

**SUBHASH SILK MILLS LIMITED**

**47TH  
ANNUAL REPORT  
2016-2017**

**BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

<b>Name of Directors with KMP</b>	<b>DIN/PAN</b>	
Mr. Sumeet S. Mehra	(00342934)	Chairman
Mr. Dhiraj S. Mehra	(01409010)	Managing Director
Mr. Lav Kumar Vadehra	(01936360)	Director
Mr. Radhe Mohan Malhotra	(01874316)	Director
Mr. Anant Singhanian	(00019992)	Director
Mrs. Nameeta S. Mehra	(01874270)	Director
Mrs. Priyanka Mankame	(APNPM7168P)	Chief Financial Officer
Ms. Paridhi Somani	(CJUPS6721H)	Company Secretary

**AUDITORS:**

M/s. S. M. Kapoor & Co.

**BANKERS:**

Citibank N.A.  
Axis Bank  
State Bank of India

**REGISTERED OFFICE & CONTACT DETAILS:**

G-15, Ground Floor, Prem Kutir,  
177 Marine Drive,  
Mumbai 400020  
Contact No.: 022-40619000  
Email Id: cs@subhashsilk Mills.com  
Website: www.subhashsilk Mills.com

**REGISTRAR & TRANSFER AGENT:**

M/s. Purva Sharegistry (India) Pvt. Ltd.  
Shiv Shakti Industrial Estate, 9, Sitaram Mills Compound,  
J.R. Boricha Marg, Lower Parel, Mumbai - 400011

**Important Communication to Members**

The Ministry of Corporate Affairs has now permitted companies to send various notices / documents under the Companies Act, 2013, to its shareholders, through electronic mode. We request the Members to support this initiative and register their E-mail addresses in respect of the shares held in the Company with the M/s. Purva Sharegistry (India) Pvt. Ltd. (RTA). Please quote the following particulars in the E-Mail Registration Request: Folio No. / DP ID-Client ID, PAN, Name(s) of Registered Holder(s), Address, Telephone and E-mail Address (to be registered for sending future communications through E-Mail) and send the same under your signature(s).

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**NOTICE**

NOTICE IS HEREBY GIVEN THAT THE **FORTY SEVENTH ANNUAL GENERAL MEETING OF THE MEMBERS OF SUBHASH SILK MILLS LIMITED (CIN: L17106MH1970PLC014868)** WILL BE HELD AT THE **INDIAN MERCHANTS CHAMBER, ASHOK BIRLA BOARD ROOM, THIRD FLOOR, CHURCHGATE, MUMBAI - 400020** ON **THURSDAY, SEPTEMBER 28, 2017 AT 11:30AM** TO TRANSACT THE FOLLOWING BUSINESS:

**ORDINARY BUSINESS:**

- 1. Adoption of Financial Statements:** To consider and adopt the Audited Financial Statements of the Company for the Financial Year ended March 31, 2017 and the Reports of the Board of Directors and Auditors thereon.
- 2. Appointment of Mrs. Nameeta S. Mehra as a Director liable to retire by rotation:** To appoint a Director in place of **Mrs. Nameeta S. Mehra** (DIN 01874270), who retires by rotation and, being eligible, offers herself for re-appointment. The shareholders are requested to consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:  
“**RESOLVED THAT** pursuant to the provisions of Section 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013, the approval of the members of the Company be and is hereby accorded to the re-appointment of **Mrs. Nameeta S. Mehra** (DIN 01874270), as Director, to the extent that she is required to retire by rotation.”
- 3. Appointment of Statutory Auditors:** To appoint the Statutory Auditors of the Company and to fix their remuneration 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 the provision of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013, and the Companies (Audit and Auditors) Rules, 2014 as amended from time to time and pursuant to recommendations of Audit Committee and of Board of Directors, **M/s. Govind Prasad & Co.,** Chartered Accountants, Mumbai (Firm Registration No. **114360W**) be and are hereby appointed as the Statutory Auditors of the Company to hold office for 5 Financial Years (i.e. from FY 2017-18 to FY 2021-22) from the conclusion of this Annual General Meeting up to the conclusion of the Fifty First Annual General Meeting of the Company, on remuneration to be fixed by the Board of Directors of the Company, based on the recommendation of the Audit Committee, in addition to reimbursement of all out-of-pocket expenses in connection with the audit of the accounts of the Company.”

**Regd. Office:**

G-15 Prem Kutir,  
177 Marine Drive,  
Mumbai – 400 020.  
Contact No.: 022-40619000  
Email Id: cs@subhashsilk Mills.com  
Website: www.subhashsilk Mills.com

**BY ORDER OF THE BOARD OF DIRECTORS  
For SUBHASH SILK MILLS LTD.**

**SD/-  
PARIDHI SOMANI  
COMPANY SECRETARY**

Place: Mumbai  
Date: August 18, 2017

**NOTES**

1. A member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote in the meeting instead of himself/herself, and the proxy need not be a member of the company.
2. The proxy form, in order to be effective, must be duly completed and deposited at the registered office of the Company not less than 48 hour before the commencement of the Meeting. A person can act as a proxy on behalf of members not exceeding (50) fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights.
3. Corporate Members intending to send their authorized representatives to attend the Meeting are requested to send a certified copy of Board Resolution to the Company, authorizing their representatives to attend and vote on their behalf at the Meeting.
4. Members/proxies attending the Meeting should bring the Attendance Slip, duly filled, for handing over at the venue of the meeting. Members are requested to bring their copy of the Annual Report with them at the Annual General Meeting, as the copies of the report will not be circulated at the meeting.
5. All documents referred to in the accompanying Notice and Explanatory Statement are open for inspection at the Registered Office of the Company at **G-15, Ground Floor, Prem Kutir, 177 Marine Drive, Mumbai 400020**, on all working days except Saturdays and Sundays during business hours up to the date of the Annual General Meeting.
6. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act 2013, will be available for inspection by the members at the AGM.
7. **The Register of Members and the Share Transfer Registers of the Company will remain closed from Thursday, September 21, 2017 to Wednesday, September 27, 2017 (both days inclusive).**
8. Explanatory statements pursuant to section 102(1) of the Companies Act, 2013 relating to the Ordinary Business to be transacted at the meeting is Annexed hereto.
9. (a) Members holding shares in physical form are requested to advise immediately change in their address, if any, quoting their folio number(s) to the Registrar & Share Transfer Agent, M/s. Purva Shareregistry (India) Pvt. Ltd.  
(b) Members holding shares in the electronic form are requested to advise immediately change in their address, if any, quoting their Client ID No., to their respective Depository Participants.
10. In case of joint holders attending the meeting, only such joint holder who is higher in the order of name will be entitled to vote.
11. Members desirous of getting any information in respect of accounts of the Company and proposed resolution, are requested to send their queries in writing to the Company at its registered office at least 7 days before the date of the meeting, so that the required information can be made available at the meeting.
12. 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 their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company / Registrar M/s. Purva Shareregistry (India) Pvt. Ltd.
13. The Ministry of Corporate Affairs ("Ministry"), Government of India, has taken a "Green Initiative in Corporate Governance" by allowing paperless compliances by companies through electronic mode. As per the Circular No. 17/2011, dated 21.04.2011 and Circular No. 18/2011, dated 29.04.2011 issued by the Ministry of Corporate Affairs, companies can now send various notice/documents (including notice calling Annual General Meeting, Audited

Financial Statements, Directors Report, Auditors Report, etc.) to their shareholders through electronic mode, to the registered email address of the shareholders.

14. With a view to using natural resources responsibly, we request shareholders to update their email address with their Depository Participants or RTA (i.e. M/s. Purva Shareregistry (India) Pvt. Ltd.) to send communications electronically.
15. The Company has already joined the Depository System and the ISIN for the equity shares of the Company is **INE690D01014**. Members holding shares in physical mode are requested to convert their holdings into Dematerialized mode.
16. Non-Resident Indian Members are requested to update M/s. Purva Shareregistry (India) Pvt. Ltd. immediately of any change in their residential status on return to India for permanent settlement.

**17. Voting through electronic means:**

In compliance with the provisions of Section 108 of the Act read with Rule 20 of Companies (Management and Administration) Amendment Rules, 2015, and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the Company is pleased to provide its shareholders with the facility of “remote E-Voting” (e-voting from a place other than venue of the AGM), to enable them to cast their votes at the 47<sup>th</sup> AGM and the business at the 47<sup>th</sup> AGM may be transacted through such voting. The Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating e-voting to enable all its shareholders to cast their vote electronically.

The facility for voting, either through electronic voting system or through ballot/polling paper shall also be made available at the venue of the 47<sup>th</sup> AGM apart from remote e-voting. The members attending the meeting, who have not already cast their vote through remote e-voting shall be able to exercise their voting rights at the meeting. The members who have already cast their vote through remote e-voting may attend the meeting but shall not be entitled to cast their vote again at the AGM.

The Company has appointed **Ms. Jyoti N. Kholia**, Partner at KNK & CO. LLP, Company Secretaries, as the scrutinizer for conducting the remote e-voting and the voting process at the AGM in a fair and transparent manner.

**The instructions for shareholders voting electronically are as under:**

- (i) The voting period begins on **Monday, September 25, 2017 at 9 a.m. and will end on Wednesday, September 27, 2017 at 5:00 p.m.** During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of **Thursday, September 21, 2017** may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iv) Click on Shareholders.
- (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](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	For demat shareholders: Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department.

	<p>For physical shareholders, please use the first two letters of your name and the 8 digits of the sequence number in the PAN field.</p> <ul style="list-style-type: none"> <li>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. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li> </ul>
Dividend Bank Details / 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"> <li>If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).</li> </ul>

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (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 **SUBHASH SILK MILLS 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 a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xviii) If a demat account holder has forgotten the login 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) **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](http://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](mailto: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](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
18. 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.co.in](http://www.evotingindia.co.in) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call the Registrar & Transfer Agent, Purva Sharegistry Pvt. Ltd. at +91-22-23016761 or write an email to [purvhashr@mtnl.net.in](mailto:purvhashr@mtnl.net.in)
19. **Ms. Jyoti N. Kholia**, Partner at KNK & CO. LLP, Company Secretaries, has been appointed as Scrutinizer to oversee that the e-voting process has been carried out in fair and transparent manner. The Results shall be declared on or after the Annual General Meeting of the Company. The results declared along with the scrutinizer's report shall be placed on the Company's website [www.subhashsilk Mills.com](http://www.subhashsilk Mills.com), and on the website of CDSL within two days of passing of the resolutions at the AGM of the Company and will also be communicated to stock exchange.
20. The Scrutinizer shall within a period of not exceeding three (3) working days from the conclusion of the e-Voting period unlock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
21. Members may also note that the Notice of the 47<sup>th</sup> AGM and the Company's Annual Report 2016-2017 will be available on the Company's website [www.subhashsilk Mills.com](http://www.subhashsilk Mills.com). The physical copies of the documents will also be available at the Company's registered office for inspection during normal business hours on working days. Members who require communication in physical form in addition to e-communication, or have any other queries, may write to us at [cs@subhashsilk Mills.com](mailto:cs@subhashsilk Mills.com).
22. Additional information, pursuant to the Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, in respect of the Directors seeking appointment / re-appointment at the AGM, is furnished as annexure to the Notice. The Director have furnished consent and declaration for her re-appointment as required under the Companies Act 2013 and the Rules thereunder.

**Regd. Office:**  
G-15 Prem Kutir,  
177 Marine Drive,  
Mumbai – 400 020.  
Contact No.: 022-40619000  
Email Id: [cs@subhashsilk Mills.com](mailto:cs@subhashsilk Mills.com)  
Website: [www.subhashsilk Mills.com](http://www.subhashsilk Mills.com)

**BY ORDER OF THE BOARD OF DIRECTORS  
For SUBHASH SILK MILLS LTD.**

**SD/-  
PARIDHI SOMANI  
COMPANY SECRETARY**

Place: Mumbai

Date: August 18, 2017

#### **ANNEXURE TO ITEM 2 OF THE NOTICE**

*Additional information on Directors recommended for appointment/re-appointment as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015*

Name of the Director	<b>NAMEETA S. MEHRA</b>
DIN	01874270
Date of Birth	December 1, 1949
Nationality	Indian
Date of Appointment on Board	August 04, 2014

Brief Profile including Qualifications	Mr. Nameeta S Mehra is having rich experience in business management and administration. She has a wealth of experience in the textile field. She has a keen eye of fashion and fabrics and has also successfully managed her own fashion business in the past.
Shareholding in Company	477000 shares
List of Directorships held in other Companies (Including Private Companies)	1. Subhash Fabrics Pvt Ltd 2. Excellent Holdings Pvt Ltd 3. Taranga Holdings Pvt Ltd 4. Pheodora Property Developers Pvt Ltd
Memberships / Chairmanships of Audit & Stakeholders' Relationship Committees across Public Companies	N/A.
Relation	Mrs. Nameeta S. Mehra is relative of Mr. Dhiraj Mehra & Mr. Sumeet S. Mehra

### **DIRECTORS' REPORT**

Dear Members,

The Board of Directors hereby submit the 47<sup>th</sup> Annual Report along with the Audited Financial Statements of the Company for the Financial Year ended March 31, 2017.

#### **1. FINANCIAL HIGHLIGHTS OF PERFORMANCE:**

The financial performance of the Company for the Financial Year ended on March 31, 2017 is summarized as under:

Particulars	Amounts in Rs. (in Lakhs)	
	2016-2017	2015-2016
Income from Operations	1.22	20.13
Add : Other Income	169.37	167.94
Profit before Interest, Depreciation and Taxes	109.62	21.89
Less : Finance Cost	0.13	0.11
Profit before Depreciation and Taxes	109.75	21.78
Less : Depreciation	57.20	78.97
Profit/Loss Before Taxes	3.64	(57.20)
Less : Provision for Current Taxation	8.65	4.90
Less: Provision for Deferred Taxation	(0.60)	(1.85)
Less: Taxes in respect of earlier years	0	15.48
Profit/ Loss after Taxes	(4.41)	(75.73)

#### **2. AMOUNT CARRIED FORWARD TO RESERVES:**

Your Company has not transferred any amount to its reserves.

#### **3. PERFORMANCE REVIEW:**

The Company's revenue decreased to Rs. 1.22 lakhs from Rs. 20.13 lakhs and loss after tax Rs. 4.41 lakhs as compared to Rs. 75.73 Lakhs in the previous year. The Company's property at Khopoli has been fully leased out. The said warehousing contracts have yielded an income of Rs. 169.36 Lakhs (P.Y. Rs. 166.85 Lakhs) in the current year under review.

Your Company has made sale of Readymade Garments to the service sector and of fabrics to various traders. Sales for the financial year have been Rs. 1.22 Lakhs.



**4. DIVIDEND:**

In view of losses, your Directors do not recommend any Dividend for the Financial Year ended March 31, 2017.

**5. CHANGES IN THE NATURE OF BUSINESS:**

There were no changes in the nature of business during Financial Year ended March 31, 2017.

**6. SIGNIFICANCE AND MATERIAL ORDER PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS:**

There were no significance and material orders passed by regulators or courts or tribunals impacting the going concern status and company operations in future. There were no material changes and commitments affecting the financial position of the company occurring between March 31, 2017 and the date of this Report of the Directors.

**7. SUBSIDIARIES, JOINT VENTURE / ASSOCIATES COMPANIES DURING THE YEAR:**

The Company has no subsidiaries, joint ventures or associate companies for the financial year ended March 31, 2017.

**8. TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND:**

Your Company did not have any funds lying unpaid or unclaimed for a period of seven years. Therefore there were no funds which were required to be transferred to Investor Education and Protection Fund (IEPF).

**9. DISCLOSURE OF VARIOUS POLICIES:**

The Board has approved various policies in their meeting so that the Committees work effectively and in accordance with the provisions as stipulated in the Policies.

Various policies as approved by the Board of Directors are posted on the Company's website.

**10. REMUNERATION POLICY:**

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration. This Policy is posted on the company's website [www.subhashsilk Mills.com](http://www.subhashsilk Mills.com).

**11. VIGIL MECHANISM / WHISTLE BLOWER POLICY:**

In order to ensure that the activities of the Company and its employees are conducted in a fair and transparent manner by adoption of highest standards of professionalism, honesty, integrity and ethical behavior the Company has adopted a vigil mechanism policy. The aim of the policy is to provide adequate safeguards against victimization of whistle blower who avails of the mechanism and also provide direct access to Chairman of the Audit Committee, in appropriate or exceptional cases. Accordingly, 'Whistle Blower Policy' has been formulated with a view to provide a mechanism for the Directors and employees of the Company to approach the Ethics Counsellor or the Chairman of the Audit Committee of the Company. The purpose of this policy is to provide a framework to promote responsible & secure whistle blowing. It protects employees willing to raise a concern about serious irregularities within Company. This Policy is posted on company's website [www.subhashsilk Mills.com](http://www.subhashsilk Mills.com).

**12. FIXED DEPOSITS:**

The Company has not accepted any fixed deposits and as such no amount of principal or interest was outstanding as on the Balance Sheet date.

**13. CORPORATE GOVERNANCE:**

A detailed Report on Corporate Governance forms part of this Annual Report.

The Auditors' certificate on compliance with Corporate Governance requirements by the Company is attached to the said Report on Corporate Governance.

**14. MANAGEMENT DISCUSSION AND ANALYSIS:**

In terms of the provisions of Regulations 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the detailed review on the operations and performance of the Company and its business is given in the Management Discussion and Analysis, is set out in this Annual Report.

**15. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:**

The Company has not given any loans or guarantees covered under the provisions of section 186 of the Companies Act, 2013. The details of the investments made by company are given under the Note 12 of the Notes to Accounts to financial statements for the financial year ending March 31, 2017.

**16. INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY:**

The Company has adequate system of internal control to safeguard and protect from loss, unauthorized use or disposition of its assets. All the transactions are probably authorized, recorded and reported to the Management. The Company is following all the applicable Accounting Standards for properly maintaining the books of accounts and reporting financial statements.

The internal auditor of the company checks and verifies the internal control and monitors them in accordance with policy adopted by the company. The company continues to ensure proper and adequate systems and procedures commensurate with its size and nature of its business.

**17. DIRECTORS:**

There were no changes in the composition of Directors of the Company during the Financial Year ended March 31, 2017.

As per the provisions of the Companies Act 2013, Mrs. Nameeta S. Mehra (DIN 01874270), retires by rotation at the ensuing Annual General Meeting and being eligible, offer herself for re-appointment. The Board recommend this re-appointment.

**18. DETAILS OF KEY MANAGERIAL PERSONNEL:**

During the Financial Year, following persons holds post of Key Managerial Personnel in the Company in compliance with provisions of Section 203 of the Companies Act, 2013:

- |                             |   |                         |
|-----------------------------|---|-------------------------|
| 1. Mr. Dhiraj Subhash Mehra | - | Managing Director       |
| 2. Mrs. Priyanka Mankame    | - | Chief Financial Officer |
| 3. Ms. Paridhi Somani       | - | Company Secretary       |

**19. DECLARATION FROM INDEPENDENT DIRECTORS:**

The Company has received necessary declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed in Section 149(6) of the Companies Act, 2013 and Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**20. BOARD EVALUATION:**

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out an evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Appointment & Remuneration Committees. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

**21. BOARD MEETINGS:**

During the Financial Year, 5 (Five) Board Meetings were convened and held on May 30, 2016, July 25, 2016, September 8, 2016, November 14, 2016 and February 10, 2017. The details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013 and SEBI (LODR) Regulations 2015.

**22. COMMITTEES OF THE BOARD:****a. Audit Committee:**

The Audit Committee consisted of 3 (three) members. During the financial year, 4 (four) Audit Committee Meetings were convened and held on May 16, 2016, July 11, 2016, November 7, 2016 and February 3, 2017. More details on the committee are given in Corporate Governance Report.

**b. Nomination and Remuneration Committee:**

The Board has re-constituted its committee which comprises of 3 members. During the Financial Year, 2 (Two) Meetings were convened and held on May 16, 2016 and July 11, 2016. More details on the Committee are given in Corporate Governance Report.

**c. Stakeholder Relationship Committee:**

The Board has re-constituted this Committee which comprises of 2 members. During the Financial Year, 5 (five) meetings were convened and held on May 16, 2016, June 11, 2016, July 11, 2016, November 7, 2016 and February 3, 2017. More details on the committee are given in Corporate Governance Report.

**23. OBLIGATION OF COMPANY UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:**

In order to prevent sexual harassment of women at work place the Company has adopted a policy for prevention of Sexual Harassment of Women at workplace and has set up Committee for implementation of said policy under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and during the year Company has not received any complaint of such harassment.

**24. DIRECTORS' RESPONSIBILITY STATEMENT:**

The Financial Statements are prepared in accordance with the Generally Accepted Accounting Principles (GAAP) under the historical cost convention on accrual basis except for certain financial instruments, which are measured at fair values. GAAP comprises mandatory accounting standards as prescribed under Section 133 of the Companies Act 2013 ('the Act') read with the Rule 7 of the Companies (Accounts) Rules 2014, the provisions of the Act (to the extent notified) and guidelines issued by SEBI. There are no material departures from the prescribed accounting standards in the adoption of these standards.

The Directors confirm that:

- i. In the preparation of the annual accounts for the financial year ended March 31, 2017, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- ii. 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 at the end of the financial year and of the profit of the Company for that period;
- iii. They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. They have prepared the annual accounts on a going concern basis;

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

## **25. PARTICULARS OF EMPLOYEES:**

The information required pursuant to Section 197 read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company is as follows:

The Company has three Executive Director (including one Managing Director). Further sitting fee of Rs. 10,000/- each has been paid to the 3 independent directors during the year.

The particulars of the employees who are covered by the provisions contained in Rule 5(2) and rule 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are:

Employed throughout the year Nil

Employed for part of the year Nil

The remuneration paid to all key management personnel was in accordance with remuneration policy adopted by the company.

In terms of Section 136 of the Act, the reports and accounts are being sent to the members and others entitled thereto, excluding the information on employees' particulars which is available for inspection by the members at the Registered office of the company during business hours on working days of the company up to the date of ensuing Annual General Meeting. If any member is interested in inspecting the same, such member may write to the Company Secretary in advance.

## **26. STATUTORY AUDITORS & THEIR REPORT:**

**M/s. S. M. Kapoor & Co.** (Firm Registration No.: **104909W**), Chartered Accountants have completed their tenure as Statutory Auditors of the Company. The Company has further proposed to appoint **M/s. Govind Prasad & Co.**, Chartered Accountants, Mumbai (Firm Registration No. **114360W**). A written certificate to the effect that their appointment, if made, would be within the prescribed limits under section 139 of the Companies Act, 2013, has been obtained by the Company from them. The Members are requested to consider their appointment and fix remuneration.

### **Qualification in the Auditors Report:**

The qualification in the Auditors Report is *with respect to the adequacy of the Internal Financial Controls, the system of internal financial controls over financial reporting of the Company was not made available to us to enable us to determine if the Company has established adequate internal control over financial reporting and whether such internal financial controls were operating effectively as at March 31, 2017.*

### **Management Response to Qualification in Auditors Report:**

Your Directors wish to state that the Company is in the process of implementing the same however there is adequate internal control which commensurate with the size and nature of its business.

## **27. SECRETARIAL AUDITOR & HER REPORT:**

Pursuant to the provision of section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Ms. Jyoti N. Kholia, Practicing Company Secretary to undertake the Secretarial Audit of the Company. The Secretarial Audit Report is annexed herewith as "**Annexure A**".

The Board has appointed **Ms. Jyoti N. Kholia**, Practicing Company Secretary as Secretarial Auditor of the Company for the FY 2016-2017.

**Qualifications in the Secretarial Audit Report:**

- a. *The Company has filed forms as required under the various provisions of the Companies Act 2013 and Rules made thereunder. However certain form was not filed within the prescribed timelines under the said Act and/or Rules.*

**Management Response to Qualification in Secretarial Audit Report:**

- a. There was delay in filing only one e-form. However the additional penalty was paid by the Company.

**28. INTERNAL AUDITORS:**

M/s S. N. Katdare & Co., Chartered Accountants performs the duties of Internal Auditors of the Company and their report is reviewed by the Audit Committee from time to time.

**29. EXTRACT OF ANNUAL RETURN:**

The details forming part of the extract of the Annual Return in form MGT-9 is annexed herewith as “Annexure B”.

**30. ENERGY CONSERVATION, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS AND OUTGO:**

The information on Conservation of Energy, Technology Adsorption and Foreign Exchange Earnings and Outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, is annexed with this report as “Annexure C”.

**31. CORPORATE SOCIAL RESPONSIBILITY:**

Your Company does not fall in the criteria mentioned under Section 135(1) of the Companies Act, 2013 for applicability of the provisions of Corporate Social Responsibility. Hence, your Company is not required to constitute CSR Committee and to comply with other provisions of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014.

**32. RELATED PARTY TRANSACTIONS:**

There were no contracts or arrangements entered into by the company in accordance with provisions of section 188 of the Companies Act, 2013. All material 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 have a potential conflict with the interest of the Company at large. Thus, disclosure in Form AOC-2 is not required. None of the Directors has any pecuniary relationships or transactions vis-à-vis the company.

**33. CODE OF CONDUCT:**

The Board of Directors has approved a Code of Conduct which is applicable to the Members of the Board and all employees in the course of day to day business operations of the company. The Code has been placed on Company's website [www.subhashsilk Mills.com](http://www.subhashsilk Mills.com). The Code lays down the standard procedure of business conduct which is expected to be followed by the Directors and the designated employees in their business dealings and in particular on matters relating to integrity in the work place, in business practices and in dealing with stakeholders.

All the Board Members and the Senior Management personnel have confirmed compliance with the Code.

**34. DEMATERIALISATION OF SHARES:**

The agreement with Central Depository Services (India) Limited (CDSL) and National Securities Depository Limited (NSDL) for admitting the Equity Shares of the Company in the depository mode still continues. The shareholders have already dematerialized their shares and Purva Sharegistry (India) Pvt. Ltd. continue to be the Registrar and Transfer Agents of the Company for shares held in physical form as well as for providing connectivity in a Depository Mode with both NSDL & CDSL.

**35. PREVENTION OF INSIDER TRADING:**

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

**36. LISTING:**

The Equity Shares of your Company are presently listed on the BSE Limited (Bombay Stock Exchange). And the Company has paid the annual listing fees for the financial year 2017-2018.

**37. WEBSITE OF THE COMPANY:**

The Company maintains a functional website i.e. [www.subhashsilk Mills.com](http://www.subhashsilk Mills.com) where detailed information of the Company and its activities are provided along with

**38. ACKNOWLEDGEMENTS:**

We thank our customers, vendors, investors, bankers for their continued support during the financial year. We place on record our appreciation of the contribution made by our employees at all levels. We also thank the government for their support and look forward to their continued support in future.

**BY ORDER OF THE BOARD OF DIRECTORS  
For SUBHASH SILK MILLS LTD.**

**Date: August 10, 2017  
Place: Mumbai**

**SD/-  
SUMEET MEHRA  
CHAIRMAN & DIRECTOR  
DIN: 00342934**

**SD/-  
DHIRAJ MEHRA  
MANAGING DIRECTOR  
DIN: 01409010**

**ANNEXURE 'A'**

**SECRETARIAL AUDIT REPORT  
FOR THE FINANCIAL YEAR ENDED ON 31<sup>ST</sup> MARCH, 2017**

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

To,  
The Members,  
**Subhash Silk Mills Limited**

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Subhash Silk Mills 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's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on **31<sup>st</sup> March, 2017** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance- mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined books, papers, minute books, forms and returns filed and other records maintained by the Company as per '**Annexure I**'. Further I have relied on the representation made by the Company and its officer for the systems and mechanism formed by them for compliances under following Acts, Laws, Rules and Regulations for the Financial Year ended on **31<sup>st</sup> March, 2017** according to the provisions of:

- i. The Companies Act, 1956 (the Old Act) and the Rules made thereunder and The Companies Act 2013 (the Act) and the rules made thereunder, both the Old Act and the Act, to the extent applicable;
- 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. The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') viz.:
  - 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;
  - d. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

The following Acts, Rules and Regulations were not applicable/attracted to/by the Company for the Financial Year ended on **31<sup>st</sup> March, 2017**:

- v. 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;
- vi. The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') viz.
  - a. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
  - b. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - c. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
  - d. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- vii. Other Acts or Laws applicable to the Company:
  - a. Maternity Benefits Act, 1961;
  - b. Employee Compensation Act, 1923;
  - c. Equal Remuneration Act, 1976;

- d. The Sexual harassment of women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.
- e. Negotiable Instruments Act, 1881.

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

- i. Secretarial Standards issued by The Institute of Company Secretaries of India on Board Meetings and General Meetings i.e. SS-1 and SS-2.
- ii. The Listing Agreement and Regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except to the extent as mentioned below:

- a. *The Company has filed forms as required under the various provisions of the Companies Act 2013 and Rules made thereunder. However certain form was not filed within the prescribed timelines under the said Act and/or Rules.*

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. There was no change in the composition of the Board of Directors that took place during the period under review.

Adequate notice was given to all the Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance except in few board meetings which were held by obtaining consent from Directors for holding meeting at shorter notice. 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.

There were no dissenting views of Board members and hence all decisions were duly approved.

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.

**Place: Mumbai**  
**Date: 28-07-2017**

**SD/-**  
**Jyoti N. Kholia**  
**Practicing Company Secretary**  
**ACS No.: 33237**  
**C. P. No.: 12224**

**Note:** This report is to be read with letter of even date which is annexed as 'Annexure II' and forms an integral part of this report.

#### **ANNEXURE - I**

##### **LIST OF DOCUMENTS VERIFIED**

1. Memorandum and Articles of Association of the Company as amended from time to time and Policies of the Company.
2. Minutes of the Meetings of the Board of Directors, Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee along with Attendance Registers held during the year under review.
3. Minutes of General Body Meetings held during the year under review.
4. Statutory Registers viz.
  - Register of Directors and KMP
  - Register of Charges



- Register of Contracts
- 5. Agenda papers along with notes submitted to all the Directors / Members for the Board Meetings and Committee Meetings respectively.
- 6. Declarations received from the Directors of the Company pursuant to the provisions of Section 149 and Section 184 of the Companies Act, 2013.
- 7. All statutory forms filed by the Company under applicable provisions of the Companies Act, 2013 and attachments thereof during the period under review.
- 8. ROC File, Listing Compliances File, Books of Accounts and other documents as provided by the Company for the period under review.

## Annexure II

To,  
The Members,  
**Subhash Silk Mills Limited**

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

1. Maintenance of secretarial record is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

**Place: Mumbai**  
**Date: 28-07-2017**

**SD/-**  
**Jyoti N. Kholia**  
**Practicing Company Secretary**  
**ACS No.: 33237**  
**C. P. No.: 12224**

## ANNEXURE – 'B'

### EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDED ON 31<sup>ST</sup> MARCH, 2017

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

#### I. REGISTRATION AND OTHER DETAILS:

CIN	L17106MH1970PLC014868
Registration Date	6 <sup>th</sup> NOVEMBER, 1970
Name of the Company	SUBHASH SILK MILLS LIMITED
Category / Sub-Category of the Company	Company Limited by Shares Non-Government Company

Address of the registered Office and contact details	G-15, Ground Floor, Premkutir, 177 Marine Drive, Mumbai : 400020 Phone: 022 - 40619000 Fax: 022 - 22825309 <b>E-mail:</b> cs@subhashsilk Mills.com <b>Website:</b> www.subhashsilk Mills.com
Whether listed company	Yes
Name, Address and contact details of Registrar & Transfer Agents (RTA), if any	M/s. PurvaSharegistry (India) Pvt. Ltd. Shiv Shakti Industrial Estate, 9, Sitaram Mills Compound, J.R. Boricha Marg, Lower Parel, Mumbai – 400011 Phone : 022-23016761 Fax : 022-23012517 E-mail: busicomp@gmail.com

## II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

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

SI No.	Name and Description of main products / services	NIC Code of the Product/Services	% to total turnover of the company
1	Manufacture of Readymade Garments	2650	100%

## III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

SI No.	Name and Address of the company	CIN /GLN	Holding / Subsidiary Associates	% of share held	Applicable section
NIL					

## 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 as on 31-March-2016				No. of Shares held at the end of the year as on 31-March-2017				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoter s</b>									
(1) <b>Indian</b>									
a) Individual/ HUF	1648200	428900	2077100	48.98	1648200	493600	2141800	50.51	1.53
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	902700	-	902700	21.29	902700	-	902700	21.29	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other									-

Category of Shareholders	No. of Shares held at the beginning of the year as on 31-March-2016				No. of Shares held at the end of the year as on 31-March-2017				% Change during
<b>Total shareholding of Promoter (A)</b>	<b>2550900</b>	<b>428900</b>	<b>2979800</b>	<b>70.27</b>	<b>2550900</b>	<b>493600</b>	<b>3044500</b>	<b>71.80</b>	<b>1.53</b>
<b>B. Public Shareholding</b>									
1. Institutions	-	-	-	-	-	-	-	-	-
a) Mutual Funds	-	198500	198500	4.68	-	198500	198500	4.68	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(1):-</b>	<b>0</b>	<b>198500</b>	<b>198500</b>	<b>4.68</b>	<b>0</b>	<b>198500</b>	<b>198500</b>	<b>4.68</b>	<b>-</b>
<b>2. Non-Institutions</b>									
a) Bodies Corp.	2650	263100	265750	6.26	2550	263100	265650	6.26	0.00
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	87699	303400	391099	9.22	86014	303700	389714	9.19	-0.03
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	-	403100	403100	9.51	-	338400	338400	7.98	-1.53
c) Others (specify)									
Non Resident Indians	1000	-	1000	0.02	1000	-	1000	0.02	-0.00
Overseas Corporate Bodies	-	-	-	-	-	-	-	-	-
Hindu Undivided Family (HUF)	851	-	851	0.02	2536	-	2536	0.06	0.04
Clearing Members	400	-	400	0.01	200	-	200	0.00	-0.00
Trusts	-	-	-	-	-	-	-	-	-
Foreign Bodies - D R	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(2):-</b>	<b>92600</b>	<b>969600</b>	<b>1062200</b>	<b>25.05</b>	<b>92300</b>	<b>905200</b>	<b>997500</b>	<b>23.52</b>	<b>-1.53</b>
<b>Total Public Shareholding (B)=(B)(1)+ (B)(2)</b>	<b>92600</b>	<b>1168100</b>	<b>1260700</b>	<b>29.73</b>	<b>92300</b>	<b>1103700</b>	<b>1196000</b>	<b>28.20</b>	<b>-1.53</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Category of Shareholders	No. of Shares held at the beginning of the year as on 31-March-2016				No. of Shares held at the end of the year as on 31-March-2017				% Change
									during
Grand Total (A+B+C)	2643500	1597000	4240500	100.00	2643200	1597300	4240500	100.00	-

**(ii) Shareholding of Promoter-**

SN	Shareholder's Name	Shareholding at the beginning of year as on 31-March-2016			Shareholding at the end of the year as on 31-March-2017			% 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	Subhash Mehra	633500	14.94	-	633500	14.94	-	-
2	Excellent Holdings Pvt. Ltd.	490900	11.58	-	490900	11.58	-	-
3	Nameeta S. Mehra	477000	11.25	-	477000	11.25	-	-
4	Taranga Holdings Pvt. Ltd.	411800	9.71	-	411800	9.71	-	-
5	Dhiraj Subhash Mehra	280500	6.61	-	280500	6.61	-	-
6	VedPrakash Mehra (HUF)	264400	6.24	-	264400	6.24	-	-
7	Sumeet S. Mehra	235900	5.56	-	235900	5.56	-	-
8	Subhash V. Mehra (HUF)	164500	3.88	-	164500	3.88	-	-
9	Superna Mehra	21300	0.50	-	21300	0.50	-	-
10	Pooja Mehra	-	-	-	64700	1.53	-	1.53
	<b>Total</b>	<b>2979800</b>	<b>70.27</b>	<b>-</b>	<b>3044500</b>	<b>71.80</b>	<b>-</b>	<b>-</b>

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

There has been no change in Promoter's shareholding during the year (apart from re-classification of promoters' shareholding).

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

Sr. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year as on 31-March-2016		Shareholding at the end of the year as on 31-March-2017	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Porus V. Thapar	59500	1.40	59500	1.40
2	SBR Engineers	59500	1.40	59000	1.39
3	Vijaykumar Agarwal	51600	1.21	51600	1.21
4	Vikram Mehra	72600	1.71	72600	1.71

5	Subhash Fabrics Pvt Ltd	138000	3.25	138000	3.25
6	Bank of India A/c BOI Mutual	198500	4.68	198500	4.68

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

S N	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the end of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	<b>Shareholding of Key Managerial Personnel</b>				
<b>1</b>	<b>Dhiraj Mehra (Managing Director)</b>				
	At the beginning of the year	280500	6.61	280500	6.61
	At the end of the year	280500	6.61	280500	6.61
	<b>Shareholding of Director</b>				
<b>2</b>	<b>Nameeta S. Mehra</b>				
	At the beginning of the year	477000	11.25	477000	11.25
	At the end of the year	477000	11.25	477000	11.25
<b>3</b>	<b>Sumeet S. Mehra</b>				
	At the beginning of the year	235900	5.56	235900	5.56
	At the end of the year	235900	5.56	235900	5.56

**V. INDEBTEDNESS**

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	-	48,84,423	-	48,84,423
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	48,84,423	-	48,84,423
<b>Change in Indebtedness during the financial year</b>				
* Addition	-	-	-	-
* Reduction	-	16,15,901	-	-
<b>Net Change</b>	-	-	-	-
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	-	32,68,522	-	32,68,522
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	32,68,522	-	32,68,522

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

**A. Remuneration to Managing Director, Whole-time Directors and/or Manager (Rs. Lakhs)**

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		Dhiraj Mehra	Sumeet Mehra	
1	Gross salary	18.00	6.00	24.00
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	- as % of profit	-	-	-
	Others specify...	-	-	-
5	Others, please specify	-	-	-
	<b>Total (A)</b>	<b>18.00</b>	<b>6.00</b>	<b>24.00</b>
	Ceiling as per the Act			

**B. Remuneration to other directors (Rs. Lakhs)**

SN.	Particulars of Remuneration	Name of Directors			Total Amount
		Lav Kumar Vadehra	Radhe Mohan Malhotra	Anant Singhania	
1	<b>Independent Directors</b>				
	Fee for attending board committee meetings	0.10	0.10	0.10	0.30
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	<b>Total (1)</b>	<b>0.10</b>	<b>0.10</b>	<b>0.10</b>	<b>0.30</b>
2	<b>Other Non-Executive Directors</b>				
	Fee for attending board committee meetings	-	-	-	-
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	<b>Total (2)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>Total (B)=(1+2)</b>	<b>0.10</b>	<b>0.10</b>	<b>0.10</b>	<b>0.30</b>
	<b>Total Managerial Remuneration</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>Overall Ceiling as per the Act</b>	<b>Rs. 1,00,000 per meeting</b>			

**C. Remuneration to Key Managerial Personnel other than MD / Manager / WTD**
**(Rs. Lakhs)**

SN	Particulars of Remuneration	Key Managerial Personnel		
		CS	CFO	Total Amount
		Paridhi Somani	Priyanka Mankame	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1.8	1.2	3.0

	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	- as % of profit	-	-	-
	Others specify...	-	-	-
5	Others, please specify	-	-	-
	<b>Total</b>	<b>1.8</b>	<b>1.2</b>	<b>3.0</b>

## 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)
<b>A. COMPANY</b>					
Penalty	None	None	None	None	None
Punishment	None	None	None	None	None
Compounding	None	None	None	None	None
<b>B. DIRECTORS</b>					
Penalty	None	None	None	None	None
Punishment	None	None	None	None	None
Compounding	None	None	None	None	None
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	None	None	None	None	None
Punishment	None	None	None	None	None
Compounding	None	None	None	None	None

## ANNEXURE – C

### CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO ETC.

Information on conservation of Energy, Technology absorption, Foreign Exchange earnings and outgo required to be disclosed under Section 134 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 are provided hereunder:

#### A. **CONSERVATION OF ENERGY:**

##### **Efforts made for conservation of energy:**

1. Replacement of high power consumption equipment by upgradation to equipment having better efficiency with lower power consumption.
2. Installation of energy saving lamps and devices wherever possible.
3. Periodical maintenance of electrical systems of the Company.

##### **Additional investments and proposals being implemented for Energy: Nil.**

The Company is engaged in the continuous review of energy costs

##### **Impact of above measures on consumption of energy:**

It is difficult to assess the definite impact of the measure as the total energy cost forms a small constituent of the overall production costs.

##### **Capital Investment on energy conservation equipment's**

Capital investments were incurred previously but nothing during the previous year.

##### **Power & Fuel Consumption:**

Refer Form 'A' attached

**B. TECHNOLOGY ABSORPTION:** Refer Form 'B' attached

**C. FOREIGN EXCHANGE EARNING AND OUTGO:**

	2016-2017	2015-2016
Earning : Export	-	-
Outgo : Import	-	-
Outgo : Bank Charges	-	-

**FORM A - POWER & FUEL CONSUMPTION**

			2016-2017	2015-2016
1	Electricity			
	Purchased	Units	74876	107536
	Total	Rs.	844391	1127656
	Rate / Unit	Rs.	11.28	10.49
	Own Generation through*		-	-
	*Not Applicable, Since the Company does not have any Diesel Generator or Steam Turbine / Generator			
2	Furnace Oil			
	Purchased	Ltr	-	-
	Total	Rs.	-	-
	Rate / Unit	Rs.	-	-
3	Consumption per unit of products	Standards	-	-
	Electricity		-	-
	Furnace Oil		-	-
	Reason for variation**		-	-

**FORM B - TECHNOLOGY ABSORPTION**

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

**Specific areas in which the company carried out R & D:**

The Company has worked on various programmes to reduce fabric wastage for production of garments. Also, various packaging methodologies are also researched to reduce the cost of transport.

**Benefits derived as a result of above R & D:**

None visible in the present year.

**Future plan of action:**

Improve stitching quality, reduce fabric wastage and reduce packed weight of products.

**Expenses on R & D:**

The development work is carried by the concerned department on an ongoing basis.

**TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION:**

Efficient training of staff with a definite approach towards improving their efficiency is conducted regularly. There are no particulars which are specifically required to be mentioned.

**MANAGEMENT DISCUSSION & ANALYSIS REPORT**

**Industry Structure & Development**

This past year has not brought much respite to the textile industry inspite of the stable Central Government due to policy paralysis. Important legislations are being held up in Parliament due to which investments and outlook for the textile industry haven't changed much from the previous year. In the year 2017, the textile industry contributes approximately 15% of the country's total exports and is one of the largest employers of labour in the Country. The Indian Textile Industry approximately contributes to 14% to the Industrial Production and 4% to the GDP.



**Opportunities & Threats:**

The textile industry in India traditionally, after agriculture, is the only industry that has generated huge employment for both skilled and unskilled labor in textiles. The textile industry continues to be the second largest employment generating sector in India.

This sector has a share of 62% of the India's total production and provides employment to about 4.8 million people. Increase in domestic demands should boost cloth and garment productions.

The main threat to the industry is Competition from low cost neighbouring countries like Bangladesh, Vietnam, Indonesia and Pakistan.

**Segment-wise or product-wise performance:**

Your Company has made sale of Readymade Garments to the service sector and of fabrics to various traders.

**Financial Performance**

Total turnover of the Company during the year was Rs. 170.59 Lakhs as against Rs. 188.07 Lakhs in the previous year. Net Loss after Tax was Rs. 4.41 Lakhs as compared to Rs. 75.74 in the previous year.

**Risks & Concerns**

The primary risk for the Company is with the unorganized low cost sector. Having to compete with low cost, low quality manufacturers is always a concern. Secondly, import of fabrics is always a direct competitor to the Company.

There are currently no significant borrowings and as such the Company is well isolated from financial risks & concerns, especially with the increasing interest rates.

**Internal Control Systems**

The Company has suitable internal control systems which ensure safeguarding the Company's assets, promote efficiency and ensure compliance with legal and regulatory provisions.

The audit committee is headed by a chartered accountant with over 40 years of experience. The statutory auditors also discuss their comments and findings with the management as well as with the audit committee.

**Employees:**

The Company has 5-6 employees on its payroll.

**For and on behalf of the Board of Directors,  
Of SUBHASH SILK MILLS LIMITED**

**SD/-**

**Sumeet S. Mehra  
Chairman & Director  
DIN: 00342934**

Place: Mumbai

Date: August 10, 2017

**CORPORATE GOVERNANCE REPORT****I. COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE:**

The Company's philosophy on Corporate Governance envisages the attainment of the highest levels of transparency, accountability and equity, in all facets of its operations, and in all its interactions with its stakeholders, including shareholders, employees, the government and lenders. The Company is committed to achieve the highest international standards of Corporate Governance. Good corporate governance leads to long term shareholder value and enhances interest of stake holders. The Company continues to place uncompromising emphasis on integrity and regulatory compliances. The Company believes that all its

operations and actions must serve the underlying goal of enhancing overall shareholder value, over a sustained period of time.

## II. BOARD OF DIRECTORS:

### A. Size and Composition of the Board:

The Board comprises of **6 (Six)** Directors out of them **one** is a **woman director** and who are responsible for management of the Company's business. The Board's role, functions, responsibility and accountability are clearly defined.

The composition of Board of Directors is in compliance with provisions of Listing Agreement with Stock Exchanges, SEBI (LODR) Regulations, 2015 and the Companies Act, 2013. The Board comprises of optimum combination of Executive and Non-Executive Directors. The Company is having 1 (One) Managing Director viz. Mr. Dhiraj Mehra. The Board periodically evaluates the need for change in its Composition and Size.

Category	No. of Directors	% of Total No. of Directors
Executive Directors	3	50%
Independent Directors and Non-Executive Director	3	50%
<b>Total</b>	<b>6</b>	<b>100%</b>

A Composition, categories and brief resume of all the Directors on the Board, Number of Board Meetings along with their attendance thereat, as also the Committee Memberships held by them in the Company are given below:

#### i. Independent Directors' Profile:

**Shri Lav Kumar Vadehra**, aged 74 years. He is a Graduate in Science and Foreign Trade. He worked in senior positions for the State Trading Corporation in New Delhi, New York and Mumbai for 12 years, eventually leaving to start his own pharma-chemical manufacturing and trading business. He has over 40 years' experience.

**Shri Radhe Mohan Malhotra**, aged 83 years is an expert in Human Resource Development and has honed his skills during his tenure ship as General Manager of the Company for a number of years. His knowledge of various procedural issues and Government Departments and formalities are greatly appreciated by the Board from time to time.

**Shri Anant Singhania**, aged 43 years is a fifth generation industrialist of the illustrious Singhania Family. He has extensive experience in Corporate Governance and Business Management and has been on various executive committees including the Indo-Italian Chamber of Commerce and the Indian Merchants Chamber. His Governance and Management skills will be looked upon by the Board of Directors.

#### ii. Director appointed, resigned or retired during the year:

**Mr. Sumeet S. Mehra** was reappointed by the Company at the Annual General Meeting held on September 8, 2016.

#### iii. Details of meetings attended by Directors along with their Directorship and membership in other Companies:

Name of Directors	Categories	Attendance of meetings during the year			No. of Directors hips (including Private Limited Companies)	No. of Memberships (Chairmanship) of Board Committees in other Companies
		No. of Board Meeting held	Boa rd Me eti ng	Whether attended last AGM held on 08-09-2016		

Mr. Sumeet S. Mehra	Executive Chairman	5	5	Yes	9	0
Mr. Dhiraj Mehra	Managing Director	5	5	Yes	4	0
Mrs. Nameeta S. Mehra	Executive Woman Director	5	5	Yes	4	0
Mr. Lavkumar Vadehra	Independent Non-Executive Director	5	5	Yes	4	0
Mr. Radhemohan Malhotra	Independent Non-Executive Director	5	5	Yes	NIL	0
Mr. Anant Singhania	Independent Director	5	4	Yes	3	0

**iv. Directorship and Committee membership in other companies:**

None of the Directors on the Board is a Member of more than 10 committees and Chairman of more than 5 Committees across all companies in India of which he/she is a director. All the Directors have made necessary disclosures regarding Committee positions occupied by them. The Directorship held by Directors as mentioned above, also include Directorships in Foreign Companies, Companies Registered under Section 8 of the Companies Act, 2013 and Private Limited Companies.

**v. Chairman of the Board:**

The Company had appointed **Mr. Sumeet S. Mehra as Executive Chairman** of the Board ('the Chairman') and **Mr. Dhiraj Mehra as Managing Director**.

**vi. Responsibilities of the Chairman and Managing Director:**

The Responsibilities and authority of these officials are as follows:

The Chairman, being leader of the Board, is responsible for fostering and promoting the integrity of the Board while nurturing a culture where the Board works harmoniously for the long-term benefit of the Company and its stakeholders. His primary responsibility is to ensure that the Board provides effective governance to the Company. This authority is exercised by presiding over the Board Meetings and General Meetings of the Company.

The Managing Director is responsible for Corporate Strategy, Brand Equity, Planning, External Contacts and all matters related to the management of the Company. He is also responsible for achieving annual and long-term business targets.

**vii. Induction & Training of Board of Directors:**

All new non-executive directors inducted to the Board are introduced to our Company culture through orientation sessions. Current executive directors provide an overview of our operations and familiarize the new non-executive directors with them.

**viii. Succession Planning:**

The Nomination & Remuneration Committee works with Board on the leadership succession plan and prepares contingency plans for succession in case of any exigencies.

**ix. Separate Meeting of Independent Director:**

As stipulated by the code of Independent Directors under the Companies Act, 2013 and the Listing Regulations a separate meeting of the Independent Director of the Company was held on **February 10, 2017** to review the performance of Non-Independent Directors and the Board as a whole, review the performance of the Chairperson of the Company, assessment of

the quality, quantity and timeliness of the flow of information between the Company's management and the Board and its committees.

**x. Prevention of Insider Trading:**

As per SEBI (Prevention of Insider Trading) Regulation, 2015, the Company has adopted a Code of Conduct for Prevention of Insider Trading. All the Directors, employees at Senior Management and other employees, who could have the access to the unpublished price sensitive information of the Company, are governed by this code.

The trading window is closed during the time of declaration of results and occurrence of any material events as per the code. The Company has adopted an Insider Trading Policy to regulate, monitor and report trading by insiders under SEBI (Prevention of Insider Trading) Regulation, 2015.

**xi. Code of Conduct:**

In compliance with the Regulations 26(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 and the Companies Act 2013, the Company has framed and adopted a Code of Conduct and Ethics ('the Code') for all the Board members and all the employees in the management grade of the Company.

All the Board members and senior management personnel have confirmed compliance with the code.

**xii. Details of Board Meeting Held:**

5 (Five) Board Meetings were held during the Financial Year ended March 31, 2017. The Board meets at least once in a quarter to review the quarterly financial results and operations of the Company.

The time gap between the two Board Meetings was not more than 120 days as required under the provisions of Companies Act 2013, Listing Agreement entered with Stock Exchange and SEBI (LODR) Regulations, 2015.

The details of such Board Meetings are as follows:

Sr. No.	Date of the Board Meeting	Board Strength	No. of Directors present
1	May 30, 2016	6	6
2	July 25, 2016	6	6
3	September 8, 2016	6	6
4	November 14, 2016	6	6
5	February 10, 2017	6	5

**III. BOARD COMMITTEES:**

**The Company has following 3 (three) committees:**

- A) Audit Committee;
- B) Stakeholders' Relationship Committee;
- C) Nomination and Remuneration Committee.

**A. AUDIT COMMITTEE:**

**i. Brief Description of Terms of reference:**

The terms of reference stipulated by the Board to the Audit Committee are as follows:

1. Review of Company's financial reporting process and the disclosure to ensure that the financial statement is correct, sufficient and credible.
2. Recommending Appointment/Removal of External Auditors, Fixation of audit fees and payment for other services.
3. Reviewing, with the management, Annual Financial statements and Auditors' Report before submission to the Board with focus on the matters required to be included in

Director's Responsibility Statement to be included in Board's report, changes in accounting policies and practices, major accounting entries, disclosure of any related party transactions, qualifications in draft audit report, significant adjustments arising out of audit Accounting standards.

4. Statutory compliance and legal requirements.
5. Any related party transactions of material nature with promoters, managements, subsidiaries or relatives etc. that may have potential conflict with interest of the Company at large.
6. Reviewing and monitoring the auditor's independence, their performance and effectiveness of audit process.
7. Scrutinising inter-corporate loans and investments.
8. Evaluating internal financial controls and risk management systems.
7. Reviewing with the management, external and internal auditors, the adequacy of internal control systems and internal audit function.
8. Discussion with internal Auditors, any significant findings and follow-up thereon. Reviewing any suspected fraud, irregularity or failure of internal control system of material nature and reporting the matter to Board.
9. Discussion with external Auditor in respect of pre and post audit matters to ascertain any area of concern.
10. Reviewing the functioning of Whistle Blower Mechanism.
11. Look into reason for substantial defaults in payments to depositors, debenture holders and creditors, if any.

**ii) Composition of members of Audit Committee:**

Sr. No.	Name of Member	Designation	Category
1	Mr. Lav Kumar Vadehra	Chairman	Independent Director
2	Mr. Radhemohan Malhotra	Member	Independent Director
3	Mr. Dhiraj Mehra	Member	Executive Director (MD)

**iii) Meetings and Attendance during the year:**

Name of Members	Dates of Audit Committee Meetings held and Members attendance			
	May 16, 2016	July 11, 2016	November 7, 2016	February 3, 2017
Mr. Lav Kumar Vadehra	P	P	P	P
Mr. Radhemohan Malhotra	P	P	P	P
Mr. Dhiraj Mehra	P	P	P	P

P = Present A = Absent

**B. STAKEHOLDERS' RELATIONSHIP COMMITTEE:**

**i. Brief Description of Terms of reference:**

The Company has constituted a Stakeholders' Relationship Committee of the Directors to consider and redress the grievances of security holders of the Company such as non-receipt of refund orders, shares sent for registration of transfer, non-receipt of notices and audited annual report, dividend etc.

**ii. Composition of Stakeholders' Relationship Committee:**

Sr. No.	Name of the Member	Designation	Category
1	Radhe Mohan Malhotra	Chairman	Independent Director
2	Lav Kumar Vadehra	Member	Independent Director

**iii. Meetings and Attendance during the year:**

Name of Members	Dates of Stakeholders Relationship Committee Meetings held & Members attendance				
	May 16, 2016	June 11, 2016	July 11, 2016	Nov 7, 2016	Feb 3, 2017
Mr. Radhemohan Malhotra	P	P	P	P	P
Mr. Lav Kumar Vadehra	P	P	P	P	P

P = Present A = Absent

#### iv. Share Transfer Agent:

The Committee oversees the performance of the Registrar and Share Transfer Agents and recommends measures to improve investor services.

The Company has authorized Directors severally to approve the Share Transfers. In pursuance of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 (duly amended), the Board has approved the Committee to implement and monitor the various requirements as set out in the Code.

The Board had designated Ms. Pardhi Somani, Company Secretary as the Compliance Officer w.e.f. May 30, 2016.

There were no complaints received from shareholders during the Financial Year 2016-2017. Further, the requests for transfer and dematerialization of shares was duly approved within the prescribed timelines.

### C. NOMINATION AND REMUNERATION COMMITTEE:

#### i. Brief Description of Terms of reference:

- The Company has a Remuneration Committee, which determines and recommends the remuneration payable to the Managing Director, Directors and Key Managerial Personnel and other employees on the basis of their performances as well as Company's performance, subject to the consents as may be required. The remuneration to the Executive Directors consists of a fixed salary and other perquisites, wherever applicable. The perquisites are considered as a part of remuneration.
- Formulating criteria for evaluation of Independent Directors and the Board.  
The Non-Executive Directors are not paid any remuneration except sitting fees for attending the Board Meetings or Committee Meetings.

#### ii. Composition of Nomination and Remuneration Committee:

Sr. No.	Name of Member	Designation	Category
1	Mr. Radhemohan Malhotra	Chairman	Independent Director
2	Mr. Lav Kumar Vadehra	Member	Independent Director
3	Mr. Anant Singhania	Member	Independent Director

#### iii. Meetings and Attendance during the year:

Name of Members	Dates of Nomination & Remuneration Committee Meetings held and Members attendance	
	May 16, 2016	July 11, 2016
Mr. Radhemohan Malhotra	P	P
Mr. Lav Kumar Vadehra	P	P
Mr. Anant Singhania	P	P

P = Present A = Absent

#### iv. Board member evaluation:

The Board works with Nomination & Remuneration Committee to lay down the evaluation criteria for the performance of executive, non-executive, independent directors through peer evaluation, excluding the director being evaluated through a Board effectiveness survey. Feedback on each director is encouraged to be provided as a part of the survey.

During the financial year, the Board adopted a formal mechanism for evaluating its performance as well as that of its Committees and Executive Directors, including the Chairman of the Board. The exercise was carried out through a structured evaluation process covering various aspects of the Board's functioning such as composition of the Board and committees, experience and competencies, performance of specific duties and obligations, governance issues etc. Separate exercise was carried out to evaluate the performance of Executive Directors including the Chairman of the Board, who were evaluated on parameters such as attendance, contribution in the meetings and otherwise, independent judgment, safeguarding the shareholders' interest etc.

#### v. Remuneration Policy: Objective and Purpose of the Policy

1. To lay down criteria and terms and conditions with regard to identifying persons who are qualified to become Directors (Executive and Non-Executive) and persons who may be appointed in Senior Management and Key Managerial positions and to determine their remuneration.
2. To determine remuneration based on the Company's size and financial position and trends and practices on remuneration prevailing in peer companies, in the industry.
3. To carry out evaluation of the performance of Directors, as well as Key Managerial and Senior Management Personnel.
4. To provide them reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.
5. To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage. In the context of the aforesaid criteria the following policy has been formulated to formulate criteria for determining qualifications, positive attributes and independence of a Director.
6. 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 provisions of law and their service contract.
7. To ensure that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully.
8. To ensure that the remuneration to Directors, KMP and Senior Management Personnel consists of fixed and variable component and same reflects long term and short term objectives appropriate to working of the Company and its goals.
9. To develop a succession plan for the Board and to regularly review the plan.
10. To devise a policy on Board diversity.

#### Details of Remuneration, Sitting Fees & No. of Shares held by each Director:

Sr. No.	Name of the Directors	Remuneration	Sitting fees	No. of Shares held
1	Mr. Dhiraj Mehra	1,50,000/- p.m.	NIL	2,80,500
2	Mr. Sumeet S. Mehra	50,000/- p.m.	NIL	2,35,900
6	Mrs. Nameeta S. Mehra	NIL	NIL	4,77,000
3	Mr. Anant Singhania	NIL	10,000/- p.a.	NIL
4	Mr. Radhemohan Malhotra	NIL	10,000/- p.a.	NIL
5	Mr. Lav Kumar Vadehra	NIL	10,000/- p.a.	NIL

**v) Details of Remuneration for the year ended on March 31, 2017:**
**a) Executive Directors: (Amount in lakhs)**

Name of the Director	Basic Salary	Perquisites and allowance	Total	Stock option granted
Mr. Dhiraj Mehra	18.00	NIL	18.00	NIL
Mr. Sumeet S. Mehra	6.00	NIL	6.00	NIL
Mr. Nameeta S. Mehra	NIL	NIL	NIL	NIL

**b) Independent Directors: Pending, to be finalized with Accounts Dept (In Rs.)**

Name of the Directors	Sitting Fees	Commission	Total
Mr. Radhe Malhotra	10,000/- p.a.	NIL	10,000/- p.a.
Mr. Lav Kumar Vadehra	10,000/- p.a.	NIL	10,000/- p.a.
Mr. Anant Singhania	10,000/- p.a.	NIL	10,000/- p.a.

**IV. GENERAL BODY MEETINGS:**
**i) Annual General Meetings:**

Particulars of last three Annual General Meeting held along with Special Resolutions passed in the previous three AGMs:

AG M	Year Ending	Venue	Date and Time	Special resolution passed for the following items
46 <sup>th</sup>	31 <sup>st</sup> March, 2016	Indian Merchants Chamber, Pravin Chandra Gandhi Board Room, Churchgate, Mumbai - 400 020	September 8, 2016 at 11.30 AM	None
45 <sup>th</sup>	31 <sup>st</sup> March, 2015	Indian Merchants Chamber, Pravin Chandra Gandhi Board Room, Churchgate, Mumbai - 400 020	September 30, 2015 at 11.30 AM	None
44 <sup>th</sup>	31 <sup>st</sup> March, 2014	Indian Merchants Chamber, Pravin Chandra Gandhi Board Room, Churchgate, Mumbai - 400 020	September 25, 2014 at 11.30 a.m.	To adopt new set of Articles of Association of Company containing regulations in conformity to Companies Act, 2013 and thereby substitute the existing Articles of Association.

**ii) Postal Ballot:**

The Company did not have any Postal Ballot in the last Financial Year.

**Remote e-voting and ballot voting at the AGM**

To allow the shareholders to vote on the resolutions proposed at AGM, the Company has arranged for remote e-voting facility. The Company has engaged CDSL to provide e-voting facility to all the members. Members whose names appear on the Register of Members as on **September 21, 2017**.

**V. DISCLOSURES:**

- There were no transactions of material nature undertaken by your Company with its promoters, Directors or the management, their subsidiaries or relatives that may have a potential conflict with the interest of the Company.
- The Company has fulfilled all the statutory compliances and there was no penalty imposed on the Company by SEBI or any Statutory Authority. However, the Company had paid penalty to BSE Ltd for filing compliances of Listing Agreement with delays.
- Your Company has followed Whistle Blower Mechanism by adopting and adhering to Whistle Blower Policy and affirms that no personnel have been denied access to the Audit Committee.



**VI. WHISTLE BLOWER POLICY-**

With the rapid expansion of business in terms of volume, value and geography, various risks associated with the business have also increased considerably. One such risk identified is the risk of fraud & misconduct. The Audit Committee is committed to ensure fraud-free work environment and to this end, the Committee formed Whistle Blower Policy providing a platform to all the employees to report any suspected or confirmed incident of fraud /misconduct through any of the following reporting protocols:

- E-mail: [cs@subhashsilk Mills.com](mailto:cs@subhashsilk Mills.com)
- Address: G-15, Ground Floor, Premkutir, 177, Marine Drive, Mumbai - 400020.

In order to instill more confidence amongst Whistle Blowers, the Management of the above referred reporting protocols are managed by an independent agency. Adequate safeguards have been provided in the policy to prevent victimization of anyone who is using this platform and direct access to Chairman of the Audit Committee is also available in exceptional cases. This policy is applicable to all the directors, employees, vendors and customers of the Company and contains features similar to the Whistle Blower Policy. The policy is also posted on the website of the Company.

The main objectives of the policy are as under:

1. This mechanism aims to provide a channel to the Directors and employees to report genuine concerns about unethical behavior, actual or suspected fraud or violation of the Codes of Conduct or policy.
2. The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations and in order to maintain these standards, the Company encourages its employees who have genuine concerns about suspected misconduct to come forward & express these concerns without fear of punishment or unfair treatment.
3. The mechanism provides for adequate safeguards against victimization of Directors and employees to avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee in exceptional cases.
4. This neither releases employees from their duty of confidentiality in course of their work nor can it be used as a route for raising malicious allegations about a personal situation.

**VII. MD / CFO CERTIFICATION**

As required by schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, the MD & CFO Certification is provided in this Annual Report.

**VIII. MEANS OF COMMUNICATION:****i. Quarterly Results and Annual Financial Results:**

The Quarterly and Annual Financial Results of Company are generally published in National newspaper i.e. **Asian Age** in English & **Pratyaksha** in vernacular language.

**ii. Website:**

The Securities and Exchange Board of India (SEBI) has made it mandatory for companies to maintain an updated website to post yearly and quarterly financial statements, shareholding pattern, details for shareholders, code of conduct, presentation made to institutional investors/analysts/press release etc. on website. Accordingly, the Company has provided all such disclosures under "Investor Relation" section of the Company's website: [www.subhashsilk Mills.com](http://www.subhashsilk Mills.com) apart from filing the same with BSE for publishing the same on their website.

**IX. GENERAL SHAREHOLDER INFORMATION:****i. Forthcoming Annual General Meeting:**

**Day:** Thursday

**Date:** September 28, 2017

**Time:** 11.30 a.m.

**Venue:** Indian Merchants Chamber, Ashok Birla Board Room, 3<sup>rd</sup> Floor, Churchgate, Mumbai - 400 020.

- ii. **Financial year:** April 1, 2016 to March 31, 2017.
- iii. **Dates of Book Closure:** September 21, 2017 to September 27, 2017 (both days inclusive).
- iv. **Dividend Payment:**  
The Board of Directors has not recommended any dividend for the financial year ended on March 31, 2017.
- v. **Listing on Stock Exchanges:**  
**BSE Limited (Bombay Stock Exchange)**  
Phiroj Jeejibhoy Towers, Dalal Street, Mumbai – 400 001.  
The Annual Listing Fee of the BSE are paid for the Financial Year 2017-2018.
- vi. **Stock Code:**  
Security Code – 530231  
Security ID – SUBSM  
ISIN Code - INE690D01014
- vii. **Market Price Data:**  
Monthly high and low of shares prices at the stock exchange:

Month	BSE	
	Monthly High Price	Monthly Low price
April 2016	6.65	6.65
May 2016	7.51	6.50
June 2016	8.66	6.80
July 2016	9.09	8.64
August 2016	9.52	9.07
September 2016	11.00	9.99
October 2016	11.00	9.99
November 2016	11.00	9.99
December 2016	11.00	9.99
January 2017	11.55	11.55
February 2017	12.12	12.12
March 2017	12.12	12.12

- viii. **Registrar and Share Transfer Agent:**  
**M/s. Purva Sharegistry (India) Private Limited.**

Shiv Shakti Industrial Estate, 9, Sitaram Mill Compound,  
J.R. Boricha Marg, Lower Parel, Mumbai 400011.  
Tel.: 022-23016761 / 23018261.

➤ **Reconciliation of Share Capital Audit**

As stipulated by SEBI, a qualified Practicing Company Secretary carries out an Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. This audit is carried out every quarter and report thereon is submitted to Stock Exchange and to Board of Directors. The audit confirms that total listed and paid-up capital is in agreement with the aggregate of the total number of shares in dematerialized form and in physical form.

**ix. Share Transfer System:**

Transfer of shares which are in dematerialized form will be done through the depositories with no involvement of the Company. As regards transfer of share held in physical form, the transfer of document can be lodged to the Registrar and Share Transfer Agent at the above address. The Directors are severally empowered to approve the above transfer.

The Company obtains a certificate from Company Secretary in practice under Clause 47(C) of Listing Agreement on half yearly basis and files the said certificate with the Stock Exchanges.

**x. Plant Locations:**

Subhash Silk Mills Ltd. Village, Sajgaon Tal. Khalapur, Dist. Raigad, Maharashtra

**xi. Address for correspondence:**

The shareholders may address their queries and communications to the Registrar and Share Transfer Agent at the address given above or may contact a company at the following address:

**SUBHASH SILK MILLS LIMITED:**

Registered Office: G-15 Prem Kutir, Gr. Floor, 177 Marine Drive, Mumbai 400020  
 Tel +91-22-22825309/ +91-22-40619000  
 Fax +91-22-22825309 / +91-22-27563061  
 Corporate office 89 GautamComplex, Sec. 11, CBD Belapur, Navi Mumbai 400614  
 Website www.subhashsilk Mills.com  
 Email cs@subhashsilk Mills.com

**xii. Details of Non-Compliances and penalties imposed by Bombay Stock Exchange during last 3 years:**

Year Ending	Non-Compliance of Clauses of Listing Agreement	Quarter	Penalty Imposed (in Rs.)	Penalties Paid
31 <sup>st</sup> March 2017	None	NA	NA	NA
31 <sup>st</sup> March, 2016	Late Submission of Financial Results under Clause 41	June 2015	57000	Paid
31 <sup>st</sup> March, 2015	Late Submission of Financial Results under Clause 41	March 2015	220309	Paid
	Late Submission of Corporate Governance Report under Clause 49	March 2015	33708	Paid
	Late Submission of Share Holding Pattern under Clause 35	March 2015	70124	Paid

**X. NON-MANDATORY REQUIREMENTS:**
**i. Office of the Chairman of the Board and re-imbursement of expenses by the Company:**

The Chairman of the Company i.e. Mr. Sumeet S. Mehra is an Executive Director and any reimbursement of his expenses is made by the Company.

**ii. Shareholders' Rights:**

The Company's financial results are published in the newspapers and also posted on its own website (www.subhashsilk Mills.com). The Company furnishes the financial results on receipt of request from the shareholders.

**iii. Audit Qualification:**

The Auditors' Qualification is not having major impact in the financial transactions.

**iv. Separate posts of Chairman and CEO:**

The Company had appointed Mr. Sumeet S. Mehra as Chairman, who is also Director of Company. Further the Company has not appointed any CEO.

**v. Reporting of Internal Auditor:**

The Company's Internal Auditor reports directly to the Audit Committee.

**MD & CFO CERTIFICATION**

To,  
**The Board of Directors,**  
**Subhash Silk Mills Limited**

Dear Members of the Board,

We, **Dhiraj Mehra**, Managing Director and **Priyanka Mankame**, Chief Financial Officer of **Subhash Silk Mills Limited**, to the best of our knowledge and belief, certify that:

1. We have reviewed the Financial Statements and Cash Flow Statement of the Company and all notes on accounts and the Board's Report for the year ended **March 31, 2017**.
2. These statements do not contain any materially untrue statement or omit to state a material fact necessary to make statements made, in the light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report.
3. These statements together present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.
4. There are no transactions entered into by the Company during the year ended **March 31, 2017**, that are fraudulent, illegal or violate the Company's Code of Conduct and Ethics.
5. We accept responsibility for establishing and maintaining internal controls for financial reporting for the Company and we have –
  - evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting.
  - Deficiencies in the design or operation of such internal controls, if any, of which we are aware have been disclosed to the auditors and the Audit Committee and steps have been taken to rectify these deficiencies.
6. We affirm that –
  - There has not been any significant change in internal control over financial reporting during the year under reference.
  - There has not been any significant change in accounting policies during the year requiring disclosure in the notes to the financial statements.
  - We are not aware of any instance during the year of significant fraud with involvement therein of the management or any employee having a significant role in the Company's internal control system over financial reporting.
7. We affirm that we have not denied any personnel access to the Audit Committee of the Company and we have provided protection to the whistleblowers from unfair termination and other unfair or prejudicial employment practices.
8. We further declare that all Board members have affirmed compliance with Code of Conduct and Ethics for the year covered under this report.

**SD/-**  
**Dhiraj Mehra**  
**MD**  
**DIN: 01409010**  
**Place: Mumbai**  
**Date: August 10, 2017**

**SD/-**  
**Priyanka Mankame**  
**CFO**

#### **AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE REPORT**

To  
The Members of  
**Subhash Silk Mills Limited**  
Mumbai

We have examined the compliance of conditions of Corporate Governance by **Subhash Silk Mills Limited** (the Company) for the year ended **31<sup>st</sup> March, 2017**, as per relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') as referred to in Regulation 15(2) of the Listing Regulations.

The compliance of conditions of Corporate Governance is responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the

Company for ensuring the compliance of the conditions of 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, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement/Listing Regulations, as applicable.

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

For and on behalf of

**S.M. Kapoor & Co**

Chartered Accountants

**SD/-**

**Shekhar Gupta**

**Partner**

**M. No. 15622**

**Place: Mumbai**

**Date August 10, 2017**

### **INDEPENDENT AUDITORS' REPORT**

To The Members of

**SUBHASH SILK MILLS LIMITED**

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

We have audited the accompanying financial statements of **SUBHASH SILK MILLS LIMITED ("the Company")**, which comprise the Balance Sheet as at **March 31, 2017**, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

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

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

#### **Auditor's Responsibility**

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give 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 Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

**Opinion**

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

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

**Emphasis of Matters**

In our opinion and the best of our information and according to the explanation given to us, there is no matter which may have an adverse effect on the functioning of the company.

**Report on other Legal and Regulatory Requirements**

As required by the Companies (Audit 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 Para 3 and 4 of the order.

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

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of written representations received from the Directors as on 31 March, 2017, taken on record by the Board of Directors, none of the directors is disqualified as on 31 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, the system of internal financial controls over financial reporting of the Company was not made available to us to enable us to determine if the Company has established adequate internal control over financial reporting and whether such internal financial controls were operating effectively as at March 31, 2017.
- 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) Rules 2014, in our opinion and to our best of our information and according to the explanations given to us:
  - i. The Company did not have any pending litigations which would impact its financial position.
  - ii. The Company did not have any long term contracts including derivatives contracts for which there were any material foreseeable losses.

- iii. There were no amounts which required to be transferred to Investor Education and Protection Fund by the Company.

For S M KAPOOR & CO.  
Chartered Accountants

SD/-

(SHEKHAR GUPTA)  
PARTNER

Membership No. 15622  
Firm Registration No. 104809W

**Place: Mumbai**  
Date: 29-05-2017

#### **ANNEXURE TO AUDITOR'S REPORT**

- i. In respect of its fixed assets:
- (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - (b) The Company has physically verified certain assets during the period in accordance with a programme of verification, which in our opinion provides for physical verification of the fixed assets at reasonable intervals. According to the information and explanations given to no material discrepancies were noticed on such verification. In our opinion fixed assets have been properly dealt with in the books of accounts.
  - (c) In our opinion and according to the information and explanations given to us, the title deeds of the immovable properties of the company are held in the name of the company.
- ii. In respect of its Inventories, in our opinion and according to the information and explanations given to us, the management at reasonable intervals has physically verified the trading goods and no material discrepancies were noticed on physical verifications.
- iii. According to the information and explanations given to us, the Company has not granted loan to any party covered in register u/s. 2(76) hence, clause iii (a), (b) and (c) are not applicable.
- iv. In respect of loans investments and guarantees, In our opinion and according to the information and explanations given to us, provisions of Section 185 and 186 of the Companies Act, 2013 have been complied with.
- v. In our opinion and according to the information and explanation given to us, the company has not accepted deposits from the public as per section 73 to 76 or any other relevant provisions of the Companies Act, 2013.
- vi. According to information and explanation given to us, the maintenance of cost records has not been prescribed by the Central Government sub section (1) of section 148 of the Companies Act 2013.
- vii. According to the information and explanations given to us in respect of statutory and other dues:
- (a) The Company has been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Value added Tax, cess and any other statutory dues with the appropriate authorities during the year, whenever there is delays in payment dues are paid along with interest as per rules and regulation under respective act except Income Tax dues for the Financial Year 2013-14 of Rs. 1.2 crores
  - (b) There are no disputed dues of Sales Tax, Income Tax, Customs Duty, Wealth Tax, Service Tax, Excise Duty, Value Added Tax, Cess and any other statutory dues with the appropriate authorities during the period.

- viii. In our opinion and according to the information and explanations given to us, since the company has not taken any loan from financial institutions, banks or debenture holders, clause viii is not applicable.
- ix. In our opinion and according to the information and explanations given to us, the company has not raised any money by way of public issue/follow-on offer. Further, with reference to money raised as term loans, in our opinion, were applied for the purpose for which the said loans are raised.
- x. To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the Company was noticed or reported during the period.
- xi. In our opinion and according to the information and explanations given to us, the managerial remuneration has been paid/provided in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V to the Companies Act.
- xii. Since the company is not a Nidhi Company, clause xii is not applicable.
- xiii. In our opinion and according to the information and explanations given to us, all transactions with the related parties are in compliance with Section 188 and 177 of Companies Act, 2013 and the relevant details have been disclosed in the financial statement etc. as required by the accounting standards and Companies Act, 2013
- xiv. In our opinion and according to the information and explanations given to us, the company has not made any preferential allotment/private placement of shares or fully or partly convertible debentures during the year under review.
- xv. According to the information and explanations given to us, the non- cash transactions with directors or persons connected with them, in our opinion, provisions of Section 192 have been complied with.

For S M KAPOOR & CO.  
Chartered Accountants

SD/-  
(SHEKHAR GUPTA)  
PARTNER  
Membership No. 15622  
Firm Registration No. 104809W

**Place: Mumbai**  
Date: 29-05-2017



SUBHASH SILK MILLS LIMITED						
BALANCE SHEET AS AT 31 <sup>ST</sup> MARCH ,2017						
PARTICULARS		NOTE NO.	AS AT 31 <sup>ST</sup> MARCH 2017 Rs.		AS AT 31 <sup>ST</sup> MARCH 2016 Rs.	
<b>I</b>	<b>EQUITY AND LIABILITIES</b>					
<b>1)</b>	<b>SHAREHOLDERS FUNDS</b>					
a)	Share Capital	3	404,93,808		404,93,808	
b)	Reserves & Surplus	4	572,03,578	976,97,386	576,44,622	981,38,430
<b>2)</b>	<b>NON-CURRENT LIABILITIES</b>					
a)	Long Term Borrowings	5	32,68,522		48,84,423	
b)	Other Long Term Liabilities	6	391,07,077	423,75,599	390,60,769	439,45,192
<b>4)</b>	<b>CURRENT LIABILITIES</b>					
a)	Trade Payables	7	37,26,746		19,20,681	
b)	Other Current Liabilities	8	63,172		26,34,754	
c)	Short Term Provisions	9	140,76,499	178,66,417	149,05,173	194,60,608
	<b>TOTAL</b>		<b>1579,39,402</b>		<b>1615,44,230</b>	
<b>II</b>	<b>ASSETS</b>					
<b>1)</b>	<b>NON-CURRENT ASSETS</b>					
a)	Fixed Assets					
i)	Tangible Assets	10	1407,92,807		1465,12,960	
b)	Non-Current Investments	11	33,100		33,100	
c)	Deferred Tax Asset (Net)	12	2,45,181		1,85,354	
d)	Long Term Loans and Advances	13	2,76,552	1413,47,640	2,76,552	1470,07,966
<b>2)</b>	<b>CURRENT ASSETS</b>					
a)	Inventories	14	20,03,611		17,34,672	
b)	Trade Receivables	15	117,68,718		65,82,941	
c)	Cash and cash equivalents	16	27,81,822		60,22,890	
d)	Short Term Loans and Advances	17	4,350		1,69,302	
e)	Other Current Assets	18	33,261	165,91,761	26,460	145,36,265
	<b>TOTAL</b>		<b>1579,39,401</b>		<b>1615,44,230</b>	
<b>Significant Accounting Policies</b>		1				
<b>Notes to the financial statements</b>		2				
<b>As per our report of even date</b>			<b>For and on Behalf of the Board</b>			
<b>For S. M. Kapoor &amp; Co.</b>						
<b>Chartered Accountants</b>						
<b>SD/-</b>			<b>SD/-</b>		<b>SD/-</b>	
<b>Shekhar Gupta</b>			<b>Sumeet Mehra</b>		<b>Dhiraj Mehra</b>	
<b>Partner</b>			<b>Chairman &amp; Director</b>		<b>Managing Director</b>	
<b>Membership No. 015622</b>			<b>DIN: 00342934</b>		<b>DIN: 01409010</b>	
<b>Firm Regn. No. 104809W</b>			<b>SD/-</b>		<b>SD/-</b>	
<b>Place : Mumbai</b>			<b>Priyanka Mankame</b>		<b>Paridhi Somani</b>	
<b>Date : 29-May-2017</b>			<b>CFO</b>		<b>Company Secretary</b>	

<b>SUBHASH SILK MILLS LIMITED</b>				
<b>STATEMENT OF PROFIT &amp; LOSS FOR THE YEAR ENDED MARCH 31, 2017</b>				
	<b>PARTICULARS</b>	<b>NOTE NO.</b>	<b>2016-17 Rs.</b>	<b>2015-16 Rs.</b>
<b>I</b>	<b>INCOME</b>			
1	Revenue from Operations	19	1,22,210	20,13,431
2	Other Income:	20	169,37,006	167,94,113
	<b>Total Revenue</b>		<b>170,59,216</b>	<b>188,07,544</b>
<b>II</b>	<b>EXPENSES:</b>			
3	Cost of material consumed	21	2,73,661	6,80,337
4	Change in inventories of Finished Goods Stock in Process and Stock in trade	22	(2,68,939)	5,81,349
5	Employee Benefits Expense	23	18,94,285	24,15,665
6	Finance Costs	24	13,366	11,104
7	Depreciation and Amortization Expense		57,20,153	78,97,203
8	Other Expenses	25	90,62,560	129,42,237
	<b>Total Expenses</b>		<b>166,95,086</b>	<b>245,27,896</b>
	Profit Before Tax and extra ordinary Income		3,64,130	(57,20,351)
	<b>Tax Expenses</b>			
	Current		8,65,000	4,90,000
	Prior Year Tax Adjustments		-	15,48,663
	Deferred Tax		(59,827)	(1,85,354)
	<b>Profit for the year</b>		<b>(4,41,043)</b>	<b>(75,73,660)</b>
	Earning per equity share of face value of Rs.10/- each Basic and Diluted (In Rs.)		(0.10)	(1.79)
	<b>Significant Accounting Policies</b>	1		
	<b>Notes to the financial statements</b>	2		
	<b>As per our report of even date For S. M. Kapoor &amp; Co. Chartered Accountants</b>	<b>For and on Behalf of the Board</b>		
	<b>SD/- Shekhar Gupta Partner Membership No. 015622 Firm Regn. No. 104809W</b>	<b>SD/- Sumeet Mehra Chairman &amp; Director DIN: 00342934</b>	<b>SD/- Dhiraj Mehra Managing Director DIN: 01409010</b>	
	<b>Place : Mumbai Date : 29-May-2017</b>	<b>SD/- Priyanka Mankame CFO</b>	<b>SD/- Paridhi Somani Company Secretary</b>	

<b>SUBHASH SILK MILLS LIMITED</b>			
<b>CASH FLOW STATEMENT ANNEXED TO THE BALANCE SHEET FOR THE YEAR ENDED MARCH 31, 2017</b>			
	<b>1ST APR 2016 TO 31ST MARCH 2017</b>	<b>1ST APR 2015 TO 31ST MARCH 2016</b>	
<b>A. Cash Flow from Operating Activities</b>			
a) Net profit before Tax & extraordinary items	3,64,130	(57,20,351)	
Adjustment for :			
Depreciation	57,20,153	78,97,203	
Interest	13,366	11,104	
Loss (Profit) on Sale of Fixed Assets	- 57,33,519	(84,418)	78,23,889
b) Operating Profit before Working Capital Changes	60,97,648		21,03,538
Adjustment for :			
Trade & Other receivables	(58,92,626)	11,30,294	
Inventories	(2,68,939)	5,81,349	
Trade Payables	(15,47,884)	5,19,630	22,31,273
c) Cash Generated from operations	(16,11,800)		43,34,811
Interest paid	13,366		11,104
d) Cash flow before Extraordinary items	(16,25,166)		43,23,707
Extraordinary items	-		-
<b>Net Cash flow from Operating Activities</b>	<b>(16,25,166)</b>		<b>43,23,707</b>
<b>B. Cash Flow from Investing Activities</b>			
Sale of Fixed Assets	-		1,00,000
Sale of Investments	-		-
Purchase of Fixed Assets	-		(49,471)
<b>Net Cash flow from Investing Activities</b>	-		<b>50,529</b>
<b>C. Cash Flow from Financing Activities</b>			
Proceeds from issue of Capital (inclusive of Premium & Exclusive of Bonus shares)	-		-
Proceeds from borrowing	(16,15,901)		53,107
<b>Net Cash flow from Financing Activities</b>	(16,15,901)		53,107
<b>D. Net Increase/(Decrease) in Cash and Cash Equivalent (A+B+C)</b>	<b>(32,41,067)</b>		<b>44,27,343</b>
Cash and Cash Equivalent at the beginning of the year	60,22,890		15,95,546
<b>Cash and Cash Equivalent at the end of year</b>	<b>27,81,822</b>		<b>60,22,890</b>
<b>For S. M. Kapoor &amp; Co. Chartered Accountants</b>	<b>For and on Behalf of the Board</b>		
<b>SD/- Shekhar Gupta Partner Membership No. 015622 Firm Regn. No. 104809W</b>	<b>SD/- Sumeet Mehra Chairman &amp; Director DIN: 00342934</b>	<b>SD/- Dhiraj Mehra Managing Director DIN: 01409010</b>	
<b>Place : Mumbai Date : 29-May-2017</b>	<b>SD/- Priyanka Mankame CFO</b>	<b>SD/- Paridhi Somani Company Secretary</b>	

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017**  
**(All amounts in Indian Rupees unless otherwise stated)**

**1. BACKGROUND:**

Subhash Silk Mills Ltd. is a Listed Company and engaged in the business of manufacturing of fabrics and warehousing activities.

**2. ACCOUNTING POLICIES:**

**a) Basis of Accounting:**

- i) Financial statements are prepared under the historical cost convention in accordance with the generally accepted accounting principles and the provisions of the Companies Act, 2013.
- ii) The Company adopts the accrual concept in the preparation of accounts unless otherwise stated.

**b) Use of Estimates:**

The presentation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual result and estimates are recognized in the period in which the results are known/ materialized.

**c) Fixed Assets:**

Fixed Assets are stated at cost of acquisition less depreciation and impairment of asset. The Company Capitalizes all costs relating to acquisitions and installations of fixed assets till the date of Commissioning and starting of commercial production.

**d) Depreciation:**

Depreciation on fixed assets is being provided on straight Line Method at the method prescribed under Schedule II of the Companies Act, 2013.

**e) Inventories:**

Inventories of Fabrics is valued at Lower of cost and market value.

**f) Revenue Recognition:**

- i. The revenue is recognized as and when goods are dispatched to the party, in case of sale of services on completion of Job and in case of sale of trading, on raising of invoice and transfer of material to the party.
- ii. Other income is recognized on accrual basis.

**g) Sales:**

Sale comprises of the sale of garments and fabric.

**h) Investments:**

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

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of long term investments.

On disposal of an investment, the difference between the carrying amount and the net disposal proceeds is charged to the statement of profit and loss.

**i) Foreign Currency Transaction:**

The foreign currency transaction involving foreign exchange on revenue accounts are accounted at the exchange rates prevailing on the date of transaction. Foreign currency remained unsettled at the year-end are translated at the year-end rate and the difference is charged to profit & loss account.

**j) Retirement Benefit Scheme:**

PF and other retirement benefits are not applicable to the Company.

Gratuity is accounted for on Cash Basis. However as per AS-15 issued by Institute of Chartered Accountant of India, Retirement benefit to be provided on the basis of actuarial valuation but the same is not implemented by the company.

**k) Borrowing Cost:**

Borrowing cost incurred in relation to the acquisition, construction of assets are capitalized as the part of the cost of such assets up to the date when such assets are ready for intended use. Other borrowings cost are charged as an expense in the year in which these are incurred.

**l) Taxes on Income:**

Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.

Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set-off current tax assets against current tax liabilities and the deferred tax assets and the deferred tax liabilities related to the taxes on income levied by same governing taxation laws. 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. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961.

**m) Impairment of Assets:**

An assets is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged for when an assets is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

**N) Provisions, Contingent Liabilities and Contingent Assets**

Provisions involving substantial degree of estimation in measurement are recognized when there is a 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 in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

**o) Contingent Liability :**

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

p) Estimated amount of contracts remaining to be executed on capital account and not provided for Rs. Nil (P.Y. Nil).

**q) Auditors remuneration**

Audit Fees	1,50,000	(1,00,000)
Tax Audit Fees	0	(0)
Other matters	50,000	(50,000)
Service Tax	30,000	(21,750)
	-----	-----
	<b>2,30,000</b>	<b>(1,71,750)</b>
	-----	-----

r) **VALUE OF IMPORTS ON CIF BASIS** Nil (Nil)

s) **Expenditure in foreign Currency Commission Nil** (Nil)

**t) Earning in foreign currency (Rs in lacs)**

F.O.B Value of exports	0.00	(0.00)
------------------------	------	--------

u) Sundry Debtors, Sundry Creditors & advances are subject to confirmation by the respective parties. Necessary Adjustments in account will be made in the year in which discrepancy, if any, may be noticed.

v) Sundry Loan & Advances and other assets are, in the opinion of management stated at the amount realizable in the ordinary course of business and provision for all known and determined liabilities are adequate and not in excess of the amounts reasonably required.

**w) Earnings per Share**

Net Profit available for equity shareholders	Rs. (-) 4,41,043	(-)75,73,660
Weighted Average No. equity Shares	42,40,500	42,40,500
Basic & Diluted Earning per Share (Rs.)	(-)0.10	(-)1.79
(Equity Share of face value of Rs. 10 each)		

**x) Related Parties Disclosures:**

List of related parties with whom transaction have been taken place and Relationships:

<b>Name of the related party</b>	<b>Relationship</b>
(i)	
1. Subhash Knitting Industries )	Enterprises over which Key Managerial Personnel are able to exercise significant influence
2. Aquabrane Water Technologies Pvt Ltd)	
3. Sparkle Clean Tech P Ltd )	
4. Sparkleclean Tech Systems Pvt Ltd)	

4.	Dhiraj Mehra	)	Key Managerial Personnel
5.	Sumeet Mehra	)	Director
6.	Nandini Dhawan	)	Relative of Key Managerial Personnel

(ii) Information about related party transactions			Rs. In Lakhs	
Nature of Transaction		Key Man Per.	Other	Total
Net Loans and Advances taken (Returned)		16.15	-	16.15
	P.Y	(0.53)	-	(0.53)
Warehousing Income		-	56.21	56.21
	P.Y	-	56.21	56.21
Salaries Paid		24.00	4.80	28.80
	P.Y	24.00	4.80	28.80
<b>Balance as on 31/03/17</b>				
Loans Taken		32.68	0.00	32.68
	P.Y	48.84	0.00	48.84
Deposits taken		-	27.20	27.20
	P.Y	-	27.20	27.20

y) Previous year figures have been regrouped/ reclassified wherever necessary.

z) Figures in to bracket pertain to previous year.

As per our report of even date

**For S. M. Kapoor & Co.**  
**Chartered Accountants**

**SD/-**  
**Sumeet Mehra**  
**Chairman & Director**  
**DIN: 00342934**

**SD/-**  
**Dhiraj Mehra**  
**Managing Director**  
**DIN: 01409010**

**SD/-**  
**Shekhar Gupta**  
**Partner**  
**Membership No. 015622**  
**Firm Regn. No. 104809W**  
**Place : Mumbai**  
**Date : 29-May-2017**

**SD/-**  
**Priyanka Mankame**  
**CFO**

**SD/-**  
**Paridhi Somani**  
**Company Secretary**

NOTE NO.-	2016-17 Rs.	2015-16 Rs.
<b>3 SHARE CAPITAL</b>		
<b>AUTHORISED</b>		
50,00,000 Equity Shares(P.Y. 50,00,000) of Rs. 10 each	500,00,000	500,00,000
<b>ISSUED, SUBSCRIBED &amp; PAID-UP</b>		
42,40,500 (P.Y. 42,40,500) Equity Shares of Rs. 10 each	424,05,000	424,05,000
Less : Calls in arrears	19,11,192	19,11,192
	404,93,808	404,93,808

**Reconciliation of the no. of equity shares outstanding at the beginning and at the end of the year:**

	As at 31 <sup>st</sup> March 2017		As at 31 <sup>st</sup> March 2016	
	Nos.	Amount	No.	Amount
Equity Shares of Rs.10/- each fully paid up				
Balance, Beginning of the year	42,40,500	424,05,000	42,40,500	424,05,000
Issued/Deletion during the year	-	-	-	-
<b>Balance. End of the year</b>	<b>42,40,500</b>	<b>424,05,000</b>	<b>42,40,500</b>	<b>424,05,000</b>

**Terms/rights attached to equity shares**

The Company has only one class of shares referred to as equity shares having a par value of Rs.10/- per share. Each holder of equity share is entitled to one vote per share.

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

**The Detail of Registered Shareholders holding more than 5% shares:**

	%	No. of Shares	%	No. of Shares
Subhash Mehra	15	6,33,500	15	6,33,500
Excellent Holdings Private Limited	12	4,90,900	12	4,90,900
Nameeta Mehra	11	4,77,000	11	4,77,000
Taranga Holdings Private Limited	10	4,11,800	10	4,11,800
Dhiraj Mehra	7	2,80,500	7	2,80,500
Ved Prakash Mehra HUF	6	2,44,400	6	2,44,400
Sumeet Subhash Mehra	6	2,35,900	6	2,35,900

**4 RESERVES AND SURPLUS**

Security Premium	552,20,000		552,20,000	
Less : Calls in arrears	92,38,000	459,82,000	92,38,000	459,82,000
Balance in Profit and Loss Statement				
As per Last Balance Sheet	116,62,622		192,36,282	
Add: Profit for the year	(4,41,043)	112,21,578	(75,73,660)	116,62,622
		<u>572,03,578</u>		<u>576,44,622</u>

**5 LONG TERM BORROWINGS  
UNSECURED**

From Directors	32,68,522	48,84,423
	<u>32,68,522</u>	<u>48,84,423</u>

**6 OTHER LONG TERM LIABILITIES**

Deposit received	391,07,077	390,60,769
	<u>391,07,077</u>	<u>390,60,769</u>

**7 TRADE PAYABLES**

For Goods		
Micro, Small & Medium Enterprise	-	-
Others	25,963	18,123
For Expenses	37,00,783	19,02,558
	<u>37,26,746</u>	<u>19,20,681</u>

The details of amounts outstanding to Micro, Small and Medium Enterprises based on available information with the Company is Nil.

**8 OTHER CURRENT LIABILITIES**

Current maturity of Long term Debts	-	-
Other Payables	63,172	26,34,754
	<u>63,172</u>	<u>26,34,754</u>

**NOTE NO.-**
**2016-17**
**2015-16**



**Rs.**
**Rs.**
**9 SHORT TERM PROVISIONS**

Provision for Income Tax	328,55,000	319,90,000
Less Advance Tax including TDS	187,78,501	170,84,827
	<u>140,76,499</u>	<u>149,05,173</u>

**10 FIXED ASSETS**

	Gross Block				Depreciation				Net Block	
	Cost as on 1st April, 2016	Additions	Deductions/ Transfers	Cost as on 31st Mar 2017	As on 1st April, 2016	For the Year	Deduction/ Transfer	As on 31st Mar 2017	As At 31st Mar 2017	As at 31st Mar 2016
Land- Freehold	12,705,335	-	-	12,705,335	-	-	-	-	12,705,335	12,705,335
Building	108,003,383	-	-	108,003,383	56,476,849	2,448,248	-	58,925,097	49,078,286	51,526,534
Residential Flat	86,461,783	-	-	86,461,783	6,009,280	2,737,956	-	8,747,236	77,714,547	80,452,503
Electrical Installation	3,547,024	-	-	3,547,024	3,201,165	42,505	-	3,243,670	303,354	345,859
Computer Furniture & Fixtures	481,974	-	-	481,974	392,089	41,347	-	433,436	48,538	89,885
	16,313	-	-	16,313	2,388	3,099	-	5,487	10,826	13,925
Vehicles	5,306,935	-	-	5,306,935	4,015,370	425,881	-	4,441,251	865,684	1,291,565
Office Equip.	277,513	-	-	277,513	190,159	21,117	-	211,276	66,237	87,354
Total	216,800,260	-	-	216,800,260	70,287,300	5,720,153	-	76,007,453	140,792,807	146,512,960
Previous Year	217,062,428	49,471	311,639	216,800,260	62,686,154	7,897,203	296,057	70,287,301	146,512,960	154,376,274

**11 DEFERRED TAX ASSETS**

The Company has during the year in accordance with Accounting Standard AS-22 \* Accounting for taxes on Income\* Issued by the Institute of Chartered Accountants of India, recognised in the Profit and Loss Account an amount of Rs. 2,45,181 as deferred tax asset as on 31<sup>st</sup> March, 2017.

Deferred tax Liabilities and assets are on account of the following timing differences.

Deferred Tax Liability	-	-
Deferred Tax Asset On account of Depreciation	2,45,181	1,85,354
<b>Net Deferred Tax Asset</b>	<u>2,45,181</u>	<u>1,85,354</u>

**12 NON CURRENT INVESTMENTS**

(Unquoted unless otherwise stated)

**NON TRADE AT COST**

25 Shares (P.Y. 25 Shares) of Rs. 100 each fully paid up in Rayon Mills Commercial Corporation Ltd.	2,500	2,500
306 Shares (P.Y. 306 Shares) of Rs. 100 each fully paid in Art Silk Co-operative Ltd.	30,600	30,600
	<u>33,100</u>	<u>33,100</u>

**13 LONG TERM LOANS AND ADVANCES**

Security Deposits	2,76,552	2,76,552
	<u>2,76,552</u>	<u>2,76,552</u>

**14 INVENTORIES**

Stock of Fabrics	20,03,611	17,34,672
	<u>20,03,611</u>	<u>17,34,672</u>

**15 TRADE RECEIVABLES**

(Unsecured considered good)		
Over six months	84,30,919	63,63,701
Others	33,37,799	2,19,240
	<u>117,68,718</u>	<u>65,82,941</u>

NOTE NO.-		2016-17		2015-16	
		Rs.		Rs.	
16	CASH AND CASH EQUIVALENTS				
	Cash on hand		25,95,317		40,14,755
	Balance with Bank		1,86,505		20,08,135
			27,81,822		60,22,890
17	SHORT TERM LOANS AND ADVANCES				
	Balance with Govt. authorities		4,350		9,800
	Others		-		1,59,502
			4,350		1,69,302
18	OTHER CURRENT ASSETS				
	Others		33,261		26,460
			33,261		26,460
19	REVENUE FROM OPERATIONS				
	Sale of Garments		1,22,210		20,13,051
	Income from services		-		380
			1,22,210		20,13,431
20	OTHER INCOME				
	Warehousing Charges		169,36,806		166,84,560
	Profit on Sale of Car		-		84,418
	Other non-operating income		200		25,135
			169,37,006		167,94,113
21	COST OF MATERIAL CONSUMED	% of Consumption		% of Consumption	
	Imported	-	-	-	-
	Indigenous- Fabrics	100%	2,73,661	100%	6,80,337
	- Others		-		-
		100%	2,73,661	100%	6,80,337
22	CHANGE IN INVENTORIES OF FINISHED GOODS, STOCK IN PROCESS AND STOCK IN TRADE				
	Closing Stock of Finished Goods		20,03,611		17,34,672
	Opening Stock of Finished Goods		17,34,672		23,16,021
			(2,68,939)		5,81,349
23	EMPLOYEE BENEFITS EXPENSE				
	Salaries and Wages		18,28,015		23,46,000
	Staff Welfare Expenses		66,270		69,665
			18,94,285		24,15,665
24	FINANCE COSTS				
	Interest Expenses		-		6,187
	Other Borrowing Costs		13,366		4,917
			13,366		11,104
25	OTHER EXPENSES				
	Manufacturing Expenses				
	Packing Charges	2,659		9,650	
	Labour Charges	32,700		10,03,730	
	Other Manufacturing Expenses	1,05,334	1,40,693	79,716	10,93,096
	Other Expenses				
	Advertisement Expenses	56,473		7,056	
	Commission Paid	-		31,558	

Rates & Taxes	15,54,806	15,98,596	
General Expenses	2,45,657	2,84,962	
Electricity Expenses	21,781	14,790	
Printing & Stationery Expenses	73,812	67,398	
Telephone & Other Communication Exps	1,34,309	1,22,048	
Motor car Expenses	13,28,015	7,09,200	
Charity & Donations	58,001	1,46,201	
Security Charges	4,99,500	4,90,565	
Repairs & Maintenance Others	23,772	1,04,834	
Repairs & Maintenance Building	16,98,807	43,32,134	
Conveyance and Travelling Expenses	1,19,658	1,37,087	
Auditor's Remuneration	2,00,000	1,50,750	
Directors Remunerations	24,00,000	24,00,000	
Insurance Expenses	50,446	47,611	
Legal & Professional Expenses	3,37,820	2,84,713	
Sundry Balances W/off	1,19,010	89,21,867	118,49,141
	<b>90,62,560</b>		<b>129,42,237</b>

## COMMUNICATION TO SHAREHOLDERS

Dear Shareholder(s),

This is to inform you that the Company is in process of updation of records of the shareholders in order to reduce the physical documentation as far as possible.

With new BSE listing agreement, it is mandatory for all the investors including transferors to complete their KYC information. Hence, we have to update your PAN No., phone no. and e-mail id in our records. We would also like to update your current signature records in our system. To achieve this we solicit your co-operation in providing the following details to us:

1. If you are holding the shares in dematerialized form you may update all your records with your Depository Participant (DP).
2. If you are holding shares in physical form, you may provide the following :

Folio No. :  
Pan No. :  
E-mail ID :  
Telephone No. :  
Name and Signatures: i.  
ii.  
iii.

Thanking you,  
**For, Subhash Silk Mills Ltd.**

**Sd/-**  
**Dhiraj Mehra**  
**Managing Director & CCO**  
**DIN: 01409010**

**SUBHASH SILK MILLS LIMITED  
CIN: L17106MH1970PLC014868**

Registered office: G-15 PREM KUTIR, GR. FLOOR, 177 MARINE DRIVE, MUMBAI 400020.  
[E-Mail: subhashsilkmillsltd@gmail.com] [Website: www.subhashsilk Mills.com] [Tel no:  
022 22825309]

**ATTENDANCE SLIP  
To be handed over at the entrance of the Meeting Hall**

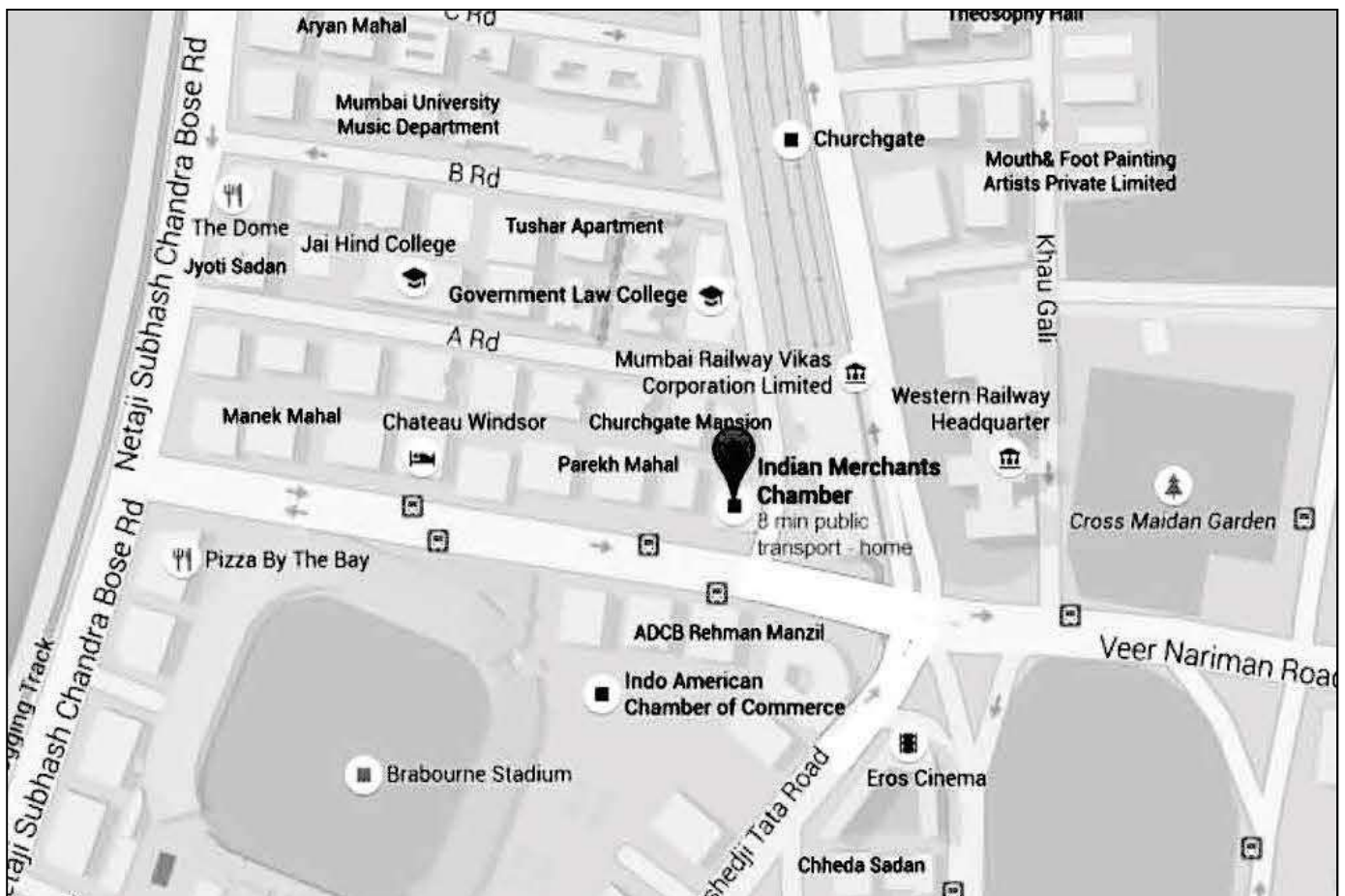
**Folio No./Client ID :** \_\_\_\_\_

I hereby record my presence at the **47<sup>th</sup> ANNUAL GENERAL MEETING** to be held at **ASHOK BIRLA BOARD ROOM, 3<sup>RD</sup> FLOOR, INDIAN MERCHANTS CHAMBER, CHURCHGATE, MUMBAI 400020** on **September 28, 2017** at **11:30 a.m.**

\_\_\_\_\_  
**Member's/Proxy's Full Name**

\_\_\_\_\_  
**Member's/Proxy's Signature**

**ROUTE MAP TO THE VENUE OF THE AGM**



**Form No. MGT-11**  
**SUBHASH SILK MILLS LIMITED**

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

Registered office: G-15 PREM KUTIR, GR. FLOOR, 177 MARINE DRIVE, MUMBAI 400020.  
[E-Mail: subhashsilkmillsltd@gmail.com] [Website: www.subhashsilk Mills.com] [Tel no: 022 22825309]

**PROXY FORM**

<b>Name of the Member (s):</b>		<b>Folio No. /Client Id:</b>	
<b>Registered Address:</b>		<b>DP ID:</b>	
<b>E-mail Id:</b>			

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

- Name : ..... Address : .....

E-mail : ..... Signature : ..... or failing him

Id
- Name : ..... Address : .....

E-mail : ..... Signature : ..... or failing him

Id

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 45th Annual General Meeting of the company, to be held **at Ashok Birla Board Room, 3<sup>rd</sup> Floor, Indian Merchants Chamber, Churchgate, Mumbai 400020 on September 28, 2017 at 11.30 a.m.** and at any adjournment thereof in respect of such resolutions as are indicated below:

Sr. No.	Particulars	Optional*	
		For	Against
1.			
2.			
3.			

Signed this ..... day of ....., 2017

**Affix  
1 Rupee**

**Signature of Shareholder:**

**Signature of Proxyholder(s):**

**Revenue Stamp**

Note: This form of proxy in order to be effective should be duly completed and deposited at the registered office of the Company, not less than 48 hours before the commencement of the meeting.