



**19<sup>th</sup>**  
***Annual Report***  
**2015-2016**

**JINDAL COTEX LIMITED**

**BOARD OF DIRECTORS**

Mr. Sandeep Jindal	Managing Director
Mr. Yash Paul Jindal	Director
Mr. Ramesh Jindal	Director
Mr. Rajinder Jindal	Director
Mr. Aman Jindal	Director
Mr. Sahil Jindal	Director
Mr. Rajesh Khanna	Independent Director
Mr. Anil Kumar	Independent Director
Ms. Alisha	Independent Director

**COMPANY SECRETARY**

Mr. Anil Kumar

**FINANCE MANAGER**

Mr. Shiv Pal

**REGISTRAR & SHARE TRANSFER AGENTS**

Bigshare Services Private Limited,  
E/2, Ansa Industrial Estate,  
Saki Vihar Road,  
Sakinaka Andheri (E), Mumbai – 72  
Phones: (022) 28470652, (022) 40430200  
Fax: (022) 28475207,  
Email ID: [info@bigshareonline.com](mailto:info@bigshareonline.com)

**AUDITORS**

M/s Raj Gupta & Co.,  
Chartered Accountants,  
SCO -549/10, Satluj Tower,  
Opp. Petrol Pump,  
Fountain Chowk,  
Ludhiana

**REGISTERED & CORPORATE OFFICE  
AND WORKS**

VPO Jugiana, G.T. Road, Ludhiana -141017  
CIN No: L17115PB1998PLC021084  
Phones: (0161) 6603555, Fax: (0161)- 2511843,  
Email: [cs@jindalcotex.com](mailto:cs@jindalcotex.com)  
Website: [www.jindalcotex.com](http://www.jindalcotex.com)

**WIND MILL**

J-289, Village Pithla,  
Distt. Jaisalmer,  
Rajsthan

**UNITS**

Bija, Tehsil Khana,  
Unit – II, Village Mandiala Kalan,  
Distt. Ludhiana– 141401  
Phone (01628) 264842

**BANKERS**

Oriental Bank of Commerce  
State Bank of India  
Allahabad Bank  
Corporation Bank  
Punjab & Sind Bank  
Bank of Baroda  
Punjab National Bank  
Central Bank of India

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## NOTICE

NOTICE is hereby given that the Nineteenth Annual General Meeting of the Members of JINDAL COTEX LIMITED will be held on Friday, 30th day of September, 2016 at 9.00 A.M. at the Registered Office of the Company at V.P.O. Jugiana, G.T. Road, Ludhiana, to transact the following business:-

### ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet of the company as at 31st March, 2016 and Profit & Loss Account for the year ended on that date together with the reports of the Director's and Auditor's thereon.
2. To appoint a director in place of Mr. Yash Paul Jindal (DIN 01923862) who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a director in place of Mr. Sandeep Jindal (DIN 01639743) who retires by rotation and being eligible offers himself for re-appointment.
4. To Re-appoint auditors of the company and to fix their remuneration.

"RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with rules made there under, the reappointment of M/s. Raj Gupta & Co., Chartered Accountants, (Registration No. 000203N), approved in the 16th Annual General Meeting to hold office till the conclusion of 21st Annual General Meeting (subject to ratification of reappointment by the members at every AGM) be and is hereby ratified in this Annual General Meeting till the conclusion of next Annual General Meeting on a remuneration as may be agreed upon by the Auditors and Board of Directors of the company".

### SPECIAL BUSINESS

5. To consider, and if thought fit, to pass with or without modifications, the following resolution as an ordinary resolution:-  
"RESOLVED THAT Ms. Alisha (DIN 07549385) who was appointed as an Additional Director of the company by the Board of Directors w.e.f 22nd June, 2016 pursuant to the provisions of Section 149, 152 and 161(1) and any other applicable provisions if any, of the Companies Act, 2013 read with Rule 3 of the Companies (Appointment and Qualification of

Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and Articles of Association of the company and in respect of whom the company has received a notice in writing from a member proposing her candidature for the office of Independent Director be and is hereby appointed as Independent Director of the company to hold office for a period of five years with effect from 22nd June, 2016 to 21st June, 2021".

6. To consider, and if thought fit, to pass with or without modifications, the following resolution as an ordinary resolution:-

"RESOLVED THAT pursuant to the provisions of Section 196 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force), as recommended by the Nomination and Remuneration Committee and approved by Board of Directors of the company, the consent of the members be and is hereby accorded to the re-appointment of Sh. Sandeep Jindal (DIN 01639743) as Managing Director of the company without any remuneration for a period of five years w.e.f. 1st October, 2016".

**BY ORDER OF THE BOARD  
FOR JINDAL COTEX LIMITED**

**PLACE : Ludhiana  
DATED: 13th August, 2016**

**(Sandeep Jindal)  
Managing Director  
Din: 01639743**

### NOTES :

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to vote on his/her behalf at the meeting. The proxy need not be a member of the company. The proxy in order to be effective must be deposited at the Registered Office of the Company at least 48 hours before the time for the meeting. The blank Proxy form is enclosed.

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.



2. The Register of Members and Share Transfer Books of the Company shall remain closed from Saturday, 24th September, 2016 to Friday, 30th September, 2016 (both days inclusive).
  3. Members desiring any information as regards accounts are requested to write to the company at its Registered Office at least 10 days before the date of Annual General Meeting so as to enable the Management to keep the information ready.
  4. Members are requested to bring their copy of Annual Report to the Annual General Meeting as the practice of handing out copies of annual report at the Annual General Meeting has been discontinued in view of the high cost of paper and printing.
  5. The Explanatory Statement pursuant to the provisions of Section 102(1) of the Companies Act, 2013, which set out details relating special business at the meeting is annexed hereto.
  6. The relevant details as required under Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of Directors seeking appointment/re-appointment at the Annual General Meeting, forms integral part of the notice.
  7. The members who have not registered their e-mail addresses so far, are requested to register the same in respect of electronic holdings with the depository through their depository participants. Members who are holding shares in physical form are requested to get their e-mail addresses registered with the Registrar & Transfer Agent, M/s Big share Services Private Limited, Mumbai.
  8. The Shareholders are requested to notify change of address, if any, immediately to the Registrar & Transfer Agent, M/s Big share Services Private Limited, Mumbai mentioning their Folio Number.
  9. Annual accounts and related documents referred to in the accompanying Notice and the Statement are open for inspection by the members at the Registered Office of the company.
  10. Notice of the 19th Annual General Meeting and the Annual Report for 2015-16 will also be available on the Company's website [www.jindalcotex.com](http://www.jindalcotex.com) for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business hours on working days. For any communication, the shareholders may also send their request to the Company's Email Id i.e. [cs@jindalcotex.com](mailto:cs@jindalcotex.com)
- Voting through electronic means;**
1. In compliance with the provisions of Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as well as Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2015, the Company is providing facility to members to exercise their right to vote at the 19th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting Services provided by Central Securities Depository Limited (CSDL).
- The voting period begins on Tuesday, 27th September, 2016, 9:00 A.M. and ends on Thursday, 29th September, 2016, 05:00 P.M. During this period shareholders' as on the cut-off date Friday, 23rd September, 2016 holding shares either in physical form or in dematerialized form, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.**
2. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
  3. The instructions for e-voting are as under:
    - (i) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
    - (ii) Click on Shareholders.
    - (iii) Now Enter your User ID
      - a. For CDSL: 16 digits beneficiary ID,
      - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
      - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
    - (iv) Next enter the Image Verification as displayed and Click on Login.
    - (v) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
    - (vi) If you are a first time user follow the steps given below:



	For members holding shares in demat and physical form
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the Client Id/Folio Number in the PAN field.</li> <li>In case the Folio Number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with Folio Number 1 then enter RA00000001 in the PAN field.</li> </ul>
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	<p>Enter the Dividend Bank Details or date of birth as recorded in your demat account or in the company records for the said demat account or folio.</p> <ul style="list-style-type: none"> <li>If both the details are not recorded with the depository or company please enter the member id / folio number in the dividend bank details instruction (5)</li> </ul>

- (vii) After entering these details appropriately, click on "SUBMIT" tab.
- (viii) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to

share your password with any other person and take utmost care to keep your password confidential.

- (ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (x) Click on the EVSN for the relevant Jindal Cotex Limited on which you choose to vote.
- (xi) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiii) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvi) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvii) **Note for Institutional Shareholders**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporate.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details they have to create a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval



- of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xviii) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
4. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut off date (record date) of 23rd September, 2016.
  5. M/s Reecha Goel & Associates, Company Secretaries has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
  6. The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.

## **EXPLANATORY STATEMENT PURSUANT TO THE PROVISIONS OF SECTION 102 OF THE COMPANIES ACT, 2013 RELATING TO SPECIAL BUSINESS MENTIONED IN THE NOTICE CONVENING THE ANNUAL GENERAL MEETING**

### **Item No. 5**

Ms. Alisha (DIN 07549385) was appointed as Additional Director by the Board in its meeting held on 22nd June, 2016 under Section 161 of the Companies Act, 2013. In accordance with the provisions of the Companies Act, 2013, she holds office upto the date of this meeting. A notice has been received from a member signifying his intention to propose the candidature of Ms. Alisha for the office of Director of the Company. It is considered advisable in the interest of the company to appoint her on the Board to avail of her valuable advice.

None of the Directors, Key Managerial Personnel and any of their relatives are interested in the resolution.

Your Board of Directors recommends the resolution for your approval.

### **Item No. 6**

Sh. Sandeep Jindal (DIN 01639743) is a commerce graduate promoter director of the company. He belongs to a reputed Industrialist family of this region. His expertise include project planning, financial planning, marketing intelligence and business strategy. His contributions are significant to the growth of the company. Sh. Sandeep Jindal was appointed as a Managing Director in the Annual General Meeting held on 30th September, 2013 for period of three years with effect from 1st October, 2013 and the said period expired on 30th September, 2016.

Considering the experience in managing affairs of the company, the Board of Directors on the recommendation and approval of the Nomination and Remuneration Committee reappointed Sh. Sandeep Jindal as Managing Director of the company for a period of five years with effect from 1st October, 2016 to 30th September, 2021 without any remuneration subject to the approval of the shareholders in the ensuing Annual General Meeting.

None of the Directors or Key Managerial Personnel or their relatives are concerned or interested in the resolution except Sh. Yash Paul Jindal, Sh. Ramesh Jindal, Sh. Rajinder Jindal, Sh. Aman Jindal and Sh. Sahil Jindal being the relatives of the appointee and are interested in this resolution.

This may be treated as the abstract of the terms and conditions for the appointment of the Managing Director in compliance of the provisions of Section 190 and other applicable provisions, if any, of the Companies Act, 2013.

Your Board of Directors recommends the resolution for your approval.

**BY ORDER OF THE BOARD  
FOR JINDAL COTEX LIMITED**

**PLACE : Ludhiana  
DATED: 13th August, 2016**

**(Sandeep Jindal)  
Managing Director  
Din: 01639743**



**Information pursuant to Corporate Governance Clause of the Listing Agreement/ SEBI (LODR) Regulations, 2015 regarding the Directors seeking appointment/re-appointment in the Annual General Meeting**

Name of the Director	Yash Paul Jindal	Sandeep Jindal	Alisha
Date of Birth	23.09.1955	02.03.1977	25.12.1989
Date of Appointment	10.12.1998	10.12.1998	22.06.2016
Expertise in specific functional area	38 years of Industrial experience	17 years of Industrial experience	4 years of Office experience
Qualification	Arts Graduate	Commerce Graduate	Arts Graduate
Directorship of other companies	"Jindal Cycles Private Limited "Jindal Medicot Limited "Jindal Specialty Textiles Limited "Jindal Holdings and Investment Limited "Leader Cycles Limited	"Jindal Medicot Limited "Jindal Specialty Textiles Limited "Himachal Textile Park Limited "Jindal Holdings and Investment Limited "Leader Cycles Limited "Jindal Info Media Pvt Ltd "Jindal International FZE "Jindal Cycles Private Limited	"Jindal Medicot Limited "Jindal Specialty Textiles Limited
Chairmanships/ Memberships of Committees of other companies	Nil	"Jindal Specialty Textiles Limited 1) Audit Committee Chairman 2) Nomination and Remuneration Committee Member	"Jindal Specialty Textiles Limited 1) Audit Committee Member 2) Nomination and Remuneration Committee Member
Number of shares held	2261918	314581	Nil
Relationship with other Directors	Related to Sh. Rajinder Jindal, Sh. Ramesh Jindal, Sh. Sandeep Jindal, Sh. Aman Jindal, and Sh. Sahil Jindal	Related to Sh. Rajinder Jindal, Sh. Ramesh Jindal, Sh. Yash Paul Jindal, Sh. Aman Jindal, and Sh. Sahil Jindal	Not related to any Director





## DIRECTOR'S REPORT

Dear Members,

The Directors of your Company have pleasure in presenting their 19th Annual Report on the affairs of the company together with Audited Annual Accounts for the financial year ended 31st March, 2016.

### Financial Results

(Rs. in lacs)

Particulars	2015-16	2014-15
Turnover & Other Income	370.35	11181.61
Profit Before Depreciation, Interest, & Tax (PBDIT)	(1917.92)	(13317.91)
Interest and Financial Expenses	2552.14	2458.51
Profit Before Depreciation & Tax (PBDT)	(4470.06)	(15776.42)
Depreciation	723.02	783.14
Profit Before Tax (PBT)	(5193.08)	(16559.56)
Less- Provision for Tax (Including Deferred Tax)	0.45	
Profit for the year (PAT)	(5193.53)	(16559.56)
Add - Surplus brought forward From previous Year		
Profit available for Appropriations	(5193.53)	(16559.56)
Appropriations		
Proposed Dividend	--	--
Bonus Shares Issued	--	--
Surplus Carried to Balance Sheet	(5193.53)	(16559.56)

Since the company is in financial crisis, your company could achieve total revenue of Rs. 3.70 Crores during the year under review as against Rs. 111.82 Crores in the previous year. The company has suffered a loss of Rs. 51.93 Crores as against loss of Rs. 165.59 Crores in the previous year which is primarily due to provision for Bad Debts, depreciation, finance cost and loss on diminution in value of investments. One of the manufacturing facilities of the company situated at VPO Jugiana, G.T. Road, Ludhiana remained closed due to financial crisis and other manufacturing facility at Village Mandiala Kalan, Bija was leased out. Since all the bank accounts of the company have become sub-standard over a period of time the banks have started recovery action against the Company. The company is, however, working on restructuring with bankers for the operation of these units.

### Dividend

Your directors do not recommend any dividend for the year under review.

### Management Discussion & Analysis Report

The Management Discussion and Analysis of financial conditions and results of operation of the company for the year under review is attached to this Report.

### Subsidiaries

The consolidated financial statements presented by the Company include financial information of its subsidiaries prepared in compliance with applicable Accounting Standards are attached to and form part of the Annual Report. Annual accounts of the subsidiary companies and the related detailed information will be made available to the shareholders of the holding and

subsidiary companies' seeking such information at any point of time.

Further, the annual accounts of the subsidiary companies will also be kept for inspection by any shareholders at the Registered Office of the holding company and that of the subsidiary companies concerned.

The company has the following subsidiaries:-

#### Jindal Specialty Textiles Ltd.

The company has set up facilities for the manufacture of technical textile products like banner fabrics, general tarpaulin, truck sidlers etc. at its project at Village Thathal, Tehsil Amb, District Una, Himachal Pradesh. The company has achieved sales turnover and other income of Rs. 68.89 Crores for the year under review as against of Rs. 55.20 Crores in the previous year.

#### Jindal Medicot Ltd.

The company has set up facilities for the manufacture of the technical textile products like cotton crepe bandage, absorbent cotton, cotton balls, pads, dental rolls etc. at its project at Village Thathal, Tehsil Amb, District Una, Himachal Pradesh. The company has achieved sales turnover and other income of Rs. 30.65 Crores as against of Rs. 30.21 Crores in the previous year.

#### Jindal International FZE

This is 100% subsidiary of our company set up in free zone in UAE. The company is engaged in the general trading activities.

#### Directors and Key Managerial Personnel

Mr. Balwinder Singh, Chief Financial Officer has resigned from the services of the company with effect from 20th May, 2016. Mr. Shiv Pal has been appointed as Chief Financial Officer with effect from 22nd June, 2016.

Pursuant to the provisions of Section 152(6) of the Companies Act, 2013 and Articles of Association of the company, Sh. Yash Paul Jindal (DIN 01923862) and Sh. Sandeep Jindal (DIN 01639743), will be retiring by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment. The Board has recommended their appointment to the members of the company at the ensuing Annual General Meeting.

During the year under review Mrs. Preeti Khanna and Ms. Nisha Rani, Independent directors of the company resigned from the Board. The Board wishes to place on record its deep sense of appreciation for the valuable contributions made by them to the Board and the company during their tenure as Director of the company.

During the year under review Ms. Alisha was appointed as additional director with effect from 22nd June, 2016 in the capacity of Independent Director in accordance with the provisions of the Companies Act, 2013 and listing guidelines.

The Independent director has declared that she meets





the criteria of independence in terms of section 149(6) of the Companies Act, 2013. Your directors recommend the appointment of the Independent Director on non-rotational basis as per the provisions of the Companies Act, 2013.

Sh. Yash Paul Jindal, Sh. Rajinder Jindal and Sh. Ramesh Jindal ceased to be Whole-time directors of the company w.e.f. 30th June, 2016. They, however, continue to be on the Board of the company as Non Executive Directors.

## Corporate Governance

A separate report on Corporate Governance is enclosed as a part of this Annual Report. A certificate from the Auditors of the Company regarding compliance with the Corporate Governance norms stipulated, is annexed to the Report on Corporate Governance.

## Board Evaluation

The Board carried out a formal annual performance evaluation of its own performance and that of its Committees and Individual Directors as required under the provisions of the Companies Act, 2013 and Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

## Separate Meeting of Independent Directors

The company's Independent Directors met on 14th March, 2016, without the attendance of Non-Independent Directors. All the Independent Directors were present at the meeting. The Independent Directors in its meeting reviewed the performance of Non-Independent Directors and the Board as a whole.

## Directors' Responsibility Statement

Pursuant to the provisions of section 134(5) of the Companies Act, 2013, with respect to Directors responsibility statement, the Directors hereby confirm that:-

- In the preparation of Annual Accounts the applicable Accounting Standards have been followed and that there are no material departures;
- They have selected such Accounting Policies and applied them consistently and made prudent judgments & estimates that are reasonable 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 loss of the company as on date;
- They have taken proper & sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act, for safeguarding the assets of the Company and for preventing & detecting the fraud and other irregularities;
- The Annual Accounts have been prepared on 'going concern basis'.
- They had laid down internal financial controls to

be followed by the company and that such internal financial controls are adequate and were operating effectively.

- They had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## Auditors

M/s. Raj Gupta & Co., Chartered Accountants, (Registration No. 000203N), have been appointed as Statutory Auditors of the company at the last Annual General Meeting held on 30th September, 2014 till the conclusion of the 21st Annual General Meeting subject to ratification by the members at every consequent Annual General Meeting. Therefore, ratification for the appointment of M/s. Raj Gupta & Co., Chartered Accountants, Statutory Auditors of the company is being sought from the members at the ensuing Annual General Meeting. The report of the auditors of the company is self explanatory and has been explained in notes to accounts and hence does not call for any further comments.

## Cost Audit

Pursuant to the provisions of section 148(3) of the Companies Act, 2013, the company has appointed M/s. Gurminder Chopra & Co., Cost Accountants as Cost Auditor of the company, for conducting audit of cost records in respect of manufacturing activities of the company for the financial year 2015-16. The Cost Audit Report for the year ended 31st March, 2016 will be submitted with Ministry of Corporate Affairs, Government of India.

## Secretarial Audit

According to the provisions of Section 204 of the Companies Act, 2013, your company has engaged the services of M/s. Reecha Goel & Associates, Company Secretaries, to conduct Secretarial Audit of the company for the financial year 2015-16 and Secretarial Audit Report for the financial year 2015-16 is attached and forms part of the annual report.

## Reference with Board for Industrial and Financial Reconstruction (BIFR)

The company has accumulated losses of Rs. 227.64 Crores as at 31.03.2016 and has eroded its peak level net worth by more than 50% and has become a potentially sick company. Reference under the provisions of Section 23 of Sick Industrial Company (Special Provisions) Act, 1985 (SICA) has been generated on 22nd January, 2016.

## Energy Conservation, Technology Absorption & Foreign Exchange

Information required under section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 as regard disclosure of particulars of conservation of energy, technology



absorption and foreign exchange earnings and outgo is annexed hereto and forms part of this report.

## Fixed Deposits

During the year under review, your company has not accepted any fresh fixed deposits from the public. Due to severe financial constraints, the company could fulfill its obligation in part for the repayment of fixed deposits, which has become due for repayment after the time extended by the Hon'ble Company Law Board, New Delhi.

## Particulars of Employees

No employee is covered under the provisions of section 197 (12) of the Companies Act, 2013 read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial personnel) Rules, 2014.

## Corporate Social Responsibility (CSR):

During the year under review, the company was not required to spend any amount on Corporate Social Responsibility activities as required under section 135 and Schedule VII of the Companies Act, 2013, as the company had incurred losses during the three immediately preceding financial years.

## Vigil Mechanism

In pursuant to the provisions of section 177(9) & (10) of the Companies Act, 2013, a Vigil Mechanism for directors and employees to report genuine concerns has been established. The Vigil Mechanism Policy has been uploaded on the website of the company at [www.jindalcotex.com](http://www.jindalcotex.com).

## Related Party Transactions

The Related Party Transactions made during the financial year 2015-16 were on arm's length basis and in the ordinary course of business. There were no materially significant related party transactions with the company's Promoters, Directors, Key Managerial Personnel or their relatives, which could have a potential conflict with the interest of the company. The Related Party Transactions has been reported and annexed hereto in this annual report.

## Extract of Annual Return

As required pursuant to section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of annual return in MGT 9 is forming a part of this Annual Report.

## Particulars of Loans, Guarantees or Investments

Details of Loans, Guarantees and Investments covered under the provisions of section 186 of the Companies Act, 2013 are given in the notes to financial statements annexed hereto in this annual report.

## Remuneration of the Directors/ Key Managerial Personnel (KMP)/ Employees:

The information required pursuant to section 197 read

with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 Companies (Particulars of Employees) Rules, 1975 in respect of employees of the company and Directors is furnished as under:

S. No.	Name	Designation	Remuneration paid FY 2015-16	Remuneration paid FY 2014-15	Increase in remuneration from previous year
1	Sandeep Jindal	MD	4,50,000	3,00,000	1,50,000
2	Yash Paul Jindal	WTD	6,00,000	–	6,00,000
3	Anil Kumar	CS	5,55,660	5,38,680	16,980
4	Balwinder Singh	CFO	1,20,000	1,20,000	–

## Risk Management Policy

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. The policy of the company on risk management is provided elsewhere in this Annual Report in Management Discussion and Analysis.

## Associates Companies

Pursuant to section 129(3) of the Companies Act, 2013 a statement containing silent features of financial statement of Associates companies in Form AOC-1 is annexed with financial statements.

## Industrial Relations

Industrial relations remained cordial throughout the year and the Directors express their appreciation towards the workmen for their co-operation and hope for continued cordial relations in the years to come.

## Acknowledgement

Your Directors would like to express their grateful appreciation for the assistance and co-operation received from Bankers, Government Departments, Shareholders and other Business Associates for their continued and valuable co-operation & support extended to the company.

We take this opportunity to place on record our warm appreciation for the employees at all levels for their dedicated services and valuable contributions towards the growth of the Company.

FOR AND ON BEHALF OF THE BOARD  
JINDAL COTEX LIMITED

(Yash Paul Jindal)

Director

DIN: 01923862

(Sandeep Jindal)

Managing Director

DIN: 01639743

PLACE: Ludhiana

DATED: 13th August, 2016

**ANNEXURE TO THE DIRECTORS' REPORT**

Information as per Companies (Disclosure of Particulars in Report of Board of Directors) Rules, 1988 and forming part of the Directors' Report for the year ended 31st March, 2016:-

**I. CONSERVATION OF ENERGY****FORM A**

	PARTICULARS	UNIT	2015-16	2014-15
<b>A</b>	<b>POWER &amp; FUEL CONSUMPTION</b>			
	a) Electricity purchased			
	Units	KWH in lacs	--	192.49
	Amount	Rs. In lacs	--	1625.97
	Rate per unit	Rs. Per unit	--	8.44
	b) Own generation			
	Through Diesel Generator	KWH In lacs	--	0.91
	Units per litre	Units	--	3.06
	Cost of Diesel/LDO	Rs. In lacs	--	16.18
	Rate per unit	Rs. Per unit	--	17.77
<b>B.</b>	<b>CONSUMPTION PER UNIT OF PRODUCTION</b>			
	Synthetic and Cotton Yarn	KWH/Kg	--	4.00

**II. TECHNOLOGY ABSORPTION**

Efforts made in Technology Absorption are furnished as per Form B of the Annexure to the Rules are as under:-

**A) RESEARCH AND DEVELOPMENT (R&D)**

- a) Specific areas in which Research & Development is carried out by the company  
Research & Development is carried out for improvement in the production process, appraisal of alternative raw materials and quality of existing products.
- b) Benefits derived as a result of above R&D  
The company has been continuously improving the quality of its existing products and also been able to reduce the cost of production.
- c) Future Plan of Action  
1 Increase in Productivity  
2 Reduction in operational costs
- d) Expenditure on R&D : Nil

**B) TECHNOLOGY ABSORPTION, ADAPTION AND INNOVATION****a) Efforts made**

The company is making efforts for adaption of latest technology in all its units, optimization of processes and efficient utilization of inputs on-going basis.

**b) Particulars of technology imported in the last five years**

- a) Technology Imported Nil
- b) Year of Import N.A.
- c) Has the technology been fully absorbed N.A

**III. FOREIGN EXCHANGE EARNINGS AND OUTGO****(Rs. in Lacs)**

S. No.	PARTICULARS	2015-16	2014-15
<b>A)</b>	<b>Foreign Exchange Earning</b>		
	FOB Value of Exports	--	--
	Interest and Dividend	--	--
<b>B)</b>	<b>Foreign Exchange Outgo</b>		
	Raw Material	--	--
	Capital Goods and Advances	--	--
	Stores & Spares	--	--
	Foreign Travelling Expenses	--	--
	Interest on Foreign currency loans	--	--



## MANAGEMENT DISCUSSION & ANALYSIS REPORT

The Management discussion and Analysis Report, is a reflection of the current state of business of the company. It also deals with opportunities and challenges faced by your company and future outlook.

### Industry structure & Outlook

The past year has been a challenging year for the Textile Industry with lots of ups and downs. In spite of the above, the industry has been able to maintain its steady performance during the year under review. Textile Industry has played a key role in the country's progress over the years and the situation is likely to gain momentum in the times ahead. The Industry continues to hold a dominant position in country's economic structure because of its huge contribution towards employment generation.

Indian Textile Industry continues to face stiff competition from China, Bangladesh, Sri Lanka and other emerging economies. The relative competitiveness of Industry is dependent upon the raw cotton prices, exchange rates and prevalent interest rates regime.

### Financial Analysis and Review of operations

(On standalone basis):

#### Product wise performance

Particulars	Year ended March 31, 2016			Year ended March 31, 2015		
	Qty in MT	Sales Amount (Rs. in lacs)	As % to Total Sales	Qty in MT	Sales Amount (Rs. in lacs)	As % to Total Sales
<b>Textiles</b>						
Acrylic Yarn	--	--	--	1510.72	3431.64	30.72
Polyester Yarn	--	--	--	180.45	306.45	2.74
Blended Yarns	--	--	--	704.68	1209.88	10.83
100% Cotton Yarn	--	--	--	2013.91	4400.48	39.39
Knitted Cloth	7.10	255.47	84.57	376.50	1591.65	14.25
Fibre and others	--	--	--	308.34	175.51	1.57
<b>Total (A)</b>	<b>7.10</b>	<b>255.47</b>	<b>84.57</b>	<b>5094.60</b>	<b>11115.61</b>	<b>99.50</b>
<b>Wind Mill</b>						
Elect. Sales	--	46.60	15.43	-	55.41	0.50
<b>Total (B)</b>	<b>--</b>	<b>46.60</b>	<b>15.43</b>	<b>--</b>	<b>55.41</b>	<b>0.50</b>
<b>Total (A+B)</b>	<b>7.10</b>	<b>302.07</b>	<b>100.00</b>	<b>5094.60</b>	<b>11171.02</b>	<b>100</b>

### Financial Analysis

#### Revenue Break – up:

(Rs. in lacs)

Particulars	2015-16	% to Total Income	2014-15	% to Total Income
Sales	302.07	81.56	11171.02	99.90
Other Income	68.28	18.44	10.59	0.10
<b>Total Income</b>	<b>370.35</b>	<b>100.00</b>	<b>11181.61</b>	<b>100</b>

Since the one of the manufacturing facilities of the company are closed and other is on lease, the net turnover has decreased substantially to Rs. 302.07 lacs in the year 2015-16 as against Rs. 11171.02 lacs in the previous year.

### Profitability/Losses

(Rs. in lacs)

Particulars	2015- 16	% of turnover	2014- 15	% of turnover
Profit/losses before depreciation, interest and tax	(1917.92)	(634.92)	(13317.91)	(119.22)
Interest	2552.14	844.88	2458.51	22.00
Profit/losses before Depreciation	(4470.06)	(1479.81)	(15776.42)	(141.23)
Depreciation	723.02	239.35	783.14	7.01
Profit/losses before tax	(5193.08)	(1719.16)	(16559.56)	(148.24)
Tax (Previous year)	0.45	0.15	--	--
Profit/losses after Tax	(5193.53)	(1719.31)	(16559.56)	(148.24)

**Resource Utilization****a) Fixed Assets**

The gross fixed assets as at 31st March, 2016 are Rs. 15936.68 lacs as compared to Rs. 15701.35 lacs in the previous year. The net fixed assets (including work - in - progress & capital advances) as on 31st March, 2016 are Rs. 12126.03 lacs as compared to Rs. 12904.74 lacs in the previous year.

**b) Investments**

The Company has made investments (net of provision) in its subsidiaries to the tune of Rs. 122.89 lacs by way of equity capital.

**c) Current Assets**

Sundry debtors (Net of Provision) of the Company are Rs. 821.83 lacs in the year 2015-16 as against Rs. 2024.71 lacs in the previous year. Inventory level is at Rs. 491.40 lacs in the year 2015-16 as against Rs. 229.36 lacs in the previous year. Cash and cash equivalents decreased from Rs. 317.08 lacs in the year 2014-15 to Rs. 16.17 lacs in the year 2015-16.

**Risk and Concerns**

Government policies are critical to the success of the Textile Industry. Further, increase in the power cost, raw materials prices and non availability of skilled labour has become hindrance in the long term sustain ability of the textile industry. Moreover, depreciation of Indian rupee against US dollar has serious impact on textile industry.

In spite of the above mentioned facts, we are of the firmed opinion that the future of the Textile Industry is quite promising. We hope that with the recoveries in economies of U.S.A and European Union will propel the growth of the Textile Industry

**Adequacy of Internal Control Systems**

The Company has a benefit of Internal control systems developed over years which ensured that all transactions are satisfactorily recorded and reported and all assets are protected against loss from an unauthorized use or otherwise. The Internal control system is adequate and commensurate with the nature of its business and size of its operations, though continues efforts are being made to strengthening the same. The management also reviews the internal control systems and procedures to ensure its application.

**Material Development in terms of Human Resources**

Human Resources are considered to be a form of capital and wealth of the company. It has been the focus of the management to improve and expand the contribution of its human resources towards attainment of organizational goals and values.

**Cautionary Statement**

Statements made herein on Management Discussion & Analysis, describing the Company's expectations or predictions are "forward-looking statements", considering the applicable laws and regulations. Theses statements are based on certain assumptions and expectation of future events. 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 cost, Government policies/regulations, economic conditions, and other incidental factors.



## CORPORATE GOVERNANCE REPORT

As required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

### 1. Company's Philosophy on the Code of Governance

The company aims at not only its own growth but also maximization of benefits to the shareholders, employees, customers, Government and also the general public at large. For this purpose the company continuously strives to improve its level of overall efficiency through good corporate governance which, envisages transparency, professionalism and accountability in all its operations.

### 2. Board of Directors

#### a) Composition

The Board of Directors of your company has an optimum combination of executive and non executive directors having rich knowledge and experience in Industry & other sectors for providing strategic guidance and direction to the company.

At Present, the company has nine Directors (including Woman Director) on its Board with Non Executive Independent Director as Chairman of the company. The number of Non-Executive Independent Directors are three. The Independent Directors are professionals in their field and possess background of financial and legal. During the year, there was no pecuniary relationship or business transaction with Independent directors with the company. Besides independent directors, there is one Executive Director and five Non-Executive Directors on the Board and all of them are capable in handling diverse nature of business of the Company. The composition of the Board is in conformity with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

#### b) Meetings of Board and its Committees

Meetings of Board and its committee were held as and when required. During the year, under review, the Board of Directors met 11 (Eleven) times on 08.04.2015, 15.05.2015, 30.05.2015, 30.06.2015, 14.08.2015, 01.09.2015, 14.09.2015, 14.11.2015, 05.01.2016, 30.01.2016 and 13.02.2016.

Name of Directors	Designation	Category	No. of Board Meeting Attended	Attendance at last AGM	No. of directorship of other Indian public limited companies	No. of chairmanship/ membership of committees in other Companies
Sh. Sandeep Jindal	Managing Director	Promoter Executive	10	Yes	5	2
Sh. Yash Paul Jindal	Director	Promoter, Non-Executive	11	Yes	4	Nil
Sh. Ramesh Jindal	Director	Promoter, Non-Executive	11	Yes	5	Nil
Sh. Rajinder Jindal	Director	Promoter, Non-Executive	11	Yes	5	Nil
Sh. Aman Jindal	Director	Promoter, Non-Executive	11	Yes	5	Nil
Sh. Sahil Jindal	Director	Promoter, Non-Executive	11	Yes	5	Nil
Sh. Rajesh Khanna	Director	Non-Executive, Independent	11	Yes	Nil	Nil
Sh. Anil Kumar	Director	Non-Executive, Independent	3	No	Nil	Nil
Smt. Preeti Khanna*	Director	Non-Executive, Independent	2	No	Nil	Nil
Ms. Nisha Rani #	Director	Non-Executive, Independent	1	No	2	2

The names, categories of the Directors on the Board, their attendance at the board meeting during the year and the last Annual General Meeting, and also the number of directorships and Committee membership held by them in other companies are as per details given below:-

\*Ceased as Independent Director w.e.f. 5th January, 2016

# Appointed as additional director in the category of Independent directors w.e.f. 5th January, 2016





**c) Code of Conduct:**

The Company has laid down a Code of Conduct for all Board members and senior management of the company. The code has been circulated to all the members of the Board and senior management and they have affirmed the compliance with the code of conduct. A declaration to this effect signed by the Managing Director forms part of the annual report.

**d) Promoters/Directors Shareholding as on 31st March, 2016 :-**

Name of Directors	No. of Shares	% of total Equity Capital
Sh. Yash Paul Jindal	2261918	5.026
Sh. Sandeep Jindal	314581	0.699
Sh. Ramesh Jindal	2747816	6.105
Sh. Rajinder Jindal	2607052	5.793
Sh. Aman Jindal	844050	1.875
Sh. Sahil Jindal	810000	1.799

None of other director holds any share in the equity share capital of the company.

**3. Others Committees at Board level**

**(A) Audit Committee**

The Audit Committee of the company comprises of the following members namely Sh. Rajesh Khanna, Sh. Sandeep Jindal and Sh. Anil Kumar. All members of audit committee have wide exposure and posses sound knowledge in the field of accounts, finance, audit etc. Sh. Rajesh Khanna is the Chairman of the Audit Committee. The terms of reference of the Audit Committee cover all the matters specified under Listing regulations and section 177 of the Companies Act, 2013. During the year 2015-16, the audit committee met on four occasions. The minutes of audit committee meetings were placed before the Board of Directors in the subsequent board meetings.

The attendance of the members of the audit committee is mentioned below:-

Name of Director	Category	No. of Meetings held & attended
Sh. Rajesh Khanna	Non Executive and Independent Director	4
Sh. Sandeep Jindal	Executive Director	4
Sh. Anil Kumar	Non Executive and Independent Director	4

**(B) Nomination and Remuneration Committee**

During the year under review, the Nomination and Remuneration Committee was reconstituted consequent upon the resignation given by Smt. Preeti Khanna. The reconstituted Nomination and Remuneration Committee comprises of the following Directors namely Sh. Rajesh Khanna, Sh. Anil Kumar and Ms. Nisha Rani. Sh. Anil Kumar is the Chairman of the said Committee. The Nomination and Remuneration Committee met one time during the year.

The terms of reference of Nomination and Remuneration Committee include the followings:-

To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and to recommend to the Board their appointment and/ or removal.

To carry out evaluation of every Director's performance.

To formulate 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.

To recommend/review remuneration of the Managing Director(s) and Whole-time Director(s) based on their performance.

**(C) Corporate Social Responsibility Committee**

Due to the average net profit for the last three years being negative, the company has not spend any amount on social activities during the year under review.

**(D) Stakeholders Relationship Committee**

The Stakeholders Relationship Committee comprises of the following Directors namely Sh. Rajesh Khanna, Sh. Sandeep Jindal and Sh Anil Kumar. Sh. Rajesh Khanna is the Chairman and Sh. Anil Kumar, Company Secretary is the compliance officer of the said committee.



The Stakeholders Relationship Committee specifically looks into the redressal of shareholders/investor's complaints, if any, on non-receipt of annual report, dividend payments etc. and also matters related to share transfer, issue of duplicate share certificate, dematerializations etc.. During the year, under review, The Stakeholders Relationship Committee met on four occasions.

## (E) Risk Management Committee

The Risk Management Committee comprises of the following Directors namely Sh. Sandeep Jindal and Sh. Rajesh Khanna. The Risk Management Committee ensure that the company has an appropriate and effective risk management system with appropriate policies, which carries out risk assessment and ensures that risk mitigation plans are in place at regulars interval.

## 4. Annual General Meetings

The details of the last three annual general meetings are given as follows:-

Date & time	Year	Venue	No. of Special Resolution Passed
30.09.2015 at 10.00 A.M.	2014-15	Regd. Office: V.P.O. Jugiana, G.T. Road, Ludhiana	Nil
30.09.2014 at 10.00 A.M.	2013-14		3
30.09.2013 at 10.00 A.M.	2012-13		1

The company has not passed any resolution through postal ballot during the last Annual General Meeting held on 30th September, 2015.

## 5. Disclosures:

### a. Subsidiaries Companies

- The Audit Committee of the Company reviews the financial statements of subsidiary companies and in particular the project expenditure made by subsidiary companies.
- The minutes of Board meeting of subsidiary companies are periodically placed before the Board of the company. The Board is periodically informed about all the significant transactions and arrangements entered into by the subsidiaries companies.

### b. Related Party transaction

All the related parties transactions entered during the year were as per the provisions of the Companies Act, 2013 and under Listing Regulations are at arm's length basis. The details of Related Party transactions are given in Note No. 29 of the Audited Accounts of the company for the year ended 31st March, 2016. There were no material transactions during the year 2015-16 that are prejudicial to the interest of the company.

### c. Disclosure of Accounting Treatment

The company has followed the guidelines of accounting standards laid down by the Institute of Chartered Accountants of India (ICAI) referred in section 133 of the Companies Act, 2013 in the preparation of financial statements.

### d. Detailed Management Discussion and analysis Report have been included in this Annual Report.

### e. The company has complied with all the mandatory requirements of SEBI (LODR) Regulations, 2015 relating to Corporate Governance.

## 6. Statutory Compliance, Penalties and Strictures :

The Company has complied with statutory compliance and no penalty or stricture is imposed on the company by the Stock Exchanges or SEBI or any other statutory authority on any matter related to the capital markets during the last year.

## 7. Means of Communication:

The quarterly/annual results of the company have been forwarded to the listed Stock Exchanges and also published in daily newspapers viz English Newspaper 'Financial Express' and Punjabi newspaper 'Desh Sewak'. The results of the company are also made available at the website of the company [www.jindalcotex.com](http://www.jindalcotex.com).

## 8. General Shareholders information:

### a. 19<sup>th</sup> Annual General Meeting

Date : Friday, 30<sup>th</sup> September, 2016  
Time : 9.00 A.M.  
Place : V.P.O. Jugiana, G.T. Road, Ludhiana

### b. Financial Year : 1st April to 31st March



- c. Listed on stock :** BSE Limited  
**Exchanges** Phiroze JeeJee Bhoy Tower, Dalal Street, Mumbai – 400 001  
National Stock Exchange of India Limited,  
Exchange Plaza, Bandra Kurla Complex,  
Bandra (East), Mumbai – 400 051  
(Annual Listing fees of both the Stock Exchange i.e. BSE Limited and National Stock Exchange of India Limited was not Paid)
- d. Stock Code**  
BSE : 533103  
NSE : JINDCOT
- e. ISIN No:-**  
NSDL : INE904J01016  
CDSL : INE904J01016
- f. Market Price Data:**  
The month wise highest and lowest and closing share prices of the company from vis – a – vis BSE Sensex during the year from April, 2015 to March, 2016 is given below:-

Month	Share Price of Jindal Cotex Ltd				BSE Sensex			
	High	Low	Closing	% change last month's closing	High	Low	Closing	% change over last month's closing
April, 2015	10.86	8.00	8.90	8.27	29,094.61	26,897.54	27,011.31	(3.38)
May, 2015	9.37	7.55	8.15	(8.43)	28,071.16	26,423.99	27,828.44	3.02
June, 2015	8.10	6.00	6.72	(17.55)	27,968.75	26,307.07	27,780.83	(0.17)
July, 2015	10.15	6.50	8.21	22.17	28,578.33	27,416.39	28,114.56	1.20
August, 2015	9.53	5.73	6.99	(14.86)	28,417.59	25,298.42	26,283.09	(6.51)
September, 2015	6.96	5.57	6.15	(12.02)	26,471.82	24,833.54	26,154.83	(0.49)
October, 2015	7.00	5.75	6.22	1.14	27,618.14	26,168.71	26,656.83	1.92
November, 2015	6.50	5.61	6.32	1.61	26,824.30	25,451.42	26,145.67	(1.92)
December, 2015	11.45	6.05	11.00	74.05	26,256.42	24,867.73	26,117.54	(0.11)
January, 2016	14.25	9.10	10.12	(8.00)	26,116.52	23,839.76	24,870.69	(4.77)
February, 2016	11.99	7.86	9.07	(10.38)	25,002.32	22,494.61	23,002.00	(7.51)
March, 2016	11.49	7.50	8.40	(7.39)	25,479.62	23,133.18	25,341.86	10.17

- g. Share Transfer System:**
- The company has appointed M/s. Bigshare Services Private Limited, RTA, E/2 Ansa Industrial Estate, Saki Vihar Road, Sakinaka Andheri (E), Mumbai - 72 as the Registrar and transfer agent for the Equity shares of the Company to provide services in both physical and electronic mode.
  - The Stakeholders Relationship Committee deals with various matters relating to share transfer through transfer agent of the Company. As per the arrangement with Transfer Agents, the list of valid transfers prepared by them in respect of share transfer cases and objections, if any, is placed before the Stakeholders Relationship Committee of the company.
  - As stipulated by the Securities and Exchange Board of India (SEBI), a qualified practicing Company Secretary carries out Reconciliation of Share Capital Audit. This audit is carried out every quarter and the report thereon is submitted to the Stock Exchanges and is also placed before the Board of Directors.
- h. Distribution Schedule as on 31/03/2016:**

No. of Shares	No. of Shareholders	% to total Shareholders	No. of Shares held	% to total share held
Upto 500	5,724	72.52	876,613	1.95
501-1000	893	11.31	756,900	1.68
1001-2000	496	6.28	789,221	1.75
2001-3000	224	2.84	581,592	1.29
3001-4000	108	1.37	397,572	0.88
4001-5000	82	1.04	391,073	0.87
5001-10000	164	2.08	1,238,519	2.75
Above 10000	202	2.56	39,971,650	88.82
<b>Total</b>	<b>7,893</b>	<b>100</b>	<b>45,003,140</b>	<b>100</b>



## I. Shareholding Pattern as on 31/03/2016

Category	No. of Shares held	% to total paid up Share capital
Promoter and Promoter Group	9,604,399	21.34
Foreign Institutions Investors	13,390,600	29.75
Bodies Corporate	6,622,629	14.72
Clearing Member	1,514,988	3.37
NRI	201,887	0.45
Public (Individual)	13,668,637	30.37
<b>TOTAL</b>	<b>45,003,140</b>	<b>100</b>

### j. Dematerialization of Shares and Liquidity:

As on 31st March, 2016, 100% of the equity capital was in dematerialized form with NSDL and CDSL. The shares of the company are traded on BSE Limited and National Stock Exchange of India Limited and have good liquidity.

### k. Outstanding GDRs/ ADRs/any other convertibles Instruments:

The entire GDRs issued on 30th June, 2010 has been converted into equity shares. Further, the company has not issued any GDRs/ADRs during the year.

### l. Plant Locations:-

- |  |   |
|--|---|
| i. VPO Jugiana, Ludhiana<br>(Punjab)                               | ii. Village Mandiala Kalan, Bija,<br>(Punjab) |
| iii. Wind Mill - J - 289, Village Pithla,<br>Jaisalmer (Rajasthan) |   |

### Plant Location of subsidiaries:-

- |  |   |
|--|---|
| Jindal Medicot Limited<br>VPO Thathal, Tehsil Amb,<br>District Una, Himachal Pradesh | Jindal Specialty Textiles Limited<br>VPO Thathal, Tehsil Amb,<br>District Una, Himachal Pradesh |
|--|---|

### m. Corporate and Registered Office:

V.P.O. Jugiana, G.T. Road,  
Ludhiana - 141017  
Tel. No. 0161 - 6603555  
Fax No. 0161- 2511843  
CIN NO: L17115PB1998PLC021084  
Email ID: cs@jindalcotex.com  
Website: www.jindalcotex.com

### n. Registrar and Transfer Agent:

Bigshare Services Private Limited  
E/2, Ansa Industrial Estate,  
Saki Vihar Road, Sakinaka  
Andheri (E), Mumbai - 72,  
Fax: 022- 28475207,  
Tel. No. : 022-28470652, 022-40430200  
Email :info@bigshareonline.com

### o. Compliance Officer:

Mr. Anil Kumar,  
Company Secretary  
Email ID: cs@jindalcotex.com

**AUDITORS' CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE**

To  
The Members of  
Jindal Cotex Limited,

We have examined the compliance of the conditions of Corporate Governance by Jindal Cotex Limited for the year ended on 31st March, 2016 as stipulated in Regulations 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

In our opinion and to the best of our information and according to the explanations given to us and based on the representation made by the Directors and Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

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

**FOR RAJ GUPTA & CO.**  
**Chartered Accountants,**  
**Firm Regn. No. : 000203N**

**Date: 13th August, 2016**  
**Place: Ludhiana**

**(Raj Gupta)**  
**Partner**  
**M. No. 017039**

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**DECLARATION ON COMPLIANCE OF THE COMPANY'S CODE OF CONDUCT BY MANAGING DIRECTOR**

The Company has a specific Code of Conduct for the members of the Board of Directors and the Senior Management Personnel of the Company in terms of Regulation 17(5) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 to further strengthen corporate governance practices of the Company.

All the members of the Board and Senior Management Personnel of the Company have affirmed due observance of the said Code of Conduct in so far as it is applicable to them.

**Date: 13th August, 2016**  
**Place: Ludhiana**

**(Sandeep Jindal)**  
**Managing Director**  
**DIN: 01639743**



## EXTRACT OF ANNUAL RETURN FORM MGT-9

(Pursuant to section 92(3) of the Companies Act, 2013 and Rule 12(1) of the company (Management & Administration) Rules, 2014)

### 1. Registration & other details:

S. No.	Particulars	Details
i	CIN	: L17115PB1998PLC021084
ii	Registration Date	: 18-02-1998
iii	Name of the company	: M/s Jindal Cotex Limited
iv	Category/sub-category of the company	: Company limited by shares
v	Address of the Registered office & contact details	: VPO Jugiana, G. T. Road, Ludhiana (Pb) -141017 cs@jindalcotex.com Ph : 0161-6603555, Fax : 0161-2511843
vi	Whether listed company	: Yes
vii	Name, Address & contact details of the registrar & transfer agent, if any	: Bigshare Services Private Limited, E/2, Ansa industrial Area, Saki Vihar Road, Sakinaka Andheri (E), Mumbai

### II. Principal business activities of the company:

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

S. No.	Name & Description of main products/services	NIC code of the product/service	% to total turnover of the company
I	Textile	113-Spinning, weaving and finishing to textiles	85%

### III. Particulars of Holding, Subsidiary and Associate Companies:

S. No.	Name of the company	Address of the company	CIN	Holding / Subsidiary/ Associate Company	% of shares held
1	Jindal Medicot Limited	VPO Jugiana, G. T. Road, Ludhiana (Pb)	U17100PB2008PLC031964	Subsidiary	51.35
2	Jindal Specialty Textiles Limited	VPO Jugiana, G. T. Road, Ludhiana (Pb)	U17100PB2008PLC031968	WOS	100
3	Himachal Textile Park Limited	Upmahal, Ramnagar, VPO Thathal, Tehsil Amb, District Una, H.P.	U74990HP2009PLC031264	Associates	23.29
4	Jindal International FZE	Jebel Ali Free Zone, Post Box - 261943 Dubai (U.A.E.)	--	WOS	100

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

#### (I) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>(A) Promoter and Promoter Group</b>									
<b>1. Indian</b>									
(a) Individual/HUF	9606899	-	9606899	21.35	9604399	-	9604399	21.34	(0.01)
(b) Central Government	-	-	-	-	-	-	-	-	-
(c) State Government	-	-	-	-	-	-	-	-	-
(d) Bodies Corporate	1100000	-	1100000	2.44	-	-	-	-	(2.44)
(e) FI/Banks	-	-	-	-	-	-	-	-	-
(f) Any other	-	-	-	-	-	-	-	-	-
<b>Sub Total(A)(1)</b>	<b>10706899</b>	<b>-</b>	<b>10706899</b>	<b>23.79</b>	<b>9604399</b>	<b>-</b>	<b>9604399</b>	<b>21.34</b>	<b>(2.45)</b>





(2) Foreign									
(a) Individual/HUF	-	-	-	-	-	-	-	-	-
(b) Central Government	-	-	-	-	-	-	-	-	-
(c) State Government	-	-	-	-	-	-	-	-	-
(d) Bodies Corporate	-	-	-	-	-	-	-	-	-
(e) FI/Banks	-	-	-	-	-	-	-	-	-
(f) Any other	-	-	-	-	-	-	-	-	-
Sub Total (A)(2)	-	-	-	-	-	-	-	-	-
<b>Total Shareholding of Promoter (A)= (A)(1)+(A)(2)</b>	<b>10706899</b>	<b>-</b>	<b>10706899</b>	<b>23.79</b>	<b>9604399</b>	<b>-</b>	<b>9604399</b>	<b>21.34</b>	<b>(2.45)</b>
<b>B Public Shareholding</b>									
1. Institutions									
a) Mutual Funds/ UTI	-	-	-	-	-	-	-	-	-
b) FI / Banks	-	-	-	-	-	-	-	-	-
c) Central Government	-	-	-	-	-	-	-	-	-
d) State Government	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) Foreign Institutional Investors	13390600	-	13390600	29.75	13390600	-	13390600	29.75	-
h) Foreign Venture Capital Investors	-	-	-	-	-	-	-	-	-
i) Qualified Foreign Investor	-	-	-	-	-	-	-	-	-
j) Any Other (specify)	-	-	-	-	-	-	-	-	-
Sub-Total (B)(1)	13390600	-	13390600	29.75	13390600	-	13390600	29.75	-
2. Non- Institutions									
a) Bodies Corporate	8357782	-	8357782	18.57	6622629	-	6622629	14.72	(3.85)
b) Individuals									
Individuals - i.									
Individual shareholders holding nominal share Capital up to Rs 1 lakh	4611894	5	4611899	10.25	4638892	5	4638897	10.31	0.06
ii. Individual shareholders holding nominal share Capital in excess of Rs. 1 lakh.	7652366	-	7652366	17.01	9018644	-	9018644	20.04	3.03
c) Qualified Foreign Investor	-	-	-	-	-	-	-	-	-
d)									
i) Clearing Member	159301	-	159301	0.35	1514988	-	1514988	3.37	30.2
ii) Employee	-	-	-	-	-	-	-	-	-
iii) Trust	-	-	-	-	-	-	-	-	-
iv) Foreign Nationals									
v) Non resident Indian (NRI)	113197	-	113197	0.25	201887	-	201887	0.45	0.20
vi) Non resident Indian (Repat)	-	-	-	-	-	-	-	-	-
vii) Non resident Indian (Non Repat)	-	-	-	-	-	-	-	-	-
viii) Overseas Bodies Corporates	11096	-	11096	0.02	11096	-	11096	0.02	-
<b>Sub-Total (B)(2)</b>	<b>20905636</b>	<b>5</b>	<b>20905641</b>	<b>46.45</b>	<b>22008141</b>	<b>5</b>	<b>22008146</b>	<b>48.91</b>	<b>2.46</b>
<b>Total Public Shareholding (B)= (B)(1)+(B)(2)</b>	<b>34296236</b>	<b>5</b>	<b>34296241</b>	<b>76.21</b>	<b>35398741</b>	<b>5</b>	<b>35398746</b>	<b>78.66</b>	<b>2.45</b>
<b>TOTAL (A)+(B)</b>	<b>45003135</b>	<b>5</b>	<b>45003140</b>	<b>100</b>	<b>45003135</b>	<b>5</b>	<b>45003140</b>	<b>100</b>	<b>-</b>
C Shares held by Custodians for GDRs									
i) Promoter and Promoter Group	-	-	-	-	-	-	-	-	-
ii) Public	-	-	-	-	-	-	-	-	-
<b>Grand Total (A)+(B)+(C)</b>	<b>45003135</b>	<b>5</b>	<b>45003140</b>	<b>100</b>	<b>45003135</b>	<b>5</b>	<b>45003140</b>	<b>100</b>	<b>-</b>



## (ii) SHAREHOLDING OF PROMOTERS

SN	Shareholder's Name	Shareholding at the beginning of the Year			Shareholding at the end of year			% Change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbers to total share	No. of Shares	% of total Shares of the Company	% of Shares Pledged/ encumbered to total Shares	
1	Ramesh Kumar Jindal	2747816	6.11	5.86	2747816	6.11	5.86	0.00
2	Rajinder Kumar Jindal	2607052	5.79	5.75	2607052	5.79	5.75	0.00
3	Yash Paul Jindal	2261918	5.02	4.69	2261918	5.02	4.69	0.00
4	Sandeep Jindal	314581	0.70	0.70	314581	0.70	0.33	0.00
5	Aman Jindal	844050	1.88	1.88	844050	1.88	1.88	0.00
6	Sahil Jindal	810000	1.80	1.80	810000	1.80	1.80	0.00
7	Jagdish Rai Jindal	16946	0.04	0.00	16946	0.04	0.00	0.04
8	Vidyawati Jindal	4050	0.01	0.00	1550	0.00	0.00	(0.01)
9	Santosh Jindal	162	0.00	0.00	162	0.00	0.00	0.00
10	Geeta Jindal	162	0.00	0.00	162	0.00	0.00	0.00
11	Reen Prabha Jindal	162	0.00	0.00	162	0.00	0.00	0.00
12	Jindal Holdings and Investment Limited*	1100000	2.44	2.44	-	-	-	(2.44)
	<b>TOTAL</b>	<b>10706899</b>	<b>23.79</b>	<b>22.75</b>	<b>9604399</b>	<b>21.34</b>	<b>20.31</b>	<b>(2.45)</b>

Note: \*These shares are pledged to Inventure Finance Limited and lying in their pool account not sell by them.

## (iii) Change in Promoter's Shareholding(Please specify if there is no change)

S No.	Particular	No. of shares held at the beginning of the year		No. of shares held at the end of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	<b>At the beginning of the year</b>	10706899*	23.79		
	Date wise increase / decrease in Promoter's Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc.)				
	06.04.2016*	2500	0.01	9604399	21.34
	<b>At the end of the year</b>			9604399	21.34
	* On 06.04.2016 shares sold by Smt. Vidyawanti Jindal				
	<b>Note:</b>				
	* The shares of Jindal Holdings and Investment Limited are pledged to Inventure Finance Private Limited and lying in their pool account not sell by them.				



(iv) **SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS (Other than Directors, Promoters and holder of GDRs)**

S.No	Name	Shareholding		Date	Increase/ Decrease in shareholding	Reason	Cumulative shareholding during the year (01.04.2015 to (31.03.2016)	
		No. of shares held at the beginning of the year (01.04.2015) /end of the year (31.03.2016)	% of total shares of the company				No. of Shares	% of total shares of the company
1	Clareville Capital Opportunities Master Fund Ltd	4475000	9.94	01.04.2015	-	Nil		
		4475000	9.94	31.03.2016			4475000	9.94
2	Anand Rathi Share & Stock Brokers Ltd	3241157	7.20	01.04.2015				
				03.04.2015	(759)	Trf	3240398	7.20
				10.04.2015	(16000)	Trf	3224398	7.16
				17.04.2015	1140	Trf	3225538	7.17
				24.04.2015	(1140)	Trf	3224398	7.16
				15.05.2015	151	Trf	3224549	7.17
				22.05.2015	449	Trf	3224998	7.17
				29.05.2015	(600)	Trf	3224398	7.16
				12.06.2015	1000	Trf	3225398	7.17
				19.06.2015	(1000)	Trf	3224398	7.16
				10.07.2015	520	Trf	3224918	7.17
				17.07.2015	(520)	Trf	3224398	7.16
				31.07.2015	500	Trf	3224898	7.17
				07.08.2015	(666478)	Trf	2558420	5.69
				14.08.2015	(666368)	Trf	1892052	4.20
				24.09.2015	(198677)	Trf	1693375	3.76
				30.09.2015	55	Trf	1693430	3.76
				02.10.2015	(55)	Trf	1693375	3.76
				09.10.2015	1000	Trf	1694375	3.77
				16.10.2015	(500)	Trf	1693875	3.76
				23.10.2015	(450)	Trf	1693425	3.76
				30.10.2015	(50)	Trf	1693375	3.76
				06.11.2015	100	Trf	1693475	3.76
				13.11.2015	(100)	Trf	1693375	3.76
				20.11.2015	200	Trf	1693575	3.76
				27.11.2015	(200)	Trf	1693375	3.77
				04.12.2015	975	Trf	1694350	3.76
				11.12.2015	(325)	Trf	1694025	3.76
				18.12.2015	(500)	Trf	1693525	3.76
				25.12.2015	600	Trf	1694125	3.76
				31.12.2015	(185)	Trf	1693940	3.76
				01.01.2016	(565)	Trf	1693375	3.44
				08.01.2016	(145711)	Trf	1547664	3.40
				15.01.2016	(17797)	Trf	1529867	3.40
				22.01.2016	205	Trf	1530072	3.40
				29.01.2016	(425)	Trf	1529647	3.40
				05.02.2016	(257)	Trf	1529390	3.40
				12.02.2016	1857	Trf	1531247	3.40
				19.02.2016	(2000)	Trf	1529247	3.40
				04.03.2016	200	Trf	1529447	3.40
				11.03.2016	(100)	Trf	1529347	3.40
				18.03.2016	(2)	Trf	1529345	3.40
				25.03.2016	(100)	Trf	1529245	3.40
				31.03.2016			1529245	3.40
		1529245	3.40					
3	Avtar India Opportunities Fund	2247000	4.99	01.04.2015	-	Nil		
		2247000	4.99	31.03.2016			2247000	4.99



4	Giraben Atulbhai Shah	1507500	3.35	01.04.2015	-	Nil		
		1507500	3.35	31.03.2016			1507500	3.35
5	Shiram insight Share Brokers Ltd	1213257	2.70	01.04.2015				
				10.04.2015	(2600)	Trf	1210657	2.69
				17.04.2015	(1200)	Trf	1209457	2.69
				31.07.2015	55	Trf	1209512	2.69
				07.08.2015	(55)	Trf	1209457	2.69
				14.08.2015	(15056)	Trf	1194401	2.65
				28.08.2015	(1489)	Trf	1192912	2.65
				27.11.2015	(1500)	Trf	1191412	2.65
				18.12.2015	1000	Trf	1192412	2.65
				31.12.2015	(1000)	Trf	1191912	2.65
				01.01.2016	500	Trf	1191627	2.65
				08.01.2016	(285)	Trf	1191552	2.65
				15.01.2016	(75)	Trf	1191422	2.65
				22.01.2016	(130)	Trf	1191412	2.65
				29.01.2016	(10)	Trf	1191422	2.65
				12.02.2016	10	Trf	1191412	2.65
				19.02.2016	(10)	Trf	1191430	2.65
				26.02.2016	18	Trf	1191412	2.65
				04.03.2016	(18)	Trf	1191612	2.65
				18.03.2016	200	Trf	1191512	2.65
				25.03.2016	(100)	Trf	1191412	2.65
				31.03.2016	(100)		1191412	2.65
		1191412	2.65					
6	Hiral Anand Karbhari	1100000	2.44	01.04.2015	-	Nil		
		1100000	2.44	31.03.2016			1100000	2.44
7	Vasupujya Trades Private Limited	143119	0.32	01.04.2015				
				07.08.2015	63828	Trf	206947	0.46
				14.08.2015	511172	Trf	718119	1.60
		916796	2.04	24.09.2015	198677	Trf	916796	2.04
				31.03.2016			916796	2.04
8	Khushru Dali Petigara	-	-	01.04.2015				
				07.08.2015	602350	Trf	602350	1.34
				14.08.2015	154996	Trf	757346	1.68
				08.01.2016	102383	Trf	859729	1.91
				15.01.2016	17617	Trf	877346	1.95
		877346	1.95	31.03.2016			877346	1.95
9	Inventure Growth & Securities Limited	-	-	01.04.2015				
				25.12.2015	6215	Trf	6215	0.01
				31.12.2015	1985	Trf	8200	0.02
				01.01.2016	(1734)	Trf	6466	0.01
				08.01.2016	2385	Trf	8551	0.02
				15.01.2016	(8851)	Trf	-	-
				22.01.2016	12905	Trf	12905	0.03
				29.01.2016	(9655)	Trf	3250	0.01
				05.02.2016	(2917)	Trf	333	0
				12.02.2016	6047	Trf	6380	0.01
				19.02.2016	(5563)	Trf	817	-
				24.02.2016	(817)	Trf	-	-
				26.02.2016	1365	Trf	1365	-
				04.03.2016	(365)	Trf	1000	-
				11.03.2016	(260)	Trf	740	-
				18.03.2016	(740)	Trf	-	-
				25.03.2016	125	Trf	125	-
		875500	1.95	31.03.2016	875375	Trf	875500	1.95
							875500	1.95
10	Bhikhabhai Naranbhai Pate	-	-	01.04.2015				
		584570	1.30	21.08.2015	584570	Trf	584570	1.30
				31.03.2016			584570	1.30



11	Krishnakant Bhikhabhai Patel	584570	1.30	01.04.2015	(584570)	Trf	-	-
		-	-	21.08.2015 31.03.2016				
12	Sanjay R Sanghvi	514500	1.14	01.04.2015	-	Nil		
		514500	1.14	31.03.2016			514500	1.14
13	Shriram Credit Company Limited	441550	0.98	01.04.2015	-	Nil		
		441550	0.98	31.03.2016			441550	0.98
14	Jignesh Hiralal Shah	313000	0.70	01.04.2015	-	Nil		
		313000	0.70	31.03.2016			313000	0.70

**(v) Shareholding of Directors and Key Managerial Personnel (KMP):**

S.No.	For each of the Directors of the Company and KMP	No. of shareheld at the beginning of the year		No. of shareheld at the end of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	<b>At the beginning of the year</b>				
1.	Mr. Sandeep jindal, Managing Director	314581	0.70		
2.	Mr. Balwinder Singh, Chief Financial Officer	Nil	Nil		
3.	Anil Kumar, Company Secretary	Nil	Nil		
	Date wise increase/decrease in shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc.	Nil			
	<b>At the end of the year</b>				
1.	Mr. Sandeep jindal, Managing Director			314581	0.70
2.	Mr. Balwinder Singh, Chief Financial Officer			Nil	Nil
3.	Anil Kumar, Company Secretary			Nil	Nil

**(v) Indebtedness of the company including interest outstanding/accrued but not due for payment**

Particulars	Secured Loans excluding deposits	Unsecured Loans Indebtness	Deposits	Total
Indebtedness at the beginning of the financial year				
i) Principal Amount	2,044,004,757	222,238,639	134,530,466	2,400,773,862
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	37,515,854	37,515,854
<b>Total (i+ii+iii)</b>	<b>2,044,004,757</b>	<b>222,238,639</b>	<b>172,046,320</b>	<b>2,438,289,716</b>
Change in Indebtedness during the financial year				
Additions	243,728,415	-	8,470,261	252,198,676
Reduction	-	5,118,329	-	5,118,329
<b>Net Change</b>	<b>243,728,415</b>	<b>(5,118,329)</b>	<b>8,470,261</b>	<b>247,080,347</b>
Indebtedness at the end of the financial year				
i) Principal Amount	2,287,733,172	217,120,310	129,025,814	2,633,879,296
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	51,490,767	51,490,767
<b>Total (i+ii+iii)</b>	<b>2,287,733,172</b>	<b>217,120,310</b>	<b>180,516,581</b>	<b>2,685,370,063</b>



## 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 MD/WTD/Manager			
		Sandeep Jindal MD	Yash Paul Jindal WTD	Rajinder Jindal WTD	Ramesh Jindal WTD
1	Gross salary	450,000	600,000	-	-
	a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	450,000	600,000	-	-
	b) Value of perquisites u/s 17 (2) Income-tax Act, 1961	-	-	-	-
	c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweet Equity	-	-	-	-
4	Commission	-	-	-	-
	- as % of profit	-	-	-	-
	- others, specify	-	-	-	-
5	other, please specify	-	-	-	-
	Total (A)	450,000	600,000	-	-

### B) Remuneration to other Directors

S. No.	Particulars of Remuneration	Name of Directors					
		Aman Jindal	Sahil Jindal	Rajesh Khanna	Anil Kumar	Preeti Khanna	Nisha Rani
1	Independent Directors						
	Fee for attending board committee meeting	-	-	-	-	-	-
	commission	-	-	-	-	-	-
	others, please specify	-	-	-	-	-	-
	Total (1)	-	-	-	-	-	-
2	Other Non-Executive Directors						
	Fee for attending board committee meeting	-	-	-	-	-	-
	commission	-	-	-	-	-	-
	others, please specify	-	-	-	-	-	-
	Total (2)	-	-	-	-	-	-
	Total = (1+2)	-	-	-	-	-	-

### C) Remuneration to Key Managerial Personnel other than MD/WTD/Manager

S. No.	Particulars of Remuneration	Key Managerial Personnel		
		Balwinder Singh CFO	Anil Kumar CS	Total
1	Gross salary	120,000	555,660	675,660
	a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	120,000	555,660	675,660
	b) Value of perquisites u/s 17 (2) Income-tax Act, 1961	-	-	-
	c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweet Equity	-	-	-
4	Commission	-	-	-
	- as % of profit	-	-	-
	- others, specify	-	-	-
5	other, please specify	-	-	-
	Total (A)	120,000	555,660	675,660

## VII) Penalties/ Punishment / Compounding Offences:

Type	Section of the Companies Act,	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD/NCLT/ COURT]	Appeal Made, if any (give) Details)
<b>A. COMPANY</b> Penalty Punishment Compounding			<b>NONE</b>		
<b>B. DIRECTORS</b> Penalty Punishment Compounding			<b>NONE</b>		
<b>C. OTHER OFFICERS IN DEFAULT</b> Penalty Punishment Compounding			<b>NONE</b>		



**Annexure-II**

**Form No. MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR- 1<sup>st</sup> April, 2015 to 31<sup>st</sup> March, 2016**  
**[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]**

To,  
The Members,  
Jindal Cotex Limited  
Ludhiana.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Jindal Cotex Limited (hereinafter referred to as Company).

Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts, statutory compliances and expressing my opinion thereon.

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

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

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

Further, the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 are not applicable to the company as the company has not issued/listed any debt securities.

We have also examined compliance with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines etc. mentioned therein except payment of Annual Listing Fee to the stock exchanges where the company is listed and non compliance of order passed by Hon'ble Company Law Board, New Delhi, regarding repayment of fixed deposits .

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

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



agenda items before the meeting and for meaningful participation at the meeting.

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

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 were no other specific events/actions in pursuance of above referred laws, rules, regulations and guidelines.

For Reecha Goel & Associates

Company Secretaries

(Reecha Gupta)

Prop.

FCS: 6562

C P No.:7012

Place: Ludhiana

Date: 13.08.2016

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

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**'ANNEXURE A'**

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To  
The Members,  
Jindal Cotex Limited  
Ludhiana

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. Whereever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For Reecha Goel & Associates

Company Secretaries

(Reecha Gupta)

Prop.

FCS: 6562

C P No.:7012

Place: Ludhiana

Date: 13.08.2016

**Form 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/arrangement entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso is given below:

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

S. No.	Particulars	Details
a)	Name(s) of the related party & nature of relationship	Nil
b)	Nature of contracts/arrangements/transaction	Nil
c)	Duration of contracts/arrangements/transaction	Nil
d)	Silent terms of the contracts/arrangements/transaction including the value, if any	Nil
e)	Justification for entering into such contracts/arrangements/transaction	Nil
f)	Date of approval by the Board	Nil
g)	Amount paid as advance, if any	Nil
h)	Date on which the special resolution was passed in general meeting as required under first proviso of section 188	Nil

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

S. No.	Particulars	Details
a)	Name(s) of the related party & nature of relationship	
b)	Nature of contracts/arrangements/transaction	
c)	Duration of contracts/arrangements/transaction	
d)	Silent terms of the contracts/arrangements/transaction including the value, if any	Details of Related Party Transactions are disclosed in note No. 29 of the Financial Statements
e)	Justification for entering into such contracts/arrangements/transaction	
f)	Date of approval by the Board	
g)	Amount paid as advance, if any	
h)	Date on which the special resolution was passed in general meeting as required under first proviso of section 188	



## **INDEPENDENT AUDITOR'S REPORT**

To  
The Members of  
**JINDAL COTEX LTD.**

### **Report on the Financial Statements**

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

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

The Management and board of directors of the company are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the act') with respect to the preparation of these financial statements 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 Companies (Accounts) Rules, 2014. This responsibility includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; design, implementation and maintenance of adequate internal financial controls, that are 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.

### **Auditors' 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 there under. 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, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's management and Board of 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 audit opinion.

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2016;
- b) In the case of the Statement of Profit and Loss, of the Loss for the year ended on that date; and
- c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

### **Emphasis of Matter**

We draw our attention on the following:

- a) Note No. 39 to the financial statements which indicate that the company has accumulated losses of Rs.227.64 Crores as at 31st March 2016 and has eroded its peak level net worth by more than 50% and has become potentially sick company. Reference under the provisions of Section 23 of Sick Industrial Company (Special Provisions) Act, 1985 (SICA) has been generated on 22nd January, 2016. Hence, there are conditions indicating an uncertainty on the going concern. However, the financial statements have been prepared by the



- management on a going concern basis for the reason stated in the said note.
- b) Note no.10 to 12 to the financial statements regarding the company's Non-current investments, Non-current assets and long term loans/advances including amount recoverable from Jindal International FZE, its foreign subsidiary company, carried in the balance sheet at Rs.157.69 crores. The amount is long outstanding. There is uncertainty regarding realization of this amount. Management should have booked provision against this amount.
  - c) Manufacturing facilities, at present, all location of the company (Except Wind Mill) have been suspended due to severe financial constraints. Company has leased out one of its unit.
  - d) There is non-submission of various statutory returns acknowledged by the respective authorities, non provision/deposition of various overdue statutory liabilities like PF/Service Tax/TDS/ Vat & CST/WCT/TCS/ESI & related over dues (Interest and penalty), non-deduction of TDS on provisional expenses and as explained by management exact amount of which could not be ascertained in present scenario.
  - e) Since all the accounts of the company have been declared sub-standard over a period of time, the banks have started recovery action against the Company under SAR FAESI Act. In the absence of any information on interest on outstanding dues to the bank, the provision of interest has been made on the basis of assumptions which are not certain. Hence balances with banks are subject to confirmation.
  - f) Note No. 36 to the financial statement on various litigations/suits pending in the court of law at different levels. There is uncertainty regarding the outcome of law suits filed against the company.
  - g) Actuarial valuation of employee benefits was not conducted during the year.
  - h) There is diminution in value of investments in current year of Rs. 5.51Crore.
- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books
  - c) The Balance Sheet & Statement of Profit and Loss and cash flow statement dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid financial statements comply with the applicable Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules 2014.
  - e) On the basis of written representations received from the directors as on March 31, 2016, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016, from being appointed as a director in terms of Section 164(2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure "B"; and
  - g) In our opinion and to the best of our information and according to the explanations given to us, we report as under with respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014: :
    - i. The Company did not have any long-term contracts including derivative contracts; as such the question of commenting on any material foreseeable losses thereon does not arise.
    - ii. There has not been an occasion in case of the Company during the year under report to transfer any sums to the Investor Education and Protection Fund. The question of delay in transferring such sums does not arise.
    - iii. The company has disclosed the impact of its pending litigations on its financial position in its financial statements refer note no 36 to financial statements.

**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 statement on the matters Specified in paragraphs 3 and 4 of the Order.

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

**For Raj Gupta & Co**  
**Chartered Accountants**  
**FRN: 000203N**

**Place: Ludhiana**  
**Date : 30/05/2016**

**Raj Kumar Gupta**  
**(Partner)**  
**Membership No.: 017039**

**ANNEXURE A TO THE INDEPENDENT AUDITORS'  
REPORT****Referred to in Paragraph 1 under the heading "Report  
on Other Legal and Regulatory Requirements."**

On the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of our audit, we report that:

**i. In respect of fixed assets:**

- (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) As explained to us the Fixed Assets have been physically verified by the management in a phased manner, designed to cover all the items over a period of regular intervals, which in our opinion, is reasonable having regard to the size of the company and nature of its business.
- (c) According to information and explanation given to us, the title deeds of immovable Property is held in the name of the company.

**ii. In respect of Inventories :-**

- (a) According to information and explanations given to us, the inventories have been physical verified during the year by the management. In our opinion, the frequency of verification is reasonable.
- (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- (c) The company has maintained proper records of inventory. Since all the manufacturing activities have been suspended, it does not hold any kind of raw material and finished stock; it is only engaged in trading activity & hold Inventory of stock in trade.

iii. According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (C) of the Order are not applicable to the Company and hence not commented upon.

iv. In our opinion and according to the information and explanations given to us, there is adequate internal control system commensurate with the size of the

Company and the nature of its business, for the purchase of fixed assets and for the sale of material.

Further, on the basis of our examination of the books and records of the Company and according to the information and explanations given to us, no major weakness has not been noticed or reported.

- v. In our opinion and according to the information and explanations given to us, the company has not accepted any deposit from the public covered under Section 73 to 76 of the Companies Act, 2013. However, for the repayment of the fixed deposits received in earlier years by the company from the public, the company has taken permission from the Hon'ble Company Law Board, New Delhi, for extension of time for repayment of fixed deposits as the company was unable to repay the same on due dates due to financial crisis.
- vi. We have broadly reviewed the records maintained by the company pursuant to the rules prescribed by the central government for maintenance of cost records under sub-section (l) of section 148 of the act and are of the opinion that prima facie, the prescribed accounts have been prepared and maintained. However we have not made the detailed examination of records.
- vii. (a) According to the information and explanations given to us and based on the records of the company examined by us, the company is not regular in depositing the undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Service Tax, Custom Duty, Excise Duty and other material statutory dues, as applicable, with the appropriate authorities in India as follows;  
TDS Rs.1960978, TCS Rs.534001, VAT Rs.8325251, CST Rs.466303, PF Payable Rs.5768010 & ESI Payable Rs.3850029.
- (b) There has not been an occasion in case of the Company during the year under report to transfer any sums to the Investor Education and Protection Fund. The question of reporting delay in transferring such sums does not arise.
- viii. The company has accumulated losses at the end of the financial year which has exceeded 50% peak level net worth of the company in the preceding 4 financial years. As such company has become potentially sick. However, the company has not incurred any cash losses during the current financial year covered by our audit as compared to the





- immediately preceding financial year.
- ix. According to the records of the Company examined by us and the information and explanations given to us, the Company has defaulted in repayment of loans or borrowings to banks and financial institution and also has not issued debentures during the year. The Company has also not taken any fresh loans or borrowings from Government.
- x. Based on our audit procedures and according to the information and explanations given to us, we are of the opinion the company has defaulted in repayment of dues to financial institutions or banks. During the year 2013-14 CDR cell had approved the debt restructuring of the company and CDR package was implemented with cutoff date as 1st April, 2013. However, during the year end review, the accounts of the company with all the banks have been slipped into the sub standard category due to which the bankers' of the company have sent mandate to CDR cell for withdrawal of CDR package to the company which was approved by CDR cell in its meeting held on 27 Nov, 2014. Banks have recalled entire outstanding of the company and started recovery proceedings under SARFAESI ACT.
- xi. In our opinion, and according to the information and explanations given to us, the Company has not given any guarantee for loan taken by others from a bank or financial institution during the year. However Company has outstanding corporate guarantees of Rs.327.20 crore for loan outstanding by its subsidiaries from banks and financial institutions.
- xii. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.
- xiii. 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.
- xiv. According to the information and explanations give to us and based on 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 based on 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. During the course of our examination of the books and records of the company, carried in accordance with the auditing standards generally accepted in India, we have neither come across any instance of fraud on or by the Company noticed or reported during the course of our audit nor have we been informed of any such instance by the Management.
- xvii. Based upon the audit procedures performed and the information and explanations given by the management, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.

**For Raj Gupta & Co**  
**Chartered Accountants**  
**FRN: 000203N**

**Place: Ludhiana**  
**Date : 30/05/2016**

**Raj Kumar Gupta**  
**(Partner)**  
**Membership No.: 017039**

**Annexure - B to Independent Auditors' Report**  
**(Referred to in our report of even date)**

**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 JINDAL COTEX LTD. as of 31st March 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

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

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly

reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with Authorizations of management and directors of the company; and (3) provide reasonable Assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected.

Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

#### **Opinion**

In our opinion, the Company is not fully in operation so we cannot assure the effectiveness of internal financial controls system over financial reporting and give reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with Authorizations of management and directors of the company.

**For Raj Gupta & Co  
Chartered Accountants  
FRN: 000203N**

**Place: Ludhiana  
Date : 30/05/2016**

**Raj Kumar Gupta  
(Partner)  
Membership No.: 017039**



## CASH FLOW STATEMENT FOR YEAR ENDED 31.03.2016

(Amount in Rs.)

PARTICULARS	Current Year	Previous Year
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit/(loss) before tax	(519,307,072)	(1,655,955,982)
<b>Adjustment to Reconcile Profit before Tax to cash generated by operating Activities</b>		
Depreciation & Amortization Expenses	72,302,298	78,314,183
Foreign Exchange Fluctuation Gain	-	(43,178)
Interest Received	(1,869,843)	(944,742)
Interest Expense	255,214,169	245,851,177
Prior Period Tax Adjustments	(195,736)	-
Adjust for deferred tax liability	150,000	-
Provision for Bad debts	141,477,000	509,549,500
Provision on Diminution in value of investment	55,105,479	757,144,521
Profit / (Loss) on sale of fixed Assets	(1,283,138)	102,083
Loss on investment	-	800,000
<b>Operating Profit before working capital Changes</b>	<b>1,593,158</b>	<b>(65,182,438)</b>
<b>Adjustment For</b>		
Trade & Other Receivables	(530,739,336)	(43,836,868)
(Decrease) / Increase in Short Term Loans and advances	2,323,156	1,542,965,855
Decrease / ( Increase ) in Inventories	(26,203,319)	112,182,748
(Decrease) /Increase in Trade and other Payables	16,633,503	54,894,563
Others Current liabilities	32,243,303	(29,130,140)
Others short Term liabilities	(6,683,355)	(35,967,133)
<b>NET CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>(510,832,890)</b>	<b>1,535,926,587</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Addition in Fixed Assets	70,271,865	5,252,591
Sale of Fixed Assets	6,852,000	1,173,952
Increase in Capital Advances	(70,271,865)	-
Investment in Subsidiaries	-	1,815,001
Proceeds From Long Term Loan and Advances	8,011,217	(1,563,987,933)
Interest Received	1,869,843	944,742
<b>NET CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>16,733,060</b>	<b>(1,565,306,829)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from long term borrowings	204,050,716	202,595,489
Repayment of Short term borrowings	11,943,446	79,979,027
Foreign Exchange Fluctuation Gain	-	43,178
Interest Expense	(255,214,169)	(245,851,177)
Others Long Term liabilities	503,227,778	(2,709,151)
<b>NET CASH FLOW FROM FINANCING ACTIVITIES</b>	<b>464,007,772</b>	<b>34,057,366</b>
<b>Net increase/(decrease) in cash &amp; Cash equivalents</b>	<b>(30,092,059)</b>	<b>4,677,124</b>
<b>Cash and Cash Equivalent at beginning of year</b>	<b>31,708,864</b>	<b>27,031,740</b>
<b>Cash and Cash Equivalent at the end of year</b>	<b>1,616,805</b>	<b>31,708,864</b>

For & On behalf of the Board

As per our report of even date attached

**Raj Gupta & Co.**

Chartered Accountants  
Firm Regn no. 000203N

**Sandeep Jindal**  
Managing Director

**Yash Paul Jindal**  
Director

**Shiv Pal**  
Finance Manager

**Anil Malhan**  
Company Secretary

**Raj Gupta**  
Partner  
(M.No.017039)

Place: Ludhiana  
Date : 30.05.2016

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

(Amount in Rs.)

PARTICULARS	NOTE NO.	Current Year	Previous Year
<b>I Equity and Liabilities</b>			
<b>1) Shareholder's Funds</b>			
a) Share Capital	1	450,031,400	450,031,400
b) Reserves and Surplus	2	4,431,227	523,784,036
<b>Sub Total</b>		<u>454,462,627</u>	<u>973,815,436</u>
<b>2) Non-Current Liabilities</b>			
a) Long Term Borrowings	3	2,092,996,852	1,888,946,136
b) Deferred Tax Liabilities (Net)	4.1	-	-
c) Long Term Provisions	4.2	-	6,321,724
<b>3) Current Liabilities</b>			
a) Short term Borrowings	5	523,771,172	511,827,726
b) Trade Payables	6	105,439,720	88,806,217
c) Other Current Liabilities	7	69,769,156	37,525,854
d) Short term Provisions	8	57,950,300	64,633,655
<b>TOTAL</b>		<u><b>3,304,389,828</b></u>	<u><b>3,571,876,747</b></u>
<b>II. ASSETS</b>			
<b>Non Current Assets</b>			
<b>1) a) Fixed assets</b>			
i) Tangible Assets	9	840,958,666	848,543,077
ii) Intangible assets		44,662	59,548
iii) Capital Work in Progress		371,600,000	441,871,865
<b>Sub Total</b>		<u>1,212,603,328</u>	<u>1,290,474,491</u>
b) Non Current Investments	10	13,373,521	68,479,000
c) Other Non Current Assets	11	339,143	339,143
d) Long Term Loans and Advances	12	1,797,842,688	1,805,853,905
<b>Sub Total</b>		<u>3,024,158,680</u>	<u>3,165,146,539</u>
<b>2) Current Assets</b>			
a) Inventories	13	49,139,621	22,936,302
b) Trade receiabies (Net of Provision)	14	82,183,495	202,470,659
c) Cash and Cash Equivalents	15	1,616,805	31,708,864
d) Short Term Loans and Advances	16	147,291,227	149,614,383
e) Other Current Assets			
<b>TOTAL</b>		<u><b>3,304,389,828</b></u>	<u><b>3,571,876,747</b></u>
Significant Accounting Policies and Notes on Accounts	1 to 40		

**For & On behalf of the Board**

As per our report of even date attached

**Raj Gupta & Co.**

Chartered Accountants

Firm Regn no. 000203N

**Sandeep Jindal**  
Managing Director**Yash Paul Jindal**  
Director**Shiv Pal**  
Finance Manager**Anil Malhan**  
Company Secretary**Raj Gupta**  
Partner  
(M.No.017039)Place: Ludhiana  
Date : 30.05.2016

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

(Amount in Rs.)

PARTICULARS	NOTE NO.	Current Year	Previous Year
<b>Revenue</b>			
i. Revenue From Operations	17	30,207,142	1,117,102,390
II. Other Income	18	6,828,339	10,58,219
<b>III. Total Revenue (I+II)</b>		<b>37,035,481</b>	<b>1,118,160,609</b>
<b>IV. Expenses</b>			
Cost of Materials Consumed	19	-	657,043,073
Purchase of Stock in Trade	20	49,285,788	87,074,039
Changes in Inventories of Stock-In-Trade	21	(26,203,319)	74,215,771
Employee Benefits Expenses	22	5,661,219	63,959,733
Finance Costs	23	255,214,169	245,851,177
Depreciation and Amortization Exps.	24	72,302,298	78,314,183
Other Expenses	25	199,968,500	1,567,658,616
<b>Total Expenses</b>		<b>556,228,656</b>	<b>2,774,116,592</b>
<b>V. Profit/(loss) before exceptional and extraordinary items and tax (III-IV)</b>		<b>(519,193,174)</b>	<b>(1,655,955,982)</b>
<b>VI Exceptional Items</b>		-	-
<b>VII Profit/(loss) before extraordinary items and tax (V-VI)</b>		<b>(519,193,174)</b>	<b>(1,655,955,982)</b>
<b>VIII Extraordinary Items</b>		-	-
Adjustment for earlier years expenses		113,898	-
<b>IX Profit/(loss) before Tax (VII-VIII)</b>		<b>(519,307,072)</b>	<b>(1,655,955,982)</b>
<b>X Tax Expense:</b>			
1) Current Tax		-	-
2) Deferred Tax(Prevoius Year)		150,000	-
3) Adjustment for earlier years tax		(195,736)	-
<b>Sub Total</b>		<b>(45,736)</b>	<b>-</b>
<b>XI Profit/(Loss) for the period (V-VI)</b>		<b>(519,352,808)</b>	<b>(1,655,955,982)</b>
<b>XII Earnings per Equity Share:</b>	26		
1) Basic - In Rs.		(11.54)	(37.00)
2) Diluted - In Rs.		(11.54)	(37.00)

Significant Accounting Policies and Notes on Accounts 1 to 40

**For & On behalf of the Board**

As per our report of even date attached

**Raj Gupta & Co.**Chartered Accountants  
Firm Regn no. 000203N**Sandeep Jindal**  
Managing Director**Yash Paul Jindal**  
Director**Shiv Pal**  
Finance Manager**Anil Malhan**  
Company Secretary**Raj Gupta**  
Partner  
(M.No.017039)Place: Ludhiana  
Date : 30.05.2016



## **SIGNIFICANT ACCOUNTING POLICIES**

### **I. ACCOUNTING CONVENTION**

The financial statements, other than the Cash Flow Statement, are prepared under the historical cost convention, treating the entity as a going concern and in accordance with the applicable accounting standards and relevant provisions of the Companies Act, 2013.

### **I(a) CHANGE IN ACCOUNTING POLICY**

With effect from 01/04/2014 company has with retrospective effect changed its method of providing depreciation on fixed assets from the written down value method to straight line method as per the rates prescribed in the part C of Schedule II of the Companies act 2013.

Management believes that this change will result in more appropriate presentation and will give a systematic basis of depreciation charge, representative of the time pattern in which the economic benefits will be derived from the use of these assets.

### **II. REVENUE RECOGNITION**

Revenue from domestic sale of goods is recognized at the time of dispatch of goods from the factory. Sales are exclusive of VAT and CST. Export sales are booked on the basis of the date of Bill of Lading.

### **III. FIXED ASSETS**

Fixed Assets are stated at cost, net of taxes and duties subsequently recoverable from government authorities less accumulated depreciation and impairment loss, if any. Government grants relating to specific fixed assets are treated as deferred income, which is recognized in the Statement of Profit and Loss on a systematic basis over the useful life of the asset.

All costs attributable to bringing the asset to its working condition for its intended use, including financing costs till commencement of commercial production and charges on foreign exchange contracts and adjustments arising out of exchange rate variations attributable to the fixed assets are capitalized.

### **IV. DEPRECIATION**

Pursuant to the enactment of the companies Act 2013, the Company has applied the estimated useful lives as specified in schedule II. Accordingly the unamortized carrying value is being depreciated over the Revised/remaining useful lives.

### **V. INVENTORIES**

Inventories are valued at cost or net realizable value, whichever is lower. Raw Material and stores are valued at cost determined on a weighted average basis. Work in process is valued at cost plus an appropriate share of overheads depending upon the stage of completion. Finished Goods are valued taking into account the raw material cost, conversion cost and the overheads incurred to bring the goods to their present location and condition.

### **VI. FOREIGN EXCHANGE TRANSACTIONS**

Foreign Currency transactions are accounted for at exchange rate prevailing on the date of transaction. Premium on forward cover contracts in respect of import of raw materials is charged to the Statement of Profit and Loss over the period of contract. Amounts payable and receivable in foreign currency at the Balance Sheet date, not covered by forward contracts, are restated at the applicable exchange rate prevailing on the date of the Balance Sheet. All exchange differences, if any, arising on revenue transactions are charged/credited to the Statement of Profit and Loss.

### **VII. TAXATION**

Provision for current tax is made in accordance with the provisions of the Income Tax law applicable for the relevant year. Deferred tax asset/liability is created in accordance with the requirements of Accounting Standard 22 "Accounting for taxes on Income" issued by the Institute of Chartered Accountants of India. Deferred Tax Asset is created only to the extent there is virtual certainty that future taxable income will be available against which such deferred tax asset can be realized.

In terms of the Guidance Note on "Accounting for Credit available in respect of Minimum Alternate Tax (MAT) under the Income Tax Act, 1961" issued by the Institute of Chartered Accountants of India, MAT credit is recognized as an asset only to the extent there is a convincing evidence that the company will be paying regular income tax during the specified period.

### **VIII. EMPLOYEE BENEFITS:**

#### **(a) Short-Term Employee benefits**

Employee benefits payable wholly within twelve months of rendering services are classified as short term employee benefits and are recognized in the period in which the employee renders the related services.

#### **(b) Post-employment benefits**

Defined benefits Plans:

The employee gratuity scheme is a defined benefit plan. The present value of defined benefit obligation as at the end of the year is determined using the Projected Unit Credit method i.e. each period of service rendered by the employee is considered to give rise to an additional unit of benefit entitlement, gradually building up the final obligation.

The liability on account of compensated absences i.e. leave with wages is accounted for on the basis of unutilized leave standing to the credit of the employee at the close of the year.

The company was required to get actuarial valuation of employment benefits but no valuation was done in this aspect.

### **IX. PROVISIONS AND CONTINGENCIES:**

Provision is recognized in the balance sheet when, the company has a present obligation as a result of past events and it is probable that an outflow of economic resources will be required to settle the obligations, and a reliable estimate of the amount of the obligation can be made. A disclosure by way of contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made. Contingent assets are neither recognized nor disclosed in the financial statements.





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

Particulars	(Amount in Rs.)	
	31.03.2016	31.03.2015
<b>Note 1.</b>		
<b>SHARE CAPITAL</b>		
<b>A) AUTHORISED CAPITAL</b>		
<u>AT THE BEGINNING OF THE YEAR</u>		
600000000 EQUITY SHARES OF RS. 10/- EACH(PREV. YEAR 600000000 EQUITY SHARES OF RS. 10/- EACH)	600,000,000	600,000,000
<u>INCREASE DURING THE YEAR</u>	-	-
NIL (PREV. YEAR NIL)		
<u>AT THE END OF THE YEAR</u>		
600000000 EQUITY SHARES OF RS. 10/- EACH(PREV. YEAR 600000000 EQUITY SHARES OF RS. 10/- EACH)	600,000,000	600,000,000
<b>ISSUED CAPITAL</b>		
<u>AT THE BEGINNING OF THE YEAR</u>		
45003140 EQUITY SHARES OF RS. 10/- EACH(PREV. YEAR 45003140 EQUITY SHARES OF RS. 10/- EACH)	450,031,400	450,031,400
<u>INCREASE DURING THE YEAR</u>	-	-
NIL (PREV. YEAR NIL)		
<u>AT THE END OF THE YEAR</u>		
45003140 EQUITY SHARES OF RS. 10/- EACH(PREV. YEAR 45003140 EQUITY SHARES OF RS. 10/- EACH)	450,031,400	450,031,400
<b>SUBSCRIBED AND PAID UP CAPITAL</b>		
<u>AT THE BEGINNING OF THE YEAR</u>		
45003140 EQUITY SHARES OF RS. 10/- EACH(PREV. YEAR 45003140 EQUITY SHARES OF RS. 10/- EACH)	450,031,400	450,031,400
<u>INCREASE DURING THE YEAR</u>	-	-
NIL (PREV. YEAR NIL)		
<u>AT THE END OF THE YEAR</u>		
45003140 EQUITY SHARES OF RS. 10/- EACH(PREV. YEAR 45003140 EQUITY SHARES OF RS. 10/- EACH)	450,031,400	450,031,400

### SHAREHOLDERS HOLDING MORE THAN 5% SHARES

NAME OF PERSON	% C.Y.		% P.Y.		No. of Shares	
	31.03.2016	31.03.2015	31.03.2016	31.03.2015	31.03.2016	31.03.2015
Ramesh Kumar Jindal	6.11	6.11	2,747,816	2,747,816		
Rajinder Kumar Jindal	5.79	5.79	2,607,052	2,607,052		
Yash Paul Jindal	5.03	5.03	2,261,918	2,261,918		
Clareville Capital Opportunities Master Fund	9.94	9.94	4,475,000	4,475,000		
Albula Investment Fund Ltd.	9.29	9.29	4,183,000	4,183,000		

### Foot Notes :-

As per records of the Company, including its Register of Members and other declarations received from them regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares

	31.03.2016	31.03.2015
(Equity share issued as Bonus share on 04.7.2008)	4,801,596	4,801,596
Rights, preference and restrictions attaching to each class of shares		





## Rights, preference and restrictions attaching to each class of shares

"Equity Shares: The company has only one class of equity shares having par value of Rs. 10/- per share. Each holders of equity shares present is entitled to have one vote upon show of hands and upon a poll every member entitled to vote and present in person or by proxy shall have one vote, for every share held by him.

The profits of the Company subject to any special rights relating thereto created or authorised to be created shall be divisible among the members in proportion to the amount of Capital paid up or credited as paid up on the shares held by them respectively.

The Company in general meeting may declare a dividend to be paid to the members according to their respective rights and interests in the profits and may fix the time for payment.

Dividend shall be paid by the Company in respect of any share only to the registered holder of such share or to his order or to his banker.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the realized value of the assets of the Company, remaining after payment of all preferential dues. The distribution will be in proportion to the number of equity shares held by the shareholders.

Particulars	31.03.2016	(Amount in Rs.) 31.03.2015
<b>NOTE NO. 2</b>		
<b>RESERVES AND SURPLUS</b>		
<b>Surplus in Statement of Profit and Loss Account</b>		
As per Last Balance Sheet	(1,757,083,414)	(110,153,522)
Add Profit/(Loss) during the year	(519,352,808)	(1,655,955,982)
Add (Less) Adjustment relating to fixed assets	-	9,026,090
<b>Closing Balance</b>	<b>(2,276,436,223)</b>	<b>(1,757,083,414)</b>
<b>Securities Premium reserve</b>		
As per Last Balance Sheet	2,278,558,364	2,278,558,364
Add:- Increase/Decrease during the year	-	-
<b>Closing Balance</b>	<b>2,278,558,364</b>	<b>2,278,558,364</b>
<b>Foreign Currency Translation Reserve</b>		
As per Last Balance Sheet	2,309,086	2,309,086
Add:- Increase/Decrease during the year	-	-
<b>Closing Balance</b>	<b>2,309,086</b>	<b>2,309,086</b>
<b>Total Reserves and Surplus</b>	<b>4,431,227</b>	<b>523,784,036</b>

## NOTE NO. 3

### LONG TERM BORROWINGS

#### I Secured

1. Term Loans from Banks*	1,527,863,620	1,458,800,501
2. Provision for Interest on borrowings	236,098,380	73,376,530
<b>Total Secured Long Term Borrowings (I)</b>	<b>1,763,962,000</b>	<b>1,532,177,031</b>

#### II Unsecured

1. Deposits **	111,914,542	134,530,466
2. Loans and Advances from related parties#	177,773,058	182,941,386
3. From Others	39,347,253	39,297,253
<b>Total Unsecured Long Term Borrowings (II)</b>	<b>329,034,853</b>	<b>356,769,105</b>
<b>Total Long Term Borrowings (I+II)</b>	<b>2,092,996,852</b>	<b>1,888,946,136</b>



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

### \* Maturity Profile of Secured Term Loans are as set out below: \*refer h

	1-2 years	2-3 years	3-5 years	Beyond 5 Years
Current Year	-	-	-	-
Prev Year	-	-	-	-

### \*\*Maturity Profile of Deposits

	1-2 Years	2-3 Years	3-5 Years	Beyond 5 Years
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are as set out below:

Current Year **	18,470,074	38,803,209	107,980,029	60,863,845
Prev Year	5,138,718	52,500,204	92,690,079	48,077,072

### With reference to Secured Term Loans and the amount of Current Maturities of such Secured Loans.

- Term Loan of Rs 834127241 (Prev. Year Rs 804788483) from OBC, Rs 185105974 (Prev. Year Rs 180611575) from Allahabad Bank, Rs 97382830 (Prev. Year Rs.88644253 ) from Corporation Bank, Rs 122637954 (Prev. Year 122873205) from State Bank of India are secured by way of Ist Pari Passu charge on the Fixed Assets of the Company and 2nd charge on the Current Assets of the Company. Further these Loans are Secured by way of equitable mortgage of Factory Land and Building of the company situated at VPO Jugiana, G.T. Road , Ludhiana and at Village Mandiala Kalan, Tehsil Khanna, Distt. Ludhiana. However Corporate Loan & FITL pertaining to Oriental bank of commerce Corporate Loan have exclusive charge on Residential Land & Building in the name of Mr. Sandeep Jindal 8061 sq yard situated at golf link ludhiana.
- Term Loan of Rs-26310601 (Prev. Year. Rs. 25595440) From Punjab and Sind Bank is secured by way of exclusive charge on Windmill purchased out of the Term Loan.
- Term Loan of Rs 35257604 (Prev. Year Rs.32173679) from Central Bank Of India is secured by way of equitable mortgage of Land in the name of the Company situated at village Mandiala Kalan, Tehsil Khanna, Distt. Ludhiana
- The slowing industrial activity and depressed market conditions had seriously affected the operations of the company. The Company made request to Corporate Debt Restructuring Cell through Oriental Bank of Commerce (Lead Bank) to restructure the credit facilities. The Empowered Group of CDR-Cell has approved the restructuring package in CDR-Cell meetings held on 24/12/2013 vide order no. 857/2013-14 Dt. 27/12/2013.
- Loans of Rs 734856(Prev. Year Rs. 7325553 ) are secured by way of hypothecation of respective vehicles.
- Term borrowing from The Catholic Syrian Bank Limited of Rs. 226306560 ( Pre. Year 196788313) has transfer to Phoenix ARC Ltd due to non servicing of Interest. The above said term loan is secured by equitable mortgage of commercial plot in name of M/s Jindal Cycles Pvt. Ltd. and Personal Guarantee of Promoter Directors.
- The company has received/accepted the deposits from General Public in shape of FDR for different time frames for maturity. Due to financial constraints, the company has not able to repay the deposits within the schedule time period. The Company applied to the Company Law Board for deferment of repayment of deposits vide its order no. C.P. NO. 25/5/2013-CLB Dt. 23.12.2013 and has deferred the repayments of deposits by one year . The repayment of Deposits are paid accordingly with the company law board order from March. 2015. In case of genuine hardship the company will also repay Rs. 5 lacs quarterly basis.

All Secured Loans except car loans have also been guaranteed by following directors of the Company.

- Sh. Sandeep Jindal
- Sh. Yash Paul Jindal
- Sh. Rajinder jindal
- Sh. Ramesh Jindal

- Maturity profile and repayment schedule of principal/interest on secured loan is not possible to determine by the company as accounts with banks slipped into sub standard category after restructuring , Hence banks has recalled the entire outstanding and started recovery action under SARFESI Act.

# With reference to loans and advances from related parties

All the Loans are repayable after 12 months from the date of squaring up bank dues. However the company reserve the right to prepay it.(Prev. yr. also all the Loans are repayable after 12 months from the date of squaring up bank dues. However the company reserve the right to prepay it.

Amt of default in repayment of Principal Nil(Prev. Year NIL),Amt. of default in repayment of interest NIL(Prev.Year NIL)

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

Particulars	31.03.2016	(Amount in Rs.) 31.03.2015
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**NOTE NO. 4.1****DEFERRED TAX LIABILITY ( NET )**

Liability on account of Timing Difference Depreciation	-	-
Less: Deferred Tax Asset arising on account of timing difference	-	-
For expenses allowable for tax purposes when paid, miscellaneous		
Expenditure incurred but allowed in future, unabsorbed losses,		
And MAT credits available (but restricted to the extent of		
deferred Tax liability as a matter of prudence)		
<b>Total</b>	<b>-</b>	<b>-</b>

**NOTE NO. 4.2****LONG TERM PROVISIONS****Provision for Employee Benefits**

Gratuity payable	-	4,445,342
Leave With Wages Payable	-	1,876,382
<b>Total</b>	<b>-</b>	<b>6,321,724</b>

**NOTE NO. 5****SHORT TERM BORROWINGS****Secured****Loans Repayable on Demand/Working Capital Loans**

<b>From Banks</b>	523,771,172	511,827,726
Security- Hypothecation of Stock and book debts of the company		
<b>Total</b>	<b>523,771,172</b>	<b>511,827,726</b>

- a. Short Term Borrowings of Rs 523771172/- (Prev. Year Rs. 511827726/-) are Secured by way of 1st charge on Current Assets (Stock & Book debts) of the Company and 2nd charge on the fixed assets of the Company. Further these Limits are secured by way of equitable mortgage of Factory Land and Building of the company situated at VPO Jugiana, G.T. Road, Ludhiana and at Village Mandiala Kalan, Tehsil Khanna, Distt. Ludhiana and Personal guarantees of the following promoter directors:-

- Sh. Sandeep Jindal
- Sh. Yash Paul Jindal
- Sh. Rajinder jindal
- Sh. Ramesh Jindal

Amt of default in repayment of loan - Rs.\* \_\_\_\_\_ (Prev. Year NIL) Default in repayment of Interest Nil (Prev. year.-Nil)

**\*Refer Note No.3 (Point h)****NOTE NO. 6****TRADE PAYABLES**

Due to Micro, Small and Medium Enterprises	-	-
Due to Others	105,439,720	88,806,217
<b>Total</b>	<b>105,439,720</b>	<b>88,806,217</b>

**Note:**

- a. The Company has not received any communication from all of its suppliers/ service providers in response to letters issued by the Company, confirming whether or not they are registered under the Micro, Small and Medium Enterprises Development Act, 2006. In the absence of any positive confirmation from the suppliers/ service providers, the information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 could not be determined.

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

Particulars	(Amount in Rs.)	
	31.03.2016	31.03.2015
<b>NOTE NO. 7</b>		
<b>OTHER CURRENT LIABILITIES</b>		
a. Deposits due with in one year	17,111,272	-
b. Interest Accrued and due on deposits	20,456,000	-
c. Cheques under Reconciliation	1,157,117	-
d. Interest payable	31,034,767	37,515,854
e. Security (Loading/Unloading Contractor)	10,000	10,000
<b>Total</b>	<b>69,769,156</b>	<b>37,525,854</b>

**NOTE NO. 8****SHORT TERM PROVISIONS****a. Provisions for Employee benefits**

Bonus Payable	-	1,122,903
E.S.I. Payable	3,850,029	3,850,029
Provident Fund Payable	5,768,010	5,406,300
Personnel Expenses Payable	1,349,414	2,468,254
Directors Remuneration Payable	-	137,640
Welfare Fund Payable	33,199	19,402

**b. Others**

Freight & Cartage Payable	-	212,354
Electricity Expenses Payable	34,452,610	38,956,158
Rent Payable	108,000	658,000
Expenses Payable	-	7,501
Government Dues Payable	12,329,038	11,765,113
Audit Remuneration Payable	60,000	30,000

<b>Total</b>	<b>57,950,300</b>	<b>64,633,655</b>
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9. FIXED ASSETS											
(Amount in Rs.)											
Name of the Assets	GROSS BLOCK					DEPRECIATION BLOCK				NET BLOCK	
	As on 01.04.2015	Addition During the Year	Sale/Adj. During the year	As on 31.03.2016	As on 01.04.2015	Provided During the year	Sale/Adj. During the year	As on 31.03.2016	As on 31.03.2016	As on 31.03.2015	As on 31.03.2015
<b>Tangible Assets</b>											
Land	62,011,573	7,675,123	-	69,686,696	-	-	-	-	69,686,696	62,011,573	
Factory Building	53,191,719	2,635,946	-	55,827,665	35,085,177	786,863	-	35,872,040	19,955,625	18,106,542	
Building	206,876,466	33,569,058	-	240,445,524	39,091,149	7,310,773	-	46,401,922	194,043,602	167,785,317	
Plant & Machinery	1,055,486,549	25,326,627	-	1,080,813,176	475,301,085	61,727,299	-	537,028,384	543,784,792	580,185,464	
Weigh Bridge & Scales	1,376,710	-	-	1,376,710	938,977	3,131	-	942,108	434,602	437,733	
Electric Installations	60,410,354	-	-	60,410,354	51,310,543	1,459,115	-	52,769,658	7,640,696	9,099,811	
Office Equipments	4,508,372	-	-	4,508,372	4,162,522	15,904	-	4,178,427	329,945	345,850	
Computers	10,160,726	-	-	10,160,726	9,640,978	4,326	-	9,645,305	515,421	519,748	
ERP Software	-	1,065,111	-	1,065,111	-	337,321	-	337,321	727,790	-	
Cars	43,933,971	-	43,933,971	-	38,333,878	497,112	38,830,990	-	-	5,600,093	
Scooter	33,072	-	-	33,072	12,010	4,721	-	16,731	16,341	21,062	
Vehicles	2,805,404	-	2,805,404	-	2,297,064	42,458	2,339,522	-	-	508,340	
Furniture & Fixtures	3,458,797	-	-	3,458,797	2,824,655	98,388	-	2,923,043	535,754	634,142	
Wind Mill	65,748,035	-	-	65,748,035	62,460,633	-	-	62,460,633	3,287,402	3,287,402	
<b>Total</b>	<b>1,570,001,748</b>	<b>70,271,865</b>	<b>46,739,375</b>	<b>1,593,534,238</b>	<b>721,458,672</b>	<b>72,287,412</b>	<b>41,170,512</b>	<b>752,575,572</b>	<b>840,958,666</b>	<b>848,543,076</b>	
<b>Intangible Assets</b>											
Trademarks	133,700	-	-	133,700	74,152	14,886	-	89,038	44,662	59,548	
<b>G.Total</b>	<b>1,570,135,448</b>	<b>70,271,865</b>	<b>46,739,375</b>	<b>1,593,667,938</b>	<b>721,532,824</b>	<b>72,302,298</b>	<b>41,170,512</b>	<b>752,664,610</b>	<b>841,003,328</b>	<b>848,602,624</b>	

Pursuant to the enactment of the companies Act 2013, depreciation on Part of the assets was charged on WDV up to FY 2013-14 and now from FY 14-15 onwards, Depreciation is calculated with straight line method with effect from the capitalization date.

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

Particulars	31.03.2016	(Amount in Rs.) 31.03.2015	
<b>NOTE NO. 10</b>			
<b>NON CURRENT INVESTMENTS</b>			
Investment in Equity Instruments (Unquoted- Fully Paid Up )			
<b>Subsidiary Companies</b>			
<b>M/s Jindal Medicot Limited</b>	300,500,000	300,500,000	
50000 (prev. yr. 50000) Equity Shares of Rs 10/- each fully paid up and and 3750000 (prev. yr. 3750000) shares @ Rs. 10/-each fully paid up at a premium of Rs 70 /- per share)			
<b>Less : Provision of diminution in value of investment</b>	<u>300,500,000</u>	-	<u>300,500,000</u> -
<b>M/s Jindal Specialty Textiles Ltd.</b>	511,750,000	511,750,000	
50000 (prev. yr. 50000) Equity Shares of Rs 10/- each fully paid up and 4050000 (prev. yr. 4050000) shares @ Rs. 10/-each at a premium of Rs. 90/- each and 850000 (prev. yr. Nil) shares @ Rs. 10/-each at a premium of Rs. 115/- each			
<b>Less : Provision of diminution in value of investment</b>	<u>511,750,000</u>	-	<u>456,644,521</u> 55,105,479
<b>M/s Jindal Metalex Ltd</b>	--	500,000	
(As unit being defunct now closed) NIL (prev. yr. Nil) Equity Shares of Rs 10/- each fully paid up )			
<b>Less : Permanent diminution in value of investment</b>	<u>--</u>	-	<u>500,000</u> -
<b>M/s Jindal Infrabiz Ltd</b>	--	500,000	
(As unit being defunct now closed) nil (prev. yr. Nil Equity Shares of Rs 10/- each fully paid up			
<b>Less : Permanent diminution in value of investment</b>	<u>--</u>	-	<u>500,000</u> -
<b>M/s Jindal International FZE</b>	12,288,521	12,288,521	
(No record on number of shares and value available with the company)			
<b>Associate company</b>			
<b>M/s Himachal Textile Park Ltd</b>	885,000	885,000	
88500 (prev. yr. 88500) Equity Shares of Rs. 10/- each fully paid up			
<b>Other Non-Current Investments</b>			
(Quoted- Fully Paid Up ) Other than Subsidiaries			
Baroda Pioneer PSU Equity Fund	200,000	200,000	
<b>Sub Total</b>	<u>13,373,521</u>	<u>68,479,000</u>	
<b>Total Long Term Investments</b>	<u>13,373,521</u>	<u>68,479,000</u>	

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

Particulars	(Amount in Rs.)	
	31.03.2016	31.03.2015
Aggregate Amount of Quoted Investments	200,000	200,000
Market Value of Quoted Investments	133,600	166,600
Aggregate Amount of Unquoted Investments	13,173,521	68,279,000
Aggregate Provision for diminution in Value of Investments	812,250,000	757,144,521
Aggregate Permanant diminution in Value of Investments	-	1,000,000
Note : All investments are valued at cost.		

**NOTE NO. 11****OTHER NON CURRENT ASSETS**

M/s Jindal International FZE	339,143	339,143
<b>Total</b>	<b>339,143</b>	<b>339,143</b>

**NOTE NO. 12****LONG TERM LOANS & ADVANCES**

(Unsecured and Considered Good)

**(a) Security Deposits**

Lease Securities	4,500,000	4,500,000
Electricity Security	6,536,483	6,536,483
Telephone Security	25,148	25,148
Sales Tax Security ( Rajasthan)	20,000	20,000
L P G Security	2,100	2,100
Advance Consumption Deposit PSPCL	5,715,844	5,715,844

**(b) Loans and Advances to related parties**

Jindal Medicot Ltd	159,867,461	163,127,461
Jindal Specialty Textiles Ltd	56,804,542	61,555,759
Jindal International FZE	1,564,283,396	1,564,283,396
Poonam Enterprises	87,714	87,714
<b>Total</b>	<b>1,797,842,688</b>	<b>1,805,853,905</b>

Note: Loans and advances include the amounts due from

Directors-Either severally or jointly	-	-
Other officers of the Company-either severally or jointly	-	-
Firm in which director is a partner	-	-
Private company in which directors is a member	-	-

**NOTE NO. 13****INVENTORIES**

(As taken, valued and certified by the management)

a. Raw Materials	-	-
b. Work in Progress	-	-
c. Finished Goods/Stock in Trade	48,364,091	22,160,772
d. Store & Spares	775,530	775,530
e. Others (Scrap/Waste)	-	-
<b>Total</b>	<b>49,139,621</b>	<b>22,936,302</b>

Inventories are valued at cost or net realizable value, whichever is lower. The cost in respect of the various items of inventory is computed as under:



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

Particulars	31.03.2016	(Amount in Rs.) 31.03.2015
-------------	------------	-------------------------------

- In case of raw material at actual cost determined on FIFO basis plus direct expenses.
- In case of Stores and spares at weighted average cost.
- in case of Work in process at raw material cost plus conversation cost depending upon stage of completion.
- in case of finished goods at raw material cost plus conversion cost and appropriate proportion of overheads incurred to bring the goods to there present location and condition plus excise duty wherever applicable.

**NOTE NO. 14****TRADE RECEIVABLES**(Unsecured)

Outstanding for a period exceeding six months  
from the date they are due for payment

733,209,995                      712,020,159

**Less provision for bad debts\***

(651,026,500)                      (509,549,500)

**Total**

**82,183,495                      202,470,659**

\* Debtors are shown net of provisions in financial year 2015-16. Accordingly previous year figures were also restated.

**NOTE NO. 15****CASH AND CASH EQUIVALENTS**

Cash and Cash Equivalents

326,849                      19,718,652

Cheques in Hand

-                      9,613,510

Balance with Banks

a. Current Accounts

1,120,451                      2,207,197

b. Fixed Deposit pledged as Margin Money

169,505                      169,505

**Total**

**1,616,805                      31,708,864**

**NOTE NO. 16****SHORT -TERM LOANS AND ADVANCES****a. Advances recoverable in cash or in kind or for value to be received**

i) Advance to Suppliers

74,449                      185,430

ii) Prepaid Expenses

-                      18,500

iii) Prepaid Insurance

625,730                      623,353

iv) TDS

1,709,684                      1,731,453

v) Balance With Excise & Taxation Dept.

49,303,913                      49,327,200

vi) Interest Receivable

28,509,809                      28,509,809

vii) Other Advances

67,067,642                      69,218,638

**Total**

**147,291,227                      149,614,383**

Loans and advances include the amounts due from

Directors-Either severally or jointly

-                      -

Other officers of the Company-either severally or jointly

-                      -

Firm in which director is a partner

-                      -

Private company in which directors is a member

-                      -



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

Particulars	(Amount in Rs.)	
	31.03.2016	31.03.2015
<b>NOTE NO. 17</b>		
<b>REVENUE FROM OPERATIONS</b>		
Sale of Products	30,207,142	1,116,988,304
Export Incentive	-	268,360
<b>Revenue From Operation</b>	<b>30,207,142</b>	<b>1,117,256,664</b>
Less: Excise Duty	-	154,274
<b>Total</b>	<b>30,207,142</b>	<b>1,117,102,390</b>
<b>NOTE NO. 18</b>		
<b>OTHER INCOME</b>		
Interest Income	1,869,843	944,742
Lease Rent	36,00,000	-
Foreign Exchange Fluctuation	-	43,178
Rebate & Discount	75,358	451
Profit on sale of Fixed Assets	1,283,138	69,848
<b>Total</b>	<b>6,828,339</b>	<b>1,058,219</b>
<b>NOTE NO. 19</b>		
<b>COST OF MATERIAL CONSUMED</b>		
Opening Stock of Raw Materials.... I	-	11,341,839
Purchase of Raw Materials.... II	-	645,701,234
Closing Stock Raw Materials.....III	-	-
<b>Cost of Raw Material Consumed ( I+II-III )</b>	<b>-</b>	<b>657,043,073</b>
<b>NOTE NO. 20</b>		
<b>PURCHASES OF STOCK IN TRADE</b>		
Purchases	49,285,788	87,074,039
<b>Total Purchase</b>	<b>49,285,788</b>	<b>87,074,039</b>
<b>NOTE NO. 21</b>		
<b>CHANGES IN INVENTORIES OF FINISHED GOODS</b>		
<b>WORK-IN-PROGRESS &amp; STOCK IN TRADE</b>		
Opening Stock of Finished Goods/Stock-in-Trade	22,160,772	70,840,402
Opening Stock of Work-in-Progress	-	22,698,342
Opening Stock of Waste	-	2,837,799
<b>Sub Total A</b>	<b>22,160,772</b>	<b>96,376,543</b>
Closing Stock of Finished Goods/Stock-in-Trade	48,364,091	22,160,772
Closing Stock of Work-in-Progress	-	-
Closing Stock of Waste	-	-
<b>Sub Total B</b>	<b>48,364,091</b>	<b>22,160,772</b>
<b>TOTAL ( A-B )</b>	<b>(26,203,319)</b>	<b>74,215,771</b>

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

Particulars	(Amount in Rs.)	
	31.03.2016	31.03.2015
<b>NOTE NO. 22</b>		
<b>EMPLOYEE BENEFIT EXPENSE</b>		
Salaries, Wages & Other Allowances	5,661,219	59,794,950
Contribution to E.S.I, P.F & Other Funds	-	4,164,783
Workmen & Staff Welfare Expenses	-	-
<b>Total</b>	<b>5,661,219</b>	<b>63,959,733</b>
<b>NOTE NO. 23</b>		
<b>FINANCE COSTS</b>		
Bank Interest	242,122,652	224,038,939
Bank Chareges & Commission	135,517	1,471,562
Fixed Deposit Scheme Expenses & Interest	12,956,000	15,237,676
Other Interest	-	5,103,000
<b>Total</b>	<b>255,214,169</b>	<b>245,851,177</b>
<b>NOTE NO. 24</b>		
<b>DEPRECIATION AND AMORTIZATION EXPENSE</b>		
Depreciation	72,302,298	78,314,183
<b>Total</b>	<b>72,302,298</b>	<b>78,314,183</b>
<b>NOTE NO. 25</b>		
<b>OTHER EXPENSES</b>		
<b>Manufacturing Expenses</b>		
Power & Fuels	-	171,082,415
Packing Materials Consumed	-	8,423,951
Machinery Repair & Maintenance	8,170	24,016,141
Electric Repair & Maintenance	18,790	4,250,962
Other Manufacturing Expenses	16,000	681,879
<b>Sub Total I</b>	<b>42,960</b>	<b>208,455,348</b>
<b>Selling &amp; Distribution Expenses</b>		
Commission on Sale	-	1,455,468
Export Expenses	-	212,984
Freight & Octroi Outward	-	5,885
Rebate & Discount	-	77,233,300
Sales Promotion	-	29,047
Advertisement & Publicity	-	251,066
<b>Sub Total II</b>	<b>-</b>	<b>79,187,750</b>
<b>OTHERS</b>		
<b>Auditor's Remuneration</b>		
Statutory Audit Fee	25,000	-
Reimbursement of out of Pocket Exps.	7,594	32,594
VAT Audit Fee	-	5,000
Repaire & Maintance	1,687,277	3,012,590
Rent, Rates & Taxes	197,563	1,657,978
Listing Charges	382,024	269,664

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

Particulars	(Amount in Rs.)	
	31.03.2016	31.03.2015
Loading & Unloading Charges	1,194	817,031
Legal & Professional Charges	335,991	399,062
Insurance Charges	19,661	1,487,701
Advertisement Exp.	150,474	-
Computer Repair & Maintenance	28,122	128,657
Travelling Expenses	310,160	3,245,615
General Expenses	42,676	180,459
Telephone & Internet Expenses	68,650	784,636
Printing & Stationery	48,387	312,507
Fine & Penalty	10,000	-
Loss On Sale Of Fix Assets	-	171,933
Loss on Investment	-	800,000
Sundry Balance Written off	23,288	-
Provision for bad debts	141,477,000	509,549,500
Prov for Demolition in valuation of investments	55,105,479	757,144,521
<b>Sub Total III</b>	<b>199,925,540</b>	<b>1,280,015,518</b>
<b>TOTAL OF OTHER EXPENSES</b>	<b>199,968,500</b>	<b>1,567,658,616</b>

**NOTE NO. 26****EARNINGS PER SHARE**

i) Net Profit after tax as per Statement of Profit & Loss attributable to Equity Shareholders	(519,352,808)	(1,664,982,072)
ii) Weighted Average number of equity shares used as denominator for calculating EPS	45,003,140	45,003,140
iii) Basic Earnings per share	(11.54)	(37.00)
iv) Diluted Earnings per share	(11.54)	(37.00)
v) Face Value per equity share	10.00	10.00

**NOTE NO. 27****CONSUMPTION OF IMPROVED AND INDIGENOUS RAW MATERIAL, SPARE PARTS & COMPONENTS**

Indigenous	26,960	693,734,127
% of Consumption	100%	100%
Imported	-	-
% of Consumption	-	-
<b>Total</b>	<b>26,960</b>	<b>693,734,127</b>

**NOTE NO. 28****Disclosure related to Fixed Assests**

Pursuant to the enactment of the Companies Act, 2013 the company has applied the estimated useful lives as in Schedule II. Depreciation on Part of the assets was charged on WDV up to FY 2013-14 and now from FY 14-15 onwards, Depreciation is calculated with straight line method with effect from the capitalization date.

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

Particulars	31.03.2016	(Amount in Rs.) 31.03.2015
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**NOTE NO. 29****RELATED PARTY DISCLOSURES**

Information Related to Relating Party Transaction As Per Accounting Standard - 18, issued by Institute of Chartered Accountants of India is given below:

**A) Associate Concerns**

Himachal Textile Park Limited

**B) Subsidiary Companies**

Jindal Medicot Limited

Jindal Metalex Limited (Closed)

Jindal Infrabiz Limited (Closed)

Jindal Specialty Textiles Limited

Jindal International FZE (foreign subsidiary)

**C) Other Related Parties**

Mr. Yash Paul Jindal (Director)

Mr. Ramesh Jindal (Director)

Mr. Rajinder Jindal (Director)

Mr. Aman Jindal (Director)

Mr. Sahil Jindal (Director)

**D) Key Management Personnel**

Mr. Sandeep Jindal (MD)

Mr. Balwinder Singh (CFO)

Mr. Anil Malhan (CS)

**E) KMP or their relatives are influence or control the enterprises**

Jindal Cycles Pvt Ltd

Jindal Fine Industries

Leader Cycles Ltd

Jindal Infomedia Pvt Ltd

Jindal Holdings & Investment Limited

Poonam Enterprises

**F) Relatives of Key Management Personnel**

Mrs. Manu Jindal

Transactions with Associate/ other related parties/ Key Management and their relatives during the year:

Name of the Party	Nature of Relationship	Nature of Transaction	2015-16
Mr. Yash Paul Jindal	Other Related Parties	Lease Rent	48,000
Mr. Ramesh Jindal	Other Related Parties	Lease Rent	48,000
Mr. Rajinder Jindal	Other Related Parties	Lease Rent	48,000
Mr. Yash Paul Jindal	Director	Remuneration	6,00,000
Mr. Sandeep Jindal	KMP	Remuneration	4,50,000
Mr. Balwinder Singh	KMP	Remuneration	1,20,000
Mr. Anil Malhan	KMP	Remuneration	5,55,662

**NOTE NO. 30**

The Company has taken land on lease from Mr. Yash Paul Jindal, Mr. Rajinder Kumar Jindal & Mr. Ramesh Jindal at a monthly rental of Rs 12000/- . The Lease will expire on June 21, 2028. The company recognises the expense on due basis. The classification of Future Lease obligations towards Lease Rentals is as follows:-

	Current Year	Previous Year
- not later than one year	144,000	144,000
-later than one year and not later than five years	576,000	576,000
-later than five years	1,044,000	1,188,000
	<u>1,764,000</u>	<u>1,908,000</u>

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

Particulars	31.03.2016	(Amount in Rs.) 31.03.2015
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**NOTE NO. 31**

Segment information for the year ended 31st March, 2016

**(a) Information about Primary Business Segments**

	Textile		Wind Mill		Total	
	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15
<b>Revenue:</b>						
External (Net of Excise)	25,546,845	1,111,560,773	4,660,297	5,541,617	30,207,142	1,117,102,390
Inter-segment	-	-	-	-	-	-
Total Revenue	25,546,845	1,111,560,773	4,660,297	5,541,617	30,207,142	1,117,102,390
<b>Result:</b>						
Segment Result	(519,755,530)	(1,657,602,115)	448,458	1,646,133	(519,307,072)	(1,655,955,982)
Unallocated Expenditure					-	-
Profit before Tax					(519,307,072)	(1,655,955,982)
Provision for Tax/Adjustment of tax for Earlier Years					(45,736)	-
Profit After Tax					(51,93,52,808)	(1,65,59,55,982)

  

	Textile		Wind Mill		Total	
	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15
Segment Assets	3,252,754,242	3,523,647,001	51,635,586	48,229,746	3,304,389,828	3,571,876,747
Segment Liabilities	2,821,374,380	3,083,689,413	28,552,821	23,921,399	2,849,927,201	3,107,610,812
Capital Expenditure	70,271,865	5,252,591	-	-	70,271,865	5,252,591
Depreciation	72,302,298	78,314,183	-	-	72,302,298	78,314,183

**(b) Information about Secondary Geographical Segments**

Revenue by geographical market

	India	Outside India	Total
External	30,207,142	-	30,207,142
Prev Year	1,117,102,390	-	1,117,102,390
Inter-segment	-	-	-
<b>Total</b>	30,207,142	-	30,207,142
Total Prev Year	1,117,102,390	-	1,117,102,390

**(c) Notes:**

- Management has identified two reportable business segments, namely:  
Textile: – Production of Acrylic Yarn, Polyester Yarn, Poly/cotton Blended Yarn, Cotton Yarn and other Blended Yarns.  
- Energy Generation: - Generation of Energy from Wind Mill.  
Segments have been identified and reported taking into account the nature of products.
- The segment in the geographical segments considered for the disclosure are as follows:-  
- India: comprising of sales to customers located within India and earnings in India  
- Outside India : comprising of sales to customers located outside India.
- Segment Revenue, Results, Assets and Liabilities include the respective amounts identifiable to each of the segments and amounts allocated on a reasonable basis.

**NOTE NO. 32**

In the opinion of the Board, current assets, loans and advances have a value in the ordinary course of business at least equal to that stated in the balance sheet and adequate provisions have been made for all known liabilities and depreciation in the books of accounts.

**NOTE NO. 33**

All figures have been rounded off to nearest rupees.

**NOTE NO. 34**

Debit or Credit Balance on what so ever accounts are subject to confirmation from parties.

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

Particulars	31.03.2016	(Amount in Rs.) 31.03.2015
<b>NOTE NO. 35</b>		
<b><u>CONTINGENT LIABILITIES AND COMMITMENTS</u></b>		
( To the extent not provided for)		
a <u>Contingent Liabilities</u>		
i) Duty saved upon procurement of machinery pending fulfilment of export obligation	506,451	506,451
ii) Corporate Guarantee given to Banks for grant of Term Loan and CC Limits to Subsidiaries	3,272,043,782	2,918,710,561
b <u>Commitments</u>		
i) Estimated amount of contracts remaining to be executed on capital and not provided for	886,345,242	886,345,242
<b>Total</b>	<b><u>4,158,895,475</u></b>	<b><u>3,805,562,254</u></b>

**NOTE NO. 36****Pending Legal Cases**

1. The suppliers has filed the cases against the company at various levels of Distt. & Session Courts. Total amount of exposure involved in the petitions filed in the court amounts to Rs. 1156.83 lacs .
2. The company has filled the cases in Distt. & Session Court against the debtors namely Kaur Sain Mittal Synthetics Ltd for amount of Rs. 144.50 Lacs
3. There are various suits filed against the company u/s 138.
4. One of the creditor being 'Vinod cotton corporation' has even filed petition application for winding up of the company.

**NOTE NO. 37**

The Institute of Chartered Accountants of India has issued an Accounting Standard – 28 on Impairment of Assets, which is mandatory for the accounting periods commencing on or after 1st April, 2004. In accordance with the said standards, the company has assessed as on date of applicability of the aforesaid standard and as well as on balance sheet date, whether there are any indications with regard to the impairment of any of the assets. Based on such assessment, it has been ascertained that no potential loss is present and therefore, formal estimate of recoverable amount has not been made. Accordingly no impairment loss has been provided in the books of account.

**NOTE NO. 38****INVESTMENTS**

The Investments are stated at cost. Diminution in value of investments on account of market fluctuations which are of permanent nature are provided for. Temporary diminution in the value of investments has also been provided for.





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

### **NOTE NO. 39**

The Company has accumulated losses of Rs. 227.64 Crores which has eroded its peak level net worth by more than 50% and as such has become potentially sick company. Based on the detailed evaluation of the current situation, plans formulated management is confident of raising adequate finance and rescheduling its debt. Therefore, the management is of the view that the company will realize its assets and discharge the liabilities in the normal course of business. Taking into account the above facts, the financial statements have been prepared on the basis that the company is a going concern.

### **NOTE NO. 40**

The company has outstanding deposits received/accepted from General Public in shape of FDR for different time frames for maturity. Due to financial constraints, the company was not able to repay the deposits within the scheduled time period. The Company applied to the Company Law Board for the deferment of repayments of deposits. The Company Law Board vide its Order No. C.P. NO 25/2013-CLB Dated 23/12/2013 has deferred the repayments of deposits by one year. The repayment of Deposits started from March, 2015. In case of genuine hardship, the company has been repaying Rs. 5 Lacs on quarterly basis as per the hardship committee meeting.

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**For & On behalf of the Board**

As per our report of even date attached

**Raj Gupta & Co.**

Chartered Accountants

Firm Regn no. 000203N

**Sandeep Jindal**  
Managing Director

**Yash Paul Jindal**  
Director

**Shiv Pal**  
Finance Manager

**Anil Malhan**  
Company Secretary

**Raj Gupta**  
Partner  
(M.No.017039)

**Place: Ludhiana**  
**Date : 30.05.2016**

**INDEPENDENT AUDITOR'S REPORT ON CONSOLIDATED FINANCIAL STATEMENT**

To  
The Members of  
**JINDAL COTEX LTD.**

**Report on the Financial Statements**

We have audited the accompanying consolidated financial statements of **JINDAL COTEX LTD.** ("the Parent Company") and its subsidiaries and an associate (collectively referred to as the group), which comprise the consolidated Balance Sheet as at March 31, 2016, and the consolidated Statement of Profit and Loss and consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

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

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

**Auditors' Responsibility**

Our responsibility is to express an opinion on these consolidated 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 there under. 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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected

depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the consolidated financial statements, that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's management and Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

In our opinion and to the best of our information and according to the explanations given to us. The statement:

- (a) Includes the results of subsidiaries as given below:
  - Jindal Medicot Limited
  - Jindal Speciality Textiles Limited
  - Jindal International FZE
- (b) Includes the result of associate as given below:
  - Himachal Textiles Park Limited

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

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) In the case of the consolidated Balance Sheet, of the state of affairs of the Company as at March 31, 2016;
- b) In the case of the consolidated Statement of Profit and Loss, of the Loss for the year ended on that date; and
- c) In the case of the consolidated Cash Flow Statement, of the cash flows for the year ended on that date.

**Emphasis of Matter**

Without qualifying our opinion, we draw our attention to the following:

- a) Note No. 42 to the consolidated financial statements of three subsidiaries and one associate indicate that the company has accumulated losses of Rs.285.38 crores has eroded its peak level net worth by more than 50% and as such has become potentially sick company. Hence, there are conditions indicating an uncertainty on the going concern.

However, the consolidated financial statements have been prepared by the management on a going



- concern basis for the reason stated in the said note.
- b) We did not audit the financial statements of one foreign subsidiary (Jindal International FZE) included in the consolidated financial statements. These financial statements have not been audited.
  - c) We did not audit the financial statements of its Associate (Himachal Textiles Park Limited) included in the consolidated financial statements. The Associate Company is under implementation stage, so in said company; there is no profit or loss and no impact on consolidation of financial statement
  - d) The Parent company has been referred under the provisions of Section 23 of Sick Industrial Company (Special Provisions) Act, 1985 (SICA) on 22nd January, 2016.
  - e) The subsidiaries of the company being Jindal Specialty Textile Ltd has been referred under the provisions of Section 23 of Sick Industrial Company (Special Provisions) Act, 1985 (SICA) on 18th February, 2016 and Jindal Medicot Pvt Ltd got registered with Board for Industrial and Financial Reconstruction (BIFR) on 17th March, 2016 under the provision of sec(23) of Sick Industrial Company (Special Provisions) Act, 1985(SICA).
  - f) Since all the accounts of the company have been declared sub-standard over a period of time, the banks have started recovery action against the Company under SARFAESI Act. In the absence of any information on interest on outstanding dues to the bank, the provision of interest has been made on the basis of assumptions which are not certain. Hence balances with banks are subject to confirmation.
  - g) In our opinion, and according to the information and explanations given to us, the Company has contingent liabilities in respect of its various subsidiaries disclosed in the Note No.38 of consolidated financial statements
  - h) Note No. 39 to the consolidated financial statement on various litigations/suits pending in the court of law at different levels. There is uncertainty regarding the outcome of law suits filed against the company.
  - i) Actuarial valuation of employee benefits was not conducted during the year.
  - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books
  - c) The Balance Sheet & Statement of Profit and Loss and cash flow statement dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid financial statements comply with the applicable Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules 2014.
  - e) On the basis of written representations received from the directors as on March 31, 2016, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016, from being appointed as a director in terms of Section 164(2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure "B"; and
  - g) In our opinion and to the best of our information and according to the explanations given to us, we report as under with respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014:
    - i. The Company did not have any long-term contracts including derivative contracts; as such the question of commenting on any material foreseeable losses thereon does not arise.
    - ii. There has not been an occasion in case of the Company during the year under report to transfer any sums to the Investor Education and Protection Fund. The question of delay in transferring such sums does not arise.
    - iii. The company has disclosed the impact of its pending litigations on its financial position in its financial statements refer note no 36 to financial statements.

## 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 statement on the matters Specified in paragraphs 3 and 4 of the Order.

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 purpose of our audit;

Place: Ludhiana  
Date : 30/05/2016

**For Raj Gupta & Co**  
**Chartered Accountants**  
**FRN: 000203N**

**Raj Kumar Gupta**  
**(Partner)**  
**Membership No.: 017039**

## Annexure - "B" to Independent Auditors' Report (Referred to in our report of even date)

## **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 JINDAL COTEX LTD. and its subsidiaries and an associate as of 31st March 2016 in conjunction with our audit of the consolidated 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit

opinion on the Company's internal financial controls system over financial reporting.

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

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

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

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected.

Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion, the Company is not fully in operation so we cannot assure the effectiveness of internal financial controls system over financial reporting and give assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with Authorizations of management and directors of the company.

**For Raj Gupta & Co  
Chartered Accountants  
FRN: 000203N**

**Place: Ludhiana  
Date : 30/05/2016**

**Raj Kumar Gupta  
(Partner)  
Membership No.: 017039**

**CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2016** (Amount in Rs.)

PARTICULARS	NOTE NO.	Current Year	Previous Year
<b>1. Equity and Liabilities</b>			
<b>(1) Shareholder's Funds</b>			
a) Share Capital	1	450,031,400	450,031,400
b) Reserves and Surplus	2	(329,670,210)	598,525,396
Sub Total		120,361,190	1,048,556,796
<b>2) Share Application Money pending allotment</b>		339,142	339,142
<b>3) Minority Interest</b>		36,000,000	36,000,000
<b>4) Non-Current Liabilities</b>			
a) Long Term Borrowings	3	4,777,950,036	4,242,874,782
b) Deferred Tax Liabilities (Net)	4.1	-	-
c) Long Term Provisions	4.2	6,210,113	11,559,764
<b>5) Current Liabilities</b>			
a) Short term Borrowings	5	1,213,498,051	1,173,608,640
b) Trade Payables	6	313,217,646	253,028,964
c) Other Current Liabilities	7	117,234,752	117,033,704
d) Short term Provisions	8	68,740,007	76,863,503
<b>TOTAL</b>		<u>6,653,550,937</u>	<u>6,959,865,296</u>
<b>II. ASSETS</b>			
<b>Non Current Assets</b>			
<b>1) a) Fixed assets</b>			
i) Tangible Assets	9	2,535,189,437	2,667,952,144
ii) Intangible assets		44,662	59,548
iii) Capital Work in Progress		822,706,568	891,783,362
iv) Intangible Assets under Development			
Sub Total		3,357,940,667	3,559,795,054
b) Non Current Investments	10	2,035,000	2,035,000
c) Long Term Loans and Advances	11	104,210,639	104,160,645
d) Other Non Current assets	12	-	-
Sub Total		<u>3,464,186,306</u>	<u>3,665,990,699</u>
<b>2) Current Assets</b>			
a) Inventories	13	165,154,393	130,678,572
b) Trade receivables	14	2,641,409,696	2,756,394,890
c) Cash and Cash Equivalents	15	93,811,869	123,581,655
d) Short Term Loans and Advances	16	288,988,673	283,219,480
<b>TOTAL</b>		<u>6,653,550,937</u>	<u>6,959,865,296</u>

Significant Accounting Policies and Notes on Accounts 1 to 40

**For & On behalf of the Board**

As per our report of even date attached

**Raj Gupta & Co.**Chartered Accountants  
Firm Regn no. 000203N**Sandeep Jindal**  
Managing Director**Yash Paul Jindal**  
Director**Shiv Pal**  
Finance Manager**Anil Malhan**  
Company Secretary**Raj Gupta**  
Partner  
(M.No.017039)**Place: Ludhiana**  
**Date : 30.05.2016**

**CONSOLIDATED PROFIT AND LOSS A/C FOR THE YEAR ENDED 31ST MARCH, 2016**

(Amount in Rs.)

PARTICULARS	NOTE NO.	Current Year	Previous Year
I. Revenue from operations	17	1,014,923,794	1,956,625,399
II. Other Income	18	17,548,621	10,537,406
III. Total Revenue (I+II)		<u>1,032,472,415</u>	<u>1,967,162,805</u>
IV. Expenses			
Cost of Materials Consumed	19	720,881,845	1,174,699,235
Purchase of Stock in Trade	20	91,278,877	266,123,744
Changes in Inventories of Finished goods work-in-progress and Stock-In-Trade	21	(32,948,447)	39,064,551
Employee Benefits Expenses	22	44,791,213	98,276,940
Finance Costs	23	619,429,810	586,842,871
Depreciation and Amortization Expenses	24	200,876,576	194,658,496
Other Expenses	25	316,411,677	949,225,110
Total Expenses		<u>1,960,721,552</u>	<u>3,308,890,947</u>
V. Profit/(Loss) before exceptional and extraordinary items and tax (III-IV)		(928,249,136)	(1,341,728,142)
VI Exceptional Items		-	-
VII Profit/(Loss) before extraordinary items and tax (V-VI)		(928,249,136)	(1,341,728,142)
VIII Extraordinary Items		-	-
Adjustment for earlier years expenses		113,898	-
IX Profit/(Loss) before Tax (VII-VIII)		(928,363,034)	(1,341,728,142)
X Tax Expense:		-	-
1) Current Tax		-	-
2) Deferred Tax(Prevoius Year)		150,000	-
3) Adjustment for earlier years tax		17,428	-
Sub Total		<u>167,428</u>	-
XI Profit/(Loss) for the period (V-VI)		(928,195,606)	(1,341,728,142)
XII Earnings per Equity Share after minority interest:	26		
1) Basic - In Rs.		(20.63)	(33.77)
2) Diluted - In Rs.		(20.63)	(33.77)

Significant Accounting Policies &amp; Notes on Accounts 1 to 40

**For & On behalf of the Board**

As per our report of even date attached

**Raj Gupta & Co.**

Chartered Accountants

Firm Regn no. 000203N

**Sandeep Jindal**  
Managing Director**Yash Paul Jindal**  
Director**Shiv Pal**  
Finance Manager**Anil Malhan**  
Company Secretary**Raj Gupta**  
Partner  
(M.No.017039)**Place: Ludhiana**  
**Date : 30.05.2016**





## CONSOLIDATED CASH FLOW STATEMENT FOR YEAR ENDED 31.03.2016 (Amount in Rs.)

PARTICULARS	Current Year	Previous Year
<b>A. Cash Flow from Operating Activities</b>		
Net Profit/(loss) before tax	(928,363,034)	(1,341,728,142)
<b>Adjustment to Reconcile Profit before Tax to cash generated by operating Activities</b>		
Depreciation	200,876,576	194,658,496
Foreign Exchange Fluctuation Gain	-	(43,178)
Interest Received	(12,590,124)	(10,423,928)
Interest Expense	619,429,810	586,842,871
Prior Period Tax Adjustments	17,428	-
Adjust for deferred tax liability	150,000	-
Provision for Bad debts	141,477,000	509,549,500
Profit / Loss on sale of fixed Assets	(1,283,138)	102,083
Loss on investment	-	800,000
<b>Operating Profit before working capital Changes</b>	<b>19,714,519</b>	<b>(60,242,298)</b>
Adjustment For		
- Decrease / (Increase) in Trade & Other Receivables	(536,041,306)	(117,799,499)
- Decrease / (Increase) in Loans and advances	(5,819,193)	2,659,988
- Decrease / (Increase) in Inventories	(34,475,821)	88,716,397
- (Decrease) /Increase in Trade and other Payables	60,188,683	52,156,390
Others Current liabilities	(1,239,093)	(717,484,736)
Others short Term liabilities	(6,683,355)	(34,649,261)
<b>NET CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>(504,355,566)</b>	<b>(786,643,019)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	66,873,863	118,906,195
Sale of Fixed Assets	6,852,000	1,934,874
Increase in Capital Advances	(71,464,916)	-
Investment in Subsidiaries	-	815,000
Proceeds From Long Term Loan and Advances	8,011,217	977,454
Adjustment of Additional Depreciation of Company Act 2013	-	(177,997,800)
<b>NET CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>10,272,164</b>	<b>(55,364,277)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from long term borrowings	556,485,242	1,098,715,376
Repayment of Short term borrowings	10,468,207	205,935,630
Foreign Exchange Fluctuation Gain	-	43,178
Interest Received	12,590,124	10,423,928
Interest Expense	(619,429,810)	(586,842,871)
Others Long Term liabilities	504,199,853	(1,566,027)
Others short Term liabilities	-	-
<b>NET CASH FLOW FROM FINANCING ACTIVITIES</b>	<b>464,313,616</b>	<b>726,709,214</b>
<b>Net increase/(decrease) in cash &amp; Cash equivalents</b>	<b>(29,769,786)</b>	<b>(115,298,082)</b>
<b>**Cash and Cash Equivalent at beginning of year</b>	<b>123,581,655</b>	<b>238,879,738</b>
<b>Cash and Cash Equivalent at the end of year</b>	<b>93,811,869</b>	<b>123,581,656</b>

For & On behalf of the Board of Directors of Jindal Cotex Ltd.

As per our report of even date attached

**Raj Gupta & Co.**

Chartered Accountants

Firm Regn no. 000203N

**Sandeep Jindal**  
Managing Director

**Yash Paul Jindal**  
Director

**(Shiv Pal)**  
Finance Manager

**Anil Malhan**  
Company Secretary

**Raj Gupta**  
Partner  
(M.No.017039)

**Place: Ludhiana**  
**Date : 30.05.2016**





## SIGNIFICANT ACCOUNTING POLICIES

### I. ACCOUNTING CONVENTION

The financial statements, other than the Cash Flow Statement, are prepared under the historical cost convention, treating the entity as a going concern and in accordance with the applicable accounting standards and relevant provisions of the Companies Act, 2013.

### I(a) CHANGE IN ACCOUNTING POLICY

With effect from 01/04/2014 company has with retrospective effect changed its method of providing depreciation on fixed assets from the written down value method to straight line method as per the rates prescribed in the part C of Schedule II of the Companies act 2013.

Management believes that this change will result in more appropriate presentation and will give a systematic basis of depreciation charge, representative of the time pattern in which the economic benefits will be derived from the use of these assets.

### II. REVENUE RECOGNITION

Revenue from domestic sale of goods is recognized at the time of dispatch of goods from the factory. Sales are exclusive of VAT and CST. Export sales are booked on the basis of the date of Bill of Lading.

### III. FIXED ASSETS

Fixed Assets are stated at cost, net of taxes and duties subsequently recoverable from government authorities less accumulated depreciation and impairment loss, if any. Government grants relating to specific fixed assets are treated as deferred income, which is recognized in the Statement of Profit and Loss on a systematic basis over the useful life of the asset.

All costs attributable to bringing the asset to its working condition for its intended use, including financing costs till commencement of commercial production and charges on foreign exchange contracts and adjustments arising out of exchange rate variations attributable to the fixed assets are capitalized.

### IV. DEPRECIATION

Pursuant to the enactment of the companies Act 2013, the Company has applied the estimated useful lives as specified in schedule II. Accordingly the unamortized carrying value is being depreciated over the Revised/remaining useful lives.

### V. INVENTORIES

Inventories are valued at cost or net realizable value, whichever is lower. Raw Material and stores are valued at cost determined on a weighted average basis. Work in process is valued at cost plus an appropriate share of overheads depending upon the stage of completion. Finished Goods are valued taking into account the raw material cost, conversion cost and the overheads incurred to bring the goods to their present location and condition.

### VI. FOREIGN EXCHANGE TRANSACTIONS

Foreign Currency transactions are accounted for at exchange rate prevailing on the date of transaction. Premium on forward cover contracts in respect of import of raw materials is charged to the Statement of Profit and Loss over the period of contract. Amounts payable and receivable in foreign currency at the Balance Sheet date, not covered by forward contracts, are restated at the applicable exchange rate prevailing on the date of the Balance Sheet. All exchange differences, if any, arising on revenue transactions are charged/credited to the Statement of Profit and Loss.

### VII. TAXATION

Provision for current tax is made in accordance with the provisions of the Income Tax law applicable for the relevant year. Deferred tax asset/liability is created in accordance with the requirements of Accounting Standard 22 "Accounting for taxes on Income" issued by the Institute of Chartered Accountants of India. Deferred Tax Asset is created only to the extent there is virtual certainty that future taxable income will be available against which such deferred tax asset can be realized.

In terms of the Guidance Note on "Accounting for Credit available in respect of Minimum Alternate Tax (MAT) under the Income Tax Act, 1961" issued by the Institute of Chartered Accountants of India, MAT credit is recognized as an asset only to the extent there is a convincing evidence that the company will be paying regular income tax during the specified period.

### VIII. EMPLOYEE BENEFITS:

#### (a) Short-Term Employee benefits

Employee benefits payable wholly within twelve months of rendering services are classified as short term employee benefits and are recognized in the period in which the employee renders the related services.

#### (b) Post-employment benefits

Defined benefits Plans:

The employee gratuity scheme is a defined benefit plan. The present value of defined benefit obligation as at the end of the year is determined using the Projected Unit Credit method i.e. each period of service rendered by the employee is considered to give rise to an additional unit of benefit entitlement, gradually building up the final obligation.

The liability on account of compensated absences i.e. leave with wages is accounted for on the basis of unutilized leave standing to the credit of the employee at the close of the year.

The company was required to get actuarial valuation of employment benefits but no valuation was done in this aspect.

### IX. PROVISIONS AND CONTINGENCIES:

Provision is recognized in the balance sheet when, the company has a present obligation as a result of past events and it is probable that an outflow of economic resources will be required to settle the obligations, and a reliable estimate of the amount of the obligation can be made. A disclosure by way of contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made. Contingent assets are neither recognized nor disclosed in the financial statements.

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

Particulars	(Amount in Rs.)	
	31.03.2016	31.03.2015
<b>Note 1.</b>		
<b>SHARE CAPITAL</b>		
<b>A) AUTHORISED CAPITAL</b>		
<u>AT THE BEGINNING OF THE YEAR</u>		
60000000 EQUITY SHARES OF RS. 10/- EACH(PREV. YEAR 60000000 EQUITY SHARES OF RS. 10/- EACH)	600,000,000	600,000,000
<u>INCREASE DURING THE YEAR</u>	-	-
NIL (PREV. YEAR NIL)		
<u>AT THE END OF THE YEAR</u>		
60000000 EQUITY SHARES OF RS. 10/- EACH(PREV. YEAR 60000000 EQUITY SHARES OF RS. 10/- EACH)	600,000,000	600,000,000
<b>ISSUED CAPITAL</b>		
<u>AT THE BEGINNING OF THE YEAR</u>		
45003140 EQUITY SHARES OF RS. 10/- EACH(PREV. YEAR 45003140 EQUITY SHARES OF RS. 10/- EACH)	450,031,400	450,031,400
<u>INCREASE DURING THE YEAR</u>	-	-
NIL (PREV. YEAR NIL)		
<u>AT THE END OF THE YEAR</u>		
45003140 EQUITY SHARES OF RS. 10/- EACH(PREV. YEAR 45003140 EQUITY SHARES OF RS. 10/- EACH)	450,031,400	450,031,400
<b>SUBSCRIBED AND PAID UP CAPITAL</b>		
<u>AT THE BEGINNING OF THE YEAR</u>		
45003140 EQUITY SHARES OF RS. 10/- EACH(PREV. YEAR 45003140 EQUITY SHARES OF RS. 10/- EACH)	450,031,400	450,031,400
<u>INCREASE DURING THE YEAR</u>	-	-
NIL (PREV. YEAR NIL)		
<u>AT THE END OF THE YEAR</u>		
45003140 EQUITY SHARES OF RS. 10/- EACH(PREV. YEAR 45003140 EQUITY SHARES OF RS. 10/- EACH)	450,031,400	450,031,400

**SHAREHOLDERS HOLDING MORE THAN 5% SHARES**

<u>NAME OF PERSON</u>	% C.Y.	% P.Y.	NO. OF SHARES	NO. OF SHARES
	31.03.2016	31.03.2015	31.03.2016	31.03.2015
Ramesh Kumar Jindal	6.11	6.11	2,747,816	2,747,816
Rajinder Kumar Jindal	5.79	5.79	2,607,052	2,607,052
Yash Paul Jindal	5.03	5.03	2,261,918	2,261,918
Clareville Capital Opportunities Master Fund Ltd.	9.94	9.94	4,475,000	4,475,000
Albula Investment Fund Ltd.	9.29	9.29	4,183,000	4,183,000

**Foot Notes :-**

As per records of the Company, including its Register of Members and other declarations received from them regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares

	31.03.2016	31.03.2015
(Equity share issued as Bonus share on 04.7.2008)	4,801,596	4,801,596



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

Particulars	31.03.2016	(Amount in Rs.) 31.03.2015		
<b>Rights, preference and restrictions attaching to each class of shares</b>				
<b>Equity Shares:</b> The company has only one class of equity shares having par value of Rs. 10/- per share. Each holders of equity shares present is entitled to have one vote upon show of hands and upon a poll every member entitled to vote and present in person or by proxy shall have one vote, for every share held by him.				
The Company in general meeting may declare a dividend to be paid to the members according to their respective rights and interests in the profits and may fix the time for payment				
Dividend shall be paid by the Company in respect of any share only to the registered holder of such share or to his order or to his banker.				
In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the realized value of the assets of the Company, remaining after payment of all preferential dues. The distribution will be in proportion to the number of equity shares held by the shareholders.				
<b>NOTE NO. 2</b>				
<b>RESERVES AND SURPLUS</b>				
<b>Surplus in Profit and Loss Account</b>				
As per Last Balance Sheet	(1,925,559,113)	(40,58,33,171)		
Add Profit during the year	928,195,606	(1,341,728,142)		
Less adjustment relating to fixed assets	-	(177,997,800)		
Closing Balance	2,853,754,719	(1,925,559,113)		
<b>Securities Premium reserve</b>				
As per Last Balance Sheet	2,332,558,364	2,332,558,364		
	-	-		
<b>Closing Balance</b>	2,332,558,364	2,332,558,364		
<b>Foreign Currency Translation Reserve</b>				
As per Last Balance Sheet	191,526,145	191,526,145		
<b>Add Transfer from Foreign Exchange Fluctuation</b>	-	-		
<b>Closing Balance</b>	191,526,145	191,526,145		
<b>Total Reserves and Surplus</b>	329,670,210	598,525,396		
<b>NOTE NO. 3</b>				
<b>LONG TERM BARROWINGS</b>				
<b>I Secured</b>				
1 Term Loans from Banks*	3,435,381,406	3,368,548,076		
2 Provision for interest	916,897,498	431,007,601		
<b>Total Secured Long Term Barrowings (I)</b>	4,352,278,904	3,799,555,677		
<b>II Unsecured</b>				
1 Deposits **	111,914,542	134,530,466		
2 Loans and Advances from related parties	274,409,338	269,491,386		
3 Other Loans and Advances	39,347,253	39,297,253		
<b>Total Unsecured Long Term Barrowings ( II )</b>	425,671,133	443,319,105		
<b>Total Long Term Borrowings (I+II)</b>	4,777,950,036	4,242,874,782		
* Maturity Profile of Secured Term Loans are as set out below: *refer k				
	<b>1-2 years</b>	<b>2-3 years</b>	<b>3-5 years</b>	<b>beyond 5 years</b>
Current Year **	-	-	-	-
Prev Year	-	-	-	-



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

Particulars	31.03.2016	(Amount in Rs.) 31.03.2015
**Maturity Profile of Deposits are as set out below:		
	1-2 Years	2-3 Years
	3-5 Years	Beyond 5 years
Current Year **	18,470,074	38,803,209
Prev Year	5,138,718	92,690,079
	107,980,029	60,863,845
	48,077,072	
<b>With reference to Secured Term Loans and the amount Current Maturities of such Secured Loans.</b>		
a Term Loan of Rs 834127241 (Prev. Year Rs 804788483 ) from OBC, Rs 185105974 (Prev. Year Rs 180611575 )from Allahabad Bank, Rs 97382830 (Prev. Year Rs. 88644253 ) from Corporation Bank, Rs 122637954 (Prev. Year 122873205) from State Bank of India are secured by way of Ist Pari Passu charge on the Fixed Assets of the Company and 2nd charge on the Current Assets of the Company. Further these Loans are Secured by way of equitable mortgage of Factory Land and Building of the company situated at VPO Jugiana, G.T. Road , Ludhiana and at Village Mandiala Kalan, Tehsil Khanna, Distt. Ludhiana. However Corporate Loan & FITL pertaining to Oriental bank of commerce Corporate Loan have exclusive charge on Residential Land & Building in the name of Mr. Sandeep Jindal M/s 8061 sq yard situated at golf link ludhiana.		
b Term Loan of Rs- 26310601 (Prev. Year. Rs.25595440 ) From Punjab and Sind Bank is secured by way of exclusive charge on Windmill purchased out of the Term Loan.		
c Term Loan of Rs 35257604 (Prev. Year Rs. 32173679 ) from Central Bank Of India is secured by way of equitable mortgage of Land in the name of the Company situated at village Mandiala Kalan, Tehsil Khanna, Distt. Ludhiana		
d The slowing industrial activity and depressed market conditions had seriously affected the operations of the company. The Company made request to Corporate Debt Restructuring Cell through Oriental Bank of Commerce (Lead Bank) to restructure the credit facilities. The Empowered Group of CDR-Cell has approved the restructuring package in CDR-Cell meetings held on 24/12/2013 vide order no. 857/2013-14 Dt. 27/12/2013. Period of continuing default in repayment of Interest - 1 - 3 Months Rs*. Nil (Prev.yr. - 1 - 3 Months Rs*. Nil), Default in repayment of Principal Nil (Prev. yr. - 1 Month Nil )		
e Loans of Rs734856 (Prev. Year Rs.7325553 ) are secured by way of hypothecation of respective vehicles.		
f Term borrowing from The Catholic Syrian Bank Limited of Rs. 226306560 ( Pre. Year 196788313)has transfer to Phoenix ARC Ltd due to non servicing of Interest. The above said term loan is secured by equitable mortgage of commercial plot in name of M/s Jindal Cycles Pvt. ltd. and Personal Gurantee of Promoter Directors.		
**g The company has received/accepted the deposits from General Public in shape of FDR for different time frames for maturity. Due to financial constraints, the company has not able to repay the deposits within the schedule time period. The Company applied to the Company Law Board for deferment of repayment of deposits vide its order no. C.P. NO. 25/5/2013-CLB Dt. 23.12.2013 and has deferred the repayments of deposits by one year . The repayment of Deposits will started from March. 2015. In case of genuine hardship the company will repay Rs. 5 lacs quarterly basis.		
h Term Loan of Rs 508768364/- from SBI (Prev. Year - Rs510998154/), Rs 199014967/- from Bank of Baroda (Prev. Year - Rs. 199014967/- ) are secured by way of Ist Pari Passu charge on the Fixed Assets of the Company and 2nd charge on the Current Assets of the Company. Equitable Mortgage of Leasehold rights of Land and Building Situated at Upmahal , Ramnagar,Thathal Teh.Amb, Dist Una. Further these Limits are Secured by way of equitable mortgage of Land and Building in the name of Himachal Textile Park Limited.		
i Rs 88600493/- from Central Bank of India (Prev. Year - 88600493/-) is secured by way of Ist Pari Passu charge on the Fixed Assets of the Company and 2nd charge on the Current Assets of the Company. Mortgage of Leasehold rights of Land and Building Situated at Upmahal , Ramnagar,Thathal Teh.Amb, Dist Una. Further these Limits are Secured by way of equitable mortgage of Land and Building in the name of Himachal Textile Park Limited.		
j Term Loan / Funded Interest Term Loan of Rs655464604/- (Prev Year 655464604/- ) from PNB, Rs 211196905/- (Prev Year 211196905/-) from Corporation Bank, Rs. 244472452/-(Prev. Year 244472452/-) from Allahabad Bank are secured by way of Ist Pari Passu charge on the Fixed Assets of the Company and 2nd charge on the Current Assets of the Company. The Loans are secured by way of Equitable Mortgage of Leasehold rights of Land and Building Situated at Upmahal , Ramnagar,Thathal Teh.Amb, Dist Una. Further these Limits are also Secured by way of equitable mortgage of Land and Building in the name of Himachal Textile Park Limited.		
*k Maturity profile and repayment schedule of principal/interest on secured loan is not possible to determine by the company as accounts with banks slipped into sub standard category again after restructuring , Hence banks has recalled the entire outstanding and started recovery action under SARFESI Act. All Secured Loans except car loans have also been guaranteed by following directors of the Company.		

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

Particulars	31.03.2016	(Amount in Rs.) 31.03.2015
i Sh. Sandeep Jindal		
ii Sh. Yash Paul Jindal		
iii Sh. Rajinder jindal		
iv Sh. Ramesh Jindal		
<b># With reference to loans and advances from related parties</b>		
All the Loans are repayable after 12 months from the date of squaring up bank dues. However the company reserve the right to prepay it.(Prev. yr. also all the Loans are repayable after 12 months from the date of squaring up bank dues. However the company reserve the right to prepay it.)		

**NOTE NO. 4.1****DEFERRED TAX LIABILITY (NET)**

Liability on account of Timing Difference Depreciation	-	-
Less: Deferred Tax Asset arising on account of timing difference	-	-
For expenses allowable for tax purposes when paid, miscellaneous		
Expenditure incurred but allowed in future, unabsorbed losses,		
And MAT credits available (but restricted to the extent of		
deferred Tax liability as a matter of prudence)		
<b>Total</b>	<u>-</u>	<u>-</u>

**NOTE NO. 4.2****LONG TERM PROVISIONS**

1 Provision for Employee Benefits		
a Gratuity	4,481,106	7,948,142
b Leave with wages payable	1,729,007	3,611,622
	<u>6,210,113</u>	<u>11,554,764</u>

**NOTE NO. 5****SHORT TERM BARROWINGS****I Secured**

1 From Banks	1,173,627,847	1,163,159,640
2 Interest Provision	33,870,204	-
<b>Total Secured Short Term Barrowings (I)</b>	<u>1,207,498,051</u>	<u>1,163,159,640</u>

**II Unsecured**

1 Loans and Advances from related parties	-	8,549,000
2 Other Loans and Advances	6,000,000	1,900,000
<b>Total Unsecured Short Term Barrowings (II)</b>	<u>6,000,000</u>	<u>10,449,000</u>
<b>Total Short Term Barrowings (I+II)</b>	<u>1,213,498,051</u>	<u>1,173,608,640</u>

- a Short Term Barrowings of Rs 523771172/- (Prev. Year Rs. 511827726/-) are Secured by way of 1st charge on Current Assets (Stock & Book debts) of the Company and 2nd charge on the fixed assets of the Company. Further these Limits are secured by way of equitable mortgage of Factory Land and Building of the company situated at VPO Jugiana, G.T. Road, Ludhiana and at Village Mandiala Kalan, Tehsil Khanna, Distt. Ludhiana and Personal guarantees of the following promoter directors:-----Names mention below
- b Short Term Borrowings of Rs 189677077/- from State Bank of India (Prev. Year - 189677076/-) are Secured by way of 1st charge on Current Assets of the Company and 2nd charge on the fixed assets of the Company. Equitable Mortgage of Leasehold rights of Land and Building Situated at Upmahal, Ramnagar, Thathal Teh. Amb, Dist Una. Further these Limits are Secured by way of equitable mortgage of Land and Building in the name of Himachal Textile Park Limited.
- c Short Term Barrowings of Rs 53155842/- from Punjab & Sind Bank (Prev. Year - 50821576/-) are Secured by way of 1st charge on Current/ Fixed Assets Purchased by the Company in Trading division and 2nd charge on the Current/ Fixed assets of the Company in Manufacturing unit. Equitable Mortgage of Land in the name of Jindal Cotex Limited Situated at village Mandiala Kalan, Teh. Khanna, Dist. Ludhiana.
- d Short Term Borrowing of Rs.12236290/- (Prev. Year 12236290/-) from Bank of Baroda is Overdraft limit for short term against the personal guarantee of Promoters Directors & Corporate Guarantee of Jindal Cotex Limited & Himachal Textile Park Ltd.

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

Particulars	(Amount in Rs.)	
	31.03.2016	31.03.2015
e Short Term Borrowings of Rs. 335496909/- (Prev. Year 309288054/- ) are from Punjab National Bank & Rs. 59290557/- (Prev. Year - 89308916/- ) from Corporation Bank Secured by way of 1st charge on Current Assets of the Company and 2nd charge on the fixed assets of the Company. Equitable Mortgage of Leasehold rights of Land and Building Situated at Upmahal , Ramnagar, Thathal Teh. Amb, Dist Una. Further these Limits are Secured by way of equitable mortgage of Land and Building in the name of Himachal Textile Park Limited.		
I Sh. Sandeep Jindal		
ii Sh. Yash Paul Jindal		
iii Sh. Rajinder jindal		
iv Sh. Ramesh Jindal		
Amt of default in repayment of loan - Rs.* _____ (Prev. Year NIL) Default in repayment of Interest Nil (Prev. year.- Nil)		

**\*Refer Note No.3 (Point k)****NOTE NO. 6****TRADE PAYABLES**

Due to Others	313,217,646	253,028,964
	<u>313,217,646</u>	<u>253,028,964</u>

**Note:**

The Company has not received any communication from all of its suppliers/ service providers in response to letters issued by the Company, confirming whether or not they are registered under the Micro, Small and Medium Enterprises Development Act, 2006. In the absence of any positive confirmation from the suppliers/ service providers, the information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 could not be determined.

**NOTE NO. 7****OTHER CURRENT LIABILITIES**

a Current Maturities of Long - Term Debt	-	-
b Deposits maturing within next 12 months	17,111,272	-
c Interest Accrued but not due on Borrowings	20,456,000	-
d Advances from Customers	14,478,665	-
e Cheque under reconciliation	26,638,323	72,880,933
f Security	760,000	760,000
g Other Payables	<u>37,790,492</u>	<u>43,392,771</u>
<b>Total</b>	<u>117,234,752</u>	<u>117,033,704</u>

**NOTE NO. 8****SHORT TERM PROVISIONS**

a Provisions for Employee benefits	16,375,649	23,541,305
b Others	<u>52,364,358</u>	<u>53,322,199</u>
<b>Total</b>	<u>68,740,007</u>	<u>76,863,503</u>

**NOTE NO. 10****NON CURRENT INVESTMENTS****I Investments ( Long Term )****Associate company****M/s Himachal Textile Park Ltd**

183500 (prev. yr. 345000) Equity Shares of Rs 10/- each fully paid up	1,835,000	1,835,000
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**Quoted Investments - Other than Trade**

BARODA PIONEER PSU EQUITY FUND (20,000 units of Rs. 10 each)	200,000	200,000
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<b>Sub Total</b>	<u>2,035,000</u>	<u>2,035,000</u>
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## 9. FIXED ASSETS

(Amount in Rs.)										
Name of the Assets	GROSS BLOCK					DEPRECIATION BLOCK				NET BLOCK
	Value at the beginning	Addition during the year	Deduction during the year	Value at the end	Value at the beginning	Addition during the year	Deduction during the year	value at the end	WDV as on 31.03.2016	WDV as on 31.03.2015
<b>Tangible Assets</b>										
Land	62,011,573	7,675,123	-	69,686,696	-	-	-	-	69,686,696	62,011,573
Factory Building	53,191,719	2,635,946	-	55,827,665	35,085,177	786,863	-	35,872,040	19,955,625	18,106,542
Building	566,436,226	33,678,390	-	600,114,615	84,640,421	18,710,770	-	103,351,191	496,763,424	481,795,805
Plant and Equipment	2,874,268,392	28,442,355	-	2,902,710,747	847,573,099	171,418,572	-	1,018,991,672	1,883,719,075	2,026,695,292
Weigh Bridge & Scales	1,376,710	-	-	1,376,710	938,977	3,131	-	942,108	434,602	437,733
Electric Installations	123,874,815	-	-	123,874,815	64,168,694	7,488,239	-	71,656,933	52,217,883	59,706,122
Scooter	33,072	-	-	33,072	12,010	4,721	-	16,731	16,341	21,062
Vehicles	3,538,154	-	2,805,404	732,750	2,765,653	129,509	2,339,522	555,640	177,110	772,501
Furnitures & Fixtures	5,439,488	11,602	-	5,451,090	3,498,590	277,341	-	3,775,930	1,675,159	1,940,898
Cars	43,933,971	-	43,933,971	-	38,333,878	497,112	38,830,990	-	-	5,600,093
Office Equipment	16,068,797	59,770	-	16,128,567	9,130,163	1,168,009	-	10,298,172	5,830,395	6,938,634
Computer	11,752,263	99,551	-	11,851,814	11,113,776	40,104	-	11,153,880	697,934	638,487
Wind Mill	65,748,035	-	-	65,748,035	62,460,633	-	-	62,460,633	3,287,402	3,287,402
ERP Software	-	1,065,111	-	1,065,111	-	337,321	-	337,321	727,790	-
<b>SUB TOTAL (A)</b>	<b>3,827,673,214</b>	<b>73,667,848</b>	<b>46,739,375</b>	<b>3,854,601,686</b>	<b>1,159,721,071</b>	<b>200,861,691</b>	<b>41,170,512</b>	<b>1,319,412,249</b>	<b>2,535,189,437</b>	<b>2,667,952,143</b>
<b>Intangible Assets</b>										
<b>SUB TOTAL (B)</b>	<b>133,700</b>	<b>-</b>	<b>-</b>	<b>133,700</b>	<b>74,152</b>	<b>14,886</b>	<b>-</b>	<b>89,038</b>	<b>44,662</b>	<b>59,548</b>
Capital Work-in-progress	891,783,361	1,195,072	70,271,865	822,706,568	74,152	14,886	-	89,038	44,662	59,548
<b>SUB TOTAL (C)</b>	<b>891,783,361</b>	<b>1,195,072</b>	<b>70,271,865</b>	<b>822,706,568</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>822,706,568</b>	<b>891,783,361</b>
<b>Total [A + B + C+] (Current Year)</b>	<b>4,719,590,275</b>	<b>74,862,919</b>	<b>117,011,240</b>	<b>4,677,441,954</b>	<b>1,159,795,223</b>	<b>200,876,577</b>	<b>41,170,512</b>	<b>1,319,501,287</b>	<b>3,357,940,667</b>	<b>3,559,795,052</b>



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

Particulars	31.03.2016	(Amount in Rs.) 31.03.2015
<b>Total Long Term Investments</b>	2,035,000	2,035,000
Aggregate Amount of Quoted Investments	200,000	200,000
Market Value of Quoted Investments	133,600	166,600
Aggregate Amount of Unquoted Investments	1,835,000	1,835,000
Aggregate Provision for diminution in Value of Investments *	-	-
Note : All investments are valued at cost.		
* Nil as they are not of Permanent Nature		

**NOTE NO. 11****LONG TERM LOANS & ADVANCES**

(Unsecured and Considered Good)

**a Security Deposits**

Other Deposit

21,072,925      21,022,925

**b Others Loans & Advances**

83,137,714      83,137,721

**Total**104,210,639      104,160,646**NOTE NO. 12****OTHER NON-CURRENT ASSETS**

Preliminary Expenses

-      -

Preoperative Expenses

-      -

**Total**-      -**NOTE NO. 13****INVENTORIES**

(As taken, valued and certified by the management)

**a Raw Materials**

7,977,858      5,696,340

**b Work in Progress**

14,960,062      17,574,126

**c Finished Goods**

128,474,734      93,552,846

**d Store & Spares**

9,868,837      10,622,981

**e Others (Scrap/Waste)**

3,872,902      3,232,279

**Total**165,154,393      130,678,572

Inventories are valued at cost or net realizable value, whichever is lower. The cost in respect of the various items of inventory is computed as under:

- In case of raw material at actual cost determined on FIFO basis plus direct expenses.
- In case of Stores and spares at weighted average cost.
- In case of Work in process at raw material cost plus appropriate proportion of direct labour and overheads.
- In case of finished goods at raw material cost plus conversion cost and appropriate proportion of overheads.

**NOTE NO. 14****TRADE RECEIVABLES**

(Unsecured and Considered Good)

**a Outstanding for a period exceeding six months from the date they are due for payment**

166,149,245      2,967,336,242

**b Outstanding for a period not exceeding six months from the date they are due for payment**

3,126,286,951      298,608,148

**Total**3,292,436,196      3,265,944,390**Less provision for bad debts\***

651,026,500      509,549,500  
2,64,14,09,696      2,756,394,890

\* Debtors are shown net of provisions in financial year 2015-16. Accordingly previous year figures were also restated.

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

Particulars	31.03.2016	(Amount in Rs.) 31.03.2015
<b>NOTE NO. 15</b>		
<b>CASH AND CASH EQUIVALENTS</b>		
a Cash & Bank Balance	69,659,280	90,921,525
b Cheques in Hand	-	8,732,197
c Fixed Deposit as Margin money	24,152,590	23,927,934
<b>Total</b>	<b>93,811,869</b>	<b>123,581,655</b>
<b>NOTE NO. 16</b>		
<b>SHORT -TERM LOANS AND ADVANCES</b>		
(Unsecured and Considered Good)		
Advances recoverable in cash or in kind or for value to be received		
I) Advance to Suppliers	74,449	1,046,572
ii) Advance Income Tax - Net of Provision	3,100,143	6,159,748
iii) Excise & Service Tax Balance	53,528,872	53,583,064
vi) Other Advances	232,285,209	222,430,095
<b>Total</b>	<b>288,988,673</b>	<b>283,219,480</b>
Loans and advances include the amounts due from		
Directors-Either severally or jointly	-	-
Other officers of the Company-either severally or jointly	-	-
Firm in which director is a partner	-	-
Private company in which directors is a member	-	-
<b>NOTE NO. 17</b>		
<b>REVENUE FROM OPERATIONS</b>		
a Sale of Products - Inclusive of Excise Duty	1,090,082,169	2,004,303,094
b Other Operating Revenue	-	1,028,360
Total Revenue	1,090,082,169	2,005,331,454
Less: Excise Duty	75,158,375	48,706,055
<b>Total</b>	<b>1,014,923,794</b>	<b>1,956,625,399</b>
<b>NOTE NO. 18</b>		
<b>OTHER INCOME</b>		
Interest Income	12,531,853	10,423,928
Foreign Exchange Fluctuation	-	43,178
Lease Rent	3,600,000	-
Profit on sale of fixed assets	1,283,138	69,849
Misc income	133,630	451
<b>Total</b>	<b>17,548,621</b>	<b>10,537,406</b>
<b>NOTE NO. 19</b>		
<b>COST OF MATERIAL CONSUMED</b>		
Opening Stock of Raw Materials.... I	5,696,340	28,579,390
Purchase of Raw Materials.... II	723,163,364	1,151,816,185
Closing Stock Raw Materials.....III	7,977,858	5,696,340
Cost of Raw Material Consumed (I+II-III)	<b>720,881,845</b>	<b>1,174,699,235</b>
<b>NOTE NO. 20</b>		
<b>PURCHASES OF STOCK IN TRADE</b>		
Purchases	91,278,877	266,123,744
<b>Total Purchase</b>	<b>91,278,877</b>	<b>266,123,744</b>

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

Particulars	31.03.2016	(Amount in Rs.) 31.03.2015
<b>NOTE NO. 21</b>		
<b>CHANGES IN INVENTORIES OF FINISHED GOODS</b>		
<b>WORK-IN-PROGRESS &amp; STOCK IN TRADE</b>		
Opening Stock of Finished Goods/Stock in trade	93,552,846	119,407,326
Opening Stock of Work-in-Progress	17,574,126	29,266,264
Opening Stock of Waste	3,232,279	4,750,212
<b>Sub Total A</b>	<b>114,359,251</b>	<b>153,423,802</b>
Closing Stock of Finished Goods/Stock in Trade	128,474,734	93,552,846
Closing Stock of Work-in-Progress	14,960,062	17,574,126
Closing Stock of Waste	3,872,902	3,232,279
<b>Sub Total B</b>	<b>147,307,698</b>	<b>114,359,251</b>
<b>TOTAL (A-B)</b>	<b>(32,948,447)</b>	<b>39,064,551</b>
<b>NOTE NO. 22</b>		
<b>EMPLOYEE BENEFIT EXPENSE</b>		
Salary, Wages & Bonus	40,847,122	92,284,512
Contribution to Provident & other Funds	2,638,712	5,338,279
Employee Welfare	1,305,379	640,599
Recruitment Expenses	-	13,550
<b>Total</b>	<b>44,791,213</b>	<b>98,276,940</b>
<b>NOTE NO. 23</b>		
<b>FINANCE COSTS</b>		
Interest on Bank Borrowings	606,004,687	559,381,532
Other Interest	214,456	9,264,409
Bank Charges & Commission	254,666	2,959,254
Fixed Deposit Scheme Expenses	12,956,000	15,237,676
<b>Total</b>	<b>619,429,810</b>	<b>586,842,871</b>
<b>NOTE NO. 24</b>		
<b>DEPRECIATION AND AMORTIZATION EXPENSE</b>		
Depreciation	200,876,576	194,658,496
<b>Total</b>	<b>200,876,576</b>	<b>194,658,496</b>
<b>NOTE NO. 25</b>		
<b>OTHER EXPENSES</b>		
<b>Manufacturing Expenses</b>		
Power & Fuels	79,857,021	227,857,714
Store & Packing Materials Consumed	60,472,382	47,700,789
Machinery Repair & Maintenance	4,763,653	44,504,050
Electric Repair & Maintenance	18,790	4,250,962
Other Manufacturing Expenses	630,518	1,800,390
<b>Sub Total I</b>	<b>145,742,364</b>	<b>326,113,905</b>

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

Particulars	31.03.2016	(Amount in Rs.) 31.03.2015
<b><u>Selling &amp; Distribution Expenses</u></b>		
Sales Commission	-	1,474,702
Export Expenses	-	215,512
Freight & Cartage	298,076	489,490
Loading & Unloading	68,821	-
Sales Promotion	653,266	1,408,092
Rebate & Discount	6,707,971	83,223,963
Advertisement & Publicity	-	251,066
<b>Sub Total II</b>	<b>7,728,134</b>	<b>87,062,825</b>
<b><u>OTHERS</u></b>		
<b><u>Auditor's Remuneration</u></b>		
Audit Fee	90,000	117,282
Reimbursement of out of Pocket Exps.	14,224	104,610
General Repair & Maintance	2,858,621	3,506,525
Travelling & Conveyance Expenses	10,863,657	9,148,564
Telephone & Postage	1,285,578	1,659,637
Loading & Unloading Charges	31,494	909,164
Printing & Stationery	440,270	679,489
Legal & Professional Charges	429,891	727,197
ERP/ EDP Maintance Charges	-	154,508
Fine & Penalty	28,710	-
Insurance	1,886,444	3,919,892
General Expenses	301,846	818,316
Rent, Rates & Taxes	2,644,659	3,502,100
Advertisement Exp.	150,474	-
Charity & Donation	33,000	10,000
Share Trf & Listing Fees	382,024	269,664
Loss on Share Trf/ Investment	-	971,932
Sundry Balance Written off	2,328,764	-
Prov for Bad Debts	141,477,000	509,549,500
<b>Sub Total III</b>	<b>162,941,180</b>	<b>536,048,380</b>
<b>TOTAL OF OTHER EXPENSES</b>	<b>316,411,677</b>	<b>949,225,110</b>

**NOTE NO. 26****EARNINGS PER SHARE**

i) Net Profit after tax as per Statement of Profit & Loss attributable to Equity Shareholders	(928,195,606)	(1,519,725,942)
ii) Weighted Average number of equity shares used as denominator for calculating EPS	45,003,140	45,003,140
iii) Basic Earnings per share	(20.63)	(33.77)
iv) Diluted Earnings per share	(20.63)	(33.77)
v) Face Value per equity share	10.00	10.00

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

Particulars	31.03.2016	(Amount in Rs.) 31.03.2015
<b>NOTE NO. 27</b>		
<b>VALUE OF IMPORTS CALCULATED ON C.I.F. BASIS</b>		
Raw Material	100,389,100	56,311,984
Components and Spare Parts	2,871,387	201,706
<b>Total</b>	<b>103,260,487</b>	<b>56,513,690</b>
<b>NOTE NO. 28</b>		
<b>EXPENDITURE IN FOREIGN CURRENCY</b>		
Foreign Travelling Expenses	1,417,088	501,594
Salary	687,800	-
<b>Total</b>	<b>2,104,888</b>	<b>501,594</b>
<b>NOTE NO. 29</b>		
<b>CONSUMPTION OF IMPORTED AND INDIGENOUS RAW MATERIALS, SPARE PARTS &amp; COMPONENTS</b>		
Indigenous	678,093,740	1,309,670,249
% of Total Consumption	86.78	95.86
Imported	103,260,487	56,513,690
% of Total Consumption	13.22	4.14
<b>Total</b>	<b>781,354,227</b>	<b>1,366,183,939</b>
<b>NOTE NO. 30</b>		
<b>EARNING IN FOREIGN EXCHANGE</b>		
Export of Goods- F.O.B. Basis	1,561,746	-
Interest and Dividend	-	-
<b>Total</b>	<b>1,561,746</b>	<b>-</b>

**NOTE NO. 31****Disclosure related to Fixed Assests**

- a) Pursuant to the enactment of the Company Act 2013 the company has applied the estimated useful lives as in Schedule II .Depreciation on Part of the assets was charged on WDV up to FY 2013-14 and now from FY 14-15 onwards, Depreciation is calculated with straight line method with effect from the capitalization date.

**NOTE NO. 32****RELATED PARTY DISCLOSURES**

As per Accounting Standard 18, the disclosures of transactions with the related parties are given below:

**1 List of related parties where control exists and related parties with whom transactions have taken place:****A) Associate Concerns**

Himachal Textile Park Limited

**B) Other Related Parties**

Mr. Yash Paul Jindal (Director)

Mr. Ramesh Jindal (Director)

Mr. Rajinder Jindal (Director)

Mr. Aman Jindal (Director)

Mr. Sahil Jindal (Director)

**C) Key Management Personnel**

Mr. Sandeep Jindal (MD)

Mr. Balwinder Singh (CFO)

Mr. Anil Malhan (CS)

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

(Amount in Rs.)

**D) KMP or their relatives are influence or control the enterprises**

Jindal Cycles Pvt Ltd  
Jindal Fine Industries  
Leader Cycles Ltd  
Jindal Infomedia Pvt Ltd  
Jindal Holdings & Investment Limited

**E) Relatives of Key Management Personnel**

Mrs. Manu Jindal

Poonam Enterprises

Transactions with Associate/ other related parties/ Key Management and their relatives during the year:

Name of the Party	Nature of Relationship	Nature of Transaction	2015-16
Himachal Textile Park Limited	Other Related Parties	Lease Rent	160,000
Jindal Cycles Pvt Ltd	Other Related Parties	Lease Rent	60,000
Mr. Yash Paul Jindal	Other Related Parties	Lease Rent	48,000
Mr. Ramesh Jindal	Other Related Parties	Lease Rent	48,000
Mr. Rajinder Jindal	Other Related Parties	Lease Rent	48,000
Mr. Sandeep Jindal	KMP	Remuneration	900,000
Mr. Yash Paul Jindal	Director	Remuneration	600,000
Mr. Balwinder Singh	KMP	Remuneration	120,000
Mr. Anil Malhan	KMP	Remuneration	555,662

**NOTE NO. 33**

The Company has taken land on lease from Mr. Yash Paul Jindal, Mr. Rajinder Kumar Jindal & Mr. Ramesh Jindal at a monthly rental of Rs 12000. The Lease will expire on June 21, 2028. The company recognises the expense on due basis.

The Company has taken Godown on Lease from M/s Jindal Cycles Pvt. Ltd. At a monthly rental of Rs 5000. The Lease will expire on July 14, 2021. The company recognises the expense on due basis.

The Company has taken Land on Lease from M/s Himachal Textile Park. Ltd. At a Yearly rental of Rs 160000. The Lease will expire on Year 2110 The company recognises the expense on due basis.

The classification of Future Lease obligations towards Lease Rentals is as follows:-

	Current Year	Previous Year
- not later than one year	364,000	364,000
-later than one year and not later than five years	1,456,000	1,456,000
-later than five years	15,386,500	15,750,500
	17,206,500	17,570,500

**NOTE NO. 34**

Segment information for the year ended 31st March, 2016

**(a) Information about Primary Business Segments**

	Textile		Wind Mill		Iron		Total	
	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15
<b>Revenue:</b>								
External (Net of Excise)	1,010,263,498	1,951,083,782	4,660,297	5,541,617	-	-	1,014,923,794	1,956,625,399
Inter-segment	-	-	-	-	-	-	-	-
Total Revenue	1,010,263,498	1,951,083,782	4,660,297	5,541,617	-	-	1,014,923,794	1,956,625,399
<b>Result:</b>								
Segment Result	(928,811,492)	(1,343,374,275)	448,458	1,646,133	-	-	(928,363,034)	(1,341,728,142)
Unallocated Expenditure							-	-
Profit before Tax							(928,363,034)	(1,341,728,142)
Provision for Tax/Adjustment of tax for Earlier Years							167,428	-
Profit After Tax							(928,195,606)	(1,341,728,142)

**Notes on Financial Statements for the year ended 31st March, 2016****(Amount in Rs.)**

	Textile		Wind Mill		Iron		Total	
	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15
Segment Assets	4,52,62,97,757	4,83,60,17,957	5,16,35,586	4,82,29,746	2,07,56,17,593	2,07,56,17,593	6,653,550,936	6,959,865,296
Segment Liabilities	6,31,14,16,196	5,69,41,66,369	2,85,52,821	2,39,21,399	15,68,81,589	15,68,81,589	6,496,850,606	5,874,969,357

**(b) Information about Secondary Geographical Segments**

Revenue by geographical market

	India	Outside India	Total
External	1,014,923,794	-	1,014,923,794
Prev Year	1,955,063,653	1,561,746.00	1,956,625,399
Inter-segment	-	-	-
Total	1,014,923,794	-	1,014,923,794
Total Prev Year	1,955,063,653	1,561,746	1,956,625,399

**(c) Notes:**

- (i) Management has identified three reportable business segments, namely:
- Textile: – Production of Acrylic Yarn, Polyester Yarn, Poly/cotton Blended Yarn, Cotton Yarn and other Blended Yarns.
  - Energy Generation: - Generation of Energy from Wind Mill.
  - Iron: - Trading of Iron Segments have been identified and reported taking into account the nature of products.
- (ii) The segment in the geographical segments considered for the disclosure are as follows:-
- India: comprising of sales to customers located within India and earnings in India
  - Outside India : comprising of sales to customers other than located in India.
- (iii) Segment Revenue, Results, Assets and Liabilities include the respective amounts identifiable to each of the segments and amounts allocated on a reasonable basis.

**NOTE NO. 35**

In the opinion of the Board, current assets, loans and advances have a value in the ordinary course of business at least equal to that stated in the balance sheet and adequate provisions have been made for all known liabilities and depreciation in the books of accounts.

**NOTE NO. 36**

All figures have been rounded off to nearest rupees.

**NOTE NO. 37**

Debit or Credit Balance on what so ever accounts are subject to confirmation from parties.

**NOTE NO. 38****\* CONTINGENT LIABILITIES AND COMMITMENTS**

(To the extent not provided for)

**a Contingent Liabilities**

- |  |               |               |
|--|---------------|---------------|
| i) Duty saved upon procurement of machinery pending fulfilment of export obligation                              | 298,788,951   | 234,623,512   |
| ii) Corporate Guarantee given to Banks for grant of Term Loan and CC Limits to Group Companies                   | 4,609,009,253 | 4,902,000,000 |
| iii) Bank Guarantee Executed in favour of DGFT Ludhiana /Custom Authorities for fulfilment of export obligation. | 41,841,000    | 41,841,000    |

**b Commitments**

- |   |                      |                      |
|---|----------------------|----------------------|
| i) Estimated amount of contract remaining to be executed on capital account (net of advances) | 886,345,242          | 886,345,242          |
| <b>Total</b>  | <b>5,835,984,446</b> | <b>6,064,809,754</b> |

\*Contingent liability includes the liability of its subsidiaries Jindal Medicot Limited for Rs.116.80crore and Jindal Specialty Textile Limited for Rs. 172.95 crore.



**Notes on Financial Statements for the year ended 31st March, 2016****NOTE NO. 39****Pending Legal Cases**

1. The suppliers has filed the cases against the company at various levels of Distt. & Session Courts. Total amount of exposure involved in the petitions filed in the court amounts to Rs. 1156.83 lacs .
2. The company has filled the cases in Distt. & Session Court against the debtors namely Kuar Sain Mittal Synthetics Ltd for amount of Rs. 144.50 Lacs
3. There are various suits filed against the company u/s 138.

**NOTE NO. 40**

The Institute of Chartered Accountants of India has issued an Accounting Standard – 28 on Impairment of Assets, which is mandatory for the accounting periods commencing on or after 1st April, 2004. In accordance with the said standards, the company has assessed as on date of applicability of the aforesaid standard and as well as on balance sheet date, whether there are any indications with regard to the impairment of any of the assets. Based on such assessment, it has been ascertained that no potential loss is present and therefore, formal estimate of recoverable amount has not been made. Accordingly no impairment loss has been provided in the books of accounts.

**NOTE NO. 41****INVESTMENTS**

The Investments are stated at cost. Diminution in value of investments on account of market fluctuations which are of permanent nature are provided for temporary diminution in the value of investments has also been provided for.

**NOTE NO. 42**

"The Company has accumulated losses of Rs. 285.38 Crores which has eroded its peak level net worth by more than 50% and as such has become potentially sick company. Based on the detailed evaluation of the current situation, plans formulated management is confident of raising adequate finance and rescheduling its debt. Therefore, the management is of the view that the company will realize its assets and discharge the liabilities in the normal course of business. Taking into account the above facts, the financial statements have been prepared on the basis that the company is a going concern."

**NOTE NO. 43**

The company has outstanding deposits received/accepted from General Public in shape of FDR for different time frames for maturity. Due to financial constraints, the company was not able to repay the deposits within the scheduled time period. The Company applied to the Company Law Board for the deferment of repayments of deposits. The Company Law Board vide its Order No. C.P. NO 25/2013-CLB Dated 23/12/2013 has deferred the repayments of deposits by one year. The repayment of Deposits started from March, 2015. In case of genuine hardship, the company has been repaying Rs. 5 Lacs on quarterly basis as per the hardship committee meeting.

**For & On behalf of the Board**

As per our report of even date attached

**Raj Gupta & Co.**Chartered Accountants  
Firm Regn no. 000203N**Sandeep Jindal**  
Managing Director**Yash Paul Jindal**  
Director**(Shiv Pal)**  
Finance Manager**Anil Malhan**  
Company Secretary**Raj Gupta**  
Partner  
(M.No.017039)**Place: Ludhiana**  
**Date : 30.05.2016**



## FORM AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)  
Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

### Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs.)

Sl. No.	Particulars	Details		
1	Name of the subsidiary	Jindal Medicot limited	Jindal Speciality Textiles Limited	Jindal International FZE
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	31.03.2016	31.03.2016	31.03.2016
3	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries			
4	Share capital	74,000,000	49,500,000	339,142
5	Reserves & surplus	(417,959,040)	(249,691,498)	57,914,099
6	Total assets	1,285,853,170	2,044,385,721	1,812,505,283
7	Total Liabilities	1,629,812,211	2,244,577,220	1,565,034,984
8	Investments (Net of Provision For Diminution in Value)	-	-	12,627,664
9	Turnover	300,532,469	684,184,183	-
10	Profit before taxation	(208,651,299)	(255,510,142)	-
11	Provision for taxation	-	(213,164)	-
12	Profit after taxation	(208,651,299)	(255,296,978)	-
13	Proposed Dividend	Nil	Nil	Nil
	% of Shareholding	51.35%	100%	100%

**Notes:** The following information shall be furnished at the end of the statement:

- Names of subsidiaries which are yet to commence operations. N.A.
- Names of subsidiaries which have been liquidated or sold during the year. N.A.

### Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of associates/Joint Ventures	Himachal Textile Park Ltd
Latest audited Balance Sheet Date	31.03.2015
Shares of Associate/Joint Ventures held by the company on the year end	
No.	88,500
Amount of Investment in Associates/Joint Venture	885,000
Extend of Holding%	23.29%
Description of how there is significant influence	Section 2(6) of the Companies Act, 2013
Reason why the associate/joint venture is not consolidated	-
Net worth attributable to shareholding as per latest audited Balance Sheet	885,000
Profit/Loss for the year*	N.A.
Considered in Consolidation	N.A.
Not Considered in Consolidation	N.A.

- Names of associates or joint ventures which are yet to commence operations.

\*The Associate Company i.e. Himachal Textiles Park Limited is under implementation stage, therefore, there is no profit or loss in the said company and has no impact on consolidation of financial statement.

- Names of associates or joint ventures which have been liquidated or sold during the year. N.A.

**Note:** This Form is to be certified in the same manner in which the Balance Sheet is to be certified.

**JINDAL COTEX LIMITED**  
**CIN :L17115PB1998PLC021084**  
**Registered Office: V.P.O. Jugiana, G.T. Road, Ludhiana – 141017**

**ATTENDANCE SLIP**

Ref. Folio/DP/ & Client No. \_\_\_\_\_

No. of shares held \_\_\_\_\_

I/We certify that I am a registered shareholder/proxy for the registered shareholder of the company. I hereby record my presence at the 19th Annual General Meeting of the company held on Friday, 30th day of September, 2016 at 9.00 A.M. at its Registered Office at V.P.O. Jugiana, G.T. Road, Ludhiana - 141017.

Name of the Shareholder/Proxy  
(In Block Letter)

Signature of the Shareholder/Proxy

**Note:** Please fill the attendance slip and hand it over at the entrance of meeting venue. Joint shareholders may obtain additional attendance slip on request. Shareholder/Proxy desiring to attend the meeting should bring his copy of the Annual Report at the Annual General Meeting.

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**Form No. MGT-11**  
**CIN :L17115PB1998PLC021084**  
**JINDAL COTEX LIMITED**  
**Registered Office: V.P.O. Jugiana, G.T. Road, Ludhiana – 141017**  
**PROXY FORM**

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

Name of the member (s) : \_\_\_\_\_

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

Folio No./DP & Client Id: \_\_\_\_\_

I/We, being the member (s) holding \_\_\_\_\_ shares of the above named company, hereby appoint:

1. Name & Address \_\_\_\_\_ Signature \_\_\_\_\_ or failing him/her
  2. Name & Address \_\_\_\_\_ Signature \_\_\_\_\_ or failing him/her
  3. Name & Address \_\_\_\_\_ Signature \_\_\_\_\_ or failing him/her
- my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 19th Annual General Meeting of the company, to be held on Friday, 30th day of September, 2016 at 9.00 A.M. at its Registered Office at V.P.O. Jugiana, G.T. Road, Ludhiana and at any adjournment thereof in respect of the following resolutions as are indicated below:-

S. No.	ORDINARY BUSINESS	Optional	
		For	Against
1	Adoption of financial statements for the year ended 31st March, 2016		
2	Appointment of Sh. Yash Paul Jindal as director of the company liable to retire by rotation.		
3	Appointment of Sh. Sandeep Jindal as director of the company liable to retire by rotation.		
4	Re-appointment of M/s. Raj Gupta & Co., as Statutory Auditors and fix their remuneration		
	SPECIAL BUSINESS		
5	Appointment of Ms. Alisha as Independent Director		
6	Re-appointment of Sh. Sandeep Jindal as Managing Director		

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2016

Signature -----

Affix  
Revenue  
Stamp of  
Rs. 1/-

**Signature of shareholder**

**Note:** This form duly filled up, stamped and signed by the appointer must be deposited at the Registered Office of the Company not less than 48 hours before the time for holding the aforesaid Meeting.

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## This image shows a single sheet of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.

If undelivered please return to :

**Bigshare Services Private Limited**  
**(Unit : Jindal Cotex Limited)**

E/2, Ansa Industrial Estate,  
Saki Vihar Road, Sakinaka Andheri (E), Mumbai – 72  
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