



Value through values

SANGAM (INDIA) LIMITED

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Ref: SIL/SEC/2017

Date: October 04, 2017

<p>The Manager Department of Corporate Services The National Stock Exchange of India Ltd. Exchange Plaza, 5th Floor, Plot No. C/1, G Block Bandra Kurla Complex, Bandra (E) <u>Mumbai - 400051</u> Scrip Code: 5251</p>	<p>The Manager, Department of Corporate Services, Bombay Stock Exchange Ltd. Phiroze Jeejeebhoy Towers 25th Floor, Dalal Street, <u>MUMBAI - 400 001</u> Scrip Code: 514234</p>
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Sub: Submission of soft copy of Annual Report for the Financial Year 2016-17

Dear Sir,

Pursuant to Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed soft copy of Annual Report for the year ended 31st March, 2017, approved and adopted by the shareholders at its 31st Annual General Meeting held on, Friday the 29th September, 2017 at "Sangam House", Atun, Chittorgarh Road, Bhilwara - 311001 (Raj.) at 4.00 P.M.

Hope you will find the same and take the same on record.

Thanking You.

**Yours Faithfully
For Sangam (India) Limited**


**(Anil Jain)
CFO & Company Secretary
FCS: 3147**





PASSION. POTENTIAL. PERSPECTIVE.



Value through values

SANGAM (INDIA) LIMITED
ANNUAL REPORT 2016-17



Inside story...

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Disclaimer

This document contains statements about expected future events and financial and operating results of SANGAM (INDIA) LIMITED, which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is significant risk that the assumptions, predictions and other forward-looking statements may not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as a number of factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the management's discussion and analysis of the SANGAM (INDIA) LIMITED Annual Report 2016-17.



We strongly believe in the three P's of business which is the driving principle behind our work and the foundation of our brand.

We have **PASSION** to create diverse, innovative products and provide a superior experience to our customers.

We are passionate about performing collectively to reach our highest **POTENTIAL**.

We have a unique **PERSPECTIVE** of looking at things
- We aspire not just to be one of the best-performing companies in the industry, but we look towards future by putting our customers' needs firmly at the centre of everything we do.

We are Sangam (India) Limited, a Company that transformed itself into a global textile player over the last decade with robust fundamentals and integrated product portfolio.

At Sangam, we have grown by exploring opportunities, strengthening the processes, capacities and resources to create consistent value for all.

We are set on a path of sustained growth while preserving the values that have allowed the Company to thrive.

We are focused and energized to grow higher in the coming years.





Our business card

Head office in Mumbai (Maharashtra), Sangam (India) Limited is the flagship company of Sangam Group – a ₹4,000 crore+ business conglomerate.

The Group has progressively evolved under the true leadership of Mr. R.P. Soni, with business spread across textiles, steel, real estate, power and energy sectors.

Established in the year 1985, today Sangam is amongst the dominant players in Man Made textile sector with integrated presence across the value chain from spinning to weaving to processing and garmenting. Besides, the Company is also the largest producer of PV dyed yarn in Asia, with manufacturing units located at Bhilwara and Chittorgarh in Rajasthan.

Listed on

**The National
Stock Exchange**

Scrip code – SANGAMIND

**The Bombay
Stock Exchange**

Scrip code – 514234

Pioneers of the Industry

**32
years**

Presence in the industry

**25%
market share**

in the PV dyed yarn segment

**₹1,630
crore**

Sales Turnover

**83,200
MTPA**

Capacity of Yarn Production

**45+
Countries**

Export presence

**7,000+
Employees**

As on 31st March, 2017



A passionate journey. Creating a mark of excellence.

- 1985** | Sangam commenced operations with eight weaving machines
- 1995** | Commenced backward integration with 17,280 spindles of PV Dyed Yarn
- 1998** | Added 11,520 spindles to the spinning capacity
- 2003** | Built captive power plant by capacity addition of 35,232 spindles and added 10.0 MW coal based thermal power plant
- 2009** | Completed Installation of 1.30 lakhs spindles, 130 weaving machines, 12 knitting machines and 6 & 15 MW captive thermal power plants
- 2014** | Increased denim capacity to 38.4 Mn metres p.a.
Installed state-of-the-art seamless garment machines with capacity of 3.6 Mn pieces p.a.
- 2015** | Launched C9 brand - A significant transformation step from B2B to B2C
- 2016** | Installed 13,296 spindles at new location, district Chittogarh, Rajasthan and launched exclusive C9 flagship stores in Mumbai and Bathinda
- 2017** | Installed 13,440 spindles at new location, district Chittogarh, Rajasthan, 74 weaving machines at our existing weaving unit, Atun and one Denim Line at our existing Denim Unit, Biliya Kalan to reach denim weaving capacity to 48 MMPA



Well integrated and diversified product portfolio

- ▶ PV Blended Dyed / Grey Yarn
- ▶ Cotton Spun Yarn
- ▶ Cotton Open End Yarn
- ▶ Texturized Yarn
- ▶ Synthetic Blended Fabric
- ▶ Cotton Knitted Fabrics
- ▶ Denim Fabric
- ▶ Seamless Garments
- ▶ Generation of Captive Power

We are just a click away at www.c9fashion.com



Sizeable capacity

2,38,608

Spindles

510

Weaving machines

5

Denim fabric processing lines

36

Seamless garment knitting machines

3

Texturizing machines

31 MW

Coal based captive thermal power plant



3,128

Open end rotors

53.40
MMPA

Fabric processing

22

Knitting machines

511
MTPA

Garment processing

1 MW

Captive solar power plant

5 MW

Wind power plants at Jaisalmer

Renowned brands

Sangam
DenimsSangam
SuitingsSangam
YarnsC9
Airwear

Wide-spread manufacturing locations

Location	Facility
Atun, Bhilwara	Weaving, Processing & Seamless Garment Plant
Biliya Kalan, Bhilwara	Denim Plant
Biliya Kalan, Bhilwara	Spinning Plant Unit-I
Sareri, Bhilwara	Spinning Plant Unit-II
Soniya, Chittorgarh	Spinning Plant Unit-III



Success occurs when opportunity meets action

We continued our successful endeavours during the year.

Here are the key accomplishments.

Enhanced brand momentum

Growing in the seamless garment segment with increased foothold in the retail and digital space

- ▶ Our e-commerce portal - www.c9fashion.com
- ▶ Opened exclusive store for C9 in Mumbai and Bathinda
- ▶ 2,50,000 customers visited our online portals
- ▶ 25,000 orders placed with 30,000 pieces sold worth ₹ 1.20 crore through online portals

Increased fabrics production

By 8.44% to 47.32 Mn metres in 2016-17 as against 43.64 Mn metres in 2015-16

Achieved 4.20% increase in total yarn production

With 70,505 tonnes in 2016-17 from 67,662 tonnes in 2015-16

Explored markets with global focus

Total exports increased from ₹ 406.63 crore in 2015-16 to ₹ 424.17 crore in 2016-17

Progressed on expansion of capacities

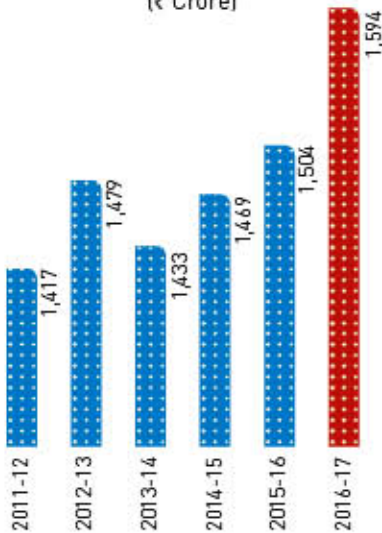
Undertook expansion project of ₹ 135 crore;
Entire project will be completed by December 2017



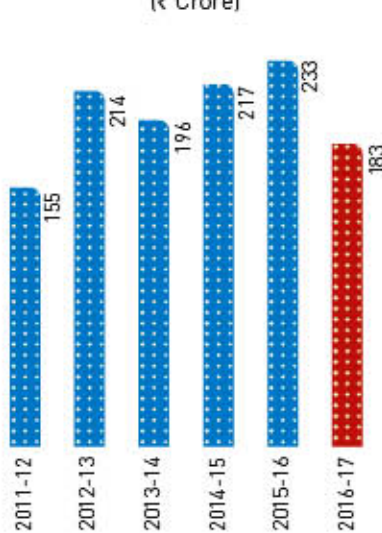


Steady financials for a new business horizon

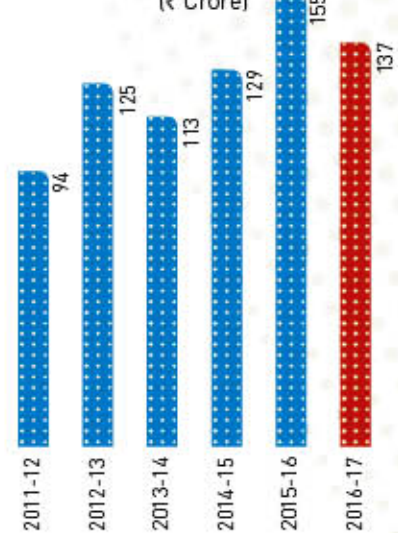
Net Turnover
(₹ Crore)



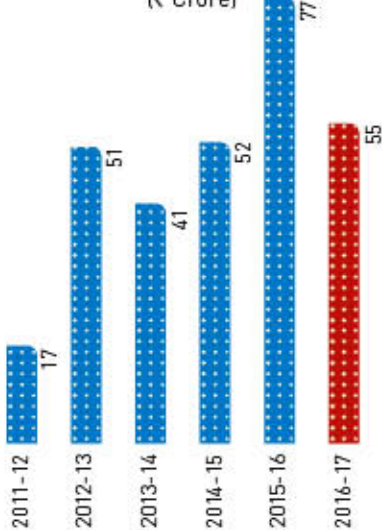
EBIDTA*
(₹ Crore)



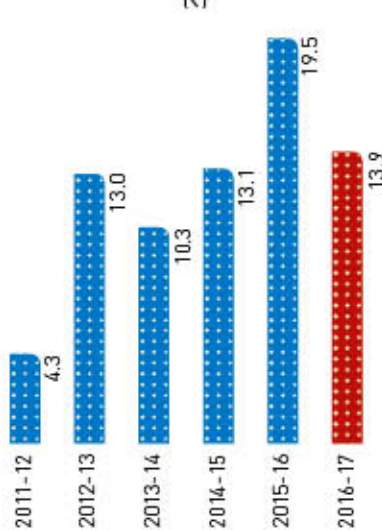
Cash Profit
(₹ Crore)



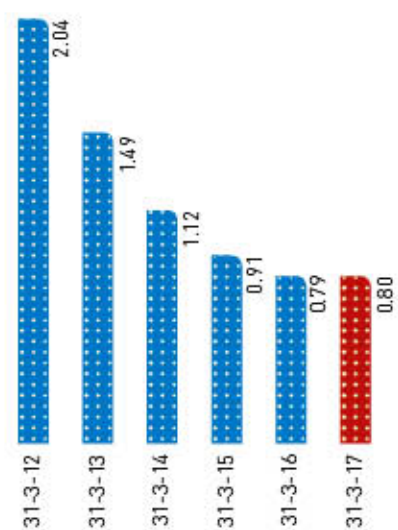
Net Profit
(₹ Crore)



Earning Per Share
(₹)

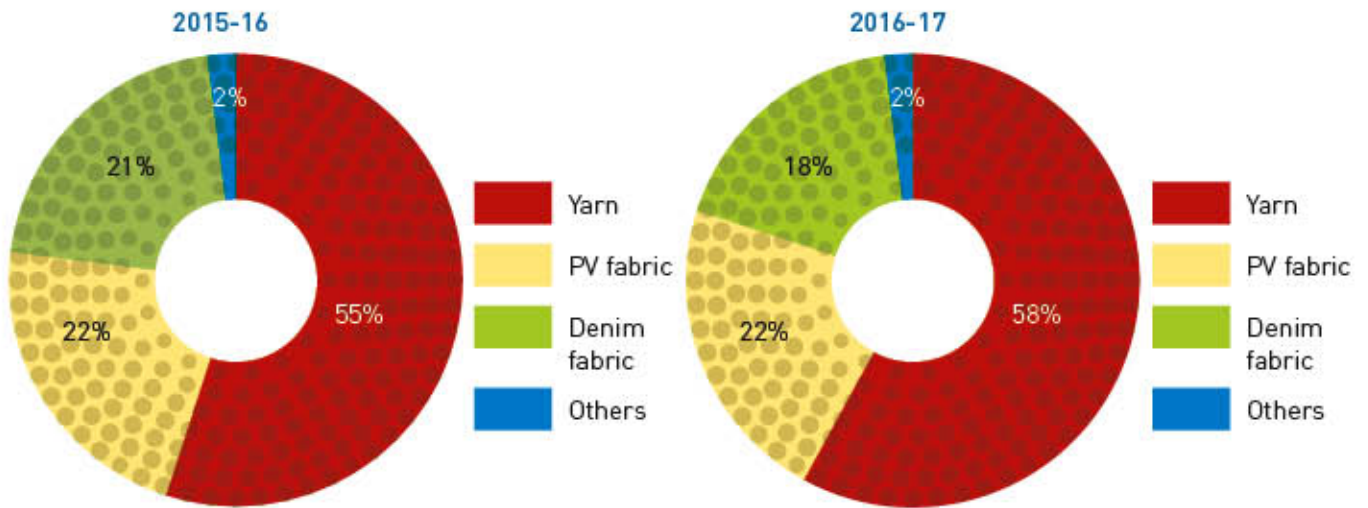


Debt-Equity Ratio



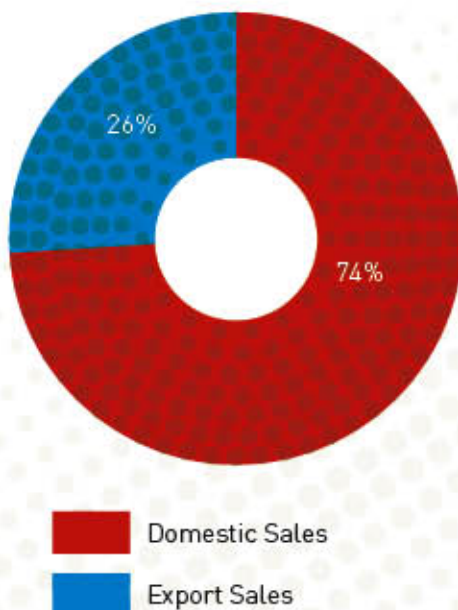
*EBIDTA - Earning before interest, depreciation, taxes and amortization

Product-Wise Revenues



Geography-Wise Revenues

2015-16 and 2016-17



Net Revenues



EBIDTA



Net Profit



Debt-Equity Ratio





Chairman's message



At Sangam, our passion for executing with excellence fuels our larger purpose: to deliver value to our customers and shareholders. We did this by strengthening our distinctive brands with undying passion and exploring the potential lucrative segments.



Dear Shareholders,

India remains the fastest growing economy in the world with strong economic fundamentals and growing reform momentum. The economy displayed robust GDP growth of 7.1% driven by strong consumption, controlled inflation and growing FDI. Thus, making India, a potential investment destination for the next decade.

The growth story was temporarily disrupted by the government's 'demonetization' initiative. However, increased government spending and pick-up in agricultural output, backed by strong monsoon helped in quick recovery of the economic activity. The Government further introduced Goods and Service Tax (GST) for simplifying tax structure and compliances, aligning it with practices in the developed countries. I am optimistic about brighter times ahead with rising growth prospect of our country.

At Sangam, our passion for executing with excellence fuels our larger purpose: to deliver value to our customers and shareholders. We did this by strengthening our distinctive brands with undying passion and exploring the potential lucrative segments – all this with a strategic perspective to grow our presence in the industry and around the globe.

Our growth target in 2016-17, reflects the shift to a world where being connected to the customers is becoming ever more important. We extensively worked to provide our brand C9 with unique identity and offerings. We launched an exclusive brand outlet in Mumbai and Bathinda this year to offer the latest products and trends at one place. It is presently being sold through Exclusive Brand Outlets (EBO), Multi Brand Outlets (MBO), Large Format Stores (LFS) and e-commerce platform. The brand has reached more than 100 cities through more than 750 stores in India. We aim to grow further by expanding customer outreach through 2,000 MBO, 100 LFS and EBO in more than 200 cities to create pan-Indian presence by March 2019. Enhanced digital presence and store network together has created opportunities for us to penetrate further into the market.

Sangam continued on an expansion mode to augment the integrated business model. We are in the process of installing one line of 12 rope indigo dyeing, 73 new and 5 old weaving machines at Denim Unit in Bhilwara. We also have plans to install balancing and modernized machines in our existing units -Spinning Unit-I, II and processing units. The entire installations under the expansion initiative would be completed by December 2017.

We continued to focus on manufacturing value-added products leading to better realizations and margin. Effective quality and cost control measures were employed across all our segments. During 2016-17, we recorded a 6% increase in net revenues, from ₹ 1,504.40 crore in 2015-16 to ₹ 1,593.64 crore in 2016-17. Adverse market conditions, volatility in cotton prices and short-term supply issues owing to demonetization impacted the profitability of the Company. The EBIDTA of the Company stood at ₹ 183.09 crore in 2016-17 against ₹ 233.34 crore in 2015-16. The Company reported a net profit of ₹ 54.60 crore in 2016-17 compared to ₹ 77.04 crore in 2015-16.

I am proud of our commitment to sustained growth, despite challenging times during the year. We have embraced innovation and value-based approach that has helped us become the trusted brand today. With all this momentum, I am determined more than ever to ensure that Sangam remains true to the principles that made it a successful name. We will continue to live the values that have shaped us over the past 32 years.

I would like to thank team Sangam for their passion, commitment and contribution towards strengthening the Company. I would like to express my gratitude to all our investors and stakeholders for their unwavering faith in Sangam. We are looking forward to achieving greater heights to generate sustainable value for one and all.

Best Wishes,

R. P. Soni

Chairman

Passionate for creating value across the textile chain through integration

At Sangam, passion isn't just a word, it's a way of life. We are passionate about delivering a complete experience that keeps customers coming back for more.

Our textile value chain comprises every stage of business - from idea to customer. As we intended to grow beyond our predominant yarns segment into a textile major, we invested into backward integration - cotton & dyed yarn capacities and fabric processing. Pursuing the strategy of focusing on margin accretive segments, Sangam has further integrated by venturing into the denim and seamless garments segments.

We have periodically invested in expanding capacities, which resulted in cost rationalization and improved efficiency across the value chain. Our denim fabrics and PV fabrics are manufactured from internally produced raw materials with minimum dependency on external sources.

50%

In-house consumption of the cotton yarn production

20%

In-house consumption of the PV yarn production







Unleashing potential opportunities with our unmatched passion for creating fashion solutions

At Sangam, we aspire to create positive change for customers by providing them diverse fashion choices. We continually challenge ourselves to find better ways to strengthen our brands and delight customers.

We have been one of the key players in the dyed yarn and fabric manufacturing segment. We further forayed into active wear seamless garments with the launch of our brand C9 in the year 2015. We have continued to tread on the ambitious path towards extending our value proposition directly to the consumers through our own brand.

Today's informative and free-spirited women prefer the best in style, comfort and design. Motivated by this desire, C9 further expanded its wide range of the products including intimate wear, shape wear, active wear and casual wear, among others. We have experienced team and strong relationship with leading suppliers to grow ahead in this segment.

USPs of C9 Airwear

- ▶ Lasting colour with timeless design and innovative details
- ▶ Rapid dry and breathable fabric
- ▶ Seamless technology with anti-chafing and stretchability
- ▶ International quality product at competitive prices

36

Seamless garment knitting machines

3.6 Mn pieces

Production capacity per annum

2

Exclusive brand outlets in Mumbai and Bathinda

750

Multi brand outlets across 25 states



Unlocking new perspectives

Integrating digital and physical shopping experience

Fashion may change fast, but consumers tastes and preferences change faster. They are shopping in countless micro-moments every day – looking for the best and buying with a tap.

This has enabled us to retain the brand loyalty from our increasing customer base. Moreover, the product portfolio is also improved by obtaining real time feedback from our online customers and suggestions from our distribution partners.

Consolidating presence in the denim fabric segment and exploring opportunities of becoming an efficient denim garment player

With favourable demographics and dynamic consumer preferences, demand for denim fabric is rapidly increasing. To capture the potential growth in this segment, Sangam has focused on expanding capacity by adding capacity of 9.6 Mn metres per annum.

In 2016-17, we made progress building a more balanced portfolio and positioning Sangam as a lifestyle brand. Further, we plan to venture into the denim garment segment as a part of our strategy to reach closer to the end customer.

Enhanced market presence

We have continued to expand at a fast pace in the domestic as well as global markets with extensive distribution network and robust clientele.

Domestic Clients

- ▶ S Kumar Nationwide ▶ Banswara Syntex
- ▶ Siyaram ▶ BSL ▶ Vimal ▶ RSWM Limited
- ▶ Arvind Limited ▶ Trident Limited
- ▶ Welspun India Limited ▶ Reliance
- ▶ Pantaloons ▶ Being Human ▶ Westside

International Clients

- ▶ Dicle Tekstil San VE TIC.A.S. (Turkey) ▶ AL Shams (Egypt) ▶ Roger Vandenberghe NV (Belgium)
- ▶ Comertex S.A.S (Colombia) ▶ Salaman Tarabar Toos INT'L (Afghanistan) ▶ Hagook (Egypt) ▶ Sharda Europe SP.ZO.O (Poland) ▶ Arif Saeed Trading LLC (UAE)
- ▶ United Colors of Benetton and Jaju (Korea)

48 MMPA

Denim fabric capacity

18%

Denim fabric contribution to total sales revenue

100+

Dealers

1,000

Retailers

Reinforcing growth through quality, innovation and cost control

At Sangam, we are always looking for ways to improve and grow further. Our dynamic team works collectively to create fabrics and finished products with an innovative designs and look. As major industry player, we have a deep responsibility to constantly evaluate how products are made and how we can make them even better.

With an ISO 9001: 2008 certification, we are committed to employ international quality standards and strict cost control measures across all units. Moreover, our unmatched focus on insulating the processes to minimize wastage and optimizing resources has enabled us to strengthen our position in the industry.



Creating positive impact on the employees and the society

Since inception, Sangam has invested in the well-being of its employees. Our business impacts many people and communities around us. We provide a transparent and progressing work culture across units. Our aim is to create rewarding and friendly environment for our people for their overall development.

Sangam is a value-led company that continues to inspire the way it operates and engages with the society. Sangam Group has always contributed to improve quality of life in the communities we work with through sustained investments in education, healthcare and environment.

Some of the Group initiatives under CSR

Education

- ▶ Established Sangam School of Excellence, An ISO 9001:2008 Certified School, among the most modern education facilities in the State of Rajasthan and is affiliated with CBSE and IB (IGCSE)
- ▶ Set up Sangam University in Bhilwara, Rajasthan, recognized by UGC under the UGC Act, known for its Engineering, Management, Graduate and Post Graduate Programmes

Healthcare

- ▶ Set up Smt. Kesar Bai Soni Memorial Hospital & Research Centre assisted by Apollo Hospital - a state-of-the-art hospital, which has the best in- the-region facilities in primary, diagnostic and tertiary healthcare. The hospital has 100+ beds and is served by a highly experienced and motivated team of doctors and support staff

Environment

- ▶ Installed effluent treatment plant and water Conservation facility at the manufacturing unit
- ▶ Installed 5 MW wind energy and 1 MW solar energy plant to maintain sustainable growth with a focus on environment conservation

Board of Directors

“Great leaders encourage every living soul to reach their highest potential”

R. P. SONI*Chairman***S. N. MODANI***CEO & Managing Director***V. K. SODANI***Executive Director***ACHINTYA KARATI***Independent Director***RAMAWATAR JAJU***Independent Director***T. K. MUKHOPADHYAY***Independent Director***SEEMA SRIVASTAVA***Independent Director*

Management team

ANURAG SONI*Chief Business Strategist***PRANAL MODANI***Chief, Business Development***ANIL JAIN***CFO & Company Secretary***P. R. KHATOR***President
(Spinning Unit-I)***S. K. PANDEY***President
(Works - Spinning Unit-II)***RAN VIJAY BAHADUR SINGH***President
(Works - Spinning Unit-III)***ANIL SHARMA***President
(Works - Processing)***L. L. SONI***President
(Corporate Affairs)***S. K. BAGHELA***Sr. Jt. President
(Works - Spinning Unit-I)***SUNIL RATHI***Jt. President
(Denim Marketing)***LALIT JAIN***Jt. President
(Accounts)***M. BHANU PRATAP***Jt. President
(Thermal Power Plant)*



Management Discussion & Analysis



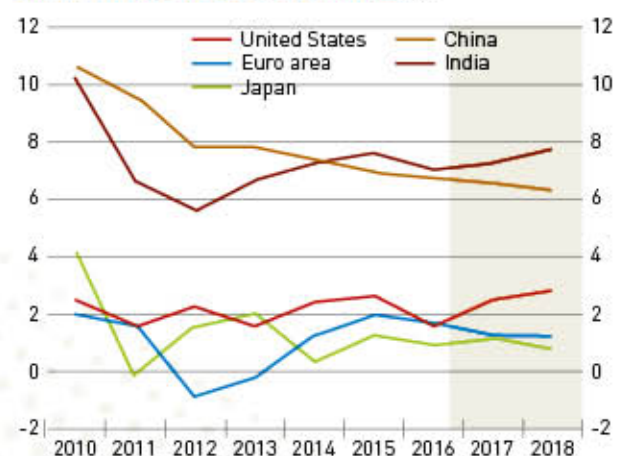
GLOBAL ECONOMY OVERVIEW

The global economic scenario remained subdued in the first half of 2016 with weak investment activity, sluggish trade and productivity growth, increased geo-political and policy uncertainty. Global trade volume witnessed slow movement due to low demand in advanced economies, decline in investments by commodity exporters like Brazil and Russia as well as partial slowdown in China.

However, the world economy improved in the second half of 2016 and the momentum is expected to persist. Growth has been revised upward in the United States, reflecting the fiscal policy stimulus. The outlook has improved for Europe and Japan based on a recovery in manufacturing and trade. Commodity prices have also started to recover with stronger activity and robust global demand, coupled with agreed restrictions on oil supply. This has helped lift global headline inflation and reduce deflationary pressures. Global growth is projected to increase from an estimated 3.1% in 2016 to 3.5%

in 2017 and 3.6% in 2018 as per World Economic Outlook (WEO) forecast, April 2017. These indications of improvement in global trade and growth in future augur well for the growth prospects of Indian economy.

Growth in the largest economies (%)



Source: OECD March 2017, Interim Economic Outlook

INDIAN ECONOMY OVERVIEW

The Indian economy displayed resilient growth against the dismal global economic environment. India's GDP growth was moderate at 7.1% in FY 2016-17 as per the Central Statistics Office (CSO).

The growth in FY 2016-17 was aided by the Government's efforts to push reforms, soft global commodity prices, relatively low inflation and current account deficit supported by lower crude oil prices. This was further underpinned by improved agricultural growth, rural consumption and robust government spending.

The agricultural sector achieved an aspiring growth of 4.1% on a y-o-y basis in FY 2016-17 owing to a normal monsoon. In contrast, the industrial sector grew by 5.2% compared to 7.4% in FY 2016, whereas the service sector growth was 8.8%. Consumer Price Index (CPI) inflation moderated during the year, from 5.4% in Apr'16 to 3.8% in Mar'17, aided by lower food prices. The wholesale price index (WPI) inflation increased continuously during the year from 0.8% in Apr'16 to end the year at 5.7% in March'17 with increase in fuel and manufactured goods prices.

The year 2016-17 witnessed two important domestic policy reforms viz. Demonetization and road map for Goods and

Services Tax (GST). The manufacturing output declined and the growth process was temporarily disrupted due to demonetization wherein country's two highest value notes were withdrawn to reduce corruption and accumulation of black money. However, it is likely to have a positive impact in the long run with improved tax collection, digitalization and formal channelization of the savings system.

Another policy reform was implementation of GST to increase tax compliance and governance. GST will result in efficient movement of goods between states due to single national market. Over time, GST would also accelerate formalization of the economy, reduce cascading effect of indirect taxes and consequently, further contribute to the growth of organized retail.

Outlook

The Indian Economy has favourable growth prospects over the medium-term owing to the implementation of key reforms, loosening of supply-side bottlenecks and appropriate fiscal and monetary policies. The economic activity will further gain momentum through lower borrowing costs, strong public-sector wage growth, increased purchasing power and fading impact of demonetization and implementation of GST.

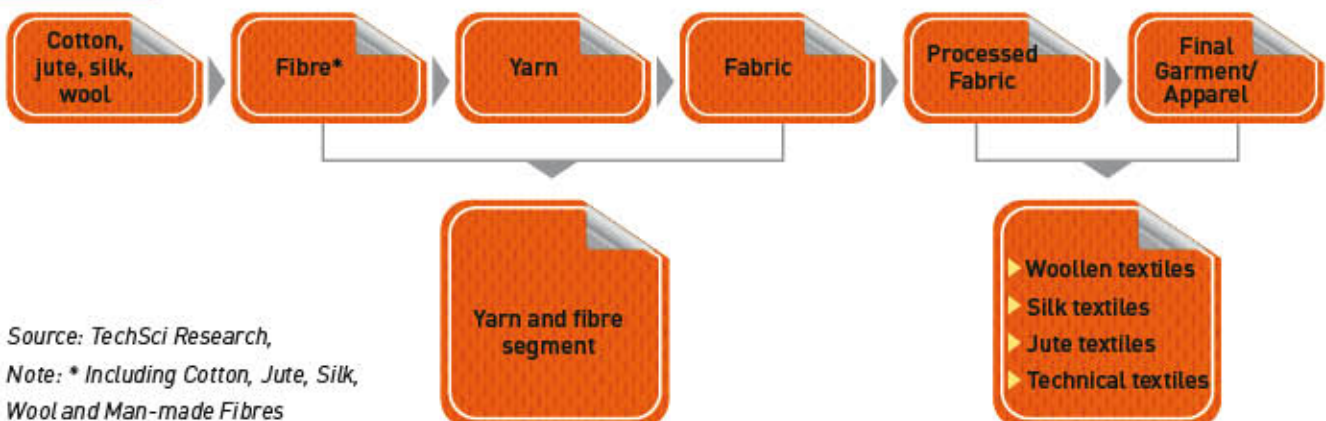
[Source - Economic Times]

Key Segments of the Textile Industry

Process



Output



Source: TechSci Research,

Note: * Including Cotton, Jute, Silk, Wool and Man-made Fibres

GLOBAL TEXTILES AND APPAREL MARKET

The global textile and apparel industry is highly matured and has strong correlations with global macro-economic developments. The industry will continue to grow along with growing consumption of textile and apparel products in developing countries and a gradual recovery of major developed markets.

Apparel market is largely dominated by the European Union and the US, while countries like China, India and Russia are evolving fast as future destinations for apparel consumption. The global apparel market is projected to be valued at USD 2.6 Tn by 2025 growing at 4% CAGR. Rising population and an increase in the disposable income of the developing countries will further boost the apparel consumption growth rate. (Source - www.indiantextilemagazine.in)

Global apparel retail industry has shown healthy growth rate over the last few years. Market dynamics are changing with the fast fashion and online retailing dominating the traditional retailers. Apparel retail continued to grow strongly in China despite economic slowdown, driven primarily by fast fashion categories. Despite the challenges owing to demonetization, the Indian apparel industry delivered strong growth in 2016, growing by 14% in value terms.

Apparel retail in the Asia-Pacific region grew by 5.8% in 2016, while Western Europe and US recorded slow growth. Asia Pacific region constitutes almost 38% of the global apparel retail and is one of the fastest growing geography.

Global Apparel Retail (in USD Bn)

Year	2011	2012	2013	2014	2015	2016
Asia Pacific	361	388	416	440	464	491
Western Europe	294	296	293	295	298	300
USA	245	251	257	260	268	274
RoW	148	162	176	191	207	217
Total	1,048	1,097	1,142	1,186	1,237	1,282

(Source - Euromonitor)

INDIAN TEXTILES INDUSTRY

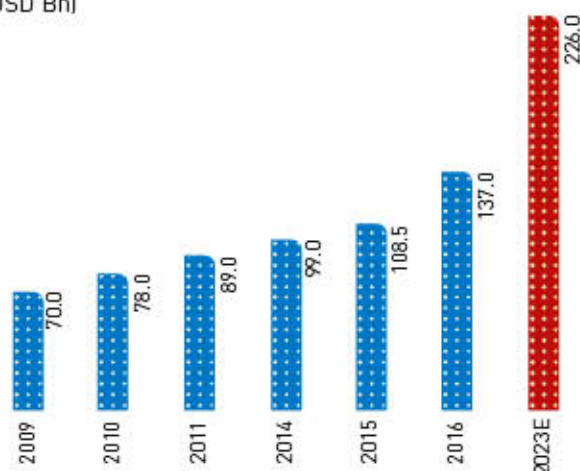
The Indian textile industry exhibits rich cultural heritage of India with wide variety of fabrics, techniques and hues that reflect the diverse set of people and traditions across the country. The Indian textiles industry is one of the oldest industries of the country extending from the hand-woven sector on one end to the capital-intensive mill sector on the

other. The textile industry has two broad segments. First, the unorganized sector consisting of handloom, handicrafts and sericulture and the second is the organized sector consisting of the spinning, weaving, knitting, apparel and garments segment. Indian textile industry is one of the largest employers in the country and contributes about 14% to industrial production, 4% to the GDP and gives direct employment to around 45 mn workforces. (Source-IBEF)

Market size

The size of India's textile market in 2016 was around USD 137 Bn, which is expected to touch USD 226 Bn market by 2023, at a CAGR of 8.7% between 2009-23E. (Source-IBEF)

India's textile market size (USD Bn)



CAGR - 8.7%

Notes: E - Estimated

CAGR - Compounded annual growth rate

Source: Technopark, Make in India, News articles, Ministry of Textiles, TechSci Research, IBEF

Cotton

Cotton plays an important role in the Indian economy as the country's textile industry is predominantly cotton-based with nearly 3/4th share in total fibre consumption.

Cotton prices during the first 4 month of the CY 2017 have been higher by at least 25%, compared to prices during 2016 respectively for the same period. Farmers have been encouraged by better returns due to high cotton prices and improved yields last year. Therefore, the area under cotton cultivation in the country is expected to increase by at least 10-15% for 2017-18 season as compared to the previous year. (Source-Economic times)

Indian textile industry accounts for

24%

of world's spindle capacity

8%

of global rotor capacity

14%

of world's production of textile fibres & yarns

2nd

largest producer of man-made fibre & filament

1.36
Mn tonnes

Production of man-made fibre in 2016-17

(Source-IBEF)

India is one of the largest producers as well as exporters of cotton yarn. The ratio of the use of cotton to man-made fibres and filament yarn is 59:41. But this scenario is changing fast as manufacturers and brands are increasingly looking towards man-made fibre options, mainly polyester.

- Production of yarn grew to 5,664 Mn Kgs in FY17 from , Mn Kgs in FY11, implying a CAGR of 3.11%

Advantage India

2016

Market Value:
USD 137 Bn

2023E

Market Value:
USD 226 Bn

Robust Demand

- Increased penetration of organized retail, favorable demographics & rising income levels to drive textile demand
- Growth in building & construction will continue to drive demand for non-clothing textiles

Increasing Investments

- Huge investments are being made by Government under Amended Technology Upgradation Fund Scheme (ATUFSI)-(USD 298.44 Mn) to encourage more private equity & to train workforce

Competitive Advantage

- Abundant availability of raw materials such as cotton, wool, silk and jute
- India enjoys a comparative advantage in terms of skilled manpower & in cost of production relative to major textile producers

Policy Support

- 100% FDI (automatic route) is allowed in the Indian textile sector
- Under Union Budget 2017-18, the Government has allocated USD7.41Mn for setting up integrated parks in India
- Free trade with ASEAN countries & proposed agreement with European Union will boost exports

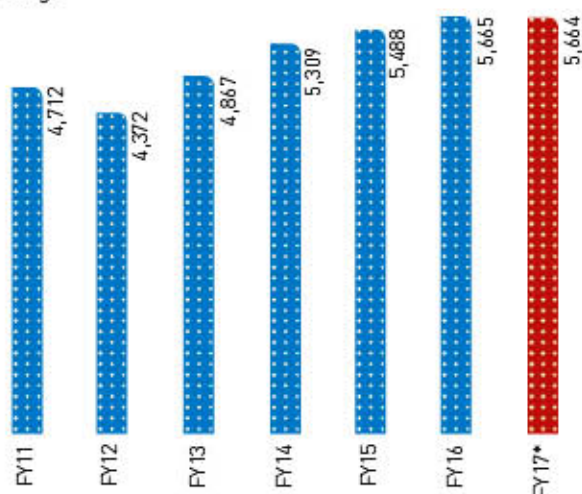
Notes: SITP - Scheme for Integrated Textile Park; FDI - Foreign Direct Investment, ASEAN - Association of Southeast Asian Nations, E - Estimate; F- Forecasted

Source: PHD Chamber of Commerce; Federation of Indian Chambers of Commerce and Industry, TechSci Research

- Production of yarn between April to Marh'17 stood at 5,664.04 Mn Kg
- Cotton yarn accounts for the largest share in total yarn production; in FY17, the segment's share amounted to 71.66%

Production of yarn

(Mn kg)

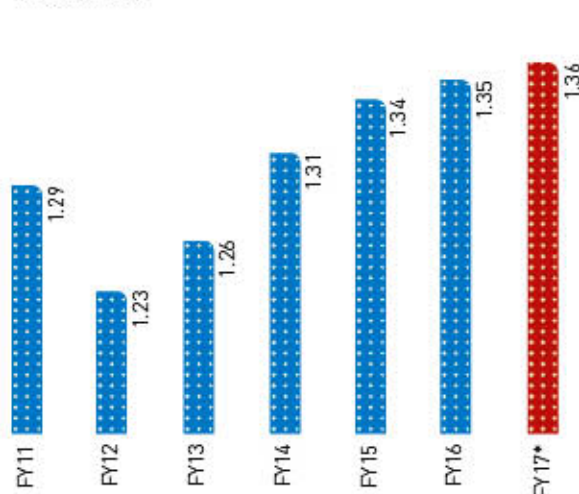


Note: FY17* - Provisional figures as of March 2017

Source: Ministry of Textiles, TechSci Research, IBEF

Production of man-made fibre

(Mn tonnes)



Note: FY17* - Provisional figures as of March 2017

Source: Ministry of Textiles, TechSci Research, IBEF

Cotton yarn demand is projected to be lower on the back of weak demand from China, world's largest consumer. However, a medium term decrease in demand from China will be offset by improvement in demand from Bangladesh, Pakistan and Vietnam. Moreover, cotton yarn demand will be closely monitored due to China's cotton policy as well as stable crude oil prices leading to stiff competition from its substitute – man-made fibres (synthetic yarns).

(Source: Care Ratings)

Man-made fibre

- ▶ Production of man-made fibre has also been on an upward trend
- ▶ Production stood at 1.35 Mn tonnes in FY16 with the figure reinforcing a recovery from 2009 levels
- ▶ During FY17*, production of man-made fibre in India stood at 1.36 Mn tonnes

Domestic demand is expected to be steady owing to factors such as increased substitution for polyester fabric over cotton due to its superior aesthetic. By 2020, the share of polyester fibre in total mill consumption is expected to be around 46%, while that of cotton at 43%. (Source - <http://www.textileexcellence.com/>)

Fabric

- ▶ Fabric production in the country rose to 64,775 Mn square metre in FY17 from 52,665 Mn square metres in FY07, implying a CAGR growth of 2.09%

- ▶ Cotton yarn, a major segment in FY15, accounted for more than 57% share in fabric production, with the share reaching to 59.98% in FY17*
- ▶ Fibre production in India is expected to reach 10 Mn tonnes by 2017-18, growing from 9 Mn tonnes in 2015-16

Fabric production (Mn square metre)

Year	FY11	FY12	FY13	FY14	FY15	FY16	FY17*
Cotton	31,718	30,570	33,870	35,513	36,959	38,440	38,853
100% Non-Cotton	21,675	20,567	18,797	17,094	16,924	15,335	13,963
Blended	8,278	8,468	9,282	10,062	10,449	10,809	11,039

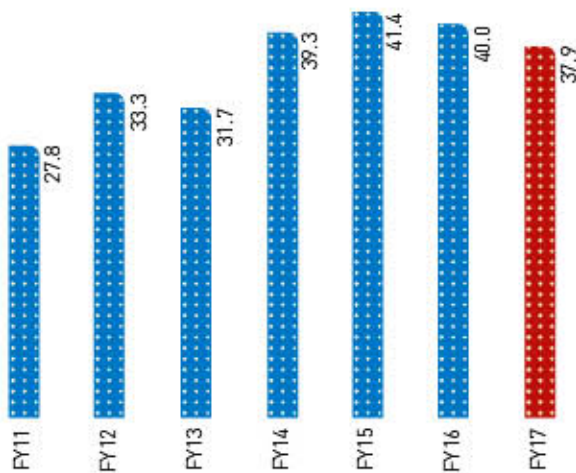
Note: Figures mentioned are as per latest data available (* Provisional figures till March 2017)

Source: Ministry of Textiles, TechSci Research, IBEF

Exports in 2016-17

The Indian textile industry is the second largest manufacturer and exporter in the world, second only to China. The industry holds vital importance to the economy with a share of 15% of the total exports in the country and 5% of the global trade in textile and apparel market. (Source- Ministry of textiles) Overall Textile and Clothing (T&C) exports in key Asian geographies have declined over the last year owing to fall in exports from both China and India. China's declining market share has provided an opportunity for other key textile exporters to scale up.

Textile exports from India (USD Bn)



Source: Ministry of Textiles, Budget 2015, TechSci Research, IBEF

Exports in textile and apparel sector decreased to USD 37.9 Bn in FY17 due to slow down in the cotton textile segment. During November 2016, the government has extended the duty drawback facility on all textile products and increased the rates in some cases for one year to boost exports in the sector.

Make in India

Indian textiles and clothing industry is gaining momentum backed by rising government focus and favourable policies. The ambitious launch of 'Make in India' initiative, reflects government's renewed focus on the country's economy. In a short span of time, the obstructive frameworks of the past have been replaced with a transparent system. Government's central focus has been on increasing textile manufacturing by building the best-in-class manufacturing infrastructure, upgradation of technology, fostering innovation, enhancing skills and traditional strengths in the textile sector. Since the textiles and garment industry has been identified as one of the 25 sectors capable of being a world leader, "Make in India" initiative could make India the most preferred destination for the world in the textile and garment business.



Strengths

- ▶ Largest producer and second largest exporter of cotton globally
- ▶ Fifth largest producer of man-made fibre and yarn globally
- ▶ Second largest textile manufacturing capacity globally
- ▶ Strong and flexible production base of wide range of fibre/ yarns from natural fibres like cotton, jute, silk & wool to synthetic/man-made fibres like polyester, viscose, nylon & acrylic
- ▶ Vertical and horizontal integrated textile value chain from raw material to finished goods
- ▶ Globally competitive spinning industry with diverse design base
- ▶ Cost effective manufacturing facilities with lowest cotton yarn spinning cost
- ▶ Unique strength in traditional handlooms and handicrafts

Weaknesses

- ▶ Highly fragmented and technology backward textile processing sector
- ▶ Largely unorganized and small in size, especially the fabric manufacturing, processing and garment manufacturing segments
- ▶ Except spinning, all other segments are predominantly in decentralized sector
- ▶ Structural weaknesses in weaving and processing - 2% of shuttle less looms as percentage of total looms as against world average of 16%
- ▶ Rigid labour laws: proving a bottleneck particularly to the garment sector
- ▶ Higher costs of capital compared to other countries which affects the cost of production and competitiveness
- ▶ Poor access to credit – one of the major hindrance in the growth of the sector
- ▶ Inadequate capacity of the domestic textile machinery manufacturing sector

Growth Drivers

- ▶ Rising per capita income and a growing middle class will give an upward push to the demand in the apparel sector
- ▶ Favourable demographics, increasing young population and a shift in preference for branded products is expected to increase demand

- ▶ Complementing this factor is rising female workforce participation in the country
- ▶ Supportive trade policies and superior quality will drive textile exports
- ▶ Rising domestic demand along with favourable policies instituted by the government will boost the industry
- ▶ Rapid growth in the retail sector in the past decade, with many global players entering the Indian market
- ▶ Resource centres and training facilities have been set up with testing and evaluation done by the centres of excellence

Government Initiatives

The Indian government has taken various initiatives to promote the textile sector. It has allowed 100% FDI in the Indian textiles sector under the automatic route. Total budget allocation for the textile industry is ₹ 6,226.5 crores for fiscal 2017-18 against last year's revised allocation of ₹ 6,286.1 crores. Budgetary allocation for powerloom, silk and wool textile sectors have been increased with allocated sizable funds for handloom and handicraft sector. *(Source-The Economic times)*

Increased investments in ATUFS

The Government is focusing on Amended Technology Upgradation Fund Scheme (ATUFS) which will provide one-time capital subsidy for investments in the employment and technology intensive segments of the textile value. This will promote exports and substitute imports at the same time. The scheme has received an allocation of ₹ 2,013 crores for 2017-18, which has been welcomed by the industry at large.

Incentives to boost employment and skilling

Fund allocation under Pradhan Mantri Paridhan Rojgar Protsahan Yojna (PMPRPY) is ₹ 200 crores in the 2017-18 union budget. This will boost employment by incentivizing employers and improving competitiveness in the sector. Further, the Integrated Scheme for Skill Development for the textile sector has received ₹ 174 crores fund allocation for under skilled factory workers.

Multi fibre agreement (MFA)

With the expiry of MFA in January 2005, cotton prices in India are now fully integrated with international rates. In 2014, the government has cleared 13 proposal of new textile parks in different states.

The MMF segment potential - Global Fibre Consumption Trend (%)

Year	2000	2007	2008	2009	2010	2011	2012	2020(P)	2030(P)
Cotton	36	36	36	35	33	31	31	30	27
Polyester	37	43	44	46	48	50	50	52	59
Others	27	21	20	19	19	19	18	18	14

Source: Ministry of Textiles, TechSci Research

- ▶ By 2030, it is expected that consumption of polyester will be more than double to that of the cotton fibre
- ▶ While the world's textiles industry consumes 70% of man-made fibre (MMF) against 30% of cotton; In India, the scenario is reverse
- ▶ The untapped opportunity remains in MMF-based product categories, which can give an exponential growth to India's export of textile and apparel
- ▶ The young generation has accepted denim as "normal" wear rather than a "functional" wear
- ▶ Dominated by metro cities that account for almost two-third of consumption
- ▶ With ever-expanding retail network of distribution and higher per capita income at disposal in Tier II & III towns, the availability of denim will register an improvement, leading to higher penetration (Source-Ventura Research)

Indian Denim Sector

The denim segment has always reigned as one of the leading segments in the fashion industry. The Latin American and Asian region are expected to lead the growth influenced by economic, social and demographic trends. Global denim industry is expected to witness a CAGR of over 6.5% from 2015 to 2020, with the market value expected to increase from USD 113 Bn to USD 153 Bn.

Since the introduction of denim in India in 1986, the denim industry has evolved continuously, witnessing a healthy growth for the past decade. India is the 2nd largest denim manufacturer in the world with 1,200 MMPA (Mn metre per annum) capacities, next only to China with 3,497 MMPA capacities. The installed capacity is expected to increase to 2,000 Mn meters in by FY18 owing to a huge demand of the fabric. Denim wear market is expected to register a retail sales value figure of ₹ 361 Bn by 2020 from ₹ 177 Bn in 2015, growing at a consistent CAGR above 15%.

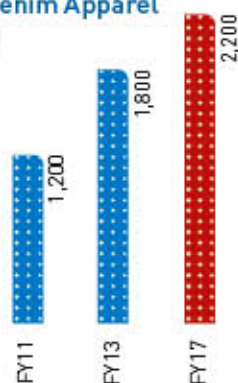
The per capita consumption of denim is the lowest in India i.e. at 0.3 pairs per person, showcasing the vast growth potential. The denim market will register a CAGR of 15-18% in the next 5 years, significantly outpacing the global denim apparel market CAGR growth of 3-5%.

Growth drivers of the Indian denim industry

- ▶ Being the 4th largest fabric exporter in the world, India is set to become a global denim fabric and apparel production hub
- ▶ Domestic denim manufacturing is picking up pace with emergence of large and improved units
- ▶ Fast-growing youth, rising urban population and more people wearing the fabric to the workplace



Indian Denim Apparel (USD Mn)



Source: Ventura Research

Domestic apparel industry

The domestic apparel market which is estimated at USD 46 Bn is expected to witness a CAGR of 9.7% over the period 2016-26, driven by increase in per capita consumption and average spends on apparel. Currently, at 41%, men's wear is the biggest category in the Indian apparel market; however, the rate of growth in women's wear and kid's wear has been rapid. On the exports front, the apparel exports estimated at USD 17 Bn, is expected to witness a growth of 10% between 2016-26.

Indian inner wear

- ▶ The innerwear industry in India is showing enormous growth potential, which is largely evident from the entry of several international brands in the last couple of years
- ▶ Presently, the current size of the Indian innerwear market is about ₹ 15,870 crores (USD 2.9 Bn) and is expected to touch ₹ 68,270 crore by 2024
- ▶ Women's innerwear market stands at ₹ 9,540 crore (USD 1.7 Bn), and is one of the fastest growing categories (Source - <https://retailfranchiseindia.com>)

Indian active wear

- ▶ India's market for sportswear garners USD 7.3 bn
- ▶ Expected to grow fast due to increased media coverage of sports and success of top Indian athletes
- ▶ Growth will be aided by more participation from women in sports along with increased investment into sports infrastructure

COMPANY OVERVIEW

Sangam (India) Limited, the flagship company of Sangam Group, is a leading manufacturer of PV yarn in India. The Company was promoted as a fabric manufacturing unit, under the name of Arun Synthetics Private Limited, by Mr. R.P. Soni and Mr. S.N. Modani. Sangam is among the largest

polyester-viscose (PV) dyed yarn manufacturer with almost 25% market share in the domestic market. The Company has emerged over the last decade as one of the most vertically-integrated textile players in the country.

The Company took a strategic decision to backward integrate and forayed into spinning in 1995 by installing 17,280 spindles for manufacturing PV dyed yarn. It has presence across the value chain, from spinning to weaving, processing and garmenting. The Company is present in the Indian synthetic blended fabric and denim segments with brands such as Sangam Suitings and Sangam Denim. Sangam entered into branded seamless wear for women under its brand name "C9", by floating a 100% subsidiary Sangam Lifestyle Ventures Limited in its retail business segment.

The Company has a strong client base which includes S Kumar Nationwide, Banswara Syntex, Siyaram, BSL, Vimal, RSWM Limited, Arvind Limited, Trident Limited, Welspun India Limited, Reliance, Pantaloons, Being Human and Westside. As of FY 2016-17, the Company has a spinning capacity of 2,38,608 spindles and 3,128 rotors; weaving capacity of 510 looms; fabric processing capacity of 53.40 Mn metres and garment processing capacity of 511 MTPA. It has a network of more than 100 dealers and 1,000 retailers across India. Sangam's manufacturing facilities are in Bhilwara District and Chittorgarh District in Rajasthan.



Robust Company Foundation

Parameter	Yarn	Fabric	Garments
Revenue contribution (FY17)	PV yarn 45%	PV fabric 22%	Garments 1%
	Cotton yarn 13%	Denim fabric 18%	
Geographic presence (by revenue share)	Domestic: 77%	Domestic: 66%	Domestic: 77%
	Exports: 23%	Exports: 34%	Exports: 23%
Market position	25% share in the Indian dyed PV yarn market in 2017	Mid-sized payer in the highly fragmented fabric and denim market	Relatively a small player in the highly fragmented garment market
End market	Synthetic and cotton fabric manufacturers	Synthetic garment and apparel manufacturers	Consumers
Sales growth (FY12 - FY17 CAGR)	PV yarn: 4%	PV fabric: 8.8%	Not applicable
	Cotton yarn: 12.4%	Denim fabric: 3.7%	
Demand drivers	Captive consumption by the domestic synthetic shirting and suiting Segment		Increasing affordability
	Price competitiveness of~ PV yarn vis-a-vis cotton yarn as incremental cost of dyeing cotton yarn makes it costlier than dyed PV yarn		Need for sportswear due to rising awareness for fitness
	Shift in presence for apparels made from blended fabric over cotton fabric owing to better comfort (smoothness) and aesthetic (lustre and crease) properties		
	Growing preference for jeans as daily wear		

C9 – OUR STRATEGIC VENTURE

Pursuing its strategy of focusing on margin accretive segments, Sangam ventured into garmenting in FY 2015-16 with a focus on the high-potential women innerwear segment. Presently, the Indian innerwear market is about ₹ 15,870 crores (USD 2.9 Bn) in size and women's innerwear market stands at ₹ 9,540 crores (USD 1.7 Bn). This segment is one of the fastest growing categories within women's apparel. (Source- Technopark)

The Company offers products for women with a focus on activewear, yoga wear, intimate wear and shape wear through the brand "C9". The Company is selling its products through the e-commerce portal www.c9fashion.com. The brand has always been at the forefront of bringing latest innovations and technology to the Indian consumer. The Company uses imported machines from Italy to manufacture seamless garments. At present, the seamless garment capacity stands at 3.6 Mn pieces/annum.

The Company plans to strengthen its distribution network to improve visibility of the C9 brand. The Company has floated a 100% subsidiary - Sangam Lifestyle Ventures Limited - in June 2016 to grow its retail business. It has plans to open ~2,000 multi brand outlets (MBOs) along with 100 Large Format Stores (LFS) and exclusive brand outlets (EBOs) by the end of FY19. It simultaneously opened its EBO in Mumbai and Bathinda. Further, it has tie-ups with online players such as Flipkart, Amazon, eBay, Snapdeal, PayTm, Fashionara, Belletouch and others to increase online customer base. With dedicated online channel and retail outlets, the Company is set to carve a niche in this evolving category of women's innerwear.

Going further, 2017 will witness a strong growth in the intimate wear segments as women have increased need for good quality products as per international trends and are willing to spend. This segment is expected to continue to progress and estimated to touch ₹ 68,270 crore by 2024.

Capacities

Particulars	FY15	FY16	FY17
Spindles	2,11,296	2,25,168	2,38,608
Fibre Dying Capacity (In % of Finished Production)	100%	100%	100%
Open End Rotors	3128	3128	3128
Texturizing Machines	3	3	3
Knitting Machines	18	22	22
Denim fabric processing line	4	5	5
Weaving Machines (No. of Looms)	437	483	510
Fabric Processing (in Mn Metres P.A.)	53	53	53
Garment Processing (in MTPA)	-	511	511
Seamless Garments Knitting (No. of Pieces in Lakhs)	36	36	36
Coal Based Captive Thermal Power Plants (in MW)	31	31	31
Captive Solar Power Plants (in MW)	1	1	1
Wind Power Plants (in MW) at Jaisalmer	5	5	5

FINANCIAL PERFORMANCE

Sangam recorded net revenue of ₹ 1,593.64 crore in 2016-17 as compared to ₹ 1,504.40 crore in 2015-16, reflecting an increase of 5.9%. Adverse market conditions, volatility in cotton prices and short-term supply issues owing to demonetization, impacted the profitability of the Company. The EBITDA of the Company decreased by 21.5% to ₹ 183.09 crore in 2016-17 against ₹ 233.34 crore in 2015-16. The Company reported a net profit of ₹ 54.60 crore - a decrease of 29.1% against ₹ 77.04 crore in 2015-16. The Company reported lower interest costs as it continued to reduce the debt burden.

Yarn Division

Sangam is the largest player in the Indian PV dyed yarn market and amongst the largest producer of blended dyed yarn in the country in a single location.

- ▶ **Locations:** Biliya Kalan and Sareri, Bhilwara, and Soniyana, Chittorgarh, Rajasthan
- ▶ **Products:** PV-Dyed & Grey Yarn, Cotton Spun & Open-ended Yarn and Texturized Yarn
- ▶ **Capacities:** Biliya Kalan – 96,864 spindles and 3 Texturizing Machines
Sareri – 1,15,008 spindles, 3,128 open end Rotors and 22 knitting Machines
Soniyana – 26,736 spindles
- ▶ Contributes 58% to the Company's total revenue

Rationale for presence

The Company's core focus has been on PV yarns traditionally. However, it also produces cotton yarn to fuel its denim

operations. With Sangam's presence in three major segments – denim fabrics, seamless garments and blended suiting fabrics, it consumes about 20% of its produced PV yarn and 50% of cotton yarn in-house. The Company is present in multiple varieties of yarn including cotton spun and open ended yarn, Blended PV yarn and texturized yarn, which prevent it from any risks arising out of changing preferences of the customers. While the denim segment is supplied with the cotton and blended yarns, the seamless garments and blended fabrics primarily require man-made yarns.

Fabrics Divisions

PV Fabrics

- ▶ **Location:** Atun, Bhilwara, Rajasthan
- ▶ **Products:** PV fabrics and processed fabrics
- ▶ **Capacity:** PV fabrics – 30 Mn metres p.a.; Processed fabrics – 53.40 Mn metres p.a.
- ▶ Contributes 22% to the total revenues of the Company

Rationale for presence

The Company has refocused on its fabrics business since the past few years owing to rising demand and newer distribution platforms spurring consumer spends. The Company offers wide range of woven PV fabrics, used for suitings and bottom wear.

Denim Fabric

- ▶ **Unit:** Biliya Kalan, Bhilwara, Rajasthan
- ▶ **Products:** Denim Fabric
- ▶ **Capacity:** 48 Mn metres p.a.
- ▶ Contributes 18% to total revenues



Rationale for presence

The Company has evolved as a branded denim manufacturer and ranks among the top seven denim manufacturers in the country. Denim segment has continued to offer high growth owing to the varieties of finishes, trending designs, superior quality and value for money supported by a widespread distribution network. Being a strategic fit to Company's existing businesses – of Cotton & PV yarns as well as fabric processing capabilities, the denim segment will continue to be a key segment of expansion for the Company.

Seamless Garment Division

- ▶ **Location:** Atun, Bhilwara
- ▶ **Products:** Intimate wear, shape wear, active wear and casual wear
- ▶ **Capacities:** 3.6 Mn pieces per annum

STRENGTHS

Highly integrated business model

The Company has an integrated business model across the textile value chain – from yarn to branded garments – to rationalize cost of production and improve margins. It offers better insulation against market volatilities. The Company's sustained investment in capacity expansion has led to venturing into denim and seamless garments in a short time-span. Pursuing its strategy of focusing on margin accretive segments, the Company has taken another step of integration by venturing into the hugely potential seamless garment wear segment.

Diversified product portfolio

The Company strategically diversified into offering a wide variety of yarns – from cotton to PV to Texturized. At the same time, the Company has indigenously developed ability to deliver large quantities with virtually any shade of colour. It has a colour bank of more than 5,000 shades and produces 6-50 counts of yarns.

Quality and research & development

Sangam's has ISO 9001:2000 certified research units, equipped with world-class and advanced quality testing equipment like Uster tester, Evenness tester and Hairiness tester. All of them ensure that the yarn produced is free of neps and other faults like low strength, colour-fading, low strength, unevenness in colour, etc. The Company performs strict quality checks at regular interval to produce quality premium yarns.

Sangam's research teams constantly develops new, value-added products and introduce colour shades to suit the end use of its customers. Our units are equipped with worldclass labs, advanced equipment and qualified professionals to ensure fast turnaround of new products.

Cost control

Sangam has a real-time cost control system to continuously monitors its operations and stay competitive. This helps in taking proactive measures across its units to improve operational efficiencies and reduce avoidable costs while maintaining quality standards.

Marketing and selling

Sangam has progressed with successful amplification of "Sangam Suitings" and has set targets to the next level with C9. In 2016-17, the Company continued to focus on promoting its new seamless garment brand for women across key markets. The Company has focused on B2C framework for its brand C9 by involving the existing distributor base and providing them proactive knowledge and training. The Company has also tied up with various reputed e-commerce players such as Myntra, Jabong, ebay etc., whereby customer feedback can be obtained at regular intervals and the marketing strategy can be improvised further.

INFORMATION & TECHNOLOGY

To use information technology (IT) extensively in its operations to achieve greater productivity and efficiency, the Company has deployed a customized SAP solution for its various spheres of diverse activities of spinning, weaving, garmenting and processing.

HUMAN RESOURCES

At Sangam employees are not only considered to be the stakeholders in the corporate growth but also are the key drivers of its performance. The Company always endeavours to provide an environment that encourages talented professionals to perform to their fullest potential. The Company owes its success to its loyal and efficient human asset. The Company believes that, by effectively managing and developing human resources, it can achieve its vision. It imparts specialized and technical training to its employees at regular intervals, which enrich their knowledge, skill and competency to perform their job effectively and efficiently. This also encourages employees to shoulder more responsibilities and take part in the growth of the Company's business. The Human Resource strategies aim at attracting, developing and retaining talent pool in the Company. As on 31st March, 2017, the number of employees was about 7,000. The industrial relations were also cordial during the period under review.

INTERNAL CONTROL SYSTEM

The Company has an adequate system of internal controls to safeguard and protect from loss, unauthorized use or disposition of its assets. All transactions are properly authorized, recorded and reported to the management. The Company is following all the Accounting Standards for properly maintaining the books of accounts and reporting of financial statements. The Company has a full-fledged

Internal Audit department and has also appointed external Internal Auditors to review various areas of the operations of the Company. The management and the Audit Committee of the Board review the audit reports periodically.

RISKS AND CONCERNS

The Company is exposed to normal industry risk factors of competition, economic cycle and uncertainties in the international and domestic markets and credit risk. The Company manages these risks, by maintaining a conservative financial profile and by following prudent business and risk management practices.



Directors' Report

The Board of Directors present the 31st Annual Report of the Company together with the Audited Statements of Accounts for the Financial Year ended 31st March, 2017.

FINANCIAL RESULTS

The Company's financial performance, for the year ended 31st March, 2017 is summarized below:

Particulars	(₹ in Crores)	
	31st March, 2017	31st March, 2016
Revenue from Operations	1593.64	1504.40
Profit before Tax & Depreciation	135.61	186.97
Depreciation	72.58	76.19
Provision for Doubtful Debts/Advances	0.45	0.35
Profit before Tax	62.58	110.43
Tax Expense		
Current Tax	6.85	34.59
Deferred Tax	8.93	1.70
Tax Expense for Earlier Years	(7.80)	(2.90)
Profit after Tax	54.60	77.04
Brought forward Profit	128.22	90.67
Proposed Dividend	-	7.88
Tax on Dividend	-	1.61
Transfer to General Reserve	30.00	30.00
Carried to Balance Sheet	152.82	128.22

OPERATIONAL RESULTS AND STATE OF AFFAIRS

The Company Revenue from Operations during 2016-17 was ₹ 1594 Crores as against ₹ 1504 Crores during 2015-16.

The profit before interest, depreciation and tax (PBIDT) is ₹ 199 Crores as against ₹ 251 Crores in previous year. The profit after tax of the Company is ₹ 55 Crores as against ₹ 77 Crores in previous year.

During the year, the Company had export revenue of ₹ 424 Crores as against ₹ 407 Crores in previous year. The exports constituted above 26% of the total revenue of the Company.

The basic and diluted EPS during the year is ₹ 13.85 as against ₹ 19.54 during 2015-16. There is no change in nature of Company's business during the year.

EXPANSION

The Company's project of ₹ 198 Crores taken in hand in the previous year for installation of 26736 Nos. Spindles at new site at Village Soniyana, Dist. Chittorgarh (Raj.), 74 Nos. Weaving Machines at existing site at Village Atun, Dist. Bhilwara and one indigo Denim Fabric Processing Line at the existing site at Village Billiya Kalan Dist. Bhilwara has been completed.

Further the Company has taken in hand Capex Program of ₹ 135 Crores for installation of one Rope Indigo Dyeing Line with 73 new wide width imported Weaving Machines, Machinery for modernization and balancing in spinning and processing divisions

and pollution control equipment. The project is being implemented as per schedule.

The above Capex Program is being funded by term loans of ₹ 103.50 Crores and balance from internal accruals.

TRANSFER TO RESERVE

The Board of Directors of the Company propose to transfer an amount of ₹ 30.00 Crores (previous year ₹ 30 Crores) to General Reserve of the Company for the financial year ended 31st March, 2017.

DIVIDEND

In view of the satisfactory performance, your directors are pleased to recommend for your approval, dividend of 20% on 3,94,21,559 equity shares of ₹ 10/- each for the financial year 2016-17 aggregating to ₹ 7.88 Crores which is subject to approval at the forthcoming Annual General Meeting. The Company would also pay dividend distribution tax on distributed dividend.

TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

In terms of Section 125 of the Companies Act, 2013, unclaimed or unpaid Dividend relating to the financial year 2009-10 is due for remittance on 06th November, 2017 to the Investor Education and Protection Fund established by the Central Government.

PUBLIC DEPOSITS

The Company has not accepted any deposits from the general public within the meaning of Section 73 to 76 of the Companies Act, 2013 and rules made thereunder.

DIRECTOR AND KEY MANAGERIAL PERSONNEL

During the year under review, on recommendation of Nomination and Remuneration Committee and in accordance with provisions of Section 196 and 197 of the Companies Act 2013, consent of the members were taken for ratification of continuation of Shri R.P. Soni as Whole Time Director as Chairman after attaining age of 70 years.

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 16 (1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In accordance with the Companies Act, 2013 and Articles of Association of the Company, Shri S.N. Modani, Managing Director & CEO of the Company retire by rotation and being eligible offer himself for re-appointment at the ensuing annual general meeting.

Pursuant to the provisions of Section 203 of the Act, the Key Managerial Personnel ("KMP") of your company are Shri R.P. Soni, Chairman & Whole Time Director, Shri S.N. Modani, Managing Director & CEO, Shri V.K. Sodani, Whole Time Director and Shri Anil Jain, CFO & Company Secretary. There has been no change in KMP's during the year.

NUMBER OF MEETINGS OF THE BOARD

Four meeting of the Board were held during the year. The detail of meetings of the Board held during the year forms part of the Corporate Governance Report.

The Composition of the Board and its committees has also been given in the report on Corporate Governance.

COMPOSITION OF AUDIT COMMITTEE

The Audit Committee consists of Shri Achintya Karati, Independent Director, Shri T.K. Mukhopadhyay, Independent Director and Shri R.P. Soni, Executive Director. Shri Achintya Karati is the Chairman of the Committee and Mr. Anil Jain is the Secretary of the Committee. All the recommendations made by the Audit Committee were accepted by the Board.

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

Particulars of loans given, investments made, guarantees given and securities covered under section 186 of the Companies Act, 2013 form part of the notes to the financial statements provided in this Annual Report.

PARTICULARS OF CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the Company with promoters, Directors, key

managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large. All Related Party Transactions are placed before the Audit Committee as also the Board for approval. There are no material subsidiary companies as define in Regulation 16(c) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The policy on Related Party Transactions as approved by the Board is available on the website of the Company's at weblink: <http://www.sangamgroup.com/financials/Policies/RPT%20Policy.pdf>

Particulars of Related Parties contracts or arrangements under section 188 of the Companies Act, 2013 are given in Form AOC-2 and forming part of the report as Annexure-I.

Your Directors draw attention of the members to Note no. 34 to the standalone financial statement which sets out related party disclosures.

WHOLLY OWNED SUBSIDIARY COMPANY

During the year, Sangam Lifestyle Ventures Limited ("SLVL") was incorporated on 14th June, 2016 as a Wholly Owned Subsidiary of the Company. The Subsidiary Company is engaged in business of Readymade Garments. During the year the Company's total revenue stood of ₹ 84 Lakhs.

Pursuant to Section 129(3) of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014, a statement containing salient features of the financial statements of Subsidiaries/Associate Companies/Joint Ventures is given in Form AOC-1 and forming part of the report as Annexure-II.

CONSOLIDATED FINANCIAL STATEMENTS

The Consolidated Financial Statements of the Company are prepared in accordance with relevant Accounting Standards viz. AS-21, AS-23 and AS-27 issued by the Institute of Chartered Accountants of India and also as per section 129 of the Companies Act, 2013, the Audited Consolidated Financial Statements are provided in the Annual Report.

STATUTORY AUDITORS

Under Section 139 of the Companies Act, 2013 and the rules made thereunder, it is mandatory to rotate the statutory auditors on completion of the maximum term permitted under the said section. The audit committee of the Company has proposed, and on 16th August, 2017, the Board of the Company has recommended the appointment of M/s Rajendra & Co. (FRN: 108355W) and M/s O.P. Dad & Co. (FRN: 002330C) as the Statutory Auditors of the Company, will hold office for a period of five consecutive years from the conclusion of the 31st Annual General Meeting of the Company scheduled to be held on 29th September, 2017, till the conclusion of the 36th Annual General Meeting to be held in the year 2022 (subject to ratification of their appointment at every AGM to be held after 31st AGM).

AUDITORS' REPORT

As regards Auditors observations, the relevant notes on account are self-explanatory and therefore, do not call for any further comments.



The Auditors' Report does not contain any qualification, reservation or adverse remark.

COST AUDITORS

The Board of Directors on the recommendation of Audit Committee, has re-appointed M/s K.G. Goyal & Company, Cost Accountants, Jaipur (Firm Registration No. 000017), and M/s V.K. Goyal & Company, Cost Accountants, Bhilwara (Firm Registration No. 000550), as Cost Auditors of the Company for the financial year 2017-18 to conduct the audit of cost records of the Company's units as allotted to them.

SECRETARIAL AUDITOR

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, the Board of Directors had appointed M/s S.P. Jethlia & Co., a firm of Company Secretaries in Practice to undertake the Secretarial Audit of the Company. The Report of the Secretarial Audit for the year ended 31st March, 2017 is annexed herewith and forming part of the report as Annexure-III.

CORPORATE GOVERNANCE

Your Company is committed to maintain the highest standards of Corporate Governance and adheres to the stipulations set out in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and have implemented all the prescribed requirements.

A separate report on Corporate Governance forming part of the Annual Report of the Company is annexed hereto. A certificate from M/s S.P. Jethlia & Co., Practicing Company Secretaries regarding compliance of conditions of Corporate Governance as stipulated under Corporate Governance Clauses of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed to the report on Corporate Governance.

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to section 134(5) of the Companies Act, 2013 the Board of Directors, to the best of their knowledge and ability, confirm that:

1. In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
2. They have selected such accounting policies and applied them consistently and made judgments, and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2017 and of the profit of the Company for the year ended on that date;
3. They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. They have prepared the annual accounts of the Company for the year ended on 31st March, 2017 on a going concern basis.

5. They have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were generally operating effectively; and
6. They have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

BOARD EVALUATION

The Independent Directors of your company, in a separate meeting held without presence of other Directors and management evaluated performance of the Chairman, Managing Director and Executive Director along with performance of the Board/Board Committees based on various criteria recommended by Nomination & Remuneration Committee. A report on such evaluation done by Independent Directors was taken on record by the Board.

Further your Board, in compliance with requirements of Companies Act, 2013 and the Listing Regulations, evaluated performance of all Independent Directors based on various parameters including attendance, contribution etc.

COMPANY'S POLICY RELATING TO DIRECTORS APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES

The Board on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, KMPs, Senior Management personnel and their remuneration is available on the Company's website at the <http://www.sangamgroup.com/financials/Policies/Remuneration%20Policy.pdf>

The Policy contains, inter-alia, director's appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director etc.

MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

No material changes and commitments affecting the financial position of the Company occurred between the ends of the financial year to which this financial statement relate to the date of this report.

FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS

Your Company has formulated Familiarization Programme in accordance with Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Schedule IV of the Companies Act, 2013 which provides that the Company shall familiarize the Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of Industry in which the Company operates, business model of the Company, etc. through various programmes. The details of the programme are put up on the website of the Company at the weblink: <http://www.sangamgroup.com/financials/Policies/FP%20Policy.pdf>

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The directors take this opportunity to inform the members that

Company had always been following its core philosophy of serving the society ever since its inception. Your Company endeavours to be involved in whole gamut of activities such as sanitation and safe drinking water, promoting education, empowering women, ensuring environmental sustainability, ecology balance, protection of national heritage, promoting rural sports and building roads for village etc. Apart from activities as above, Company supports all other activities in the nearby localities by means of donations and other contributions.

The directors inform the members that the Corporate Social Responsibility Committee comprising Shri R.P. Soni, Shri S.N. Modani and Shri Ramawatar Jaju formed by the Board of Directors of your Company monitor the expenditure incurred on the CSR activities and formulate an annual budget for these activities.

The Company has identified following focus areas for CSR:

- Eradicating hunger, poverty and malnutrition
- Promoting Health care including Preventive Health care
- Ensuring environmental sustainability and ecological balance through
- Employment and livelihood enhancing vocational skills and projects
- Promotion of education especially among children, women, elderly and the differently abled
- Promoting gender equality and empowering women
- Contribution or funds provided to technology incubators located within academic institutions
- Rural Development Projects

The details of the CSR spend by the Company is annexed as Annexure IV forming part of this report. The CSR Policy may be accessed on the website of the Company's at weblink: <http://www.sangamgroup.com/financials/Policies/CSR%20Policy.pdf>

RISK MANAGEMENT

During the year, the Audit Committee evaluated the Risk Management Policy of the Company to make it more focused in identifying and prioritizing the risks role of various executives in monitoring and mitigation of risk and reporting process. The Risk Management Policy has been reviewed and found adequate to the requirements of the Company by the Board.

The Audit Committee evaluated various risks and that there is no element of risk identified that may threaten the existence of the Company.

WHISTLE BLOWER POLICY / VIGIL MECHANISM

The Vigil Mechanism of the Company, which also incorporates a whistle blower policy in terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 aims to provide a channel to the employees and Directors to report to the management concerns about unethical behavior, actual or suspected fraud or violation of the Code of Conduct or policy. The mechanism provides for adequate safeguards against victimization of employees and Directors to avail of the mechanism and also provide for direct access

to the Chairman/ Chairman of the Audit Committee in exceptional cases.

The Policy on whistle blower policy as approved by the Board may be accessed on the website of the Company at weblink: <http://www.sangamgroup.com/financials/Policies/Whistle%20Blower%20Policy.pdf>

PREVENTION OF SEXUAL HARASSMENT AT WORK PLACE

The Company is an equal opportunity employer and believes in providing opportunity and key positions to women professionals. The Group has endeavoured to encourage women professionals by creating proper policies to tackle issues relating to safe and proper working conditions, and create and maintain a healthy and conducive work environment that is free from discrimination. This includes discrimination on any basis, including gender, as well as any form of sexual harassment. During the year, there was no complaint received. The Company has constituted Internal Complaints Committee (ICC) for various business divisions and offices, as per the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

PARTICULARS OF REMUNERATION OF DIRECTORS/ KMP/ EMPLOYEES

Disclosure pertaining to remuneration and other details as required Under Section 197(12) of the Companies Act, 2013 and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is attached as Annexure - V.

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

Energy conservation continues to be an area of major emphasis in our Company. Efforts are made to optimize the energy cost while carrying out the manufacturing operations. The information relating to energy, technology absorption and foreign exchange earnings and outgo required to be disclosed under section 134(3)(m) of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 is given in Annexure VI to this report.

GENERAL DISCLOSURES

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

- a) Issue of equity shares with differential rights as to dividend, voting or otherwise.
- b) Issue of shares (including sweat equity shares) to employees of the Company under any scheme.
- c) No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

INTERNAL FINANCIAL CONTROL

The directors feel that adequate control systems are the backbone of any Company. The directors endeavour to place adequate control systems commensurating with the size of the Company to ensure that all assets are properly safeguarded and that all the information



provided to the management is reliable and also the obligations of the Company are properly adhered. The Directors inform the members that in pursuit of strengthening internal control systems, your Company has put in place a system whereby all areas of the operations of the Company are reviewed by the internal as well as external professionals and independent audit firms. Your Company takes adequate measures with respect to gaps, if any, reported. The Audit Committee of your Company regularly monitors the annual operating plans, risk assessment and minimization procedures as well as mitigation plans. Your Directors endeavour to continuously improve and monitor the internal control systems.

A Report on the Internal Financial Controls under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 is annexed to Independent Auditor's Report on Standalone Financial Statements and to Independent Auditors Report on Consolidated Financial Statements.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report, as required by SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, forms part of this Report.

EXTRACT OF ANNUAL RETURN

Pursuant to Section 134(3)(a) of the Companies Act, 2013 read with Rule 12(1) of the Companies (Management and Administration) Rules 2014, the extract of annual return is annexed herewith and forming part of the report as Annexure-VII.

ACKNOWLEDGEMENT

The Board of Directors place on record their appreciation for the assistance and co-operation received from the Financial Institutions, Banks, Government, Local Authorities for their strong support and valuable guidance. The Directors are thankful to the shareholders for their continued support to the Company. Your Directors also wish to place on record their deep sense of appreciation for the devoted services of the Executives, Staff and Workers of the Company for its success.

By Order of the Board of Directors
For Sangam (India) Limited

Place: Bhilwara
Date: 16th August, 2017

R.P Soni
Chairman
(DIN 00401439)



Annexure - I

FORM NO. AOC-2

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

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

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

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

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

- (a) Name(s) of the related party and nature of relationship: Nil
- (b) Nature of contracts /arrangements/transactions: Nil
- (c) Duration of contracts /arrangements/transactions: Nil
- (d) Salient terms of the contracts or arrangements or transactions including the value, if Any: Nil
- (e) Date(s) of approval by the Board: Nil
- (f) Amount paid as advances, if any: Nil

For and on Behalf of the Board of Directors
For Sangam (India) Limited

Place: Bhilwara
Date: 16th August, 2017

R.P Soni
Chairman
(DIN 00401439)

Annexure - II

FORM NO. 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 ₹]

Sl. No.	Particulars	Description
1.	Name of the subsidiary	Sangam Lifestyle Ventures Ltd.
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	31st March, 2017
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	N.A.
4.	Share capital	5,00,000
5.	Reserves & surplus	(63,10,015)
6.	Total assets	36,719,078
7.	Total Liabilities	42,529,093
8.	Investments	-
9.	Turnover	84,26,485
10.	Profit before taxation	(89,90,987)
11.	Provision for taxation	-
12.	Profit after taxation	(63,10,015)
13.	Proposed Dividend	-
14.	% of shareholding	100

Note

- Names of Subsidiaries which are yet to commence operations. – NA
- Names of Subsidiaries which have been liquidated or sold during the year – NA

For and on behalf of the Board

Place: Bhilwara
Date: 16th August, 2017

R.P Soni
Chairman
(DIN 00401439)

Annexure - III

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2017

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

To,

The Members

Sangam (India) Limited

Atun, Chittorgarh Road, Bhilwara – 311001

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Sangam (India) Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2017 complied with the statutory provisions listed here under and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2017 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and bye laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings (Not applicable to the Company during the Audit period);
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') :-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (Not applicable to the Company during the Audit period);
- (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (Not applicable to the Company during the Audit period);
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable to the Company during the Audit period);
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client (Not applicable to the Company during the Audit period);
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable to the Company during the Audit period); and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not applicable to the Company during the Audit period);

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

- (a) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (b) The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (The Listing Regulations) entered into by the Company with Stock Exchanges,

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

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

Adequate notice is given to all directors to schedule the Board

**SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2017 (Contd.)**

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

Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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

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

I further report that during the audit period the Company has undertaken the following events/actions in pursuance of the above laws, rules, regulations, guidelines, standards etc. which in our opinion have a major bearing on the Company's affairs:

- (a) Ratification of continuation of Shri R.P. Soni as Whole-time Director designated as Chairman after attaining age of 70 years under sections 196 and 197 of the Act, 2013 read with Schedule V Part I(c);
- (b) Adoption of new Articles of Association of the Company under Sections 5, 14 and other applicable provisions, if any, of the Act, read with the Companies (Incorporation) Rules, 2014;
- (c) Approval of Related Party Transactions with Related Parties under section 188 of Act.

For **S.P. Jethlia & Co.**
Company Secretaries

Place: Bhillwara
Date: 16th August, 2017

SP Jethlia
FCS No. 3464, CP No.4844

Annexure - IV

STATEMENT CONTAINING INFORMATION AS PER SECTION 135 READ WITH THE RULE 8 OF COMPANIES (CORPORATE SOCIAL RESPONSIBILITY) RULES, 2014 AND FORMING PART OF DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH, 2017

- The Board of Directors adopted the Corporate Social Responsibility Policy on 31st July 2014 which is available on the Company website: www.sangamgroup.com. The CSR activities are carried out directly and also through registered trust/society of the Company. The focus areas of the Company under its CSR programme are promotion of education, healthcare, rural infrastructure and development, protection of national heritage, sanitation and environment and any other projects as defined in Schedule VII of the Companies Act, 2013. The primary focus of the Company's CSR initiatives during the year 2016-17 was on projects and programmes for skill development education facility, safe drinking water and health care within the vicinity of the Company's units located at Bhilwara District in Rajasthan.
- Composition of CSR Committee - the Committee has been constituted by the Board of Directors to formulate CSR Policy, recommend the amount of expenditure to be incurred on the activities and monitor CSR Policy. The committee consists of three Directors:
 - Shri R.P. Soni (Executive Director as Chairman)
 - Shri S.N. Modani (Executive Director as Member)
 - Shri Ramawatar Jaju (Non-executive Director as member)
- The average Net Profit of the Company for last three financial years is ₹ 8,087.16 Lakhs.
- Prescribed CSR Expenditure is ₹ 161.74 Lakhs (Computed as per Section 198 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014.
- Details of CSR spend during the financial year.
 - Total amount to be spent for the financial year: ₹161.74 Lakhs
 - Total amount spent directly by the Company during the financial year: ₹ 81.18 Lakhs
 - Amount unspent, if any: ₹ 80.56 Lakhs

[Amount in ₹]

Sl. No.	CSR Project/ activity identified	Sector in which the project is covered	Projects/ Programmes 1. Local Area/others 2. Specify the state and district area	Amount outlay (budget) project/ programme wise	Amount spent on the project/ programmes Subheads		Cumulative spend up to the reporting period	Amount spent: Direct/ through implementing agency
					Direct	Overhead		
1	Distribution of Plants and Tree Guards in Bhilwara City and for other CSR activities	Insuring Environmental sustainability	Local Area Bhilwara	22,00,000	0	22,00,000	22,00,000	M/s Badrilal Soni Charitable Trust, bhilwara (Raj.)
2.	Contribution given to Govt. Sr Sec. School, Kochriya, Bhilwara for construction of class room	Promoting education	Local Area Bhilwara	1,00,000	0	1,00,000	1,00,000	M/s Badrilal Soni Charitable Trust, bhilwara (Raj.)
3	Contribution given to Prasad Bipasa Associates for Rajasthan Heritage Textiles Development project	Protection of National Heritage, Art and Culture	Jaipur, Rajasthan	2,00,000	2,00,000	0	2,00,000	Direct
4	Promoting primary and secondary education in Rural and Socially/ economically backward communities	Promoting education	Local Area Bhilwara	53,702	53,702	0	53,702	Direct
5	Contribution to build statue of Maharana Pratap	Protection of National Heritage, Art and Culture	Dist Udaipur (Rajasthan)	5,00,000	0	5,00,000	5,00,000	Direct
6	Purchase of ambulance and Lab Equipment for Soni hospital to giving preferential treatment of medical and Legal aid to road accident victims, disaster relief and trauma car	Promoting Health Care including preventive health care	Local Area Bhilwara	16,79,369	0	16,79,369	16,79,369	Smt. Kesar Bai Soni Charitable Trust, bhilwara

STATEMENT CONTAINING INFORMATION AS PER SECTION 135 READ WITH THE RULE 8 OF COMPANIES (CORPORATE SOCIAL RESPONSIBILITY) RULES, 2014 AND FORMING PART OF DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH, 2017 [Contd.]

[Amount in ₹]

Sl. No.	CSR Project/ activity identified	Sector in which the project is covered	Projects/ Programmes 1. Local Area/others 2. Specify the state and district area	Amount outlay (budget) project/ programme wise	Amount spent on the project/ programmes Subheads		Cumulative spend up to the reporting period	Amount spent: Direct/ through implementing agency
					Direct	Overhead		
7	Contribution to Rajasthan State Sports Council for promote nationally recognized sports and training	Promote Rural Sports, Nationally Recognized Sports, Paralympic Sports and Olymic Sports	Jaipur, Rajasthan	19,00,000	0	19,00,000	19,00,000	Direct
8	Construction of Public Community Building	Rural Development	Gram Panchayat, Kherabad Dist. Bhilwara	5,00,000	0	5,00,000	5,00,000	Direct
9	Supply of food to poor and indigent people, children etc. and other deprived sections of the society	Eradicating hunger, poverty and malnutrition	Local Area Bhilwara	4,58,040	0	4,58,040	4,58,040	Smt. Kesar Bai Soni Charitable Trust, bhilwara
10	Contribution to Mewar Chamber of Commerce, bhilwara for protection of national heritage& art	Protection of National Heritage, Art and Culture	Local Area Bhilwara	5,00,000	0	5,00,000	5,00,000	Direct
11	Disaster Relief	sanitation and making available safe drinking water	Local Area Bhilwara	27,000	27,000	0	27,000	Direct
				81,18,111			81,18,111	

6. The Company's CSR initiatives usually involve setting the foundation of various programs at a small scale to learn from on-ground realities, getting feedback from community and then putting an enhanced sustainable model to ensure maximum benefit to the community. For this reason, during the year, the Company's spend on the CSR activities has been less than the limits prescribed under Companies Act, 2013. The CSR activities are scalable which coupled with new initiatives that may be considered in future, moving forward the Company will endeavor to spend on CSR activities in accordance with the prescribed limits.

Further, in addition to what is stated above, the Company implements many CSR initiatives of substantial value through its Group Charitable Trusts.

7. The CSR committee confirms that the implementation and monitoring of CSR Policy is in compliance with the CSR objectives and Policy of the Company.

For and on Behalf of the Board of Directors
For Sangam (India) Limited

R.P Soni

Chairman

(DIN 00401439)

(Chairman of CSR Committee)

Place: Bhilwara

Date: 16th August, 2017

Annexure - V

STATEMENT CONTAINING INFORMATION AS PER SECTION 197(12) OF THE COMPANIES ACT 2013 READ WITH RULES 5(1) OF COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014 FOR THE YEAR ENDED 31ST MARCH, 2017

- The percentage increase in remuneration of each Director, Key Managerial Personnel (KMP) during the financial year 2016-17, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2016-17 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are given hereunder:

Sl. No.	Name of Director	Designation	Remuneration of Director/ KMP (₹ in Lakhs)	Percentage increase/ decrease in remuneration	Ratio of remuneration of Director to median remuneration of employees	Comparison of the Remuneration of the Director/ KMP against the performance of the Company
1	Shri R.P. Soni	Chairman Executive Director	252.44	(12.30%)	279.22 : 1	Profit before tax decreased by 43% and Net Profit decreased by 29% in financial year 2016-17
2	Shri S.N. Modani	Managing Director & CEO Executive Director	177.10	(16.94%)	195.89 : 1	
3	Shri V.K. Sodani	Whole-time Director Executive Director	55.14	(14.79%)	60.99 : 1	
4	Shri Achintya Karati	Independent Director Non-executive	3.65	(6.41%)	4.04 : 1	
5	Shri Ramawatar Jaju	Independent Director Non-executive	0.85	(29.17%)	0.94 : 1	
6	Shri T.K. Mukhopadhyay	Independent Director Non-executive	2.60	(8.77%)	2.88 : 1	
7	Ms. Seema Srivastava	Independent Director Non-executive	0.40	(61.90%)	0.44 : 1	
8	Shri Anil Jain	CFO & Company Secretary	32.60	(1.66%)	36.06 : 1	

- No. of permanent employees who worked for whole year on the rolls of the Company as on 31st March, 2017 was 3420 Nos. and as on 31st March, 2016 was 3953 Nos.;

- The median remuneration of employees of the Company during the financial year was ₹ 90408/-

- Relationship between average increase in remuneration and company performance:-

The Profit before tax for the financial year ended 31st March, 2017 decreased by 43% whereas the increase in median remuneration was 18.43% as per industry trend/inflation/ individual performance.

- Comparison of Remuneration of the Key Managerial Personnel(s) against the performance of the Company :

The total remuneration of Key Managerial Personnel decreased by 13.632% from ₹ 598.90 lakhs in 2015-16 to ₹ 517.28 lakhs in 2016-17 whereas the Profit before Tax decreased by 43% to ₹ 62.58 crore in financial year 2016-17 in comparison of ₹ 110.43 crore in financial year 2015-16.

- Variation in market capitalization of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer:

- Variation in the market capitalization during the Financial Year 2016-17 of the Company

Increase in (₹ in crore)	Percentage increase (%)
106.24	10.82

- Price Earning Ratio

As at 31st March, 2017	As on 31st March, 2016
19.93	12.74

- Percentage increase or decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with last public offer (Right Issue) in the year 2003-04 : 1838.67%

- The key parameters for the variable component of remuneration availed by the directors are considered by the Board of Directors based on the recommendations of the Human Resources, Nomination and Remuneration Committee as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

- No employee has received remuneration in excess of highest paid Director of the Company during the financial year 2016-17.

- It is hereby affirmed that the remuneration paid as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

Annexure - VI

CONSERVATION OF ENERGY

(i) Energy Conservation measures taken

1. Modified the ETP (Effluent Treatment plant) to improve the water quality to reuse the water.
2. Installation of Inverter on Carding for Doffer to reduce the friction loss.
3. Installed the new modified PVC line for Air compressor to reduce the friction losses as well as to eliminate the corrosion problem.
4. Smaller size and energy efficient rings and spindles have been used in Ring Frames instead of bigger size rings and spindles.
5. Provided invertors in the suction fans of Auto Coner Winding Machines.
6. Modified the Doffer part in LC1/3 Carding and installed the inverter with new energy efficient type motor to save the energy as well as save from friction losses.
7. Changed the Motor and Suction fan, where ever the low suction is required to save the energy.
8. Installed the LED tube in All Plant to save the energy from existing Fluorescent lamp and also to improve the illumination level in the plant and also Changed the Existing Metal Halide Street Light with LEDT Street Light.
9. Used High temperature and High Speed Grease (Synthox-HT) with Energy Efficient imported SKF bearing to reduce the losses of Friction and improvement of life of bearing and reduction of maintenance of Motors.
10. Modified the NDE cover of Main Motor in Jingwei Ring Frame and changed the bearing from 6210C3 to 6310C3 to reduce the frequent failure of bearing and installed our Grease and imported bearing to save the energy and friction loss also
11. Installation of Servo/Constant Voltage Stabilizer for lighting load after assembling all wiring at Central location.
12. Installation of Energy Efficient Motor (IE-3) in TFO and other useful places like Fans, Humidification etc.
13. Installed the new TFO with energy efficient motor to save the energy as well as increase the production also.
14. Use of Treated water at following areas for reduction of input water:-Humidification Plant Air Washer, Cooling Towers, Gardening, Agriculture, Floor Washing, Ash quenching and Coal Spray etc.

15. Installed the 8 MVA Transformer to increase the efficiency of 33 KV sub-station by reducing the break down losses by changing the old transformer.
16. Installed the Transport Fan in place of condenser in Blow room to save the energy as well as improve the house keeping at false ceiling also.
17. Installed the standby meter for proper metering with AVNVL.
18. Insulation at Condensate Recovery Line
19. Insulation at Jet Dying & WR Heat Exchanger
20. Optimization of Waste Collection System for knitting
21. Replacement of MS pipeline of compressed air network with PPCH pipeline
22. Replacement of 74 old inefficient looms with energy efficient looms
23. Modification in Weaving H-plant
24. Steam Line Optimization
25. Installation of waste heat recovery system on senter
26. Installation of single stage back pressure turbine induction generator set
27. Installation of harmonics filters

(ii) The steps taken by the Company for utilizing alternate sources of energy

The Company has installed 1 MW solar power plant on roof top of some of its units. We also have co-generation thermal power plant to meet the power and steam requirement.

(iii) the capital investment on energy conservation equipments;

The Company keeps on replacing old machines with new energy efficient machines. Also the Company has replaced old motors with new energy efficient motors.

B) TECHNOLOGY ABSORPTION-

(i) the efforts made towards technology absorption;

The Company has installed "ZLD" ETP plants. The company has developed variety of slub, fancy yarns and gridnle yarn. Variety of seamless garments have been developed.

(ii) the benefits derived like product improvement, cost reduction, product development or import substitution;

Technological upgradation of various machineries has improved the product quality, reduction in customer complaints, cost reduction, manpower engagement and energy savings.

(iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-

- (a) the details of technology imported;
The Company has imported latest seamless technology from Italy for producing seamless garments.
- (b) the year of import;
The Company imported the seamless technology in the year 2015-16.

- (c) whether the technology been fully absorbed;
Yes, fully absorbed.
- (d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and
-N.A.-

(iv) the expenditure incurred on Research and Development

The Company has incurred ₹ 1.50 Crore on research and development during the year.

FOREIGN EXCHANGE EARNING AND OUTGO

		(₹ in Crores)	
Particulars	As at 31st March, 2017	As on 31st March, 2016	
a) Total Foreign Exchange used	59.81	53.20	
b) Earning in Foreign Exchange	419.20	402.58	

Annexure - VII

FORM NO. MGT-9

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

EXTRACT OF ANNUAL RETURN

I REGISTRATION & OTHER DETAILS:

i	CIN	L17118RJ1984PLC003173
ii	Registration Date	29th December, 1984
iii	Name of the Company	SANGAM (INDIA) LIMITED
iv	Category of the Company	Public Company
v	Address of the Registered office & contact details	
	Address :	Atun, Chittorgarh Road,
	Town / City :	Bhilwara
	State :	Rajasthan-311001
	Country Name :	India
	Telephone (with STD Code) :	01482-305000
	Fax Number :	01482-304120
	Email Address :	secretarial@sangamgroup.com
	Website, if any:	www.sangamgroup.com
vi	Whether listed company	Yes
vii	Name and Address of Registrar & Transfer Agents (RTA):-	
	Name of RTA:	Bigshare Services Pvt. Ltd.
	Address :	1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri (East), Mumbai
	Town / City :	Mumbai
	State :	Maharashtra
	Pin Code:	400059
	Telephone :	022-62638200
	Fax Number :	022-62638299
	Email Address :	investor@bigshareonline.com

II. PRINCIPAL BUSINESS ACTIVITY OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the Company shall be stated:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product / service	% to total turnover of the Company
1	Textiles	131- Spinning, Weaving and finishing of textiles	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name and Address of The Company	CIN/GLN	Holding/ Subsidiary / Associate	% of shares held	Applicable section
1	Sangam Lifestyle Ventures Limited	U52609RJ2016PLC055219	Wholly Own Subsidiary	100%	2(87)

EXTRACT OF ANNUAL RETURN (Contd.)

IV. SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)

(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year 1st April, 2016				No. of Shares held at the end of the year 31st March, 2017				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	3169433	-	3169433	8.04%	3169433	-	3169433	8.04%	0.00%
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	15497693	-	15497693	39.31%	15497693	-	15497693	39.31%	0.00%
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
(2) Foreign									
a) NRI - Individual/	-	-	-	-	-	-	-	-	-
b) Other - Individual/	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Others	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A)	18667126	-	18667126	47.35%	18667126	-	18667126	47.35%	0.00%
B. Public Shareholding									
(1) Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	49299	-	49299	0.13%	52534	-	52534	0.13%	0.01%
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	1354549	-	1354549	3.44%	1119612	-	1119612	2.84%	(0.60%)
g) FIIs	3737692	-	3737692	9.48%	1025367	-	1025367	2.60%	(6.88%)
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Foreign Portfolio Investors	-	-	-	-	4363583	-	4363583	11.07%	11.07%
Sub - Total (B)(1):-	5141540	-	5141540	13.04%	6561096	-	6561096	16.64%	3.60%
(2) Non-Institutions									
a) Bodies Corp.									
i) Indian	9879869	1500	9881369	25.07%	10178548	1500	10180048	25.82%	0.76%
ii) Overseas	1220988	-	1220988	3.10%	-	-	-	0.00%	(3.10%)
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	1640018	190714	1830732	4.64%	1450825	183634	1634459	4.15%	(0.50%)
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	1370956	-	1370956	3.48%	717422	-	717422	1.82%	(1.66%)
c) NBFCs	-	-	-	-	21010	-	21010	0.05%	0.05%



EXTRACT OF ANNUAL RETURN (Contd.)

Category of Shareholders	No. of Shares held at the beginning of the year 1st April, 2016				No. of Shares held at the end of the year 31st March, 2017				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
d) Others									
Trust	1000	-	1000	0.00%	-	-	-	0.00%	0.00%
Clearing Member	110034		110034	0.28%	147008	-	147008	0.37%	0.09%
NRI	1168208	29606	1197814	3.04%	1465784	27606	1493390	3.79%	0.75%
Sub - Total (B)(2):-	15391073	221820	15612893	39.60%	13980597	212740	14193337	36.00%	(3.60%)
Total Public Shareholding (B)=(B)(1)+ (B)(2)	20532613	221820	20754433	52.65%	20541693	212740	20754433	52.65%	0.00%
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	39199739	221820	39421559	100.00%	39208819	212740	39421559	100.00%	0.00%

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

Sl No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of shares	% of total shares of the Company	% of shares pledged encumbered to total shares	No. of shares	% of total shares of the Company	% of shares pledged encumbered to total shares	
1	ANJANA SONI	3750	0.01%	-	3750	0.01%	-	Nil
2	ANTIMA SONI	46050	0.12%	-	46050	0.12%	-	Nil
3	ANURAG SONI	39397	0.10%	-	1645397	4.17%	-	4.07%
4	ARCHANA SODANI	60774	0.15%	-	60774	0.15%	-	Nil
5	BADRILAL RAMPAL SONI HUF	1734268	4.40%	-	128268	0.33%	-	(4.07%)
6	MAMTA MODANI	105404	0.27%	-	105404	0.27%	-	Nil
7	RADHA DEVI SONI	377761	0.96%	-	377761	0.96%	-	Nil
8	RAMPAL SONI	453950	1.15%	-	453950	1.15%	-	Nil
9	RAMPAL SONI HUF	248300	0.63%	-	248300	0.63%	-	Nil
10	SRINIWAS MODANI	99779	0.25%	-	99779	0.25%	-	Nil
11	FINWORTH INVESTMENT PVT LTD	475260	1.21%	-	475260	1.21%	-	Nil
12	HAWAMAHAL FINANCE PVT LTD	2335500	5.92%	-	2335500	5.92%	-	Nil
13	NECCO SHIPPING COMPANY PVT LTD	282450	0.72%	-	282450	0.72%	-	Nil
14	NEELGAGAN COMMERCIAL CO LTD.	1400000	3.55%	-	1400000	3.55%	-	Nil
15	NIKITA CREDITS PVT LTD	358200	0.91%	-	358200	0.91%	-	Nil
16	PARK VIEW INVESTMENT PVT LTD	226065	0.57%	-	226065	0.57%	-	Nil
17	SAHYOG FINANCE LTD	172750	0.44%	-	172750	0.44%	-	Nil
18	SANGAM BUSINESS CREDIT LTD	4951783	12.56%	-	5982812	15.18%	-	2.62%
19	SANGAM FINCAP LTD	2216145	5.62%	-	2216145	5.62%	-	Nil
20	SANGAM GRANITES PVT LTD	120815	0.31%	-	120815	0.31%	-	Nil
21	SANGAM INFRATECH LTD.	1031029	2.62%	-	0	0.00%	-	(2.62%)
22	SANGAM SUITING PVT LTD	263670	0.67%	-	263670	0.67%	-	Nil
23	SARVODAYA HOLDING PVT LTD	1127771	2.86%	-	1127771	2.86%	-	Nil
24	SCORPIO CREDITS PVT LTD	536255	1.36%	-	536255	1.36%	-	Nil
TOTAL		18667126	47.35%	-	18667126	47.35%	-	

EXTRACT OF ANNUAL RETURN (Contd.)

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

Sl. No.	Name of Promoter	Shareholding at the beginning of the year 1st April, 2016		Transaction Detail			Shareholding at the end of the year 31st March, 2017	
		No. of shares	% of total shares of the Company	Date	Increase/ Decrease	Reason	No. of shares	% of total shares of the Company
1	SANGAM BUSINESS CREDIT LTD	4,951,783	12.56%	16.11.2016	1,031,029	Purchase of Shares	5,982,812	15.18%
2	SANGAM INFRATECH LTD.	1,031,029	2.62%	16.11.2016	1,031,029	Sale of Shares	0	0%
3	ANURAG SONI	39,397	0.10%	24.03.2017	1,606,000	Purchase of Shares	1,645,397	4.17%
4	BADRILAL RAMPAL SONI HUF	1,734,268	4.40%	24.03.2017	1,606,000	Sale of Shares	128,268	0.33%

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

Sl. No.	Name of Shareholder	Shareholding at the beginning of the year 1st April, 2016		Increase / Decrease in Shareholding during the year			Reason	Shareholding at the end of the year 31st March, 2017	
		No. of shares	% of total shares of the Company	Date	No. of shares	% of total shares of the Company		No. of shares	% of total shares of the Company
1	Mentor Capital Limited	2795251	7.09	31.03.2016	0		0	0	0.00
				08.04.2016	-33862	-0.09	Transfer	2761389	7.00
				15.04.2016	11140	0.03	Transfer	2772529	7.03
				22.04.2016	93100	0.24	Transfer	2865629	7.27
				29.04.2016	46672	0.12	Transfer	2912301	7.39
				06.05.2016	9498	0.02	Transfer	2921799	7.41
				13.05.2016	21662	0.05	Transfer	2943461	7.47
				20.05.2016	21328	0.05	Transfer	2964789	7.52
				27.05.2016	36182	0.09	Transfer	3000971	7.61
				03.06.2016	-142905	-0.36	Transfer	2858066	7.25
				10.06.2016	15621	0.04	Transfer	2873687	7.29
				17.06.2016	1970	0.00	Transfer	2875657	7.29
				24.06.2016	57590	0.15	Transfer	2933247	7.44
				30.06.2016	5866	0.01	Transfer	2939113	7.46
				01.07.2016	500	0.00	Transfer	2939613	7.46
				08.07.2016	9254	0.02	Transfer	2948867	7.48
				15.07.2016	25917	0.07	Transfer	2974784	7.55
				22.07.2016	23139	0.06	Transfer	2997923	7.60
				29.07.2016	-80086	-0.20	Transfer	2917837	7.40
				05.08.2016	50136	0.13	Transfer	2967973	7.53
				12.08.2016	16656	0.04	Transfer	2984629	7.57
				19.08.2016	-168403	-0.43	Transfer	2816226	7.14
				26.08.2016	3401	0.01	Transfer	2819627	7.15
				02.09.2016	23955	0.06	Transfer	2843582	7.21
				09.09.2016	30000	0.08	Transfer	2873582	7.29
				16.09.2016	33402	0.08	Transfer	2906984	7.37
				23.09.2016	108679	0.28	Transfer	3015663	7.65
				30.09.2016	1968	0.00	Transfer	3017631	7.65
				07.10.2016	-35024	-0.09	Transfer	2982607	7.57
				14.10.2016	-218761	-0.55	Transfer	2763846	7.01
				21.10.2016	65181	0.17	Transfer	2829027	7.18
				28.10.2016	-99657	-0.25	Transfer	2729370	6.92
				04.11.2016	32737	0.08	Transfer	2762107	7.01
				11.11.2016	-130844	-0.33	Transfer	2631263	6.67
				18.11.2016	48935	0.12	Transfer	2680198	6.80
				25.11.2016	29262	0.07	Transfer	2709460	6.87
				02.12.2016	68181	0.17	Transfer	2777641	7.05



EXTRACT OF ANNUAL RETURN (Contd.)

Sl. No.	Name of Shareholder	Shareholding at the beginning of the year 1st April, 2016		Increase / Decrease in Shareholding during the year			Reason	Shareholding at the end of the year 31st March, 2017	
		No. of shares	% of total shares of the Company	Date	No. of shares	% of total shares of the Company		No. of shares	% of total shares of the Company
				06.01.2017	37405	0.09	Transfer	2815046	7.14
				13.01.2017	39383	0.10	Transfer	2854429	7.24
				20.01.2017	9606	0.02	Transfer	2864035	7.27
				27.01.2017	4000	0.01	Transfer	2868035	7.28
				03.02.2017	26463	0.07	Transfer	2894498	7.34
				10.02.2017	530	0.00	Transfer	2895028	7.34
				17.02.2017	9900	0.03	Transfer	2904928	7.37
				24.02.2017	3000	0.01	Transfer	2907928	7.38
				28.02.2017	-2507928	-6.36	Transfer	400000	1.01
				03.03.2017	2507928	6.36	Transfer	2907928	7.38
				17.03.2017	127238	0.32	Transfer	3035166	7.70
				24.03.2017	200038	0.51	Transfer	3235204	8.21
				31.03.2017	-81602	-0.21	Transfer	3153602	8.00
				31.03.2017	0	0.00	Transfer	3153602	8.00
2	Nidhi Marcentile Limited	3,153,602	8.00	31.03.2017	0	0.00	Transfer	3153602	8.00
		4,898,833	12.43	31.03.2016	0	0.00	Transfer	4,898,833	12.43
				28.02.2017	-4898833	-12.43	Transfer	0	0.00
				03.03.2017	4898833	12.43	Transfer	4,898,833	12.43
3	General Insurance Corporation of India	4,898,833		31.03.2017	0	0.00	Transfer	4,898,833	12.43
		923,360	2.34	31.03.2016	0	0.00	Transfer	0	0.00
				22.04.2016	-72165	-0.18	Transfer	851,195	2.16
				29.04.2016	-51195	-0.13	Transfer	800,000	2.03
				27.05.2016	-681	0.00	Transfer	799,319	2.03
				03.06.2016	-42570	-0.11	Transfer	756,749	1.92
				10.06.2016	-179	0.00	Transfer	756,570	1.92
				17.06.2016	-6570	-0.02	Transfer	750,000	1.90
				16.09.2016	-4117	-0.01	Transfer	745,883	1.89
				23.09.2016	-5883	-0.01	Transfer	740,000	1.88
				14.10.2016	-16503	-0.04	Transfer	723,497	1.84
				21.10.2016	-3497	-0.01	Transfer	720,000	1.83
				20.01.2017	-5000	-0.01	Transfer	715,000	1.81
				27.01.2017	-5000	-0.01	Transfer	710,000	1.80
				28.02.2017	-710000	-1.80	Transfer	0	0.00
				03.03.2017	710000	1.80	Transfer	710,000	1.80
				17.03.2017	-13849	-0.04	Transfer	696,151	1.77
				24.03.2017	-7728	-0.02	Transfer	688,423	1.75
4	Life Insurance Corporation of India	688,423		31.03.2017	0	0.00	Transfer	688,423	1.75
		431,189	1.09	31.03.2016	0	0.00	Transfer	431,189	1.09
				28.02.2017	-431189	-1.09	Transfer	0	0.00
				03.03.2017	431189	1.09	Transfer	431,189	1.09
5	Shilpa Stock Broker Pvt Ltd	431,189		31.03.2017	0	0.00	Transfer	431,189	1.09
		389,789	0.99	31.03.2016	0	0.00		0	0.00
				15.04.2016	-1874	0.00	Transfer	387,915	0.98
				22.04.2016	250	0.00	Transfer	388,165	0.98
				29.04.2016	211889	0.54	Transfer	600,054	1.52
				06.05.2016	54900	0.14	Transfer	654,954	1.66
				13.05.2016	120000	0.30	Transfer	774,954	1.97
				20.05.2016	-500	0.00	Transfer	774,454	1.96
				27.05.2016	52447	0.13	Transfer	826,901	2.10

EXTRACT OF ANNUAL RETURN (Contd.)

Sl. No.	Name of Shareholder	Shareholding at the beginning of the year 1st April, 2016		Increase / Decrease in Shareholding during the year			Reason	Shareholding at the end of the year 31st March, 2017	
		No. of shares	% of total shares of the Company	Date	No. of shares	% of total shares of the Company		No. of shares	% of total shares of the Company
				03.06.2016	-48662	-0.12	Transfer	778,239	1.97
				10.06.2016	-1000	0.00	Transfer	777,239	1.97
				17.06.2016	43	0.00	Transfer	777,282	1.97
				24.06.2016	12212	0.03	Transfer	789,494	2.00
				30.06.2016	-192988	-0.49	Transfer	596,506	1.51
				01.07.2016	179189	0.45	Transfer	775,695	1.97
				08.07.2016	-28884	-0.07	Transfer	746,811	1.89
				15.07.2016	182704	0.46	Transfer	929,515	2.36
				22.07.2016	-25754	-0.07	Transfer	903,761	2.29
				29.07.2016	-8306	-0.02	Transfer	895,455	2.27
				05.08.2016	-54809	-0.14	Transfer	840,646	2.13
				12.08.2016	1050	0.00	Transfer	841,696	2.14
				26.08.2016	-1552	0.00	Transfer	840,144	2.13
				02.09.2016	17309	0.04	Transfer	857,453	2.18
				09.09.2016	-1762	0.00	Transfer	855,691	2.17
				16.09.2016	-112998	-0.29	Transfer	742,693	1.88
				23.09.2016	-1324	0.00	Transfer	741,369	1.88
				30.09.2016	157250	0.40	Transfer	898,619	2.28
				07.10.2016	-81400	-0.21	Transfer	817,219	2.07
				14.10.2016	-900	0.00	Transfer	816,319	2.07
				21.10.2016	-75000	-0.19	Transfer	741,319	1.88
				28.10.2016	-11083	-0.03	Transfer	730,236	1.85
				04.11.2016	-7000	-0.02	Transfer	723,236	1.83
				11.11.2016	-70000	-0.18	Transfer	653,236	1.66
				18.11.2016	37000	0.09	Transfer	690,236	1.75
				25.11.2016	-10700	-0.03	Transfer	679,536	1.72
				02.12.2016	2000	0.01	Transfer	681,536	1.73
				09.12.2016	-14197	-0.04	Transfer	667,339	1.69
				16.12.2016	13030	0.03	Transfer	680,369	1.73
				06.01.2017	-13000	-0.03	Transfer	667,369	1.69
				20.01.2017	-12744	-0.03	Transfer	654,625	1.66
				27.01.2017	60	0.00	Transfer	654,685	1.66
				03.02.2017	-49950	-0.13	Transfer	604,735	1.53
				10.02.2017	-105	0.00	Transfer	604,630	1.53
				17.02.2017	-107000	-0.27	Transfer	497,630	1.26
				24.02.2017	20200	0.05	Transfer	517,830	1.31
				28.02.2017	-77800	-0.20	Transfer	440,030	1.12
				03.03.2017	162940	0.41	Transfer	602,970	1.53
				10.03.2017	-35625	-0.09	Transfer	567,345	1.44
				17.03.2017	24020	0.06	Transfer	591,365	1.50
				24.03.2017	14000	0.04	Transfer	605,365	1.54
				31.03.2017	59564	0.15	Transfer	664,929	1.69
		664,929	1.69	31.03.2017	0	0.00	Transfer	664,929	1.69
6	GMO EMERGING DOMESTIC OPPORTUNITIES FUND, A SERIES OF GMO TRUST	1,607,271	4.08	31.03.2016	0	0.00	Transfer	1,607,271	4.08
				28.02.2017	-1607271	-4.08	Transfer	0	0.00
				03.03.2017	1607271	4.08	Transfer	1,607,271	4.08
		1,607,271	4.08	31.03.2017	0	0.00	Transfer	1,607,271	4.08



EXTRACT OF ANNUAL RETURN (Contd.)

Sl. No.	Name of Shareholder	Shareholding at the beginning of the year 1st April, 2016		Increase / Decrease in Shareholding during the year			Reason	Shareholding at the end of the year 31st March, 2017	
		No. of shares	% of total shares of the Company	Date	No. of shares	% of total shares of the Company		No. of shares	% of total shares of the Company
7	SATPAL KHATTAR	800,000	2.03	31.03.2016	0	0.00	Transfer	800,000	2.03
				19.08.2016	190000	0.48	Transfer	990,000	2.51
				11.11.2016	150000	0.38	Transfer	1,140,000	2.89
				28.02.2017	-1140000	-2.89	Transfer	0	0.00
				03.03.2017	1140000	2.89	Transfer	1,140,000	2.89
		1,140,000	2.89	31.03.2017	0	0.00	Transfer	1,140,000	2.89
8	POLUS GLOBAL FUND	860,000	2.18	31.03.2016	0	0.00	Transfer	860,000	2.18
				28.02.2017	-860000	-2.18	Transfer	0	0.00
				03.03.2017	860000	2.18	Transfer	860,000	2.18
		860,000	2.18	31.03.2017	0	0.00	Transfer	860,000	2.18
9	ELARA INDIA OPPORTUNITIES FUND LIMITED	135,000	0.34	31.03.2016	0	0.00	Transfer	135,000	0.34
				29.07.2016	10000	0.03	Transfer	145,000	0.37
				26.08.2016	10000	0.03	Transfer	155,000	0.39
				02.09.2016	201669	0.51	Transfer	356,669	0.90
				09.09.2016	90428	0.23	Transfer	447,097	1.13
				23.09.2016	25689	0.07	Transfer	472,786	1.20
				30.09.2016	44000	0.11	Transfer	516,786	1.31
				07.10.2016	57000	0.14	Transfer	573,786	1.46
				14.10.2016	-30000	-0.08	Transfer	543,786	1.38
				28.10.2016	85000	0.22	Transfer	628,786	1.60
				04.11.2016	6200	0.02	Transfer	634,986	1.61
				09.12.2016	53800	0.14	Transfer	688,786	1.75
				27.01.2017	-10000	-0.03	Transfer	678,786	1.72
				03.02.2017	40000	0.10	Transfer	718,786	1.82
				28.02.2017	-718786	-1.82	Transfer	0	0.00
				03.03.2017	718786	1.82	Transfer	718,786	1.82
				24.03.2017	21000	0.05	Transfer	739,786	1.88
				31.03.2017	60000	0.15	Transfer	799,786	2.03
		799,786	2.03	31.03.2017	0	0.00	Transfer	799,786	2.03
10	GMO EMERGING MARKETS FUND, A SERIES OF GMO TRUST	529,398	1.34	31.03.2016		0.00	Transfer	529,398	1.34
				15.04.2016	62693	0.16	Transfer	592,091	1.50
				20.05.2016	-27107	-0.07	Transfer	564,984	1.43
				27.05.2016	-27350	-0.07	Transfer	537,634	1.36
				03.06.2016	-5530	-0.01	Transfer	532,104	1.35
				28.02.2017	-532104	-1.35	Transfer	0	0.00
				03.03.2017	532104	1.35	Transfer	532,104	1.35
		532,104	1.35	31.03.2017	0	0.00	Transfer	532,104	1.35
11	VESPERA FUND LIMITED	169,331	0.43	31.03.2016	0	0.00	Transfer	169,331	0.43
				06.05.2016	17223	0.04	Transfer	186,554	0.47
				27.05.2016	200000	0.51	Transfer	386,554	0.98
				03.06.2016	60000	0.15	Transfer	446,554	1.13
				17.06.2016	13279	0.03	Transfer	459,833	1.17
				24.06.2016	9498	0.02	Transfer	469,331	1.19
				29.07.2016	30000	0.08	Transfer	499,331	1.27
				28.02.2017	-499331	-1.27	Transfer	0	0.00
				03.03.2017	499331	1.27	Transfer	499,331	1.27
		499,331	1.27	31.03.2017	0	0.00	Transfer	499,331	1.27

EXTRACT OF ANNUAL RETURN [Contd.]

v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	Name of Director and KMP		Shareholding at the beginning of the year 1st April, 2016		Increase / Decrease in Shareholding during the year		Shareholding at the end of the year 31st March, 2017	
			No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
a.	Directors							
	1	Shri Rampal Soni	453950	1.15%	-	-	453950	1.15%
	2	Shri Srinivas Modani	99779	0.25%	-	-	99779	0.25%
	3	Shri Vinod Kumar Sodani	-	-	-	-	-	-
	4	Shri Achintya Karati	-	-	-	-	-	-
	5	Shri Tapan Kumar Mukhopadhyay	-	-	-	-	-	-
	6	Shri Ram Awatar Jaju	-	-	-	-	-	-
	7	Smt. Seema Srivastava	-	-	-	-	-	-
b.	Key Managerial Personnel (KMP)							
	1	Shri Anil Jain	-	-	-	-	-	-

V INDEBTEDNESS

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

(₹ In Lakhs)

Indebtedness at the beginning of the financial year	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
i) Principal Amount	63222	1663	-	64885
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	53	-	-	53
Total (i+ii+iii)	63275	1663	-	64938
Change in Indebtedness during the financial year	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
• Addition	14117	-	-	14117
• Reduction	6564	1663	-	8227
Net Change	7553	-1663	-	5890
Indebtedness at the end of the financial year	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
i) Principal Amount	70826	-	-	70826
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	2	-	-	2
Total (I + II + III)	70828	-	-	70828

EXTRACT OF ANNUAL RETURN (Contd.)

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager			Total Amount
		Shri Srinivas Modani (Managing Director & CEO)	Shri Vinod Kumar Sodani (Executive Director)	Shri Ram Pal Soni (Whole Time Director)	
1.	Gross salary				
	a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	90.56	35.06	165.51	291.13
	b) Value of perquisites u/s 17(2) of Income Tax Act, 1961	10.33	-	3.80	14.13
	c) Profits in lieu of salary under section 17(3) of Income-tax Act, 1961	-	-	-	-
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission	67.74	16.93	67.74	152.41
	- as % of profit	1%	0.25%	1%	
	- others, specify	-	-	-	-
5.	Others, please specify Provident Fund (Co's Contribution), Medical Reimbursement (Exempted), HRA (Exempted)	8.47	3.15	15.39	27.01
	Total (A)	177.10	55.14	252.44	484.68
	Ceiling as per the Act	10% of Profits calculated under section 198 of the Companies Act, 2013			

B. Remuneration to other directors:

Sl. No.	Particulars of Remuneration	Name of Directors				Total Amount
		Shri Achintya Karati	Shri T.K. Mukhopadhyay	Shri Ramawatar Jaju	Smt. Seema Srivastava	
1.	Independent Directors					
	Fee for attending board committee meetings	3.65	2.60	0.85	0.40	7.50
	Commission	-	-	-	-	-
	Total (A)	3.65	2.60	0.85	0.40	7.50
2.	Other Non-Executive Directors					
	Fee for attending board committee meetings	-	-	-	-	-
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total (2)	-	-	-	-	-
	Total (B)=(1+2)	3.65	2.60	0.85	0.40	7.50
	Total Managerial Remuneration					
	Overall Ceiling as per the Act	The Remuneration of IDs was within the ceiling as per the Act @1% of profit calculated under section 198 of the Companies Act, 2013				

EXTRACT OF ANNUAL RETURN [Contd.]

C. Remuneration To Key Managerial Personnel Other Than MD/Manager/WTD

Sl. No.	Particulars of Remuneration	[₹ in lakhs]	
		Key Managerial Personnel Mr. Anil Jain, CFO & Company Secretary	
1.	Gross salary		
	a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		29.63
	b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961		0.14
	c) Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961		-
2.	Stock Option		-
3.	Sweat Equity		-
4.	Commission		
	- as % of profit		-
	Others, please specify		-
5.	Others, please specify Provident Fund (Co's Contribution), Medical Reimbursement (Exempted), HRA (Exempted)		2.83
Total (A)			32.60

VII PENALTIES / PUNISHMENT/ COMPOUNDING OF 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)
A. COMPANY					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B. DIRECTORS					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. OTHER OFFICERS IN DEFAULT					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

Corporate Governance Report

COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

The Market regulator Securities and Exchange Board of India has stipulated a set of Corporate Governance standard for the Listed Companies. The Corporate Governance standards demonstrate inalienable rights vested with various stakeholders and strong commitment to values, ethics and business conduct. The Company is committed to good corporate governance, based on an effective independent Board, separation of supervisory role from the executive management and the constitution of committees to oversee critical areas thus upholding the standards practically at every sphere ranging from action plan to performance measurement and consumer satisfaction.

Sangam (India) Limited Corporate Governance philosophy is about intellectual honesty, whereby the governance is not just about encompassing regulatory and legal requirements but also strives to enhance stakeholders' value as a whole. The Company's philosophy includes protection and facilitation of shareholder's rights, provide adequate and timely information, opportunity to participate effectively in general meeting and ensure equitable treatment to all shareholders. The Company also ensures timely and accurate disclosure on all material matters including the financial situation, performance, ownership and governance of the Company.

COMPOSITION

Composition of the Board of Directors of the Company as on 31st March, 2017 was as under with details of other directorships and committee chairmanship and memberships: -

Name	Status	No. of other Directorship and Committee Chairmanship and Memberships in other Public Company		
		Other Directorships	Chairman of the Committee	Member of the Committee
Shri R.P. Soni (DIN: 00401439)	Promoter Executive /Chairman	6	Nil	Nil
Shri S.N. Modani (DIN: 00401498)	Promoter Executive/ Managing Director & CEO	Nil	Nil	Nil
Shri V.K. Sodani (DIN: 00403740)	Promoter Executive Director	3	Nil	2
Shri Ramawatar Jaju (DIN: 00083218)	Independent Director & Non-Executive Director	1	Nil	Nil
Shri Achintya Karati (DIN: 00024412)	Independent Director & Non-Executive Director	7	1	6
Shri T.K. Mukhopadhyay (DIN: 00239251)	Independent Director & Non-Executive Director	1	Nil	Nil
Ms. Seema Srivastava (DIN: 07142986)	Independent Director & Non-Executive Director	Nil	Nil	Nil

Notes:

- Excluding Directorship in private limited companies, foreign companies and companies under Section 8 of Companies Act, 2013, (hereinafter referred to as "Act"), alternate directorship and trust.
- Only Audit Committee and Stakeholders Relationship Committee have been considered as per Regulation 26 of the Listing Regulations.
- Shri S.N. Modani, Shri V.K. Sodani and Shri R.P. Soni are related to each other. Shri S.N. Modani and Shri V.K. Sodani are the Sons in Law of Shri R.P. Soni. No other Director is related to any other Director on the Board.
- The membership of Company's Directors on the Audit Committee, Stakeholders' Relationship Committee, Nomination and Remuneration Committee given below elsewhere in this report.
- In terms of Regulation 25(1) of the Listing Regulations, out of the reported 7 public companies, Shri Achintya Karati holds the position of Independent Director in 6 listed companies (including Sangam (India) Limited).
- None of the Directors hold the office of director in more than the permissible number of companies under the Act, or Regulation 25 and 26 of the Listing Regulations.
- None of the Non-Executive Directors hold Shares and Convertible Instruments as on 31st March, 2017

Corporate Governance Report (Contd.)

BOARD MEETING

The Board meets at regular intervals to discuss and decide on business strategies/policies and review the financial performance of the Company and its subsidiary. The Board Meetings are pre-scheduled and a tentative annual calendar of the Board is circulated to the directors well in advance to facilitate the directors to plan their schedules. In case of business exigencies, the Board's approval is taken through circular resolutions. The circular resolutions are noted at the subsequent Board Meeting.

The notice and detailed agenda along with the relevant notes and other material information are sent in advance separately to each Director and in exceptional cases tabled at the Meeting with the approval of the Board. This ensures timely and informed decisions by the Board. The Board reviews the performance of the Company vis-à-vis the budgets/targets.

Four meetings of the Board were held during the financial year 2016-17 on 09.05.2016, 13.08.2016, 12.11.2016 and on 13.02.2017. The last Annual General Meeting was held on 30th September 2016.

Attendance at Board meetings during the year and last Annual General Meeting: -

Sl. No.	Name of Director	No. of Board Meetings attended	Whether attended Last AGM
1	Shri R.P. Soni	All	Yes
2	Shri S.N. Modani	All	Yes
3	Shri V.K. Sodani	Three	Yes
4	Shri Ramawatar Jaju	One	No
5	Shri Achintya Karati	All	Yes
6	Shri T.K. Mukhopadhyay	All	No
7	Ms. Seema Srivastava	One	No

APPOINTMENT AND MEETING OF INDEPENDENT DIRECTORS

Terms and Conditions of Independent Director's appointment are available on the website of the Company at the weblink: <http://www.sangamgroup.com/financials/Policies/Conditions.pdf>

Independent Directors to meet at least once in a year to deal with matters listed out in Schedule IV of the Act and Regulation 25(3) of the Listing Regulations which inter-alia includes, review the performance of non-independent directors, chairman and the Board as a whole and assess quality and quantity of flow of information to perform the duties by the Board of Directors.

One meeting of Independent Director was held during the financial year 2016-17 on 09.05.2016.

BOARD FAMILIARIZATION AND INDUCTION PROGRAM

The Company has adopted a well-structured induction policy for orientation and training of the Non-Executive Directors to provide them with an opportunity to familiarize themselves with the Company, its management, its operations and the industry in which the Company operates. The induction programme includes one-to-one interactive sessions with the Executive Directors, CFO and Senior Management including the CEO and also includes visit to Company's plant sites and locations.

Further, in every quarterly Board meeting a detailed review on the various business divisions is presented in order to update the Directors and to ensure their effective participation in the Company's strategy, business performance, operations, finance, investor relations, human resources, IT and other related matters. The presentations to the Board includes update on risk management, company's policies and quarterly performance report which includes information on business performance, operations, financial parameters, litigations compliances.

During the year, the Independent Directors visited the Spinning plant at Village Biliya Kalan, Chittorgarh Road, Bhilwara. The Directors are presented in advance with the Board Calendar for the entire year which includes coverage of businesses and corporate functions to keep them fully updated on key developments of the Company. Any other important development related to the Company, is periodically communicated to the Non- Executive/ Independent Directors.

CEO/CFO CERTIFICATION

The Managing Director & CEO and CFO & Company Secretary of the Company have certified to the Board as required under provision of schedule-II of the clause 17(8) of the Listing Regulation covering all aspects enumerated therein.

CODE OF CONDUCT FOR BOARD

Sangam (India) Limited has laid down a code of conduct for all Board Members and senior management of the Company. All Board Members and designated senior management personnel have affirmed compliance with this code of conduct. The code of conduct is available on the website of the Company at the weblink: <http://www.sangamgroup.com/financials/Policies/Code%20Conduct%20for%20Directors.pdf>

A declaration to this effect, signed by the Managing Director of the Company is attached at the end of this report.

INSIDER TRADING CODE

The Company has adopted an 'Internal Code of Conduct for Regulating, Monitoring and Reporting of Trades by Insiders' ("the Code") in accordance with the requirements of the SEBI (Prohibition of Insider Trading) Regulations 2015. This Code is available on the website of the Company at the weblink: <http://www.sangamgroup.com/financials/Policies/Code%20of%20Conduct%20for%20Insider%20Trading.pdf>

The Code is applicable to Promoters and Promoter's Group, all Directors and such Designated Employees who are expected to have access to unpublished price sensitive information relating to the Company. The Company Secretary is the Compliance Officer for monitoring adherence to the said Regulations.

COMMITTEES OF THE BOARD

The Board of Director has constituted Board Committees to deal with specific areas and activities which concern the Company and requires a closer review. The Board Committees are formed

Corporate Governance Report (Contd.)

with approval of the Board and function under their respective Charters. These Committees play an important role in the overall management of day-to-day affairs and governance of the Company. The Board Committees meet at regular intervals and take necessary steps to perform its duties entrusted by the Board. The Minutes of the Committee meetings are placed before the Board for noting. The Board currently has the following Committees:

(A) AUDIT COMMITTEE

Constitution

Audit Committee of the Board of Directors ("the Audit Committee") is entrusted with the responsibility to supervise the Company's internal controls and financial reporting process. The composition, quorum, powers, role and scope are in accordance with Section 177 of the Act and the provisions of Regulation 18 of the Listing Regulations. All members of the Audit Committee are financially literate and bring in expertise in the fields of Finance, Taxation, Economics, Risk and International Finance. It functions in accordance with its terms of reference that defines its authority, responsibility and reporting function.

The Chairman of the Committee is Shri Achintya Karati, an Independent & Non-Executive Director. Invitees to the Audit Committee include Managing Director & Chief Executive Officer, Chief Financial Officer and representatives of the Statutory Auditors and Internal Auditors. The Company Secretary acts as the Secretary to the Audit Committee.

Composition

The Composition of the Audit Committee as on 31st March, 2017 was as follows:

Shri Achintya Karati	Chairman (Independent Director)
Shri T.K. Mukhopadhyay	Member (Independent Director)
Shri R.P. Soni	Member (Executive Director)

Meeting and Attendance

The details of meetings held during the year, and the attendance thereat, are as follows:

Date of meetings - four meetings of the Audit Committee of Board of the Company were held during the financial year 2016-17 on 09.05.2016, 13.08.2016, 12.11.2016 and on 13.02.2017.

Attendance

Name of Director	No. of Meeting Attended
Shri Achintya Karati	All
Shri T.K. Mukhopadhyay	All
Shri R.P. Soni	All

The Statutory Auditors of the Company are invited to join Audit Committee meetings for discussions. The Audit Committee holds discussions with the Statutory Auditors and their report on the audit of the yearly accounts, the yearly audit plan, matters relating

to compliance of accounting standards, their observations arising from the limited review report/ annual audit of the Company's accounts and other related matters.

The Audit Committee during its four meetings reviewed with the management and the auditors (both external and internal) all issues, which are required to be reviewed by the audit Committee pursuant to the Listing Regulations and as also the Companies Act, 2013. The Audit Committee has also reviewed the observations of the internal and statutory auditors in relation to all areas of operations of the Company as also the internal control systems. In addition, the committee has been examining all areas associated with the taxation matters (direct and indirect) and has reviewed the measures initiated by the Company for mitigating the risks. The Audit Committee has also reviewed the actions taken by the Company on various observations and queries of the auditors.

Role of Audit Committee

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - Matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Act;
 - Changes, if any, in accounting policies and practices and reasons for the same;
 - Major accounting entries involving estimates based on the exercise of judgment by management;
 - Significant adjustments made in the financial statements arising out of audit findings;
 - Compliance with listing and other legal requirements relating to financial statements;
 - Disclosure of any related party transactions;
 - Modified opinion(s) in the draft audit report;
- Reviewing with the management, the quarterly financial statements before submission to the board for approval;
- Reviewing with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue etc.), the statement of funds utilized for purposes other than those stated in the offer document /prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;

Corporate Governance Report (Contd.)

- (7) Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- (8) Approval or any subsequent modification of transactions of the Company with related parties;
- (9) Scrutiny of inter-corporate loans and investments;
- (10) Valuation of undertakings or assets of the Company, wherever it is necessary;
- (11) Evaluation of internal financial controls and risk management systems;
- (12) Reviewing with the management, performance of statutory and internal auditor's adequacy of the internal control systems;
- (13) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- (14) Discussion with internal auditors of any significant findings and follow up there on;
- (15) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- (16) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- (17) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- (18) To review the functioning of the whistle blower mechanism;
- (19) Approval of appointment of chief financial officer after assessing the qualifications, experience and background etc. of the candidate;
- (20) Carrying out any other function as is mentioned in the terms of reference of the audit committee.

Review of information by Audit Committee

The Audit Committee review the following information:

1. Management discussion and analysis of financial condition and results of operations;
2. Statement of significant related party transactions (as defined by the audit committee), submitted by management;
3. Management letters / letters of internal control weaknesses issued by the statutory auditors;
4. Internal audit reports relating to internal control weaknesses; and
5. The appointment, removal and terms of remuneration of the Chief Internal Auditor shall be subject to review by the Audit Committee

6. Statement of deviations:
 - (a) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the Listing Regulations.
 - (b) Annual statement of funds utilized for purposes other than those stated in the offer document/ prospectus/ notice in terms of Regulation 32(7) of the Listing Regulations.

(B) NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee has been constituted as per provisions of Section 178 of the Act and Regulation 19 of the Listing Regulations.

Composition

The Composition of the Nomination and Remuneration Committee as on 31st March, 2017 was as follows:

Shri Achintya Karati	Chairman (Independent Director)
Shri Ramawatar Jaju	Member (Independent Director)
Shri R.P. Soni	Member (Executive Director)

Meeting and Attendance

One meeting of Nomination and Remuneration Committee was held during the financial year 2016-17 on 09.05.2016 and all members of Committee were present in the meeting.

The Nomination and Remuneration Committee is responsible for:

- (i) Reviewing the structure, size and composition (including the skills, knowledge and experience) of the Board at least annually and making recommendations on any proposed changes to the Board to complement the Company's corporate strategy, with the objective to diversify the Board;
- (ii) Recommending to the Board on the selection of individuals nominated for Directorship;
- (iii) Making recommendations to the Board on the remuneration payable to the Directors;
- (iv) Assessing the independence of independent directors;
- (v) Such other key issues/matters as may be referred by the Board or as may be necessary in view of the Listing Regulations and provision of the Act and Rules thereunder.
- (vi) To make recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an Executive Director as an employee of the Company subject to the provision of the law and their service contract;
- (vii) Ensure that level and composition of remuneration is reasonable and sufficient, relationship of remuneration to performance is clear and meets appropriate performance benchmarks;

Corporate Governance Report (Contd.)

(viii) To devise a policy on Board diversity;

Sitting Fees pursuant to the Articles of Association of the Company, the Board of Directors to determine the sitting fee payable to a director of the Company for attending the meeting of the Board or its Committee not exceeding such amount as permissible under the Act and Rules made thereunder.

Sitting fees to be paid to the Non-Executive Directors as given hereunder:

S.No.	Type of Meeting	Sitting Fees
1	Board Meeting	40,000/-
2	Audit Committee Meeting	25,000/-
3	Stakeholders Relationship Committee Meeting	20,000/-
4	Nomination and Remuneration Committee Meeting	25,000/-
5	Corporate Social Responsibility Committee Meeting	Nil

Details of remuneration paid to the Whole-time/ Independent Directors are given in the Extract of Annual Return in Form MGT 9 which is included in this Annual Report.

PERFORMANCE EVALUATION

Pursuant to the provisions of the Act and Regulation 17 of the Listing Regulations, the Board has carried out the annual evaluation of its own performance, its Committees and Directors individually. The performance evaluation of the Chairman and Managing Director and the Non-Independent Directors was carried out by the Independent Directors.

(C) STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Stakeholders' Relationship Committee has been constituted as per provisions of Section 178 of the Act and Regulation 20 of the Listing Regulations.

Composition

The Composition of Stakeholders' Relationship Committee as on 31st March, 2017 was as follows:

Shri Achintya Karati	Chairman (Independent Director)
Shri Ramawatar Jaju	Member (Independent Director)
Shri R.P. Soni	Member (Executive Director)

Shri Anil Jain, CFO & Company Secretary is the Compliance Officer of the Company.

Meeting and Attendance

The details of meetings held during the year and the attendance thereat, are as follows:

Date of meetings - four meetings of the Stakeholders' Relationship Committee of Board of the Company were held during the financial year 2016-17 on 09.05.2016, 13.08.2016, 12.11.2016 and 13.02.2017

Attendance

Name of Director	No. of Meeting Attended
Shri Achintya Karati	All
Shri Ramawatar Jaju	One
Shri R.P. Soni	All

The main function of the Stakeholders' Relationship Committee is to strengthen the investor relations. The Committee looks into redressal of shareholders' complaints and proper and timely attendance on the investors' grievances. The key responsibilities of the Committee are as under:

- Review statutory compliances relating to all security holders;
- Consider and resolve the grievances of security holders of the Company, including complaints related to the Non-receipt of Annual Report/declared dividends/notices/ balance sheet;
- Oversee compliances in respect of dividend payments and transfer of unclaimed amounts to the Investor Education and Protection Fund;
- Approve issue of duplicate certificates of the Company;
- Review movements in shareholding and ownership structures of the Company;
- Ensure setting of proper controls and oversee the performance of the Registrar and Share Transfer Agents;
- Recommend measures for overall improvement of the quality of investor services.

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

Continuous efforts are made to ensure that grievances are more expeditiously redressed to the complete satisfaction of the investors.

Shareholders are requested to furnish their updated telephone numbers and e-mail addresses to facilitate prompt action.

SHAREHOLDERS' COMPLAINTS

The total number of complaints received 48 and resolved during the year ended 31st March, 2017 was 46. There were two complaints outstanding as on 31st March, 2017. The number of pending share transfers and pending requests for dematerialization as on 31st March, 2017 were Nil. Shareholders'/Investors' complaints and

Corporate Governance Report (Contd.)

other correspondence are normally attended to within seven working days except where constrained by disputes or legal impediments. No investor grievances remained unattended / pending for more than thirty days as on 31st March, 2017.

S. No.	Nature of Complaints	Pending as on 1st April, 2016	Complaints Received during the year	Complaints Redressed during the year	Pending as on 31st March, 2017
1	Non-receipt of Dividend	0	24	22	2
2	Non-Receipt of Annual Report	0	11	11	0
3	Change of Postal Address	0	4	4	0
4	Others	0	9	9	0
Total		0	48	46	2

The above table includes Complaints received from SEBI SCORES by the Company.

(D) CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Board of Directors has constituted Corporate Social Responsibility Committee of Directors as required under Section 135 of the Act. The role of the Committee is to formulate and recommend to the Board, a corporate social responsibility policy, recommend the amount of expenditure to be incurred on activities and monitor CSR Policy.

Composition

The composition of Corporate Social Responsibility Committee as on 31st March, 2017 was as follows:

Shri R.P. Soni	Chairman (Executive Director)
Shri S.N. Modani	Member (Managing Director & CEO)
Shri Ramawatar Jaju	Member (Independent Director)

Meeting and Attendance

The details of meetings held during the year, and the attendance thereat, are as follows:

Date of meetings – Three meetings of the CSR Committee of Board of the Company were held during the financial year 2016-17 on 09.05.2016, 13.08.2016 and 12.11.2016.

Attendance

Name of Director	No. of Meeting Attended
Shri R.P. Soni	All
Shri S.N. Modani	All
Shri Ramawatar Jaju	One

The Company formulated CSR Policy, which is uploaded on the website of the Company at the weblink: <http://www.sangamgroup.com/financials/Policies/CSR%20Policy.pdf>

GENERAL BODY MEETINGS

General Meeting

Details of location and time of holding the last three Annual General Meeting:

General Body Meeting	Day, Date	Time	Venue	Detail of Special Resolution passed
28th AGM-2014	Tuesday, 30th September, 2014	4.00 P.M.	"The Palm", Mangrop Road, Harni Kalan, Bhilwara-311001 (Raj.)	- Re-appointment of Shri S.N. Modani as Managing Director of the Company for a period of 5 years effective from 1st October, 2014. - Revision in the terms of remuneration of Shri V.K. Sodani, Executive Director of the Company. - Borrowing Limit under section 180(1)(c) of the Companies Act, 2013
29th AGM-2015	Wednesday, 30th September, 2015	4.00 P.M.	"Sangam House", Atun, Chittorgarh Road, Bhilwara-311001 (Rajasthan)	- Appointment of Shri R.P. Soni as Whole Time Director. - Enhancement of investment limit of FII's in the Company.
30th AGM-2016	Friday, 30th September, 2016	4.00 P.M.	"Sangam House", Atun, Chittorgarh Road, Bhilwara-311001 (Rajasthan)	- Ratification of continuation of Shri R.P. Soni as Whole time Director designated as Chairman after attaining age of 70 years

Corporate Governance Report (Contd.)

Extra-ordinary General Meeting:

No Extraordinary General Meeting of the Members was held during the year 2016-17

Postal Ballot

No Postal Ballot was conducted during the year 2016-17

AFFIRMATION AND DISCLOSURE

Related Party Transaction:

Details of relevant related party transactions entered into by the Company are included in the Notes to Accounts. The Company has framed a Policy on related party transactions setting out (a) the materiality thresholds for related parties and (b) the manner of dealing with transactions between the Company and related parties based on the provisions of the Act and Listing Regulations requirements. The policy is available on website of the Company at the weblink: <http://www.sangamgroup.com/financials/Policies/RPT%20Policy.pdf>

During the year, materially significant transactions with related parties, as per the policy adopted by the Company, were in the normal course of business, priced on an arm's length basis and did not have potential conflict with the interests of the Company at large. All transactions with related parties entered into by the Company were in the normal course of business on an arms' length basis and were approved by the Audit Committee.

Statutory Compliance, Penalties and Strictures:

The Company has complied with various rules and regulations prescribed by the Stock Exchanges, Securities and Exchange Board of India or any other statutory authority relating to the capital markets during the last 3 years. No penalties or strictures have been imposed by them on the Company.

Vigil Mechanism Policy (Whistle Blower Policy):

The Audit Committee has established a Vigil Mechanism and adopted a Whistle-Blower Policy, which provides a formal mechanism for all Directors and employees of the Company to approach the Management of the Company and make protective disclosures to the Management about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy. A copy of policy is also uploaded on the website of the Company at the weblink: <http://www.sangamgroup.com/financials/Policies/Whistle%20Blower%20Policy.pdf>

The disclosures reported are addressed in the manner and within the time frames prescribed in the Policy. The Company affirms that no director or employee of the Company has been denied access to the Audit Committee.

Disclosure of Accounting Treatment:

The Company has followed the Accounting Standards specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 to the extent applicable, in the preparation of the financial statements.

Details of Compliance with Mandatory Requirements:

The Company has complied with all mandatory requirements laid down under the provision of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Reconciliation of Share Capital Audit

A qualified practicing Company Secretary carried out a share capital audit to reconcile the total admitted equity share and the total issued and listed equity share capital. The audit report confirms that the total issued/ paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

MEANS OF COMMUNICATION

- (I) The Unaudited quarterly/ half yearly results are announced within forty-five days of the close of the quarter. The audited financial results are announced within sixty days from the closure of the financial year as per the requirement of the Listing Regulations.
- (II) The approved financial results are forthwith sent to the Stock Exchanges and are published in a national English newspaper. In addition, the same are published in local language newspaper, within forty-eight hours of approval thereof.
- (III) The Company's financial result is displayed on the Company's Website- www.sangamgroup.com.
- (IV) Management Discussion and Analysis forms part of the Annual Report, which is sent to the shareholders of the Company.
- (V) The quarterly results, shareholding pattern, quarterly compliances and all other corporate communication to the Stock Exchanges viz. BSE Limited and National Stock Exchange of India Limited are filed electronically. The Company has complied with filing submissions through BSE's BSE Listing Centre. Likewise, the said information is also filed electronically with NSE through NSE's NEAPS portal.
- (VI) A separate dedicated section under "Investors Relation", on the Company's website gives information on unclaimed dividends, shareholding pattern, quarterly/half yearly results and other relevant information of interest to the investors / public.

Corporate Governance Report (Contd.)

BSE Listing Centre

BSE Limited has launched an Online Portal - BSE Corporate Compliance & Listing Centre (the "Listing Centre") for submission of various filings by listed companies. All disclosures and periodic filings submitted to the BSE are also uploaded on the Listing Centre.

NSE Electronic Application Processing System (NEAPS)

The Company also files information through NEAPS – a web based application provided by NSE which facilitates online filing of Corporate Governance Report, the Shareholding Pattern by companies, Results and other disclosures.

Extensive Business Reporting Language (XBRL)

XBRL is a language for electronic communication of business and financial data. It offers major benefits to all those who have to create, transmit, use or analyze such information which aids better analysis and decision making. Ministry of Corporate Affairs (MCA) vide its circular No. 37/2011 dated June 7, 2011, had mandated certain companies to file their Annual Accounts vide this mode. The Company has filed its Annual Accounts on MCA through XBRL.

Ministry of Corporate Affairs (MCA)

The Company has periodically filed all the necessary documents with the MCA.

SEBI Complaints Redress System (SCORES)

A centralized web based complaints redress system which serves as a centralized database of all complaints received, enables uploading of Action Taken Reports (ATRs) by the concerned companies and online viewing by the investors of actions taken on the complaint and its current status.

Annual Report

The Annual Report containing inter alia the Audited Financial Statements, Board's Report, Auditors' Report and other important information is circulated to the investors. Management Discussion and Analysis is forms part of the Annual Report. Pursuant to the Green Initiative launched by the MCA, the Company also sends e-copies of the Annual Report to Members who have registered for the same.

The Annual Reports is also available in the Investor Relations section on the Company's website www.sangamgroup.com.

Green Initiative

In support of the "Green Initiative" undertaken by Ministry of Corporate Affairs, the Company had during the financial year 2016-17 sent various communications by email to those members, whose email addresses were registered with the Depositories or the Registrar and Transfer Agents. Physical copies sent to only those members whose email addresses were not available.

In view of the Listing Regulations with the Stock Exchanges, the Company has emailed soft copies of its Annual Report to all those shareholders who have registered their email address for the said purpose. We would greatly appreciate and encourage more members to register their email address with their Depository Participant or the Registrar and Transfer Agent of the Company to receive soft copies of the Annual Report, Notices and other information disseminated by the Company on a real-time basis without any delay

GENERAL SHAREHOLDER INFORMATION

a.	31st Annual General Meeting	
	- Date and Time	Friday, 29th September, 2017 at 4.00 p.m.
	- Venue	"Sangam House", Atun, Chittorgarh Road, Bhilwara-311001 (Raj.)
B.	Tentative Financial Calendar	
	- Unaudited results for the quarter ending June 2017	August, 2017
	- Un-audited results for the quarter/half year ending September 2017	November, 2017
	- Un-audited results for the quarter ending December 2017	February, 2018
	- Audited results for the year ending March, 2018	May 2018
C.	Book closure date	23.09.2017 to 29.09.2017 (both days inclusive)
D.	The listing fee has been paid up to date, to all the Stock Exchanges.	Yes
e.	Bombay Stock Exchange Limited (BSE)	
	i. Scrip code	514234
	ii. Scrip ID	SANGAM
	Trading symbol at National Stock Exchange of India Limited (NSE)	SANGAMIND
	Demat ISIN Numbers in NSDL & CDSL	INE495C01010

Corporate Governance Report (Contd.)

Dividend

The Board of Directors at their meeting held on 30th May, 2017, have recommended a Dividend of 2/- per share for the year ended 31st March, 2017, subject to shareholders' approval at the forthcoming 31st Annual General Meeting. If approved, the dividend will be paid to the shareholders within 30 working days from the date of Annual General Meeting. The Company will continue to use NECS/ECS or any other electronic mode for payment of dividend to the shareholders located in places where in such facilities/system is in existence.

Unclaimed/Unpaid Dividend

The unclaimed dividend for a period of seven years is compulsorily deposited in Investor Education and Protection Fund (IEPF) Account in accordance with Section 125 of the Act administered by the Central Government which cannot be claimed by the Shareholders/Investors. The details of unclaimed dividend are posted on the website of the Company.

Details of Unclaimed Dividend and due dates for transfer are as follows as on 31st March, 2017:

S No.	Year of Declaration of Dividend	Date of Declaration of Dividend	Unclaimed Amount	Due date for transfer to IEPF Account
1	2009-10	30th September, 2010	866518.00	06.11.2017
2	2010-11	30th September, 2011	338583.00	06.11.2018
3	2011-12	28th September, 2012	201024.00	04.11.2019
4	2012-13	30th September, 2013	365278.80	06.11.2020
5	2013-14	30th September, 2014	344713.50	06.11.2021
5	2014-15	30th September, 2015	422410.00	06.11.2022
7	2015-16	30th September, 2016	428100.00	06.11.2023

Stock Market Data

The reported high and low prices of equity shares of Sangam (India) Limited traded during fiscal 2017 on BSE and NSE are set out in the following table:

Month	Bombay Stock Exchange Limited (BSE)				National Stock Exchange of India Limited (NSE)			
	Share Price		Sensex		Share Price		S&P CNX NIFTY	
	High	Low	High	Low	High	Low	High	Low
April, 2016	286.00	246.30	26100.54	24523.2	286.70	246.60	7992.00	7516.85
May, 2016	305.00	261.35	26837.2	25057.93	292.20	262.05	8213.60	7678.35
June, 2016	293.85	263.00	27105.41	25911.33	294.00	264.50	8308.15	7927.05
July, 2016	281.90	264.55	28240.2	27034.14	282.00	263.70	8674.70	8287.55
August, 2016	282.00	250.10	28532.25	27627.97	278.00	248.70	8819.20	8518.15
September, 2016	270.00	244.05	29077.28	27716.78	270.00	242.60	8968.70	8555.20
October, 2016	325.00	250.80	28477.65	27488.3	325.00	248.00	8806.95	8506.15
November, 2016	325.00	225.00	28029.8	25717.93	325.80	222.55	8669.60	7916.40
December, 2016	271.30	235.00	26803.76	25753.74	269.00	235.00	8274.95	7893.80
January, 2017	299.50	237.40	27980.39	26447.06	299.30	241.10	8672.70	8133.80
February, 2017	304.50	253.00	29065.31	27590.1	304.90	257.35	8982.15	8537.50
March, 2017	280.00	236.00	29824.62	28716.21	285.00	241.55	9218.40	8860.10

Share Transfer System

The Company's shares are traded in the Stock Exchanges compulsorily in Demat mode. Share in physical mode, which are lodged for transfer are processed and returned to the shareholders within the stipulated time. In compliance with the listing guidelines, every six months the share transfer system is audited by a practicing Company Secretary and a certificate to that effect is issued by him.

Corporate Governance Report [Contd.]

(i) Distribution of Shareholding as on 31st March, 2017

Category Range – Shares	Shareholders		Shareholders	
	Number	Percentage	Number of Shares	Percentage
Up to 500	6403	89.54	811024	2.06
501-1000	349	4.88	289348	0.73
1001-2000	138	1.93	209994	0.53
2001-3000	66	0.92	168456	0.43
3001-4000	30	0.42	105743	0.27
4001-5000	14	0.20	65302	0.17
5001-10,000	47	0.66	375003	0.95
10,001 and above	104	1.45	37396689	94.86
TOTAL	7151	100.00	39421559	100.00

(ii) Shareholding Pattern as on 31st March, 2017

Category	No. of Shares held	% of Shareholding
Promoters holding		
(a) Individual Promoters	3169433	8.04
(b) Persons acting in Concerts	15497693	39.31
Others		
Mutual Funds and UTI		
Banks, Financial Institution, Insurance Companies, NBFCs registered with RBI (Central/State Govt. Institutions/ Non-Govt. Institutions)	1193156	3.03
Foreign Portfolio Investors	4363583	11.07
Foreign Institutional Investors (FIIs)	1025367	2.60
Private Corporate Bodies	10180048	25.82
Indian Public	2351881	5.97
NRI's / OCBs	1493390	3.79
Trust	0	0.00
Clearing Members	147008	0.37
Total	39421559	100.00

Dematerialization of shares and liquidity

Shares of the Company are traded in electronic form. SEBI has stipulated the shares of the Company for compulsory delivery in dematerialization form only, by all investors from December 2000. About 99.46% of the shares holdings have already been dematerialized. Shares of the Company are actively traded in Bombay Stock Exchange Limited (BSE) and National Stock Exchange of India Limited (NSE) and have reasonably good liquidity.

Outstanding GDRs/ADRs/Warrants or any convertible instruments, conversion date and likely impact on equity:

As on date there are no outstanding warrants or any convertible instruments. The Company has not issued GDR/ADR.

Commodity Risk or Foreign Exchange Risk and Hedging activities

Disclosure on risks are forming part of Management Discussion and Analysis Report during the period under review



Corporate Governance Report (Contd.)

Office and works

Registered Office

Atun, Chittorgarh Road
Bhilwara - 311 001 (Raj.)
Ph.: +91 1482 305028
Fax: +91 1482 304120
E-mail: secretarial@sangamgroup.com
website: www.sangamgroup.com

Plant Location

Spinning

Unit - I: Vill. Biliya Kalan, Chittorgarh Road,
Bhilwara - 311 001 (Raj.)
Unit - II: 91 K.M. Stone, N.H.-79, Vill. Sareri,
Dist. Bhilwara - 311 024 (Raj.)
Unit - III: NH-79, Village Naga Ka Khera,
Soniyana, Tehsil Gangrar,
Distt. Chittorgarh 312901 (Raj.)

Weaving, Processing and Seamless Garments

Vill. Atun, Chittorgarh Road,
Bhilwara - 311 001 (Raj.)

Denim

Vill. Biliya Kalan, Chittorgarh Road,
Bhilwara - 311 001 (Raj.)

Registrar and Share Transfer Agent

Bigshare Services Private Limited,
1st Floor, Bharat Tin Works Building,
Opp. Vasant Oasis, Makwana Road,
Marol, Andheri (East), Mumbai - 400 059
Fax No.: 022-62638299, Tel. No.: 022-62638200
E-mail: investor@bigshareonline.com

Address for Correspondence

All matters relating to Dividend, Annual Reports and other related matters

Company Secretary

Sangam (India) Limited,
Atun, Chittorgarh Road, Bhilwara - 311 001 (Raj.)
Ph.: +91 1482-305020,
Fax: +91 1482 304120
email: secretarial@sangamgroup.com
Website: www.sangamgroup.com

DECLARATION BY THE CEO UNDER REGULATION 26(3) READ WITH PARA D OF SCHEDULE V OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 REGARDING ADHERENCE TO THE CODE OF CONDUCT

Pursuant to sub-regulation (3) of Regulation 26 read with Para D of Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board members and the Senior Management personnel of the Company have affirmed compliance to their respective Code of Conduct, as applicable to them for the Financial Year ended 31st March, 2017.

Place: Bhilwara
Date: 16th August, 2017

S.N. Modani
(Managing Director & CEO)
DIN: 00401498



Practicing Company Secretaries' Certificate on Corporate Governance

To
The Members of
Sangam (India) Limited

We have examined the compliance of conditions of Corporate Governance by Sangam (India) Limited ("the Company") for the year ended 31st March, 2017 as stipulated in Regulations 17 to 27, clause (b) to (i) of regulation 46(2) and para C, D & E of Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations")

The compliance of the conditions of Corporate Governance is the responsibility of the Company's management. Our examination was limited to the review of procedures and implementation thereof, as adopted by the Company for ensuring compliance with 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 the representations made by the Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations.

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

For **S.P. Jethlia & Co.**
Practicing Company Secretary

S.P. Jethlia
FCS: 3464 CP: 4844
Place: Bhilwara
Date: 16th August, 2017

The background image is a red-tinted photograph of a textile factory. It shows multiple rows of industrial spinning machines. Each machine has a large, white, cylindrical spool of thread mounted on it. The machines are arranged in a perspective that recedes into the distance. The overall scene is industrial and repetitive.

Financial Section



Independent Auditor's Report

ON THE STANDALONE FINANCIAL STATEMENTS OF SANGAM (INDIA) LIMITED

To the Members of

M/S. SANGAM (INDIA) LIMITED

REPORT ON THE STANDALONE FINANCIAL STATEMENTS

We have audited the accompanying standalone financial statements of **M/s. Sangam (India) Limited** ('the Company'), which comprise the balance sheet as at 31st March, 2017, the statement of profit and loss and the cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE STANDALONE FINANCIAL STATEMENTS

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

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made 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 standalone financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone 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 standalone 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 the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone financial statements.

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

OPINION

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

- (a) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2017;
- (b) in the case of the Statement of Profit and Loss, of the profit for the year; and
- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

Independent Auditor's Report

ON THE STANDALONE FINANCIAL STATEMENTS OF SANGAM (INDIA) LIMITED (CONTD.)

- (c) the balance sheet, the statement of profit and loss and the cash flow statement dealt with by this Report are in agreement with the books of account.
- (d) in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) on the basis of the written representations received from the directors as on 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 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) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 35.
 - The Company does not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
 - There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - The Company has provided requisite disclosures in its standalone financial statements as to holdings as well as dealings in Specified Bank Notes during the period 8th November, 2016 to 30th December, 2016 and these are in accordance with the books of account maintained by the Company – Refer Note 15.

For R. Kabra & Co.

Chartered Accountants
(Firm Registration No.104502W)

(R L Kabra)

Partner
Membership No. 016216
Camp : Bhilwara
Date: 30th May, 2017

For B L Chordia & Co.

Chartered Accountants
(Firm Registration No.000294C)

(B L Chordia)

Partner
Membership No. 010882
Place : Bhilwara
Date: 30th May, 2017

Annexure “A” TO INDEPENDENT AUDITOR’S REPORT ON THE STANDALONE FINANCIAL STATEMENTS OF SANGAM (INDIA) LIMITED (REFERRED TO IN OUR REPORT OF EVEN DATE)

Annexure referred to in Point 1 of the Auditor’s Report of even date to the members of **Sangam (India) Limited for the year ended 31st March 2017**.

On the basis of such checks as we considered appropriate and in terms of the information and explanations given to us during the course of the audit, we state as under:

- i) (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) According to the information and explanation given to us, these fixed assets have been physically verified by the management at reasonable intervals in terms of the phased program of verification adopted by the Company and no material discrepancies were noticed on such verification
- (c) As per the information and explanations given to us by the management, all the title deeds of immovable properties are held in the name of the Company and the original documents are deposited with /mortgaged to the banks for the financial assistance obtained which we are unable to verify the original title deeds.
- ii) As per the information and explanations given to us, the inventories (excluding stock, materials and work in progress, which are in transit & stock lying with third parties) have been physically verified during the year by the management and no material discrepancies were noticed during such verification. In our opinion and having regard to the nature and location of stocks, the frequency of the physical verification is reasonable.
- iii) In our opinion and according to the information and explanations given to us the Company has not granted any secured or unsecured loans to companies, firms, limited liability partnerships or other parties covered in the register

maintained under section 189 of the Act and therefore clause iii b and iii c of the Order are not applicable.

- iv) In our opinion and according to the information and explanations given to us in respect of loans, investments, guarantees and security, the provisions of sections 185 and 186 of the Act have been complied with.
- v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits. Therefore, the compliance with respect to directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under are not applicable to the Company.
- vi) In our opinion, the maintenance of cost records has been specified by the Central Government sub section (1) of section 148 of the Act and such accounts and records have been so made and maintained by the Company. We have however, not made a detailed examination of the records with a view to determining whether they are accurate or complete.
- vii) (a) According to information and explanation given to us and the records examined by us, the Company is regular in depositing undisputed statutory dues including provident fund, employees’ state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities. There were no undisputed dues as on the last day of the financial year concerned for a period of more than six months from the date they became payable

- (b) According to the information and explanation given to us, there were no dues of income tax, sales tax, service tax, duty of customs, duty of excise and value added tax which have not been deposited on account of any dispute, except as under:

Sr. no.	Name of the statute	Nature of dues	Amount of disputed demand (₹ In Lakhs)		Period to which the amount relate	Forum where dispute is pending
			Gross	Net of Deposited		
1	Central Excise Act 1944	Excise Duty	119.41	112.56	2011-12 to 2016-17	Commissioner of Excise (Appeals), Jaipur
2	Central Excise Act 1944	Excise Duty	11.32	11.32	2012-13	CESTAT, Delhi
3	Finance Act, 1994	Service tax	190.43	170.73	2012-13 to 2016-17	Commissioner of Service Tax (Appeals), Jaipur
4	Finance Act, 1994	Service tax	33.41	7.17	2010-11 to 2013-14	CESTAT, Delhi
5	Rajasthan Stamp Duty Act, 1998	Stamp Duty	108.91	88.91	2006-07	Rajasthan Highcourt, Jodhpur
6	Rajasthan Value Added Tax Act, 2003	Value Added Tax	94.30	77.64	2012-13	Tax Board, Ajmer
7	Rajasthan Value Added Tax Act, 2003	Value Added Tax with RIPS Incentive on Exports	341.10	313.73	2010-11 to 2012-13	Tax Board, Ajmer

Annexure “A” TO INDEPENDENT AUDITOR’S REPORT ON THE STANDALONE FINANCIAL STATEMENTS OF SANGAM (INDIA) LIMITED (REFERRED TO IN OUR REPORT OF EVEN DATE) (CONTD.)

Sr. no.	Name of the statute	Nature of dues	Amount of disputed demand (₹ In Lakhs)		Period to which the amount relate	Forum where dispute is pending
			Gross	Net of Deposited		
8	Rajasthan Value Added Tax Act, 2003	Value Added Tax	6.45	0.00**	2016-17	D.C. (Appeals), Udaipur
9	Rajasthan Value Added Tax Act, 2003	Value Added Tax	34.87	32.98	2006-07	Tax board & High Court, Jodhpur
10	The Rajasthan Tax on Entry of Goods into Local Areas Act, 1999	Entry tax and Interest	24.90	21.46	2013 - 14	Special Leave Petition with Supreme Court
	The Rajasthan Tax on Entry of Goods into Local Areas Act, 1999	Entry tax and Interest	147.73	14.76	2014 - 15	D.C. (Appeals), Ajmer
11	Electricity Act, 2003	Fixed Charges Recovery	19.57	14.57	2009-10 to 2010-11	Rajasthan High Court, Jodhpur

** Bank Guarantee given ₹ 6.50 Lakhs.

- viii) Based on our audit procedures and the information and explanations provided by the management, we are of the opinion that the Company has not defaulted in repayment of loans or borrowing to financial institutions, banks and Government. The Company does not have any debenture holders.
- ix) In our opinion and according to the information and explanations given to us, the term loans raised during the year have been applied for the purpose for which those loans were raised. The Company has not raised money by way of initial public offer or further public offer, including debt instruments.
- x) During the course of our examination of the books and records of the Company carried in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year
- xi) In our opinion and according to the information and explanations given to us the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- xii) Since the Company is not a nidhi company, clause xii of para 3 of the Order is not applicable to the Company.
- xiii) In our opinion, and based on such checks as we considered appropriate, all the transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and the details have been disclosed in the Standalone Financial Statements, etc. as required by the applicable Accounting Standards.
- xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- xv) In our opinion, and based on such checks as we considered appropriate, and according to the information and explanations given to us, the Company has not entered in to any non-cash transactions with directors or persons connected with them.
- xvi) In our opinion and according to the information and explanations given to us, the Company is not required to be registered under section 45 - IA of the Reserve Bank of India Act, 1934.

For R. Kabra & Co.

Chartered Accountants
(Firm Registration No.104502W)

(R L Kabra)

Partner
Membership No. 016216
Camp : Bhilwara
Date: 30th May, 2017

For B L Chordia & Co.

Chartered Accountants
(Firm Registration No.000294C)

(B L Chordia)

Partner
Membership No. 010882
Place : Bhilwara
Date: 30th May, 2017



Annexure “B” TO INDEPENDENT AUDITOR’S REPORT ON THE STANDALONE FINANCIAL STATEMENTS OF SANGAM (INDIA) LIMITED

Annexure referred to in Point 2(f) of the Auditor’s Report of even date to the members of **Sangam (India) Limited for the year ended 31st March 2017.**

REPORT ON THE INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING UNDER CLAUSE (II) 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 Sangam (India) Limited (“the Company”) as of 31st March, 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

MANAGEMENT’S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

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

AUDITORS’ RESPONSIBILITY

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by ICAI and the Standards on Auditing prescribed under section 143(10) of the Companies Act 2013, to the extent applicable to an audit of internal financial controls. 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 standalone 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 standalone 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 standalone 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

Annexure “B” TO INDEPENDENT AUDITOR’S REPORT ON THE STANDALONE FINANCIAL STATEMENTS OF SANGAM (INDIA) LIMITED (CONTD.)

- (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 standalone 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, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2017, based on “the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India”.

For R. Kabra & Co.

Chartered Accountants
(Firm Registration No.104502W)

(R L KABRA)

Partner
Membership No. 016216
Camp : Bhilwara
Date: 30th May, 2017

FOR B L CHORDIA & CO.

Chartered Accountants
(Firm Registration No.000294C)

(B L CHORDIA)

Partner
Membership No. 010882
Place : Bhilwara
Date: 30th May, 2017



Balance Sheet

AS AT 31ST MARCH, 2017

(₹ in Lakhs)

Particulars	Note	As at 31st March, 2017	As at 31st March, 2016
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	2	3,942	3,942
Reserves and Surplus	3	45,443	39,983
		49,385	43,925
Non-Current Liabilities			
Long Term Borrowings	4	32,711	28,134
Deferred Tax Liability (net)	5	5,098	4,205
		37,809	32,339
Current Liabilities			
Short Term Borrowings	6	31,991	30,150
Trade Payables	7	10,216	7,647
Other Current Liabilities	8	13,578	13,748
Short Term Provisions	9	717	1,417
		56,502	52,962
TOTAL		1,43,696	1,29,226
ASSETS			
Non-Current Assets			
Fixed Assets			
Tangible Assets	10	65,376	58,415
Intangible Assets	10	64	59
Capital Work-in-Progress	10	1,098	1,420
Non-Current Investments	11	590	585
Long Term Loans and Advances	12	1,806	1,971
		68,934	62,450
Current Assets			
Inventories	13	35,970	29,449
Trade Receivables	14	25,814	27,110
Cash and Cash Equivalents	15	547	361
Short Term Loans and Advances	16	9,676	7,643
Other Current Assets	17	2,755	2,213
		74,762	66,776
TOTAL		1,43,696	1,29,226
Significant Accounting Policies and Notes on Financial Statements	1 to 39		

As per our report of even date attached

For **R. Kabra & Co.**

Chartered Accountants

(Registration No. 104502W)

For **B.L. Chordia & Co.**

Chartered Accountants

(Registration No. 000294C)

For and on behalf of the Board

(R.L. Kabra)

Partner

M.Ship No. 016216

(B.L. Chordia)

Partner

M.Ship No. 010882

(R.P. Soni)

Chairman

(DIN 00401439)

(S.N. Modani)

Managing Director & CEO

(DIN 00401498)

(V.K. Sodani)

Executive Director

(DIN 00403740)

Camp : Bhilwara

Date: 30th May, 2017

Place : Bhilwara

Date: 30th May, 2017

(Anil Jain)

CFO & Company Secretary

(M No.: F-3147)



STATEMENT OF Profit & Loss

FOR THE YEAR ENDED 31ST MARCH, 2017

(₹ in Lakhs)

Particulars	Note	2016-17	2015-16
INCOME			
Revenue from Operations	18	1,59,364	1,50,440
Other Income	19	2,334	2,465
Total Revenue		1,61,698	1,52,905
EXPENDITURE :			
Cost of Materials Consumed	20	90,676	83,032
Purchases of Traded Goods	21	4,646	1,249
Changes in Inventories of Finished Goods, Stock-in-Process and Stock-in-Trade	22	(4,172)	(2,223)
Employee Benefits Expense	23	16,013	13,990
Power & Fuel	24	17,293	15,792
Finance Costs	25	6,359	6,396
Depreciation and Amortization Expense	26	7,258	7,619
Other Expenses	27	17,322	15,972
Total Expenses		1,55,395	1,41,827
Profit Before Exceptional Item and Tax		6,303	11,078
Exceptional Items			
Provision for Doubtful Debts/ Advances		45	35
Profit Before Tax		6,258	11,043
Tax Expenses			
Current Tax (Net of Mat Credit Entitlement)		685	3,459
Deferred tax		893	170
Tax Expense for Earlier Years		(780)	(290)
Profit for the year		5,460	7,704
Earnings per equity share of face value of ₹ 10 each			
Basic and Diluted (in ₹)		13.85	19.54
Significant Accounting Policies and Notes on Financial Statements	1 to 39		

As per our report of even date attached

For **R. Kabra & Co.**
Chartered Accountants
(Registration No. 104502W)

For **B.L. Chordia & Co.**
Chartered Accountants
(Registration No. 000294C)

For and on behalf of the Board

(R.L. Kabra)
Partner
M.Ship No. 016216

(B.L. Chordia)
Partner
M.Ship No. 010882

(R.P. Soni)
Chairman
(DIN 00401439)

(S.N. Modani)
Managing Director & CEO
(DIN 00401498)

(V.K. Sodani)
Executive Director
(DIN 00403740)

Camp : Bhilwara
Date: 30th May, 2017

Place : Bhilwara
Date: 30th May, 2017

(Anil Jain)
CFO & Company Secretary
(M No.: F-3147)

Notes

ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

1. SIGNIFICANT ACCOUNTING POLICIES

1.1 Basis of Accounting

- The financial statements have been prepared under the historical cost convention on an accrual basis of accounting in accordance with the Generally Accepted Accounting Principles in India ("GAAP" or "Indian GAAP") and as per the Accounting Standards prescribed under section 133 of the Companies Act 2013 and the relevant provisions of the Companies Act, 2013.
- Accounting policies not specifically referred to otherwise, have been followed consistently and are in consonance with generally accepted accounting principles.

1.2 Use of Estimates

The preparation of the financial statements in conformity with Indian GAAP requires the management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the difference between the actual results and the estimates are recognized in the period in which the results are known/materialized.

1.3 Fixed Assets

- Fixed assets are stated at cost, net of Cenvat/ VAT, if any, less accumulated depreciation/impairment if any.
- Cost includes purchase price, taxes and duties as applicable, freight, and other incidental expenses incurred till the commencement of commercial production. Incidental expenses include establishment expenses, interest on borrowed funds used for qualifying assets and other related direct costs attributable to the same.
- Capital Work in Progress includes pre-operative and other incidental expenses pending allocation/apportionment in respect of the uninstalled/ incomplete fixed assets.

1.4 Intangible Assets

Intangible assets are stated at original cost net of tax/duty credits availed, if any, less accumulated amortization and cumulative impairment.

Intangible assets are recognized when it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably.

Intangible assets are amortized over their useful life. Accordingly useful life of software is considered and amortized over 5 years

1.5 Depreciation

- Depreciation is provided under straight line method (SLM) over the estimated useful lives of the Fixed Assets as prescribed in Schedule II of the Companies Act, 2013 on all assets, except in case of the following assets, where useful life is estimated to be different

than those prescribed under Schedule II, based on technical evaluation:

Particulars	Useful Life
Plant & Machinery and Electric Installations (for Textile)	9.19 Years
Plant & Machinery and Electric Installations (for Power Generation)	18 Years

Depreciation on addition/deletion to/from fixed assets during the year is computed on pro rata basis.

b) Intangible Assets

Intangible assets comprise of computer software and are amortized on straight line basis over a period of 5 years, based on estimated useful life, which in management's view represents the period during which economic benefits will be derived from the software.

1.6 Revenue Recognition

- Sales is recognized, net of returns and trade discounts, on transfer of significant risk and rewards of ownership to the buyer, which generally coincide with the delivery of goods to the customers.
Sales include income from services, export incentives and exchange fluctuations, other recurring and non-recurring incentives from the Government at the national and state levels. Sale of products is presented gross of excise duty where applicable, and net of other indirect taxes. Turnover is excluding Inter Division Sales and Sales tax
- Claim lodged with insurance companies are recognized as income on acceptance by the Insurance Company. The Excess / Shortfall of claims passed are adjusted in the year of receipt.
- Dividend income from investments, if any, is accounted on the receipt basis.

1.7 Inventories

Inventories are valued at lower of cost or net realizable value, after providing for obsolescence and damages as follows:

Cost is ascertained as under:

a)	Raw Material, Packing Material & Stores and Spares	At cost, on FIFO/ weighted average basis.
b)	Finished goods	At cost, plus appropriate production overheads, including excise duty paid/ payable on such goods if applicable.
c)	Material in Process	At Cost, plus appropriate production overheads.

Net realizable value is estimated selling price in the ordinary course of business less estimated cost of completion and selling expenses.

1.8 Foreign Exchange Transaction/Translation

- Monetary and Non-monetary items /transactions denominated in foreign currencies are normally recorded at the exchange rate prevailing at the time of transaction.

Notes

ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017 (CONTD.)

- b) Monetary items denominated in foreign currencies at the year end and not covered by forward exchange contracts are translated at the year-end rates and those covered by forward exchange contracts are translated at the rate ruling on the date of transaction as increased or decreased by the proportionate difference between the forward rate and exchange rate on the date of transaction. Such differences are recognized over the life of the contract.
- c) Exchange differences in respect of monetary and non-monetary items are recognized as income or expense in the profit and loss account for the relevant year except otherwise disclosed in other notes.
- d) Outstanding derivatives contracts, other than those covered under AS-11, at the year-end are marked to market rate, and loss, if any, are accounted for in the Statement of Profit and Loss. As prudent accounting policy, gain on marked to market at the end of year are not accounted for.

1.9 Research and Development

Revenue expenditure on research is expensed under respective heads of account in the period in which it is incurred. Capital expenditure is shown as addition to fixed assets.

1.10 Retirement Benefits

a) Defined Contribution Plan

The Company contributes to Government Provident Fund Scheme. The Company's contribution paid/payable under the scheme is recognized as an expense in the statement of profit and loss during the period in which the employee renders the related service.

b) Defined Benefit Plan

The Company's liabilities on account of gratuity and leave encashment are determined at the end of each financial year on the basis of actuarial Valuation as per requirements of Accounting Standard 15 (revised 2005) on "Employee Benefits".

1.11 Borrowing Costs

Borrowing costs relating to acquisition/ construction of qualifying assets are capitalized until the time all substantial activities necessary to prepare the qualifying assets for their intended use are complete. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to revenue.

1.12 Accounting for Taxes on Income

- a) Current tax is provided as per the provisions of the Income Tax Act 1961 as applicable.
- b) Tax expenses comprise of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act, 1961. Deferred tax reflects the impact of current year timing differences between book

profit and taxable income for the year and reversal of timing differences of earlier years.

- c) The deferred tax for timing differences between the book profit and taxable income for the year is accounted for using the tax rates and laws that have been substantially enacted as of the Balance Sheet date. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. If the Company has carry forward unabsorbed depreciation and tax losses, deferred tax assets are recognized only to the extent there is virtual certainty supported by convincing evidence that sufficient taxable income will be available against which such deferred tax asset can be realized.

Minimum Alternate Tax (MAT) credit is recognized as an asset only when there is a convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in guidance note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the Statement of Profit and Loss and shown as MAT Credit entitlement. The Company reviews the same as at each Balance Sheet date and write down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal income-tax during the specified period.

1.13 Impairment of Assets

Factors giving rise to any indication of impairment of the carrying amount of the Company's assets are appraised at each Balance Sheet date to determine and provide/revert an impairment loss, if any.

1.14 Provisions, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognized when there is present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognized but are disclosed by way of the notes. Contingent assets are neither recognized nor disclosed in the financial statements.

1.15 Earning Per Share

Basic earning per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events of preferential issue/allotment of equity shares. For the purpose of calculating diluted earning per shares, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

Notes

ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017 (CONTD.)

1.16 Cash Flow Statement

The Cash Flow Statement is prepared by the indirect method set out in Accounting Standard 3 on Cash Flow Statements and presents the cash flows by operating, investing and financing activities of the Company. Cash and cash equivalents presented in the Cash Flow Statement consist of cash on hand and demand deposits with banks.

1.17 Investments

Long term investments are carried at cost less provision for permanent diminution, if any, in value of such investments. Current investments are carried at lower of cost and fair value.

1.18 Government Grants

Capital grants relating to specific fixed assets are reduced from the gross value of the Fixed Assets and those relating to revenue are netted from the related expenditure. Government grants are recognized when the right to receive is established.

1.19 Miscellaneous Expenditure

Miscellaneous Expenditure is debited fully in the year in which expenditure is incurred.

1.20 Segment Reporting

Primary Segments are identified based on the nature of products and services, the different risks and returns and the internal business reporting system. Revenue, Expense, Assets and Liabilities, which relate to the Company as a whole and cannot be allocated to segments on a reasonable basis, are classified as unallocated.

Secondary segment is identified based on geography by location of customers i.e. in India and outside India.

Inter-segment revenue are accounted for based on the transaction price agreed to between the segments, which is primarily market based.

1.21 Leases

(i) Finance lease

Assets acquired under finance leases are recognized as an asset and a liability at the commencement of the lease, at the lower of the fair value of the assets and the present value of minimum lease payments. The finance expense is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability. Assets given under finance leases are recognized as receivables at an amount equal to the net investment in the lease and the finance income is based on a constant rate of return on the outstanding net investment.

(ii) Operating lease

Leases other than finance lease, are operating leases, and the leased assets are not recognized on the Company's Balance Sheet. Payments / rental income under operating leases are recognized in the Statement of Profit and Loss on a straight-line basis over the term of the lease

1.22 Extraordinary and exceptional Items

Income or expenses that arise from events or transactions that are clearly distinct from the ordinary activities of the Company are classified as extraordinary items. Specific disclosure of such events/transactions is made in the financial statements. Similarly, any external event beyond the control of the Company, significantly impacting income or expense, is also treated as extraordinary item and disclosed as such. On certain occasions, the size, type or incidence of an item of income or expense, pertaining to the ordinary activities of the Company, is such that its disclosure improves an understanding of the performance of the Company. Such income or expense is classified as an exceptional item and accordingly disclosed in the notes to accounts.

Notes

ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017 (CONTD.)

(₹ in Lakhs)

	As at 31st March, 2017	As at 31st March, 2016
2. SHARE CAPITAL		
Authorized Share Capital:		
6,40,00,000 (Previous Year 6,40,00,000) Equity share of ₹ 10 each fully paid up	6,400	6,400
1,85,00,000 (Previous Year 1,85,00,000) Non - Cumulative Redeemable Preference Shares of ₹ 10 each fully paid up	1,850	1,850
	8,250	8,250
Issued, Subscribed and Paid Up:		
3,94,21,559 (Previous Year 3,94,21,559) Equity share of ₹ 10 each fully paid up	3,942	3,942
Total	3,942	3,942

2.1 The details of Shareholders' holding more than 5% shares :

	As at 31st March, 2017		As at 31st March, 2016	
Name of the Shareholder	No. of Shares	% held	No. of Shares	% held
Sangam Business Credit Limited	59,82,812	15.18	49,51,783	12.56
Nidhi Mercantiles Limited	48,98,833	12.43	48,98,833	12.43
Mentor Capital Limited (formerly known as Pacific Corporate Services Limited)	31,53,602	8.00	27,95,251	7.09
Hawamahal Finance Private Limited	23,35,500	5.92	23,35,500	5.92
Sangam Fincap Limited	22,16,145	5.62	22,16,145	5.62
TOTAL	1,85,86,892	47.15	1,71,97,512	43.62

2.2 The reconciliation of the number of shares outstanding is set out below:

Particulars	As at 31st March, 2017	As at 31st March, 2016
	No. of Shares	No. of Shares
Equity Shares at the beginning of the year	3,94,21,559	3,94,21,559
Add: Shares Issued During the year	-	-
Equity Shares at the end of the year	3,94,21,559	3,94,21,559

2.3 Rights, Preferences and Restrictions:

- The Company has only one class of shares referred to as Equity Shares having par value of ₹ 10 Each holder of Equity Shares is entitled to one vote per share.
- In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of Equity Shares held by the shareholders.

(₹ in Lakhs)

	As at 31st March, 2017	As at 31st March, 2016
3. RESERVES & SURPLUS		
Capital Reserve		
As per last Balance Sheet	297	297
Securities Premium Reserve		
As per last Balance Sheet	5,868	5,868
Preference Share Capital Redemption Reserve		
As per last Balance Sheet	1,178	1,178

Notes

ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017 (CONTD.)

(₹ in Lakhs)

	As at 31st March, 2017	As at 31st March, 2016
3. RESERVES & SURPLUS (CONTD.)		
General Reserve		
As per last Balance Sheet	19,818	16,818
Add: Transferred from Profit & Loss Account	3,000	3,000
Closing Balance	22,818	19,818
Profit & Loss Account		
As per last Balance Sheet	12,822	9,067
Add: Profit for the year	5,460	7,704
Less: Appropriations		
Transferred to General Reserve	3,000	3,000
Proposed Dividend of ₹ 2/- per Equity Share in the previous year (Refer Note 3.1)	-	788
Tax on Dividend	-	161
Closing Balance	15,282	12,822
TOTAL	45,443	39,983

3.1 Proposed Dividend: Equity Share

According to the revised AS 4 – Contingencies and events occurring after the balance sheet date as notified by the Ministry of Corporate Affairs through amendments to Companies (Accounting Standards) Amendments Rules, 2016, the company has not accounted for proposed dividend (including tax) as a liability for the year ended 31st March, 2017.

The Board of Directors at its meeting held on 30th May, 2017 has recommended a dividend of ₹ 2/- per equity share for the year ended 31st March, 2017. The declaration and payment of dividend is subject to requisite approvals.

(₹ in Lakhs)

	Non - Current		Current Maturities	
	As at 31st March, 2017	As at 31st March, 2016	As at 31st March, 2017	As at 31st March, 2016
4. LONG TERM BORROWINGS				
(A) Secured				
(a) Term Loans From Banks				
Rupee Loans	32,533	26,237	5,988	6,465
(b) Vehicle Loans From Banks	165	196	111	110
(c) Vehicle Loans From Others	13	38	25	26
TOTAL (A)	32,711	26,471	6,124	6,601
(B) Unsecured				
Term Loans From Banks				
Foreign Currency Loans (Buyers Credit)	-	1,663	-	-
TOTAL (B)	-	1,663	-	-
TOTAL (A)+(B)	32,711	28,134	6,124	6,601

4.1 All Term Loans from banks (including current maturities) except vehicle loan are secured by a joint equitable mortgage by deposit of title deeds in respect of all immovable properties and first hypothecation of the entire moveable properties of the company, both present and future (save and except book debts) subject to prior charges created/to be created in favour of bankers for securing working capital borrowing, ranking pari-passu with the charges created/to be created in favour of other participating bankers. The above Term Loans are further secured by personal guarantee of two directors of the Company.

4.2 Vehicle Loans (including current maturities) are secured by hypothecation of respective vehicle(s) and are repayable over the term of the loan ranging from 2 to 7 years.

4.3 Foreign Currency Loans (Buyers Credit) ₹ NIL (Previous Year ₹ 1,663 Lakhs) obtained @ 0.46-0.85% p.a. was repayable over 90-91 days. The ultimate payment of the above loan of ₹ 1,663 Lakhs (Previous Year ₹ NIL) is made from the term loans during the year.

4.4 There is no default in repayment or interest of any loans on due dates.

Notes

ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017 (CONTD.)

4.5 Terms of Repayment :	Term Loan from Banks		
	As at 31st March, 2017	Repayments	
	(₹ in Lakhs)	No. of due Installments	Periodicity
	1,463	12 - 16	Quarterly Equal
	34,326	16 - 32	Quarterly Graded
	2,732	34	Quarterly Graded
TOTAL	38,521		
Less: Current Maturity	5,988		
	32,533		

Note: Rate of Interest is Base Rate / MCLR + Spread of 0.15% to 2.25% on the above different term loans.

	Term Loan from Banks		
	As at 31st March, 2016	Repayments	
	(₹ in Lakhs)	No. of due Installments	Periodicity
	1,900	16 - 20	Quarterly Equal
	27,977	20 - 32	Quarterly Graded
	2,825	2	Quarterly Graded
TOTAL	32,702		
Less: Current Maturity	6,465		
	26,237		

Note: Rate of Interest is Base Rate + Spread of 0.90% to 2.25% on the above different term loans.

	Vehicle Loan from Banks		
	As at 31st March, 2017	Repayments	
	(₹ in Lakhs)	No. of due Installments	Periodicity
	199	1 - 45	Monthly
	77	83	Monthly
TOTAL	276		
Less: Current Maturity	111		
	165		

Note: Rate of Interest is 8.51% to 11.00%

Notes

ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017 (CONTD.)

	Vehicle Loan from Banks		
	As at 31st March, 2016	Repayments	
	(₹ in Lakhs)	No. of due Installments	Periodicity
	8	1 - 12	Monthly
	298	13 - 57	Monthly
TOTAL	306		
Less: Current Maturity	110		
	196		

Note: Rate of Interest is 8.51% to 11.00%

	Vehicle Loan from Others		
	As at 31st March, 2017	Repayments	
	(₹ in Lakhs)	No. of due Installments	Periodicity
	38	8 - 45	Monthly
Less: Current Maturity	25		
	13		

Note: Rate of Interest is 7.01% to 10.50%

	Vehicle Loan from Others		
	As at 31st March, 2016	Repayments	
	(₹ in Lakhs)	No. of due Installments	Periodicity
	64	20 - 57	Monthly
Less: Current Maturity	26		
	38		

Note: Rate of Interest is 7.01% to 10.50%

		(₹ in Lakhs)	
		As at 31st March, 2017	As at 31st March, 2016
5. DEFERRED TAX LIABILITY (NET)			
A) Deferred Tax Liability			
Related to fixed assets		5,601	4,622
TOTAL (A)		5,601	4,622
B) Deferred Tax Assets			
Disallowance u/s 43B of Income Tax Act, 1961		416	346
Provision for Bad & Doubtful Debts		87	71
TOTAL (B)		503	417
C) Deferred Tax Liability (Net) (A-B)		5,098	4,205

Notes

ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017 (CONTD.)

(₹ in Lakhs)

	As at 31st March, 2017	As at 31st March, 2016
6. SHORT TERM BORROWINGS		
Secured		
Loans Repayable on Demand		
From Banks (Rupee)	27,880	30,150
From Banks (Foreign Currency)	4,111	-
TOTAL	31,991	30,150

- 6.1** Borrowings from Banks for working capital are secured by hypothecation of inventories and charge on book debts both present and future and second charge on all the immovable and movable fixed assets of the Company. The above borrowing are further secured by personal guarantee of two directors of the Company. There is no default in repayment or interest of any loans on due dates.

(₹ in Lakhs)

	As at 31st March, 2017	As at 31st March, 2016
7. TRADE PAYABLES		
Dues to Micro, Small & Medium Enterprises (Refer Note No. 7.1)	-	-
Dues to other than Micro, Small & Medium Enterprises	10,216	7,647
TOTAL	10,216	7,647

7.1 Dues to Micro, Small & Medium Enterprises:-

The Company has not received any intimation from its suppliers being registered under Micro, Small and Medium Enterprises Development Act, 2006 (MSME). Since the relevant information is not readily available, necessary disclosure required under MSME Act, 2006 can not be made. However, the Company generally makes payment to its suppliers within agreed credit period and thus the management is confident that the liability of interest under this Act, if any, would not be material.

(₹ in Lakhs)

	As at 31st March, 2017	As at 31st March, 2016
8. OTHER CURRENT LIABILITIES		
Current maturities of long term debt	6,124	6,601
Interest accrued but not due on borrowings	2	53
Unpaid Dividends #	30	26
Creditors for Capital Expenditure	1,058	645
Security Deposit	504	464
Advance from Customers	341	272
Liability towards Staff and Workers	1,167	1,008
Commission Payable on Sales	1,186	983
Liabilities for Expenses	2,895	2,818
Income Tax Payable (Net)	-	475
Statutory Dues	271	403
TOTAL	13,578	13,748

There is no overdue amount to be credited to investor education & protection fund.

(₹ in Lakhs)

	As at 31st March, 2017	As at 31st March, 2016
9. SHORT TERM PROVISIONS		
Provisions for Gratuity/ Leave Encashment (Refer Note No. 23.1)	717	468
Proposed Dividend on Equity Share	-	788
Tax on Dividend	-	161
TOTAL	717	1,417



ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017 (CONTD.)

10. FIXED ASSETS

Description		Gross Block			As on 31st March, 2017	As on 01/04/2016	Depreciation		Net Block	
		As on 1st April, 2016	Additions	Deduction			For the Year	Adjustments / Deduction	As on 31st March, 2017	As on 31st March, 2016
10. FIXED ASSETS	(A) TANGIBLE ASSETS:									
	OWN ASSETS:									
	Freehold Land	1,180	86	-	1,266	-	-	-	1,266	1,180
	Factory Building	18,557	2,428	-	20,985	4,981	587	-	15,417	13,576
	Office Building	1,522	-	-	1,522	48	23	-	71	1,474
	Plant & Machinery	96,042	10,177	949	1,05,270	59,713	5,683	867	64,529	40,741
	Wind Power Machines	2,157	-	-	2,157	1,284	114	-	1,398	759
	Electric Installation	7,690	1,046	-	8,736	5,109	499	-	5,608	3,128
	Water Supply Installation	527	115	-	642	134	17	-	151	491
	Furniture & Fixture	1,507	225	4	1,728	497	124	3	618	1,110
Vehicle	1,282	164	33	1,413	511	135	16	630	783	
Office Equipment	149	7	-	156	107	13	-	120	36	
Computer	582	55	-	637	444	46	-	490	147	
	Sub-Total	1,31,195	14,303	986	1,44,512	72,828	7,241	886	79,183	65,329
LEASED ASSETS:										
	Leasehold Land	58	-	-	58	10	1	-	11	47
	Sub-Total	58	-	-	58	10	1	-	11	47
	TOTAL (A)	1,31,253	14,303	986	1,44,570	72,838	7,242	886	79,194	65,376
	Previous Year	1,21,497	9,822	66	1,31,253	65,277	7,604	43	72,838	58,415
(B) INTANGIBLE ASSETS										
	Computer software	374	21	-	395	315	16	-	331	64
	Total (B)	374	21	-	395	315	16	-	331	64
	Previous Year	354	20	-	374	300	15	-	315	59
	Total (A)+(B)	1,31,627	14,324	986	1,44,965	73,153	7,258	886	79,525	65,440
	Total Previous Year	1,21,851	9,842	66	1,31,627	65,577	7,619	43	73,153	58,474
	Capital Work In Progress								1,098	1,420

Note : - 1. The Company is entitled to capital subsidy on the investments made in Plant & Machinery @ 10% of the basic price. Accordingly the capital subsidy deducted from the gross block of the Plant & Machinery during the year as per AS-12, Accounting for Government Grants is ₹ 78 Lakhs (Previous Year ₹ 4 Lakhs)

Note : - 2. Capital-work-in-progress include ₹ 70 Lakhs (Previous Year ₹ 122 Lakhs) towards Pre - Operative Expenses.

Note : - 3. Break up of Pre - Operative Expenses capitalized/ deferred for capitalization under Capital Work in Progress:

Particulars	Year Ended 31st March, 2017	
	Year Ended 31st March, 2017	Year Ended 31st March, 2016
Opening Balance	122	65
Financial Charges	544	239
Direct Costs Attributable to Project	265	66
Total Amount	931	370
Less: Exp. Apportioned to fixed assets	861	248
Balance yet to be allocated	70	122

Notes

ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017 (CONTD.)

(₹ in Lakhs)

	As at 31st March, 2017	As at 31st March, 2016
11. NON-CURRENT INVESTMENTS		
(Long Term Investments) (Valued at Cost)		
Unquoted Non - Trade Investment		
In Equity Shares -		
Unquoted, fully paid up		
Equity Shares of ₹ 10/- each fully paid		
In Wholly Owned Subsidiary		
Sangam Lifestyle Ventures Limited	5	-
50000 (Previous Year NIL) at par		
Other Investments-		
Keti Sangam Infrastructure (India) Limited	581	581
580600 (Previous Year 580600) at premium of ₹ 90/- per share		
PKSS Infrastructure Private Limited	-	-
3900 (Previous Year 3900) at par		
₹ 39000 (Previous Year ₹ 39000)		
Kalyan Sangam Infratech Limited	4	4
37500 (Previous Year 37500) at par		
Equity Shares of ₹ 20/- each fully paid		
AP Mahesh Co-Operative Bank Limited	-	-
50 (Previous Year NIL) at par		
₹ 1000 (Previous Year NIL)		
TOTAL	590	585
Aggregate Amount of Unquoted Investments	590	585
Aggregate Provision for diminution in value of Investments (Refer Note 11.2)	-	-

11.1 Sangam Lifestyle Ventures Limited became a wholly owned subsidiary company w.e.f. 14th June, 2016 on its incorporation

11.2 As per the management, The Investment in Keti Sangam is long term investment and has potential to give huge appreciation in future. The vehicular traffic is increasing day by day and the concession period is about 24 years. Further there is provision of hike in toll charges of 15% in every 3 years. Considering the potential of the project the banks have securitized the project from ₹ 225 Crores to 313 Crores. Hence this investment is a long term valuable asset of the Company, Accordingly diminution is not provided.

(₹ in Lakhs)

	As at 31st March, 2017	As at 31st March, 2016
12. LONG TERM LOANS AND ADVANCES		
(Unsecured and Considered Good)		
Capital Advances - Related Party	227	208
Capital Advances - Others	901	1,161
Security Deposit	593	589
Other Loans & Advances	20	20
Less : Provision for Doubtful Debts	20	-
Prepaid Expenses	85	13
TOTAL	1,806	1,971

Notes

ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017 (CONTD.)

	As at 31st March, 2017	As at 31st March, 2016
13. INVENTORIES		
Raw Materials	12,413	10,422
Stock-in-Process	6,252	4,959
Finished Goods	14,204	11,325
Traded Goods	26	202
Stores, Spares & Fuel	3,075	2,541
TOTAL	35,970	29,449

	As at 31st March, 2017	As at 31st March, 2016
14. TRADE RECEIVABLES (CURRENT)		
(Unsecured and Considered Good)		
Due over six months		
Considered Good	4,563	3,452
Considered Doubtful	232	186
Other Trade Receivables (Refer Note No. 14.1)	21,251	23,658
	26,046	27,296
Less: Provision for Doubtful Debts	232	186
TOTAL	25,814	27,110

- 14.1** Included in the above Receivables due from Companies / Firms in which directors are interested is ₹ 22 Lakhs (Previous Year ₹12 Lakhs) and due from wholly owned Subsidiary Company is ₹ 353 Lakhs (Previous Year ₹ Nil)

	As at 31st March, 2017	As at 31st March, 2016
15. CASH & CASH EQUIVALENTS		
Earmarked Balances #	29	26
Balance with Banks	486	178
Cash on Hand	27	20
Fixed Deposits with banks ##	5	137
TOTAL	547	361

Balance with Banks against Unclaimed Dividend

Fixed Deposits Earmarked with Banks including above 12 Months Maturities ₹ NIL (Previous Year ₹ 132 Lakhs)

Disclosure as required under Notification no. G.S.R. 308(E) dated 30th March, 2017 as per the enclosed sheet:

	Specified Bank Notes (SBNs)	Other Denomination Notes	Total
Closing cash in hand as on 08.11.2016	514500	1096388	1610888
(+) Permitted receipts	-	8433914	8433914
(-) Permitted payments	40000	8413395	8453395
(-) Amount deposited in Banks	474500	32670	507170
Closing cash in hand as on 30.12.2016	-	1084237	1084237

- 15.1** (i) ₹ 4 Lakhs deposited directly by agent against Tax Payment in SBN Currency, which is not included in above.

- 15.1** (ii) Opening & Closing Cash in Hand includes Employee Imprest A/C.

Notes

ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017 (CONTD.)

(₹ in Lakhs)

	As at 31st March, 2017	As at 31st March, 2016
16. SHORT TERM LOANS AND ADVANCES		
(Unsecured and Considered Good)		
Balance with Central Excise Authorities	2,347	1,778
Advance tax, MAT Credit Receivables & TDS/Refund Receivable (Net)	1,248	-
Advance against Supplies / Expenses (Refer Note No. 16.1)	3,163	2,474
Subsidy Receivable	974	1,659
Excise Rebate Claim Receivable	1,000	847
VAT / TED Receivable	462	343
Security Deposits	267	271
Prepaid Expenses	126	100
Advance to Employees	56	78
Advances recoverable in cash or in kind	33	93
TOTAL	9,676	7,643

16.1 Due from wholly owned subsidiary company is ₹ 50 Lakhs (Previous Year ₹ NIL)

(₹ in Lakhs)

	As at 31st March, 2017	As at 31st March, 2016
17. OTHER CURRENT ASSETS		
(Unsecured and Considered Good)		
Interest Receivable - From Trade Debtors/ Others	95	92
DEPB, DBK Incentive Receivable	686	641
Export Growth Entitlement Receivables (Refer Note No.33)	408	-
Recoverable from Govt. / Others	99	99
Recoverable from NHAI UP (Refer Note No.31)	1,367	1,367
Insurance Claim Receivable	100	14
TOTAL	2,755	2,213

(₹ in Lakhs)

2015 -16

	2016-17	2015 -16
18. REVENUE FROM OPERATIONS		
Sale of Products/ Income from Services	1,63,037	1,53,783
	1,63,037	1,53,783
Less: Excise Duty	3,673	3,343
TOTAL	1,59,364	1,50,440

(₹ in Lakhs)

2015 -16

	2016-17	2015 -16
18.1 Particulars of Sale of Products/Service		
Yarn	93,003	83,200
Fabrics	27,684	28,420
Denim Fabric	29,566	32,679
Readymade Garments	313	610
Seamless Garments	1,046	1,284
Waste	584	344

Notes

ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017 (CONT'D.)

(₹ in Lakhs)

18.1 Particulars of Sale of Products/Service (Contd.)

2016-17

2015 -16

Job Charge	6,022	5,715
Electricity Income (Wind Power)	201	163
SHIS / IEIS Benefits	-	51
Traded Goods - Yarn	1,470	1,317
Traded Goods - Fabric	3,078	-
Traded Goods - Readymade Garment	70	-
TOTAL	1,63,037	1,53,783

18.2 During the year, exchange fluctuation gain on export sales included in sales is ₹ NIL (Previous Year ₹ 716 Lakhs)

(₹ in Lakhs)

2016-17

2015 -16

19. OTHER INCOME		
Interest		
From Trade Debtors	723	706
From Others	81	239
Other Non-Operating Income		
Toll Arbitration Award (Refer Note No.31)	-	1,248
Earlier Years Income (Export Growth Entitlement) (Refer Note No.33)	408	-
Miscellaneous Receipts	114	97
Foreign Exchange Fluctuation Gain (Other than considered as finance cost)	1,000	146
Profit on Sale of Fixed Assets (Net)	8	29
TOTAL	2,334	2,465

2016-17

2015 -16

20. COST OF MATERIALS CONSUMED	₹ in Lakhs	% of Consumption	₹ in Lakhs	% of Consumption
Imported	2,199	2.43	1,806	2.18
Indigenous	88,477	97.57	81,226	97.82
TOTAL	90,676	100.00	83,032	100.00

(₹ in Lakhs)

20.1 Particulars of Material Consumed

2016-17

2015 -16

Man Made Fibre	51,665	44,775
Cotton	21,552	17,830
POY Yarn	2,871	3,483
Yarn	7,307	7,606
Fabrics	697	2,785
Dyes & Chemicals	6,462	6,434
Others	122	119
TOTAL	90,676	83,032

Notes

ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017 (CONTD.)

(₹ in Lakhs)

2015 -16

2016-17

21. PURCHASES OF TRADED GOODS		
Traded Goods – Yarn	1,437	1,249
Traded Goods – Fabric	3,041	-
Traded Goods – Readymade Garment	168	-
	4,646	1,249

(₹ in Lakhs)

2015 -16

2016-17

22. CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-PROCESS AND STOCK-IN-TRADE		
Inventories (at close)		
Finished Goods	14,204	11,325
Stock-in-Process	6,252	4,959
	20,456	16,284
Inventories (at commencement)		
Finished Goods	11,325	9,086
Stock-in-Process	4,959	4,975
	16,284	14,061
TOTAL	(4,172)	(2,223)

(₹ in Lakhs)

2015 -16

2016-17

23. EMPLOYEE BENEFITS EXPENSE		
Salaries and Wages	14,760	12,930
Contribution to Provident and Other Funds	1,125	911
Staff Welfare Expenses	128	149
TOTAL	16,013	13,990

23.1 As per Accounting Standard 15 (Revised) "Employee benefits", the disclosure as defined in the Accounting Standard are given below:-
Defined Benefit Plans

The following tables set out the details of amount recognized in the financial statements in respect of Employee benefit schemes.

(₹ in Lakhs)

Sr. No.	Particulars	As at 31st March, 2017		As at 31st March, 2016	
		Gratuity	Leave Encashment	Gratuity	Leave Encashment
I. Assumptions as at					
Mortality	IALM (2006-08) Ult.	IALM (2006-08) Ult.	IALM (2006-08) Ult.	IALM (2006-08) Ult.	IALM (2006-08) Ult.
Discount Rate	7.44%	7.44%	8.00%	8.00%	8.00%
Rate of increase in compensation	5.50%	5.50%	5.50%	5.50%	5.50%
Rate of return (expected) on plan assets	8.15%	8.15%			
Withdrawal rates		Upto Age 30: 3% 31-44: 2% 45 & Above: 1%		Upto Age 30: 3% 31-44: 2% 45 & Above: 1%	

Notes

ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017 (CONTD.)

(₹ in Lakhs)

Sr. No.	Particulars	As at 31st March, 2017		As at 31st March, 2016	
		Gratuity	Leave Encashment	Gratuity	Leave Encashment
II.	Changes in present value of obligations				
	PVO at beginning of period	1,123.22	345.94	890.24	274.39
	Interest cost	84.58	24.29	65.76	19.92
	Current Service Cost	297.32	235.35	255.37	200.61
	Benefits Paid	(131.88)	(84.89)	(136.40)	(50.85)
	Actuarial (gain)/ loss on obligation	34.22	(116.72)	48.24	(98.13)
	PVO at end of period	1,407.46	403.97	1,123.21	345.94
III.	Changes in fair value of plan assets				
	Fair Value of Plan Assets at beginning of period	776.18	224.89	716.87	199.75
	Adjustment to Opening Fair Value of Plan Assets	-	-	-	-
	Expected Return on Plan Assets	65.44	18.83	59.83	17.00
	Contributions	147.05	86.32	135.68	58.68
	Benefit Paid	(131.87)	(84.89)	(136.40)	(50.85)
	Actuarial gain/ (loss) on plan assets	(6.00)	(1.60)	0.20	0.31
	Fair Value of Plan Assets at end of period	850.80	243.55	776.18	224.89
IV.	Fair Value of Plan Assets				
	Fair Value of Plan Assets at beginning of period	776.18	224.89	716.87	199.75
	Adjustment to Opening Fair Value of Plan Assets	-	-	-	-
	Actual Return on Plan Assets	59.44	17.23	60.02	17.31
	Contributions	147.05	86.32	135.68	58.68
	Benefit Paid	(131.87)	(84.89)	(136.40)	(50.85)
	Fair Value of Plan Assets at end of period	850.80	243.55	776.18	224.89
	Funded Status	(556.67)	(160.42)	(347.04)	(121.05)
	Excess of actual over estimated return on Plan Assets	(6.00)	(1.60)	0.20	0.31
V.	Actuarial Gain/ (Loss) Recognized				
	Actuarial Gain/ (Loss) for the period (Obligation)	(34.22)	116.72	(48.24)	98.13
	Actuarial Gain/ (Loss) for the period (Plan Assets)	(6.00)	(1.60)	0.20	0.31
	Total Gain/ (Loss) for the period	(40.22)	115.11	(48.05)	98.44
	Actuarial Gain/ (Loss) recognized for the period	(40.22)	115.11	(48.05)	98.44
	Unrecognized Actuarial Gain/ (Loss) at end of period	-	-	-	-
VI.	Amounts to be recognized in the balance sheet and statement of P&L A/c				
	PVO at end of period	1,407.46	403.97	1,123.21	345.94
	Fair Value of Plan Assets at end of period	850.80	243.55	776.18	224.89
	Funded Status	(556.67)	(160.42)	(347.04)	(121.05)
	Unrecognized Actuarial Gain/ (Loss)	-	-	-	-
	Net Asset/ (Liability) recognized in the balance sheet	(556.67)	(160.42)	(347.04)	(121.05)

Notes

ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017 (CONTD.)

(₹ in Lakhs)

Sr. No.	Particulars	As at 31st March, 2017		As at 31st March, 2016	
		Gratuity	Leave Encashment	Gratuity	Leave Encashment
VII.	Expense recognized in the statement of P&L A/c				
	Current Service Cost	297.32	235.35	255.37	200.61
	Interest Cost	84.58	24.28	65.76	19.92
	Expected Return on Plan Assets	(65.44)	(18.84)	(59.83)	(17.00)
	Net Actuarial (Gain)/ Loss recognized for the period	40.22	(115.11)	48.05	(98.44)
	Expense recognized in the statement of P&L A/c	356.68	125.68	309.35	105.09
VIII.	Movements in the Liability recognized in Balance Sheet				
	Opening Net Liability	347.04	121.05	173.37	74.64
	Adjustment to Opening Fair Value of Plan Assets	-	-	-	-
	Expenses as above	356.68	125.68	309.35	105.09
	Contribution Paid	(147.05)	(86.32)	(135.68)	(58.68)
	Closing Net Liability	556.67	160.42	347.04	121.05
IX.	Experience Analysis - Liabilities				
	Actuarial (Gain)/ Loss due to change in bases	83.91	23.09	-	-
	Experience (Gain)/ Loss due to Change in Experience	(49.68)	(139.81)	48.24	(98.13)
	Total	34.22	(116.72)	48.24	(98.13)
	Experience Analysis - Plan Assets				
	Experience (Gain)/ Loss due to Change in Plan Assets	6.00	1.60	(0.20)	(0.31)
X.	Schedule III Details				
	Current Liability	556.67	160.42	347.04	121.05
	Non-Current Liability	850.80	243.55	776.18	224.89

(₹ in Lakhs)

2015 -16

2016-17

24.	POWER & FUEL		
	Power & Fuel	17,293	15,792
	TOTAL	17,293	15,792

(₹ in Lakhs)

2015 -16

2016-17

25.	FINANCE COSTS		
	Interest Expenses	6,007	5,978
	Bank Charges	466	418
	Applicable (Gain) / Loss on foreign currency transactions and translation (Net)	(114)	-
	TOTAL	6,359	6,396

(₹ in Lakhs)

2015 -16

2016-17

26.	DEPRECIATION AND AMORTIZATION EXPENSE		
	Depreciation and Amortization	7,258	7,619
	TOTAL	7,258	7,619

Notes

ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017 (CONTD.)

(₹ in Lakhs)

	2016-17	2015 -16
27. OTHER EXPENSES		
A. Manufacturing Expenses		
Stores & Spares Consumed	3,361	3,382
Packing Material Consumed	1,908	1,905
Processing and Other Job Charges	3,106	2,381
Repairs To: Plant & Machinery	410	368
Building	85	122
Others	42	38
Other Manufacturing Expenses	1,341	1,213
TOTAL (A)	10,253	9,409
B. Administrative Expenses		
Rent	206	144
Rates & Taxes	41	57
Payments to Auditor: Statutory Audit Fees	13	12
Taxation Matters	9	8
Reimbursement of Expenses	2	2
Cost Audit Fees	1	1
Insurance Premium	144	122
Directors' Travelling	35	44
Travelling & Conveyance	341	301
Telephone & Postage	96	91
Directors' Remuneration	471	435
Printing & Stationery	46	49
Legal & Professional Fees	217	171
Vehicle Running & Maintenance	506	406
Director's Sitting Fees	8	11
Charity and Donations	13	11
Miscellaneous Expenses	173	223
Contribution towards CSR (Refer Note No.37)	81	23
TOTAL (B)	2,403	2,111
C. Selling and Distribution Expenses		
Sales Incentive, Commission & Brokerage	1,830	1,908
Rebates & Claims	164	42
Freight, Octroi and Other Selling Expenses	2,672	2,502
TOTAL (C)	4,666	4,452
TOTAL (A+B+C)	17,322	15,972

	2016-17	2015 -16
27.1 VALUE OF STORES & SPARES CONSUMED:		
	(₹ in Lakhs)	% of Consumption
Imported	370	11.01
Indigenous	2,991	88.99
TOTAL	3,361	100.00

Notes

ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017 (CONTD.)

(₹ in Lakhs)

2015 -16

2016-17

27.2 VALUE OF IMPORTS ON CIF BASIS IN RESPECT OF

	2016-17	2015 -16
Raw Materials	1,856	1,410
Stores & Spares	512	414
Capital Goods	2,782	2,741
	5,150	4,565

(₹ in Lakhs)

2015 -16

2016-17

27.3 EXPENDITURE IN FOREIGN CURRENCY

	2016-17	2015 -16
Travelling Expenses	50	51
Other Expenses	781	704
	831	755

2015 -16

2016-17

28. EARNINGS PER SHARE (EPS)

	2016-17	2015 -16
i) Net Profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders (₹ in Lakhs)	5,460	7,704
ii) Weighted Average number of equity shares used as denominator for calculating EPS	3,94,21,559	3,94,21,559
iii) Basic and Diluted Earning per share (₹)	13.85	19.54
iv) Face Value per equity share (₹)	10	10

(₹ in Lakhs)

2015 -16

2016-17

29. EARNINGS IN FOREIGN EXCHANGE

	2016-17	2015 -16
FOB value of exports	41,920	40,258
	41,920	40,258

30. The Company operates mainly in one segment i.e. Textiles. The Company is also having wind power plant, operation of which is not a reportable segment as per AS-17 issued by ICAI.

Secondary Segment Information :

(₹ in Lakhs)

2015 -16

2016-17

REVENUE

	2016-17	2015 -16
Domestic	1,20,620	1,13,120
Export	42,417	40,663
TOTAL	1,63,037	1,53,783

31. The Company had executed a toll user fee collection contract with NHAI for Usaka Toll Plaza in U.P. on N.H.25 which commenced on 9th March, 2013. However due to breach of contract terms and conditions by NHAI, resulting in continued losses, the Company disputed and terminated the contract and went into arbitration. The losses incurred by the Company due to the said contract were fully provided in the earlier years. After due proceedings, the arbitrator has given award in favour of the Company during the F.Y. 2015-16. Accordingly, the principal amount of the award of ₹ 1,247 Lakhs was recognized as income by the Company and included in other income during F.Y. 2015-16. NHAI has filed an appeal against the said Arbitration award in the Hon'ble Delhi High Court. On the basis of the arbitration award and legal counsel, the management is virtually certain that the matter will be decided in Company's favour. The case is yet to be decided by the Hon'ble Delhi High Court.

Notes

ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017 (CONTD.)

- 32.** The Company is entitled to interest subsidy on certain term loans obtained under Technology Upgradation Fund Scheme ("TUFS") of Central Government and Incentive from Rajasthan Govt. under Rajasthan Investment Promotion Policy (RIPS) 2003, which has been hitherto claimed as revenue instead of capital receipt while computing the total income, however based on the judicial decisions the same has been now been claimed as capital receipt by filing the revised return. The effect thereof on tax is shown as earlier years tax adjustments.
- 33.** In the F.Y. 2010-11, The Company had written off ₹ 408 Lakhs export incentive receivable under the Target Plus Scheme related to F.Y. 2005-06 due to Notification dated 12th June, 2006 by which Govt. reduced the incentive from 15% to 5% on incremental exports with retrospective effect from 01.04.2005. Subsequently based on the Hon'ble High Court Judgement passed on dated 5th May, 2016 with regard to Target Plus Scheme Scrips for the exports pertaining to the F.Y. 2005-06 where by the Hon'ble High Court has ordered that incentive can not be withdrawn with retrospective effect. The Company had filed its claim in view of the said Hon'ble High Court judgement, Based on this The Company is entitled to receive the differential incentive and have therefore accounted for the same in current Financial Year 2016-17.

34. RELATED PARTY DISCLOSURES:

(i) Related Party Transactions

As per Accounting Standard (AS-18) on Related Party Disclosures issued by ICAI, the disclosures of related parties as defined in the Accounting Standard is given below:-

Enterprises over which Directors and Relatives of such personnel exercise significant influence	
Wholly Owned Subsidiary Company	
Sangam Lifestyle Ventures Limited	
Group Companies	
Sangam Business Credit Limited	
Mahalaxmi TMT Private Limited	
Raj Rajeshwar Enterprises Private Limited	
Nikita Credits Private Limited	
Fashion Funda.Com Private Limited	
Key Management Personnel	
Shri R.P. Soni	Chairman
Shri S.N. Modani	Managing Director & CEO
Shri V.K. Sodani	Executive Director
Shri Anil Jain	CFO & Company Secretary
Relative of Key Management Personnel	Relationship
Smt. Radha Devi	Wife of Director Shri R.P. Soni
Ms. Antima Soni	Daughter of Director Shri R.P. Soni
Shri Anurag Soni	Son of Director Shri R.P. Soni
Shri Pranal Modani	Son of Director Shri S.N. Modani
Smt. Mamta Modani	Wife of Director Shri S.N. Modani
Smt. Archana Sodani	Wife of Director Shri V.K. Sodani
Smt. Anjana Thakur	Daughter of Director Shri R.P. Soni
Others	
Shri R.P. Soni HUF	
M/S Badri Lal Soni Charitable Trust	
M/S Kesar Bai Soni Charitable Trust	

Notes

ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017 (CONTD.)

34. RELATED PARTY DISCLOSURES: (CONTD.)

(ii) Transactions during the year with related parties:

(₹ in Lakhs)

Nature of Transaction	Salary Exp.		Insurance Premium		Rent		CSR Expenses		Total	
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
Key Management Personnel	503	468	9	17	-	-	-	-	512	485
Relatives of Key Management Personnel	64	61	5	5	65	63	-	-	134	129
Others	-	-	-	-	6	6	44	-	50	6
TOTAL	567	529	14	22	71	69	44	-	696	620

(₹ in Lakhs)

Sale of Goods / Job Charges / Interest Received	2017	2016
Group Companies	1499	757
Subsidiary Company	353	-

(₹ in Lakhs)

Purchase / Job Charges	2017	2016
Group Companies	54	116

(₹ in Lakhs)

Purchase of Capital Goods	2017	2016
Group Companies	140	123

(₹ in Lakhs)

Rent Received	2017	2016
Group Companies	1	1
Subsidiary Company	1	-

(₹ in Lakhs)

Capital Investment	2017	2016
Subsidiary Company	5	-

(₹ in Lakhs)

2015 -16

2016-17

35. CONTINGENT LIABILITIES AND COMMITMENTS

(I) Contingent Liabilities

(A) Guarantees		
Outstanding Bank Guarantees	912	951
(B) Other Money for which the Company is contingently liable		
(i) Liability in respect of bills discounted with Banks (including third party bills discounting)	154	45
(ii) Stamp Duty case with respect to the merger of SPBL & Sangam India Limited pending with Rajasthan High Court, Jodhpur.	109	109
(iii) Various cases pending with Central Excise & Service Tax (Net of amount fully provided)	318	27

Notes

ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017 (CONTD.)

(₹ in Lakhs)

		2016-17	2015 -16
35. CONTINGENT LIABILITIES AND COMMITMENTS (CONTD.)			
(iv) Case pending with Rajasthan High Court, Jodhpur under Electricity Act, 2003	20	20	
(v) Entry Tax matters for the year 2013-14 and 2014-15 under dispute with regard to interest / penalty.	28	85	
(vi) Sales Tax case pending with Tax Board, Ajmer. The Demand raised for input tax credit not reversed properly.	94	250	
(vii) Sales Tax case pending with Tax Board, Ajmer. The demand raised for VAT with RIPS Incentive on export.	341	341	
(viii) Sales Tax case pending with D.C. (Appeals). The demand raised due to sales tax incentive benefit calculation procedure.	35	35	
(ix) Sales Tax case pending with D.C. (Appeals) for penalty levied for non-furnishing form VAT 47A	6	2	
(x) Disputes on the various tolls for which company is contingently liable	243	152	
(II) Commitments			
(A) Estimated amount of contracts (Net of advances) remaining to be executed on capital account and not provided for	2,816	8,905	
(B) Obligations			

In respect of capital goods imported at the concessional rate of duty under the Export Promotion Capital Goods Scheme, the Company has an export obligation of approximately ₹ 11,795 Lakhs (Previous Year ₹ NIL), which is required to be met at different dates, before 31st March, 2023. In the event of non-fulfillment of the export obligation, the Company will be liable to pay custom duties and penalties, as applicable.

36. FINANCIAL AND DERIVATIVE INSTRUMENTS

Financial and Derivative Instruments (For Hedging Currency Risks) and Unhedged Foreign Currency Exposure.

a) Forward contract outstanding as at Balance Sheet Date.

Particulars	Currency	2017	2016	Purpose
Forward Exchange Contract	USD	234.69 Lakhs	211.50 Lakhs	Export
Forward Exchange Contract	Euro	15.00 Lakhs	9.20 Lakhs	Export
	INR	16,265 Lakhs	15,203 Lakhs	

There is no derivative contract for option which is outstanding as at 31st March, 2017.

b) Unhedged Foreign Currency Exposure:-

Purpose	Currency	2017	2016
Import (Raw Materials) (USD)	USD	2.66 Lakhs	2.75 Lakhs
Fixed Assets (JPY)	JPY	854.76 Lakhs	-
Fixed Assets (Euro)	Euro	2.37 Lakhs	24.61 Lakhs
	INR	837 Lakhs	2,009 Lakhs

Notes

ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017 (CONTD.)

37. CORPORATE SOCIAL RESPONSIBILITY (CSR)

- a) The gross amount required to be spent by the Company during the year towards Corporate Social Responsibility (CSR) as per provision of section 135 of the Companies Act, 2013 amounts to ₹ 162 Lakhs.
- b) The details of the amount spent during the year on CSR activities as follow:

(₹ in Lakhs)				
Particulars	Expenditure incurred in cash	Yet to be paid in Cash	Expenditure incurred in cash	Yet to be paid in Cash
	31st March, 2017		31st March, 2016	
Construction / acquisition of any asset	-	-	-	-
On purposes other than (i) above	81	-	23	-
TOTAL	81	-	23	-

- (c) Out of the above ₹ 23 Lakhs (Previous Year ₹ NIL) has been spent through M/s Badri Lal Soni Charitable Trust and ₹ 21 Lakhs (Previous Year ₹ NIL) has been spent through M/s Kesar Bai Soni Charitable Trust, which are related parties.

Breakup of the expenditure incurred through the trust during the year is as under:

(₹ in Lakhs)		
Particulars	31st March, 2017	31st March, 2016
Environmental Sustainability	22	-
Promoting Education	1	-
Promoting Health Care	17	-
Eradication Hunger, Poverty and Malnutrition	4	-
TOTAL	44	-

38. In the opinion of Management, there is no impairment of assets in accordance with accounting standard (AS-28) as on Balance Sheet date.
39. The figures of the previous year have been re-grouped / re-arranged, recast wherever considered necessary.

As per our report of even date attached

For **R. Kabra & Co.**
Chartered Accountants
(Registration No. 104502W)

For **B.L. Chordia & Co.**
Chartered Accountants
(Registration No. 000294C)

For and on behalf of the Board

(R.L. Kabra)
Partner
M.Ship No. 016216

(B.L. Chordia)
Partner
M.Ship No. 010882

(R.P. Soni)
Chairman
(DIN 00401439)

(S.N. Modani)
Managing Director & CEO
(DIN 00401498)

(V.K. Sodani)
Executive Director
(DIN 00403740)

Camp : Bhilwara
Date: 30th May, 2017

Place : Bhilwara
Date: 30th May, 2017

(Anil Jain)
CFO & Company Secretary
(M No.: F-3147)



Cash Flow Statement

FOR THE YEAR ENDED 31ST MARCH, 2017

(₹ in Lakhs)

	Current Year	Previous Year
A CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit Before Tax	6,258	11,043
Adjustments for		
Depreciation and Amortization Expense	7,258	7,619
Finance Costs	6,359	6,396
Interest Income	(804)	(945)
Foreign Exchange Fluctuation	(1,000)	(146)
Provision for Doubtful Debts & Advances	45	35
Profit on Sale of Fixed Assets (Net)	(8)	(29)
Operating Profit before working capital changes	18,108	23,973
Adjustment for		
Inventories	(6,521)	(2,940)
Trade & Other Receivables	(1,155)	(5,298)
Trade & Other Payables	3,173	1,378
Cash Generated from Operations	13,605	17,113
Taxes Paid	(95)	3,169
Net Cash Inflow / (Out Flow) from Operating Activities	13,700	13,944
B CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(14,003)	(10,967)
Sale of Fixed Assets	109	54
Interest Income	107	220
Investment in Subsidiary Company	(5)	-
Net Cash Inflow / (Outflow) from Investing Activities	(13,792)	(10,693)
C CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Long Term Borrowings	12,275	8,927
Repayment of Long Term Borrowings	(8,176)	(8,180)
Increased / Decreased in Short- Term Borrowings	1,841	2,457
Finance Costs	(6,410)	(6,343)
Foreign Exchange Fluctuation	1,000	146
Interest Income	693	657
Dividend Paid (Including Tax on Dividend)	(945)	(945)
Net Cash Inflow / (Out Flow) from Financing Activities	278	(3,281)
Net Increase/(Decrease) in Cash & Cash equivalents	186	(30)
Cash and Cash Equivalents at the Beginning	361	391
Cash and Cash Equivalents at the End	547	361

As per our report of even date attached

For **R. Kabra & Co.**

Chartered Accountants

(Registration No. 104502W)

For **B.L. Chordia & Co.**

Chartered Accountants

(Registration No. 000294C)

For and on behalf of the Board

(R.L. Kabra)

Partner

M.Ship No. 016216

(B.L. Chordia)

Partner

M.Ship No. 010882

(R.P. Soni)

Chairman

(DIN 00401439)

(S.N. Modani)

Managing Director & CEO

(DIN 00401498)

(V.K. Sodani)

Executive Director

(DIN 00403740)

Camp : Bhilwara

Date: 30th May, 2017

Place : Bhilwara

Date: 30th May, 2017

(Anil Jain)

CFO & Company Secretary

(M No.: F-3147)



Independent Auditor's Report

ON THE CONSOLIDATED FINANCIAL STATEMENTS OF SANGAM (INDIA) LIMITED

To the Members of

SANGAM (INDIA) LIMITED

REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

We have audited the accompanying consolidated financial statements of **Sangam (India) Limited** (hereinafter referred to as the "Company") and its subsidiary Company (the Company and its subsidiary company together hereinafter referred to as the "the Group"), which comprise the Consolidated Balance Sheet as at 31st March, 2017, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act 2013 ("the Act"), that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, as applicable. The respective Board of Directors of the Company and its subsidiary company are responsible for the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding the assets of the Company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of these consolidated financial statements by the Board of Directors of the Company, as aforesaid.

AUDITOR'S RESPONSIBILITY

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

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those

Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the 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 judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Holding Company's Directors, as well as evaluating the overall presentation of the consolidated financial statements.

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

OPINION

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

- in the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at 31st March, 2017;
- in the case of the Consolidated Statement of Profit and Loss, of the profit for the year ended on that date; and
- in the case of the Consolidated Cash Flow Statement, of the cash flows for the year ended on that date.

OTHER MATTER

We did not audit the financial statements of the subsidiary Company whose financial statements reflect Total Assets of ₹ 367 Lakhs as at 31st March, 2017, Total Revenues of ₹ 84 Lakhs for the year ended on that date, as considered in the consolidated financial statements of holding company. These financial statements of subsidiary company have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the financial statements, in so far as it relates to the amounts and disclosures included in respect of the subsidiary company is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory requirements below, is not modified in respect of the above matter with respect to our reliance on the work done and the reports of the other auditors.

Independent Auditor's Report

ON THE CONSOLIDATED FINANCIAL STATEMENTS OF SANGAM (INDIA) LIMITED (CONTD.)

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

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

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
- b) In our opinion, proper books of account as required by law relating to preparation of the consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- d) In our opinion, the consolidated financial statements comply with the Accounting Standards specified under section 133 of the Act, as applicable.
- e) On the basis of the written representations received from the Directors of the Holding Company as on 31st March, 2017 and taken on record by the Board of Directors of the Holding Company, and the reports of the statutory auditors of its subsidiary company incorporated in India, none of the Directors of the holding company and its subsidiary incorporated in India is disqualified as on 31st March, 2017, 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 A" which is based on the auditors' reports of the Holding Company and the subsidiary company; and
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and per the explanations given to us:

- i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group - Refer Note 36 to the consolidated financial statements.
- ii. The Group does not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
- iii. There are no amounts which are required to be transferred, to the Investor Education and Protection Fund by the holding company and its subsidiary company.
- iv. The group has provided requisite disclosures in its financial statements as to holdings as well as dealings in Specified Bank Notes during the period 8th November, 2016 to 30th December, 2016 and these are in accordance with the books of account maintained by the group- Refer Note 16 to the consolidated financial statements.

For R. Kabra & Co.

Chartered Accountants
(Firm Registration No.104502W)

(R L Kabra)

Partner
Membership No. 016216
Place: Bhilwara
Date: 30th May, 2017

For B L Chordia & Co.

Chartered Accountants
(Firm Registration No.000294C)

(B L Chordia)

Partner
Membership No. 010882
Place: Bhilwara
Date: 30th May, 2017

Annexure “A” TO THE INDEPENDENT AUDITOR’S REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS OF SANGAM (INDIA) LIMITED

Annexure referred to in Point (f) of the Auditor’s Report of even date to the members of **Sangam (India) Limited for the year ended 31st March 2017.**

Report on the Internal Financial Controls Over Financial Reporting 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 Sangam (India) Limited (“the Company”) as of 31st March, 2017 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 Holding Company’s management is responsible for establishing and maintaining internal financial controls based on “the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India”. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

AUDITORS’ RESPONSIBILITY

Our responsibility is to express an opinion on the Holding 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”) issued by ICAI and the Standards on Auditing prescribed under section 143(10) of the Companies Act 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

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

We believe that the audit evidence we and the other auditors 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 consolidated 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 consolidated 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, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2017, based on “the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India”.

For R. Kabra & Co.

Chartered Accountants
(Firm Registration No.104502W)

(R L Kabra)

Partner
Membership No. 016216
Place: Bhilwara
Date: 30th May, 2017

For B L Chordia & Co.

Chartered Accountants
(Firm Registration No.000294C)

(B L Chordia)

Partner
Membership No. 010882
Place: Bhilwara
Date: 30th May, 2017



CONSOLIDATED Balance Sheet

AS AT 31ST MARCH, 2017

(₹ in Lakhs)

Particulars	Note	As at 31st March, 2017	
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	3	3,942	
Reserves and Surplus	4	45,252	
			49,194
Non-Current Liabilities			
Long Term Borrowings	5	32,711	
Deferred Tax Liability (net)	6	5,071	
			37,782
Current Liabilities			
Short Term Borrowings	7	31,991	
Trade Payables	8	10,223	
Other Current Liabilities	9	13,592	
Short Term Provisions	10	718	
			56,524
TOTAL			1,43,500
ASSETS			
Non-Current Assets			
Fixed Assets			
Tangible Assets	11	65,397	
Intangible Assets	11	69	
Capital Work-in-Progress	11	1,098	
Non-Current Investments	12	585	
Long Term Loans and Advances	13	1,811	
			68,960
Current Assets			
Inventories	14	36,077	
Trade Receivables	15	25,498	
Cash and Cash Equivalents	16	569	
Short Term Loans and Advances	17	9,641	
Other Current Assets	18	2,755	
			74,540
TOTAL			1,43,500
Significant Accounting Policies and Notes on Financial Statements	1 to 41		

As per our report of even date attached

For **R. Kabra & Co.**

Chartered Accountants

(Registration No. 104502W)

For **B.L. Chordia & Co.**

Chartered Accountants

(Registration No. 000294C)

For and on behalf of the Board

(R.L. Kabra)

Partner

M.Ship No. 016216

(B.L. Chordia)

Partner

M.Ship No. 010882

(R.P. Soni)

Chairman

(DIN 00401439)

(S.N. Modani)

Managing Director & CEO

(DIN 00401498)

(V.K. Sodani)

Executive Director

(DIN 00403740)

Camp : Bhilwara

Date: 30th May, 2017

Place : Bhilwara

Date: 30th May, 2017

(Anil Jain)

CFO & Company Secretary

(M No.: F-3147)



CONSOLIDATED STATEMENT OF Profit & Loss

FOR THE YEAR ENDED 31ST MARCH, 2017

(₹ in Lakhs)

Particulars	Note	2016-17
INCOME		
Revenue from Operations	19	1,59,113
Other Income	20	2,334
Total Revenue		1,61,447
EXPENDITURE :		
Cost of Materials Consumed	21	90,676
Purchases of Traded Goods	22	4,657
Changes in Inventories of Finished Goods, Stock-in-Process and Stock-in-Trade	23	(4,279)
Employee Benefits Expense	24	16,024
Power & Fuel	25	17,293
Finance Costs	26	6,359
Depreciation and Amortization Expense	27	7,260
Other Expenses	28	17,372
Total Expenses		1,55,362
Profit Before Exceptional Item and Tax		6,085
Exceptional Items		
Provision for Doubtful Debts/ Advances		45
Profit Before Tax		6,040
Tax Expenses		
Current Tax (Net of MAT Credit Entitlement)		685
Deferred Tax		866
Tax Expense for Earlier Years		(780)
Profit for the year		5,269
Earnings per equity share of face value of ₹10 each		
Basic and Diluted (in ₹)		13.37
Significant Accounting Policies and Notes on Financial Statements	1 to 41	

As per our report of even date attached

For **R. Kabra & Co.**
Chartered Accountants
(Registration No. 104502W)

For **B.L. Chordia & Co.**
Chartered Accountants
(Registration No. 000294C)

For and on behalf of the Board

(R.L. Kabra)
Partner
M.Ship No. 016216

(B.L. Chordia)
Partner
M.Ship No. 010882

(R.P. Soni)
Chairman
(DIN 00401439)

(S.N. Modani)
Managing Director & CEO
(DIN 00401498)

(V.K. Sodani)
Executive Director
(DIN 00403740)

Camp : Bhilwara
Date: 30th May, 2017

Place : Bhilwara
Date: 30th May, 2017

(Anil Jain)
CFO & Company Secretary
(M No.: F-3147)

CONSOLIDATED Notes

ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

1. BASIS OF ACCOUNTING

The Consolidated Financial Statements (CFS) are prepared in accordance with Accounting Standard (AS) 21 "Consolidated Financial Statements", as specified in the Companies (Accounting Standards) Rules, 2006.

- 1.1 The CFS comprises the financial statements of Sangam India Limited, the parent company and its wholly owned subsidiary company.
- 1.2 The notes including significant policies to the CFS are intended to serve as a guide for better understanding of the Group's position. In this respect, the Company has disclosed such notes and policies which represent the required disclosure.
- 1.3 The list of subsidiaries included in the Consolidated Financial Statements are as under:

Sl. No.	Name of subsidiary company	Country of incorporation	Proportion of ownership interest and voting power (%)
1.	Sangam Lifestyle Ventures Limited	India	100%

The subsidiary company was incorporated on 14th June, 2016 and became the subsidiary of the parent company from the date of incorporation.

- 1.4 Reserves and surplus shown in the Consolidated Balance Sheet and profit in the Statement of Profit & Loss is after setting off the Group's share in the loss of the wholly owned subsidiary.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Principles of consolidation

The financial statements of the parent company and its subsidiary have been consolidated on a line-by-line basis by adding together the book values of the like items of assets, liabilities, income and expenses, after eliminating intra-group balances and the unrealized profits/losses on intra-group transactions, and are presented to the extent possible, in the same manner as the Parent Company's independent financial statements.

2.2 Basis of Accounting

- a) The financial statements have been prepared under the historical cost convention on an accrual basis of accounting in accordance with the Generally Accepted Accounting Principles in India ("GAAP" or "Indian GAAP") and as per the Accounting Standards prescribed under section 133 of the Companies Act 2013 and the relevant provisions of the Companies Act, 2013.
- b) Accounting policies not specifically referred to otherwise, have been followed consistently and are in consonance with generally accepted accounting principles.

2.3 Use of Estimates

The preparation of the financial statements in conformity with Indian GAAP requires the management to make estimates and assumptions considered in the reported amounts of

assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the difference between the actual results and the estimates are recognized in the period in which the results are known/ materialized.

2.4 Fixed Assets

- a) Fixed assets are stated at cost, net of Cenvat/ VAT, if any, less accumulated depreciation/impairment if any.
- b) Cost includes purchase price, taxes and duties as applicable, freight, and other incidental expenses incurred till the commencement of commercial production. Incidental expenses include establishment expenses, interest on borrowed funds used for qualifying assets and other related direct costs attributable to the same.
- c) Capital Work in Progress includes pre-operative and other incidental expenses pending allocation/ apportionment in respect of the uninstalled/ incomplete fixed assets.

2.5 Intangible Assets

Intangible assets are stated at original cost net of tax/duty credits availed, if any, less accumulated amortization and cumulative impairment.

Intangible assets are recognized when it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably.

Intangible assets are amortized over their useful life. Accordingly useful life of software is considered and amortized over 5 years

2.6 Depreciation

- a) Depreciation is provided under straight line method (SLM) over the estimated useful lives of the Fixed Assets as prescribed in Schedule II of the Companies Act, 2013 on all assets, except in case of the following assets, where useful life is estimated to be different than those prescribed under Schedule II, based on technical evaluation :

Particulars	Useful Life
Plant & Machinery and Electric Installations (for Textile)	9.19 Years
Plant & Machinery and Electric Installations (for Power Generation)	18 Years

Depreciation on addition/deletion to/from fixed assets during the year is computed on pro rata basis.

- b) Intangible Assets

Intangible assets comprise of computer software and are amortized on straight line basis over a period of 5 years, based on estimated useful life, which in management's view represents the period during which economic benefits will be derived from the software.

CONSOLIDATED **Notes** ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017 (CONTD.)

2.7 Revenue Recognition

- Sales is recognized, net of returns and trade discounts, on transfer of significant risk and rewards of ownership to the buyer, which generally coincide with the delivery of goods to the customers.

Sales include income from services, export incentives and exchange fluctuations, other recurring and non-recurring incentives from the Government at the national and state levels. Sale of products is presented gross of excise duty where applicable, and net of other indirect taxes. Turnover is excluding Inter Division Sales and Sales tax

- Claim lodged with insurance companies are recognized as income on acceptance by the Insurance Company. The Excess / Shortfall of claims passed are adjusted in the year of receipt.
- Dividend income from investments, if any, is accounted on the receipt basis.

2.8 Inventories

Inventories are valued at lower of cost or net realizable value, after providing for obsolesce and damages as follows:

Cost is ascertained as under:

a)	Raw Material, Packing Material & Stores and Spares	At cost, on FIFO/ weighted average basis.
b)	Finished goods	At cost, plus appropriate production overheads, including excise duty paid/ payable on such goods if applicable.
c)	Material in Process	At Cost, plus appropriate production overheads.

Net realizable value is estimated selling price in the ordinary course of business less estimated cost of completion and selling expenses.

2.9 Foreign Exchange Transaction/Translation

- Monetary and Non-monetary items /transactions denominated in foreign currencies are normally recorded at the exchange rate prevailing at the time of transaction.
- Monetary items denominated in foreign currencies at the year end and not covered by forward exchange contracts are translated at the year-end rates and those covered by forward exchange contracts are translated at the rate ruling on the date of transaction as increased or decreased by the proportionate difference between the forward rate and exchange rate on the date of transaction. Such differences are recognized over the life of the contract.
- Exchange differences in respect of monetary and non-monetary items are recognized as income or expense in the profit and loss account for the relevant year except otherwise disclosed in other notes.

- Outstanding derivatives contracts, other than those covered under AS-11, at the year-end are marked to market rate, and loss, if any, are accounted for in the Statement of Profit and Loss. As prudent accounting policy, gain on marked to market at the end of year are not accounted for.

2.10 Research and Development

Revenue expenditure on research is expensed under respective heads of account in the period in which it is incurred. Capital expenditure is shown as addition to fixed assets.

2.11 Retirement Benefits

- Defined Contribution Plan
The Company contributes to Government Provident Fund Scheme. The Company's contribution paid/ payable under the scheme is recognized as an expense in the statement of profit and loss during the period in which the employee renders the related service.
- Defined Benefit Plan
The Company's liabilities on account of gratuity and leave encashment are determined at the end of each financial year on the basis of actuarial Valuation as per requirements of Accounting Standard 15 (revised 2005) on "Employee Benefits".

2.12 Borrowing Costs

Borrowing costs relating to acquisition/ construction of qualifying assets are capitalized until the time all substantial activities necessary to prepare the qualifying assets for their intended use are complete. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to revenue.

2.13 Accounting for Taxes on Income

- Current tax is provided as per the provisions of the Income Tax Act 1961 as applicable.
- Tax expenses comprise of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act, 1961. Deferred tax reflects the impact of current year timing differences between book profit and taxable income for the year and reversal of timing differences of earlier years.
- The deferred tax for timing differences between the book profit and taxable income for the year is accounted for using the tax rates and laws that have been substantially enacted as of the Balance Sheet date. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. If the Company has carry forward unabsorbed depreciation and tax losses, deferred tax assets are recognized only to the extent there is virtual certainty supported by convincing evidence that sufficient taxable income will be available against which such deferred tax asset can be realized.

CONSOLIDATED Notes

ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017 (CONTD.)

Minimum Alternate Tax (MAT) credit is recognized as an asset only when there is a convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in guidance note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the Statement of Profit and Loss and shown as MAT Credit entitlement. The Company reviews the same as at each Balance Sheet date and write down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal income-tax during the specified period.

2.14 Impairment of Assets

Factors giving rise to any indication of impairment of the carrying amount of the Company's assets are appraised at each Balance Sheet date to determine and provide/revert an impairment loss, if any.

2.15 Provisions, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognized when there is present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognized but are disclosed by way of the notes. Contingent assets are neither recognized nor disclosed in the financial statements.

2.16 Earning Per Share

Basic earning per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events of preferential issue/ allotment of equity shares. For the purpose of calculating diluted earning per shares, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

2.17 Cash Flow Statement

The Cash Flow Statement is prepared by the indirect method set out in Accounting Standard 3 on Cash Flow Statements and presents the cash flows by operating, investing and financing activities of the Company. Cash and cash equivalents presented in the Cash Flow Statement consist of cash on hand and demand deposits with banks.

2.18 Investments:

Long term investments are carried at cost less provision for permanent diminution, if any, in value of such investments. Current investments are carried at lower of cost and fair value.

2.19 Government Grants

Capital grants relating to specific fixed assets are reduced from the gross value of the Fixed Assets and those relating to revenue are netted from the related expenditure. Government grants are recognized when the right to receive is established.

2.20 Miscellaneous Expenditure

Miscellaneous Expenditure is debited fully in the year in which expenditure is incurred.

2.21 Segment Reporting

Primary Segments are identified based on the nature of products and services, the different risks and returns and the internal business reporting system. Revenue, Expense, Assets and Liabilities, which relate to the Company as a whole and cannot be allocated to segments on a reasonable basis, are classified as unallocated.

Secondary segment is identified based on geography by location of customers i.e. in India and outside India.

Inter-segment revenue are accounted for based on the transaction price agreed to between the segments, which is primarily market based.

2.22 Leases

(i) Finance lease

Assets acquired under finance leases are recognized as an asset and a liability at the commencement of the lease, at the lower of the fair value of the assets and the present value of minimum lease payments. The finance expense is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability. Assets given under finance leases are recognized as receivables at an amount equal to the net investment in the lease and the finance income is based on a constant rate of return on the outstanding net investment.

(ii) Operating lease

Leases other than finance lease, are operating leases, and the leased assets are not recognized on the Company's Balance Sheet. Payments / rental income under operating leases are recognized in the Statement of Profit and Loss on a straight-line basis over the term of the lease

2.23 Extraordinary and Exceptional Items

Income or expenses that arise from events or transactions that are clearly distinct from the ordinary activities of the Company are classified as extraordinary items. Specific disclosure of such events/transactions is made in the financial statements. Similarly, any external event beyond the control of the Company, significantly impacting income or expense, is also treated as extraordinary item and disclosed as such. On certain occasions, the size, type or incidence of an item of income or expense, pertaining to the ordinary activities of the Company, is such that its disclosure improves an understanding of the performance of the Company. Such income or expense is classified as an exceptional item and accordingly disclosed in the notes to accounts.

CONSOLIDATED **Notes** ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017 (CONTD.)

(₹ in Lakhs)

As at 31st March, 2017

3. SHARE CAPITAL	
Authorized Share Capital:	
6,40,00,000 Equity share of ₹ 10 each fully paid up	6,400
1,85,00,000 Non - Cumulative Redeemable Preference Shares of ₹ 10 each fully paid up	1,850
	8,250
Issued, Subscribed and Paid Up:	
3,94,21,559 Equity share of ₹ 10 each fully paid up	3,942
TOTAL	3,942

3.1 The details of Shareholders' holding more than 5% shares:

As at 31st March, 2017

Name of the Shareholder	No. of Shares	% held
Sangam Business Credit Limited	59,82,812	15.18
Nidhi Mercantiles Limited	48,98,833	12.43
Mentor Capital Limited (formerly known as Pacific Corporate Services Limited)	31,53,602	8.00
Hawamahal Finance Private Limited	23,35,500	5.92
Sangam Fincap Limited	22,16,145	5.62
TOTAL	1,26,04,080	47.15

3.2 The reconciliation of the number of shares outstanding is set out below:

Particulars	As at 31st March, 2017
	No. of Shares
Equity Shares at the beginning of the year	3,94,21,559
Add: Shares Issued During the year	-
Equity Shares at the end of the year	3,94,21,559

3.3 Rights, Preferences and Restrictions:

- The Company has only one class of shares referred to as Equity Shares having par value of ₹ 10 Each holder of Equity Shares is entitled to one vote per share.
- In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of Equity Shares held by the shareholders.

(₹ in Lakhs)

As at 31st March, 2017

4. RESERVES & SURPLUS	
Capital Reserve	
As per last Balance Sheet	297
Securities Premium Reserve	
As per last Balance Sheet	5,868
Preference Share Capital Redemption Reserve	
As per last Balance Sheet	1,178
General Reserve	
As per last Balance Sheet	19,818
Add: Transferred from Profit & Loss Account	3,000
Closing Balance	22,818

CONSOLIDATED Notes

ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017 (CONTD.)

(₹ in Lakhs)

As at 31st March, 2017

4. RESERVES & SURPLUS (CONTD.)	
Profit & Loss Account	
As per last Balance Sheet	12,822
Add: Profit for the year	5,269
Less: Appropriations	
Transferred to General Reserve	3,000
Proposed Dividend on Equity Shares (Refer Note 4.1)	-
Tax on Dividend	-
Closing Balance	15,091
TOTAL	45,252

4.1 Proposed Dividend: Equity Share

According to the revised AS 4 – Contingencies and events occurring after the balance sheet date as notified by the Ministry of Corporate Affairs through amendments to Companies (Accounting Standards) Amendments Rules, 2016, the company has not accounted for proposed dividend (including tax) as a liability for the year ended 31st March, 2017.

The Board of Directors at its meeting held on 30th May, 2017 has recommended a dividend of ₹ 2/- per equity share for the year ended 31st March, 2017. The declaration and payment of dividend is subject to requisite approvals.

(₹ in Lakhs)

	Non - Current	Current Maturities
	As at 31st March, 2017	As at 31st March, 2017
5. LONG TERM BORROWINGS		
(A) Secured		
(a) Term Loans From Banks		
Rupee Loans	32,533	5,988
(b) Vehicle Loans From Banks	165	111
(c) Vehicle Loans From Others	13	25
TOTAL (A)	32,711	6,124
(B) Unsecured		
Term Loans From Banks		
Foreign Currency Loans (Buyers Credit)	-	-
TOTAL (B)	-	-
TOTAL (A)+(B)	32,711	6,124

5.1 All Term Loans from banks (including current maturities) except vehicle loan are secured by a joint equitable mortgage by deposit of title deeds in respect of all immovable properties and first hypothecation of the entire moveable properties of the Company, both present and future (save and except book debts) subject to prior charges created/to be created in favour of bankers for securing working capital borrowing, ranking pari-passu with the charges created/to be created in favour of other participating bankers. The above Term Loans are further secured by personal guarantee of two directors of the Company.

5.2 Vehicle Loans (including current maturities) are secured by hypothecation of respective vehicle(s) and are repayable over the term of the loan ranging from 2 to 7 years.

5.3 Foreign Currency Loans (Buyers Credit) ₹ NIL obtained @ 0.46-0.85% p.a. was repayable over 90-91 days. The ultimate payment of the above loan of ₹ 1,663 Lakhs is made from the term loans during the year.

5.4 There is no default in repayment or interest of any loans on due dates.

CONSOLIDATED **Notes** ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017 (CONTD.)

5.5 Terms of Repayment :

Term Loan from Banks			
	As at 31st March, 2017	Repayments	
	(₹ in Lakhs)	No. of due Installments	Periodicity
	1,463	12 - 16	Quarterly Equal
	34,326	16 - 32	Quarterly Graded
	2,732	34	Quarterly Graded
TOTAL	38,521		
Less: Current Maturity	5,988		
	32,533		

Note: Rate of Interest is Base Rate / MCLR + Spread of 0.15% to 2.25% on the above different term loans.

Vehicle Loan from Banks			
	As at 31st March, 2017	Repayments	
	(₹ in Lakhs)	No. of due Installments	Periodicity
	199	1 - 45	Monthly
	77	83	Monthly
TOTAL	276		
Less: Current Maturity	111		
	165		

Note: Rate of Interest is 8.51% to 11.00%

Vehicle Loan from Others			
	As at 31st March, 2017	Repayments	
	(₹ in Lakhs)	No. of due Installments	Periodicity
	38	8 - 45	Monthly
Less: Current Maturity	25		
	13		

Note: Rate of Interest is 7.01% to 10.50%

(₹ in Lakhs)

As at 31st March, 2017	
6. DEFERRED TAX LIABILITY (NET)	
A) Deferred Tax Liability	
Related to fixed assets	5,601
TOTAL (A)	5,601
B) Deferred Tax Assets	
Disallowance u/s 43B of Income Tax Act, 1961	443
Provision for Bad & Doubtful Debts	87
TOTAL (B)	530
C) Deferred Tax Liability (Net) (A-B)	5,071



CONSOLIDATED Notes

ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017 (CONTD.)

(₹ in Lakhs)

As at 31st March, 2017

7. SHORT TERM BORROWINGS	
Secured	
Loans Repayable on Demand	
From Banks (Rupee)	27,880
From Banks (Foreign Currency)	4,111
TOTAL	31,991

- 7.1** Borrowings from Banks for working capital are secured by hypothecation of inventories and charge on book debts both present and future and second charge on all the immovable and movable fixed assets of the Company. The above borrowing are further secured by personal guarantee of two directors of the Company. There is no default in repayment or interest of any loans on due dates.

(₹ in Lakhs)

As at 31st March, 2017

8. TRADE PAYABLES	
Dues to Micro, Small & Medium Enterprises (Refer Note No. 8.1)	-
Dues to other than Micro, Small & Medium Enterprises	10,223
TOTAL	10,223

8.1 Dues to Micro, Small & Medium Enterprises:-

The Company has not received any intimation from its suppliers being registered under Micro, Small and Medium Enterprises Development Act, 2006 (MSME). Since the relevant information is not readily available, necessary disclosure required under MSME Act, 2006 can not be made. However, the Company generally makes payment to its suppliers within agreed credit period and thus the management is confident that the liability of interest under this Act, if any, would not be material.

(₹ in Lakhs)

As at 31st March, 2017

9. OTHER CURRENT LIABILITIES	
Current maturities of long term debt	6,124
Interest accrued but not due on borrowings	2
Unpaid Dividends #	30
Creditors for Capital Expenditure	1,058
Security Deposit	504
Advance from Customers	341
Liability towards Staff and Workers	1,168
Commission Payable on Sales	1,186
Liabilities for Expenses	2,907
Income Tax Payable (Net)	-
Statutory Dues	272
TOTAL	13,592

There is no overdue amount to be credited to investor education & protection fund.

(₹ in Lakhs)

As at 31st March, 2017

10. SHORT TERM PROVISIONS	
Provisions for Gratuity/ Leave Encashment (Refer Note No. 24.1)	718
Proposed Dividend on Equity Share	-
Tax on Dividend	-
TOTAL	718



CONSOLIDATED Notes ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017 (CONTD.)

11. FIXED ASSETS

Description	Gross Block				Depreciation		Net Block	
	As on 1st April, 2016	Additions	Deduction	As on 31st March, 2017	For the Year	Adjustments / Deduction	As on 31st March, 2017	As on 31st March, 2017
(A) TANGIBLE ASSETS:								
OWN ASSETS:								
Freehold Land	1,180	86	-	1,266	-	-	-	1,266
Factory Building	18,557	2,428	-	20,985	587	-	5,568	15,417
Office Building	1,522	-	-	1,522	23	-	71	1,451
Plant & Machinery	96,042	10,177	949	1,05,270	5,683	867	64,529	40,741
Wind Power Machines	2,157	-	-	2,157	114	-	1,398	759
Electric Installation	7,690	1,046	-	8,736	499	-	5,608	3,128
Water Supply Installation	527	115	-	642	17	-	151	491
Furniture & Fixture	1,507	248	4	1,751	126	3	620	1,131
Vehicle	1,282	164	33	1,413	135	16	630	783
Office Equipment	149	7	-	156	13	-	120	36
Computer	582	55	-	637	46	-	490	147
Sub-Total	1,31,195	14,326	986	1,44,535	7,243	886	79,185	65,350
LEASED ASSETS:								
Leasehold Land	58	-	-	58	1	-	11	47
Sub-Total	58	-	-	58	1	-	11	47
TOTAL (A)	1,31,253	14,326	986	1,44,593	7,244	886	79,196	65,397
(B) (INTANGIBLE ASSETS)								
Computer software	374	26	-	400	16	-	331	69
Total (B)	374	26	-	400	16	-	331	69
Total (A)+(B)	1,31,627	14,352	986	1,44,993	7,260	886	79,527	65,466
Capital Work In Progress								1,098

Note : - 1. The Company is entitled to capital subsidy on the investments made in Plant & Machinery @ 10% of the basic price. Accordingly the capital subsidy deducted from the gross block of the Plant & Machinery during the year as per AS-12, Accounting for Government Grants is ₹ 78 Lakhs.

Note : - 2. Capital-work-in-progress include ₹ 70 Lakhs towards Pre - Operative Expenses.

Note : - 3. Break up of Pre - Operative Expenses capitalised/ deferred for capitalisation under Capital Work in Progress:

Particulars	Year Ended 31st March, 2017
Opening Balance	122
Financial Charges	544
Direct Costs Attributable to Project	265
Total Amount	931
Less: Exp. Apportioned to fixed assets	861
Balance yet to be allocated	70

CONSOLIDATED Notes

ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017 (CONTD.)

(₹ in Lakhs)

As at 31st March, 2017

12. NON-CURRENT INVESTMENTS		
(Long Term Investments)		
(Valued at Cost)		
Unquoted Non - Trade Investment		
In Equity Shares -		
Unquoted, fully paid up		
Equity Shares of ₹ 10/- each fully paid		
Keti Sangam Infrastructure (India) Limited		581
580600 at premium of ₹ 90/- per share		
PKSS Infrastructure Private Limited		-
3900 at par		
₹ 39000		
Kalyan Sangam Infratech Limited		4
37500 at par		
Equity Shares of ₹ 20/- each fully paid		
AP Mahesh Co-Operative Bank Limited		-
50 at par		
₹ 1000		
TOTAL		585
Agreegate Amount of Unquoted Investments	585	585
Agreegate Provision for diminution in value of Investments (Refer Note 12.1)	-	-

- 12.1** As per the management, The Investment in Keti Sangam is long term investment and has potential to give huge appreciation in future. The vehicular traffic is increasing day by day and the concession period is about 24 years. Further there is provision of hike in toll charges of 15% in every 3 years. Considering the potential of the project the banks have securitised the project from ₹ 225 Crores to ₹ 313 Crores. Hence this investment is a long term valuable asset of the Company, Accordingly diminution is not provided.

(₹ in Lakhs)

As at 31st March, 2017

13. LONG TERM LOANS AND ADVANCES		
(Unsecured and Considered Good)		
Capital Advances - Related Party		227
Capital Advances - Others		906
Security Deposit		593
Other Loans & Advances	20	
Less : Provision for Doubtful Debts	20	-
Prepaid Expenses		85
TOTAL		1,811

(₹ in Lakhs)

As at 31st March, 2017

14. INVENTORIES		
Raw Materials		12,413
Stock-in-Process		6,252
Finished Goods		14,311
Traded Goods		26
Stores, Spares & Fuel		3,075
TOTAL		36,077

CONSOLIDATED **Notes** ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017 (CONTD.)

(₹ in Lakhs)

As at 31st March, 2017

15. TRADE RECEIVABLES (CURRENT)	
(Unsecured and Considered Good)	
Due over six months	
Considered Good	4,563
Considered Doubtful	232
Other Trade Receivables (Refer Note No. 15.1)	20,935
	25,730
Less: Provision for Doubtful Debts	232
TOTAL	25,498

15.1 Included in the above Receivables due from Companies / Firms in which directors are interested is ₹ 22 Lakhs

(₹ in Lakhs)

As at 31st March, 2017

16. CASH & CASH EQUIVALENTS	
Earmarked Balances #	29
Balance with Banks	508
Cash on Hand	27
Fixed Deposits with banks ##	5
TOTAL	569

Balance with Banks against Unclaimed Dividend

Fixed Deposits Earmarked with Banks including above 12 Months Maturities ₹ NIL

Disclosure as required under Notification no. G.S.R. 308(E) dated 30th March, 2017 as per the enclosed sheet:

(Amount in ₹)

	Specified Bank Notes (SBNs)	Other Denomination Notes	Total
Closing cash in hand as on 08th, November 2016	520500	1101359	1621859
(+) Permitted receipts	-	8732393	8732393
(-) Permitted payments	40000	8419895	8459895
(-) Amount deposited in Banks	480500	294670	775170
Closing cash in hand as on 30th, December 2016	-	1119187	1119187

16.1 (i) ₹ 4 Lakhs deposited directly by agent against Tax Payment in SBN Currency, which is not included in above.

16.1 (ii) Opening & Closing Cash in Hand includes Employee Imprest A/C.

CONSOLIDATED Notes

ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017 (CONTD.)

(₹ in Lakhs)

As at 31st March, 2017

17. SHORT TERM LOANS AND ADVANCES	
(Unsecured and Considered Good)	
Balance with Central Excise Authorities	2,347
Advance tax, MAT Credit Receivables & TDS/Refund Receivable (Net)	1,248
Advance against Supplies / Expenses	3,113
Subsidy Receivable	974
Excise Rebate Claim Receivable	1,000
VAT / TED Receivable	477
Security Deposits	267
Prepaid Expenses	126
Advance to Employees	56
Advances recoverable in cash or in kind	33
TOTAL	9,641

(₹ in Lakhs)

As at 31st March, 2017

18. OTHER CURRENT ASSETS	
(Unsecured and Considered Good)	
Interest Receivable - From Trade Debtors/ Others	95
DEPB, DBK Incentive Receivable	686
Export Growth Entitlement Receivables (Refer Note No.34)	408
Recoverable from Govt. / Others	99
Recoverable from NHAI UP (Refer Note No.32)	1,367
Insurance Claim Receivable	100
TOTAL	2,755

(₹ in Lakhs)

2016-17

19. REVENUE FROM OPERATIONS	
Sale of Products/ Income from Services	1,62,786
	1,62,786
Less: Excise Duty	3,673
TOTAL	1,59,113

(₹ in Lakhs)

2016-17

19.1 Particulars of Sale of Products/Service	
Yarn	93,003
Fabrics	27,684
Denim Fabric	29,565
Readymade Garments	313
Seamless Garments	795
Waste	584
Job Charge	6,023
Electricity Income (Wind Power)	201
SHIS / IEIS Benefits	-
Traded Goods - Yarn	1,470

CONSOLIDATED **Notes** ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017 (CONTD.)

(₹ in Lakhs)

19.1 Particulars of Sale of Products/Service (contd.)

2016-17

Traded Goods - Fabric	3,078
Traded Goods - Readymade Garment	70
TOTAL	1,62,786

19.2 During the year, exchange fluctuation gain on export sales included in sales is ₹ NIL

(₹ in Lakhs)

2016-17

20. OTHER INCOME	
Interest	
From Trade Debtors	723
From Others	81
Other Non-Operating Income	
Toll Arbitration Award (Refer Note No.32)	-
Earlier Years Income (Export Growth Entitlement) (Refer Note No.34)	408
Miscellaneous Receipts	114
Foreign Exchange Fluctuation Gain (Other than considered as finance cost)	1,000
Profit on Sale of Fixed Assets (Net)	8
TOTAL	2,334

2016-17

21. COST OF MATERIALS CONSUMED	₹ in Lakhs	% of Consumption
Imported	2,199	2.43
Indigenous	88,477	97.57
TOTAL	90,676	100.00

(₹ in Lakhs)

2016-17

21.1 Particulars of Material Consumed	
Man Made Fibre	51,665
Cotton	21,552
POY Yarn	2,871
Yarn	7,307
Fabrics	697
Dyes & Chemicals	6,462
Others	122
TOTAL	90,676

(₹ in Lakhs)

2016-17

22. PURCHASES OF TRADED GOODS	
Traded Goods - Yarn	1,437
Traded Goods - Fabric	3,041
Traded Goods - Readymade Garment	168
Traded Goods - Seamless Garment	11
TOTAL	4,657

CONSOLIDATED Notes

ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017 (CONTD.)

(₹ in Lakhs)

2016-17

23. CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-PROCESS AND STOCK-IN-TRADE	
Inventories (at close)	
Finished Goods	14,311
Stock-in-Process	6,252
	20,563
Inventories (at commencement)	
Finished Goods	11,325
Stock-in-Process	4,959
	16,284
TOTAL	(4,279)

(₹ in Lakhs)

2016-17

24. EMPLOYEE BENEFITS EXPENSE	
Salaries and Wages	14,771
Contribution to Provident and Other Funds	1,125
Staff Welfare Expenses	128
TOTAL	16,024

24.1 As per Accounting Standard 15 (Revised) "Employee benefits", the disclosure as defined in the Accounting Standard are given below:-

Defined Benefit Plans

The following tables set out the details of amount recognized in the financial statements in respect of Employee benefit schemes.

(₹ in Lakhs)

Sr.
No. Particulars

As at 31st March, 2017

	Gratuity	Leave Encashment
I. Assumptions as at		
Mortality	IALM (2006-08) Ult.	IALM (2006-08) Ult.
Discount Rate	7.44%	7.44%
Rate of increase in compensation	5.50%	5.50%
Rate of return (expected) on plan assets	8.15%	8.15%
Withdrawal rates	Upto Age 30: 3% 31-44 2% 45 & Above: 1%	
II. Changes in present value of obligations		
PVO at beginning of period	1,123.22	345.94
Interest cost	84.58	24.29
Current Service Cost	297.32	235.35
Benefits Paid	(131.88)	(84.89)

CONSOLIDATED **Notes** ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017 (CONTD.)

(₹ in Lakhs)

Sr. No.	Particulars	As at 31st March, 2017	
		Gratuity	Leave Encashment
	Actuarial (gain)/ loss on obligation	34.22	[116.72]
	PVO at end of period	1,407.46	403.97
III.	Changes in fair value of plan assets		
	Fair Value of Plan Assets at beginning of period	776.18	224.89
	Adjustment to Opening Fair Value of Plan Assets	-	-
	Expected Return on Plan Assets	65.44	18.83
	Contributions	147.05	86.32
	Benefit Paid	[131.87]	[84.89]
	Actuarial gain/ (loss) on plan assets	[6.00]	[1.60]
	Fair Value of Plan Assets at end of period	850.80	243.55
IV.	Fair Value of Plan Assets		
	Fair Value of Plan Assets at beginning of period	776.18	224.89
	Adjustment to Opening Fair Value of Plan Assets	-	-
	Actual Return on Plan Assets	59.44	17.23
	Contributions	147.05	86.32
	Benefit Paid	[131.87]	[84.89]
	Fair Value of Plan Assets at end of period	850.80	243.55
	Funded Status	[556.67]	[160.42]
	Excess of actual over estimated return on Plan Assets	[6.00]	[1.60]
V.	Actuarial Gain/ (Loss) Recognized		
	Actuarial Gain/ (Loss) for the period (Obligation)	[34.22]	116.72
	Actuarial Gain/ (Loss) for the period (Plan Assets)	[6.00]	[1.60]
	Total Gain/ (Loss) for the period	[40.22]	115.11
	Actuarial Gain/ (Loss) recognized for the period	[40.22]	115.11
	Unrecognized Actuarial Gain/ (Loss) at end of period	-	-
VI.	Amounts to be recognized in the balance sheet and statement of P&L A/c		
	PVO at end of period	1,407.46	403.97
	Fair Value of Plan Assets at end of period	850.80	243.55
	Funded Status	[556.67]	[160.42]
	Unrecognized Actuarial Gain/ (Loss)	-	-
	Net Asset/ (Liability) recognized in the balance sheet	[556.67]	[160.42]
VII.	Expense recognized in the statement of P&L A/c		
	Current Service Cost	297.32	235.35
	Interest Cost	84.58	24.28
	Expected Return on Plan Assets	[65.44]	[18.84]
	Net Actuarial (Gain)/ Loss recognized for the period	40.22	[115.11]
	Expense recognized in the statement of P&L A/c	356.68	125.68
VIII.	Movements in the Liability recognized in Balance Sheet		

CONSOLIDATED Notes

ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017 (CONTD.)

(₹ in Lakhs)

Sr. No.	Particulars	As at 31st March, 2017	
		Gratuity	Leave Encashment
	Opening Net Liability	347.04	121.05
	Adjustment to Opening Fair Value of Plan Assets	-	-
	Expenses as above	356.68	125.68
	Contribution Paid	(147.05)	(86.32)
	Closing Net Liability	556.67	160.42
IX.	Experience Analysis - Liabilities		
	Actuarial (Gain)/ Loss due to change in bases	83.91	23.09
	Experience (Gain)/ Loss due to Change in Experience	(49.68)	(139.81)
	Total	34.22	(116.72)
	Experience Analysis - Plan Assets		
	Experience (Gain)/ Loss due to Change in Plan Assets	6.00	1.60
X.	Schedule III Details		
	Current Liability	556.67	160.42
	Non-Current Liability	850.80	243.55

(₹ in Lakhs)

2016-17

25.	POWER & FUEL	
	Power & Fuel	17,293
	TOTAL	17,293

(₹ in Lakhs)

2016-17

26.	FINANCE COSTS	
	Interest Expenses	6,007
	Bank Charges	466
	Applicable (Gain) / Loss on foreign currency transactions and translation (Net)	(114)
	TOTAL	6,359

(₹ in Lakhs)

2016-17

27.	DEPRECIATION AND AMORTIZATION EXPENSE	
	Depreciation and Amortization	7,260
	TOTAL	7,260

CONSOLIDATED **Notes** ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017 (CONTD.)

(₹ in Lakhs)

2016-17

28. OTHER EXPENSES	
A. Manufacturing Expenses	
Stores & Spares Consumed	3,361
Packing Material Consumed	1,908
Processing and Other Job Charges	3,106
Repairs To: Plant & Machinery	410
Building	85
Others	42
Other Manufacturing Expenses	1,341
TOTAL (A)	10,253
B. Administrative Expenses	
Rent	207
Rates & Taxes	41
Payments to Auditors : Statutory Audit Fees	13
Taxation Matters	9
Reimbursement of Expenses	2
Cost Audit Fees	1
Insurance Premium	144
Directors' Travelling	35
Travelling & Conveyance	341
Telephone & Postage	96
Directors' Remuneration	471
Printing & Stationery	47
Legal & Professional Fees	218
Vehicle Running & Maintenance	506
Director's Sitting Fees	8
Charity and Donations	13
Miscellaneous Expenses	181
Contribution towards CSR (Refer Note No.38)	81
TOTAL (B)	2,414
C. Selling and Distribution Expenses	
Sales Incentive, Commission & Brokerage	1,832
Rebates & Claims	164
Design & Development Expenses	22
Freight, Octroi and Other Selling Expenses	2,684
TOTAL (C)	4,702
D. Other Expenses	
Preliminary Expenses Written Off	3
	3
TOTAL (A+B+C)	17,372

2016-17

28.1 Value of Stores & Spares Consumed:	(₹ in Lakhs)	% of Consumption
Imported	370	11.01
Indigenous	2,991	88.99
TOTAL	3,361	100.00

CONSOLIDATED Notes ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017 (CONTD.)

(₹ in Lakhs)

2016-17

28.2 Value of Imports on CIF Basis in Respect of	
Raw Materials	1,856
Stores & Spares	512
Capital Goods	2,782
	5,150

(₹ in Lakhs)

2016-17

28.3 Expenditure in Foreign Currency	
Travelling Expenses	50
Other Expenses	781
	831

2016-17

29. EARNINGS PER SHARE (EPS)	
i) Net Profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders (₹ in Lakhs)	5,269
ii) Weighted Average number of equity shares used as denominator for calculating EPS	3,94,21,559
iii) Basic and Diluted Earning per share (₹)	13.37
iv) Face Value per equity share (₹)	10

(₹ in Lakhs)

2016-17

30. EARNINGS IN FOREIGN EXCHANGE	
FOB value of exports	41,920
	41,920

31. The Company operates mainly in one segment i.e. Textiles. The Company is also having wind power plant, operation of which is not a reportable segment as per AS-17 issued by ICAI.

Secondary Segment Information :

(₹ in Lakhs)

2016-17

REVENUE	
Domestic	1,20,369
Export	42,417
TOTAL	1,62,786

32. The Company had executed a toll user fee collection contract with NHAI for Usaka Toll Plaza in U.P. on N.H.25 which commenced on 9th March, 2013. However due to breach of contract terms and conditions by NHAI, resulting in continued losses, the Company disputed and terminated the contract and went into arbitration. The losses incurred by the Company due to the said contract were fully provided in the earlier years. After due proceedings, the arbitrator has given award in favour of the Company during the F.Y. 2015-16. Accordingly, the principal amount of the award of ₹ 1247 Lakhs was recognized as income by the Company and included in other income during F.Y. 2015-16. NHAI has filed an appeal against the said Arbitration award in the Hon'ble Delhi High Court. On the basis of the arbitration award and legal counsel, the management is virtually certain that the matter will be decided in Company's favour. The case is yet to be decided by the Hon'ble Delhi High Court.

CONSOLIDATED **Notes** ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017 (CONTD.)

- 33.** The Company is entitled to interest subsidy on certain term loans obtained under Technology Upgradation Fund Scheme ("TUFS") of Central Government and Incentive from Rajasthan Govt. under Rajasthan Investment Promotion Policy (RIPS) 2003, which has been hitherto claimed as revenue instead of capital receipt while computing the total income, however based on the judicial decisions the same has been now been claimed as capital receipt by filing the revised return. The effect thereof on tax is shown as earlier years tax adjustments.
- 34.** In the F.Y. 2010-11, the Company had written off ₹ 408 Lakhs export incentive receivable under the Target Plus Scheme related to F.Y. 2005-06 due to Notification dated 12th June, 2006 by which Govt. reduced the incentive from 15% to 5% on incremental exports with retrospective effect from 01.04.2005. Subsequently based on the Hon'ble High Court Judgement passed on dated 5th May, 2016 with regard to Target Plus Scheme Scrips for the exports pertaining to the F.Y. 2005-06 where by the Hon'ble High Court has ordered that incentive can not be withdrawn with retrospective effect. the Company had filed its claim in view of the said Hon'ble High Court judgement, Based on this the Company is entitled to receive the differential incentive and have therefore accounted for the same in current Financial Year 2016-17.

35. RELATED PARTY DISCLOSURES:

(i) Related Party Transactions

As per Accounting Standard [AS-18] on Related Party Disclosures issued by ICAI, the disclosures of related parties as defined in the Accounting Standard is given below:-

Enterprises over which Directors and Relatives of such personnel exercise significant influence	
Group Companies	
Sangam Business Credit Limited	
Mahalaxmi TMT Private Limited	
Raj Rajeshwar Enterprises Private Limited	
Nikita Credits Private Limited	
Fashion Funda.Com Private Limited	
Key Management Personnel	
Shri R.P. Soni	Chairman
Shri S.N. Modani	Managing Director & CEO
Shri V.K. Sodani	Executive Director
Shri Anil Jain	CFO & Company Secretary
Relative of Key Management Personnel	Relationship
Smt. Radha Devi	Wife of Director Shri R.P. Soni
Ms. Antima Soni	Daughter of Director Shri R.P. Soni
Shri Anurag Soni	Son of Director Shri R.P. Soni
Shri Pranal Modani	Son of Director Shri S.N. Modani
Smt. Mamta Modani	Wife of Director Shri S.N. Modani
Smt. Archana Sodani	Wife of Director Shri V.K. Sodani
Smt. Anjana Thakur	Daughter of Director Shri R.P. Soni
Others	
Shri R.P. Soni HUF	
M/S Badri Lal Soni Charitable Trust	
M/S Kesar Bai Soni Charitable Trust	

CONSOLIDATED Notes

ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017 (CONTD.)

35. RELATED PARTY DISCLOSURES: (CONTD.)

(iii) Transactions during the year with related parties:

(₹ in Lakhs)

Nature of Transaction	Salary Exp.	Insurance Premium	Rent	CSR Expenses	Total
Key Management Personnel	503	9	-	-	512
Relatives of Key Management Personnel	64	5	65	-	134
Others	-	-	6	44	50
TOTAL	567	14	71	44	696

(₹ in Lakhs)

Sale of Goods / Job Charges / Interest Received	2017
Group Companies	1499

(₹ in Lakhs)

Purchase / Job Charges	2017
Group Companies	54

(₹ in Lakhs)

Purchase of Capital Goods	2017
Group Companies	140

(₹ in Lakhs)

Rent Received	2017
Group Companies	1

(₹ in Lakhs)

2016-17

36. CONTINGENT LIABILITIES AND COMMITMENTS	
(I) Contingent Liabilities	
(A) Guarantees	
Outstanding Bank Guarantees	912
(B) Other Money for which the Company is contingently liable	
(i) Liability in respect of bills discounted with Banks (including third party bills discounting)	154
(ii) Stamp Duty case with respect to the merger of SPBL & Sangam India Limited pending with Rajasthan High Court, Jodhpur.	109
(iii) Various cases pending with Central Excise & Service Tax (Net of amount fully provided)	318

CONSOLIDATED **Notes** ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017 (CONTD.)

(₹ in Lakhs)

2016-17

36. CONTINGENT LIABILITIES AND COMMITMENTS (CONTD.)	
(iv) Case pending with Rajasthan High Court, Jodhpur under Electricity Act, 2003	20
(v) Entry Tax matters for the year 2013-14 and 2014-15 under dispute with regard to interest / penalty.	28
(vi) Sales Tax case pending with Tax Board, Ajmer. The Demand raised for input tax credit not reversed properly.	94
(vii) Sales Tax case pending with Tax Board, Ajmer. The demand raised for VAT with RIPS Incentive on export.	341
(viii) Sales Tax case pending with D.C. (Appeals). The demand raised due to sales tax incentive benefit calculation procedure.	35
(ix) Sales Tax case pending with D.C. (Appeals) for penalty levied for non-furnishing form VAT 47A	6
(x) Disputes on the various tolls for which company is contingently liable	243
(II) Commitments	
(A) Estimated amount of contracts (Net of advances) remaining to be executed on capital account and not provided for	2,816
(B) Obligations	

In respect of capital goods imported at the concessional rate of duty under the Export Promotion Capital Goods Scheme, the Company has an export obligation of approximately ₹ 11,795 Lakhs, which is required to be met at different dates, before 31st March, 2023. In the event of non-fulfillment of the export obligation, the Company will be liable to pay custom duties and penalties, as applicable.

37. FINANCIAL AND DERIVATIVE INSTRUMENTS

Financial and Derivative Instruments (For Hedging Currency Risks) and Unhedged Foreign Currency Exposure.

a) Forward contract outstanding as at Balance Sheet Date.			
Particulars	Currency	2017	Purpose
Forward Exchange Contract	USD	234.69 Lakhs	Export
Forward Exchange Contract	Euro	15.00 Lakhs	Export
	INR	16,265 Lakhs	

There is no derivative contract for option which is outstanding as at 31st March, 2017.

b) Unhedged Foreign Currency Exposure:-

Purpose	Currency	2017
Import (Raw Materials) (USD)	USD	2.66 Lakhs
Fixed Assets (JPY)	JPY	854.76 Lakhs
Fixed Assets (Euro)	Euro	2.37 Lakhs
	INR	837 Lakhs

38. CORPORATE SOCIAL RESPONSIBILITY (CSR)

- The gross amount required to be spent by the Company during the year towards Corporate Social Responsibility (CSR) as per provision of section 135 of the Companies Act, 2013 amounts to ₹ 162 Lakhs.
- The details of the amount spent during the year on CSR activities as follow:

(₹ in Lakhs)

Particulars	Expenditure incurred in cash	Yet to be paid in Cash
	31st March, 2017	
Construction / acquisition of any asset	-	-
On purposes other than (i) above	81	-
TOTAL	81	-

CONSOLIDATED Notes ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017 (CONTD.)

- (c) Out of the above ₹ 23 Lakhs has been spent through M/s Badri Lal Soni Charitable Trust and ₹ 21 Lakhs has been spent through M/s Kesar Bai Soni Charitable Trust, which are related parties.

Breakup of the expenditure incurred through the trust during the year is as under:

Particulars	(₹ in Lakhs) 31st March, 2017
Environmental Sustainability	22
Promoting Education	1
Promoting Health Care	17
Eradication Hunger, Poverty and Malnutrition	4
TOTAL	44

- (d) Provision of Section 135 of the Companies Act, 2013 related to CSR is not applicable to Sangam Lifestyle Ventures Limited.

39. In the opinion of Management, there is no impairment of assets in accordance with accounting standard (AS-28) as on Balance Sheet date.

40. Sangam Lifestyle Ventures Limited became a wholly owned subsidiary company w.e.f. 14th June, 2016 on its incorporation. Hence previous year figures are not given in consolidation in accordance with Para 30 of AS-21.

41. General Information:

41.1 Disclosures mandated by Schedule III of the Companies Act 2013, by way of additional information:

Name of the Entities	Net Assets i.e. Total Assets minus Total Liabilities		Share in Profit / (Loss)	
	As a % of Consolidated Net Assets	Amount (₹ in Lakhs)	As a % of Consolidated Profit	Amount (₹ in Lakhs)
Parent : Sangam India Limited	100.40%	48,436	103.62%	5,460
Subsidiary : Sangam Lifestyle Ventures Limited	[0.12%]	[58]	[1.20%]	[63]
SUB TOTAL		48,378		5,397
Inter - Company Elimination & Consolidation Adjustments	[0.28%]	[133]	[2.42%]	[128]
GRAND TOTAL	100.00%	48,245	100.00%	5,269

41.2 The Consolidated Financial Statements present the Consolidated Accounts of Sangam India Limited with its Subsidiary Company:

Name	Country of Incorporation	Proportion of Ownership of Interest
		As at 31st March, 2017
Sangam Lifestyle Ventures Limited	India	100%

41.3 Significant Accounting Policies and Notes to these Consolidated Financial Statements are intended to serve as a means of informative disclosure and a guide to better understand the consolidated position of the Companies. Recognizing this purpose, the Company has disclosed only such Policies and Notes from the individual financial statements, which fairly present the needed disclosures.

As per our report of even date attached

For **R. Kabra & Co.**
Chartered Accountants
(Registration No. 104502W)

For **B.L. Chordia & Co.**
Chartered Accountants
(Registration No. 000294C)

For and on behalf of the Board

(R.L. Kabra)
Partner
M.Ship No. 016216

(B.L. Chordia)
Partner
M.Ship No. 010882

(R.P. Soni)
Chairman
(DIN 00401439)

(S.N. Modani)
Managing Director & CEO
(DIN 00401498)

(V.K. Sodani)
Executive Director
(DIN 00403740)

Camp : Bhilwara
Date: 30th May, 2017

Place : Bhilwara
Date: 30th May, 2017

(Anil Jain)
CFO & Company Secretary
(M No.: F-3147)

CONSOLIDATED Cash Flow Statement

FOR THE YEAR ENDED 31ST MARCH, 2017

(₹ in Lakhs)

Current Year

A CASH FLOW FROM OPERATING ACTIVITIES	
Net Profit Before Tax	6,040
Adjustments for	
Depreciation and Amortization Expense	7,260
Finance Costs	6,359
Interest Income	[804]
Foreign Exchange Fluctuation	[1,000]
Provision for Doubtful Debts & Advances	45
Profit on Sale of Fixed Assets (Net)	[8]
Operating Profit before working capital changes	17,892
Adjustment for	
Inventories	[6,628]
Trade & Other Receivables	[810]
Trade & Other Payables	3,195
Cash Generated from Operations	13,649
Taxes Paid	[95]
Net Cash Inflow / (Out Flow) from Operating Activities	13,744
B CASH FLOW FROM INVESTING ACTIVITIES	
Purchase of Fixed Assets	[14,003]
Sale of Fixed Assets	109
Interest Income	107
Net Cash Inflow / (Outflow) from Investing Activities	(13,787)
C CASH FLOW FROM FINANCING ACTIVITIES	
Proceeds from Long Term Borrowings	12,275
Repayment of Long Term Borrowings	[8,176]
Increased / Decreased in Short- Term Borrowings	1,841
Finance Costs	[6,410]
Foreign Exchange Fluctuation	1,000
Interest Income	693
Dividend Paid (Including Tax on Dividend)	[945]
Net Cash Inflow / (Out Flow) from Financing Activities	278
Net Increase/(Decrease) in Cash & Cash equivalents	235
Cash and Cash Equivalents at the Beginning	361
Cash and Cash Equivalents at the End	596

As per our report of even date attached

For **R. Kabra & Co.**

Chartered Accountants
(Registration No. 104502W)

For **B.L. Chordia & Co.**

Chartered Accountants
(Registration No. 000294C)

For and on behalf of the Board

(R.L. Kabra)

Partner
M.Ship No. 016216

(B.L. Chordia)

Partner
M.Ship No. 010882

(R.P. Soni)

Chairman
(DIN 00401439)

(S.N. Modani)

Managing Director & CEO
(DIN 00401498)

(V.K. Sodani)

Executive Director
(DIN 00403740)

Camp : Bhilwara
Date: 30th May, 2017

Place : Bhilwara
Date: 30th May, 2017

(Anil Jain)

CFO & Company Secretary
(M No.: F-3147)



NOTES

Notice

To the Members,

NOTICE IS HEREBY GIVEN THAT THE 31ST ANNUAL GENERAL MEETING OF THE MEMBERS OF SANGAM (INDIA) LIMITED WILL BE HELD ON FRIDAY, THE 29TH SEPTEMBER, 2017 AT 4:00 P.M., AT REGISTERED OFFICE OF THE COMPANY AT "SANGAM HOUSE", ATUN, CHITTORGARH ROAD, BHILWARA-311001 (RAJASTHAN) TO TRANSACT THE FOLLOWING BUSINESS:

A. ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements (including the consolidated financial statements) of the Company for the financial year ended 31st March, 2017 and Reports of the Board of Directors and the Auditors thereon.
2. To declare Dividend for the financial year 2016-17.
3. To appoint a Director in place of Shri S.N. Modani (DIN: 00401498), who retires by rotation and being eligible offer himself for re-appointment.
4. To appoint Statutory Auditors of the Company and to consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Audit & Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and pursuant to the recommendation of Audit Committee of the Company and Board of Directors of the Company, M/s Rajendra & Co. (FRN: 108355W) and M/s O.P. Dad & Co. (FRN: 002330C) be and are hereby appointed as Statutory Auditors of the Company for a period of 5 years to hold the office from the conclusion of this Annual General Meeting till the conclusion of 36th Annual General Meeting (subject to ratification of their appointment by the members at every Annual General Meeting held after this Annual General Meeting) in place of the retiring statutory auditors M/s R. Kabra & Company, Chartered Accountants (FRN: 104502W) and M/s B.L. Chordia & Company Chartered Accountants (FRN: 000294C), on such remuneration as shall be fixed by the Board of Directors of the Company."

B. SPECIAL BUSINESS:

5. To consider and if thought fit, to pass, with or without modification, the following Resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 196, 197, 198, 203, and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with schedule V of the Companies Act, 2013 and provisions of Article of Association of the Company and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations,

2015, consent of members of the Company be and is hereby accorded to the re-appointment of Shri V.K. Sodani (DIN:00403740) as Whole Time Director designated as Executive Director of the Company for a period of 5 years with effective from 1st October, 2017 to 30th September 2022 upon such terms and conditions including remuneration and perquisites as are set out in the draft agreement to be executed between the Company and Shri V.K. Sodani.

RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year during the aforesaid period, the Company shall pay Shri V.K. Sodani, remuneration, perquisites, benefits and amenities not exceeding the ceiling laid down in Schedule V and Section 197 of the Act as may be decided by the Board, subject to necessary sanctions and approvals.

RESOLVED FURTHER THAT in the event of any relaxation in the guidelines or limits on managerial remuneration, the Board of the Company (hereinafter called "the Board") may in its absolute discretion alter and vary the terms of remuneration of Shri V.K. Sodani within the limits permissible under the law for the time being.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any Committee of Members to give effect to the aforesaid resolution."

6. To consider and if thought fit, to pass, with or without modification, the following Resolution as an **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 188 of the Companies Act, 2013 read with rules 15 of Companies (Meetings of Board and its Powers) Rules, 2014, and other applicable statutory provisions, rules, regulations and guidelines (including any statutory modification(s) or re-enactment thereof for the time being in force), and subject to such approvals as may be required, approval of the members of the Company be and is hereby accorded to the revision in the terms of remuneration of Shri Anurag Soni, Son of Shri Ram Pal Soni, Chairman (DIN: 00401439) of the Company, to hold an office or place of Profit as Chief Business Strategist (or any other designation and roles which the Board/ Committee of the Board may decide from time to time) on such remuneration, increments and positions and other terms and conditions as set out in the Explanatory Statement attached to the Notice with effect from 01st October, 2017.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any Committee of Members to give effect to the aforesaid resolution."



Notice (Contd.)

7. To consider and if thought fit, to pass, with or without modification, the following Resolution as an **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of Sections 188 of the Companies Act, 2013 read with rules 15 of Companies (Meetings of Board and its Powers) Rules, 2014, and other applicable statutory provisions, rules, regulations and guidelines (including any statutory modification(s) or re-enactment thereof for the time being in force), and subject to such approvals as may be required, approval of the members of the Company be and is hereby accorded to the appointment of Mr. Pranal Modani, son of Shri S.N. Modani, CEO & Managing Director (DIN: 00401498) of the Company, to hold an office or place of profit as Chief Business Development (or any other designation and roles which the Board/Committee of the Board may decide from time to time), on such remuneration, increments and other terms and conditions as specified in the relevant explanatory statement annexed to the notice of this meeting with effect from 01st October, 2017.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any Committee of Members to give effect to the aforesaid resolution.”

8. To consider and if thought fit, to pass, with or without modification, the following Resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 read with Companies (Cost Records and Audit) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and the following Firms of Cost Accountants appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the various units of the Company for the financial year ending 31st March, 2018 be paid the remuneration as set out in the statement annexed to the Notice convening this Meeting:

- a. M/s K.G. Goyal & Co., Cost Accountant (Firm Registration No. 000017), Jaipur, to conduct the audit of the cost records of Company's units (i) SANGAM (INDIA), Bhilwara (ii) Sangam Spinners, Vill. Billiya Kalan, Dist. Bhilwara (unit of - Sangam (India) Limited) (iii) Sangam Spinners, Vill. Sareri, Dist. Bhilwara (unit of - Sangam (India) Limited) (iv) Sangam Suitings, Vill. Atun, Dist. Bhilwara (unit of - Sangam (India) Limited) (v) Sangam Denim, Vill. Billiya, Dist. Bhilwara (unit of - Sangam (India) Limited)
- b. M/s V.K. Goyal & Co., Cost Accountant (Firm Registration No. 000550), Bhilwara to conduct the audit of the cost records of Company's unit Sangam Process (Unit of Sangam (India) Limited), Outside Octroi Post, Atun, Bhilwara.

RESOLVED FURTHER THAT the Board of Directors and/ or the Company Secretary, be and are hereby authorized to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution.”

By Order of the Board of Directors
For Sangam (India) Limited

Anil Jain

Place: Bhilwara
Date: 16th August, 2017

(CFO & Company Secretary)
M.No. F-3147



Notes:

1. The explanatory statement pursuant to Section 102 of the Companies Act, 2013 ("the Act") in respect of the business under Item No. 5 to 8 set out above and details as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and Secretarial Standard on General Meeting issued by the Institute of Company Secretaries of India in respect of Directors seeking re-appointment at this Annual General Meeting are annexed hereto.
2. **A member entitled to attend and vote at the meeting is entitled to appoint a Proxy to attend and vote on a poll instead of himself and such proxy need not be a member of the Company. Pursuant to Section 105 of the Act, a person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights may appoint a single person and such person cannot act as a proxy for any other person or shareholder.**
The instrument of proxy, in order to be effective, should be duly stamped, completed and signed and must be deposited at the registered office of the Company not less than 48 hours before the time for holding the aforesaid meeting.
3. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at this Meeting.
4. The Company's Register of members and share transfer books shall remain closed from Saturday the 23rd September, 2017 to Friday the 29th September, 2017 (both days inclusive) to decide the entitlement of shareholders for the payment of dividend in accordance with the recommendation of the Board of Directors.
5. Members are requested to:
 - a. Notify the change in address if any, with Pin Code numbers immediately to the Company (in case of shares held in physical mode).
 - b. Quote their Regd. Folio Number/DP and Client ID Nos. in all their correspondence with the Company or its Registrar and Share Transfer Agent ("RTA").
6. Members are requested to address all their correspondence including demat/remat applications, request for share transfers, intimation of change of address and other correspondence to the Company's RTA.
7. During the period beginning 24 hrs. before the time fixed for the commencement of the AGM and until the conclusion of the meeting, a member would be entitled to inspect the proxies lodged during the business hours of the Company, provided that not less than three days of notice in writing is given to the Company.
8. Members/proxies/authorized representatives should bring the duly filled attendance slip enclosed herewith to attend the meeting.
9. The Register of Directors and Key Managerial Personnel (KMP) and their shareholding and Register of Contracts or Arrangements in which Directors are interested, maintained under Sections 170 and 189 of the Companies Act, 2013 respectively will be available for inspection by the members at AGM.
10. All documents referred to in the accompanying notice are open for inspection at the registered office of the Company in all working days except Saturday and holidays, between 11.00 A.M. to 1.00 P.M. up to the date of Annual General Meeting.
11. The dividend as recommended by the Board of Directors for the year ended 31st March, 2017, if declared at the meeting will be paid after 29th September, 2017 to those members:-
 - a. Whose names appear as the beneficial owners at the end of the business hours on Friday, 22nd September, 2017 in the list of beneficial owners to be furnished by depositories (NSDL & CDSL) in respect of the shares held in electronics form; and
 - b. Whose names appear as members on the Company's register of members on Friday, 22nd September, 2017 after giving effect to valid transfer requests, received on or before Friday, 22nd September, 2017.
12. Investors holding the shares in physical form should provide the National Electronic Clearing Service (NECS) mandate to the Company and investors holding the shares in demat form should ensure that correct and updated particulars of their bank account are available with the Depository Participant (DP). This would facilitate in receiving direct credits of dividends, refunds etc., from companies and avoid postal delays and loss in transit. Investors must update their new bank account numbers allotted after implementation of Core Banking Solution (CBS) to the Company in case of shares held in physical form and to the DP in case of shares held in demat form.
13. Pursuant to the provisions of Section 124(5) of the Act, the amount of dividend which have remained un-encashed or unclaimed for a period of seven years are required to be transferred to the "Investor Education and Protection Fund" (IEPF) constituted by the Central Government under section 125(1) of the Act. Therefore, shareholders who have not encashed their dividend for the financial year 2009-10 to 2015-16 should lodge their request for the same to the Company. The new Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Amendment Rules, 2017 (the "IEPF Rules") mandate the companies to transfer the shares of shareholders whose dividends remain unpaid/unclaimed for a period of seven consecutive years to the demat account of Investor Education and Protection



Notes: (Contd.)

Fund Authority of the Ministry of Corporate Affairs ("IEPF Authority"). In accordance with the aforesaid IEPF Rules, the Company has sent notices to all the shareholders whose shares are due to be transferred to the IEPF Authority and has also published newspaper advertisement. Hence, the Company urges all the shareholders to en-cash /claim their respective dividend during the prescribed period. The details of the unpaid / unclaimed amounts lying with the Company as on the date of the last Annual General Meeting, i.e., 30th September, 2016 are available on the website of the Company www.sangamgroup.com.

14. As per the provisions of Section 72 of the Act, facility for making nomination is available for the members in respect of the shares held by them. Members holding shares in single name and who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13, if member desires to cancel the earlier nomination and record fresh nomination, he/she may submit the same Form No. SH-14. Members holding shares in physical form are requested to submit the forms to the Company.
15. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their Demat Accounts. Members holding shares in physical form can submit their PAN details to the Company along with the proof thereof.
16. Electronic copy of the Annual Report for the financial year 2016-17 is being sent to all the members, whose email IDs are registered with the Company/Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for the financial year 2016-17 is being sent in the permitted mode.
17. To support the "Green Initiative" Members who have not registered their e-mail addresses are required to register the same with the Company/Depository. Members may note that this Notice and the Annual Report 2016-17 will also be available on the Company's website viz. www.sangamgroup.com.
18. Voting Options

Voting through electronic means:

 - (I) In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and regulation 44 of the Securities and Exchange Board of India

(Listing Obligations and Disclosure Requirements) Regulations 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by Central Depository Services (India) Limited (CDSL).

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

(IV) The instructions for members for voting electronically are as under:-

- (i) The voting period begins on Monday, the 25th September, 2017 (9:00 am) and ends on Thursday, the 28th September, 2017 (5:00 pm). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date Friday, the 22nd September, 2017 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Log on to the e-voting website www.evotingindia.com during the evoting period.
- (iii) Click on "Shareholders" tab
- (iv) Now, Select the "COMPANY NAME" from the drop down menu and click on "SUBMIT".
- (v) 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.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

Notes: (Contd.)

(viii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form 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"> 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 sequence number (refer serial no. printed on the name and address sticker/Postal Ballot Form/mail) in the PAN field. In case the sequence 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. E.g. If your name is Ramesh Kumar with serial number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login.</p> <ul style="list-style-type: none"> If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the relevant SANGAM (INDIA) LIMITED on which you choose to vote.
- (xiii) 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.

- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) 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.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xviii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively on or after 30th June, 2016. Please follow the instructions as prompted by the mobile app while voting on your mobile.**
- (xx) Note for Non – Individual Shareholders and Custodians**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details 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 linked in the login should be mailed to 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.
- (xxi) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com. or you may contact Mr. Anil Jain, CFO & Company Secretary, Sangam (India) Ltd. at 01482-305028 or at email ID - secretarial@sangamgroup.com,
- (xxii) Please follow all steps from sl. no. (i) to sl. no. (xix) above to cast vote.

Notes: (Contd.)

- (V) A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
- (VI) The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 22nd September, 2017
- (VII) A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
- (VIII) Mr. S.P. Jethlia, Practicing Company Secretary (Membership No. FCS-3464) and Proprietor of M/s. S.P. Jethlia & Co., Company Secretaries has been appointed for as the Scrutinizer for providing facility to the members of the Company to scrutinize the polling at Annual General Meeting and remote e-voting process in a fair and transparent manner.
- (IX) The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of Ballot Paper for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- (X) The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- (XI) The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company www.sangamgroup.com and on the website of CDSL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the Stock Exchange(s) where equity shares of the Company are listed.

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

Item no. 5:

Shri V.K. Sodani was re-appointed as Whole-time Director designated as Executive Director of the Company for a period of five years w.e.f. 01.10.2012 on the remuneration including perquisites set out in the resolution passed at the 26th Annual General Meeting of the Company held on 28th. September, 2012.

On the recommendation of Nomination and Remuneration Committee of the Board, the Board of Directors of the Company has resolved in its meeting dated 16th August, 2017 to re-appoint Shri V.K. Sodani as Whole-time Director designated as Executive Director of the Company for a period of five years effective from 1st October, 2017 upon the terms and conditions which are set out in the draft agreement. By the proposed resolution, approval of the shareholders is sought to the appointment of Shri V.K. Sodani as Whole-time Director designated as Executive Director of the Company for a term of 5 years from 1st October, 2017 at the remuneration and upon the terms and conditions set out in the agreement.

Shri V.K. Sodani, Executive Director of Sangam (India) Limited is responsible for managing business of P/V Suiting, Seamless Garment, manufacturing with Domestic & Overseas marketing. He initially joined the Company to take charge of the Home furnishing & Dress Material business of Sangam Group.

In the year 2006, he was assigned additional charge of Sangam Processors to manage the Processing Division. As his career graph grew in Sangam, in the year 2006 he was handed over the charge of P/V Suiting Business of Domestic Marketing and within two years,

he was also handling P/V Suiting Business of Overseas Marketing.

Thus, with time his profile and key areas of responsibilities increased. He moved from the processing business to marketing which has enabled him to have in-depth knowledge about the Company and its operations.

As for his educational qualifications, he is a B.Com graduate and has completed his Chartered Accountancy. Apart from his professional expertise, he has been also the President of Mewar Chamber of Commerce & Industry. He is member of All India Maheshwari Mahasabha, Trustee of Smt. Kesarbai soni Hospital and Member of Pushkar Seva Sadan, Pushkar.

The remuneration payable to Shri V.K. Sodani as recommended by the Nomination & Remuneration Committee of the Board of Directors of the Company in pursuance to the Schedule V of the Companies Act, 2013 is as under:

The principal terms of the said agreement are as follows: -

1. **SALARY PER MONTH:**
₹ 3,00,000 per month with an annual increase of 10% thereafter.
2. **COMMISSION:**
Not more than 0.25% of the net profits of the Company as computed in the manner laid down in Section 197 of the Companies Act, 2013
3. **CONTRIBUTION TO PROVIDENT FUND**
12% of Salary per month.



4. PERQUISITES AS MENTIONED BELOW:

- Suitable residential accommodation, free of cost with all facilities, amenities and services (including gas, electricity, water and furnishing). In case he does not opt for company provided accommodation at any time, he shall be paid house rent allowance of a sum not exceeding 25% of his basic salary. The expenditure incurred by the Company on gas, electricity, water and furnishings provided to him shall be evaluated as per the Income-tax Rules, 1962.
- Reimbursement of all medical expenses incurred, including premium paid on health insurance policies, whether in India or abroad, for self and family including hospitalization.
- Personal accident insurance premium.
- Subscription to clubs.
- Encashment of leave at the end of his tenure as per policy of the Company.
- Contribution to provident fund, superannuation fund or annuity fund and any other retirement benefits.
- Gratuity payable should not exceed half month's salary of each completed year of the service.
- Leave travel concession for self and family once in a year anywhere, as per company's policy.
- Such other perquisites and allowances in accordance with the rules of the Company or as may be agreed to by the Board of Directors and Shri V.K. Sodani.

MINIMUM REMUNERATION:

Wherein any financial year, the Company has no profits or its profits are inadequate, the Company may pay Shri V.K. Sodani, above remuneration by way of salary, perquisites and other allowances subject to the provisions of Schedule V of the Companies Act, 2013 and the other applicable provisions of the Companies Act, if any.

SCOPE OF RESPONSIBILITY:

Shri V.K. Sodani, Executive Director has been entrusted with substantial powers of managing the affairs of the weaving, processing and seamless garment divisions of the Company and to supervise and administer overall working thereat and other responsibility as may be delegated to him by the Board from time to time.

MEMORANDUM OF INTEREST OF DIRECTORS:

Apart from Shri V.K. Sodani, Shri R.P. Soni may be deemed to be concerned or interested in the said resolution. Shri V.K. Sodani is son in law of Shri R.P. Soni, Director of the Company.

None of the other Directors of the Company is in any way concerned or interested in the said resolution.

There is one listed entity in which he is holding directorship on the board. He has no shareholding in the Company.

The foregoing may be treated as an abstract of the draft agreement for the re-appointment of Shri V.K. Sodani as required under section 190 of the companies Act, 2013.

Item no. 6:

The Company had appointed Shri Anurag Soni as Chief Business Strategist with effect from 1st April, 2012 in the Company. The role encompasses areas of business integration and establishing information and business related systems.

Shri Anurag Soni is a well-qualified by profession and has adequate experience of process of system integration practices, establishing Management Information Systems, establishing IT and database infrastructures, strategic planning, business restructuring, resources raising and investor relations.

Taking into consideration the increased business activities of the Company and the increased responsibilities cast on Shri Anurag Soni and subject to necessary approval by the Members in the General Meeting, on recommendation of Nomination and Remuneration Committee, the Board of Directors has revised/amended the following terms in the remuneration of Shri Anurag Soni as Chief Business Strategist.

The appointment would be on the following broad remuneration, terms and conditions:

- ₹ 2,65,000/- per month with authority to the Board of Director of the Company to give increment from time to time, such that the total increments in one financial year does not exceed 10% of the basic salary.
- Perquisites & Allowances:

In addition to Basic Salary, a basket of allowances/perquisites upto 60% of each years basic salary which will also include HRA, variable pay/performance linked incentives, Company Car, pension insurance, life insurance, insurance guaranteed income, personal accident insurance and any other allowances, perquisites or reimbursements in terms of the rules of the Employer Company or as may be agreed to, by the Managing Director of the Employer Company.

For the purpose of calculating the above ceilings, perquisites and allowances shall be evaluated in accordance with valuation principles adopted by the Employer Company for Income-tax purposes or reasonable estimates with respect to personal use, as applicable.

The above remuneration may be varied from time to time by the Employer Company as it may, at its discretion, deem fit, but shall always remain within the limits specified above.

The information as required in accordance with Rule 15 of Companies (Meetings of Board & its Powers) Rules, 2014, as well as pursuant to Section 102 of the Act is as under:

- Name of the related party: Mr. Anurag Soni;
- Name of the Director or Key Managerial Personnel who is related: Shri Ram Pal Soni, Chairman of the Company;



- (c) Nature of relationship: Mr. Anurag Soni is Son of Shri Ram Pal Soni Chairman of the Company.
- (d) Nature, material terms, monetary value and particulars of the contract or arrangement:

Shri Anurag Soni has been appointed as Chief Business Strategist of the Company on remuneration and terms & conditions as embodied in the resolution given in item no. 6 and his remuneration is proposed to be revised annually as per terms set out in the said.

Item no. 7:

Shri Pranal Modani was appointed as "Chief Business Development" in the Company with effect from 01st November, 2014 to look after the operations and marketing of seamless division.

Shri Pranal Modani did his Masters in Management from London Business School and his engineering from Georgia Institute of Technology, Atlanta, USA. He did a minor in Economics along with his engineering and was selected to do a 6-week research program at Oxford University, UK. He held several leadership positions during his time in college in the Family Business Club, Investments committee and Entrepreneurship society. He is actively involved in Community service projects and was awarded a certificate of appreciation from Nelson Mandela for a water harvesting project done in Thailand. He has a keen interest in sports and represented London Business School in Squash at the MBAT tournament held in HEC, Paris.

Taking into consideration the increase business activities of the Company and the increased responsibilities cast on Shri Pranal Modani and subject to necessary approval by the members in the General Meeting, on recommendation of Nomination and Remuneration Committee, the Board has amended the following terms in the remuneration of Shri Pranal Modani w.e.f 01st October, 2017.

The appointment would be on the following remuneration, terms and conditions:

1. Salary Per Month:

₹ 2,00,000/- per month with annual increase of 10% of the basic salary thereafter

2. House Rent Allowance

25% of Salary

3. Contribution to Provident Fund

12% of Salary per month

He is presently heading the Sangam group initiatives to expand their international and domestic presence through strategic alliances and partnerships with a key focus on a more consumer centric approach. In line with that, he is heading Sangam's first retail venture "C9", an aspirational brand for women's clothing.

Shri Pranal Modani is a related party within the definition of Section 2(76) of the Companies Act 2013. Pursuant to the provisions of Section 188 of the Act, read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, appointment of any related

party to any office or place of profit in the Company, its subsidiary company or associate company requires prior approval by way of special resolution of the Company. Hence; approval of members is sought for his appointment in and payment of remuneration to him by the Company as proposed in the resolution under this item of business.

The information as required in accordance with Rule 15 of Companies (Meetings of Board & its Powers) Rules, 2014, as well as pursuant to Section 102 of the Act is as under:

- (a) Name of the related party: Shri Pranal Modani;
- (b) Name of the Director or Key Managerial Personnel who is related: Shri S.N. Modani, CEO & Managing Director of the Company;
- (c) Nature of relationship: Shri Pranal Modani is Son of Shri S.N. Modani CEO & Managing Director of the Company.
- (d) Nature, material terms, monetary value and particulars of the contract or arrangement:

Shri Pranal Modani has been appointed as Chief Business Development of the Company on remuneration and terms & conditions as embodied in the resolution given in item no. 7 and his remuneration is proposed to be revised annually as per terms set out in the said.

Item no. 8:

The Board on the recommendation of the Audit Committee has approved the appointment and remuneration of M/s K.G. Goyal & Co, Cost Accountants, Jaipur (Firm Registration No. 000017) and M/s V.K. Goyal & Co., Cost Accountants, Bhilwara (Firm Registration No. 000550), as Cost Auditors of the Company to conduct the audit of cost records of the Company's various units respectively for the financial year 2017-18 at a fee of ₹ 80,000/- to M/s K.G. Goyal & Co and ₹ 30,000/- to M/s V.K. Goyal & Co. subject to TDS, GST etc., as applicable, apart from out of pocket expenses, as remuneration for cost audit services for the financial year 2017-18.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors have to be ratified by the shareholders of the Company Hence, the Members' approval is being sought by way of Ordinary Resolution.

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise in the resolution.

By Order of the Board of Directors
For Sangam (India) Limited

Anil Jain

Place: Bhilwara
Date: 16th August, 2017

(CFO & Company Secretary)
M.No. F-3147

Annexure

PURSUANT TO REGULATION 36 (3) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015, INFORMATION ABOUT THE DIRECTORS PROPOSED TO BE APPOINTED / RE-APPOINTED IS FURNISHED BELOW:

Name of Directors	Shri S.N. Modani	Shri. V.K. Sodani
DIN No.	00401498	00403740
Date of Appointment	1st October, 2014	1st October, 2012
Qualification	MBA, Masters in Science (M.Sc), with honours in Chemistry, Post-Graduate Diploma in Cement Technology from NCBM, Faridabad.	B.Com, FCA,
Expertise in specific functional areas	He has 28 years of experience in the textile industry, having previously held positions in key organizations in the industry, such as Deputy Chairman of the The Rajasthan Textile Mills Association, as well as Director, Indian Cotton Mills Federation. He has also held positions as President, Mewar Chamber Of Commerce & Industry and Vice President, Rajasthan Chamber Of Commerce & Industry.	Managing business of P/V suiting with domestic & overseas marketing, process division and seamless garments division. He is also past president of Mewar Chamber of Commerce & Industry.
Directorship held in other public companies (excluding foreign companies)	Nil	Suchitra Finance & Trading Co. Limited Sangam Lifestyle Ventures Limited Sangam Infratech Limited
Membership/Chairmanship of committees of other Indian public Companies	Nil	Audit Committee - Member 1. Suchitra Finance & Trading Co. Limited Stakeholders Relationship Committee - Member 1. Suchitra Finance & Trading Co. Limited Nomination and Remuneration Committee - Member 1. Suchitra Finance & Trading Co. Limited
Number of share held in the Company	99,779	Nil

**Sangam (India) Limited****(CIN: L17118RJ1984PLC003173)****Registered Office:** Atun, Chittorgarh Road, Bhilwara - 311 001 (Rajasthan)

Ph.: +91 1482 305000 Fax: +91 1482 304120,

Email: secretarial@sangamgroup.com, website: www.sangamgroup.com

ATTENDANCE SLIP

Name of Shareholder(s) :

Registered Address :

Email-id :

Folio No./Client ID :

DP ID :

I hereby record my presence at the 31st Annual General Meeting of the Company held on Friday, the 29th September, 2017 at 4:00 PM. at "Sangam House", Atun, Chittorgarh Road, Bhilwara-311001 (Rajasthan).

Signature of the Shareholder/ proxy

Note :- 1. Please bring this Attendance Slip to the meeting and hand over at the entrance duly filled in.**Sangam (India) Limited****(CIN: L17118RJ1984PLC003173)****Registered Office:** Atun, Chittorgarh Road, Bhilwara - 311 001 (Rajasthan)

Ph.: +91 1482 305000 Fax: +91 1482 304120,

Email: secretarial@sangamgroup.com, website: www.sangamgroup.com

**FROM NO. MGT - 11
PROXY FORM**

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

Name of Shareholder(s) :

Registered Address :

Email-id :

Folio No./Client ID :

DP ID :

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

- Name : Address:
E-mail Id : Signature: or failing him/her :
- Name : Address:
E-mail Id : Signature: or failing him/her :
- Name : Address:
E-mail Id : Signature: or failing him/her :

as my/our proxy to attend and vote (on a poll) for me/us on my/our behalf at the 31st Annual General Meeting of the Company to be held at "Sangam House", Atun, Chittorgarh Road, Bhilwara-311001 (Rajasthan) on Friday, the 29th September, 2017 at 4:00 PM and at any adjournment in respect of such resolutions as are indicated below:

Resolution No.	Resolution	* Optional	
Ordinary Business		For	Against
1	Adoption of Audited Financial Statements (Including the Consolidated Financial Statements) for the year ended 31st March, 2017		
2	Approval of dividend for the financial year 2016-17		
3	Re-appointment of Shri S.N. Modani, Managing Director, who retires by rotation		
4	Appointment of statutory auditors and fixing their remuneration		
Special Business			
5	Re-appointment of Shri V.K. Sodani as Whole Time Director designated as Executive Director		
6	Approval of Revision in terms of remuneration of Shri Anurag Soni, to hold an office or place of profit of the Company		
7	Appointment of Shri Pranal Modani, to hold an office or place of profit of the Company		
8	Approval of Remuneration to the Cost Auditors.		

Signed this..... day of..... 2017.

Affix a ₹ 1
Revenue
Stamp

Signature of first proxy holder (s)

Signature of second proxy holder (s)

Signature across the stamp

- Notes:**
- This form of Proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the meeting.
 - For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of the 31st Annual General Meeting.
 - It is optional to put a "X" in the appropriate column against the Resolutions indicated in the box. If you leave the "For" or "Against" column blank against any or all Resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
 - A person can act as proxy on behalf of Members not-exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or Member.



Corporate information

AUDITORS

R. Kabra & Co.	Mumbai
B. L. Chordia & Co.	Bhilwara

BANKERS

State Bank of India
Punjab National Bank
Axis Bank Limited
IDBI Bank Limited
Central Bank of India
Export Import Bank of India

REGISTERED OFFICE

Atun, Chittorgarh Road,
Bhilwara - 311001, Rajasthan
Tel No.: 01482-305000 -05, Fax: 01482-304120
e-mail: secretarial@sangamgroup.com

PRINCIPAL & HEAD OFFICE

B/306-309, Dynasty Business Park,
Andheri Kurla Road,
J B Nagar Andheri (E),
Mumbai - 400 059, INDIA
Tel No. : +91-22- 6111 5222/ 5200
Fax No.: +91-22- 2822 7865/ 6111 5265

PLANT LOCATIONS

Spinning Unit-I

Village Biliya Kalan, Chittorgarh Road,
Bhilwara - 311 001, Rajasthan

Spinning Unit-II

91, Km Stone, N.H No. 79, Village Sareri,
Bhilwara - 311 024, Rajasthan

Spinning Unit-III

N.H. 79, Village Soniyana,
Tehsil : Gangrar - 312 901
Chittorgarh, Rajasthan

Weaving, Processing & Seamless Garment Unit

Village Atun, Chittorgarh Road,
Bhilwara - 311 001, Rajasthan

Denim Unit

Village Biliya Kalan, Chittorgarh Road,
Bhilwara - 311 001, Rajasthan



Value through values

Sangam (India) Limited

www.sangamgroup.com



If undelivered, please return to:

Sangam (India) Limited

Post Box No. 90, Atun, Chittorgarh Road
Bhilwara - 311001, Rajasthan, India