



22nd

ANNUAL REPORT

2014 - 2015

H.No.8-3-898/16/4, Sri Laxmi Narasimha Niwas,
Nagarjuna Nagar Colony, Road No.2, Srinagar Colony (Post),
HYDERABAD – 500 073.

BOARD OF DIRECTORS

Sri. G. SURENDER REDDY
Sri SHAILESH SHIVRAM MISTRY
Sri L. MADHU KUMAR REDDY
Sri. G. LAXMA REDDY
Smt. SNEHA RUPESH TALREJA

Managing Director
Director
Director
Director
Director (from 21st April 2015)

Registered Office:

H.No.8-3-898/16/4,
Sri Laxmi Narasimha Niwas,
Nagarjuna Nagar Colony,
Road No.2, Srinagar Colony (Post),
HYDERABAD – 500 073.
Tele: 040 – 23542871,
E – mail: Inpolyester@yahoo.com

Works:

1. Plot No.1/D,
Sarigam Industrial Estate,
Nargol Char Rashta, GIDC,
SARIGAM - 396 155
GUJARAT.

Auditors:

M/s. KUMAR & GIRI,
Chartered Accountants,
1-11-126/D, Opp. Aeroview Towers,
Begumpet,
HYDERABAD – 500 016.

Physical and Demat Registrars :

Venture Capital and Corporate Investments Pvt. Limited

12-10-167
Bharat Nagar Colony
Hyderabad – 500018
Tel: 040-23818475 / 76
Fax: 91-40-23868024 email: info@vccilindia.com

Bankers:

- 1) State Bank of Hyderabad,
Overseas Branch,
Somajiguda,
HYDERABAD – 500 082.



NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIM/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER. THE INSTRUMENT APPOINTING THE PROXY SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON OR SHAREHOLDER.
2. Pursuant to Clause 16 read with Section 91 of the Companies Act, 2013 the Register of Members and Register of Share Transfer Books of the Company will remain closed from 24th September, 2015 to 30th September, 2015 (both days inclusive).
3. Members holding shares in physical form are requested to intimate the change, if any, in their Registered Address to the Company quoting their Registered Folio.
If the shares are held in Demat form, intimation regarding the change of address, if any, has to be notified to the concerned Depository Participant where the Shareholder is maintaining the Demat Account.
4. Statement as required under the provisions of Section 102 (1) of the Companies Act, 2013 is enclosed to this notice.
5. Members / Proxies should bring the Attendance slips duly filled in for identification for attending the meeting.
6. Members desiring any information on the Accounts are requested to write to the Company at least one week before the Meeting so as to enable the Management to keep the information ready. Replies will be provided only at the Meeting.
7. In accordance with Section 101 of the Companies Act, 2013 and Companies (Management and Administration) Rules, 2014, the Annual Report (Audited Financial Statements, Directors Report, Auditors Report etc.) is being sent to the shareholders in electronic form to the email address registered with their Depository Participant (in case of electronic shareholding) the Company's Registrar and Share Transfer Agents (in case of physical shareholding).
We, therefore request and encourage you to register your email ID in the records of your Depository Participant (in case of electronic holding) the Company's Registrar and Share Transfer Agents (in case of physical shareholding) mentioning your folio no./demat account details.
However, in case you wish to receive the above shareholder communication in paper form, you may write to the Company's Registrar and Share Transfer Agents M/s. Venture Capital and Corporate Investments Limited, 12 – 10 – 167, Bharat Nagar, Hyderabad – 500 018. Tele: 23818475, 23818476, 23868023. Unit: LN INDUSTRIES INDIA LIMITED or send an email at lnpolyester@yahoo.com, mentioning your folio no. / demat account details.
The soft copy of the Annual Report 2014 – 2015 can also be downloaded from the Company's website i.e., www.lnindustriesindia.com & www.lnindustriesindialimited.com.
8. Requests for transfer of physical shares received during the period of book closure shall be considered only after the reopening of Books.
9. Shareholders may avail the nomination facility under Section 72 of the Companies Act, 2013. The relevant nomination form is appended to this notice
10. SEBI has made it mandatory for every participant in the securities / capital market to furnish the details of Income Tax Permanent Account Number (PAN). Accordingly, all the shareholders holding shares in physical form are requested to submit their details off PAN along with a Photocopy of both sides of the PAN card, duly attested, to the Registrar and Share Transfer Agents of the Bank.

11. E-Voting:

Instructions for remote E-voting:

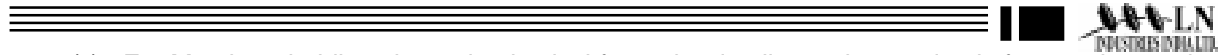
The Company is pleased to provide E-voting facility through Central Depository Services (India) Limited (CDSL) for all shareholders to enable them to cast their votes electronically on the items mentioned in this notice of the 22nd Annual General Meeting of the Company. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 1st of September, 2015.

The instructions for E-Voting are as under:

- (i) Log on to the e-voting website www.evotingindia.com
- (ii) Click on "Shareholders" tab.
- (iii) Now, select the "COMPANY NAME" from the drop down menu and click on "SUBMIT"
- (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 first two letters of their name and the 8 digits of the sequence number in the PAN field. - In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 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.

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatory 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 Name> 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 changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
 - Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporate.
 - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.
 - After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
 - 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.
 - They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

In case of members receiving the physical copy:

- (A) Please follow all steps from sl. no. (i) to sl. no. (xvii) above to cast vote.
- (B) The voting period begins on 25th September, 2015 at 9.00 a.m., and ends on 26th September, 2015 at 6.00 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, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (C) 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 under help section or write an email to helpdesk.evoting@cdslindia.com.
 - I. The company has appointed D.Manga Raju, a practicing Chartered Accountant, as the Scrutinizer who will collate the electronic voting process in a fair and transparent manner.
 - II. The Scrutinizer shall within a period not exceeding three working days from the conclusion of the e-voting period shall unblock the votes in the presence of at least two 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.
 - III. The results shall be declared on or after the AGM of the Company. The results along with the Scrutinizer's report shall be placed on the Company's Website and the website of CDSL.



PROFILE OF DIRECTORS RETIRING BY ROTARION AS REQUIRED UNDER CLAUSE 49 OF THE LISTING AGREEMENT:

PROFILE OF Sri.SHAILESH SHIVRAM MISTRY (DIN:02828383):

Sri.Shailesh Shivram Mistry, is aged 33 years is Graduate, having experience in administrative matters and liaison with Government Authorities.

PROFILE OF Mrs.Sneha Rupesh Talreja (DIN:07161901)

Mrs.Sneha Rupesh Talreja, is aged 39 years is a Graduate, and has experience in the areas of Technical & Management.

STATEMENT PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013

Item No. 4:

The Board of Directors, at its meeting held on April 21, 2015, appointed Mrs.Sneha Rupesh Talreja (DIN: 07161901) as an Additional Director of the Company with effect from April 21, 2015, pursuant to Section 161 of the Companies Act, 2013, read with the Articles of Association of the Company.

Pursuant to the provisions of Section 161 of the Companies Act, 2013, Mrs. Sneha Rupesh Talreja (DIN: 07161901) will hold office up to the date of the ensuing AGM. The Company has received notice in writing under the provisions of Section 160 of the Companies Act, 2013, from a member, along with a deposit of Rs.1,00,000/- proposing the candidature of Mrs. Sneha Rupesh Talreja (DIN: 07161901) for the office of Independent Director, to be appointed as such under the provisions of Section 149 of the Companies Act, 2013.

The Company has received from Mrs. Sneha Rupesh Talreja (DIN: 07161901) (i) consent in writing to act as director in Form DIR 2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014, (ii) intimation in Form DIR 8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that she is not disqualified under Sub-section (2) of Section 164 of the Companies Act, 2013, and (iii) a declaration to the effect that she meets the criteria of independence as provided in Sub-section (6) of Section 149 of the Companies Act, 2013.

The resolution seeks the approval of members for the appointment of Mrs. Sneha Rupesh Talreja (DIN: 07161901) as an Independent Director of the Company pursuant to Section 149 and other applicable provisions of the Companies Act, 2013 and the Rules made there under. She will be liable to retire by rotation.

In the opinion of the Board, Mrs.Sneha Rupesh Talreja (DIN: 07161901) the Independent Director proposed to be appointed, fulfils the conditions specified in the Companies Act, 2013 and the Rules made there under and she is independent of the Management. A copy of the draft letter for the appointment of Mrs. Sneha Rupesh Talreja (DIN: 07161901) as an Independent Director setting out the terms and conditions is available for inspection without any fee by the members at the Company's registered office during normal business hours on working days up to the date of the Annual General Meeting.



No director, key managerial personnel or their relatives, except Mrs. Sneha Rupesh Talreja (DIN: 07161901) to whom the resolution relates, are interested or concerned in the resolution.

The Board recommends the resolution set forth in Item no. 4 for the approval of the members.

By order of the Board
for **LN INDUSTRIES INDIA LIMITED.**

G. SURENDER REDDY.
Managing Director.
DIN:00109441

Place: Hyderabad
Date: 29.08.2015
Registered Office: H.No.8-3-898/16/4,
Sri Laxmi Narasimha Niwas,
Nagarjuna Nagar Colony, Road No.2,
Srinagar Colony, Hyderabad – 500 073.
Phone:04023542871, Fax:04023551044
Email id: Inpolyester@yahoo.com
Website: www.lnindustriesindia.com
CIN:L18100TG1993PLC015268.



reserves held by the Company.

CHANGE IN NATURE OF BUSINESS, IF ANY:

During the year under review, there has been no change in the nature of business of the Company.

MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION BETWEEN THE END OF THE FINANCIAL YEAR AND DATE OF REPORT:

There are no material changes and commitments in the business operations of the Company from the financial year ended 31st March, 2015 to the date of signing of the Directors Report.

PERFORMANCE AND FINANCIAL POSITION OF THE SUBSIDIARY COMPANY:

The Company does not have any subsidiaries or associate companies. Hence the required information under this head is not being attached to the report.

CORPORATE GOVERNANCE:

The Corporate Governance Report and a certificate by the Statutory Auditors regarding compliance of the conditions of corporate governance by your Company as stipulated in clause 49 of the Listing Agreement with Stock Exchanges, are annexed to this Report.

STATEMENT ON DECLARATION GIVEN BY INDEPENDENT DIRECTORS:

All the Independent Directors have given declarations of Independence, as required pursuant to Section 149 (7) of the Companies Act, 2013 stating that they meet the criteria of Independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013.

MEETING OF INDEPENDENT DIRECTORS:

The performance of the Individual Directors on the Board and the Committees thereof is done by the Board and the Independent Directors in their exclusive meeting done as per the policy formulated by the Board in this regard.

VIGIL MECHANISM:

In terms of the provisions of Section 177 of the Companies Act, 2013 your Company has formulated a Whistle Blower Policy as a Vigil Mechanism. This mechanism aims for conducting the affairs in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behavior. All permanent employees of the Company are covered under the policy.

This mechanism is for the employees to report concerns about unethical behavior, actual or suspected fraud or violation of Code of Conduct and Ethics. It also provides for adequate safeguards against victimization of employees who avail of the mechanism and allows direct access to the Chairman of the Audit Committee in exceptional cases.

BOARD EVALUATION:

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the performance evaluation of the Board, the Committees of the Board and Individual Directors is done on annual basis.

The evaluation is done by the Board, Nomination and Remuneration Committee and Independent Directors with specific focus on the performance and effective functioning of the Board and Individual Directors.

CHANGES IN DIRECTORS:

INDUCTIONS:

On the recommendations of the nomination and remuneration committee, the Board appointed Mrs. Sneha Rupesh Talreja (DIN 07161901) as an Independent Director on the Board with effect from 21st April,