mail addresses to facilitate prompt action.

4. CODE OF CONDUCT :

The Board of Directors has approved a Code of Conduct which is applicable to the Members of the Board and all employees of the company. The Code has been posted on the website of the company www.hindsyntaxltd.com.

The Code lays down the standard of conduct which is expected to be followed by the Directors and the designated employees in their business dealings and in particular on matters relating to integrity in the work place, in business practices and in dealing with stakeholders. The Code gives guidance through examples on the expected behaviour from an employee in a given situation and the reporting structure.

All the Board Members and the Senior Management personnel have confirmed compliance with the Code. A declaration to this effect signed by Mr. Hemant Vasant Ambekar, Whole-time Director of the Company is placed at the end of this report.

CORPORATE GOVERNANCE REPORT-Continued

5. PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE :

The Company has zero tolerance towards sexual harassment at the workplace and has formed committees called Internal Complaints Committee at corporate office and at all offices for prevention and prohibition of sexual harassment and redressal against complaints of sexual harassment of working women at the workplace as per Sexual Harassment of Women At Workplace (Prevention, Prohibition And Redressal) Act, 2013 read with Sexual Harassment of Women At Workplace (Prevention, Prohibition And Redressal) Rules, 2013. This Internal Complaints Committee has the power/ jurisdiction to deal with complaints of sexual harassment of working women as per the rules specified therein. All the employees (permanent, contractual, temporary, trainees) are covered under this policy. During the financial year 2017-18, no such complaints were received across the organisation.

6. GENERAL BODY MEETINGS :

(a) The details of Annual General Meetings held during the last three financial years are as under:

Financial Year	EGM/AGM	Date	Time	Venue
2014-15 (34th AGM)	AGM	8th August, 2015	11.00 am	Regd. Office: Plot No. 2, 3, 4 & 5, Sector-A, Industrial Growth Centre, Pillukhedi, Dist: Rajgarh, MP- 465667
2015-16 (35th AGM)	AGM	27th September, 2016	11.00 am	----- do -----
2016-17 (36th AGM)	AGM	23rd September, 2017	11:30 am	----- do -----

The Company has not passed any resolution through postal ballot, during the financial year 2017-2018. No Extraordinary General Meeting was held during the year.

There is no proposal for passing any resolution through Postal Ballot.

The Company offered Remote e-voting facility to its Members pursuant to the provisions of the Companies Act, 2013 as an alternate voting mechanism which enabled them to cast their votes electronically.

(b) The details of special resolution passed in the previous 3AGM are given hereunder:-

Date of AGM	Nature of Special Resolution
08.08.2015	(1) To give remuneration to Shri Vilas Agrawal as Whole-time Director (2) To Approve Related Party Transaction (3) Authority to Create Charge on the assets of the Company (4) Authority to make loans, give guarantees or provide security and make investments in other bodies corporate (5) Authority for adoption of new set of Articles of Association of the Company in place of existing one.
27.09.2016	Nil
23.09.2017	Nil

7. DISCLOSURES:

A) Related Party Transactions:

There have been no materially significant related party transactions with the Company's Promoters, Directors, the Management, their Subsidiaries which have/may have potential conflict with the interests of the company at large. The necessary disclosures regarding the transactions with related parties are given in the Notes to the Accounts (See Note No. 35 of Standalone Financial Statement). The company has taken omnibus approval of the Board for related party transactions. The company has formulated a policy on materiality of related party transactions and also on dealing with related party transactions. The Policy is available on the website of the Company viz. www.hindsyntextltd.com.

B) Non-compliances / Penalties imposed on the Company by any Statutory Authority:

The Company has complied with all requirements specified under the Listing Regulations as well as other regulations and guidelines of SEBI. Consequently, there were no strictures or penalties imposed by either SEBI or Stock Exchanges or any statutory authority for non-compliance during the last three Financial years.

C) Accounting Treatment:

The financial Statements have been prepared in accordance with Ind As as notified under Companies (Indian Accounting Standards) Rules, 2015. The significant accounting policies which are consistently applied are set out in the Notes to the Financial Statements.

D) Vigil Mechanism Policy (Whistle Blower Policy):

No personnel of the Company has been denied access to the Audit Committee of the Company (in respect of matters involving alleged misconduct). The Company has provided protection to "whistle blowers" from unfair termination and other unfair or prejudicial employment practices. The Company has laid down procedures to inform Board members about the risk assessment and minimization procedures. These procedures are periodically reviewed to ensure that executive management controls risk through means of a properly defined framework. The Company has adopted measures for airing concerns about unethical behavior, both for the Directors and employees.

The vigil Mechanism provides for adequate safeguards against victimization of Directors or employees or any other person who avail the mechanism and also provides for direct access to the Chairperson of the Audit Committee in appropriate

CORPORATE GOVERNANCE REPORT-Continued

cases. The Committee shall oversee Vigil Mechanism for Directors and Employees to report concerns about unethical behavior, actual or suspected fraud or violation of Company's Code of Conduct or Ethics Policy. The Whistle Blower Policy is displayed on the Company's website viz. www.hindsyntextltd.com.

E) Policy for Material Subsidiaries:

The Company does not have any material subsidiary as defined under the Listing Regulations. However, it has formulated a policy for determining its 'Material' Subsidiaries and the same is available on the website of the Company viz. www.hindsyntextltd.com.

F) Risk Management:

Business risk evaluation and Management is an ongoing process within the Company. The assessment is periodically examined by the Board. The Company has adopted a well-defined procedure for risk management. The Risk Management Policy of the Company provides procedures for identification and mitigation of internal as well as external risks of the Company. The Risk Management Policy is disclosed on the website of the Company under Investor Relation Section at <http://www.hindsyntextltd.com>.

G) Compliance with Secretarial Standards:

The Institute of Company Secretaries of India, a Statutory Body, has issued Secretarial Standards on various aspects of corporate law and practices. The Company has complied with each one of them.

H) Details of Compliance with Mandatory requirements and adoption of Non-mandatory/discretionary requirements:

The Company has complied with all the mandatory requirements of the Listing Regulations.

I) The Company has complied with all the mandatory requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub – regulation (2) of Regulation 46 of the Listing Regulations.

J) This Corporate Governance report of the Company for the financial year ended as on 31st March, 2018 is in compliance with the requirements of Corporate Governance under Listing Regulations.

8. MEANS OF COMMUNICATION :

Quarterly Results	The Un-audited Quarterly Results are announced within 45 days from the end of the quarter and the Annual Audited Results are announced within 60 days from the end of the financial year as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time. The approved Results are also published in the newspapers within 48 hours.
Newspapers wherein results normally published	Free Press, Swadesh - Bhopal.
Any website, where displayed	The Company's website www.hindsyntextltd.com provides comprehensive information on Company's profile, its business line, its management. An exclusive section is dedicated to Investors consolidated information on the Quarterly, Half Yearly, Annual Financial Statements and Shareholding patterns in downloadable format, as a measure of added convenience to investors. It provides all the information as prescribed under Regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
The Company's website also displays official News releases.	
No Presentations were made to Institutional Investors or to Analyst during the year under review	
The above mentioned results are being taken on record by the Board of Directors with due review by the Audit Committee and communicated to the Stock Exchanges where the company's securities are listed. The Stock Exchanges are intimated about these results.	

9. GENERAL SHAREHOLDERS INFORMATION

I. Annual General Meeting:

Day, Date & Time	Saturday, 22/09/2018 at 11.30 A.M.
Venue	Plot No. 2, 3, 4 & 5, Sector-A, Industrial Growth Centre, Pillukhedi, Dist: Rajgarh, Madhya Pradesh - 465667
Financial Year	1st April, 2017 to 31st March, 2018 as the financial year of the Company
Book Closure date	Sunday 16th September, 2018 to Saturday 22nd September, 2018 (Both days inclusive)
Securities listed on Stock Exchange	a. The Bombay Stock Exchange Ltd. 27th Floor, New Trading Ring, P.J. Towers, Dalal Street Fort, Mumbai- 400 001 b. The National Stock Exchange of India Ltd. Exchange Plaza, Bandra-Kurla Complex, Bandra (East), Mumbai – 400 051
The Annual Listing fees for Financial Year 2018-19 have been paid to both the Exchanges. The Securities of the Company have not been suspended from trading during the Financial Year.	
Script Code for BSE	503881
Script code for NSE	HINDSYNTEX
ISIN for Equity Shares	INE155B01012

CORPORATE GOVERNANCE REPORT-Continued

Tentative Calendar for Financial Year ending March 31, 2019	
Results for the quarter ending	Tentative Time of Reporting
June 30th June, 2018	On or before 14th August, 2018
30th September, 2018	On or before 14th November, 2018
31st December, 2018	On or before 14th February, 2019
31st March, 2019	On or before 30th May, 2019

II. Registrar and Share Transfer Agent (RTA):

Link Intime India Pvt. Ltd is the Registrar and Share Transfer Agent (RTA) of the Company.

The Address, Telephone no., Fax no., E-mail and Website of the Share Transfer Agent is:

Link Intime India Pvt. Ltd.,

C-101, 247 Park, L.B.S Marg, Vikhroli (W),

Mumbai – 400 083

Telephone No. 022 - 4918 6000

Fax No. 022 – 4918 6060

Email: mumbai@linkintime.co.in, rnt.helpdesk@linkintime.co.in

Website: www.linkintime.co.in

a. Investor's Correspondence:

All the enquiries relating to the share/ transfer and transmission, change of address, loss of Share certificate, etc. should be addressed to the RTA- M/s Link Intime India Pvt. Ltd.

The queries relating to non-receipt of Annual reports should be addressed to the Company Secretary of the Company.

III. Stock Market Price Data:

The details of Month wise data of Market Price (high & low) of Equity Shares traded in stock exchanges where Company's shares are listed during the financial year 2017-18 are as under:

(In Rs. Per Share)

Month	Bombay Stock Exchange Ltd		National Stock Exchange Ltd	
	High	Low	High	Low
April, 2017	12.55	10.59	12.45	10.50
May, 2017	11.39	9.85	121	9.70
June, 2017	9.5	9.03	0	0
July, 2017	9.03	8.58	11.70	11.70
Aug, 2017	0	0	11.70	11.70
Sep, 2017	8.16	7.38	11.15	9.15
Oct, 2017	8.16	7.00	9.10	7.90
Nov, 2017	6.65	5.43	8.00	7.15
Dec, 2017	6.3	5.42	7.45	7.00
Jan, 2018	14.63	6.3	17.10	7.15
Feb, 2018	12.83	9.84	13.90	8.60
March, 2018	9.35	7.41	0	0

IV. Share Transfer System:

The RTA carries out the process of share transfer and transmission. Shares are also received by the RTA for dematerialization from the shareholders. Such shares are dematerialized by RTA within a stipulated time and a quarterly demat statement is sent by the RTA to the Company.

Pursuant to Regulation 40(9) of the Listing Regulations, certificates, on half yearly basis have been issued by a Company Secretary-in-Practice for due compliance of Share transfer formalities by the Company. Pursuant to SEBI (Depositories and Participants) Regulation, 1996, certificates have been received from a Company Secretary-in-Practice for timely dematerialization of Shares and for reconciliation of the Share Capital of the Company on a quarterly basis.

V. Distribution of Shareholding as on 31st March, 2018:

The shareholding distribution of equity shares of face value of Rs. 10/- each as at 31st March, 2018 is given below:-

Range (No. of shares)	No. of Shareholders	% of Shareholders	No. of shares held	% shareholding
Upto 500	3427	73.36	7,29,319	5.73
501 – 1000	597	12.78	5,12,350	4.03
1001 – 2000	343	7.34	5,70,014	4.48
2001 – 3000	98	3.00	2,50,992	1.97
3001 – 4000	63	1.34	2,36,265	1.86
4001 – 5000	39	0.83	1,85,423	1.46
5001 – 10000	59	1.26	4,41,106	3.47
10001 and above	46	0.99	97,93,131	77.00
Total	4672	100.00	1,27,18,600	100.00

CORPORATE GOVERNANCE REPORT-Continued

VI. Shareholding Pattern as on 31st March 2018:

Sr. No.	Category of the shareholders	No. of Shares	%age
1.	Promoters / Promoters Group	61,35,182	48.24
2.	Banks / Financial Institutions	18,51,033	14.55
3.	Foreign Institutional Investor	0	0
4.	Other Bodies Corporate	10,78,483	8.48
5.	Overseas Corporate Bodies	1,02,000	0.80
6.	Hindu Undivided Family	1,17,535	0.93
7.	Clearing Members	11,764	0.09
8.	Public	33,72,541	26.52
9.	NRI's	50,062	0.39
	Total	1,27,18,600	100.00

VII. Dematerialization of Shares:

As at 31st March, 2018, there are 11807487 shares, representing 92.83% of total equity paid up share capital in dematerialized form. This includes 10336246 shares (81.27%) in NSDL and 1471241 shares (11.56%) in CDSL. No shares were re-materialised during the year.

VIII. Outstanding GDRs/ADRs/ Warrants or any Convertible Instruments, Conversion date and likely impact on Equity:

The Company has not issued GDRs/ADRs or any commercial instrument during the year under review.

IX. Commodity Price Risk/Foreign Currency Risk/Hedging Activities:

The Company has not made any commodity risk or hedging activities during the year under review.

X. Service of documents through electronic mode:

As a part of Green Initiative, the members who wish to receive the notices/documents through e-mail, may kindly intimate their e-mail addresses to the Company's Registrar and Share Transfer Agent, Link Intime India Private Limited; to its dedicated e-mail id i.e., saili.lad@linkintime.co.in.

XI. Plant Location:

Regd. Office: Plot Nos: 2, 3, 4 & 5, Sector- A
Industrial Growth Centre, Pillukhedi,
Dist. Rajgarh, Madhya Pradesh – 465667
Tel : 07375-244350/74, 9301528698
E-mail : pillukhedi@wearitgroup.com

XII. Address for Correspondence:

Shareholders may send their correspondence to the Company's Registrar & Transfer Agents (RTA) at the address mentioned in point (9.II).

Shareholders may also contact Mrs. Nidhi Rathi, Company Secretary & Compliance Officer at the Corporate Office of the Company at the following address:

5E & F, Crescent Tower, 5th Floor
229, A.J.C. Bose Road, Kolkata – 700020
Ph. No. – 033 4003 6164/6165
Email: compliance@wearitgroup.com

Shareholders holding shares in dematerialization form should address all their correspondence to their respective Depository Participants (DP).

10. AUDITOR'S CERTIFICATE ON COMPLIANCE:

The Statutory Auditors have certified that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations and the same is annexed to this Report.

11. CEO/CFO CERTIFICATION :

The certificate pursuant to the provisions of Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 certifying that the financial statements do not contain any untrue statement and these statements represent a true and fair view of the company's affairs is annexed and forms part of the Annual Report.

DECLARATION REGARDING COMPLIANCE WITH CODE OF CONDUCT

The Company has adopted the Code of Conduct for all Board members and Senior Management Personnel of the Company.

It is hereby affirmed that all the Directors and Senior Management Personnel have complied with the Code of Conduct and have given confirmation in this regard for the year ended March 31, 2018.

For and on behalf of the Board of Directors

Sd/-

(Manish Kumar)

Director

DIN: 00121900

Sd/-

(Hemant Vasant Ambekar)

Whole-Time Director

DIN: 07644396

Date: 11th August, 2018

Place: Kolkata

CORPORATE GOVERNANCE REPORT-Continued

CERTIFICATE OF WHOLE-TIME DIRECTOR AND CHIEF FINANCIAL OFFICER PURSUANT TO SEBI (LISTING OBLIGATION AND DISCLOSURE REQUIREMENT), REGULATIONS, 2015

To,
The Members of
HIND SYNTEX LIMITED

We, Hemant Vasant Ambekar, Whole-time Director & Balesh Kumar Bagree, Chief Financial Officer of Hind Syntex Ltd have reviewed financial statements and cash flow statement for the year ended 31st March, 2018 and to the best of our knowledge and our belief certify to the Board that:

- (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
 - (iii) No transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
- Further, we accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee:
- a) deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies;
 - b) significant changes in internal control over financial reporting during the year;
 - c) significant changes in accounting policies during the year and the same has been disclosed in the Notes to financial statements; and
 - d) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For and on behalf of the Board

Date: 11th August, 2018
Place: Kolkata

Sd/-
(Manish Kumar)
Director
DIN: 00121900

Sd/-
(Hemant Vasant Ambekar)
Whole-Time Director
DIN: 07644396

INDEPENDENT AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members of
HIND SYNTEX LIMITED

We have examined the compliance of conditions of Corporate Governance by the Company for the year ended on March 31, 2018, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations).

The compliance of conditions of Corporate Governance is the responsibility of the Management.

This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

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

We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Service Engagements.

Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the Listing Regulations during the year ended March 31, 2018.

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.

Place :Kolkata
Date : 11th August, 2018

For V. Singhi & ASSOCIATES
Chartered Accountants
Firm Registration No. 311017E

Sd/-
(V. K. Singhi)
Partner
Membership No. 050051

INDEPENDENT AUDITORS' REPORT

To the Members of Hind Syntex Limited

Report on the Ind AS Financial Statements

We have audited the accompanying Ind AS Financial Statements of HIND SYNTEX LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March, 2018, the Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these Ind AS Financial Statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), cash flows and changes in equity of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these Ind AS Financial Statements based on our audit.

In conducting our audit, we have taken into account the provisions of the Act the accounting and auditing standards and matters which are required to be included in the Audit Report under the provisions of the Act and the Rules made thereunder and the order issued under Section 143(11) of the Act.

We conducted our audit of Ind AS Financial Statements in accordance with the Standards on Auditing 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 Ind AS Financial Statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Ind AS Financial Statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS 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 Ind AS 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 Ind AS Financial Statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS Financial Statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS 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 Ind AS and other accounting principles generally accepted in India of the state of affairs of the Company as at 31st March, 2018, and its loss, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, the basis of such checks of the books and records of the company as we give in Annexure-A, a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, we report that:
 - a) we have sought and obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit;
 - b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c) the Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - d) in our opinion, the aforesaid Ind AS Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act;
 - e) on the basis of the written representations received from the directors as on 31st March, 2018 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018 from being appointed as a director in terms of Section 164 (2) of the Act;

INDEPENDENT AUDITORS' REPORT - *Continued*

- f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
- g) with respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. the Company has disclosed the impact of pending litigations on its financial position in its Ind AS Financial Statements. Refer Note 30(b) to the Ind AS Financial Statements;
 - ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
 - iii. there were no amounts due which were required to be transferred to the Investor Education and Protection Fund by the Company.

For V SINGHI & ASSOCIATES

Chartered Accountants

Firm Registration No.:311017E

(V.K. SINGHI)

Partner

Membership No.:050051

Place: Kolkata

Date:30th May, 2018

Annexure - A to the Independent Auditors' Report

Referred to in paragraph-1 on other Legal and Regulatory Requirements of our Report of even date to the members of Hind Syntex Limited on the Ind AS Financial Statements for the year ended 31st March, 2018:

- i. a) The Company is generally maintaining proper records showing full particulars including quantitative details and situation of its Fixed Assets.
 - b) As explained to us, Fixed Assets have been physically verified by the management at reasonable intervals and as informed to us no material discrepancies were noticed on such verification.
 - c) According to the information and explanations given to us and on the basis of our examination of the records, the Title Deeds of immovable properties are held in the name of the Company.
- ii. The inventories have been physically verified during the year at reasonable intervals by the management. The discrepancies noticed on verification between the physical stocks and book records were not material in relation to the operations of the Company and the same have been properly dealt with in the books of account.
- iii. According to the information and explanations given to us, the Company has not granted any loan, secured or unsecured, to companies, firms, limited liability partnership or other parties covered in the register maintained under Section 189 of the Act. Accordingly, clause 3(iii)(a), (b) and (c) of the Order are not applicable.
- iv. According to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of corporate guarantees given to banks for loans taken by associate companies.
- v. According to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of sections 73 to 76 of the Act and the Rules framed there under to the extent notified.
- vi. According to the information and explanations given to us, maintenance of cost records has been specified by the Central Government under Sub section 1 of Section 148 of the Act and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the records with a view to determine whether they are accurate or complete.
- vii. a) According to the information and explanations given to us and on the basis of our examination of the records, the Company is generally regular in depositing undisputed applicable statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Custom Duty, Excise Duty, Value Added Tax, Goods and Service Tax, Cess and any other statutory dues with the appropriate authorities and there are no undisputed amount payable in respect of the same which were in arrears as on 31st March, 2018 for a period of more than six months from the date the same became payable.
 - b) According to the information and explanations given to us, the Company has not deposited the following dues on account of disputes with the appropriate authorities:

INDEPENDENT AUDITORS' REPORT - Continued

Name of the Statute	Nature of Dues	Amount (Rs.)	Period to which the amount relates	Forum where dispute is pending
Entry Tax Act, 1976	Entry Tax	4,10,968	1997-98	High Court, Indore
Employees' Provident Fund and Miscellaneous Provisions Act, 1952	Provident Fund	10,83,267	April 2008 to December 2010	Employees' Provident Fund Appellate Tribunal, New Delhi

- viii. According to the information and explanations given to us, the Company has not defaulted in repayment of dues to bank during the year.
- ix. According to the information and explanations given to us and based on our examination of the books and records, we report that the Company has not raised any money by way of initial public offer or further public offer (including debt instruments and term loans during the year). Accordingly, clause 3(ix) of the Order is not applicable.
- x. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit nor we have been informed of any such cases by the management.
- xi. According to the information and explanations given to us and based on our examination of the books and records, we report that the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- xii. According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3 (xii) of the Order is not applicable.
- xiii. According to the information and explanations given to us and based on our examination of the books and records, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the Ind AS Financial Statements as required by the applicable accounting standards.
- xiv. According to the information and explanations given to us and based on our examination of the books and records, we report that the Company has not made any preferential allotment/ private placement of shares or fully or partly convertible debentures during the year. Accordingly, Clause 3 (xiv) of the Order is not applicable.
- xv. According to the information and explanations given to us and based on our examination of the books and records, the Company has not entered into any non-cash transactions with directors or persons connected with him during the year. Accordingly, Clause 3 (xv) of the Order is not applicable.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For V SINGHI & ASSOCIATES

Chartered Accountants

Firm Registration No.:311017E

Sd/-

(V.K. SINGHI)**Partner**

Membership No.:050051

Place: Kolkata

Date:30th May, 2018

INDEPENDENT AUDITORS' REPORT - *Continued*

Annexure - B to the Independent Auditors' Report

(Referred to in paragraph-2(f) on Other Legal and Regulatory Requirements of our Report of even date to the members of **Hind Syntex Limited** on the Ind AS Financial Statements for the year ended 31st March, 2018)

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

We have audited the internal financial controls over financial reporting of Hind Syntex Limited ("the Company") as of 31st March, 2018 in conjunction with our audit of the Ind AS 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 ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2018, 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 V SINGHI & ASSOCIATES
Chartered Accountants
Firm Registration No.: 311017E
Sd/-
(V.K. SINGHI)
Partner
Membership No.: 050051

Place: Kolkata
Date: 30th May, 2018

HIND SYNTEX LIMITED
Balance Sheet as at 31st March, 2018

(Rs. in Lakhs)

Particulars	Notes No.		As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2016
ASSETS					
Non-Current Assets					
(a) Property, Plant and Equipment	3(a)		1,611.74	1,677.57	1,675.67
(b) Capital Work-in-progress	3(c)		-	-	4.50
(c) Other Intangible Assets	3(b)		0.20	0.42	1.64
(d) Financial Assets					
(i) Investments	4		0.47	0.31	-
(ii) Other Financial Assets	5		111.08	108.90	78.12
(e) Other Non-Current Assets	6		19.21	19.76	19.76
Total Non-Current Assets		(A)	1,742.70	1,806.96	1,779.69
Current Assets					
(a) Inventories	7		198.50	85.82	94.49
(b) Financial Assets					
(i) Trade Receivables	8		10.12	4.57	0.76
(ii) Cash and Cash Equivalents	9		0.76	49.54	19.41
(iii) Other Financial Assets	10		4.38	22.82	-
(c) Current Tax Assets (Net)	11		15.23	75.07	91.90
(d) Other Current Assets	12		240.10	503.42	185.99
Total Current Assets		(B)	469.10	741.24	392.55
Total Assets		(A+B)	2,211.79	2,548.20	2,172.24
EQUITY AND LIABILITIES					
EQUITY					
(a) Equity Share Capital	13		1,272.72	1,272.72	1,272.72
(b) Other Equity	14		(852.66)	(607.09)	(568.77)
Total Equity		(C)	420.06	665.63	703.95
LIABILITIES					
Non-current Liabilities					
(a) Financial Liabilities					
Borrowings	15		-	4.43	-
(b) Provisions	16		20.42	42.50	30.99
Total Non-Current Liabilities		(D)	20.42	46.92	30.99
Current Liabilities					
(a) Financial Liabilities					
(i) Borrowings	17		-	3.75	-
(ii) Trade Payables	18		942.79	372.49	320.68
(iii) Other Financial Liabilities	19		178.03	221.43	183.31
(b) Other Current Liabilities	20		596.36	1,164.03	862.84
(c) Provisions	21		54.14	73.94	70.48
Total Current Liabilities		(E)	1,771.31	1,835.65	1,437.31
Total Equity and Liabilities		(C+D+E)	2,211.79	2,548.20	2,172.24
Significant Accounting Policies	1				

The accompanying notes form an integral part of the Financial Statements.
As per our Report annexed

For V. SINGHI & ASSOCIATES
Chartered Accountants
Firm Registration. No. 311017E
(V. K. SINGHI)
Membership No. : 050051

Place: Kolkata
Date: 30th May, 2018

For Hind Syntex Limited

Sd/-	Sd/-
Manish Kumar	Hemant Vasant Ambekar
Director	Whole Time Director
Sd/-	Sd/-
Nidhi Rathi	Balesh Kumar Bagree
Company Secretary	Chief Financial officer

HIND SYNTEX LIMITED
Statement of Profit and Loss for the year ended 31st March, 2018
(Rs. in Lakhs)

	Particulars	Notes No.	For the year ended 31st March, 2018	For the year ended 31st March, 2017
I	Income:			
	Revenue from Operations	22	4,290.91	4,056.10
	Other Income	23	110.37	29.08
	Total Revenue (I)		4,401.28	4,085.18
II	Expenses:			
	Purchases of Stock in Trade		95.75	-
	Cost of Materials Consumed	24	1,461.87	2.60
	Changes in Inventories of Finished Goods and Work In Progress	25	(121.64)	16.23
	Employee Benefits Expense	26	1,412.54	1,732.86
	Finance Costs	27	0.63	0.83
	Depreciation and Amortization Expense	3	67.68	68.36
	Other Expenses	28	1,763.85	2,323.79
	Total Expenses (II)		4,680.67	4,144.68
III	Profit/(Loss) before exceptional items and tax (I-II)		(279.40)	(59.50)
IV	Exceptional Items		-	-
V	Profit/(Loss) before tax (III-IV)		(279.40)	(59.50)
VI	Tax Expenses:			
	Current tax		-	-
	Deferred Tax		-	-
	Tax for earlier year		-	-
VII	Profit/(Loss) for the year (V-VI)		(279.40)	(59.50)
VIII	Other Comprehensive income			
	(i) Item that will not reclassified to profit or loss			
	Remeasurement gain/(losses) on defined benefit plan Liability/Assets		33.82	21.18
	Change in fair value of FVTOCI Equity Instrument			
	Income Tax relating to items that will be reclassified to profit or loss		-	-
	(ii) Item that will be reclassified to profit or loss			
	Income Tax relating to items that will be reclassified to profit or loss		-	-
IX	Other Comprehensive income for the year (VII+VIII)		33.82	21.18
X	Total Comprehensive Income/(Loss) for the year		(245.57)	(38.32)
XI	Earnings per Equity Share (Nominal value Rs. 10/- each)			
	(1) Basic		(2.20)	(0.47)
	(2) Diluted		(2.20)	(0.47)
	[Also Refer Note No. 36]			
	Significant Accounting Policies	1		

For V. SINGHI & ASSOCIATES

Chartered Accountants
Firm Registration. No. 311017E
(V. K. SINGHI)
Membership No. : 050051

Place: Kolkata
Date: 30th May, 2018

For Hind Syntex Limited

Sd/- Manish Kumar Director
Sd/- Hemant Vasant Ambekar Whole Time Director
Sd/- Nidhi Rathi Company Secretary
Sd/- Balesh Kumar Bagree Chief Financial officer

HIND SYNTEX LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018

(Rs. in Lakhs)

Particulars	For the year ended 31st March, 2018		For the year ended 31st March, 2017	
	Rs.	Rs.	Rs.	Rs.
A. Cash Flow from Operating Activities				
Net Profit/(Loss) before tax, & extraordinary items		(279.40)		(59.50)
Adjustments for :				
Depreciation	67.68		68.36	
Liability no longer require Written back	(10.18)		(1.93)	
(Profit)/Loss on sale of Fixed assets	(7.45)		23.09	
Interest & Finance Charges received	(7.20)		(7.43)	
Remeasurement of employment defined benefit plan	33.82		21.18	
Interest & Finance Charges paid	0.63	77.30	0.83	104.11
Operating profit before working capital changes		(202.10)		44.61
Adjustments for :				
(Increase)/ decrease in Inventories	(112.68)		8.67	
(Increase)/ decrease in Trade and other Receivables	274.58	161.90	(374.84)	(366.17)
Increase/ (decrease) in Trade Other Payables		(72.49)		408.03
		(112.68)		86.47
Income Tax (Paid)/Refund		59.84		16.83
Net cash inflow from operating activities		(52.84)		103.30
B. Cash flow from Investing Activities				
Acquisition of Fixed Assets		(34.45)		(140.23)
Purchase of Shares		(0.16)		(0.31)
Sale of Fixed Assets		40.27		52.60
Interest received		7.20		7.43
Net cash outflow from investing activities		12.86		(80.51)
C. Cash flow from Financing Activities				
Increase/ (Decrease) in Secured Loan		(8.17)		8.17
Interest Paid		(0.63)		(0.83)
Net cash outflow from Financing activities		(8.80)		7.34
Net cash inflow/ (outflow) during the year (A+B+C)		(48.78)		30.13
Cash and cash equivalents at the beginning of the year		49.54		19.41
Cash and cash equivalents at the end of the year		0.76		49.54

Notes:

1) The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Ind AS - 7 on Cash Flow Statement notified by the Companies (Accounting Standards) Rules, 2006 (as amended)

	<u>31.03.2018</u>	<u>31.03.2017</u>
	Rs.	Rs.
2) Cash and Cash Equivalents Include:		
Cash in hand	0.67	5.79
Balances with Banks		
In Current Accounts	0.09	43.75
	<u>0.76</u>	<u>49.54</u>

3) Previous year's figures have been regrouped/ rearranged wherever necessary.
This is the Cash Flow Statement referred to in our report of even date.

For V. SINGHI & ASSOCIATES

Chartered Accountants
Firm Registration. No. 311017E
(V. K. SINGHI)
Membership No. : 050051

Place: Kolkata
Date: 30th May, 2018

For Hind Syntex Limited

Sd/- Manish Kumar Director	Sd/- Hemant Vasant Ambekar Whole Time Director
Sd/- Nidhi Rathi Company Secretary	Sd/- Baresh Kumar Bagree Chief Financial officer

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

A. CORPORATE INFORMATION

The Company was incorporated in the year 1980 as a Public Limited Company under the provisions of the Companies Act, 1956 and domiciled in India. The Registered Office of the Company is located at Plot No.2,3,4& 5 Industrial Growth Centre, Kurawar, Rajgarh MP-465667. The Corporate Office of the Company is located at 5E&F, Crescent Tower, 229, A.J.C. Bose Road, Kolkata - 700020

The Company is engaged in manufacture of yarn and trading in fibre.

The Financial Statements for the year ended 31st March, 2018 have been approved by the Board of Directors of the Company in their meeting held on 30th May, 2018.

1. SIGNIFICANT ACCOUNTING POLICIES:

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

B. STANDARD ISSUED BUT NOT YET EFFECTIVE

MCA has notified Ind AS 115 (Revenue from Contracts with Customers) on 28th March, 2018 as part of the Companies (Indian Accounting Standards) Amendment Rules, 2018. Ind-AS 115 supersedes Ind-AS 11 Construction Contracts and Ind-AS 18 Revenue. According to the new standard, revenue is recognized to depict the transfer of promised goods or services to a customer in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Ind-AS 115 establishes a five steps model that will apply to revenue earned from a contract with a customer.

The standard allows for two methods of adoption: 1) retrospectively to each prior period presented with or without practical expedients, or 2) retrospectively with cumulative effect of adoption as an adjustment to opening retained earnings in the period of adoption. The standard is effective for periods beginning on or after April 1, 2018. Early adoption is not permitted. The Company does not have any contract at present which will be effected by the above amendment hence, no significant impact is expected at present during 2018-19.

Amendment to Existing issued Ind AS

The MCA has also carried out amendments of the following accounting standards:

- i. Ind AS 21 - The Effects of Changes in Foreign Exchange Rates
- ii. Ind AS 40 - Investment Property
- iii. Ind AS 12 - Income Taxes
- iv. Ind AS 28 - Investments in Associates and Joint Ventures; and
- v. Ind AS 112 - Disclosure of Interests in Other Entities

Application of above standards are not expected to have any significant impact on the Group's financial statements.

1.1 BASIS OF PREPARATION :

1.1.1 Compliance with Ind AS :

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the "Act") read with the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016. The financial statements have also been prepared in accordance with the relevant presentation requirements of the Act. The Company adopted Ind AS from 1st April, 2016.

The financial statements up to year ended 31st March, 2017 were prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act. The date of transition to Ind AS is 1st April, 2016.

These financial statements are the first financial statements of the Company under Ind AS. Refer Note 41 for an explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows.

Accounting policies have been applied consistently except where a newly issued accounting standard is initially adopted or revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

These Financial Statements are prepared in Indian Rupees (INR) which is also the Company's functional currency.

1.1.2 Classification of Current and Non-current :

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Ind AS 1 – Presentation of Financial Statements and Schedule III to the Act. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current/non-current classification of assets and liabilities.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

1.1.3 Historical Cost Convention :

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention, except for the following:

- i) Defined benefit plans – plan assets measured at fair value.
- ii) Investment in Equity Instrument that is measured at fair value.

1.1.4 Use of Estimates :

The Preparation of financial statements in conformity with the generally accepted accounting principles in India requires the management to make estimates and assumptions that affects the reported amount of assets and liabilities as at the Balance Sheet date, the reported amount of revenue and expenses for the periods and disclosure of contingent liabilities at the Balance Sheet date. The estimates and assumptions used in the financial statements are based upon management's evaluation of relevant facts and circumstances as of the date of financial statements. Actual results could differ from estimates.

1.2 SEGMENT REPORTING :

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

1.3 REVENUE RECOGNITION :

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are inclusive of income from job work and sale of waste and are net of sales return and trade allowances, if any.

The Company recognizes revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Company and significant risk and reward incidental to sale of products is transferred to the buyer.

1.4 INCOME TAXES :

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period.

Deferred income tax is calculated as applicable, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is to be recognised in the Statement of Profit or Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

1.5 CASH AND CASH EQUIVALENTS :

Cash and cash equivalents in the Balance Sheet comprise cash at banks and on hand, which are subject to an insignificant risk of changes in value.

For the purpose of presentation in the Cash Flow Statement, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the Balance Sheet.

1.6 TRADE RECEIVABLES :

Trade Receivables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method, less provision for impairment, if any.

1.7 INVENTORIES :

Raw-materials and Stores and Spare Parts are stated at cost. Work-in-Progress are stated at Cost. Finished Goods are stated at lower of cost and Net realizable value. Packing Material are stated at cost. Waste are stated at Net realizable Value. Cost of Finished Goods comprise direct material, direct labour and appropriate portion of variable and fixed overhead expenditure. Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition. Cost are assigned to individual items of inventory on the basis of weighted average method. Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

1.8 INVESTMENTS AND OTHER FINANCIAL ASSETS :

1.8.1 Classification :

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost

The classification depends on the Company's business model for managing the financial assets and the contractual terms of cash flows.

1.8.2 Measurement :

At initial recognition, the Company measures a financial asset at its fair value. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Debt Instruments :

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. The Company classifies its debt instruments into the following categories:

- Amortised Cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method.
- Fair Value through Other Comprehensive Income (FVOCI): Assets that are held for collections of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Interest income from these financial assets is included in other income using the effective interest rate method.
- Fair value through profit or loss: Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. Interest income from these financial assets is included in other income.

Equity Instruments:

The Company subsequently measures all equity investments at fair value through profit or loss. However, where the Company's management makes an irrevocable choice on initial recognition to present fair value gains and losses on specific equity investments in Other Comprehensive Income, there is no subsequent reclassification of fair value gains and losses to the Statement of Profit or Loss.

1.8.3 Impairment of Financial Assets :

The Company measures the expected credit loss associated with its assets based on historical trend, industry practices and the business environment in which the entity operates or any other appropriate basis. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

1.8.4 Derecognition of Financial Assets :

A financial asset is derecognised only when

- The Company has transferred the rights to receive cash flows from the financial asset, or
- Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset.

1.8.5 Income Recognition :

Dividend :

Dividends are recognised in Statement of Profit and Loss only when the right to receive payment is established.

Interest Income :

Interest Income from debt instruments is recognised using the effective interest rate method.

1.9 FINANCIAL LIABILITIES :

1.9.1 Initial Recognition and Measurement :

The Company recognise all the financial liabilities on initial recognition at fair value minus, in the case of a financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial liability.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

1.9.2 Subsequent Measurement :

All the financial liabilities are classified as subsequently measured at amortised cost, except for those mentioned below.

1.9.3 Financial Liabilities at Fair Value through Profit or Loss :

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the group that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

For liabilities designated as Fair Value through profit or loss, fair value gains/losses attributable to changes in own credit risks are recognized in Other Comprehensive Income. These gains/losses are not subsequently transferred to the profit or loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the Statement of Profit and Loss.

1.9.4 Financial Guarantee Contracts :

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the term of debt instruments. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

1.10 PROPERTY, PLANT AND EQUIPMENT:

Leasehold Land is carried at historical cost less amortization. Value of leasehold land is amortised on the basis of lease period or balance life of the project whichever is earlier. All other items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to the Statement of Profit and Loss during the reporting period in which they are incurred.

Transition to Ind AS :

On transition to Ind AS, the Company has elected to continue with the carrying value of all its property, plant and equipment recognised as at 1st April, 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of property, plant and equipment.

Depreciation Methods, Estimated Useful Lives and Residual Value :

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values on the basis of useful lives prescribed in Schedule II to the Act which are also supported by technical evaluation. Item of Fixed Assets for which related actual cost do not exceed Rs. 5,000 are fully depreciated in the year of purchase. In respect of the following assets, useful lives different from Schedule II have been considered on the basis of technical evaluation, as under:-

• Leasehold Land	:	99 years
• Buildings	:	30 years
• Plant and Machinery	:	15 years
• Electrical Installations	:	10 years
• Furniture & Fixture	:	10 years
And Office Equipment		
• Motor Vehicles	:	Ranging from 8 - 10 years
• Computers	:	Ranging from 3 - 6 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the Statement of Profit or Loss within other gains/(losses).

The residual value of all assets for depreciation purpose is considered as 5% of the original cost of the assets.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

1.11 INTANGIBLE ASSETS :

1.11.1 Computer Software :

Costs associated with maintaining software programmes are recognised as an expense as incurred. Costs of purchased software are recorded as intangible assets and amortised from the point at which the asset is available for use.

1.11.2 Amortisation Methods and Periods :

The Company amortises Computer Software with a finite useful life using the straight-line method over the following periods:

Computer software : 3 years

Transition to Ind AS :

On transition to Ind AS, the Company has elected to continue with the carrying value of all intangible assets recognised as at 1st April 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of intangible assets.

1.12 PROVISION, CONTINGENT LIABILITIES AND CONTINGENT ASSETS, LEGAL OR CONSTRUCTIVE :

Provisions are recognised when there is a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risk specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

A disclosure for contingent liabilities is made when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

When there is a possible obligation or a present obligation and the likelihood of outflow of resources is remote, no provision or disclosure for contingent liability is made.

Contingent Assets are not recognised but are disclosed when an inflow of economic benefits is probable.

1.13 EMPLOYEE BENEFITS :

1.13.1 Short-term Employee Benefits Obligations:

These are recognised at the undiscounted amount as expense for the year in which the related service is rendered.

1.13.2 Other Long-term Employee Benefits Obligations (Unfunded):

The cost of providing long-term employee benefits is determined using Projected Unit Credit Method with actuarial valuation being carried out at each Balance Sheet date.

Actuarial gains and losses and past service cost are recognised immediately in the Statement of Profit and Loss for the period in which they occur. Long term employee benefit obligation recognised in the Balance Sheet represents the present value of related obligation.

1.13.3 Other Benefits:

Provision has been made in respect of leave standing to the credit of the employees on the basis of actuarial valuation method.

1.13.4 Bonus Plans:

The Company recognizes a liability and an expense for bonus. The Company recognizes a provision where contractually obliged or where there is a past practice that has created a constructive obligation as per Bonus Act.

1.14 EARNINGS PER SHARE :

1.14.1 Basic Earnings per Share :

Basic earnings per share are calculated by dividing:

- The Profit/Loss attributable to owners of the Company.
- By the weighted average number of Equity Shares outstanding during the financial year.

1.14.2 Diluted Earnings per Share:

Diluted earnings per share adjust the figures used in the determination of basic earnings per share to take into account:

- The after income tax effect of interest and other financing costs associated with dilutive potential Equity Shares, and
- The weighted average number of additional Equity Shares that would have been outstanding assuming the conversion of all dilutive potential Equity Shares.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

1.15 IMPAIRMENT OF NON-FINANCIAL ASSETS :

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher on an asset's fair value less costs of disposal and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows which are largely independent of the cash flows from other assets or group of assets (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

1.16 OFFSETTING FINANCIAL INSTRUMENTS :

Financial assets and liabilities are offset and the net amount is reported in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

1.17 BORROWING COSTS :

Interest and other borrowing costs attributable to qualifying assets are capitalised. Other interest and borrowing costs are charged to the Statement of Profit and Loss.

1.18 ROUNDING OF AMOUNTS :

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule – III, unless otherwise stated.

1.19 BORROWINGS :

Borrowings are initially recognized at Fair Value, set of transaction costs incurred. Borrowings are subsequently measured at amortised cost.

NOTE 2

CRITICAL ESTIMATES AND JUDGEMENTS :

The preparation of the financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual result. Management also needs to exercise judgement in applying the Company's accounting policies.

This note provides an overview of the areas that involved a high degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

Critical estimates and judgements :

The areas involving critical estimates and judgements are:

i) Depreciation and amortisation :

Depreciation and amortisation is based on management estimates of the future useful lives of the property, plant and equipment and intangible assets. Estimates may change due to technological developments, competition, changes in market conditions and other factors and may result in changes in the estimated useful life and in the depreciation and amortisation charges.

ii) Employee Benefits :

The present value of the defined benefit obligations and long term employee benefits depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) include the discount rate. Any changes in these assumptions will impact the carrying amount of defined benefit obligations.

The Company determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the obligations. In determining the appropriate discount rate, the Company considers the interest rates of Government securities that have terms to maturity approximating the terms of the related defined benefit obligation. Other key assumptions for obligations are based in part on current market conditions.

iii) Provision and Contingencies :

Provisions and contingencies are based on Management's best estimate of the liabilities based on the facts known at the Balance Sheet date.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

A Equity Share Capital

(Rs. In Lakhs)

Particulars	No of Shares	Balance at the beginning of the reporting period	Change in equity Share Capital during the year	Balance at the end of the reporting period
As at April 1,2016*	12,748,950	1,272.72	-	1,272.72
As at March 31,2017	12,748,950	1,272.72	-	1,272.72
As at March 31,2018	12,748,950	1,272.72	-	1,272.72

* Includes 30,350 Forfeited Share which consists of Rs. 86,250

B Other Equity

Particulars	Other Reserves					Reserves and Surplus		Total
	Central Investment Subsidy	State Investment Subsidy	Diesel Generator Set Subsidy	Power Subsidy Reserve	Others Reserve	General Reserve	Retained Earnings	
Balance as at 1 April,2016	15.00	25.00	4.46	44.71	1,793.09	2,865.19	(5,316.23)	(568.77)
Profit /(Loss) for the year	-	-	-	-	-	-	(59.50)	(59.50)
Other Comprehensive Income	-	-	-	-	-	-	21.18	21.18
Balances as at 31 March, 2017	15.00	25.00	4.46	44.71	1,793.09	2,865.19	(5,354.55)	(607.09)
Balances as at 1 April, 2017	15.00	25.00	4.46	44.71	1,793.09	2,865.19	(5,354.55)	(607.09)
Profit /(Loss) for the year	-	-	-	-	-	-	(279.40)	(279.40)
Other Comprehensive Income	-	-	-	-	-	-	33.82	33.82
Balances as at 31 March,2018	15.00	25.00	4.46	44.71	1,793.09	2,865.19	(5,600.12)	(852.66)

The accompanying notes form an integral part of the Financial Statements.

As per our Report annexed

For Hind Syntex Limited

For V. SINGHI & ASSOCIATES

Chartered Accountants
Firm Registration. No. 311017E

Sd/-
(V. K. SINGHI)
Membership No. : 050051

Place: Kolkata
Date: 30th May, 2018

Sd/-
Manish Kumar
Director

Sd/-
Hemant Vasant Ambekar
Whole Time Director

Sd/-
Nidhi Rathi
Company Secretary

Sd/-
Balesh Kumar Bagree
Chief Financial officer

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

Note 3

Current Year *

(Rs. In Lakhs)

Particulars	Carrying Amount				Depreciation & Amortization				Net Block	
	As at 31st March, 2017	Additions	Adjustments for Disposals/ Transfer	As at 31st March, 2018	Up to 31st March, 2017	For the year	Adjustments for Disposals/ Transfer	Total up to 31st March, 2018	As at 31st March, 2018	As at 31st March, 2017
3a) Property, Plant and Equipment										
Land Leasehold	66.64	-	-	66.64	0.92	0.92	-	1.85	64.79	65.71
Buildings	615.35	7.70	-	623.05	17.34	17.58	-	34.92	588.13	598.01
Tubewells	0.10	-	-	0.10	-	-	-	-	0.10	0.10
Plant and Machinery	958.85	26.75	21.62	963.98	35.69	37.16	-	72.86	891.13	923.16
Electrical Installations	58.66	-	-	58.66	4.99	5.55	-	10.54	48.12	53.67
Furniture, Fixtures & Office Equipments	18.38	-	-	18.38	3.12	3.41	-	6.53	11.85	15.26
Computer & Accessories	9.98	-	-	9.98	2.18	1.52	-	3.70	6.28	7.80
Vehicles	16.77	-	12.78	3.99	2.90	1.32	1.58	2.64	1.35	13.87
Total	1,744.71	34.45	34.40	1,744.77	67.14	67.46	1.58	133.03	1,611.74	1,677.57

3b) Intangible Assets										
Computer Software	1.64	-	-	1.64	1.22	0.22	-	1.44	0.20	0.42
Total	1.64	-	-	1.64	1.22	0.22	-	1.44	0.20	0.42

Previous Year *

Particulars	Carrying Amount				Depreciation & Amortization				Net Block	
	Deemed Cost As at 1st April, 2016	Additions	Disposals/ Adjustments	As at 31st March, 2017	Up to 1st April, 2016	For the year	Disposals/ Adjustments	Total up to 31st March, 2017	As at 31st March, 2017	As at 1st April, 2016
3a) Property, Plant and Equipment										
Land Leasehold	66.64	-	-	66.64	-	0.92	-	0.92	65.71	66.64
Buildings	591.74	23.61	-	615.35	-	17.34	-	17.34	598.01	591.74
Tubewells	0.10	-	-	0.10	-	-	-	-	0.10	0.10
Plant and Machinery	924.71	98.76	64.62	958.85	-	35.69	-	35.69	923.16	924.71
Electrical Installations	53.91	4.75	-	58.66	-	4.99	-	4.99	53.67	53.91
Wind Electric Generators	11.00	-	11.00	-	-	-	-	-	-	11.00
Furniture, Fixtures & Office Equipments	14.81	3.56	-	18.38	-	3.12	-	3.12	15.26	14.81
Computer & Accessories	8.71	1.27	-	9.98	-	2.18	-	2.18	7.80	8.71
Vehicles	4.05	12.78	0.07	16.77	-	2.90	-	2.90	13.87	4.05
Total	1,675.67	144.73	75.69	1,744.71	-	67.14	-	67.14	1,677.57	1,675.67

3b) Intangible Assets										
Computer Software	1.64	-	-	1.64	-	1.22	-	1.22	0.42	1.64
Total	1.64	-	-	1.64	-	1.22	-	1.22	0.42	1.64

3c) Capital Work In Progress	4.50	-	4.50	-	-	-	-	-	-	4.50
Total	4.50	-	4.50	-	-	-	-	-	-	4.50

* Above Immovable and Moveable Properties/assets situated at plot no.2,3,4 & 5 Sector A Industrial Growth Centre, Pilukhedi-546667 (Madhya Pradesh) are mortgaged and hypothecated on Pari-Passu to Banks for Credit facilities availed by Wearit Global Limited.

(Rs. In Lakhs)

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2016
NOTE 4			
NON-CURRENT INVESTMENTS (Other than Trade)			
Investment in Equity Shares- Carried at Fair value			
Unquoted			
2,45,000 (31st March, 2017: 1,65,000 1st April, 2016 :Nil)			
Equity Shares of Re 0.10 each fully paid up in OPGS			
Power Gujarat Private Limited	0.47	0.31	-
Total Carrying Value	0.47	0.31	-
Aggregate amount of unquoted investments	0.47	0.31	-

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE
YEAR ENDED 31ST MARCH, 2018**

(Rs. In Lakhs)

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2016
NOTE 5			
OTHER FINANCIAL ASSETS			
(Unsecured, considered good by the management)			
Security Deposits for Leasehold Land*	1.15	1.15	1.15
MBEB Electricity Board (Interest Bearing)	109.92	106.29	75.51
Others Deposits	0.01	1.46	1.46
Total	111.08	108.90	78.12
*Refundable deposit			
NOTE 6			
OTHER NON-CURRENT ASSETS			
(Unsecured, considered good by the management)			
Entry Tax [Refer Note No. (30) (b) (I)]	1.66	1.66	1.66
Provident Fund Receivable [Refer Note No. (30) (b) (ii)]	10.74	10.74	10.74
Electricity Duty Receivable [Refer Note No. (30) (b) (iv)]	1.91	1.91	1.91
Value Added Tax	-	0.55	0.55
Deposit *	4.90	4.90	4.90
Total	19.21	19.76	19.76
* Include Rs 10,000/- deposit Sales tax department			
NOTE 7			
INVENTORIES			
(As taken, valued and certified by the management)			
a) Raw Materials (at Cost)	53.94	-	-
b) Work In Progress (at Cost)	61.20	-	16.09
c) Finished Goods			
(at Cost or Net Realisable Value- whichever is lower)	68.34	-	1.01
d) Packing Material (at Cost)	6.32	3.56	2.22
e) Stores and Spare Parts (at cost)	7.30	72.97	66.75
f) Waste (at net realisable value)	1.40	9.30	8.43
Total	198.50	85.82	94.49
NOTE 8			
TRADE RECEIVABLES			
(Unsecured considered good by the management)			
Other Debts	10.12	4.57	0.76
Total	10.12	4.57	0.76
NOTE 9			
CASH AND CASH EQUIVALENTS			
Balances with Scheduled Banks			
In Current Accounts	0.09	43.75	18.10
Cash in hand (As certified by the management)	0.67	5.79	1.31
Total	0.76	49.54	19.41
NOTE 10			
OTHER FINANCIAL ASSETS			
(Unsecured, considered good by the management)			
Insurance Claim Receivable	1.05	-	-
Stipend Receivable (ISDS)	3.34	22.82	-
Total	4.38	22.82	-

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE
YEAR ENDED 31ST MARCH, 2018**

(Rs. In Lakhs)

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2016
NOTE 11			
CURRENT TAX ASSETS (Net)			
Advance payment of Income Tax	15.23	75.07	91.90
Total	15.23	75.07	91.90
NOTE 12			
OTHER CURRENT ASSETS			
Advances			
To Suppliers	2.98	3.34	13.23
To Employees	4.38	4.28	4.64
Prepaid Expenses	4.53	5.26	5.44
Others			
Value Added Tax	-	37.99	29.06
Excise Rebate Claim	-	92.65	40.62
Cenvat Receivable	-	324.58	70.22
GST Receivable	223.04	-	-
Service Tax Receivable	-	28.78	12.45
Others	5.17	6.53	10.33
Total	240.10	503.42	185.99
NOTE 13			
EQUITY SHARE CAPITAL			
a) Authorised			
1,60,00,000 Equity Shares of Rs. 10/- each	1,600.00	1,600.00	1,600.00
b) Issued, Subscribed and Fully Paid up			
1,27,18,600 Equity Shares of Rs. 10/- each fully paid up	1,271.86	1,271.86	1,271.86
30,350 Shares Forfeited	0.86	0.86	0.86
Total	1,272.72	1,272.72	1,272.72

c) Reconciliation of the Shares outstanding at the beginning and at the end of the year	As at 31st March, 2018		As at 31st March, 2017	
	No of Share	Amount	No of Share	Amount
At the beginning of the reporting year	127.49	1272.72	127.49	1272.72
Add: Change during the year	-	-	-	-
At the end of the reporting year	127.49	1,272.72	127.49	1272.72

- d) Out of the above Shares, 8,158,950 Equity Shares of Rs.10/- each have been allotted as fully paid up Bonus Shares by capitalisation of General Reserve on 2nd,December 1993 and 16th January,1998.
- e) 1,840,000 Equity Shares of Rs.10/- each issued at par to Asset Reconstruction Company (India) Limited, Mumbai against conversion of Funded Interest Term Loan (FITL) into equity, as per terms of CDR.
- f) The Company has only one class of shares referred to as Equity Shares having a par value of Rs. 10/- each.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

- g) Each holder of Equity Shares is entitled to one vote per share.
- h) The Equity Shareholders have the right to approve dividend, as proposed by the Board of Directors for any financial year, to be paid to the members according to their rights and interest in the profits. However, no larger dividend shall be declared than is recommended by the Board of Directors.
- i) In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive any of the 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.
- j) **Name of the Shareholders holding more than 5% shares**

Name of Shareholders	As at 31st March 2018		As at 31st March, 2017		As at 31st March, 2016	
	No. of shares held	% of Holding	No. of shares held	% of Holding	No. of shares held	% of Holding
Assets Reconstruction Company (India) Limited	1,840,000	14.47	1,840,000	14.47	1,840,000	14.47
Mr. Manish Kumar	956,456	7.52	956,456	7.52	956,456	7.52
Mr. Manish Kumar (Trustee of RDM Family Trust)	747,348	5.88	747,348	5.88	747,348	5.88
In The Name of Trustee of Devmanu Family Trust	1,698,571	13.36	1,698,571	13.36	1,698,571	13.36
Mrs. Ritika Kumar	2,732,807	21.49	2,732,807	21.49	2,732,807	21.49

As per records of the Company, including its register of shareholders/members and other declaration received from the shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

(Rs. In Lakhs)

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2016
NOTE 14			
OTHER RESERVES			
(a) Capital Reserve			
(i) Central Investment Subsidy			
- As per last Financial Statement	15.00	15.00	15.00
(ii) State Investment Subsidy			
- As per last Financial Statement	25.00	25.00	25.00
(iii) Diesel Generator Set Subsidy			
- As per last Financial Statement	4.46	4.46	4.46
(iv) Others			
- As per last Financial Statement	1793.09	1793.09	1793.09
[Refer Note No. 31]			
	1,837.56	1,837.56	1,837.56
(b) Power Subsidy Reserve			
- As per last Financial Statement	44.71	44.71	44.71
Reserves and Surplus			
(c) General Reserve			
- As per last Financial Statement	2865.19	2865.19	2865.19
(d) Retained Earnings			
- As per last Financial Statement	(5,354.55)	(5,316.23)	(5,330.48)
Add: Profit/(Loss) for the year as per Statement of Profit and Loss	(279.40)	(59.50)	14.25
Add: Other Comprehensive Income	33.82	21.18	-
	(2,690.22)	(2,444.65)	(2,406.33)
Total	(852.66)	(607.09)	(568.77)

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE
YEAR ENDED 31ST MARCH, 2018**

(Rs. In Lakhs)

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2016
NOTE - 15			
NON- CURRENT BORROWINGS			
<u>SECURED</u>			
Term Loans			
From ICICI Bank Limited*			
Gross Amount	-	8.17	-
Less: Current Maturities of Term Loans	-	3.75	-
Total	-	4.43	-
*(Secured by Hypothecation of Vehicle Purchased there against, Repayable in 36 equal monthly instalments of Rs. 36,442/- including interest ending on 1st April, 2019 but the Company has made full payment in current year)			
NOTE - 16			
PROVISIONS			
For Leave Encashment	20.42	42.50	30.99
Total	20.42	42.50	30.99
NOTE - 17			
CURRENT BORROWINGS			
<u>SECURED</u>			
Term Loans	-	3.75	-
Total	-	3.75	-
NOTE - 18			
TRADE PAYABLES			
Payables for Materials Purchased and Services received			
Total outstanding dues other than micro enterprises and small enterprises			
To Related Parties [Refer Note No.35]	29.39	-	14.97
To Others	913.41	372.49	305.70
Total	942.79	372.49	320.68
**As required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 and to the extent such parties are identified on the basis of information available with the Company, there are no Micro Enterprises or Small Scale Enterprises to whom the Company owes any amount which are outstanding as at 31st March, 2018.			
NOTE 19			
OTHER FINANCIAL LIABILITIES			
Security Deposits from Customers	-	-	1.36
Liabilities for Expenses	9.12	21.84	35.54
Others Liabilities	139.32	170.01	116.54
Advance from Others	29.59	29.59	29.59
Total	178.03	221.43	183.31
NOTE 20			
OTHER CURRENT LIABILITIES			
Advance from Customers	1.15	2.83	6.26
Payable to Statutory Dues	44.13	22.88	21.41
Advance Against Job Work From Related Parties [Refer Note No. 35]	551.07	1138.32	835.17
Total	596.36	1,164.03	862.84

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE
YEAR ENDED 31ST MARCH, 2018**

(Rs. In Lakhs)

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2016
NOTE 21 PROVISIONS			
Bonus	50.95	67.19	66.41
Leave Encashment	3.18	6.75	4.07
Total	54.14	73.94	70.48
Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017	
NOTE 22 REVENUE FROM OPERATIONS			
Sale of Products	1672.61	22.47	
Sale of Waste	108.55	79.20	
Income from Job Work (Gross) (Tax Deducted at Source Rs. 3,10,648/-) (Previous year Rs. 9,19,880/-)	2410.38	3954.43	
Other Operating Income Sale of Fibres	99.37	-	
Total	4,290.91	4,056.10	
NOTE 23 OTHER INCOME			
Interest (Gross) (Tax Deducted at Source Rs. 71,567/-) (Previous year Rs. 73,500/-)			
From Income Tax Department	7.48	1.22	
From Others	7.20	7.43	
Profit on Sale of Fixed Asset	7.45	-	
Liability no longer required written back	10.18	1.93	
Other Income	78.05	18.50	
Total	110.37	29.08	
NOTE 24 PURCHASES OF STOCK IN TRADE			
Fibre Purchased for Resale	95.75	-	
Total	95.75	-	
NOTE 25 COST OF MATERIALS CONSUMED			
Fibre & Yarn	1461.87	2.60	
Total	1,461.87	2.60	
NOTE 26 CHANGE IN INVENTORIES OF FINISHED GOODS AND WORK IN PROGRESS			
Opening Stock			
Finished Goods	-	1.01	
Work-In-Progress	-	16.09	
Waste	9.30	8.43	
Less: Closing Stock			
Finished Goods	68.34	-	
Work-In-Progress	61.20	-	
Waste	1.40	9.30	
Total	(121.64)	16.23	

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE
YEAR ENDED 31ST MARCH, 2018**

(Rs. In Lakhs)

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
NOTE 27		
EMPLOYEE BENEFITS EXPENSE *		
Salaries and Wages	1289.58	1586.23
Contribution to Provident, Gratuity & Other Funds	103.79	119.33
Staff Welfare Expenses	19.17	27.30
Total	1,412.54	1,732.86
* Including Remuneration of Rs.40,00,630/- (Previous Year Rs. 43,81,948/-) paid to key management personnel		
NOTE 28		
FINANCE COSTS		
Interest Expense		
To Bank	0.63	0.83
Total	0.63	0.83
NOTE 29		
OTHER EXPENSES		
Consumption of Stores/Consumable, Spare Parts and Packing Materials etc.	258.10	294.92
Other Manufacturing Expenses	46.00	74.14
Power and Fuel	1,272.78	1,646.17
Rent	19.38	19.25
Repairs & Maintenance		
- To Building	3.45	14.57
- To Machinery	7.30	22.89
- To Others	2.21	2.63
Insurance	8.08	16.14
Excise Duty and other Taxes	4.80	12.58
Rates and Taxes	8.62	8.15
Freight, Forwarding & Other Expenses	1.89	9.14
Bank Charges	0.81	0.14
Postage, Telegram & Telephone	5.83	9.69
Travelling & Conveyance	20.07	45.75
Vehicle Expenses	50.52	54.65
Corporate Social Responsibility Expenses	-	13.50
Legal and Professional Fees	13.08	5.78
Loss on Sale of Fixed Asset	-	23.09
Miscellaneous Expenses	36.49	46.16
Auditors Remuneration		
- As Auditor	1.90	1.90
- for Other Services	2.55	2.55
Total	1,763.85	2,323.79

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

NOTE

30 CONTINGENT LIABILITIES

a. Contingent Liabilities:

Guarantees given to banks against Credit Facilities availed by associates of Rs. 31,781 lakhs (31.03.2017 - Rs. 31,781 lakhs 01.04.2016 - Rs. 26,512 lakhs).

b. Claims against the Company not acknowledged as debts

- i. Entry Tax demands of Rs. 5.77 lakhs (31.03.2017 – Rs. 5.77 lakhs 01.04.2016 - Rs. 5.77 lakhs) against which amount deposited Rs. 1.66 lakhs (31.03.2017 - 1.66 lakhs 01.04.2016 - Rs. 1.66 lakhs).
- ii. Regional Provident Fund Commissioner, Gwalior has lodged the case under section 7A of the “Employees' Provident Fund and Miscellaneous Provisions Act, 1952”, (“PF Act”) for the recovery against provident fund amount from April, 2008 to December, 2010 and passed an order under section 8F of PF Act vide order no. EPF/MP/SRO/GWL/ENFORCEMENT/8F dated December 04, 2013, for recovery of Rs. 21.58 lakhs (31.03.2017 - Rs. 21.58 lakhs 01.04.2016 - Rs. 21.58 lakhs). The Company has disputed the amount and filed an Appeal before Provident Fund Tribunal, New Delhi against which the PF Commissioner has recovered Rs. 10.74 lakhs (31.03.2017 - 10.74 lakhs 01.04.2016 - Rs. 10.74 lakhs) from the Company's bank account.
- iii. M.P. Madhya Kshetra Vidyut Vitaran Company Ltd. has made an additional demand of Rs. 165.79 lakhs (31.03.2017 – Rs. 60.71 lakhs 01.04.2016 - Rs. 52.31 lakhs) vide its bill, on account of billing difference for electricity purchase through Open Access. The Company has filed a Writ Petition against the said demand before the Hon'ble High Court at Indore and obtained an Interim Stay vide Order dated 29.02.2016.
- iv. M.P. Madhya Kshetra Vidyut Vitaran Company Ltd. vide its electricity bill has levied electricity duty amounting to Rs. 1.91 lakhs (31.03.2017 - 1.91 lakhs 01.04.2016 - Rs. 1.91 lakhs) on account of electricity purchased from solar power generators, which the Company has deposited under protest. The Company has filed a Writ Petition against the said levy before the Hon'ble High Court at Indore and obtained an Interim Stay vide order dated 09.03.2016 against further levy of electricity duty on account of electricity purchase from solar power generators.

31 CAPITAL RESERVE

Capital Reserve - others of Rs.1,793.09 lakhs represents remission of liability on account of Principal by the Secured Creditors.

32 CURRENT LIABILITIES

Balances of certain Trade Receivables, Trade Payables, Other Current Liabilities, Claim Receivable & Advances are subject to confirmation by the parties and include some old items pending reconciliation and adjustment to appropriate accounts.

33 PROVISION FOR EMPLOYEE BENEFITS

Ind AS - 19 (“Ind AS-19”) on “Employee Benefits” requires an enterprise to recognize its obligation and employee benefits cost under defined benefit plans such as gratuity and compensated absences, based on an actuarial valuation. The obligation and employee benefits cost are to be reflected in the Balance Sheet and the Statement of Profit and Loss, respectively.

Gratuity:

As regards Gratuity, the Company is under “The Employee Group Gratuity Scheme” of the LIC for meeting its obligation under post employment benefits and the Company has no obligation to pay benefits to the employee and insurer has the sole responsibility for paying the post employment benefits.

As per LIC's renewal intimation, the Company has contributed a sum of Rs. 2.17 lakhs (31.03.2017 - Rs. 2.56 lakhs 01.04.2016 – Rs. 2.81 lakhs). In accordance with the provisions of Ind AS 19 on “Employee Benefits”, the contribution so made is charged to the Statement of Profit and Loss.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

Leave Encashment:

As per Actuarial Valuation as on March 31, 2018, the following recognized in the financial statements in respect of Employee Benefits Scheme:

	Particulars	For the year ended	For the year ended	For the year ended
		31st March, 2018	31st March, 2017	31st March, 2016
		Leave Encashment (Unfunded)		
I	Components of Employer Expense			
	1 Current Service Cost	12.38	42.79	10.19
	2 Interest Cost	3.51	2.41	-
	3 Expected Return of Plan Assets	-	-	-
	4 Curtailment Cost/ (credit)	-	-	-
	5 Settlement Cost/(credit)	-	-	-
	6 Amortization of Past Service Cost	-	-	-
	7 Actuarial (Gains)/Losses	(33.82)	(21.28)	3.96
	8 Total expense recognized in the Statement of Profit and Loss	(17.93)	23.92	14.15
II	Net Asset / (Liability) recognized in Balance Sheet as at 31st March			
	1 Present Value of Defined Benefit Obligation	23.60	49.25	35.05
	2 Fair Value of Plan Assets as at 31st March	-	-	-
	3 Net Asset/(Liability) recognized in Balance Sheet.	(23.60)	(49.25)	(35.05)
III	Change in Defined Benefit Obligation (DBO) during the year			
	1 Present Value of DBO at the Beginning of Year	49.25	35.05	23.69
	2 Current Service Cost	12.38	42.79	10.19
	3 Interest Cost	3.51	2.42	-
	4 Actuarial Losses/(Gains)	(33.82)	(21.28)	3.96
	5 Benefits Paid	(7.71)	(9.73)	(2.79)
	6 Present Value of DBO at the end of Year	23.60	49.25	35.05
IV	Change in the Fair Value of Plan Assets			
	1 Plan Assets at the beginning of period	-	-	-
	2 Expected return on plan assets	-	-	-
	3 Actual Company Contributions	-	-	-
	4 Actuarial Gain/(Loss) on plan assets	-	-	-
	5 Employee Contributions	-	-	-
	6 Benefits paid	-	-	-
	7 Plan assets at the end of the period	-	-	-
V	Actuarial Assumptions			
	Mortality Table	IALM(2006-08) Ultimate	IALM(2006-08) Ultimate	IALM(2006-08) Ultimate
	1 Discount Rate (per annum)	7.73%	7.37%	8.00%
	2 Rate of escalation in Salary (per annum)	1.00%	1.00%	7.00%
	3 Expected Average remaining working lives of employees(years)	22.94	23.41	20.64

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

(Rs. in Lakhs)

VI	Sensitivity on Actuarial Assumptions	Liability as at 31.03.2018	Liability as at 31.03.2017	Liability as at 31.03.2016
	Change in Discounting Rate			
	Increase by 1%	22.12	46.16	32.86
	Decrease by 1%	25.28	52.74	37.54
	Change in Salary Escalation			
	Increase by 1%	24.44	50.98	36.29
	Decrease by 1%	22.80	47.57	33.86
	Change in Attrition Rate			
	Increase by 1%	24.51	51.14	36.40
	Decrease by 1%	22.60	47.16	33.57
	Mortality Rate			
	Increase by 10%	23.64	49.31	35.10

VII Investment Details

The Company has not started funding Gratuity Liability and has been following pay as you go method for settling the liability. The management has relied on the overall actuarial valuation conducted by the actuary. The Actuarial Valuation has been certified on 23.05.2018

34 SEGMENT REPORTING

The Company is primarily engaged in the operation of job work for manufacturing Synthetics Blended Yarn as well as Manufacturing of Own blended Yarn. Segment information is presented in respect of the Company's key operating segments. The operating segments are based on the Company's managements are internal reporting structure.

(Rs. in Lakhs)

Particulars	31st March, 2018	31st March, 2017
Segment Revenue		
Sale of Own Products	1781.16	101.67
Income from Job Work	2410.38	3954.43
Sale of Fibre	99.37	-
Other Income	110.37	29.08
Gross Revenue from sale of Product, Services and others	4401.28	4085.18
Segment Result		
Sale of Own Products	1781.16	101.70
Less: Expenses	2722.27	123.10
Total	(941.11)	(21.39)
Income from Job Work	2410.38	3954.40
Less: Expenses	1869.41	4021.60
Total	540.97	(67.17)
Sale of Fibre	99.37	0.0
Less: Expenses	95.75	0.0
Total	3.62	0.0
Other Income	110.36	29.10
Profit Before Tax and Comprehensive Income	(286.15)	(59.48)
Segment Assets		
Unallocable Assets	2211.79	2548.20
Total Assets	2,211.79	2548.20
Segment Liabilities		
Own Manufacturing Business	851.81	744.30
Job Work Business	551.07	1138.30
For Trading Activities	388.85	0.0
Total Liabilities	1791.73	1882.60

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

35 “RELATED PARTY DISCLOSURES” IN COMPLIANCE WITH IND-AS 24, ARE GIVEN BELOW:

1. A. Key Managerial Personnel:-

- a. Mr. Manish Kumar, Director
- b. Mr. Hemant Vasant Ambekar, Whole Time Director
- c. Mr. Balesh Kumar Bagree, Chief Financial Officer
- d. Mrs. Nidhi Rathi, Company Secretary

B. Relative of a Director

Mrs. Ritika Kumar, Wife of Mr. Manish Kumar, Director.

2. Relationship with Entities

Companies over which key management personnel or their relatives are able to exercise control/significant influence

- a. Wearit Global Limited
- b. Ritspin Synthetics Limited
- c. Dhantresh Sales Private Limited
- d. SPBP Tea (India) Limited

3. The following transactions were carried out with the related parties in the ordinary course of business:

a. Details relating to parties

Name of Person	Nature of Transactions	Year Ended	Year Ended
		31st March, 2018	31st March, 2017
		Rs. in Lakhs	Rs. in Lakhs
Wearit Global Limited	Sales of Yarn	1,659.97	22.47
	Sales of Waste	0.11	8.02
	Sale of Fibres	58.38	-
	Sales of Fixed Assets	-	10.62
	Sales of Stores/Scrap	12.13	2.83
	Job Work Charges Received	2,410.15	3,940.42
	Purchase of Fibre	1,260.07	-
	Purchase of Yarn	-	-
	Purchase of Fixed Assets	-	50.74
	Purchase of Store Consumable	35.74	50.07
	Paid Towards Reimbursement of Freight and other Expenses.	-	58.09
	Received Towards Reimbursement of other Expenses.	19.08	-
Ritspin Synthetics Pvt.Ltd.	Sales of Stores Consumable	6.23	0.13
	Sales of Fixed Assets	-	15.68
	Sales of Yarn/Fibre	25.89	-
	Purchase Yarn	17.37	2.73
	Purchase of Fixed Assets	2.00	-
	Purchase of Store Consumable	0.66	-
	Paid Towards Expenses.	1.00	56.75
	Received Towards Reimbursement of Expenses	0.94	54.85
Mr. Vilas Agrawal	Remuneration	-	17.01
Mr. Hemant Ambedkar	Remuneration	21.05	8.76
Mr. Balesh Kumar Bagree	Remuneration	14.65	14.45
Mrs. Nidhi Rathi	Remuneration	4.30	3.60

b. Balance at year end

Name of Person	Nature of Balances	As at	As at
		31st March, 2018	31st March, 2017
		Rs. in Lakhs	Rs. in Lakhs
Wearit Global Limited	Advance Against Job Work	551.07	1,138.32
Ritspin Synthetics Limited	Trade Payables	29.39	-
Wearit Global Limited	Corporate Guarantee	31,781.00	31,781.00

36 EARNINGS PER SHARE (EPS)

Basic and Diluted EPS amounts are calculated by dividing the profit or loss for the year attributable to equity holders by the weighted average number of Equity shares outstanding during the year.

The following reflects the profit or loss and number of shares used in the basic and diluted EPS computations:

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

Particulars	31st March, 2018	31st March, 2017
Profit/(Loss) attributable to equity holders (Rs. In Lakhs)	(279.40)	(59.50)
Weighted Average number of equity shares used for computing Earning Per Share (Basic)	127,18,600	127,18,600
Weighted Average number of equity shares used for computing Earning Per Share (Diluted)	127,18,600	127,18,600
Earnings Per Share (Basic) (Rs.)	(2.20)	(0.47)
Earnings Per Share (Diluted) (Rs.)	(2.20)	(0.47)
Face Value Per Share (Rs.)	10	10

37 INCOME TAXES

The temporary difference relating mainly to depreciation and unabsorbed losses result in net deferred tax credit as per Ind AS 12 "Income Taxes". As a prudent measure the net deferred tax assets relating to the above has not been recognised in the Financial Statements.

38 IMPORTED AND INDIGENOUS CONSUMPTION

Particulars	Year ended 31.03.2018		Year ended 31.03.2017	
	Rs. in Lakhs	%	Rs. in Lakhs	%
Raw Material				
Imported	-	-	-	-
Indigenous	1,461.87	100	2.60	100
Total	1,461.87	100	2.60	100
Stores & Spares				
Imported	-	-	-	-
Indigenous	258.10	100	294.92	100
Total	258.10	100	294.92	100

39 FINANCIAL RISK MANAGEMENT

The Company's activities expose it to market risk, liquidity risk and credit risk. In order to minimise any adverse effects on the financial performance of the Company, the Company has risk management policies as described below:-

(A) Credit risk

Credit risk refers to the risk of financial loss arising from default / failure by the counterparty to meet financial obligations as per the terms of contract. The Company is exposed to credit risk for receivables, cash and cash equivalents, financial guarantees and derivative financial instruments. Corporate guarantee provided by the company to group company is not an integral part of another financial instrument, hence not within the scope of Ind AS 109. None of the financial instruments of the Company result in material concentration of credit risks.

Credit risk on receivables is minimum since sales through different mode (eg. auction, consignment, private - both domestic and export) are made after judging credit worthiness of the customers, advance payment or against letter of credit by banks. The history of defaults has been minimal and outstanding receivables are regularly monitored. For credit risk on the loans to parties including subsidiary, the Company is not expecting any material risk on account of non-performance by any of the parties.

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

The carrying value of the financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets.

(B) Liquidity risk

Liquidity risk refers to the risk that the Company fails to honour its financial obligations in accordance with terms of contract. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

Management monitors rolling forecasts of the Company's liquidity position (including the undrawn credit facilities extended by banks and financial institutions) and cash and cash equivalents on the basis of expected cash flows. In addition, the Company's liquidity management policy involves projecting cash flows and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

(Rs. in Lakhs)

Contractual maturities of financial liabilities as at 31st March, 2018	Less than 1 Year	Between 1 and 2 years	Between 2 and 5 years	More than 5 years	Total
Non-derivatives					
Borrowings (Principal plus interest)	-	-	-	-	-
Trade Payables	942.79	-	-	-	942.79
Other financial liabilities	178.03	-	-	-	178.03
Total non-derivative financial liabilities	1,120.82	-	-	-	1,120.82

(Rs. in Lakhs)

Contractual maturities of financial liabilities as at 31st March, 2017	Less than 1 Year	Between 1 and 2 years	Between 2 and 5 years	More than 5 years	Total
Non-derivatives					
Borrowings (Principal plus interest)	3.75	4.43	-	-	8.17
Trade Payables	372.49	-	-	-	372.49
Other financial liabilities	221.43	-	-	-	221.43
Total non-derivative financial liabilities	597.67	4.43	-	-	602.10

(Rs. in Lakhs)

Contractual maturities of financial liabilities as at 1st April, 2016	Less than 1 Year	Between 1 and 2 years	Between 2 and 5 years	More than 5 years	Total
Non-derivatives					
Borrowings (Principal plus interest)	-	-	-	-	-
Trade Payables	320.68	-	-	-	320.68
Other financial liabilities	183.31	-	-	-	183.31
Total non-derivative financial liabilities	503.99	-	-	-	503.99

(C) Market risk

(i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Company's main interest rate risk arises from short term and long-term borrowings with variable rates, which expose the Company to cash flow interest rate risk. The Company's policy is to maintain most of its borrowings at fixed rate using interest rate swaps to achieve this when necessary. During 31st March, 2018, 31st March, 2017 and 1st April, 2016, the Company's borrowings at variable rate were mainly denominated in INR.

The Company's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

(ii) Price risk

The Company's exposure to equity securities price risk arises from investments held - both quoted and unquoted and classified in the Balance Sheet either as fair value through OCI or at fair value through profit or loss. The Company is not expecting high risk exposure from its investment in securities.

The table below sets forth the fair value of unquoted investments in securities of listed companies.

(Rs. in Lakhs)

Particulars	31st March, 2018	31st March, 2017	1st April, 2016
Fair value of unquoted investments	0.47	0.31	-
Total	0.47	0.31	-

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

40 CAPITAL MANAGEMENT

The Company's objectives when managing capital are to:

1. Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
2. Maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the Company monitors capital on the basis of net debt to equity ratio and maturity profile of overall debt portfolio of the Company.

Total debt implies total borrowings of the Company and Equity comprises all components attributable to the owners of the Company.

The following table summarises the Debt, Equity and Ratio thereof.

(Rs. in Lakhs)

	Note	31st March, 2018	31st March, 2017	31st March, 2016
(i) Total Debt				
Borrowings				
Non- Current		-	4.43	-
Current		-	3.75	-
Current Maturities of Long Term Debt		-	-	-
Total Debt		-	8.17	-
(ii) Equity attributable to Shareholders		420.06	665.63	703.95
(iii) Debt to equity ratio		0	0.012	0

Under the terms of the major borrowing facilities, the Company has complied with the financial covenants as imposed by the bank and financial institutions.

No changes were made in the objectives, policies or processes for managing capital during the year ended 31st March, 2017 and 31st March, 2018.

41 FIRST-TIME ADOPTION OF IND AS

Transition to Ind AS

These are the Company's first financial statements prepared in accordance with Ind AS.

The accounting policies set out in Note 1 have been applied in preparing the financial statements for the year ended 31st March, 2018, the comparative information presented in these financial statements for the year ended 31st March, 2017 and in the preparation of an opening Ind AS Balance Sheet at 1st April, 2016 (the Company's date of transition). In preparing its opening Ind AS Balance Sheet, the Company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act (previous GAAP or Indian GAAP). An explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position and financial performance is set out in the following tables and notes.

A. Exemptions and Exceptions availed

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS.

A.1 Ind AS optional exemptions

A.1.1 Deemed Cost

Deemed cost Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Asset.

Accordingly, the Company has elected to measure all of its property, plant and equipment and intangible assets at their previous GAAP carrying value. The Company does not have any de-commissioning liabilities as on the date of transition and accordingly no adjustment have been made for the same.

A.2 Ind AS mandatory exceptions

A.2.1 Estimates

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

Ind AS estimates as at 1st April, 2016 are consistent with the estimates as at the same date made in conformity with previous GAAP. The Company made estimates for following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP:

- i. Investment in equity instruments carried at FVOCI; and
- ii. Investment in debt instruments carried at FVPL

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

A.2.2 Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification and measurement of financial assets (investment in debt instruments) on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

B. Reconciliation of total equity as at 31st March, 2017 and 1st April, 2016

Particulars	31st March 2017	1st April 2016
Total equity (shareholder's funds) as per previous GAAP	665.63	703.95
Adjustments	-	-
Total Equity as per Ind AS	665.63	703.95

Reconciliation of total comprehensive income for the year ended 31st March, 2017

Particulars	Notes to first-time adoption	31st March 2017
Net Profit as reported under previous GAAP		(38.32)
Adjustments :		-
Profit after tax as per Ind AS	1	(59.50)
Other Comprehensive Income	2	21.18
Total Comprehensive Income as per Ind AS		(38.32)

C. Notes to first-time Adoption

1 Remeasurements of post-employment benefit obligations

Under Ind AS, remeasurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in other comprehensive income instead of profit or loss. Under the previous GAAP, these remeasurements were forming part of the profit or loss for the year. As a result of this change, the loss for the year ended 31 March, 2017 has decreased by Rs. 21.18 lakhs. There is no impact on the total equity as at 31st March 2017.

2 Other Comprehensive Income

Under Ind AS, all items of income and expense recognised in a period should be included in profit or loss for the year, unless a standard requires or permits otherwise. Items of income and expense that are not recognised in profit or loss but are shown in the Statement of Profit and Loss as 'Other Comprehensive Income' includes remeasurements of defined benefit plans. The concept of Other Comprehensive Income did not exist under previous GAAP.

42 DUES TO MICRO AND SMALL ENTERPRISES

The Company has not received any information from suppliers regarding their status under Micro, Small and Medium Enterprise Development Act, 2006 and hence disclosure, if any, required to be made under the said Act could not be compiled and disclosed.

43 FAIR VALUES

The Company has made Investment in fully paid equity shares of OPGS Power Gujarat Private Limited at fair value and the Investment has been categorized at Level 3 under the Fair Value Hierarchy Level.

44 DISCLOSURE RELATING TO CORPORATE SOCIAL RESPONSIBILITY (CSR) EXPENDITURE (Rs. In Lakhs)

Particulars	31.03.2018	31.03.2017
(a) Gross amount required to be spent by the company during the year		
Annual CSR Allocation	-	13.50
Carry forward from previous year	-	-
Gross amount required to be spent	-	13.50

	31.03.2018			31.03.2017		
	In cash	Yet to be paid in cash	Total	In cash	Yet to be paid in cash	Total
(i) Construction/acquisition of any assets	-	-	-	-	-	-
(ii) On purposes other than (i) above						
Education/employment vocational skills	-	-	-	13.50	-	-
Total Expenses (ii)	-	-	-	13.50	-	-
Grand Total (i) and (ii)	-	-	-	13.50	-	-

45 Previous year figures, wherever necessary, have been regrouped and reclassified.

For V. SINGHI & ASSOCIATES

Chartered Accountants
Firm Registration. No. 311017E
(V. K. SINGHI)
Membership No. : 050051

For Hind Syntex Limited

Sd/-
Manish Kumar
Director

Sd/-
Hemant Vasant Ambekar
Whole Time Director

Sd/-
Nidhi Rathi
Company Secretary

Sd/-
Baresh Kumar Bagree
Chief Financial officer

Place: Kolkata
Date: 30th May, 2018

HIND SYNTEX LIMITED
CIN : L17118MP1980PLC001697

Registered Office: Plot No. 2, 3, 4 & 5 Sector A, Industrial Growth Centre
Pillukhedi - 465667, Dist : Rajgarh, Madhya Pradesh Ph : +91 7375 2444350; +91 93015 28698
Email: pillukhedi@wearitgroup.com Website: www.hindsyntexltd.com

FORM NO MGT-11 (PROXY FORM)

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

Name of the Member(s)
Registered Address
E mail id
Folio no./ Client ID
DP ID
No. of shares held

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

- | | | | |
|-------------|-------|-------------|-----------------------|
| 1. Name : | _____ | Address : | _____ |
| E-mail Id : | _____ | Signature : | _____ or failing him; |
| 2. Name : | _____ | Address : | _____ |
| E-mail Id : | _____ | Signature : | _____ or failing him; |
| 3. Name : | _____ | Address : | _____ |
| E-mail Id : | _____ | Signature : | _____ or failing him; |

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 36th Annual General Meeting of the Company to be held on Saturday, the 22nd September, 2018 at 11.30 A.M. at registered office of the Company at Plot No. 2, 3, 4 & 5, Sector-A, Industrial Growth Centre, Pillukhedi-465667, Madhya Pradesh and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolution	Vote (*Optional)	
		For	Against
1.	Ordinary Business Adoption of Audited Financial Statements of the Company for the financial year ended 31st March, 2018, together with the Report of Board of Directors' and Auditors' thereon.		
2.	Appointment of Mr. Manish Kumar (DIN:00121900) as a Director of the Company, who retires by rotation and being eligible, offers himself for re-appointment.		
3.	Special Business Appointment of Mr. Balesh Bagree (DIN: 01625256) as Non- Executive Director of the Company.		

Signed this Day of September 2018.

Affix
Rs One
Revenue
Stamp here

Signature of Shareholder

Signature of Proxy holder

Note:

- This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
- For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of the 37th AGM.
- It is optional to put a 'X' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.

HIND SYNTEX LIMITED
CIN : L17118MP1980PLC001697

Registered Office: Plot No. 2, 3, 4 & 5 Sector A, Industrial Growth Centre
Pillukhedi - 465667, Dist : Rajgarh, Madhya Pradesh Ph : +91 7375 2444350; +91 93015 28698
Email: pillukhedi@wearitgroup.com Website: www.hindsyntexltd.com

ATTENDANCE SLIP

37th Annual General Meeting, Saturday, September 22nd 2018 at 11.30 A.M.

Please fill Attendance Slip and hand it over at the entrance of the Meeting Hall.

Folio No./DP ID/ Client ID #
No. of Equity Shares Held

I/We hereby record my / our presence at the 36th Annual General Meeting of the Company being held at the Registered Office .of the Company at Plot no. 2, 3, 4 & 5 Sector-A, Industrial growth Centre, Pillukhedi-654667.

Name of Shareholder (In Block letter)
Name of proxy/ Authorized Representatives attending* (In Block letter)

* Strike out whichever is not applicable

Applicable for Shareholders holding Shares in Dematerialized Form.

.....
Signature of the attending Shareholder/
Proxy/Authorized Representative *

Note: Members are requested to bring their Attendance Slip, sign the same at the place provided and hand it over at the entrance of the venue.

If not delivered, please return to :

Hind Syntex Limited

Plot No. 2, 3, 4 & 5, Sector A

Industrial Growth Centre,

PILLUKHEDI - 465 667

Distric Rajgarh (M.P.)

Tel. : +91 93015 28698

Email : pillukhedi@wearitgroup.com