

# **IndusFila**

From Design to Delivery

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**An Indus Mandhana Enterprise**

## **SEVENTEENTH ANNUAL REPORT**

**2015-16**

**Indus Fila Limited**  
**CIN: L17121KA1999PLC025320**

## **Board of Directors**

Mr. Nitin N Mandhana : Vice Chairman & Managing Director

Mr. Raj Kumar Agarwal : Independent Director

Mr. Sandeep Choudhary : Independent Director

## **Compliance Officer**

Nitin Mandhana

## **Auditors**

Suri & Co, Bangalore

## **Registrar And Transfer Agents**

Link Intime India Private Limited  
C-13, Pannalal Silk Mills Compound,  
L. B. S. Marg, Bhandup (W),  
Mumbai – 400078

## **Registered Office**

Survey No. 285, 37th KM Stone, Kasaba Hobli,  
Nelamangala, Bangalore Rural District – 562 123

<p><b>17th Annual General Meeting on Friday the 30th September, 2016 at 9 A.M. at the Registered office of the Company at No. 285, 37th KM Stone, T. Begur Village, Kasaba Hobli, Nelamangala, Bangalore Rural District – 562 123</b></p>
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## **NOTICE OF ANNUAL GENERAL MEETING**

Notice is hereby given that the 17th Annual General Meeting of the Members of INDUS FILA **LIMITED** will be held at the Registered office of the Company at 285, 37<sup>th</sup> KM Stone, Tumkur Road, T. Begur village, kasaba hobli , Nelamangala, Bangalore-562123 on Friday 30th September, 2016 at 9.00 am to transact the following business:

### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the audited financial statements of the Company for the financial year ended March 31, 2016 and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Nitin Mandhana, who retires by rotation and being eligible, offers himself for re-appointment.
3. To re-appoint the Auditors and fix their remuneration.

**By Order of the Board of Directors  
For Indus Fila Limited**

**NITIN N MANDHANA  
Managing Director**

**Place: Bangalore**

**Date : August 14, 2016**

## NOTES:

1. Details as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchanges in respect of the Directors seeking appointment / re-appointment at the Annual General Meeting are furnished and forms part of the notice. The Directors have furnished the requisite consents / declarations for their appointment / reappointment.
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 the proxy need not be a member of the Company. The instrument appointing the proxy, in order to be effective, must be deposited at the Registered Office of the Company, duly completed and signed, not less than forty eight hours before the commencement of the meeting. Proxies submitted on behalf of limited companies, societies etc, must be supported by appropriate resolutions/authority, as applicable.**

**A person can act as proxy on behalf of the members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company. A member holding more than ten (10) percent of the total share capital of the Company may appoint a single person as proxy. However, then such proxy shall not act as a proxy for any other person or shareholder.**

3. Corporate members intending to send their authorised representative to attend the meetings are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the meeting.
4. Register of Members and Share Transfer Books of the Company will remain closed from 26<sup>th</sup> day of September, 2016 to Friday 30<sup>th</sup> day of September, 2016 (both days inclusive).
5. Section 72 of the Companies Act, 2013 provides for nomination by the shareholders of the Company in the prescribed Form SH – 13. Shareholders are requested to avail this facility.
6. Members holding shares in dematerialized form are requested to intimate to all changes pertaining to their bank detail, National Electronic Clearing Service (NECS), Electronic Clearing Service (ECS), Mandates, Nominations, Power of attorney, change of address, change of name, e-mail address, contact numbers etc, to their Depository Participant(DP), change intimated to the DP will be then automatically reflected in the Company's records which will help the Company and the Company Registrar and Transfer Agents, M/s. Link Intime India Private Limited. Members holding Shares in physical form are requested to communicate any change in address immediately to the Company's Registrar and Share Transfer agent M/s. Link Intime India Private Limited.
7. In case of Joint holders attending the meeting, The member whose name appears as the first holder in the order of name as per the register of members of the Company will be entitled to vote.
8. Any Member desirous of getting any information on the accounts operations of the Company is requested to forward his/her queries to the Company at least seven working days to the meeting, so that the required information can be made available at the meeting.

9. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market, Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository participants with whom they are maintaining their demat account(s) Members holding shares in physical form can submit their PAN details to the Registrar and Share Transfer Agent.
10. Copies of the Annual Report 2016, the Notice of the Annual General Meeting of the Company and instructions for e-voting, along with the Attendance Slip and Proxy form, are being sent by electronic mode only to all the members to the registered e-mail addresses of the shareholders. For members who have not registered their e-mail address, physical copy of the Annual Report 2016 are sent by permitted mode.
11. Members may also note that the Notice of the Annual General Meeting and the Annual Report 2016 will be available on the Company's website: [www.indusfila.com](http://www.indusfila.com). The physical copies of the aforesaid documents will also be available at the Company's registered office for inspection during normal business hours on working days. Members who require communication in physical form in addition to e-communication, or have any other queries, may write to the Company Secretary, Indus Fila Limited, Survey No. 284/285, 37<sup>th</sup> KM Stone, Kasaba Hobli, Nelamangala, Bangalore Rural District – 562 123
12. Voting through electronic means

Pursuant to Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of SEBI Regulations, as amended from time to time, the Company is pleased to provide its members the facility of 'remote e-voting (e-voting from a place other than the venue of the AGM) to exercise their right to vote at the Annual General Meeting (AGM). The business may be transacted through e-voting services provided by Central Depository Services Limited (CDSL).

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

- The voting period begins on 27<sup>th</sup> September, 2016 (9.00 a.m) and ends on 29<sup>th</sup> September, 2016 (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 i.e. 23<sup>rd</sup> September, 2016, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- Click on Shareholders.
- 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.
- Next enter the Image Verification as displayed and Click on Login.

- 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.

	<b>For Members holding shares in Demat Form and Physical Form</b>
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>• Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</li> <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 or Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> <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 (iv).</li> </ul>

- After entering these details appropriately, click on "SUBMIT" tab.
- 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.
- For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- Click on the relevant EVSN Indus Fila Limited on which you choose to vote.
- 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.
- Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

- 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.
- Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- You can also take out print of the votes cast by clicking on “Click here to print” option on the Voting page.
- If a demat account holder has forgotten the password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- Shareholders can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Please follow the instructions as prompted by the mobile app while voting on your mobile
- **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 Corporate.

\* A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

\* After receiving the login details 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.

- 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).

\* The Company has appointed Mr. Naveen K Shenoy (Membership No. 10817) Practicing Company Secretary, as the Scrutinizer for conducting the remote e-voting and the voting process at the AGM in a fair and transparent manner.

\* The members attending the AGM, who have not already cast their vote through remote e-voting facility shall be able to exercise their voting rights at the AGM. The members who have already cast their vote through remote e-voting facility may attend the AGM but shall not be entitled to cast their vote again at the AGM.

\* The voting rights of members shall be in proportion to their share in the paid up capital of the Company as on the cut-off date.

\* Any Person who acquires the shares and becomes a member of the Company after despatch of the Notice and holds shares as on the cut-off date i.e., September 23, 2016, may obtain the login Id and password by sending a request to CDSL/OUR RTA.

\* The scrutinizer shall immediately after the conclusion of the voting at the general meeting, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in employment of the Company and make, not later than three days of conclusion of the meeting a consolidated scrutinizer's report of the votes cast in favour or against, to the Chairman of the Company.

\* The results shall be declared on or after the Annual General Meeting. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.Indusfila.com](http://www.Indusfila.com) and on the website of CDSL and communicated to the BSE Limited/NSE Limited where the shares of the Company are listed.

#### **Annexure**

#### **Details of Directors seeking appointment and re-appointment at the Annual General Meeting in pursuance of clause 49 of the listing agreement.**

Name	Mr. Nitin N Mandhana
Date of Birth	22.11.1967
Nationality	Graduate
DOA on the Board	11.04.2006
Relationship with other director	NA
Qualification	Graduate
Expertise in Area	Business
No. of Shares Held	9,829
List of Director-ship held in other Companies	List Attached
Chairman/Member of the Committees of the board of other companies in which he is director	Nil

#### **List of Director in Companies**

Sl. No.	Name of Co.
1	Indus Fila Limited
2	Indus Infoways Private Limited
3	Indus Garments (India) Private Limited
4	Parag Investment Private Limited
5	Andrew Finvest Private Limited
6	Kamal Kishor Finvest Private Limited
7	Viva Retail Private Limited
8	Vir Retail Private Limited



## Report of the Board of Directors

### Dear Shareholders,

Your Directors are pleased to present their 17<sup>th</sup> Annual Report on the business and operations of your Company together with Audited Statements of the Accounts for the financial year ended 31<sup>st</sup> March, 2016.

### Corporate Overview

Indus Fila Limited is one of the most integrated companies in the industry, present across the value chain from fabric to garments. We have added capacities in every segment including yarn dyeing, weaving and processing.

The Company prepares its financial statements in compliance with the requirements of the Companies Act, 2013 and the Generally Accepted Accounting Principles (GAAP) in India. The estimates and judgments relating to the financial statements are made on prudent and reasonable basis so as to reflect in true and a fair manner the form and the substance of transactions and reasonably present your Company state of affairs, profit and cash flow for the year ended March 31, 2016.

### Financial Performance

(Rs. in Lakhs)

PARTICULARS	2015 -16	2014 -15
<b>TURNOVER</b>	<b>15.07</b>	<b>(3745.17)</b>
Profit/(Loss) before Interest, Depreciation & Tax	(6315.63)	(5106.80)
Less: Interest	5654.84	4874.25
Less : Depreciation	1214.40	1349.48
Less : Tax	(192.77)	(40.08)
<b>Net Profit/(Loss) after taxation</b>	<b>(12992.09)</b>	<b>(11290.45)</b>

Your Company has suffered huge loss during the year due to sluggish Market, Lack of overseas demand and non availability of additional finance for working capital. As a consequence the company became a sick company and it is registered with board for Industrial and Financial Restructuring.

### Dividend

In view of Continuous losses, the board does not recommend dividend for the financial year ended March 31, 2016.

### Extract of Annual Return

The details forming part of the extract of the Annual Return in form MGT-9, as required under Section 92 (3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management & Administration) Rules, 2014, is included in this Report as set out in the Annexure to this report.

### Number of Meeting of the Board

During the Financial Year 2015-16, 4 meetings of the Board were held, details of which are given in the Corporate Governance Report.

## **Board Evaluation**

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has evaluated its performance taking into consideration of the various aspects of its functioning, composition of the Board and its Committees and performance of specific duties, obligations and governance. The performance evaluation of the Chairman and Non-Independent Directors was carried out by the Independent Directors through a meeting of Independent Directors.

## **Directors**

In accordance with the provisions of the Companies Act, 2013 and the Company's Articles of Association, Mr. Nitin Mandhana retires by rotation at the forthcoming Annual General Meeting and, being eligible, offers himself for re-appointment.

None of these Directors are disqualified from being re-appointed as Directors of your Company.

## **Fixed Deposit:**

The Company has not accepted fixed deposits from the public and shareholders within the meaning of Section 73(1) of the Companies Act, 2013 and Rules made there under, during the year under review.

## **Audit**

The Company's Auditors, M/s Suri & Co., & Co., Chartered Accountants, were re-appointed as the Statutory Auditors of the Company to hold office from the conclusion of 15th Annual General Meeting held on 30th Sep, 2014 until the conclusion of the 18th Annual General Meeting to be held in the year 2018 subject to ratification of their appointment by the Members at every Annual General Meeting held after the Annual General Meeting held on 30th Sep, 2014..

As required under provisions of Section 139 of the Companies Act, 2013, the Company has received written consent from M/s Suri & Co., to their appointment and a Certificate to the effect that that their re-appointment, if made, would be in accordance with the Companies Act, 2013 and the Rules framed there under and that they satisfy the criteria provided in Section 141 of the Companies Act, 2013.

The Members are requested to ratify the appointment of the Statutory Auditors as foresaid. The statements made by the Auditors in their Report are self-explanatory and do not call for any further comments and explanation.

## **Management Discussion & Analysis**

The management discussion and analysis on the operations of your Company is set out in the Annexure to this report.

## **Directors' Responsibility Statement**

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the statements in terms of 134(3) (c) of the Companies Act, 2013,