



**SPL Industries Ltd.**  
A Three Star Export House

Plot No. 21, Sector-6  
Faridabad-121 006 (Haryana), INDIA  
Tel. : 91-129-2240411, 2306700  
2306783

10.10.2016

The General Manager- Listing National Stock Exchange of India Limited. Exchange Plaza, Bandra- Kurla Complex, Bandra (E), Mumbai 400051. Fax: 022-26598235/36  NSE Symbol: SPLIL	The General Manager- Listing BSE Ltd. Phirozee Jeejeebhoy Towers, Dalal Street, Fort, Mumbai - 400 001.  Scrip Code: 532651
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**SUB:- Submission of Annual Report as per Regulation 34 of SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015.**

Dear Sir,

This is with reference to Regulation 34 of the SEBI (LODR) Regulations, 2015, please find below Annual Report for the year 2015-16.

Kindly place it on record and update your website.

Thanking You

For **SPL Industries Limited**

  
Kirti

Company Secretary & Compliance Officer



SPL INDUSTRIES LTD.

25TH ANNUAL  
REPORT  
2015-16



**SPL INDUSTRIES LTD.**



# Corporate Profile

## Board of Directors

1. Mr. Mukesh Kumar Aggarwal- Chairman & Managing Director
2. Mrs. Shashi Agarwal - Director
3. Mr. Vijay Jindal - Director
4. Mr. Arun Kumar- Independent Director
5. Mr. Chanderjeet Singh Bhatia - Independent Director
6. Mr. Rajesh Goyal - Independent Director

## KMP

Mr. Sanjay Gupta - Chief Financial Officer

Ms. Kirti - Company Secretary

## Bankers

1. State Bank of India
2. HDFC Bank
3. Indian Overseas Bank
4. Axis Bank Limited

## Statutory Auditors

M/s Singhi Chugh & Kumar, Chartered Accountants

## Secretarial Auditor

M/s Agarwal S. & Associates, Company Secretaries

## Internal Auditor

M/s Vatts & Associates, Chartered Accountants

## Share Transfer Agent

Karvy Computershare Pvt. Ltd.

## Registered Office

C-2/54, 5th Floor, Rajasthali Appartment,  
Pitampura, New Delhi-110034  
Tel: 011-27026840

## Corporate Office

Plot No. 21, Sector-6,  
Faridabad (Haryana)  
Pin Code- 121006.

## Plant

Plot No. 21, 22, Sector-6,  
Faridabad (Haryana)  
Pin Code- 121006.

## Website

[www.spillimited.com](http://www.spillimited.com)

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**SPL INDUSTRIES LTD.**

CIN : L74899DL1991PLC062744

Registered Office: C-2/54, Rajasthali Apartments, 5th Floor, Pitampura, Delhi-110034.

E-mail: administrator@spllimited.com; Website: www.spllimited.com

**NOTICE**

Notice is hereby given that the **25<sup>th</sup> ANNUAL GENERAL MEETING** of the Shareholders of **SPL INDUSTRIES LIMITED** will be held on Thursday, 29<sup>th</sup> September, 2016 at **INDIAN CORPORATE CENTER, J-2/B-1, MOHAN COOPERATIVE, MATHURA ROAD, NEW DELHI-110044** at **9.00 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 31<sup>st</sup> March, 2016 and the reports of the Board of Directors and Auditors thereon.
2. To consider appointment of a Director in place of Smt. Shashi Agarwal (DIN 06687549), who retires by rotation and being eligible, offers herself for re-appointment.
3. To consider and approve re-appointment of Statutory Auditors and to consider and if thought fit, to pass with or without modification, the following resolution as an *Ordinary Resolution*:

**"RESOLVED THAT** pursuant to the provisions of Section 139 and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 as amended from time to time, M/s Singhi Chugh & Kumar, Chartered Accountants (Firm Registration No. 013613N with the Institute of Chartered Accountants of India), the retiring Statutory Auditors of the Company be and is hereby re-appointed as Statutory Auditors of the Company, to hold office from the conclusion of this 25<sup>th</sup> Annual General Meeting until the conclusion of the 30<sup>th</sup> Annual General Meeting of the Company for a period of 5 Years subject to ratification by the members of the Company at every Annual General Meeting at a remuneration to be decided by the Board of Directors in consultation with the Auditors.

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

**SPECIAL BUSINESS:**

4. **To Increase borrowing limit of the Company under Section 180 (1) (c) of the Companies Act, 2013 and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:-**

**"RESOLVED THAT** pursuant to the provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 including any statutory modifications or any amendments or any substitution or re-enactment thereof, if any, for the time being in force and all other applicable Acts, laws, rules, regulations and guidelines for the time being in force; the consent of the members of the Company be and is hereby accorded for authorizing the Board of Directors of the Company for borrowing from time to time as they may think fit, any sum or sums of money not exceeding Rs. 100 Crores [including the money already borrowed by the Company] whether the same may be secured or unsecured and if secured, whether by way of mortgage, charge or hypothecation, pledge or otherwise in any way whatsoever, on, over or in any respect of all, or any of the Company's assets and effects or properties whether moveable or immoveable, including stock-in-trade, notwithstanding that the money to be borrowed together with the money already borrowed by the Company (apart from the temporary loans obtained from the Company's Bankers in the ordinary course of business) and remaining un-discharged at any given time, exceed the aggregate, for the time being, of the paid-up capital of the Company and its free reserves (that is to say reserve not set apart for any specific purpose) on such terms and conditions as the Board may consider necessary and expedient in their absolute discretion."

5. **To consider appointment of Sh. Arun Kumar (DIN 01092779) as an Independent Director of the Company 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 Sections 149, 152 and other applicable provisions and rules of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force) Sh. Arun Kumar (DIN: 01092779), who was appointed by the Board of Directors as an Additional Director of the Company w.e.f. July 11, 2016 and who holds office upto the date of this Annual General Meeting in terms of Section 161 of the Companies Act, 2013 but who is eligible for appointment and has consented to act as a Director of the Company and the Company has received a notice in writing from a member pursuant to Section 160 of the Companies Act, 2013, proposing his candidature for the office of Director of the Company be and is hereby appointed as a Director of the Company.

**RESOLVED FURTHER THAT** the appointment of Sh. Arun Kumar who meets the criteria for independence as provided in Section 149(6) read with Schedule IV of the Companies Act, 2013 as an Independent Director of the Company, not liable to retire by rotation, for a term commencing with effect from July 11, 2016, to July 10, 2021 be and is hereby approved."

6. **To consider appointment of Sh. Rajesh Goyal (DIN 03287284) as an Independent Director of the Company 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 Sections 149, 152 and other applicable provisions and rules of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force) Sh. Rajesh Goyal (DIN: 03287284), who was appointed by the Board of Directors as an Additional Director of the Company w.e.f. July 11, 2016 and who holds office upto the date of this Annual General Meeting in terms of Section 161 of the Companies Act, 2013 but who is eligible for appointment and has consented to act as





a Director of the Company and the Company has received a notice in writing from a member pursuant to Section 160 of the Companies Act, 2013, proposing his candidature for the office of Director of the Company be and is hereby appointed as a Director of the Company.

**"RESOLVED FURTHER THAT** the appointment of Sh. Rajesh Goyal who meets the criteria for independence as provided in Section 149(6) read with Schedule IV of the Companies Act, 2013 as an Independent Director of the Company, not liable to retire by rotation, for a term commencing with effect from July 11, 2016, to July 10, 2021 be and is hereby approved."

**7. To consider appointment of Sh. Chanderjeet Singh Bhatia (DIN 01360148) as an Independent Director of the Company and if thought fit, pass, with or without modification(s), the following resolution as an Ordinary Resolution:-**

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and other applicable provisions and rules of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force) Sh. Chanderjeet Singh Bhatia (DIN 01360148), who was appointed by the Board of Directors as an Additional Director of the Company w.e.f. July 11, 2016 and who holds office upto the date of this Annual General Meeting in terms of Section 161 of the Companies Act, 2013 but who is eligible for appointment and has consented to act as a Director of the Company and the Company has received a notice in writing from a member pursuant to Section 160 of the Companies Act, 2013, proposing his candidature for the office of Director of the Company be and is hereby appointed as a Director of the Company.

**RESOLVED FURTHER THAT** the appointment of Sh. Chanderjeet Singh Bhatia who meets the criteria for independence as provided in Section 149(6) read with Schedule IV of the Companies Act, 2013 as an Independent Director of the Company, not liable to retire by rotation, for a term commencing with effect from July 11, 2016, to July 10, 2021 be and is hereby approved."

**8. To consider re-appointment of Sh. Mukesh Kumar Aggarwal (DIN 00231651) as a Managing Director of the Company and if thought fit, pass, with or without modification(s), the following resolution as an Ordinary Resolution:-**

**"RESOLVED THAT** pursuant to the provisions under Section 117(3), 170, 196, 197, 198, 200, 201, 203, Schedule V as applicable and other applicable provisions, if any, of the Companies Act, 2013 (hereinafter referred to as "the Act") including any statutory amendment, modifications, or re-enactment thereof and subject to the approval of the Central Government if required, in this regard, and further subject to such other requisite approvals, as may be required, the consent of shareholders be and is hereby accorded for the re-appointment of Sh. Mukesh Kumar Aggarwal as Managing Director of the Company for a further period of 5 (Five) years w.e.f. 16<sup>th</sup> May, 2016 on the terms and conditions including remuneration payable to him as recommended by the Nomination and Remuneration Committee and approved by the Board of Directors of the Company and as set out in the explanatory statement which forms part of this resolution notwithstanding that the remuneration shall not exceed the limits prescribed in provisions of Section 197, 198 and Schedule V of the Companies Act, 2013.

**RESOLVED FURTHER THAT** the remuneration as set out in the explanatory statement which forms part of this resolution, payable to Sh. Mukesh Kumar Aggarwal, Managing Director for a period of 5 (Five) years w.e.f. 16<sup>th</sup> May, 2016, is subject to the condition that:

- the total remuneration payable in any financial year by way of salary, perquisites, commission and other allowances shall not exceed the overall limit of five percent (5%) of the net profits of the Company as applicable to each of the Managing/Whole-time Directors of the Company and/or ten percent (10%) of the net profits of the Company for all Managing/ Whole-time Directors in accordance with the provisions of Section 197, 198 and other applicable provisions, if any of the Companies Act, 2013 read with Schedule V including any statutory amendments, modifications or re-enactments thereof, as may be made thereto and for the time being in force; or
- If the remuneration exceeds the limits as prescribed in the provisions of Section 197, 198 and Schedule V of the Companies Act, 2013, the remuneration payable shall be specifically approved by the Central Government or the remuneration shall be paid as per any statutory amendments, modifications or re-enactments thereof made to the existing Companies Act, 2013.

**RESOLVED FURTHER THAT** notwithstanding anything contained in Section 197, 198 and Schedule V of the Companies Act, 2013 or any amendment/ re-enactment thereof or any revised/new schedule thereof, in the event of absence of profits or inadequacy of profits in any financial year, the salary, perquisites and statutory benefits(except commission) as set out in the explanatory statement which forms the part of this resolution, be paid as minimum remuneration to Sh. Mukesh Kumar Aggarwal, Managing Director subject to the approval of the Central Government, if required.

**RESOLVED FURTHER THAT** in absence of the Central Government approval for payment of the remuneration to Sh. Mukesh Kumar Aggarwal exceeding the limits specified in Section 197, 198 and Schedule V of the Companies Act, 2013 as amended from time to time, he shall be entitled to draw remuneration within the limits prescribed in Section 197, 198 and Schedule V of the Companies Act, 2013.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby severally/jointly authorized to do all such acts, deeds and things, to enter into such agreement(s), deed(s) of amendment(s) or any such document(s) as the Board may, in its absolute discretion, consider necessary, expedient or desirable including power to sub-delegate in order to give effect to this resolution or as otherwise considered by the Board to be in the best interest of the Company, as it may deem fit."

**By order of the Board  
For SPL Industries Limited**

**Place: New Delhi  
Date: August 20, 2016**

**(Mukesh Kumar Aggarwal)  
Managing Director  
DIN 00231651  
C-1/4, Sector-11, Faridabad**

**NOTES:**

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON POLL INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT TO BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING A PROXY DULY COMPLETED, STAMPED AND SIGNED SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY AT LEAST 48 HOURS BEFORE THE COMMENCEMENT OF MEETING. A BLANK PROXY FORM IS ENCLOSED. PROXY SO APPOINTED SHALL NOT HAVE ANY RIGHT TO SPEAK AT THE MEETING.**
2. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other member.
3. Revenue stamp should be affixed on the Proxy Form. Forms which are not stamped are liable to be considered invalid. It is advisable that the Proxy holder's signature may also be furnished in the Proxy form, for identification purpose.
4. Every member entitled to vote at a meeting of the company or on any resolution to be moved there at, shall be entitled during the period beginning twenty four hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, to inspect the proxies lodged, at any time during the business hours of the company, provided not less than three days' notice in writing of the intention to inspect is given to the company.
5. Corporate members, intending to send their authorized representatives to attend the meeting, are requested to send a duly certified copy of the Board resolution/Power of Attorney authorizing their representative to attend and vote on their behalf at the meeting.
6. In compliance with provisions of Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as well as Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, the Company is offering Remote E- voting facility to all the Shareholders of the Company in respect of items to be transacted at this Meeting. The Company has engaged the services of Karvy Computershare Private Limited (Karvy) for facilitating remote e-voting for AGM. The user-id & password along with the procedure and instructions for Remote e-voting are given hereunder. All members are requested to read those instructions carefully before casting their e-vote.

The facility for voting through polling paper shall also be made available at the AGM and the Members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right to vote at the AGM. The Members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.

The Company has appointed Shri Sachin Agarwal, Partner, Agarwal S. & Associates, Company Secretaries, New Delhi to act as the Scrutinizer, to scrutinize the remote e-voting process and electronic voting system/ ballot or polling paper voting process at the meeting in a fair and transparent manner and he has communicated his willingness to be appointed and will be available for same purpose.

**Procedure and Instructions for Remote e-voting:****A. In case of Members receiving an e-mail from Karvy [applicable to members whose email IDs are registered with the Company / Depository Participant(s)]::**

- I. Launch an internet browser and open <https://evoting.karvy.com>.
- II. Enter the login credential i.e. User ID and password mentioned in your email. Your Folio No/DP ID-Client No will be your User ID. However, if you are already registered with Karvy for e-voting, you can use your existing User ID and Password for casting your votes.
- III. After entering the details appropriately, click on "LOGIN".
- IV. You will reach the Password change menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9), and a special character. The system will prompt you to change your password, contact details like mobile number, email ID, etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- V. You need to login again with new credentials.
- VI. On successful Login, the system will prompt you to select the E-Voting Event.
- VII. On the voting page, the number of shares (which represent the number of votes) as held by the member as on the Cut Off date will appear. If you desire to cast all the votes assenting/dissenting to the resolutions, then enter all shares and click "FOR/AGAINST" as the case may be or partially in "against" but the total number of votes taken together should not exceed your total shareholding as on the record date. You may also choose the option "ABSTAIN" and the shares held will not be counted under either head.
- VIII. Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/demat accounts.
- IX. Voting has to be done for each item of the notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as abstained.
- X. Select the EVENT of SPL Industries Limited and click on – Submit



- XI. Now you are ready for e-voting as 'Cast Vote' page opens.
- XII. A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you have voted on the resolution(s), you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the Resolution(s).
- XIII. Upon confirmation, the message 'Vote cast successfully' will be displayed.
- XIV. Institutional shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority Letter, along with attested specimen signature of the duly authorised signatory (ies) who are authorised to vote, to the Scrutinizer by an e-mail at sachinag1981@gmail.com with a copy marked to evoting@karvy.com they may also upload the same in the e-voting module in their login. The scanned image of the above mentioned documents should be in the naming format "Corporate Name\_EVENT NO."
- XV. Members may alternatively cast their votes the Ballot Form which is sent along with the notice.

**B. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy]:**

- I. Initial password is provided as below:

EVEN (Remote e-voting Event Number)	USER ID	PASSWORD/PIN
.....	....	.....

- II. Please follow all steps from Sl. No. (I) to Sl. No. (XV) as in A above, to cast your vote.

**C. Other General Instructions:**

- I. In case of any queries, you may refer to the 'Frequently Asked Questions' (FAQs) and 'e-voting user manual' available in downloads section of Karvy's e-voting website [https:// evoting.karvy.com](https://evoting.karvy.com).
  - II. If you are already registered with Karvy for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.
  - III. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
  - IV. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 22<sup>nd</sup> Day of September, 2016. Members are eligible to cast vote only if they are holding shares as on that date.
  - V. The Companies (Management and Administration) Amendment Rules, 2015 provides that the electronic voting period shall close at 5.00 p.m. on the date preceding the date of AGM. Accordingly, the voting period shall commence at 10.00 a.m. on September 26, 2016 and will end at 5.00 p.m. on September 28, 2016. The e-voting module shall be disabled by Karvy at 5.00 p.m. on the same day.
  - VI. Once the vote on a resolution is cast by a member, the member shall not be allowed to change it subsequently.
  - VII. The members who have casted their vote by remote e-voting may also attend the meeting but shall not be entitled to cast their vote again.
  - VIII. Members who have not voted through remote e-voting can cast their vote at the venue.
  - IX. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Ballot Paper" or "Poling Paper" for all those members who are present at the AGM but have not casted their votes by availing the remote e-voting facility.
  - X. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes casted at the meeting and thereafter unblock the votes casted 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 casted in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
  - XI. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company at [www.spllimited.com](http://www.spllimited.com) and on the website of Karvy immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the Stock Exchanges.
7. A Statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the Special Business to be transacted at the Meeting is annexed hereto.
  8. As required by Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, a brief profile of Mrs. Shashi Agarwal, Director retiring by rotation and seeking re-appointment under item no. 2 and of Sh. Arun Kumar, Sh. Rajesh Goyal and Sh. Chanderjeet Singh Bhatia, seeking appointment under item no. 5, 6 & 7 and Sh. Mukesh Kumar Aggarwal seeking re-appointment under item no. 8 of the notice in accordance with applicable provisions of the Companies Act, 2013 is forming part of the notice.





9. Members are requested to:-
- (i) note that copies of Annual Report will not be distributed at the Annual General Meeting.
  - (iii) deliver duly completed and signed Attendance Slip at the entrance of the meeting venue as entry to the Auditorium will be strictly on the basis of the Entry Slip available at the counters at the venue to be exchanged with the Attendance Slip.
  - (iii) quote their Folio/Client ID & DP ID Nos. in all correspondence.
  - (iv) note that due to strict security reasons brief cases, eatables and other belongings are not allowed inside the auditorium.
  - (v) note that no gifts/coupons will be distributed at the Annual General Meeting.
  - (vi) note that in case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
10. Members attending the meeting who have not already casted their vote by remote e-voting shall be able to exercise their right at the meeting and that the members who have casted their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.
11. Only bonafide members of the Company whose names appear on the Register of Members/Proxy holders, in possession of valid attendance slips duly filled and signed will be permitted to attend the meeting. The Company reserves its right to take all steps as may be deemed necessary to restrict non-members from attending the meeting.
12. The Register of Members and Share Transfer books will remain closed on 23<sup>rd</sup> September, 2016 to 29<sup>th</sup> September, 2016.
13. Taking a Step forward towards "Green initiative" by allowing paperless compliances and pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant provisions of Companies (Management and Administration) Rules, 2014, Companies can serve Annual Reports and other communications through electronic mode to those Members who have registered their e-mail address either with the Company or with the Depository. Members who have not registered their e-mail address with the Company are requested to submit their request with their valid e-mail address to M/s Karvy Computershare Private Limited. Members holding shares in demat form are requested to register/update their e-mail address with their Depository Participant(s) directly. Members of the Company, who have registered along with the members those who have not registered their email address, are entitled to receive such communication in physical form upon request.
14. The Registers under the Companies Act, 2013 will be available for inspection at the Registered Office of the Company during business hours between 11.00 am to 1.00 pm except on holidays.
15. Members holding shares in multiple folios in physical mode are requested to apply for consolidation to the Company or our Registrar & Share Transfer Agent along with relevant Share Certificates.
16. Member who hold shares in physical form are requested to notify immediately any change in their addresses to the Registrar and Share Transfer Agent of the Company and to their respective depository participants, in case shares are held in electronic mode.
17. All relevant documents referred to in the accompanying notice and Statutory Registers are open for inspection at the registered office of the Company on all working days (barring Saturday and Sunday) between 11.00 a.m. to 1.00 p.m. prior to the Annual General Meeting.
18. Members may also note that the Notice of the 25<sup>th</sup> Annual General Meeting & Annual Report 2015-16 shall be available on the Company's website, [www.spllimited.com](http://www.spllimited.com).
19. The Route Map to India Corporate Centre is enclosed herewith.

**By order of the Board  
For SPL Industries Limited**

**Place: New Delhi  
Date: August 20, 2016**

**(Mukesh Kumar Aggarwal)  
Managing Director  
DIN 00231651  
C-1/4, Sector-11, Faridabad**

**STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 IN RESPECT OF SPECIAL BUSINESS SET OUT IN THE NOTICE.****ITEM NO. 4**

The Board of Directors of the Company intends to raise such sum or sums of money from time to time as may be required for the purpose of the business of the Company, notwithstanding that the money to be borrowed together with the money already borrowed by the Company (apart from "temporary loans" as explained in section 180(1)(c) of the Companies Act, 2013 obtained by the company in the ordinary course of business) may, at any time, exceed upto a sum of Rs. 100 Crore (Rupees One Hundred Crore only) over and above the aggregate paid up capital of the Company and its free reserve (that is to say reserve not set apart for any specific purpose) on such terms and conditions as the Board may consider necessary and expedient in their absolute discretion.

However, as per Sec 180(1) (c) of the Companies Act, 2013, the Board of Directors of a public company, shall not, except with the consent of the shareholders by a Special Resolution, borrow money, where the moneys to be borrowed, together with the moneys already borrowed by the company (apart from temporary loans obtained from the company's bankers in the ordinary course of business) will exceed the aggregate of paid-up capital of the company and its free reserves.

Since funds are continuous requirement of an organization and capital is base component of any project, keeping in view of broad based operations of the Company, its enhanced capital requirement and for its operational efficiency, the Board recommends the resolution set forth in Item No. 4 for the approval of the Members as Special Resolution.

None of the Directors or Key Managerial Personnel or their relatives have any concern or interest, financial or otherwise, in passing of the said Resolution, except to the extent of their shareholding in the Company.

**Item No. 5 to 7**

Sh. Arun Kumar, Sh. Rajesh Goyal and Sh. Chanderjeet Singh Bhatia are members of the Board of Directors of the Company since their appointment in 2011 for a period of five years and their term got expired on 30.06.2016 as Independent Directors of the Company and did not seek re-appointment. However, in the interest of maintaining continuity and providing guidance during challenging times in the Company and based on the recommendation of the Nomination and Remuneration Committee and the Board of Directors in their meeting held on July 11, 2016 appointed Sh. Arun Kumar, Sh. Rajesh Goyal and Sh. Chanderjeet Singh Bhatia as Additional Directors of the Company as Independent Directors, not liable to retire by rotation, with effect from July 11, 2016, to July 10, 2021, subject to the approval of the Members.

Pursuant to the provisions of Section 161 of the Act, being an Additional Director, Sh. Arun Kumar, Sh. Rajesh Goyal and Sh. Chanderjeet Singh Bhatia shall hold office up to the date of the ensuing Annual General Meeting ("AGM") and is eligible to be appointed as a Director of the Company. The Company has received notice in writing under Section 160 of the Act from a member along with the requisite deposit of Rs. 1,00,000/- proposing their candidature for the office of Director of the Company.

The Company has received from them their consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014, Intimation in Form DIR 8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under Section 164 (2) of Act, a declaration to the effect that he meets the criteria of independence as provided in Section 149 (6) of Act. The resolution seeks the approval of the members in terms of Section 149 and other applicable provisions of the Act, read with Schedule IV of the Act and the Rules made thereunder, for their appointment as Independent Directors of the Company for a period commencing from July 11, 2016, to July 10, 2021. They shall not be liable to retire by rotation.

In the opinion of the Board of Directors, Sh. Arun Kumar, Sh. Rajesh Goyal and Sh. Chanderjeet Singh Bhatia, fulfills the conditions specified in the Act and the Rules made thereunder and they are independent of the Management. A copy of the letter of appointment of Sh. Arun Kumar, Sh. Rajesh Goyal and Sh. Chanderjeet Singh Bhatia as independent directors setting out the terms and conditions is available for inspection without any fee by the members at the Company's registered office during the normal business hours on working days up to the date of the AGM.

The profile and specific areas of expertise of Sh. Arun Kumar, Sh. Rajesh Goyal and Sh. Chanderjeet Singh Bhatia is provided in annexure to this notice.

The Board considers that their continued association would be of immense benefit to the Company and it is desirable to continue to avail their services as Independent Directors.

Except Sh. Arun Kumar, Sh. Rajesh Goyal and Sh. Chanderjeet Singh Bhatia, Directors of the Company, no other Director or Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the passing of the above resolution(s) as set out in Item No. 5 to 7 of the notice.

The Board recommends the resolution set forth in Item No. 5 to 7 for the approval of the Members as Ordinary Resolution.

**ITEM NO. 8**

Sh. Mukesh Kumar Aggarwal was appointed as the Managing Director by the Members of the Company since 16.05.2011 for a period of 5 years and his tenure expired on 15.05.2016. In appreciation of significant contributions made by him in his continuing commendable leadership over the last five years and his rich and varied experience in the industry, Sh. Mukesh Kumar Aggarwal, Managing Director, pursuant to the provisions of Section 117(3), 170, 196, 197, 198, 200, 201, 203, Schedule V as applicable and other applicable provisions, if any of the Companies Act, 2013 or any statutory amendments, modifications or re-enactments thereof made to the act, the Board has proposed in its meeting held on 02<sup>nd</sup> May, 2016 to re-appoint him as Managing Director of the Company, subject to approval of Shareholders in ensuing Annual General Meeting for a further period of 5 (Five) years with effect from 16<sup>th</sup> May, 2016 to 15<sup>th</sup> May, 2021 on the terms and conditions as follows:

**(I) Tenure**

The appointment of Mr. Mukesh Kumar Aggarwal as the Managing director shall be valid for a period of 5 years i.e. from 16<sup>th</sup> May, 2016 to 15<sup>th</sup> May, 2021.

**(II) Remuneration**

Salary: Rs. 4,50,000/- per month with the authority to the Board of Directors to determine any merit based increase from time to time within the limits of overall managerial remuneration.

**Overall Remuneration:** The aggregate of salary, perquisites and allowances in any one financial year shall not exceed the limits prescribed under Section 196, 197 and other applicable provisions of the Companies Act, 2013 read with Schedule V of the Act both individually i.e. 5% and collectively all managerial personnel taken together i.e. 10% of net profit of the Company for a relevant financial year.

In the event of loss or inadequacy of profit in any financial year during the currency of tenure of services, the payment of salary, perquisites and other allowances shall be governed by the limits prescribed under Section II of Part II of Schedule V of Companies Act, 2013.

**(III) Plans & Allowances:** Benefits Plan is a basket of various allowances/ reimbursements like Leave Travel Allowance, Telephone Allowance, Commutation Allowance and Company leased car & accommodation, etc. which one can plan as per the Company policy.**A.** The Managing Director shall also be eligible to the following perquisites which are not included in the computation of ceiling remuneration specified in the said Part II Section IV of Schedule V of the Companies Act, 2013 or any other statutory amendments, modifications or re-enactments thereof made to the act:

- (a) Contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.
- (b) Gratuity payable at a rate not exceeding half a month's salary for each completed year of service.
- (c) Encashment of the leave at the end of the tenure.

**B. Other terms:**

1. He shall be entitled to re-imbursement of actual out of-pocket expenses incurred in connection with the business of the Company.
2. He shall be entitled to re-imbursement of entertainment expenses incurred for the business of the Company.
3. As long as he functions as Managing Director, he shall not be paid any sitting fees to attend any meeting of the Board and/or Committee thereof. He shall be entitled to earned/privileged leave as per the rules of the Company.
4. In the event of inadequacy or absence of profits in any financial year during the tenure of the Managing Director, he will be entitled to the above remuneration (inclusive of allowances, perquisites and commission, if any) by way of minimum remuneration, subject to the approval of the Central Government, if required, notwithstanding the fact that it may exceed the limits prescribed under Schedule V of the Companies Act, 2013 or he may be paid as per any statutory amendments, modifications or re-enactments thereof made to the act.
5. Subject to the superintendence, control and direction of the Board of Directors of the Company, he shall perform such duties and functions as would be commensurate with his position as the Managing Director of the Company and as may be delegated to him from time to time.
6. He shall not be liable to retire by rotation.

The Company shall pay the above said remuneration to Sh. Mukesh Kumar Aggarwal, Managing Director upon the approval of the Shareholders.

Further, pursuant to the provisions of Sections 117(3), 197, 201, 298, Schedule V as applicable and other applicable provisions, if any, of the Companies Act, 2013 and as per any statutory amendments, modifications or re-enactments thereof made to the act, the said terms & conditions of remuneration are subject to the approval of the Central Government and all other requisite approvals, as may be required in this regard shall be placed for the approval of the Shareholders in the Annual General Meeting.

The Company has received notice in writing under Section 160 of the Act from a member along with the requisite deposit of Rs. 1,00,000/- proposing their candidature for the office of Director of the Company.

The Board recommends the resolution set forth in Item No. 8 for the approval of the Members as Ordinary Resolution.

Except Sh. Mukesh Kumar Aggarwal, himself and his wife Mrs. Shashi Agarwal, Director of the Company, no other Director or Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the passing of the above resolution(s) as set out in Item No. 8 of the notice.

**All relevant documents referred to in the accompanying notice and Statutory Registers are open for inspection at the registered office of the Company on all working days (barring Saturday and Sunday) between 11.00 a.m. to 1.00 p.m. prior to the Annual General Meeting.**


**DETAILS OF THE DIRECTORS SEEKING APPOINTMENT/ RE-APPOINTMENT AT 25<sup>th</sup> AGM UNDER ITEM NO. 3, 5, 6 And 7**

<b>Name</b>	Smt. Shashi Agarwal	Sh. Mukesh Kumar Aggarwal	Sh. Arun Kumar	Sh. Rajesh Goyal	Sh. Chanderjeet Singh Bhatia
<b>Date of Birth</b>	24.09.1963	03.07.1965	01.08.1968	05.07.1968	01.12.1957
<b>Qualification</b>	B.A (Pass)	B.Com (Pass)	B.Com (H)	B.Com (Pass)	B.SC
<b>Date of Appointment</b>	12.09.2013	16.05.2011	30.06.2011	30.06.2011	30.06.2011
<b>Remuneration</b>	NIL	21,00,000 P.A	NIL	NIL	NIL
<b>Number of Meetings of the Board held during the year and number of Board Meetings attended</b>	Refer Corporate Governance Report forming part of Annual report				
<b>Relationship with any other Director, Manager and other KMP of the Company</b>	Wife of Sh. Mukesh Kumar Aggarwal (M.D)	Husband of Smt. Shashi Agarwal	No	No	No
<b>Number of shares held in the company</b>	1410800	5772955	NIL	NIL	NIL
<b>Directorship in other companies</b>	NIL	1. DIN Fabtech Pvt. Ltd. 2. SIS Prep Pvt. Ltd. 3. Innovative Outsourcing Pvt. Ltd. 4. Bhagat General Products Company Pvt. Ltd. 5. APS Recruitment Services Pvt. Ltd.	1. JP Polytex Pvt. Ltd. 2. Surya Laboratories Pvt. Ltd.	NIL	1. Invertech Pvt. Ltd.
<b>Chairman/Membership of committees* across other public companies</b>	NIL	NIL	NIL	NIL	NIL

\* Does not include Chairmanship/Membership in Board Committees other than Audit Committee and Shareholders' Grievance Committee

**DIRECTOR'S REPORT****TO THE MEMBERS,**

Your Directors have pleasure in presenting the 25<sup>th</sup> Annual Report of the Company, together with the audited financial statements, for the financial year ended on March 31<sup>st</sup>, 2016.

**SUMMARISED FINANCIAL RESULTS****(Amount in Rs.)**

<b>Particulars</b>	<b>2015-2016</b>	<b>2014-2015</b>
<b>Profit/(loss) Before Exceptional &amp; Extraordinary Items</b>	<b>90,634,776</b>	567,3816
Exceptional Items/ Extraordinary Items	-	-
Prior Period Items	<b>(2,287,650)</b>	(454,370)
<b>Profit/(loss) Before tax</b>	<b>88,347,126</b>	5,219,446
<b>Tax Expense/Adjustment</b>		
Current tax	-	(22,086)
Earlier Years Tax	<b>(63,882)</b>	-
Deferred tax	-	-
<b>Profit/(Loss) For the period</b>	<b>88,283,244</b>	5,197,360
<b>Earnings /(Loss) per Equity share:</b>		
Basic and Diluted	<b>3.04</b>	0.18

**COMPANY'S PERFORMANCE**

During the year under review, the company has achieved net sales of Rs. 14879.97 lakhs and a net profit before tax of Rs. 883.47 lakhs as against net sales of Rs. 5973.26 lakhs and profit before tax of Rs. 52.19 lakhs in the previous financial year 2014-15 respectively.

Your Company is financially string & self reliant in terms of funds generation, debt servicing and has been able to generate sufficient profits. A constant rise in turnover and profits of the company is apparent and your Directors are expecting better results both in terms of operation of the company & its financial position.

**DIVIDEND**

In order to conserve the resources, your Board has decided not to declare any dividend for FY 2015-2016.

**PARTICULARS OF EMPLOYEES**

Disclosure pertaining to the remuneration and other details as required under Section 197(12) of the Act, and the Rules framed there under is enclosed as **Annexure A** to the Board's Report.

**PERFORMANCE EVALUATION OF THE BOARD, ITS COMMITTEES AND DIRECTORS**

Pursuant to the provisions of the Act and SEBI Listing Regulations, Independent Directors at their meeting held during the year without the participation of the Non-Independent Directors and Management, considered/evaluated the performance of the Board of Directors, the Chairman and other Non-Independent Directors.

The Board has undergone a formal review which comprised Board effectiveness survey, 360 degree and review of materials. This was delivered by an external specialist and resulted in a full Board effectiveness report and Director's feedback. This is further supported by the Chairman's Annual Director Performance Review.

The Board subsequently evaluated its own performance, the working of its Committees and Independent Directors without participation of the relevant Director(s). The criteria for performance evaluation have been detailed in the Corporate Governance Report which is attached as **Annexure B** to this Report.

**VIGIL MECHANISM/WHISTLE BLOWER POLICY**

Pursuant to the provisions of Section 177(9) of the Act read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 and Clause 49 of the Listing Agreement/SEBI Listing Regulations, the Board of Directors had approved the Policy on Vigil Mechanism/Whistle Blower and the same was hosted on the website of the Company. This Policy inter-alia provides a direct access to the Chairman of the Audit Committee.

Your Company hereby affirms that no Director/employee has been denied access to the Chairman of the Audit Committee and that no complaints were received during the year. Brief details about the policy are provided in the Corporate Governance Report attached as **Annexure B** to this Report.

**BOARD MEETINGS HELD DURING THE YEAR**

During the year 12 Board Meetings were held, details of which are given in Corporate Governance Report, attached as **Annexure B** to this Report.

**TRANSFER TO RESERVES**

Your Company does not propose to transfer amounts to the general reserve out of the amount available for appropriation.

**HUMAN RESOURCES**

The Company's HR philosophy is to establish and build a high performing organization, where each individual is motivated to perform to the fullest capacity: to contribute to developing and achieving individual excellence and departmental objectives and continuously improve performance to realize the full potential of our personnel.





# SPL INDUSTRIES LTD.

## CORPORATE GOVERNANCE

Your Company is in compliance with the Corporate Governance guidelines, as laid out in the Listing Agreements/Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations). All the Directors and the Senior Management personnel have affirmed in writing their compliance with and adherence to the Code of Conduct adopted by the Company.

The annual report of the Company contains a certificate by the Chief Executive Officer / Chief Financial Officer and Managing Director in terms of SEBI Listing Regulations on the compliance declarations received from the Directors and the Senior Management personnel.

The Secretarial Auditors of the Company have examined the requirements of Corporate Governance with reference to SEBI Listing Regulations and have certified the compliance, as required under SEBI Listing Regulations. The Certificate in this regard is attached as **Annexure C** to this Report.

The Chief Executive Officer / Chief Financial Officer and Managing Director certification as required under the SEBI Listing Regulations is attached as **Annexure D** to this Report. Related Party disclosures/transactions are detailed in Note 30 of the Notes to the financial statements.

## RISK MANAGEMENT POLICY

Your Company has a robust Risk Management policy. The Company through its audit committee oversees the Risk Management process including risk identification, impact assessment, effective implementation of the mitigation plans and risk reporting. Your Company has an established Enterprise Risk Management (ERM) function that engages with all the business verticals for risk assessment and ensures that the risk mitigation plans are in place and validates its status regularly. The details of Risk Management as practiced by the Company are provided as part of Management Discussion and Analysis Report attached as **Annexure E** to this Report.

## INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

The Company has a proper and adequate internal control system to ensure that all the assets of the Company are safeguarded and protected against any loss and that all the transactions are properly authorised and recorded. Information provided to management is reliable and timely and statutory obligations are adhered to. Details of the same are provided in the Management Discussion and Analysis Report attached as **Annexure E** to this Report.

The Company has an established Internal Financial Control framework including internal controls over financial reporting, operating controls and anti-fraud framework. The framework is reviewed regularly by the management and tested by internal audit team and presented to the Audit Committee. Based on the periodical testing, the framework is strengthened, from time to time, to ensure adequacy and effectiveness of Internal Financial

## SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

During the year none of Company become or ceased to be its Subsidiaries, joint ventures or associate.

## DIRECTORS AND KEY MANAGERIAL PERSONNEL

Pursuant to the provisions of Section 203 of Companies Act, 2013, Mr. Sanjay Gupta was appointed as Chief Financial Officer (KMP) and Ms. Kirti was appointed as Company Secretary in the Company with effect from May 11, 2015 and July 11, 2016 respectively.

## STATUTORY AUDITORS

M/s Singhi Chugh & Kumar (FR No. 013613N) Chartered Accountants, the Statutory Auditor of the Company, retire at the conclusion of this Annual General Meeting and are eligible for re-appointment. They have confirmed their eligibility and Certificates have been received from them in terms of provisions of Section 139 of the Companies Act, 2013 and to the effect that their re-appointment as Statutory Auditors of the Company, if made, would be within the limits prescribed under Section 141(3) (g) of the Companies Act, 2013 and that they are not disqualified for reappointment as Statutory Auditors of the Company.

The Audit Committee and the Board of Directors have recommended their re-appointment as the Statutory Auditors, to hold office from the conclusion of this 25<sup>th</sup> Annual General Meeting until the conclusion of the 30<sup>th</sup> Annual General Meeting of the Company for a period of 5 Years subject to ratification by the members of the Company at every Annual General Meeting at a remuneration to be decided by the Board of Directors in consultation with the Auditors. The Auditor's Report for the financial year ended on 31<sup>st</sup> March, 2016 does not contain any qualification, observation or adverse comment.

## COST AUDIT:

The Cost audit is not applicable on the Company.

## EXTRACT OF THE ANNUAL RETURN

Pursuant to the provisions of Section 92(3) of the Act an extract of Annual Return in Form MGT-9 as on March 31<sup>st</sup>, 2016 is attached as **Annexure F** to this Report.

## SECRETARIAL AUDITORS

Pursuant to provisions of Section 204 of the Act, read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, your Company appointed Agarwal S. & Associates, Company Secretaries, New Delhi to conduct the Secretarial Audit of the Company for the financial year ended on March 31<sup>st</sup>, 2016. The Secretarial Audit Report for the financial year ended 31<sup>st</sup> March, 2016 in Form No. MR-3 is attached as **Annexure G** to this Report. The observations in the Secretarial Audit Report are self explanatory.

**OTHER LAWS**

As per the requirement of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules made there under, your Company has constituted an Internal Complaints Committee (ICC). During the year under review, there were no cases received/ filed pursuant to the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

**DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to the provisions of Section 134(5) of the Act the Board of Directors, to the best of their knowledge and ability, confirm that:

- a) In the preparation of the annual financial statements for the year ended March 31, 2016, the applicable Accounting Standards had been followed along with proper explanation relating to material departures;
- b) For the financial year ended March 31, 2016, such accounting policies as mentioned in the Notes to the financial statements have been applied consistently and judgments and estimates that are reasonable and prudent have been made so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the Profit of the Company for the financial year ended March 31, 2016;
- c) That proper and sufficient care has 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 financial statements have been prepared on a going concern basis;
- e) That proper internal financial controls were followed by the Company and that such internal financial controls are adequate and were operating effectively;
- f) That proper systems have been devised to ensure compliance with the provisions of all applicable laws were in place and that such systems were adequate and operating effectively.

**REMUNERATION POLICY OF THE COMPANY**

The objective of the Remuneration Policy is to attract, motivate and retain qualified and expert individuals that the Company needs in order to achieve its strategic and operational objectives, whilst acknowledging the societal context around remuneration and recognising the interests of Company's stakeholders. The Company's policy on directors' appointment and remuneration and other matters provided in Section 178(3) of the Act has been disclosed in the Corporate Governance report, which forms part of the Board's Report.

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

The Company has not given/taken loans, guarantees and investments under Section 186 of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014, for the financial year 2015-16.

**PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES**

The Audit Committee and the Board of Directors have approved the Related Party Transactions Policy. The Policy intends to ensure that proper reporting, approval and disclosure processes are in place for all transactions between the Company and Related Parties.

There were no materially significant transactions with Related Parties during the financial year 2015-16 which were in conflict with the interest of the Company. Suitable disclosures as required under AS-18 have been made in Note 30 of the Notes to the financial statements. Details of transactions with related parties are given in Form AOC - 2 which is attached as **Annexure H**.

**CORPORATE SOCIAL RESPONSIBILITY INITIATIVES**

The provisions of Section 135 of Companies Act, 2013 read with Companies (Corporate Social Responsibilities Policy) Rules, 2014 are not applicable on the Company for the Financial Year 2015-2016.

**DEPOSITS**

Your Company has not accepted any deposit within the meaning of provisions of Chapter V of the Act read with the Companies (Acceptance of Deposits) Rules, 2014 for the year ended on March, 31<sup>st</sup> 2016.

**DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS**

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

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

There are no material changes and commitments affecting the financial position of the Company between the end of the financial year and the date of this Report.

**RESEARCH AND DEVELOPMENT, CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO**

The Particulars as described under Section 134(3) (m) of the Companies Act, 2013 read with Rule 8 of the companies (Accounts) Rules, 2014 are given in **Annexure I** to this report.

**ACKNOWLEDGEMENT**

Your Directors wish to place on record the overwhelming response received from the investors, financial institutions, bankers, business associates, suppliers for the consistent support received from them during the year. Your Directors wish to place on record their appreciation for the team spirit, dedication and commitment shown by the work force of the Company during this year.

By order of the Board of Directors  
**For SPL Industries Limited**

Place: New Delhi  
Date: 20.08.2016

Mukesh Kumar Aggarwal  
(Managing Director)

Vijay Jindal Kumar  
(Director)



## ANNEXURE-A TO THE BOARD'S REPORT

## PARTICULARS OF THE EMPLOYEES

The information required under Section 197 of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

- a. The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year:

S. No.	Name of the Director/ KMP	Ratio to median remuneration	% Increase in remuneration in the financial year
1	Sh. Mukesh Kumar Aggarwal	88.39	NIL
2	Sh. B.B.Sharma	15.15	NIL
3	Sh. Sanjay Gupta	30.35	NIL

\* Since this information is for part of the year, the same is not comparable.

- b. The median remuneration for the year 2015-16 is Rs. 23757/-
- c. The percentage increase in remuneration of each Director, Chief Executive Officer/ Chief Financial Officer or Company Secretary in the financial year: NIL
- d. The number of permanent employees on the rolls of Company: 2145
- e. The explanation on the relationship between average increase in remuneration and Company performance:  
The average increase in remuneration per employee is in line with normal pay revisions, which is linked to individual performance and the Company's performance.
- f. 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:  
Increase in remuneration is based on remuneration policy of the Company
- g. The key parameters for any variable component of remuneration availed by the directors: Not applicable
- h. The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year: Not applicable
- i. Affirmation that the remuneration is as per the remuneration policy of the Company:  
The Company affirms remuneration is as per the remuneration policy of the Company.
- j. The statement containing particulars of employees as required under Section 197(12) of the Act read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided in a separate annexure forming part of this report. Further, the report and the accounts are being sent to the members excluding the aforesaid annexure. In terms of Section 136 of the Act, the said annexure is open for inspection at the Registered Office of the Company during business hours on working days of the Company up to the date of the ensuing Annual General Meeting. Any shareholder interested in obtaining a copy of the same may write to the Company Secretary and the same will be provided free of cost to the shareholders.

**ANNEXURE-B TO THE BOARD'S REPORT****REPORT ON CORPORATE GOVERNANCE****1. SPL INDUSTRIES LIMITED'S PHILOSOPHY ON CODE OF GOVERNANCE**

- i. The Corporate Governance standards demonstrate inalienable rights vested with various stakeholders and strong commitment to values, ethics and business conduct. Your Company is committed to good Corporate Governance, based on an effective independent Board, separation of supervisory role from the executive management and constitution of Committees to oversee critical areas thus upholding the standards practically at every sphere ranging from action plan to performance measurement and customer satisfaction. Pursuant to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") the Company has executed fresh Listing Agreements with the Stock Exchanges. The Company is in compliance with the requirements stipulated under Clause 49 of the Listing Agreements entered into with the stock exchanges and regulations contained in SEBI Listing Regulations, as applicable, with regard to corporate governance, subject to Corporate Governance Certificate obtained from Practicing Company Secretary.
- ii. Your Company protects and facilitates the exercise of shareholders rights, provides adequate and timely information, opportunity to participate effectively and vote in general shareholder meetings and ensure equitable treatment to all the shareholders.
- iii. Your Company recognises the rights of all the stakeholders and encourages co-operation between the Company and the stakeholders to enable your participation in the Corporate Governance process.
- iv. Your Company ensures adequate, timely and accurate disclosure on all material matters including the financial situation, performance, ownership and governance of the Company to the stock exchanges and the investors. Information is prepared and disclosed in accordance with the prescribed standards of accounting, financial and non-financial disclosure and are disseminated in an equal, timely and cost efficient access to relevant information by users.

**2. BOARD OF DIRECTORS****2.1. Size and Composition of Board:**

- i. As on March 31<sup>st</sup>, 2016 your Company has six Directors. Out of the six directors, three are Executive Directors out of which one is the Managing Director and remaining three are non-executive Independent Directors. The composition of the Board is in conformity with Regulation 17 of the SEBI Listing Regulations and Section 149 of the Companies Act, 2013 (Act).
- ii. The number of Directorships, Committee Memberships/ Chairmanships of all Directors is within respective limits prescribed under the Act and SEBI Listing Regulations. Necessary disclosures regarding Board and Committee positions in other public Companies as on March 31<sup>st</sup>, 2016 have been made by all the Directors of the Company.
- iii. Every Independent Director, at the first meeting of the Board in which he participates as a Director and thereafter at the first meeting of the Board in every financial year, gives a declaration under section 149(7) of the Act that he meets the criteria of independence as required under Section 149(6) of the Act.
- iv. All Independent Directors maintain their limits of directorships as required under Clause 49 of the Listing Agreement/SEBI Listing Regulations. The maximum tenure of Independent Directors shall be in accordance with the Act and Rules made thereunder, in this regard, from time to time.
- v. The Company has issued a formal letter of appointment to all Independent Directors.
- vi. The names and categories of the Directors on the Board, their attendance at Board meetings held during the year and the number of directorships and committee chairmanships/memberships held by them in other public companies as on March 31<sup>st</sup>, 2016 are given herein below. Other directorships do not include directorships of private limited companies, Section 8 companies and companies incorporated outside India. Chairmanships/memberships of Board committees shall include only Audit Committee and Stakeholders' Relationship Committee.

S. No.	Names of Director	Category	Number of Board meetings during the year 2015-16		Whether attended Last AGM held on Sep.26, 2015	Number of directorships in other public companies		Number of committee positions held in other public companies	
			Held	Attended		Director	Chairman	Member	Chairman
1.	Vijay Jindal Kumar (00231517)	Director	12	11	Yes	NIL	NIL	NIL	NIL
2.	Mukesh Kumar Aggarwal (00231651)	Chairman & Managing Director	12	12	Yes	NIL	NIL	NIL	NIL
3.	Arun Kumar (01092779)	Non Executive/ Independent Director	12	11	Yes	NIL	NIL	NIL	NIL
4.	Chanderjeet Singh Bhatia (01360148)	Non Executive/ Independent Director	12	12	Yes	NIL	NIL	NIL	NIL
5.	Rajesh Goyal (03287284)	Non Executive/ Independent Director	12	11	Yes	NIL	NIL	NIL	NIL
6.	Shashi Agarwal (06687549)	Woman Director	12	12	Yes	NIL	NIL	NIL	NIL

- vii. Executive Directors of the Company are related to each other.



## 2.2. Board Meetings:

- i. Twelve meetings were held during the year and the gap between two meetings did not exceed one hundred and twenty days. The dates on which the said meetings were held are: 08.05.2015, 29.05.2015, 30.05.2015, 17.06.2015, 08.07.2015, 05.08.2015, 14.08.2015, 23.10.2015, 10.11.2015, 11.02.2016, 18.02.2016 & 25.03.2016. The necessary quorum was present for all the meetings.
- ii. The Board evaluates the Company's strategic direction, management policies, performance objectives and effectiveness of Corporate Governance practices.
- iii. In compliance with the applicable provisions of the Act and the Rules made thereunder, the Company facilitates the participation of the Directors in Board/Committee meetings through video conferencing or other audio visual mode except in respect of such meetings /items which are not permitted to be transacted through video conferencing.
- iv. Further, the Board fulfils the key functions as prescribed under the Listing Agreements/SEBI Listing Regulations.
- v. Your Company has appointed Independent Directors who are renowned people having expertise/experience in their respective field/ profession. None of the Independent Directors are Promoters or related to Promoters. They do not have pecuniary relationship with the Company and further do not hold two percent or more of the total voting power of the Company.
- vi. The details of Director seeking appointment/re-appointment at the forthcoming Annual General Meeting have been furnished in the Notice convening the Meeting of the shareholders.
- vii. Except Mr. Mukesh Kumar Aggarwal, Mrs. Shashi Agarwal and Mr. Vijay Jindal Kumar who together holds 75,84,655 equity shares, no other Director holds equity shares in the Company.
- viii. The Company has not issued any non-convertible instruments.

### ix. Meeting of Independent Directors

During the year, a meeting of Independent Directors was held on 14<sup>th</sup> day of August, 2015 to review the performance of the Board as a whole on parameters of effectiveness and to assess the quality, quantity and timeliness of flow of information between the management and the Board. Mr. Chanderjeet Singh Bhatia, Chairman of the meeting presented the views of the Independent Directors on matters relating to Board processes and the overall affairs of the Company to the full Board.

### x. Familiarisation Programme

Your Company follows a structured orientation and familiarisation programme through various reports/codes/ internal policies for all the Directors with a view to update them on the Company's policies and procedures on a regular basis. Periodic presentations were made at the Board Meetings on business and performance, long term strategy, initiatives and risks involved.

## 3. COMMITTEES OF THE BOARD

### (i) Audit Committee

#### i. Terms of Reference:

The Company has constituted a qualified and independent Audit Committee which acts as a link between the management, external and internal auditors and the Board of Directors of the Company. The Committee is responsible for overseeing the Company's financial reporting process by providing direction to audit function and monitoring the scope and quality of internal and statutory audits. The brief description of the terms of reference of the Committee is given below:

#### Financials

- Review of the quarterly/half-yearly/annual financial statements with reference to changes, if any, in accounting policies and reasons for the same.
- Major accounting entries involving estimates based on exercise of judgment by management, adjustments, if any, arising out of audit findings.
- Compliance with listing and legal requirements relating to financial statements, qualifications, if any, in the draft audit report.

#### Internal controls and risk management

- Review of internal audit function and discussion on internal audit reports.
- Review of vigil mechanism.
- Review of adequacy of internal control systems.
- Review of risk management policy.

#### Compliance and other related aspects

- Disclosure of related party transactions and subsequent modifications, if any.
- Scrutiny of inter-corporate loans and investments.
- Valuation of undertakings or assets of the Company.
- Uses/application of funds raised through an issue, if any.





- Review and recommendation of appointment, remuneration and terms of appointment of statutory auditors.
  - Review of other services rendered by the statutory auditors.
  - Review of the management discussion and analysis of the financial conditions and results of operations, significant related party transactions, management letters issued by statutory auditors, internal audit reports.
- ii. The Audit Committee looks into the matters as are specifically referred to it by the Board of Directors besides looking into the mandatory requirements of the Listing Agreement/SEBI Listing Regulations and provisions of Section 177 of the Act.

**iii. Composition**

The composition of the Audit Committee and the details of meetings attended by its members are given below:

Name	Category	Number of meetings during the year 2015-2016	
		Held	Attended
1. Mr. Chandarjeet Singh Bhatia	Chairman	6	6
2. Mr. Arun Kumar	Member	6	6
3. Mr. Mukesh Kumar Aggarwal	Member	6	6

**iv. Meetings**

Six Audit Committee meetings were held during the year and the gap between two meetings did not exceed one hundred and twenty days. The dates on which the said meetings were held are as follows: 08.05.2015, 29.05.2015, 05.08.2015, 14.08.2015, 10.11.2015 and 18.02.2016.

The necessary quorum was present for all the meetings.

- v. All members of the Audit Committee are financially literate and one-half of the members have expertise in accounting/financial management. Mr. Chandarjeet Singh Bhatia, Chairman - Audit Committee was present at the Annual General Meeting held on September 26<sup>th</sup>, 2015.
- vi. The Chief Financial Officer attended meetings of the Audit Committee as permanent invitee.
- vii. The representatives of the Auditors are invited to the Audit Committee meetings. The Statutory Auditors have attended the Audit Committee Meeting where the financials results/audit reports are discussed.
- viii. Ms. Kirti, Company Secretary is the Secretary to the Committee.

**(ii) Nomination and Remuneration Committee**

**i. Terms of Reference**

The Company has a Nomination and Remuneration Committee constituted pursuant to the provisions of Regulation 19 of the SEBI Listing Regulations and Section 178 of the Act.

The brief description of the terms of reference of the Committee is given below:

- Formulate Remuneration Policy and a policy on Board Diversity.
- Formulate criteria for evaluation of Directors and the Board.
- To ensure that the Remuneration Policy shall also include the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees.
- Identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every Director's performance.
- To ensure 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; relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
- 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 to the working of the Company and its goals.

**ii. Composition**

The composition of the Nomination and Remuneration Committee and the details of meetings attended by its members are given below:

Name	Category	Number of meetings during the year 2015-2016	
		Held	Attended
1. Mr. Chandarjeet Singh Bhatia	Chairman	3	3
2. Mr. Arun Kumar	Member	3	3
3. Mr. Rajesh Goyal	Member	3	3


**iii. Meetings**

During the year, three meetings of the Nomination and Remuneration Committee were held on 08.05.2015, 17.06.2015 and 10.11.2015. The necessary quorum was present for all the meetings. Mr. Chanderjeet Singh Bhatia, Chairman – Nomination and Remuneration Committee was present at the Annual General Meeting held on September 26<sup>th</sup>, 2015.

**iv. Performance evaluation criteria for Directors**

The Nomination and Remuneration Committee of the Board has laid down the criteria for performance evaluation of all the Directors of the Company. The performance evaluation has been done by the entire Board of Directors, except the Director concerned being evaluated. The criteria for performance evaluation are as follows:

**i) Role and Accountability**

- Understanding the nature and role of Independent Directors' position.
- Understanding of risks associated with the business.
- Application of knowledge for rendering advice to management for resolution of business issues.
- Offer constructive challenge to management strategies and proposals.
- Active engagement with the management and attentiveness to progress of decisions taken.

**ii) Objectivity**

- Non-partisan appraisal of issues.
- Own recommendations given professionally without tending to majority or popular views.

**iii) Leadership and Initiative**

- Heading Board Sub-committees.
- Driving any function or identified initiative based on domain knowledge and experience.

**iv) Personal Attributes**

- Commitment to role and fiduciary responsibilities as a Board member.
- Attendance and active participation.
- Proactive, strategic and lateral thinking.

**v. Remuneration of Directors**
**(i) Criteria for making payments to Non-Executive Directors**

The Non-Executive Directors of the Company have waived their right to receive any remuneration by way of sitting fees in the meeting of Board of Directors held on 10.11.2015.

**(ii) Details of Remuneration to MD, CFO and CS for the financial year ended on March 31st, 2016**

Name	Fixed Component		Variable Component	Contribution to PF & SAF	Total
	Salary & Allowances	Prerequisites & Other Allowances	Commission		
Mr. Mukesh Kumar Aggarwal (MD)	2,100,000	–	–	–	2,100,000
Mr. Sanjay Gupta (CFO)	721,224	–	–	–	721,224
Mr. B. B. Sharma (CS)	360,000	–	–	–	360,000

**(iii) Stakeholders' Relationship Committee**
**i. Terms of Reference**

The Company has constituted a Stakeholders' Relationship Committee pursuant to the provisions of Regulation 20 of the SEBI Listing Regulations and Section 178 of the Act. The Committee considers and resolves the grievances of the security holders. The Committee also reviews the manner and time-lines of dealing with complaint letters received from Stock Exchanges/SEBI/Ministry of Corporate Affairs etc. and the responses thereto.

Based on the delegated powers of the Board of Directors, Non-Executive Vice Chairman/CEO & MD approves the share transfers/transmissions on a regular basis and the same is reported at the next meeting of the Committee, as and when required.

Ms. Kirti, Company Secretary is the Secretary to the Committee and the Compliance Officer appointed for the compliance of capital market related laws.

**ii. Composition**

The composition of the Stakeholders' Relationship Committee and the details of meetings attended by its members are given below:

Name	Category	Number of meetings during the Financial year 2015-2016	
		Held	Attended
1. Mr. Chanderjeet Singh Bhatia	Chairman	1	1
2. Mr. Arun Kumar	Member	1	1
3. Mr. Rajesh Goyal	Member	1	1
4. Mukesh Kumar Aggarwal	Member	1	1

**iii. Meetings**

During the year, one meeting of the Stakeholders Relationship Committee was held on 11.01.2016 to take note of status of Investor Grievances for the Third Quarter ended on December 31<sup>st</sup>, 2015 as per new SEBI Listing Regulations.

iv. As on March 31<sup>st</sup>, 2016, there were no share transfers and Shareholder queries pending.

**(iv) Corporate Social Responsibility Committee**

The provisions of Section 135 of the Act read with Companies (Corporate Social Responsibility) Rules, 2014 are not applicable on the Company for the financial year 2015-16.

**4. General Body Meetings**

Details of location and time of holding the last three AGMs.

Sl. No.	Financial Year	Location	Date & Time	Special resolutions passed
1.	2014-15	India Corporate Centre, J-2/B-1, Mohan Cooperative, Mathura Road, New Delhi-110044	26.09.2015 at 9:00 A.M	No special Resolution was passed.
2.	2013-14	India Corporate Centre, J-2/B-1, Mohan Cooperative, Mathura Road, New Delhi-110044	27.09.2014 at 9:00 A.M	To modify the terms of appointment by way of fixing the remuneration being paid to Mr. Mukesh Kumar Aggarwal, Managing Director of the Company.
3.	2012-13	India Corporate Centre, J-2/B-1, Mohan Cooperative, Mathura Road, New Delhi-110044	28.09.2013 at 9:00 A.M	No special Resolution was passed.

No Extra-ordinary General Meeting was held during the year 2015-16.

During the year under review, no special resolution has been passed through the exercise of postal ballot. None of the items to be transacted at the ensuing meeting is required to be passed by postal ballot.

**5. Disclosures****(i) Related Party Transactions**

There were no materially significant transactions with the related parties, during the year, which were in conflict with the interests of the Company and that require an approval of the Company in terms of the Listing Agreements/SEBI Listing Regulations. The Audit Committee grants omnibus approval (for one year) for the proposed related party transactions which will be valid for a year. The Audit Committee lays down the criteria for granting omnibus approvals in line with the policy for transactions which are repetitive in nature. In such cases where the need for Related Party Transaction cannot be foreseen and details as required above are not available, the Audit Committee grants omnibus approval for such transactions subject to their value not exceeding Rupees One Crore per transaction. The Audit Committee reviews, at least on a quarterly basis, the details of related party transactions entered into by the Company pursuant to each of the omnibus approval given. Where it requires, the Audit Committee will report the related party transaction for the approval of the Board. If the Board feels that shareholders' approval is required, then the same shall be put up for approval by the shareholders of the Company.

(ii) Details of non-compliance by the Company, penalties, and strictures imposed on the Company by the stock exchanges or SEBI or any statutory authority, on any matter related to capital markets, during the last three financial years 2013-14, 2014-15 and 2015-16 respectively: A penalty of Rs. 20,000 has been paid by the Company for delay in submission of the un-audited financial results along with limited review record for quarter ended December 31<sup>st</sup>, 2015 to NSE.

**(iii) Whistle Blower Policy**

Your Company has established a Vigil Mechanism/ Whistle Blower Policy to enable stakeholders (including Directors and employees) to report unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct. The Policy provides adequate safeguards against victimization of Director(s)/ employee(s) and direct access to the Chairman of the Audit Committee in exceptional cases. The Protected Disclosures, if any reported under this Policy will be appropriately and expeditiously investigated by the Chairman.



Your Company hereby affirms that no Director/ employee have been denied access to the Chairman and that no complaints were received during the year.

(iv) The Company has complied with all applicable mandatory requirements in terms of Clause 49 of the Listing Agreement/SEBI Listing Regulations subject to Corporate Governance Certificate by the Practicing Company Secretary.

**(v) Reconciliation of Share Capital Audit**

The Company has engaged a qualified practicing Company Secretary to carry out a share capital audit to reconcile the total admitted equity share capital with the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) and the total issued and listed equity share capital. The audit report confirms that the total issued/paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

**(vi) Disclosure of Accounting Treatment**

Your Company has not adopted any alternative accounting treatment prescribed differently from the Accounting Standards.

**(vii) Non-Executive Directors' Compensation and Disclosures**

No fees/compensation were paid to the Non-Executive Directors including Independent Directors.

**(viii) Code of Conduct**

Your Company has adopted a Code of Conduct for members of the Board (incorporating duties of Independent Directors) and the Senior Management personnel. The Code aims at ensuring consistent standards of conduct and ethical business practices across the Company. Your Company has received confirmations from all concerned regarding their adherence to the said Code. Pursuant to the Listing Agreements/SEBI Listing Regulations, CFO & MD of the Company confirmed compliance with the Code by all members of the Board and the Senior Management personnel.

**(ix) Code of Conduct for prohibition of insider trading**

Your Company has adopted a Code of Conduct as per Securities and Exchange Board of India (SEBI) (Prohibition of Insider Trading) Regulations, 2015. All Directors, Designated Employees who could have access to the Unpublished Price Sensitive Information of the Company are governed by the Code.

**6. Subsidiary Companies:** During the year none of Company become or ceased as Subsidiary Company.

**7. Means of Communication**

i. **Quarterly results:** The Company shall comply with Regulation 47 of SEBI Listing Regulations.

ii. **Website:** The Company is working for updation of functional website.

iii. **News releases:** Official press releases are sent to the Stock Exchanges and the same is hosted on the website of the Company, whenever necessary/required.

**iv. Presentations to institutional investors/analysts**

Detailed presentations are made to institutional investors and analysts, whenever required.

**v. A Greener environment - Now and for future**

The Company's philosophy focuses on making the environment greener for the benefit of posterity. In this regard, Your Company encourages its shareholders to register/update the e-mail ids for communication purpose thereby contributing to the environment.

**8. General shareholder information**

<b>a.</b>	<b>25<sup>th</sup> Annual General Meeting</b>	
	Day, Date and Time	Thursday, 29 <sup>th</sup> September, 2016 at 9:00 A.M
	Venue	Indian Corporate Center, J-2/B-1, Mohan Cooperative, Mathura Road, New Delhi-110044.
<b>b.</b>	<b>Financial Calendar</b>	April 1, 2016 to March 31, 2017
	Unaudited financial results for the quarter ending June 30, 2016	Approved in the Adjourned Board Meeting Held on 20.08.2016
	Unaudited financial results for the quarter/half-year ending September 30, 2016	Will be announced within 45 days from the end of each quarter.
	Unaudited financial results for the quarter ending December 31, 2016	
	Audited Results for the year ending March 31, 2017	Audited Financial results will be announced on or before 30 <sup>th</sup> May, 2017



c.	<b>AGM (Next Years)</b>	On or before 30 <sup>th</sup> September, 2017
d.	<b>Book Closure Date</b>	23 <sup>rd</sup> September, 2016 – 29 <sup>th</sup> September, 2016
e.	<b>Dividend Payment Date</b>	N.A.
f.	<b>Stock Code</b>	
i)	Trading Symbol at	
	NSE	SPLIL
	BSE	SPLIL
ii)	Demat ISIN Numbers in NSDL & CDSL	INE978G01016
iii)	Demat ISIN Numbers in NSDL & CDSL	INE978G01016

#### h. Stock Market Data

Month	BSE Limited				National Stock Exchange of India Limited			
	Share Price		Sensex Points		Share Price		CNX Nifty Points	
	HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
Apr-15	12.00	7.65	29094.61	26897.54	11.80	9.30	8844.80	8144.75
May-15	11.68	9.10	28071.16	26423.99	11.00	9.10	8489.55	7997.15
June-15	12.60	9.15	27968.75	26307.07	12.50	9.00	8467.15	7940.30
July-15	13.70	10.10	28578.33	27416.39	13.90	9.65	8654.75	8315.40
Aug-15	18.60	12.00	28417.59	25298.42	19.00	12.55	8621.55	7667.25
Sep-15	20.30	12.55	26471.82	24833.54	20.80	12.30	8055.00	7539.50
Oct-15	19.95	14.15	27618.14	26168.71	19.55	15.20	8336.30	7930.65
Nov-15	32.90	17.80	26824.30	25451.42	32.90	18.70	8116.10	7714.15
Dec-15	32.80	23.55	26256.42	24867.73	32.75	24.50	7979.30	7551.05
Jan-16	44.60	26.95	26197.27	23839.76	44.40	26.55	7972.55	7241.50
Feb-16	37.20	21.20	25002.32	22494.61	36.45	20.90	7600.45	6825.80
Mar-16	31.00	20.25	25479.62	23133.18	29.00	20.00	7777.60	7035.10

#### i. Share Price performance in comparison to broad based indices – BSE Sensex and NSE CNX Nifty Share Price Movement (BSE and NSE)

#### j. Registrar and Share Transfer Agents

Karvy Computershare Private Limited, Karvy Selenium Tower B, Plot No. 31-32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad-500032, Karnataka, India deal with all aspects of investor servicing relating to shares in both physical and demat form.

#### k. Share Transfer System

In order to further improve and speed up investor servicing, the Board has authorized MD to approve all routine transfers, transmissions, etc., of shares.

No request for transfers, transmissions and dematerialization were received during the year.

#### l. Details of Unclaimed Securities Suspense Account

In accordance with the requirement of Regulation 34 (3) and Schedule V Part F of SEBI Listing Regulations, the Company reports the following details in respect of equity shares lying in the suspense account:

Particulars	Number of Shareholders	Number of Shares
Aggregate number of shareholders and the outstanding shares in the suspense account lying as on April 1 <sup>st</sup> , 2015	19	5875
Number of shareholders who approached the Company for transfer of shares from suspense account during the year	0	0
Number of shareholders to whom shares were transferred from unclaimed shares suspense account during the year	0	0
Aggregate number of shareholders and the outstanding shares in the suspense account lying as on March 31 <sup>st</sup> , 2016	19	5875



**m. (i) Distribution of Shareholding as on March 31<sup>st</sup>, 2016**

Number of Shares	Shareholders		Shares	
	Number	% to Shareholders	Number	% to capital
1-500	6959	80.74	1045974	3.61
501-1000	769	8.92	657210	2.27
1001-2000	366	4.25	578455	1.99
2001-3000	147	1.71	376553	1.30
3001-4000	78	0.90	283697	0.98
4001-5000	63	0.73	297916	1.03
5001-10000	97	1.13	737575	2.54
10001-20000	44	0.51	635333	2.19
Above 20000	96	1.11	24387291	84.09
<b>Total</b>	<b>8619</b>	<b>100.00</b>	<b>29000004</b>	<b>100.00</b>

**ii) Shareholding pattern as on March 31<sup>st</sup>, 2016**

Category	Number of Holders	Number of Shares	% to capital
Clearing Members	22	12672	0.04
Foreign Portfolio Investors	1	5000	0.02
HUF	337	614477	2.12
Bodies Corporates	209	1343748	4.63
Non Resident Indians	65	48744	0.17
Promoters Bodies Corporates	1	504200	1.74
Company Promoters	45	18995804	65.50
<b>Resident Individuals</b>	<b>7939</b>	<b>7475359</b>	<b>25.78</b>
<b>Total</b>	<b>8619</b>	<b>29000004</b>	<b>100.00</b>

Your Company does not have any outstanding instruments for conversion into equity shares.

**iii) Details of Shares**

Mode	Number of Shares	% to paid up capital	Number of holders
Physical	544	16211041	55.90
Electronic			
- NSDL	5279	10368722	35.75
- CDSL	2796	2420241	8.35
<b>Total</b>	<b>8619</b>	<b>29000004</b>	<b>100.00</b>

**n. Dematerialization of shares and liquidity**

Shares of the Company can be held and traded in electronic form. As stipulated by SEBI, the shares of the Company are accepted in the Stock Exchanges for delivery only in dematerialization form. The status of dematerialization of shares of the Company as on March 31<sup>st</sup>, 2016 is given below:

Physical			Demat			Total		
Holders	Number of Shares	% to paid-up capital	Holders	Number of Shares (*)	% to paid-up capital	Holders	Number of Shares (*)	% to paid-up capital
544	16211041	55.90	8075	12788963	44.10	8619	29000004	100.00

(\*) including in GDR Form.

The equity shares of the Company are regularly traded in BSE and NSE and hence have good liquidity.

**o. Outstanding GDR/Warrants and Convertible Notes, Conversion date and likely impact on the equity**

Your company has not issued any GDR/Warrants and Convertible Notes during the year.

**p. Plant Locations: Plot No. 21, 22, Sector-6, Faridabad (Haryana), Pin Code- 121006.**
**q. Address for Correspondence: Plot No. 21, 22, Sector-6, Faridabad (Haryana), Pin Code- 121006**

**ANNEXURE-C TO THE BOARD'S REPORT****Certificate on Corporate Governance**

To  
The Members,  
**SPL Industries Limited.**

We have examined the compliance of conditions of Corporate Governance by **SPL Industries Limited** for the financial year ended 31<sup>st</sup> March, 2016, as prescribed in Regulations 17 to 27, 46 (2) (b) to (i) and para C, D and E of Schedule V of Chapter IV of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter called as "SEBI (LODR) Regulations, 2015") (erstwhile Clause 49 of the Listing Agreement).

The compliance of conditions of Corporate Governance is the responsibility of the management of the Company. Our examination has been limited to review of procedures and implementations thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance as stipulated in the said clause and guidelines. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and based on representations made by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27, 46 (2) (b) to (i) and para C, D and E of Schedule V of Chapter IV of SEBI (LODR) Regulations, 2015 (erstwhile Clause 49 of the Listing Agreement) except the following:

- I) Regulation 7 (3) of SEBI (LODR) Regulations, 2015 (erstwhile Clause 47(c) of listing Agreement); the Company should submit a compliance certificate to the exchange, duly signed by both the compliance officer of the listed entity and authorized representative of the share transfer agent within one month from the end of the each half of the financial year.*
- II) Regulation 13 of SEBI (LODR) Regulations, 2015; the Company should file with the recognized stock exchange a statement of investor complaints within twenty one days from the end of each quarter.*
- III) Regulation 46 of the SEBI (LODR) Regulations, 2015; the company should maintain functional website.*
- IV) Regulation 47 of the SEBI (LODR) Regulations, 2015; the company should publish applicable information in the newspaper.*
- V). Regulation 55A of the SEBI (Depositories and Participants) Regulation, 1996; the company should submit the reconciliation report on Share capital audit on quarterly basis to stock exchange within 30 days of end of the quarter.*
- VI) Clause 31 of the Listing agreement, 2015; the Company should file annual report to the recognized stock exchange as soon as they are issued.*
- VI) Clause 35 of the Listing agreement, 2015; the company should submit a statement showing holding of securities and shareholding pattern within 21 days from the end of quarter.*
- VII) Clause 49 of listing Agreement; the company should submit the quarterly compliance report to stock exchange within 15 days from the close of quarter.*

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

For **Agarwal S. & Associates**,  
Company Secretaries,

Sachin Agarwal  
Partner  
FCS No. : 5774  
C.P. No. : 5910

Date: 01.08.2016  
Place: New Delhi

**ANNEXURE-D TO THE BOARD'S REPORT****CERTIFICATION BY MD & CFO**

We, Mukesh Kumar Aggarwal, Managing Director and Sanjay Gupta, Chief Financial Officer of SPL Industries Limited, certify that:

- A. We have reviewed the financial statements including the cash flow statement for the year and that to the best of our knowledge and belief:
- (1) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (2) These statements present a true and fair view of the state of affairs of the Company and of the results of operations and cash flows. The financial statements have been prepared in conformity, in all material respects, with the existing Generally Accepted Accounting Principles including Accounting Standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or volatile of the Company's Code of Conduct.
- C. We accept overall responsibility for establishing and monitoring the Company's internal control system for financial reporting and evaluating its effectiveness. Internal Audit function monitors the internal control system for financial reporting, which encompasses the examination and evaluation of the adequacy and effectiveness. Internal Audit works with all levels of management and Statutory Auditors, and reports significant issues to the Audit Committee of the Board. The Statutory Auditors and Audit Committee are apprised of any corrective action taken or proposed to be taken with regard to significant deficiencies and material weaknesses.
- D. We have indicated to the Auditors and to the Audit Committee that:
- (1) there are no significant changes in internal control over financial reporting during the year;
  - (2) there are no significant changes in accounting policies during the year;
  - (3) there are no instances of significant fraud of which we have become aware of and which involve management or other employees who have significant role in the Company's internal control system over financial reporting.

Date: 20.08.2016  
Place: New Delhi

**Mukesh Kumar Aggarwal**  
(Managing Director)

**Sanjay Gupta**  
(Chief Financial Officer)

**ANNEXURE-E TO THE BOARD'S REPORT****MANAGEMENT DISCUSSION AND ANALYSIS REPORT****GLOBAL ECONOMY**

In 2015, global economic remained subdued. Growth in emerging market and developing economies—while still accounting for over 70 percent of global growth—declined for the fifth consecutive year, while a modest recovery continued in advanced economies. Three key transitions continue to influence the global outlook: (1) the gradual slowdown and rebalancing of economic activity in China away from investment and manufacturing toward consumption and services, (2) lower prices for energy and other commodities, and (3) a gradual tightening in monetary policy in the United States in the context of a resilient U.S. recovery as several other major advanced economy central banks continue to ease monetary policy.

**IMF FORECAST FOR FY 2017**

Global growth is projected at 3.4 percent in 2016 and 3.6 percent in 2017. Growth in advanced economies is projected to rise by 0.2 percentage point in 2016 to 2.1 percent, and hold steady in 2017. Overall activity remains resilient in the United States, supported by still-easy financial conditions and strengthening housing and labor markets, but with dollar strength weighing on manufacturing activity and lower oil prices curtailing investment in mining structures and equipment. In the euro area, stronger private consumption supported by lower oil prices and easy financial conditions is outweighing a weakening in net exports. Growth in Japan is also expected to firm in 2016, on the back of fiscal support, lower oil prices, accommodative financial conditions, and rising incomes.

**MAJOR DEVELOPMENTS IN FY 2015-16**

The management plans to target as a mass market product in all over the World. It plans to launch the brand through the online route.

**ABOUT THE INDUSTRY**

The textile and apparel industry can be broadly divided into two segments - yarn and fibre, and processed fabrics and apparel. India accounts for 14 per cent of the world's production of textile fibres and yarns (largest producer of jute, second largest producer of silk and cotton, and third largest in cellulosic fibre). India has the highest loom capacity (including hand looms) with 63 per cent of the world's market share.

**THE APPAREL INDUSTRY IN INDIA IS ESTIMATED TO REACH US\$ 141 BILLION BY 2021 FROM US\$ 67 BILLION IN 2014**

Increased penetration of organised retail, favorable demographics, and rising income levels are likely to drive demand for textiles. India is the world's second largest exporter of textiles and clothing. Textile and apparel exports from India are expected to increase to US\$ 82 billion by 2021 from US\$ 40 billion in 2014. Readymade garments remain the largest contributor to total textile and apparel exports from India. In FY15-16 the segment had a share of 40 per cent of all textile and apparel exports. Cotton and man-made textiles were the other major contributors with shares of 31 per cent and 6 per cent, respectively. Rising government focus and favorable policies is leading to growth in the textiles and clothing industry. Foreign direct investment (FDI) in textile sector increased to US\$ 1587.8 million in FY15-16 from US\$ 1424.9 million in FY 14-15. The Ministry of Textiles is encouraging investments through increasing focus on schemes such as Technology Up-gradation Fund Scheme (TUFS). To promote apparel exports, 12 locations have been approved by the government to set up apparel parks for exports. As per the 12th Five Year Plan, the Government plans to provide a budgetary support of US\$ 4.25 billion to textiles. Free trade with ASEAN countries and proposed agreement with European Union will also help boost exports.

**REVIEW OF BUSINESS SEGMENTS**

The Company is an export house of garments. In FY 2015-16 the ratio of export & domestic sale of garments was 98.37:1.62.

**OPPORTUNITY SPECTRUM- CHILDREN'S WEAR MARKET IS ONE OF THE MOST PROFITABLE SEGMENTS IN THE GLOBAL APPAREL INDUSTRY.**

This segment was not affected by the meltdown on the global economy. Tech Navio's analysts Forecast the Baby Clothing market in the US to grow at a CAGR of 2.67 percent during the period 2014-2019. The developed and developing markets of infant garments depends on three major buying factors – the number of babies born, and the purchasing power of parents and the safety and quality standards of the apparels. The key drivers of the infant wear market are as follows.

- Extension of Product Lines to Baby Clothing: Existing players in the apparel market, primarily branded manufactures, are extending their lines of products to baby clothing.
- Demand for Comfort and Quality: The selection of clothing for babies is done judiciously by parents as they choose the best products for their newborn.
- Growing popularity of online shopping: The internet is valuable source of information for parents. The number of parent who research, deliberate, discover, and compare children's products on the internet is increasing each day.

**DEMOGRAPHERS HAVE FORECAST A RECOVERY IN BIRTHS AS THE ECONOMY PICKS UP AND MORE YOUNG PEOPLE HAVE FAMILIES****INFANT APPARELS - ADVANTAGE INDIA**

As per the baby/infant garments import data published by Office of Textiles and Apparel (OTEXA), USA, China the largest exporter in this segment showed a subdued Y-o-Y growth of 0.90% year ended 2015. During the same year India had shown a growth of 9.11%. The import data for the same category year to date as on March, 2016 shows China having a (-) 13.11%. Even other Asian exporters also showed a negative growth, while **India showed a growth of 14.91% during the same period – a clear indication of growing acceptance for Indian made baby garments in USA.**



# SPL INDUSTRIES LTD.

## SUSTAINABLE PRACTICES

Caring our employees, customers, society and environment is Company's founding legacy. In alignment with our people approach, all our customers, mostly global leaders in infant apparels, strictly follow the Ethical Trading Initiative (ETI) while sourcing and hence the code of practice at SPL is mostly based on the ETI's base Code, which outlines the labour standards expected at factories.

Our customers follow third party as well as internal social audits to confirm that their suppliers comply with the code. The code briefly covers the following:

- Bribery and corruption is prohibited
- No forced labour
- Having employee welfare committees
- Safe and hygienic working conditions
- No child labour
- Wages are reasonable and fair
- Reasonable working hours
- No discrimination
- Regular employment
- No physical or verbal abuse
- Disciplinary and grievance
- Environmental impacts

## RISK MANAGEMENT POLICY IMPLEMENTATION

In today's economic environment, Risk Management is a very important part of business. The main aim of risk management is to identify, monitor and take precautionary measures in respect of the events that may pose risks for the business. Your Company's risk management is embedded in the business processes. Your Company has identified the following risks:

Key Risk	Impact to SPL Industries Limited	Mitigation Plans
Commodity Price Risk	Risk of price fluctuation on basic raw materials like cotton, yarn, Chemicals, power as well as finished goods used in the process of manufacturing	The Company commands excellent business relationship with the buyers. In case of major fluctuation either upwards or downwards, the matter will be mutually discussed and compensated both ways. Also by focusing on new value added products helps in lowering the impact of price fluctuation in finished goods.
Uncertain Global economic environment—slow growth in global economy	Impact on demand and realization of Exports of Children wear	Infant wear by its very nature is not effected by slowdowns/ recessions, since Parents compromise on the infants needs as a last resort only.
Interest Rate Risk	Any increase in interest rate can affect the finance cost	Dependence on debt is very minimum and we have surplus funds with Banks to settle the entire debt in case the need arises.
Foreign Exchange Risk	Your Company exports all the products to USA and other European countries. Any volatility in the currency market can impact the overall profitability	The Company commands excellent Business relationship with the buyers. In case of major fluctuation either upwards or downwards, the matter will be mutually discussed and compensated both ways.
Human Resources Risk	Your Company's ability to deliver value is dependent on its ability to attract, retain and nurture talent. Attrition and no availability of the required talent resource can affect the overall performance of the Company	By continuously benchmarking of the best HR practices across the industry and carrying out necessary improvements to attract and retain the best talent.  By putting in place production incentives on time bound basis and evaluating the Performance at each stage of work. Also recruitment is across almost all states of India which helps to mitigate this risk and we do not anticipate any major issue for the coming five years.
Competition Risk	Your Company is always exposed to competition Risk from Asian Countries like Sri Lanka, China, Taiwan, and other African Countries. The increase in competition can create pressure on margins, market share etc	By continuous efforts to enhance the brand image of the Company by focusing on R&D, quality, Cost, timely delivery and customer service. By introducing new product range commensurate with demands your Company plans to mitigate the risks so involved.



Key Risk	Impact to SPL Industries Limited	Mitigation Plans
Compliance Risk – Increasing regulatory requirements	Any default can attract penal provisions	By regularly monitoring and review of Changes in regulatory framework. By monitoring of compliance through legal compliance Management tools and regular internal audit by Vatts & Associate
Industrial Safety, Employee Health and Safety Risk	The Garmenting industry is labour intensive and are exposed to accidents, health and injury risk due to machinery breakdown, human negligence etc	By development and implementation of critical safety standards across the various departments of the factory, establishing training need identification at each level of employee.

**INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The Company has a proper and adequate internal control system to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposition and those transactions are authorised, recorded and reported correctly. The internal control is exercised through documented policies, guidelines and procedures. It is supplemented by an extensive program of internal audits conducted by in house trained personnel. The audit observations and corrective action taken thereon are periodically reviewed by the audit committee to ensure effectiveness of the internal control system. The internal control is designed to ensure that the financial and other records are reliable for preparing financial statements and other data, and for maintaining accountability of persons. Apart from the above the Company has engaged M/s Vatts & Associate to conduct Internal Audit during the financial year 2015-16.

**HUMAN RESOURCES/INDUSTRIAL RELATIONS**

The Company's HR philosophy is to establish and build a high performing organization, where each individual is motivated to perform to the fullest capacity: to contribute to developing and achieving individual excellence and departmental objectives and continuously improve performance to realize the full potential of our personnel. The Company is giving direct employment to 2145 employees. Industrial relations are cordial and satisfactory.

**CAUTIONARY STATEMENT**

Statements made herein describing the Company's expectations or predictions are "forward-looking statements". The actual results may differ from those expected or predicted. Prime factors that may make a difference to the Company's performance include market conditions, input costs, govt. regulations, economic development within/outside country etc.


**ANNEXURE-F TO THE BOARD'S REPORT**
**FORM NO. MGT 9**
**EXTRACT OF ANNUAL RETURN**

as on financial year ended on 31.03.2016

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

**I REGISTRATION & OTHER DETAILS:**

i	CIN	L74899DL1991PLC062744
ii	Registration Date	06.12.1991
iii	Name of the Company	SPL INDUSTRIES LIMITED
iv	Category/Sub-category of the Company	Company Limited by Shares/Indian Non-Government Company
v	Address of the Registered office & contact details"	Address : C-2/54, 5th Floor, Rajasthali Apartment, Pitampura, Delhi-34 Telephone : 011-27026840 Email : administrator@spllimited.com Website : www.spllimited.com
vi	Whether listed company	Yes
vii	Name , Address & contact details of the Registrar & Transfer Agent, if any.	Name : Karvy Computershares Private Limited Address : Karvy Selenium Tower B, Plot No. 31-32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad-500032, Karnataka, India Telephone : 040-67161518

**II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

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

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the Company
1	Garment	2650	100%

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

S. No.	Name and Address of the Company	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
	The Company has no subsidiary/associate as on 31st March, 2016.				



**IV (i) SHAREHOLDING PATTERN**

CATEGORY CODE	CATEGORY OF SHAREHOLDER	NO. OF SHARES HELD AT THE BEGINNING OF THE YEAR 31/03/2015				NO. OF SHARES HELD AT THE END OF THE YEAR 31/03/2016				% CHANGE DURING THE YEAR
		DEMAT	PHYSICAL	TOTAL	% OF TOTAL SHARES	DEMAT	PHYSICAL	TOTAL	% OF TOTAL SHARES	
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)	(X)	(XI)
<b>(A)</b>	<b>PROMOTER AND PROMOTER GROUP</b>									
<b>(1)</b>	<b>INDIAN</b>									
(a)	Individual /HUF	3289760	15706044	18995804	65.50	3289760	15706044	18995804	65.50	0.00
(b)	Central Government/State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Bodies Corporate	0	504200	504200	1.74	0	504200	504200	1.74	0.00
(d)	Financial Institutions / Banks	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Others	0	0	0	0.00	0	0	0	0.00	0.00
	<b>Sub-Total A(1) :</b>	<b>3289760</b>	<b>16210244</b>	<b>19500004</b>	<b>67.24</b>	<b>3289760</b>	<b>16210244</b>	<b>19500004</b>	<b>67.24</b>	<b>0.00</b>
<b>(2)</b>	<b>FOREIGN</b>									
(a)	Individuals (NRIs/ Foreign Individuals)	0	0	0	0.00	0	0	0	0.00	0.00
(b)	Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Institutions	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Others	0	0	0	0.00	0	0	0	0.00	0.00
	<b>Sub-Total A(2) :</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
	<b>Total A=A(1)+A(2)</b>	<b>3289760</b>	<b>16210244</b>	<b>19500004</b>	<b>67.24</b>	<b>3289760</b>	<b>16210244</b>	<b>19500004</b>	<b>67.24</b>	<b>0.00</b>
<b>(B)</b>	<b>PUBLIC SHAREHOLDING</b>									
<b>(1)</b>	<b>INSTITUTIONS</b>									
(a)	Mutual Funds /UTI	0	0	0	0.00	0	0	0	0.00	0.00
(b)	Financial Institutions /Banks	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Central Government / State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
(f)	Foreign Institutional Investors	5000	0	5000	0.02	5000	0	5000	0.02	0.00
(g)	Foreign Venture Capital Investors	0	0	0	0.00	0	0	0	0.00	0.00
(h)	Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
(i)	Others	0	0	0	0.00	0	0	0	0.00	0.00
	<b>Sub-Total B(1) :</b>	<b>5000</b>	<b>0</b>	<b>5000</b>	<b>0.02</b>	<b>5000</b>	<b>0</b>	<b>5000</b>	<b>0.02</b>	<b>0.00</b>
<b>(2)</b>	<b>NON-INSTITUTIONS</b>									
(a)	Bodies Corporate	1928997	0	1928997	6.65	1343748	0	1343748	4.63	2.02
(b)	Individuals									
	(i) Individuals holding nominal share capital upto Rs.1 lakh	3573523	798	3574321	12.33	3619851	797	3620648	12.48	-0.16





CATEGORY CODE	CATEGORY OF SHAREHOLDER	NO. OF SHARES HELD AT THE BEGINNING OF THE YEAR 31/03/2015				NO. OF SHARES HELD AT THE END OF THE YEAR 31/03/2016				% CHANGE DURING THE YEAR
		DEMAT	PHYSICAL	TOTAL	% OF TOTAL SHARES	DEMAT	PHYSICAL	TOTAL	% OF TOTAL SHARES	
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)	(X)	(XI)
	(ii) Individuals holding nominal share capital in excess of Rs.1 lakh	3898460	0	3898460	13.44	4469188	0	4469188	15.41	-1.97
(c)	Others									
	CLEARING MEMBERS	1824	0	1824	0.01	12672	0	12672	0.04	-0.04
	NON RESIDENT INDIANS	91398	0	91398	0.32	48744	0	48744	0.17	0.15
(d)	Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
	<b>Sub-Total B(2) :</b>	<b>9494202</b>	<b>798</b>	<b>9495000</b>	<b>32.74</b>	<b>9494203</b>	<b>797</b>	<b>9495000</b>	<b>32.74</b>	<b>0.00</b>
	<b>Total B=B(1)+B(2) :</b>	<b>9499202</b>	<b>798</b>	<b>9500000</b>	<b>32.76</b>	<b>9499203</b>	<b>797</b>	<b>9500000</b>	<b>32.76</b>	<b>0.00</b>
	<b>Total (A+B) :</b>	<b>12788962</b>	<b>16211042</b>	<b>29000004</b>	<b>100.00</b>	<b>12788963</b>	<b>16211041</b>	<b>29000004</b>	<b>100.00</b>	<b>0.00</b>
(C)	Shares held by custodians, against which Depository Receipts have been issued									
(1)	Promoter and Promoter Group									
(2)	Public	0	0	0	0.00	0	0	0	0.00	0.00
	<b>GRAND TOTAL (A+B+C) :</b>	<b>12788962</b>	<b>16211042</b>	<b>29000004</b>	<b>100.00</b>	<b>12788963</b>	<b>16211041</b>	<b>29000004</b>	<b>100.00</b>	

**(ii) SHARE HOLDING OF PROMOTERS**

S No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	KUSHAL AGGARWAL	57000	0.20	0	57000	0.20	0	NIL
2	VIPUL AGGARWAL	65300	0.23	0	65300	0.23	0	NIL
3	KIRAN AGGARWAL	13400	0.05	0	13400	0.05	0	NIL
4	NARINDER AGGARWAL	300000	1.03	0	300000	1.03	0	NIL
5	MUKESH AGGARWAL	2	0.00	0	2	0.00	0	NIL
6	SHASHI AGGARWAL	65100	0.22	0	65100	0.22	0	NIL
7	NISHANT AGGARWAL	41180	0.14	0	41180	0.14	0	NIL
8	NILESH JINDAL	113720	0.39	0	113720	0.39	0	NIL
9	SUNIL JINDAL(HUF)	191700	0.66	0	191700	0.66	0	NIL
10	NARENDER AGGARWAL	498500	1.72	0	498500	1.72	0	NIL
11	NARENDER AGGARWAL	896900	3.09	0	896900	3.09	0	NIL
12	MUKESH AGGARWAL	1206940	4.16	0	1206940	4.16	0	NIL
13	KIRAN AGGARWAL	13500	0.05	0	13500	0.05	0	NIL



S No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
14	NARENDER AGGARWAL	617200	2.13	0	617200	2.13	0	NIL
15	MUKESH AGGARWAL	160000	0.55	0	160000	0.55	0	NIL
16	MUKESH AGGARWAL	100000	0.34	0	100000	0.34	0	NIL
17	NARINDER AGGARWAL	100000	0.34	0	100000	0.34	0	NIL
18	NARENDRA AGGARWAL	470000	1.62	0	470000	1.62	0	NIL
19	ELKAY OVERSEAS INDIA	365700	1.26	0	365700	1.26	0	NIL
20	NARENDER KUMAR AGGARWAL	1047280	3.61	0	1047280	3.61	0	NIL
21	KIRAN AGGARWAL	540000	1.86	0	540000	1.86	0	NIL
22	MUKESH KUMAR AGGARWAL	1300862	4.49	0	1300862	4.49	0	NIL
23	SHASHI AGGARWAL	1152358	3.97	0	1152358	3.97	0	NIL
24	MUKESH AGGARWAL	232120	0.80	0	232120	0.80	0	NIL
25	VIPUL AGGARWAL	42000	0.14	0	42000	0.14	0	NIL
26	NISHANT AGGARWAL	168700	0.58	0	168700	0.58	0	NIL
27	KUSHAL AGGARWAL	46380	0.16	0	46380	0.16	0	NIL
28	MUKESH AGGARWAL	177200	0.61	0	177200	0.61	0	NIL
29	NARINDER AGGARWAL	177200	0.61	0	177200	0.61	0	NIL
30	KIRAN AGGARWAL	245821	0.85	0	245821	0.85	0	NIL
31	SHASHI AGGARWAL	193342	0.67	0	193342	0.67	0	NIL
32	MUKESH AGGARWAL	1976400	6.82	0	1976400	6.82	0	NIL
33	KUSHAL AGGARWAL	168518	0.58	0	168518	0.58	0	NIL
34	VIPUL AGGARWAL	376341	1.30	0	376341	1.30	0	NIL
35	NARENDRA AGGARWAL	1096000	3.78	0	1096000	3.78	0	NIL
36	NISHANT AGGARWAL	1489380	5.14	0	1489380	5.14	0	NIL
37	SUNIL KUMAR JINDAL	321000	1.11	0	321000	1.11	0	NIL
38	VIJAY KUMAR JINDAL	400900	1.38	0	400900	1.38	0	NIL
39	NARENDER KUMAR AGGARWAL	529722	1.83	0	529722	1.83	0	NIL
40	PUNITA JINDAL	575100	1.98	0	575100	1.98	0	NIL
41	SUNITA JINDAL	404560	1.40	0	404560	1.40	0	NIL
42	MUKESH KUMAR AGGARWAL	619323	2.14	0	619323	2.14	0	NIL



S No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
43	AVNISH JINDAL	133500	0.46	0	133500	0.46	0	NIL
44	NAINA JINDAL	100	0.00	0	100	0.00	0	NIL
45	KUSHAL AGGARWAL	305555	1.05	0	305555	1.05	0	NIL
46	ELKAY OVERSEAS INDIA	504200	1.74	0	504200	1.74	0	NIL
	<b>TOTAL</b>	<b>19500004</b>	<b>67.24</b>	<b>0</b>	<b>19500004</b>	<b>67.24</b>	<b>0</b>	<b>NIL</b>

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

S. No.	Promoters Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
<b>1</b>	<b>NISHANT AGGARWAL</b>	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	1699260	5.86		
	No Change	0	-		
	At the End of the year	1699260	5.86		
<b>2</b>	<b>SHASHI AGGARWAL</b>	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	1410800	4.86		
	No Change	0	-		
	At the End of the year	1410800	4.86		
<b>3</b>	<b>ELKAY OVERSEAS INDIA</b>	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	1374100	4.74		
	No Change	0	-		
	At the End of the year	1374100	4.74		
<b>4</b>	<b>KIRAN AGGARWAL</b>	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	812721	2.80		
	No Change	0	-		
	At the End of the year	812721	2.80		
<b>5</b>	<b>MUKESH AGGARWAL</b>	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	5772955	19.91		
	No Change	0	-		
	At the End of the year	5772955	19.91		
<b>6</b>	<b>PUNITA JINDAL</b>	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	575100	1.98		
	No Change	0	-		
	At the End of the year	575100	1.98		
<b>7</b>	<b>NARENDER KUMAR AGARWAL</b>	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	5732802	19.77		
	No Change	0	-		
	At the End of the year	5732802	19.77		



S. No.	Promoters Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
<b>8</b>	<b>VIPUL AGGARWAL</b>				
	At the beginning of the year	483641	1.67		
	No Change	0	-		
	At the End of the year	483641	1.67		
<b>9</b>	<b>SUNITA JINDAL</b>				
	At the beginning of the year	404560	1.40		
	No Change	0	-		
	At the End of the year	404560	1.40		
<b>10</b>	<b>VIJAY KUMAR JINDAL</b>				
	At the beginning of the year	400900	1.38		
	No Change	0	-		
	At the End of the year	400900	1.38		
<b>11</b>	<b>SUNIL KUMAR JINDAL</b>				
	At the beginning of the year	321000	1.11		
	No Change	0	-		
	At the End of the year	321000	1.11		
<b>12</b>	<b>KUSHAL AGGARWAL</b>				
	At the beginning of the year	577453	1.99		
	No Change	0	-		
	At the End of the year	577453	1.99		

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

S. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
<b>1</b>	<b>SHYAM SUNDER BANSAL</b>				
	At the beginning of the year	301632	1.04	301632	1.04
	Transactions Purchase on 14.08.2015	2158	0.01	303790	1.05
	Transactions Purchase on 04.09.2015	2997	0.01	306787	1.06
	Transactions Purchase on 11.09.2015	4326	0.01	311113	1.07
	Transactions Purchase on 18.09.2015	26627	0.09	337740	1.16
	Transactions Purchase on 20.11.2015	10000	0.03	347740	1.20
	Transactions Purchase on 27.11.2015	10100	0.03	357840	1.23
	Transactions Purchase on 04.12.2015	18507	0.06	376347	1.30
	Transactions Purchase on 18.12.2015	55643	0.19	431990	1.49
	Transactions Purchase on 04.03.2016	2	0.00	431992	1.49
	Transactions Purchase on 11.03.2016	20326	0.07	452318	1.56
	Transactions Purchase on 13.03.2016	184	0.00	452502	1.56
	Transactions Purchase on 31.03.2016	10542	0.04	463044	1.60
	At the End of the year (or on the date of separation, if separated during the year)	463044	1.60		
<b>2</b>	<b>SOMESH MITTAL</b>				
	At the beginning of the year	242139	0.83	242139	0.83
	Transactions Purchase on 10.07.2015	40518	0.14	282657	0.97
	At the End of the year (or on the date of separation, if separated during the year)	282657	0.97		

S. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
<b>3</b>	<b>TALMA CHEMICAL INDUSTRIES PVT LTD</b>				
	At the beginning of the year	384556	1.33	384556	1.33
	Transactions Sale on 27.11.2015	87404	0.30	297152	1.02
	Transactions Sale on 04.12.2015	20100	0.07	277052	0.96
	Transactions Sale on 31.12.2015	277052	0.96	0	0.00
	At the End of the year (or on the date of separation, if separated during the year)	0	0.00		
<b>4</b>	<b>NISHANT AGGARWAL</b>				
	At the beginning of the year	1699260	5.86	1699260	5.86
	Transactions (Purchase/sale) from 01.04.2014 to 31.03.2015	NIL	NIL	1699260	5.86
	At the End of the year (or on the date of separation, if separated during the year)	1,699,260	5.86		
<b>5</b>	<b>ELKAY OVERSEAS INDIA</b>				
	At the beginning of the year	1374100	4.74	1374100	4.74
	Transactions (Purchase/sale) from 01.04.2014 to 31.03.2015	NIL	NIL	1374100	4.74
	At the End of the year (or on the date of separation, if separated during the year)	1,374,100	4.74		
<b>6</b>	<b>KIRAN AGGARWAL</b>				
	At the beginning of the year	812721	2.80	812721	2.80
	Transactions (Purchase/sale) from 01.04.2014 to 31.03.2015	NIL	NIL	812721	2.80
	At the End of the year (or on the date of separation, if separated during the year)	812,721	2.80		
<b>7</b>	<b>PUNITA JINDAL</b>				
	At the beginning of the year	575100	1.98	575100	1.98
	Transactions (Purchase/sale) from 01.04.2014 to 31.03.2015	NIL	NIL	575100	1.98
	At the End of the year (or on the date of separation, if separated during the year)	575,100	1.98		
<b>8</b>	<b>NARENDER KUMAR AGARWAL</b>				
	At the beginning of the year	5732802	19.77	5732802	19.77
	Transactions (Purchase/sale) from 01.04.2014 to 31.03.2015	NIL	NIL	5732802	19.77
	At the End of the year (or on the date of separation, if separated during the year)	5,732,802	19.77		
<b>9</b>	<b>VIPUL AGGARWAL</b>				
	At the beginning of the year	483641	1.67	483641	1.67
	Transactions (Purchase/sale) from 01.04.2014 to 31.03.2015	NIL	NIL	483641	1.67
	At the End of the year (or on the date of separation, if separated during the year)	483,641	1.67		
<b>10</b>	<b>SUNITA JINDAL</b>				
	At the beginning of the year	404560	1.40	404560	1.40
	Transactions (Purchase/sale) from 01.04.2014 to 31.03.2015	NIL	NIL	404560	1.40
	At the End of the year (or on the date of separation, if separated during the year)	404,560	1.40		

NOTE: Top 10 shareholders includes promoter shareholders.


**(V) Shareholding of Directors and Key Managerial Personnel:**

S. No.	Name of the Directors & KMP's	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
<b>1</b>	<b>Mr. Mukesh Kumar Aggarwal (Managing Director)</b>				
	At the beginning of the year	5772955	19.91	5772955	19.91
	Transactions (Purchase/sale) from 01.04.2014 to 31.03.2015	NIL	NIL	5772955	19.91
	At the End of the year	5,772,955	19.91	5772955	19.91
<b>2</b>	<b>Mrs. Shashi Agarwal (Director)</b>				
	At the beginning of the year	1410800	4.86	1410800	4.86
	Transactions (Purchase/sale) from 01.04.2014 to 31.03.2015	NIL	NIL	1,410,800	4.86
	At the End of the year	1,410,800	4.86	1,410,800	4.86
<b>3</b>	<b>Mr. Vijay Jindal KumarKumar (Director)</b>				
	At the beginning of the year	400900	1.38	400900	1.38
	Transactions (Purchase/sale) from 01.04.2014 to 31.03.2015	NIL	NIL	400,900	1.38
	At the End of the year	400,900	1.38	400,900	1.38
<b>4</b>	<b>Mr. Chanderjeet Singh Bhatia (Director)</b>				
	At the beginning of the year	NIL	NIL	NIL	NIL
	Transactions (Purchase/sale) from 01.04.2014 to 31.03.2015	NIL	NIL	NIL	NIL
	At the End of the year	NIL	NIL	NIL	NIL
<b>5</b>	<b>Mr. Arun Kumar (Director)</b>				
	At the beginning of the year	NIL	NIL	NIL	NIL
	Transactions (Purchase/sale) from 01.04.2014 to 31.03.2015	NIL	NIL	NIL	NIL
	At the End of the year	NIL	NIL	NIL	NIL
<b>6</b>	<b>Mr. Rajesh Goyal (Director)</b>				
	At the beginning of the year	NIL	NIL	NIL	NIL
	Transactions (Purchase/sale) from 01.04.2014 to 31.03.2015	NIL	NIL	NIL	NIL
	At the End of the year	NIL	NIL	NIL	NIL
<b>7</b>	<b>Mr. Sanjay Gupta (CFO)</b>				
	At the beginning of the year	NIL	NIL	NIL	NIL
	Transactions (Purchase/sale) from 01.04.2014 to 31.03.2015	NIL	NIL	NIL	NIL
	At the End of the year	NIL	NIL	NIL	NIL
<b>8</b>	<b>Mr. B.B.Sharma (Company Secretery retired on 28.05.2016)</b>				
	At the beginning of the year	NIL	NIL	NIL	NIL
	Transactions (Purchase/sale) from 01.04.2014 to 31.03.2015	NIL	NIL	NIL	NIL
	At the End of the year	NIL	NIL	NIL	NIL


**V INDEBTEDNESS**

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	38,200,000	15,000,000	NIL	53,200,000
ii) Interest due but not paid				
iii) Interest accrued but not due				
<b>Total (i+ii+iii)</b>	38,200,000	15,000,000		
<b>Change in Indebtedness during the financial year</b>				
* Addition	11,800,000	140,500,000	NIL	
* Reduction		22,500,000		
<b>Net Change</b>	11,800,000	118,000,000		
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	50,000,000	133,000,000	NIL	
ii) Interest due but not paid		192,985		
iii) Interest accrued but not due				
<b>Total (i+ii+iii)</b>	50,000,000	133,192,985	NIL	183,192,985

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

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

S. no.	Particulars of Remuneration	Name of the Directors			Total Amount
		Mr. Mukesh Kumar Aggarwal (MD)	Mr. Vijay Jindal KumarKumar (Director)	Mrs. Shahsi Aggarwal (Director)	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	2,100,000	NIL	NIL	2,100,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0	0	0	0
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	0	0	0	0
2	Stock Option	0	0	0	0
3	Sweat Equity	0	0	0	0
4	Commission - as % of profit - others, specify...	0	0	0	0
5	Others, please specify	0	0	0	0
	Total (A)	2,100,000	NIL	NIL	2,100,000
	Ceiling as per the Act				

B. Remuneration to other directors:

Sl. no.	Particulars of Remuneration	Name of Directors			Total Amount
		Mr. Arun Kumar (Independent Director)	Mr. Chanderjeet Singh Bhatia (Independent Director)	Mr. Rajesh Goyal (Independent Director)	
1	Independent Directors				
	Fee for attending board committee meetings	0	0	0	0
	Commission	0	0	0	0
	Others, please specify	0	0	0	0
	Total (1)	0	0	0	0



Sl. no.	Particulars of Remuneration	Name of Directors			Total Amount
		Mr. Arun Kumar (Independent Director)	Mr. Chanderjeet Singh Bhatia (Independent Director)	Mr. Rajesh Goyal (Independent Director)	
2	Other Non-Executive Directors	0	0	0	0
	Fee for attending board committee meetings	0	0	0	0
	Commission	0	0	0	0
	Others, please specify	0	0	0	0
	Total (2)	0	0	0	0
	Total (B)=(1+2)	0	0	0	0
	"Total Managerial Remuneration"	0	0	0	0
	Overall Ceiling as per the Act				

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

S. no.	Particulars of Remuneration	Key Managerial Personnel		Total
		Mr. B.B.Sharma, Company Secretary	Mr. Sanjay Gupta, Chief Financial Officer, Appointed on 11.05.2015	
1	Gross salary			0
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	360,000	721,224	1,081,224
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0	0	0
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0	0	0
2	Stock Option	0	0	0
3	Sweat Equity	0	0	0
4	Commission	0	0	0
	- as % of profit	0	0	0
	others, specify...	0	0	0
5	Others, please specify	0	0	0
	<b>Total</b>	<b>360,000</b>	<b>721,224</b>	<b>1,081,224</b>

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: N.A**

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



**ANNEXURE-G TO THE BOARD'S REPORT****Form No. MR-3****SECRETARIAL AUDIT REPORT****FOR THE FINANCIAL YEAR ENDED MARCH 31ST, 2016**

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

To,  
The Members,  
**SPL Industries Limited**  
C-2/54, 5th Floor, Rajasthali Appartments,  
Pitampura, Delhi-110034

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

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

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

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (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) Regulation, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015-Not complied with;
  - (c) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - (d) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (e) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - (f) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- (vi) Compliances/processes/systems under following specific applicable Laws (as applicable to the industry) to the Company are not being verified.

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

- (i) Secretarial Standards issued by the Institute of Company Secretaries of India - Applicable w.e.f. 1st July, 2015.
- (ii) The Listing Agreements and the Securities Exchange Board of India (Listing Obligation & Disclosure Requirements) Regulations, 2015 with National Stock Exchange of India Limited & BSE Limited.

During the year under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above, subject to the following observations:

**(i) Observation 1:**

*Company should file/ submit documents/ returns/ announcement/ certificates with the Stock exchanges as required under regulations 7 (3), 13, 46 & 47 of the SEBI (LODR), 2015, Regulation 55A of the SEBI (Depositories and Participants) Regulation, 1996 & Clauses 31, 35 & 49 of the erstwhile Listing Agreement.*



**(ii) Observation 2:**

*Company should file pending e-form MGT 14, MR 1, ADT 1 as required under provisions of the Companies Act, 2013.*

**(iii) Observation 3:**

*Company Secretary should report about compliance of other applicable laws to the Board of Directors as required under Section 205 of the Companies Act, 2013.*

**We further report that** the company had paid fine to Stock Exchanges for delay in compliances under Regulation 33 of SEBI (LODR), 2015.

**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.

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

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

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

**We further report that** during the audit period, there was no specific events/actions having a major bearing on the Company's affairs in pursuance of the above referred laws.

For **Agarwal S. & Associates,**  
Company Secretaries,

(Sachin Agarwal)  
Partner  
FCS No. : 5774  
C.P No. : 5910

Place : New Delhi  
Date : 01.08.2016



To,  
The Members,  
**SPL Industries Limited**

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

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our Responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness 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 regulation and happening of events etc.
5. The Compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is 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 future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **Agarwal S. & Associates,**  
Company Secretaries,

Place : New Delhi  
Date : 01.08.2016

(Sachin Agarwal)  
Partner  
FCS No. : 5774  
C.P No. : 5910

**ANNEXURE-H TO THE BOARD'S REPORT****Form No. AOC-2***(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)*

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

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

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

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

(a)	(b)	(c)	(d)	(e)	(f)	(g)
Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Justification for entering into such contracts or arrangements or transactions	date(s) of approval by the Board	Amount paid as advances, if any:
—	—	—	—	—	—	—

By order of the Board of Directors  
For **SPL Industries Limited**

Place: New Delhi  
Date: 20.08.2016

**Mukesh Kumar Aggarwal**  
(Managing Director)

**Vijay Jindal Kumar**  
(Director)



## ANNEXURE-I TO THE BOARD'S REPORT

### Disclosure of Particulars pursuant to Rule 8 of the Companies (Accounts) Rules 2014

#### A. CONSERVATION OF ENERGY:

##### i.) Steps taken for conservation of energy:

Your company continuously taking necessary steps to absorb and adopt the latest technology and innovation in the Garment Industry. These initiatives enable the facilities to become more efficient and productive as the company expands, thereby helps in energy conservation. All machinery and equipment are continuously serviced, updated and overhauled in order to maintain them in good condition. This resulted in consumption of lesser energy consumption. Energy Conservation continues to receive increased emphasis at all the units of the Company. Energy audits and Inter unit studies are carried out on a regular basis for taking steps for reduction of the energy consumption. Hence your company has not opted for alternate energy sources. Additionally, constant efforts in continuing all previous conservation measures and increasing awareness of energy management amongst employees have continued which should enable further savings to transpire going forward.

##### ii.) The steps taken by the Company for utilizing alternative source of energy:

Your company has taken steps for up gradation and modernization of various machines in phased manner. The Company also replaces old plant and machinery in the processing unit and steps are taken to modernization of various operations including installation of robotic machines for handling very specialized work/activities.

#### B. TECHNOLOGY ABSORPTION:

In addition to product and raw material development which continues to be strengthened, Research and Development activities on fashion designing are carried out on on-going basis. Absorbing technologies with state of art machineries like automated cutting machine, automated fabric inspection machines, etc., the quality of the products and efficiency of the systems have been substantially improved. By applying those technologies, the cost of production was under control. The nature of activities of the Company does not warrant any exclusive R&D department.

#### C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

The Foreign Exchange outgo and foreign exchange earned by the Company during the year are detailed below: (Refer to Note No. 29 of other Notes to the Financial Statements).

Particulars	2015-16	2014-15
Foreign Exchange outgo	1,43,67,271	48,95,869
Foreign Exchange earned	91,31,44,309	12,43,92,737

By order of the Board of Directors  
For **SPL Industries Limited**

Place: New Delhi  
Date: 20.08.2016

**Mukesh Kumar Aggarwal**  
(Managing Director)

**Vijay Jindal Kumar**  
(Director)

**INDEPENDENT AUDITOR'S REPORT****TO THE MEMBERS OF  
SPL INDUSTRIES LIMITED****Report on the Financial Statements**

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

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

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

**Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2016 and its profit and its cash flows 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, we give in the 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, and the cash flow statement dealt with by this Report are in agreement with the books of account;
  - d. in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - e. on the basis of the written representations received from the directors as on 31st March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f. with respect to the adequacy 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



## SPL INDUSTRIES LTD.

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- g. with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. the Company has disclosed the impact of pending litigations on its financial position in its financial statements.
  - ii. the Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, and as required on long-term contracts including derivative contracts.
  - iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company, however, there is no amount which is required to be transferred.

For **SINGHI CHUGH & KUMAR**  
**CHARTERED ACCOUNTANTS**  
FRN: 013613N

**Harsh Kumar**  
Partner  
M. No. 088123

Place: New Delhi  
Date: 27<sup>th</sup> May 2016

**Annexure – A to the Independent Auditor’s Report**

The Annexure referred to in our Independent Auditor’s Report to the members of the company on the financial statements for the year ended 31st March, 2016, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) Fixed assets have been physically verified by the management during the audit period and no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (ii) The inventory has been physically verified during the audit period by the management and no material discrepancies were noticed on such verification. The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (iii) The Company has not granted any loans, secured or unsecured, to companies/ firms/ other parties covered in the register maintained, on the basis declaration received from the directors in Form MBP-1, under section 189 of the Act.

Accordingly, Sub clauses (a) to (b) of paragraph 3(iii) of the Order are not applicable to the Company.

- (iv) The company has not given loans, guarantees and security.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from public within the meaning of sections 73 to 76 of the Act.
- (vi) We have broadly reviewed the books of account relating to materials, labour and other items of cost maintained by the company pursuant to the Rules made by the Central Government for the maintenance of cost records under sub section 1 of section 148 of the Companies Act, 2013 and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained.
- (vii) (a) During audit procedures we have found that the Company is regular in depositing undisputed statutory dues including Provident fund, Investor Education and Protection Fund, Employee’s State Insurance, Income Tax, Sales Tax, Service Tax and other material statutory dues applicable to it with the appropriate authorities.
- (b) No due of Income Tax/ Sales Tax/ Service Tax/ Custom Duty/ Wealth Tax/ Excise Duty/ Cess are pending on part of the Company on account of any dispute except the following amounts:

S. No.	Name of the Statute	Nature of Dues	Amount (Rs. Lakhs)	Period to which amount relates	Forum where dispute is pending
1	Income Tax Act, 1961	Penalty u/s 271(1)(c)	69.10	AY 2007 – 08	ITAT

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

For **SINGHI CHUGH & KUMAR**  
**CHARTERED ACCOUNTANTS**  
FRN: 013613N

**Harsh Kumar**  
**Partner**  
M. No. 088123

Place: New Delhi  
Date: 27<sup>th</sup> May 2016



**Annexure – B to the Independent Auditor's Report**

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 SPL INDUSTRIES LIMITED ("the Company") as of March 31, 2016 in conjunction with our audit of the 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 Companies Act, 2013.

**Auditors' Responsibility**

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

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

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

**Meaning of Internal Financial Controls over Financial Reporting**

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

**Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

**Opinion**

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

For **SINGHI CHUGH & KUMAR**  
**CHARTERED ACCOUNTANTS**  
FRN: 013613N

**Harsh Kumar**  
**Partner**  
M. No. 088123

Place: New Delhi  
Date: 27<sup>th</sup> May 2016

**BALANCE SHEET AS AT 31ST MARCH, 2016**

(All Amounts in Indian Rupees)

Particulars	Note	As at 31st March, 2016		As at 31st March, 2015	
EQUITY AND LIABILITIES					
Shareholders Funds					
Share Capital	1	290,000,040		290,000,040	
Reserves And Surplus	2	345,578,675	635,578,715	257,295,431	547,295,471
Non-Current Liabilities					
Deferred Tax Liabilities (Net)	3	-		-	
Long-Term Provisions	4	3,496,336	3,496,336	2,625,578	2,625,578
Current Liabilities					
Short Term Borrowings	5	183,192,985		53,200,000	
Trade Payables	6	83,876,058		85,720,052	
Other Current Liabilities	7	84,164,655		78,939,467	
Short Term Provisions	8	2,385,743	353,619,441	3,544,421	221,403,940
TOTAL			992,694,492		771,324,989
ASSETS					
Non-Current Assets					
Fixed Assets					
Tangible Assets	9	467,703,919		485,346,823	
Intangible Assets	9	1,836,097		422,304	
Long-Term Loans And Advances	10	2,316,451		2,165,836	
Other Non-Current Assets	11	3,779,194	475,635,661	821,600	488,756,563
Current Assets					
Inventories	12	97,820,393		41,908,625	
Trade Receivables	13	313,211,380		156,367,868	
Cash & Bank Balances	14	22,376,205		12,261,381	
Short-Term Loans And Advances	15	83,468,240		72,030,554	
Other Current Assets	16	182,613	517,058,831	-	282,568,428
TOTAL			992,694,492		771,324,991

**Significant Accounting Policies & Notes on Financial Statements 36**

The notes are an integral part of these financial statements

This is the balance sheet referred to in our report of even date

for **SINGHI CHUGH & KUMAR**  
Chartered Accountants  
Firm Registration No. 013613N

**Harsh Kumar**  
(Partner)  
M. No.088123

Place : New Delhi  
Date : 27<sup>th</sup> May 2016

For and on behalf of the Board of Directors of  
**SPL Industries Limited**

Managing Director  
DIN: 00231651

Chief Financial Officer

Director  
DIN: 06687549

Company Secretary


**STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2016**
**(All Amounts in Indian Rupees)**

Particulars	Note	2015-16	2014-15
<b>INCOME</b>			
Revenue From Operations	17	1,487,997,677	597,326,015
Other Income	18	15,934,221	5,161,335
<b>TOTAL REVENUE</b>		<b>1,503,931,898</b>	<b>602,487,350</b>
<b>EXPENSES</b>			
Cost Of Material Consumed	19	803,058,789	224,270,087
Manufacturing Expenses	20	293,298,627	196,556,458
Changes In Inventories Of Finished Goods, Work In Progress & Stock In Trade	21	(30,218,747)	(13,474,511)
Employee Benefits Expenses	22	195,282,646	112,653,377
Finance Costs	23	12,151,647	1,065,477
Depreciation And Amortization Expense	24	31,734,062	39,515,484
Other Expenses	25	107,990,098	36,227,162
<b>TOTAL EXPENSES</b>		<b>1,413,297,122</b>	<b>596,813,534</b>
<b>Profit/(Loss) before Exceptional &amp; Extraordinary Items</b>		<b>90,634,776</b>	<b>5,673,816</b>
Exceptional Items/ Extraordinary Items		-	-
Prior Period Items	26	(2,287,650)	(454,370)
<b>Profit/(Loss) Before Tax</b>		<b>88,347,126</b>	<b>5,219,446</b>
<b>Tax Expense/Adjustments</b>	27		
Current Tax		-	(22,086)
Earlier Years Tax		(63,882)	-
Deferred Tax		-	-
<b>Profit/ (Loss) For The Period</b>		<b>88,283,244</b>	<b>5,197,360</b>
<b>Earnings/(Loss) per equity share:</b>	28		
Basic and Diluted		3.04	0.18
<b>Significant Accounting Policies &amp; Notes on Financial Statements</b>	36		
The notes are an integral part of these financial statements			
This is the balance sheet referred to in our report of even date			

for **SINGHI CHUGH & KUMAR**  
Chartered Accountants  
Firm Registration No. 013613N

**Harsh Kumar**  
(Partner)  
M. No.088123

Place : New Delhi  
Date : 27<sup>th</sup> May 2016

For and on behalf of the Board of Directors of  
**SPL Industries Limited**

Managing Director  
DIN: 00231651

Chief Financial Officer

Director  
DIN: 06687549

Company Secretary

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016****(All Amounts in Indian Rupees)**

<b>Particulars</b>	<b>2015-16</b>	<b>2014-15</b>
<b>A: CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net Profit/(Loss) Before Tax as per Profit and Loss Statement	88,347,126	5,219,446
Adjusted for:		
Net Gain On Sale Of Non - Current Assets	–	(79,680)
Depreciation and amortisation expenses	31,734,062	39,515,484
Finance Cost	12,151,647	1,065,477
Loss on sale of assets	23,714	–
Interest Income	(557,314)	(210,760)
<b>Operating Profit before Working Capital Changes</b>	<b>131,699,235</b>	<b>45,509,967</b>
Adjusted for:		
Inventory	(55,911,768)	(7,611,017)
Short Term Loan & Advances	(11,437,686)	(25,454,475)
Other Current Asset	(182,613)	–
Other Current Liabilities	5,225,188	38,243,960
Other Non-Current Assets	(2,957,594)	(821,600)
Trade Receivables	(156,843,512)	(132,530,816)
Trade Payables	(1,843,994)	42,389,508
Long Term Loans & Advances	(150,615)	(122,526)
Provisions	(287,920)	1,503,335
<b>Net Cash Generated by Operating Activities</b>	<b>(92,691,280)</b>	<b>(38,893,664)</b>
Cash generated from / used in operations	(92,691,280)	(38,893,664)
Taxes Paid (Net)	(63,882)	(22,086)
<b>Net Cash Generated by Operating Activities</b>	<b>(92,755,162)</b>	<b>(38,915,750)</b>
<b>B: CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest Income	557,314	210,760
Change In fixed Asset	(15,528,665)	(4,285,731)
Sale of Investment	–	–
<b>Net Cash Provided by / (used) in Investing Activity</b>	<b>(14,971,351)</b>	<b>(4,074,971)</b>
<b>C: CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Short Term Borrowings	129,992,985	53,200,000
Interest & Other Borrowing Cost	(12,151,647)	(1,065,477)
<b>Net Cash Used in Financing Activity</b>	<b>117,841,338</b>	<b>52,134,523</b>
<b>Net Increase/(Decrease) In Cash And Cash Equivalent</b>	<b>10,114,825</b>	<b>9,143,802</b>
<b>Cash And Cash Equivalent At The Beginning Of The Period</b>	<b>12,261,381</b>	<b>3,117,584</b>
<b>Cash And Cash Equivalent At The End Of The Period</b>	<b>22,376,206</b>	<b>12,261,381</b>

**Significant Accounting Policies & Notes on Financial Statements****36****Notes**

- The above cash flow statement has been prepared under the indirect method set out in AS-3 notified under Companies Act, 2013
  - Figures in brackets indicate cash outflows
  - The notes to the Financial Statements are an integral part of the Cash Flow Statement.
- This is the Cash Flow Statement referred to in our report of even date

**FOR SINGHI CHUGH & KUMAR**  
**CHARTERED ACCOUNTANTS**  
**FRN No. 013613N**

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS OF**  
**SPL INDUSTRIES LIMITED**

**Harsh Kumar**  
**(Partner)**  
**M. No.088123**

**Managing Director**  
**DIN: 00231651**

**Director**  
**DIN: 06687549**

Place : New Delhi  
Date : 27<sup>th</sup> May 2016

**Chief Financial Officer****Company Secretary**



# SPL INDUSTRIES LTD.

## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

Previous Year figures have been regrouped / reclassified, wherever necessary to conform to the current year presentation

(Figures in Indian Rupees)

Particulars	As at 31st March, 2016	As at 31st March, 2015
<b>1 SHARE CAPITAL</b>		
<b>1.1 Authorized Share:</b>		
3,00,00,000 (31st March 2015: 3,00,00,000)		
Equity Shares of Rs.10/- each	<u>300,000,000</u>	<u>300,000,000</u>
<b>Issued, Subscribed &amp; Fully Paid Up:</b>		
2,90,00,004 (31st March 2015: 2,90,00,004) equity shares of Rs.10/- each	<u>290,000,040</u>	<u>290,000,040</u>
<b>TOTAL</b>	<u><b>290,000,040</b></u>	<u><b>290,000,040</b></u>

<b>1.2 Reconciliation of number of shares outstanding at the beginning and at the end of the reporting Period:</b>		
Equity Shares at the Beginning of the year	<b>29,000,004</b>	29,000,004
Add: Shares issued during the year	<b>—</b>	—
Less: Shares cancelled on buy back of Equity Shares	<b>—</b>	—
<b>Equity Shares at the end of the year</b>	<u><b>29,000,004</b></u>	<u>29,000,004</u>

### 1.3 Terms/rights attached to equity shares:

The company has only one class of equity shares having a Par Value of Rs. 10/- Per share. Each holder of Equity Shares is entitled to one vote Per share. There is no dividend proposed by the Board of Directors.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company. The distribution will be in proportion to the number of equity shares held by the shareholders.

### 1.4 Detail of Shareholders holding more than 5 % Shares in the company:

Name of Shareholders	As at 31st March, 2016		As at 31st March, 2015	
	No. of Shares	% holding	No. of Shares	% holding
Narender Kumar Aggarwal	<b>5,455,602</b>	<b>18.81%</b>	5,455,602	18.81%
Mukesh Kumar Aggarwal	<b>5,103,525</b>	<b>17.60%</b>	5,103,525	17.60%
Nishant Aggarwal	<b>1,489,380</b>	<b>5.14%</b>	1,489,380	5.14%

Note	Particulars	As at 31st March, 2016	As at 31st March, 2015
<b>2 RESERVE &amp; SURPLUS:</b>			
<b>2.1 Capital Reserve</b>			
As per last Balance Sheet		<b>3,107,174</b>	3,107,174
<b>2.2 Securities Premium Account</b>			
At The Beginning of The Accounting Period		<b>496,744,853</b>	496,744,853
<b>2.3 Revaluation Reserve</b>			
As per last Balance Sheet		<b>266,065,054</b>	266,065,054
<b>2.4 Profit and Loss Account</b>			
As per last Balance Sheet	<b>(508,621,650)</b>		(514,114,290)
Add: Profit / (loss) for the year	<b>88,283,244</b>		5,197,360
Add: Adjustment for Depreciation	<b>—</b>	<b>(420,338,406)</b>	295,280
<b>TOTAL</b>		<u><b>345,578,675</b></u>	<u>257,295,431</u>

\* Fixed Assets of the company were revalued as on 31st March, 2012 except for Car (vehicles), furniture & fixture and other equipments whose total net carrying amount before revaluation of fixed assets is less than 5% of the total net carrying amount of total fixed assets. The effect of revaluation of fixed assets have been taken by restating the Net Book Value by adding there in the net increase on account of revaluation.


**Notes on Financial Statements for the year ended 31st March, 2016**

(Figures in Indian Rupees)

Particulars	As at 31st March, 2016	As at 31st March, 2015
<b>3. DEFERRED TAX LIABILITIES (NET)*</b>		
Deferred Tax Liabilities	122,980,267	146,844,345
Deferred Tax Assets	(122,980,267)	(146,844,345)
<b>TOTAL</b>	<b>-</b>	<b>-</b>
<b>4. LONG-TERM PROVISIONS</b>		
Provisions For Employee Benefits*		
-Compensated Absences	-	-
-Gratuity	3,496,336	2,625,578
<b>TOTAL</b>	<b>3,496,336</b>	<b>2,625,578</b>
<b>* Refer Note No 22 for AS-15 Disclosure</b>		
<b>5. SHORT-TERM BORROWINGS</b>		
<b>Secured</b>		
Loans Repayable on demand		
- from Banks*	50,000,000	38,200,000
<b>Unsecured</b>		
Other Loans & Advances	133,192,985	15,000,000
	<b>183,192,985</b>	<b>53,200,000</b>
* Demand Loans from Banks is the Packing Credit Loan from Indian Overseas Bank. These loans are secured against hypothecation of stock meant for export & Charge on the current assets of the company.		
The said loan is collaterally secured against property at Plot No.21, Sector -6, Industrial Area, Faridabad owned by SPL Industries Limited		
Loan is secured by the personal guarantee of : (1) Mr.Mukesh Kumar Aggarwal (2) Mrs. Shashi Agarwal (3) Mr. Vijay Jindal Kumar(4) Mr. Narender Aggarwal.		
<b>6. TRADE PAYABLES</b>		
Micro, Small and Medium Enterprises (As certified by the Management)*	859,859	449,780
Others	83,016,199	85,270,272
<b>TOTAL</b>	<b>83,876,058</b>	<b>85,720,052</b>
<b>*For disclosure as per Notification No. G.S.R. 679 (E) dated 04th September, 2015, Refer Note No 34</b>		
<b>7. OTHER CURRENT LIABILITIES</b>		
Expenses Payable	8,579,252	5,873,244
Employee Benefit Payable	22,689,544	10,978,561
Statutory Dues Payables*	17,189,320	21,380,899
Advance received from customers	35,163,864	40,114,089
Other Loans & Advances**	542,675	592,675
	<b>84,164,655</b>	<b>78,939,468</b>
* Statutory Dues Payables includes dues to ESI, PF,Sales Tax, TDS/TCS and Labour Welfare Fund etc		
** Includes security deposit from parties		
<b>8. SHORT-TERM PROVISIONS</b>		
Provisions For Employee Benefits*		
-Compensated Absences	1,538,740	2,833,595
-Gratuity	847,003	688,740
Provision for wealth Tax	-	22,086
	<b>2,385,743</b>	<b>3,544,421</b>
<b>* Refer Note No 22 for AS-15 Disclosure</b>		



Notes on Financial Statements for the year ended 31st March, 2016

Description	Gross Block			Depreciation / Amortisation / Depletion			Net Block	
	As At 01.04.2015	Additions / Adjustments	Deductions / Adjustments	As At 31.03.2016	As At 01.04.2015	For the Year / Adjustments	As At 31.03.2016	As At 31.03.2015
<b>Tangible Assets</b>								
Land	285,517,400	-	-	285,517,400	-	-	285,517,400	285,517,400
Building	150,349,974	-	-	150,349,974	62,477,041	4,600,289	83,272,644	87,872,933
Plant & Machinery	653,560,808	12,141,272	422,628	665,279,452	550,983,958	22,395,340	92,230,771	102,576,850
Office Equipment	31,995,730	1,457,331	-	33,453,061	29,327,745	1,013,678	3,111,638	2,667,985
Furniture & Fixture	20,722,694	150,817	-	20,873,511	15,360,546	2,777,113	2,735,852	5,362,147
Vehicles	4,347,536	-	-	4,347,536	2,998,029	513,893	835,614	1,349,507
<b>Total (A)</b>	<b>1,146,494,142</b>	<b>13,749,420</b>	<b>422,628</b>	<b>1,159,820,934</b>	<b>661,147,319</b>	<b>31,300,313</b>	<b>467,703,919</b>	<b>485,346,823</b>
<b>Intangible Assets</b>								
Computer Software	2,374,206	1,847,542	-	4,221,748	1,951,902	433,749	1,836,097	422,305
<b>Total (B)</b>	<b>2,374,206</b>	<b>1,847,542</b>	<b>-</b>	<b>4,221,748</b>	<b>1,951,902</b>	<b>433,749</b>	<b>1,836,097</b>	<b>422,305</b>
<b>TOTAL (A+B)</b>	<b>1,148,868,348</b>	<b>15,596,962</b>	<b>422,628</b>	<b>1,164,042,682</b>	<b>663,099,221</b>	<b>31,734,062</b>	<b>469,540,017</b>	<b>485,769,128</b>
<b>Previous Year</b>	<b>1,156,293,150</b>	<b>5,412,831</b>	<b>12,837,635</b>	<b>1,148,868,346</b>	<b>635,669,232</b>	<b>39,515,484</b>	<b>485,769,125</b>	<b>520,623,918</b>


**Notes on Financial Statements for the year ended 31st March, 2016**

(Figures in Indian Rupees)

Particulars	As at 31st March, 2016	As at 31st March, 2015
<b>10 LONG-TERM LOANS AND ADVANCES</b> (Unsecured and Considered Good)		
Security deposits	2,316,451	2,165,836
<b>TOTAL</b>	<b>2,316,451</b>	<b>2,165,836</b>
<b>11 OTHER NON-CURRENT ASSETS</b>		
Fixed Deposit (Margin Money against bank guarantee)*	3,779,194	821,600
<b>TOTAL</b>	<b>3,779,194</b>	<b>821,600</b>
* FDR relates to Bank Guarantee given to Haryana State Pollution Control Board & Director General of Foreign Trade.		
<b>12 INVENTORIES</b> (As Taken, Valued & Certified By The Management)		
Raw Materials	42,378,228	17,470,119
Work In Process	19,331,787	16,004,495
Finished Goods	30,828,709	3,937,254
Stores, Spares & Loose Tools	4,215,429	3,392,757
Fuel & Oil	1,066,239	1,104,000
<b>TOTAL</b>	<b>97,820,393</b>	<b>41,908,625</b>
<b>13 TRADE RECEIVABLES</b> (Unsecured and Considered Good)		
Outstanding for a period exceeding 6 months from the date they are due for payment	21,741,886	—
Others	297,179,320	156,367,868
Less: Allowance for Doubtful Debts	5,709,826	—
<b>TOTAL</b>	<b>313,211,380</b>	<b>156,367,868</b>
<b>14 CASH AND BANK BALANCES</b>		
<b>Balance With Banks -</b>		
<b>In Fixed Deposits</b>		
Fixed Deposit (Held As Securities against Bank Guarantees and LC)		
Maturity period less than 12 months*	455,662	—
<b>On Current Accounts</b>	19,368,687	11,739,174
<b>Cash On Hand</b>	2,551,856	522,207
<b>TOTAL</b>	<b>22,376,205</b>	<b>12,261,381</b>
* FDR relates to Bank Guarantee given to Director General of Foreign Trade		
<b>15 SHORT TERM LOANS &amp; ADVANCES</b> (Unsecured and Considered Good)		
Prepaid Expenses	1,218,006	299,993
Other Advances & Deposits	766,221	985,969
Less: Provision against Doubtful Advances	—	723,768
Receivable From Revenue Authorities*	105,930,924	79,604,469
Less: Provision against Recovery Losses	38,996,169	20,000,000
Advance to suppliers	15,049,258	11,863,891
Less: Provision against Doubtful Debts	500,000	—
<b>TOTAL</b>	<b>83,468,240</b>	<b>72,030,554</b>
*Receivable from various statutory departments including CBEC and Income Tax Authorities.		
<b>16 OTHER CURRENT ASSETS</b>		
Other Receivable	182,613	—
<b>TOTAL</b>	<b>182,613</b>	<b>—</b>





# SPL INDUSTRIES LTD.

## Notes on Financial Statements for the year ended 31st March, 2016

(Figures in Indian Rupees)

Particulars	2015-16		2014-15	
<b>17 REVENUE FROM OPERATIONS</b>				
<b>Sale of Products</b>				
Export Sales	913,144,309		124,392,737	
Domestic Sales	15,002,787	928,147,097	19,773,635	144,166,372
<b>Sale of Services</b>				
Processing Charges*		473,379,289		437,297,497
<b>Other Operating Revenues</b>				
Duty Drawback	77,992,289		10,140,671	
DGFT Focus (Export Incentive)	98,553		-	
Scrap & Wastage	8,380,449	86,471,291	5,721,475	15,862,146
<b>TOTAL</b>		<b>1,487,997,677</b>		<b>597,326,015</b>
* Processing charges include processing of textiles which includes consumption of raw material.				
<b>18 OTHER INCOME</b>				
Interest				
From Fixed Deposits	557,314		210,760	
From Others	-	557,314	-	210,760
Other Non-Operating Income				
Rent	4,550,000		3,900,000	
Net Gain On Sale Of Non - Current Assets	-		79,680	
Foreign Exchange Fluctuation (Net)	9,837,366		85,248	
Liability Written Back	-		134,203	
Claims & Discounts Others	989,541	15,376,907	751,444	4,950,575
<b>TOTAL</b>		<b>15,934,221</b>		<b>5,161,335</b>
<b>19 COST OF MATERIALS CONSUMED</b>				
<b>Raw Material Consumed</b>				
Dyes & Chemicals	168,189,470		136,354,122	
Accessories	41,741,331		12,912,640	
Fabric & Grey Cloth	31,076,405		35,053,856	
Yarn	130,156,010		16,588,970	
Others	409,831,082	780,994,298	13,972,214	214,881,802
Packing Material Consumed		16,370,961		6,166,235
Stores & Spares Consumed		5,693,530		3,222,050
<b>TOTAL</b>		<b>803,058,789</b>		<b>224,270,087</b>
<b>19.1 Particulars of Material Consumed</b>				
Imported	2%	14,114,809	2%	4,271,838
Indigenous	98%	788,943,979	98%	219,998,249
		<b>803,058,788</b>		<b>224,270,087</b>
<b>20 MANUFACTURING EXPENSES</b>				
Power & Fuel		130,248,792		117,592,910
Freight Inward		2,318,235		1,151,196
ETP Expense		2,937,155		1,537,910
Repair To Machinery				
Boiler	9,009,649		8,447,875	
Electric	3,070,143		1,900,772	
Generator	120,800		902,866	
Machinery	17,360,592	29,561,184	10,362,226	21,613,739
Job Charges		125,036,317		53,437,617
Clearing & Forwarding Charges		1,654,150		276,603
Lab Expenses		948,340		619,912
Loading & Unloading Charges		594,454		326,571
<b>TOTAL</b>		<b>293,298,627</b>		<b>196,556,458</b>


**Notes on Financial Statements for the year ended 31st March, 2016**

(Figures in Indian Rupees)

<b>Particulars</b>	<b>2015-16</b>	<b>2014-15</b>
<b>21 CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK IN PROCESS AND STOCK IN TRADE</b>		
Inventories (at close)		
Finished Goods / Stock -in- Trade	<b>30,828,709</b>	3,937,254
Stock - in- Process	<b>19,331,787</b>	<b>50,160,496</b>
Inventories (at commencement)		
Finished Goods / Stock -in- Trade	<b>3,937,254</b>	3,074,339
Stock - in- Process	<b>16,004,495</b>	<b>19,941,749</b>
<b>TOTAL</b>	<b>(30,218,747)</b>	<b>(13,474,511)</b>
<b>22 EMPLOYEE BENEFIT EXPENSES</b>		
Salaries	<b>111,754,384</b>	68,965,208
Wages and Overtime	<b>48,803,566</b>	25,916,440
Contribution To PF & Other Funds	<b>18,914,902</b>	10,395,096
Bonus	<b>5,688,313</b>	1,409,676
Earned Leave	<b>4,635,213</b>	2,403,573
Gratuity	<b>1,444,794</b>	921,516
Staff Welfare	<b>4,041,474</b>	2,641,868
<b>TOTAL</b>	<b>195,282,646</b>	<b>112,653,377</b>

As per Accounting Standard 15 "Employee Benefits", the disclosure a defined in the Accounting Standard are given below:

Provision for leave encashment is recognised on the basis of gross pay per day of an employee multiplied with the accumulated leaves as on the reporting date. No employee has accumulated leaves exceeding 30 days, However same will be paid on future dates. Further, there is no long term provision for compensated absences as on 31st March, 2016.

**Defined Contribution Plan**

**Contribution to Defined Contribution Plans, recognised as expense for the year is as under:**

Employer's Contribution to Provident Fund	<b>13,312,152</b>	3,399,083
Employer's Contribution to ESI	<b>5,363,850</b>	1,607,995
Employer's contribution to Welfare Fund	<b>238,900</b>	94,870
<b>TOTAL</b>	<b>18,914,902</b>	<b>5,101,948</b>

**Defined Benefit Plan**

The employee's gratuity fund scheme managed by a Trust (LIC of India and SBI ) is a defined benefit plan. The present value of obligation is determined based on actuarial valuation using the Project Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

**1. Reconciliation of Opening and Closing balance of Defined Benefit Obligation**

<b>Particulars</b>	<b>2015-16</b>	<b>2014-15</b>
Present Value Obligation at the beginning of the period	<b>3,573,270</b>	3,130,168
Interest Cost	<b>278,715</b>	281,715
Past Service Cost	-	-
Current Service Cost	<b>656,544</b>	517,729
Benefit Paid (Out of own Funds+ Plan Assets)	<b>(415,773)</b>	(501,760)
Actuarial Gain / Loss on obligation	<b>531,931</b>	145,418
Present Value Obligation (Closing Balance)	<b>4,624,687</b>	3,573,270


**Notes on Financial Statements for the year ended 31st March, 2016**

(Figures in Indian Rupees)

Particulars	2015-16	2014-15
<b>2. Reconciliation of Opening and Closing balance of Fair Value of Plan Assets</b>		
Fair Value of Plan & Assets (Opening Balance)	258,952	412,888
Expected Return on Plan Assets	23,306	31,862
Contributions	—	—
Benefits Paid (Out of Plan)	—	(177,282)
Actuarial Gain/ Loss on obligation	(910)	(8,516)
Fair Value of Plan & Assets (Closing Balance)	<u>281,348</u>	<u>258,952</u>
<b>3. Reconciliation of Fair Value of Assets and Obligation</b>		
Present Value Obligation (Closing Balance)	4,624,687	3,573,270
Fair Value of Plan Assets (Closing Balance)	281,348	258,952
Funded Status	(4,343,339)	(3,314,318)
Present Value of Un-funded Obligation (Closing Balance)	—	—
Un-funded Actuarial (Gain/Loss)	—	—
Un-funded Net Assets/Liabilities recognised in Balance sheet	<u>4,343,339</u>	<u>3,314,318</u>
<b>4. Expenses recognised during the year</b>		
Current Service Cost	656,544	517,729
Past Service Cost	—	—
Interest Cost	278,715	281,715
Expected Return on Plan Assets	(23,306)	(31,862)
Cutailment Cost	—	—
Settlement Cost	—	—
Net Actuarial Gain/Loss recognised during the year	532,841	153,934
Total Expenses Recognised in Statement of Profit & Loss	<u>1,444,794</u>	<u>921,516</u>
<b>5. Actuarial Assumption</b>		
Discount Rate Per Annum	7.60%	7.80%
Rate of Increase in Compensation Levels	6.00%	6.00%
Rate of Return on Plan Assets		
(i) For Asset with LIC	8.35%	9.00%
(ii) For Asset with SBI Life Insurance	8.75%	9.00%
Expected Average Remaining Working lives of employees (Years)	<u>20.68 Yrs</u>	<u>20.66 Yrs</u>
The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market.		
<b>6. The Enterprise best estimates of contribution during the next year is Rs. 9,01,869/- as per actuarial certificate.</b>		
<b>23 FINANCE COST</b>		
Interest Expense	2,747,622	289,218
Bank Charges	9,404,025	776,259
<b>TOTAL</b>	<u>12,151,647</u>	<u>1,065,477</u>
<b>24 DEPRECIATION AND AMORTIZATION EXPENSE</b>		
Depreciation and amortization	31,734,062	39,515,484
<b>TOTAL</b>	<u>31,734,062</u>	<u>39,515,484</u>
<b>25 OTHER EXPENSES</b>		
Establishment Expenses	67,401,678	24,366,487
Selling & Distribution Expenses	40,466,660	12,119,567
Amount Written Off	99,333	(258,892)
Loss On Sale Of Fixed Asset	22,427	—
<b>TOTAL</b>	<u>107,990,098</u>	<u>36,227,162</u>


**Notes on Financial Statements for the year ended 31st March, 2016**

(Figures in Indian Rupees)

<b>Particulars</b>	<b>2015-16</b>	<b>2014-15</b>
<b>25.1 Establishment Expenses</b>		
Advertisement	80,052	91,801
Payment to Auditors	1,110,861	926,970
Donation	86,151	22,000
Rent	24,000	40,380
Conveyance	2,489,807	1,461,020
Rates & Taxes	4,039,353	2,168,004
Provision for Sales Tax Demand	4,530,156	1,395,720
House Keeping Expenses	5,270,364	3,780,578
Insurance	1,532,301	226,157
Printing & Stationery	1,815,058	1,612,443
Legal & Professional Charges	3,939,365	1,361,508
Provision Against Recovery Losses	18,996,169	—
Provision Against Doubtful debts	6,209,826	—
Repair & Maintenance - Building	5,167,118	3,259,409
Repair & Maintenance - General	3,142,421	2,172,668
Vehicle Running & Maintenance	272,763	477,753
Security Service Charges	4,095,418	2,998,541
Security Forfeited	—	81,409
Communication Expenses	3,842,365	1,970,300
Misc. Expenses	758,129	319,826
<b>TOTAL</b>	<b>67,401,677</b>	<b>24,366,487</b>
<b>25.1.1 Payment to Auditors</b>		
Statutory Audit Fee	807,810	561,800
Tax Audit Fee	114,500	56,180
Tax Matter & Certification	188,551	308,990
<b>TOTAL</b>	<b>1,110,861</b>	<b>926,970</b>
<b>25.2 Selling &amp; Distribution Expenses</b>		
Business Promotion	179,739	502,205
Travelling Expenses	315,383	410,786
Clearing & Forwarding	19,638,879	2,403,728
Commission	5,369,087	850,205
Freight	3,330,568	2,608,777
Claims & Discounts Export	4,662,536	420,160
Sampling & Testing Charges	6,970,468	4,923,706
<b>TOTAL</b>	<b>40,466,660</b>	<b>12,119,567</b>
<b>25.3 Amount Written Off</b>		
Balances written off	99,333	(258,892)
<b>TOTAL</b>	<b>99,333</b>	<b>(258,892)</b>
<b>25.4 Value of Imports On CIF basis in respect of:</b>		
Raw Material and Stock in Trade	11,942,856	4,766,190
Stores, Chemicals and Packing Materials	3,939,507	474,796
Capital goods	—	—
	<b>15,882,363</b>	<b>5,240,986</b>



# SPL INDUSTRIES LTD.

## Notes on Financial Statements for the year ended 31st March, 2016

(Figures in Indian Rupees)

Particulars	2015-16	2014-15
<b>26 Prior Period Items</b>		
Prior Period Incomes	-	(269,555)
Prior Period Expenses	2,287,650	723,925
	<u>2,287,650</u>	<u>454,370</u>
<b>27 Tax Expenses</b>		
Tax Paid For Earlier Years	63,882	-
Current Tax - Wealth Tax	-	22,086
Deferred Tax	-	-
	<u>63,882</u>	<u>22,086</u>
<b>28 EARNINGS PER SHARE (EPS)</b>		
a). Net Profit after Tax as per Statement of Profit and Loss attributable to Equity Shareholders	88,283,244	5,197,360
b). Weighted Average number of Equity Shares used as denominator for calculating EPS	29,000,004	29,000,004
c). Basic and Diluted Earnings per Share	3.04	0.18
d). Face Value per Equity Share	10.00	10.00
<b>29 EARNINGS / EXPENDITURE IN FOREIGN CURRENCY</b>		
<b>Earnings in Foreign Currency</b>		
FOB value of exports	913,144,309	124,392,737
<b>TOTAL</b>	<b>913,144,309</b>	<b>124,392,737</b>
<b>Expenditure in Foreign Currency</b>		
Accessories	10,260,414	4,190,347
Packing Material	3,083,182	-
Fabric Purchase	454,619	340,688
Testing Charges	80,384	186,416
Export Claims	21,640	-
Repair & Maintenance	467,032	178,418
<b>TOTAL</b>	<b>14,367,271</b>	<b>4,895,869</b>
<b>30 RELATED PARTY DISCLOSURE</b>		
The names of related parties of the company as required to be disclosed under Accounting Standard 18 are as follows:		
<b>Key Management Personnel (KMP)</b>		
1) Sh. Mukesh Kumar Aggarwal		
2) Sh. Vijay Jindal Kumar		
3) Smt. Shashi Agarwal		
4) Sh. Arun Kumar		
5) Sh. Rajesh Goyal		
6) Sh. Chanderjeet Singh Bhatia		
<b>Detail of Transaction with KMP</b>		
Remuneration Paid (KMP)	2,100,000	2,100,000
Loans Taken (KMP)	140,500,000	15,000,000
Loans Repaid (KMP)	22,500,000	-
Interest Paid (KMP)	833,494	-
Closing Balances		
Remuneration Payable (KMP)	120,750	120,750
Loan Account (KMP)	133,192,984	15,000,000

**Notes on Financial Statements for the year ended 31st March, 2015****31 SEGMENT REPORTING**

As per Accounting Standard AS 17 on "Segment Reporting" segment information is as follow:-

Primary Segment Reporting (Business Segment):

Primary business segments of the company is sale of cotton knitted garments and made ups and Processing Charges, which in the context of Accounting Standard 17 on "Segment Reporting" as notified in Companies (Accounting Standard ) Rules, 2006 . But the manufacturing relating to cotton knitted garments and processing charges is common therefore the expenditure relating to these two activities can only be bifurcated on estimated basis. Sale relating to sale of knitted garments and processing charges is shown separately.

**Secondary Segment Reporting (Geographical Segments):**

The Following is the distribution of the company's consolidated sales by geographical segment, regardless of where the goods were produced:

<b>Particulars</b>	<b>2015-16</b>	<b>2014-15</b>
Sales to Overseas Market	<b>913,144,309</b>	124,392,737
Sales to Domestic Market	<b>15,002,787</b>	19,773,635
Processing Charges	<b>473,379,289</b>	437,297,497
	<b>1,401,526,386</b>	581,463,869
Export debtors	<b>199,219,660</b>	62,009,086
Domestic debtors	<b>113,991,720</b>	94,358,782
<b>TOTAL</b>	<b>313,211,380</b>	156,367,868

**32 CONTINGENT LIABILITY AND COMMITMENTS**

<b>Particulars</b>	<b>2015-16</b>	<b>2014-15</b>
1. Bills Discounted	—	—
2. Disputed tax liability *	<b>58,615,073</b>	77,748,473
<b>TOTAL</b>	<b>58,615,073</b>	77,748,473

\* Disputed tax liability pertains to tax amount involved in appeals

**33 CURRENT ASSETS, LOANS & ADVANCES**

Sundry Debtors, Loans & Advances are subject to confirmation and adjustment thereon (if any)

**34 MSME DISCLOSURE**

MSME Disclosure as required under Notification No. G.S.R. 679 (E) dated 04th September, 2015 issued by the Ministry of Corporate Affairs (as certified by the Management)

<b>Particulars</b>	<b>2015-16</b>	<b>2014-15</b>
a). The principal amount and interest due thereon remaining unpaid to any supplier at the end of accounting year		
- Principal Amount	<b>859,859</b>	449,780
- Interest Amount	<b>Nil</b>	Nil
b). The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprise Development Act, 2006 along with the amount of payment made to the supplier beyond the appointed day during each accounting year	<b>Nil</b>	Nil
c). The amount of interest due and payable for the period of delay in making payment (which have been paid beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	<b>Nil</b>	Nil
d). The amount of interest accrued and remaining unpaid at the end of each accounting year	<b>Nil</b>	Nil
e). The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprise Development Act, 2006	<b>Nil</b>	Nil

**35** The previous year figures have been regrouped/ reclassified, wherever necessary to conform to the current year presentation.



## Notes on Financial Statements for the year ended 31st March, 2015

### 36 SIGNIFICANT ACCOUNTING POLICIES

#### 1 General Information

The company was incorporated on December 6, 1991 in India. The company is a garment manufacturing company and majorly deals in exports however during the year, value of exports are INR 913,144,309 and further company has domestic sales and processing income during the year.

#### 2 Summary of Significant Accounting Policies

##### 2.1 Basis Of Preparation Of Financial Statements

The financial statements of the company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The financial statements have been prepared to comply in all material respects with the notified accounting standard by Companies(Accounting Standards)Rules, 2006, (as amended) and the relevant provisions of Companies Act, 2013. The financial Statements have been prepared under the historical cost convention on an accrual basis Accounting policies not specifically referred to otherwise are consistent and are in consonance with generally accepted accounting principles.

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 Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation 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.

##### 2.2 Use Of Estimates

The preparation of the financial statements in conformity with generally accepted accounting principles in India requires the management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and disclosures relating to contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and action, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods

##### 2.3 Tangible Assets

Tangible Assets are stated at cost net of recoverable taxes and includes amounts added on revaluation, less accumulated depreciation and impairment loss, if any.Revaluation effect is taken by restating the net book value by adding therein the net increase on account of revaluation. All costs, including finance costs till commencement of commercial production, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the fixed asset are capitalised.

##### 2.4 Intangible Assets

In accordance with the Accounting Standards (AS) 26 relating to intangible assets, all costs incurred on technical know-how / license fee relating to production process are charged to revenue in the year of incurrence. Costs incurred on technical know-how / license fee relating to process design / plants / facilities are capitalized at the time of capitalization of the said plant / facility and amortized on pro-rata basis over a period of five years. Computer software is capitalized on the date of installation and is amortized over a period of three years.

##### 2.5 Depreciation

Depreciation on all plant and machinery is provided on Written Down Value Method and on other fixed assets is provided on the basis of Straight Line Method. Depreciation has been provided on the basis of useful life of the assets and the manner as prescribed in Schedule II of The Companies Act 2013. Following useful life were used for calculating depreciation amount as per Schedule II of The Companies Act 2013:

Particulars	(in Years)
Factory Building	30 Years
Plant & Machinery	15 Years
Electric Installation & Equipment	10 Years
General Laboratory Equipment	10 Years
Office Equipments	5 Years
Servers & Networks	6 Years
End User Devices (Computer)	3 Years
Furniture & Fixtures	10 Years
Motor Cycles	10 Years
Motor Buses	10 Years

##### 2.6 Impairment Of Assets

Assessment is done at each Balance Sheet date as to whether there is any indication that an asset (tangible and intangible) may be impaired. For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets, is considered as a cash generating unit. If any such indication exists, an estimate of the recoverable amount of the asset/cash generating unit is made. Assets whose carrying value exceeds their recoverable amount are written down to the recoverable amount. Recoverable amount is higher of an asset's or cash

**Notes on Financial Statements for the year ended 31st March, 2015**

generating unit's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. Assessment is also done at each Balance Sheet date as to whether there is any indication that an impairment loss recognised for an asset in prior accounting periods may no longer exist or may have decreased.

**2.7 Investments**

Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments.

Current investments are carried at lower of cost or fair value.

Long-term investments are carried at cost. Provision for diminution in value is made to recognise a decline other than temporary in the value of the investments.

**2.8 Inventory**

Inventories are valued at lower of cost or net realizable value after providing for obsolescence, if any. Cost of inventories comprises of cost of purchase, cost of conversion and other costs including manufacturing overhead incurred in bringing them to their respective present location and condition. Cost of raw materials, process chemicals, stores and spares, packing material, trading and other products are determined on First in First out (FIFO) method. Scrap is valued at net realizable value.

**2.9 Revenue Recognition**

- i) Sales are recognised when the substantial risks and rewards of ownership in the goods are transferred to the buyer as per the terms of the contract and are net of trade discounts, rebates and sales taxes, etc.
- ii) Processing Charges are recognised at the time of dispatch of goods to the customers and are net of trade discounts, rebates and sales taxes, etc.
- iii) Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.
- iv) Income from duty drawback are recognised on accrual basis and Income from other Export Incentives are recognised as and when accepted by the Government Authority.
- v) Dividend Income is recognised when right to receive is established.
- vi) Claim receivables are accounted for depending on the certainty of receipt and claims payable are accounted for at the time of acceptance.

**2.10 Borrowing Cost:**

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to Statement of Profit and Loss.

**2.11 Foreign Currency Transactions**

Transactions denominated in foreign currencies are normally recorded at the exchange rate prevailing at the time of transaction. Monetary items denominated in foreign currencies outstanding at the year-end are translated at exchange rate applicable as of that date. Non-Monetary items denominated in foreign currency are valued at the exchange rate prevailing on the date of transaction. Any income or expense on account of exchange difference either on settlement or on translation is recognized in the Statement of Profit and Loss.

**2.12 Current And Deferred Tax**

Tax expense comprises of current tax and deferred tax. Current tax is determined in accordance with relevant tax rates and tax laws. Provision for current income tax is made after taking credit for allowances and exemptions. In case of matters under appeal, due to disallowance or otherwise, provision is made when the company accepts the said liabilities.

Deferred tax is recognised for all timing differences arising between taxable income and accounting income based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are carried forward to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. Deferred tax assets on carry forward of unabsorbed depreciation and tax losses are recognised only if there is virtual certainty that such deferred tax assets can be realised against future taxable profits.

As the company has substantial losses and this being the first year of company's normal operations and resultant profits. The certainty of absorption of carry forward losses and unabsorbed depreciation in future years can't be determined only on the basis of current year's operations. In view of facts stated above, the Deferred Tax Assets in respect of carry forward losses has been recognized only to the extent of Deferred Tax Liability.

**2.13 Employee's Benefits**

- i. Short-term employee benefits are recognized as an expense at the undiscounted amount in the Statement of Profit and Loss of the year in which related service is rendered.
- ii. Eligible employees of the company are entitled to receive benefits under the Provident Fund scheme administered through provident fund commissioner and the company's contribution are charged to Statement of Profit and Loss.




**Notes on Financial Statements for the year ended 31st March, 2015**

- iii. Company's contribution to state plans namely Employees State Insurance Fund is charged to Statement of Profit and Loss every year.
- iv. Gratuity liability is a defined benefit obligation and is provided for on the basis of an actuarial valuation made by an independent actuary at the Balance Sheet date using projected unit credit method. The Gratuity Scheme is administered through LIC under its Group Gratuity Scheme. Contributions are paid to LIC in accordance with the demands received.
- v. Termination benefits are recognized as an expense immediately.
- vi. Gain or Loss arising out of actuarial evaluation is recognized immediately in the Statement of Profit and Loss as income or expense.

**2.14 Value Added Tax (VAT)**

VAT claimed on capital assets is credited to assets/capital work in progress account. VAT on purchase of raw materials and other materials are deducted from the cost of such materials.

**2.15 Provision And Contingent Liabilities**

Show cause notices issued by various government authorities are not considered as obligation. When the demand notice are raised against such show cause notice and are disputed by the company then these are classified as possible obligations.

Provisions: Provisions are recognised when there is a present obligation as a result of a past event, 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 best estimate of the expenditure required to settle the present obligation at the Balance sheet date and are not discounted to its present value.

Contingent Liabilities: Contingent liabilities are disclosed 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.

**2.16 Financial Derivative And Hedging Transaction**

In respect of the Financial derivative contracts the premium / interest paid and profit / loss on settlement is charged to Statement of Profit & Loss . The contracts entered into are marked to market at year end and the resultant profit / loss is charged to Statement of Profit & Loss.

**2.17 Cash and Cash Equivalents**

In the cash flow statement, cash and cash equivalents includes cash in hand, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less.

**2.18 Earnings Per Share**

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the Company's earnings per share is the net profit for the period after deducting preference dividends and any attributable tax thereto for the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

for SINGHI CHUGH & KUMAR  
Chartered Accountants  
Firm Registration No. 013613N

For and on behalf of the Board of Directors of  
SPL Industries Limited

Harsh Kumar  
(Partner)  
M. No.088123

Managing Director  
DIN: 00231651

Director  
DIN: 06687549

Place : New Delhi  
Date : 27<sup>th</sup> May 2016

Chief Financial Officer

Company Secretary

[illegible]



## SPL INDUSTRIES LTD.

CIN : L74899DL1991PLC062744

Registered Office: C-2/54, Rajasthali Apartments, 5th Floor, Pitampura, Delhi-110034.

E-mail: administrator@spllimited.com; Website: www.spllimited.com

### ATTENDANCE SLIP

Folio No.	
DP ID	
Account ID / Client ID	
No. of Shares	

I hereby record my presence at the **25TH ANNUAL GENERAL MEETING** of the Company held on **Thursday, the 29th day of September, 2016 at 9.00 AM** at INDIA CORPORATE CENTRE, J-2/B-1, MOHAN COOPERATIVE, MATHURA ROAD, NEW DELHI-110044

Signature of the attending Member / Proxy	
---	--

- Note :** 1) A Shareholder/Proxy holder wishing to attend the meeting must bring the Attendance Slip to the meeting and hand it over at the entrance duly signed.
- 2) A Shareholder/Proxy holder wishing to attend the meeting should bring his copy of the Annual Report for reference at the meeting.



## SPL INDUSTRIES LTD.

CIN : L74899DL1991PLC062744

Registered Office: C-2/54, Rajasthali Apartments, 5th Floor, Pitampura, Delhi-110034.

E-mail: administrator@spllimited.com; Website: www.spllimited.com

### PROXY

I/We ..... of .....  
In the district of ..... being a Member //Members of the above named Company,  
hereby appoint..... of .....  
in the district of ..... or failing him/her .....  
of ..... in the district of .....

as my / our Proxy to attend and vote for me/us and on my/our behalf at **25TH ANNUAL GENERAL MEETING** of the Company held on **Thursday, the 29th day of September, 2016 at 9.00 AM** at INDIA CORPORATE CENTRE, J-2/B-1, MOHAN COOPERATIVE, MATHURA ROAD, NEW DELHI-110044, and at any adjournment thereof.

Signed this ..... day of ..... 2015.

Folio No.	
DP ID	
Account ID / Client ID	
No. of Shares	

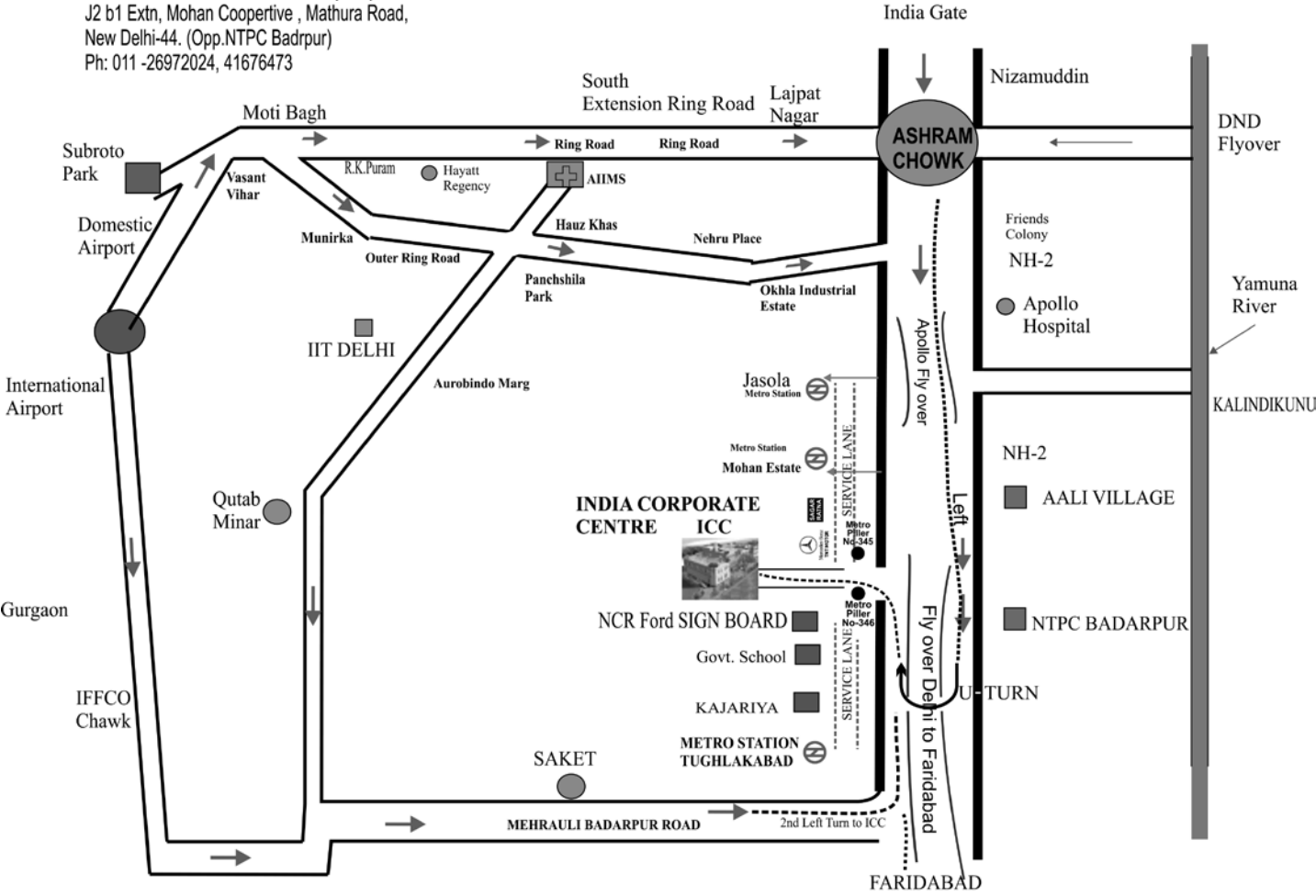
Signature \_\_\_\_\_

Affix  
Re. 1.00  
Revenue  
Stamp

- Note:** 1) The Proxy must be returned so as to reach the Regd. Office: Regd. C-2/54, 5th Floor, Rajasthali Apartment, Pitampura, New Delhi-110034, not less than FORTY EIGHT HOURS before the time for holding the aforesaid meeting.
- 2) A Proxy need not to be Member of the Company.

**INDIA CORPORATE CENTRE (ICC)**

J2 b1 Extn, Mohan Cooperative , Mathura Road,  
New Delhi-44. (Opp.NTPC Badarpur)  
Ph: 011 -26972024, 41676473





U.S.P.

To



**SPL INDUSTRIES LTD.**

Regd. Office:

C-2/54, 5th Floor, Rajasthali Apartment, Pitampura, New Delhi-110034.

Tel: 011-27026840