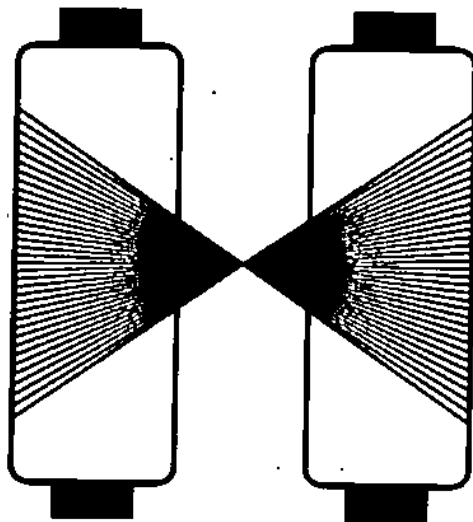




23rd

ANNUAL REPORT

2014-2015



HSML



HISAR SPINNING MILLS LIMITED



BOARD OF DIRECTORS

Mr. Gopal Krishan Gupta
Managing Director

Mr. T N Goel
Independent Director

Mr. Anurag Gupta
Executive Director

Mr. Vikas Gupta
Independent Director

Mr. Rajesh Gupta
Independent Director

Mrs. Sapna Kansal
Non Executive Director

AUDIT COMMITTEE

Mr. Rajesh Gupta
Chairman

Mr. Vikas Gupta
Independent Director

Mr. Gopal Krishan Gupta
Managing Director

NOMINATION & REMUNERATION COMMITTEE

Mr. T N Goel
Chairman

Mr. Vikas Gupta
Independent Director

Mrs. Sapna Kansal
Non Executive Director

STAKEHOLDERS' RELATIONSHIP COMMITTEE

Mrs. Sapna Kansal
Chairman

Mr. Anurag Gupta
Executive Director

Mr. Vikas Gupta
Independent Director

RISK MANAGEMENT COMMITTEE

Mr. Anurag Gupta
Chairman

Mr. Vikas Gupta
Independent Director

Mr. Sharad Goel
Chief Financial Officer

COMPANY SECRETARY

Ms. Tanu Sharma

**COMPLIANCE OFFICER &
CHIEF FINANCIAL OFFICER**

Mr. Sharad Goel

AUDITORS

M/s Jain & Anil Sood
Chartered Accountant
SCO 12, Basement, Feroze Gandhi Market,
Ludhiana - 141001

Punjab National Bank
Main Branch, Hisar 125001

BANKERS**REGD. OFFICE & WORKS**

9th KM Stone, Hisar Bhiwani Road, V.P.O Dabra (Hisar), Haryana -125005

TWENTY-THIRD ANNUAL GENERAL MEETING

29th day of September, 2015 i.e Tuesday at 11.00 A.M. at the Registered Office of the Company at 9th KM Stone, Hisar Bhiwani Road, V.P.O Dabra (Hisar), Haryana -125005

**NOTICE**

Notice is hereby given that the Twenty Third Annual General Meeting of the Shareholders of the company will be held on Tuesday, the 29th day of September, 2015 at 11.00 A.M. at the Registered Office of the Company at 9th, KM Stone, Hisar Bhiwani Road, VPO Dabra, Hisar to transact the following business-

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance sheet as at March 31, 2015 and the Profit & Loss Account for the year ended on that date together with the Reports of Auditors' and Directors' thereon.
2. To appoint a Director in place of Mr. Anurag Gupta, DIN 00192888 who retires by rotation and is eligible for reappointment.
3. 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 139 and other applicable provisions, if any, of Companies Act, 2013, M/s Jain & Anil Sood, Chartered Accountants, Chandigarh, the retiring auditors of the Company, be and are hereby appointed as auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the Annual General Meeting required to be held for the financial year 2019-2020, subject to ratification of their appointment at every Annual General Meeting by the members at a remuneration to be mutually agreed."

SPECIAL BUSINESS

4. To consider and if thought fit, to pass, with or without modification(s) the following resolution as Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 149, 152 read with Schedule IV and all other provisions of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. T N Goel, DIN 00193103, who qualifies for being appointed as an Independent Director and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Directors of the company, not liable to retire by rotation and to hold office for 5 (five) consecutive years for a term up to 30.09.2020"

5. To consider and if thought fit, to pass, with or without modification(s) the following resolution as Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 149, 152 read with Schedule IV and all other provisions of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Rajesh Gupta, DIN 00193052, who qualifies for being appointed as an Independent Director and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Directors of the company, not liable to retire by rotation and to hold office for 5 (five) consecutive years for a term up to 30.09.2020"

For and on behalf of the Board

Place: Chandigarh

Date: 05.09.2015

Regd. Office:

9th, KM Stone, Hisar Bhiwani Road, VPO Dabra, Hisar

(Gopal Krishan Gupta)
Chairman Cum Managing Director



HISAR SPINNING MILLS LIMITED

NOTES:

1. The Explanatory Statements pursuant to Section 102 of the Companies Act, 2013 with respect to Special Business set out in the Notice is annexed.

2. A member entitled to attend and vote at the annual general meeting is entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be a member of the company.

3. Pursuant to the provisions of Section 91 of the Companies Act, 2013, the register of Members and Share Transfer Books of the Company shall remain closed from 25th day of September, 2015 to 29th day of September, 2015 (both days inclusive).

4. The instrument of proxy, in order to be effective, should be deposited at the registered office of the company, duly completed and signed, not less than 48 hours before the commencement of the meeting. Proxies submitted on behalf of Limited Companies or societies etc. must be supported by appropriate resolutions/authority, as applicable.

5. In case of joint holders attending the Meeting, the joint holder who is higher in order of names under a given Folio/DPID-Client (in respect of dematerialized shares) will be entitled to vote.

6. Members/Proxies are requested to bring their copy of this Notice along with duly filled admission slip for attending the meeting.

7. Members holding shares in physical form are requested to notify change in address, if any, to the Company at its Registered Office or to the Registrar & Transfer Agents-M/s Indus Portfolio Private Limited, G-65, Bali Nagar, New Delhi-110015.

8. Members holding shares in electronic form are requested to notify change in their address, if any, to their Depository Participant.

9. Pursuant to provisions of the Companies Act, 2013 read with the Rules framed there under, the company may send notice of general meeting and other documents through electronic mode. Further, pursuant to the first proviso to the Rule 18 of the Companies (Management and Administration) Rule, 2014, the Company shall provide an advance opportunity atleast once in a financial year to the members to register their e-mail address and changes therein. In view of the same, members are requested to kindly update their e-mail address with depository participants in case of holding shares in demat form. If holding shares in physical form, Members are requested to inform their e-mail ID to the company.

10. Electronic copy of the Notice of general meeting of the company is being sent to all the members whose email IDs are registered with the company/Depository Participant(s) for communication purposes. For members who have not registered their email address, physical copies are being sent by the permitted mode.

11. Pursuant to provisions of Section 108 of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014 and the provisions of Listing Agreement with Stock Exchanges, the Company is pleased to offer e-voting facility to the members to cast their votes electronically on all resolutions set forth in the Notice convening Annual General Meeting to be held on Tuesday, the 29th day of September, 2015 at 11.00 A.M. at the registered office of the company at 9th, KM Stone, Hisar Bhiwani Road, VPO Dabra, Hisar. The Company has engaged the services of CDSL to provide the e-voting facility.

12. The instructions for members for E-Voting are as under:

(i) The voting period begins on Saturday, the 26th day of September, 2015 at 10.00 A.M. and ends on Monday, the 28th day of September, 2015 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 Tuesday, the 22nd day of September, 2015, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(ii) The shareholders should log on to the e-voting website www.evotingindia.com.

(iii) Click on Shareholders.

(iv) 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.
 (v) Next enter the Image Verification as displayed and Click on Login.
 (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
 (vii) If you are a first time user follow the steps given below:

	For Members holding shares In Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Attendance Slip indicated in the PAN field.
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. <ul style="list-style-type: none"> Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

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



HISAR SPINNING MILLS LIMITED

- The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- 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.

(xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

(xx) Since, the Company is required to provide the members facility to exercise their vote by electronic means, shareholders of the company, holding shares either in physical form or dematerialized form as on the cut off date i.e. Tuesday, the 22nd day of September, 2015 and not casting their vote electronically, may also cast their vote at the Annual General Meeting.

(xxi) The members who have cast their vote by e-voting prior to the Annual General meeting, may also attend the meeting but shall not be entitled to cast their vote again.

(xxii) Mr. Sanjiv Kumar Goel, Company Secretary in practice, has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair & transparent manner.

(xxiii) The Scrutinizer shall, immediately after the conclusion of voting at the annual general meeting, first count the votes cast at the meeting, thereafter, unblock the votes cast through remote e-voting in the presence of atleast 2 witnesses not in employment of the Company and make, not later than 3 days from the conclusion of the meeting, a Consolidated Scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman, who shall countersign the same.



HISAR SPINNING MILLS LIMITED

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013.

ITEM NO. 4

Mr. T N Goel (DIN 00193103), is a Non Executive Independent Director in terms of Clause 49 of the Listing Agreement of the Bombay Stock Exchange and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 proposing his candidature for the office of an Independent Director of the Company.

As per the provisions of section 149 of the Companies act, 2013, every listed company is required to have atleast 1/3rd of the total number of directors as Independent Directors, hence the Board recommends the Ordinary Resolution for approval of the members.

The Company has received a declaration from Mr. T N Goel (DIN 00193103), that he meets the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013. In the opinion of the Board, Mr. Mr. T N Goel (DIN 00193103) fulfills the condition specified in the Act and Rules framed there under for his appointment as Independent Director. The Board feels that his continued association with the company would be of immense benefit and it is desirable to avail his services and therefore recommends his appointment as Independent Director of the Company.

Copy of the draft letter of appointment of Mr. T N Goel (DIN 00193103), setting out the terms and conditions of his appointment would be available for inspection by members at the registered office of the Company during normal business hours on working days. He holds 400 equity shares in the Company.

Except Mr. T N Goel (DIN 00193103), none of the Directors, Key Managerial Personnel or their relatives is interested or concerned in this resolution.

ITEM NO. 5

Mr. Rajesh Gupta, DIN 00193052, is a Non Executive Independent Director in terms of Clause 49 of the Listing Agreement of the Bombay Stock Exchange and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 proposing his candidature for the office of an Independent Director of the Company.

As per the provisions of section 149 of the Companies act, 2013, every listed company is required to have atleast 1/3rd of the total number of directors as Independent Directors, hence the Board recommends the Ordinary Resolution for approval of the members.

The Company has received a declaration from Mr. Rajesh Gupta, DIN 00193052, that he meets the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013. In the opinion of the Board, Mr. Mr. Rajesh Gupta, DIN 00193052 fulfills the condition specified in the Act and Rules framed there under for his appointment as Independent Director. The Board feels that his continued association with the company would be of immense benefit and it is desirable to avail his services and therefore recommends his appointment as Independent Director of the Company.

Copy of the draft letter of appointment of Mr. Rajesh Gupta, DIN 00193052, setting out the terms and conditions of his appointment would be available for inspection by members at the registered office of the Company during normal business hours on working days. He does not hold any equity shares in the Company.

Except Mr. Rajesh Gupta, DIN 00193052, none of the Directors, Key Managerial Personnel or their relatives is interested or concerned in this resolution.

HISAR SPINNING MILLS LIMITED

Form no. MGT-11

Proxy Form

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

CIN : L17112HR1992PLC031621
Name of the Company : Hisar Spinning Mills Limited
Registered office : 9th, KM Stone, Hisar Bhiwani Road, VPO Dabra, Hisar

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

Name:

Address:

Email ID:

Signature:....., or failing him

Name:

Address:

Email ID:

Signature:....., or failing him

Name:

Address:

Email ID:

Signature:.....

as my/ our proxy to attend and vote (on a poll) for me/ us and on my/ our behalf at the Annual General Meeting of the Company, to be held on Tuesday, the 29th day of September, 2015 at 11.00 A.M at 9th, KM Stone, Hisar Bhiwani Road, VPO Dabra, Hisar and at any adjournment thereof in respect of such resolutions as are indicated below:

S.NO.	RESOLUTIONS
1	Consider and adopt the Audited Financial Statements, Reports of the Board of Directors and Auditors
2	Re-appointment of Mr. Anurag Gupta, DIN 00192888, retiring by rotation
3	Appointment of Auditors and fix their remuneration
4	Appointment of Mr. T N Goel as an Independent Director
5	Appointment of Mr. Rajesh Gupta as an Independent Director

Signed this day of, 2015

Signature of Shareholder:

Signature of Proxy Holder (s):

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.



HISAR SPINNING MILLS LIMITED

Registered Office: 9th, KM Stone, Hisar Bhiwani
Road, VPO Dabra, Hisar-125005
Tel: 01662-260397, Tel/Fax:-91-1662-260397
E-mail: hsml2000@rediffmail.com
Website: www.hisarspinningmills.com
CIN: L17112HR1992PLC031621

Attendance Slip for 23rd Annual General Meeting
(to be handed over at the Registration Counter)

We hereby record my/our presence at the 23rd Annual General Meeting of the company at 9th, KM Stone, Hisar Bhiwani Road, VPO Dabra, Hisar on 29th day of September, 2015 at 11.00 A.M.

Signature of the Member/Proxy present

Note : The practice of distributing copies of the Annual Report at the Annual General Meeting has been discontinued. Hence, persons attending the Meeting are requested to bring their copies of the Annual Report with them.

PLEASE CUT HERE AND BRING THE ABOVE ATTANDACE SLIP AT THE MEETING.

Registered Office: 9th, KM Stone, Hisar Bhiwani
Road, VPO Dabra, Hisar-125005
Tel: 01662-260397, Tel/Fax:-91-1662-260397
Website: www.hisarspinningmills.com
CIN: L17112HR1992PLC031621

Dear Sir,

Pursuant to provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Clause 35 B of the Listing Agreement, the company is pleased to provide remote e-voting facility to the members to cast their votes electronically on all the resolutions set forth in the Notice convening the 23rd Annual General Meeting to be held on Friday, 29th day of September, 2015 at 11.00 A.M. The company has engaged the Central Depository Services Limited (CDSL) to provide the remote e-voting facility.

HISAR SPINNING MILLS LIMITED



Your electronic voting particulars are set out below:

ELECTRONIC VOTING PARTICULARS

EVEN (Electronic Voting Event Number)	User ID	Password
150826046		

The remote e-voting facility will be available during the voting period as indicate herein below:

Commencement of remote e-voting period	End of remote e-voting period
From 9.00 A.M IST on Saturday, 26 th September, 2015	Till 5.00 P.M IST on Monday, 28 th September, 2015

Notes:

1. Please read the instructions printed overleaf before exercising your vote.
2. These details and instructions form an integral part of the Notice for the 23rd Annual General Meeting to be held on 29th day of September, 2015.
3. The voting rights of the members shall be in proportion to the paid up value of their shares in the equity share capital of the Company as on cut-off date of Tuesday, 22nd September, 2015, being the record date for the purpose of voting.