

Unbroken **Faith.**
Solid **Fundamentals.**
Paving the way for **Revival.**



SHRI LAKSHMI COTSYN LIMITED

28th Annual Report 2015-16



What does the Cover signify?

The Cover resembles the characteristics of Dandelion Flower which can thrive in difficult conditions. The Cover theme through Dandelion Flower symbolises the Company's endeavour to rise above challenges.



This Annual Report is available online at www.shrilakshmi.in

You will come across

CORPORATE OVERVIEW

1-12

STATUTORY REPORTS

13-50

CONSOLIDATED FINANCIALS

51-73

STANDALONE FINANCIALS

74-96

Forward looking statement

In this Annual Report, we have disclosed forward-looking information to enable investors to comprehend our prospects and take investment decisions. This report and other statements - written and oral - that we periodically make, contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipate', 'estimate', 'expects', 'projects', 'intends', 'plans', 'believes' and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in assumptions. The achievements of results are subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated, or projected, readers should keep this in mind. We undertake no obligation to publicly update any forward-looking statements, whether because of new information, future events or otherwise.





It has been a prolonged and challenging scenario for the Company over the past four years.

Our determination, focus and positive mindset has allowed us to encounter the tough times and has further strengthened our motivation to rebound.

We have faith in our competencies, our technological innovations and one-of-its-kind product offerings that will do justice to our robust business model once we overcome the bad phase.

Promising business fundamentals combined with adequate operational capacities augur well to the revival strategies adopted by the Company. The resultant outcome will soon start showing the light at the end of the tunnel.

Corporate Information

BOARD OF DIRECTORS

Dr. M. P. AGARWAL - Chairman cum Managing Director
Mr. PAWAN KUMAR AGARWAL - Joint Managing Director
Mr. DEVESH NARAIN GUPTA - Dy. Managing Director
Mrs. SHARDA AGARWAL - Executive Director
Prof. (Dr.) G. N. MATHUR - Non-Executive Director
Prof. (Dr.) R. K. TRIVEDI - Independent Director

COMPANY SECRETARY & FINANCE CONTROLLER

Mr. RAKESH KUMAR SRIVASTAVA

HEAD ACCOUNTS

MR. VIVEK SAXENA

PRESIDENT WORKS

MR. B. R. GARG

STATUTORY AUDITORS

M/s PRADEEP & ASSOCIATES
Chartered Accountants
27/78 A, Gagan Deep Complex
Birhana Road, Kanpur-208001
Ph. No. (0512) 2313665

INTERNAL AUDITORS

M/s SRIVASTAVA S & CO.
Chartered Accountants
112 / 206-A, Swaroop Nagar, Kanpur - 208002
Ph. No. (0512) 2551249

COST AUDITOR

Mr. A. K. SRIVASTAVA
96 Harjender Nagar, Kanpur - 208007
Ph. No. 09839116989

LEGAL ADVISOR

MR. RAM GOPAL PANDEY - Advocate
Chamber No. - 17, First Floor
Pt. M.L. Nehru Adhivakta Bhawan, Civil Court, Kanpur
Ph. No. (0512) 2665598

DHIR & DHIR ASSOCIATES
Advocates & Solicitors
D-55, Defence Colony,
New Delhi-110 024
www.dhirassociates.com

P. R. ADVISOR

S. K. ADVERTISERS
MIG F- 4, Gujaini, Kanpur - 208022
Ph. No. (0512) 2282265

BANKERS & ARC IN CONSORTIUM

1. Central Bank of India
2. Syndicate Bank
3. Union Bank of India
4. Canara Bank
5. Bank of Baroda
6. Punjab National Bank
7. Indian Bank
8. State Bank of Patiala
9. State Bank of Mysore
10. Exim Bank
11. Oriental Bank of Commerce
12. IDBI Bank
13. Vijaya Bank
14. Corporation Bank
15. State Bank of Bikaner & Jaipur
16. Axis Bank
17. Saraswat Bank
18. Andhra Bank
19. Edelweiss Asset Reconstruction Company Ltd.

MONITORING INSTITUTION FOR LENDERS

Central Bank of India
CFB, Jeevantara Building, Parliament Street,
New Delhi - 110001

SECURITY TRUSTEE FOR LENDERS

Centbank Financial Services Limited
1st Floor, Link House, Bahadurshah Zafar Marg
New Delhi - 110002

REGISTERED OFFICE

19/X-1 Krishnapuram
G.T Road, Kanpur, U.P. 208007
Ph. No. (0512) 2402893, 2402733

CORPORATE OFFICE

C-40, Sector-57, Noida. U.P.
Ph. No. (0120) 4544780

SUBSIDIARY COMPANIES

1. **SLCL Overseas (FZC)**
SAIF Zone P.O. 8000, Sharjah, U.A.E.
2. **Shri Lakshmi Defence Solutions Ltd.**
Rahsoopur, Tehsil Bindki,
Industrial Area, G.T.Road, Dist. Fatehpur
3. **Synergy Global Home Inc.**
160 Green Tree Drive, Suite 101, Dover
Kent – 19904, USA

REGISTRAR & TRANSFER AGENTS

M/s Abhipra Capital Ltd.
GF-58-59 World Trade Centre,
Barakhamba Lane, New Delhi - 110001
Ph. No. (011) 23414629, 23413893
Mail ID: rta@abhipra.com

UNITS

- (a) **MALWAN UNIT**
UPSIDC Industrial Area
P.O. Malwan Dist. Fatehpur, U.P.
Ph. No. (05181) 248669
- (b) **AUNG UNIT**
P.O. Aung, GT Road, Dist. Fatehpur, U.P.
Ph. No. (05181) 251184 / 48
- (c) **ABHAYPUR UNIT**
P.O. Aung, GT Road, Dist. Fatehpur, U.P.
- (d) **REWARI BUJURG UNIT**
Village & Post - Rewari Bujurg
Pargana & Tehsil - Bindki, Dist. Fatehpur, U.P.

- (e) **NOIDA UNIT (Closed)**
C-40, Sector-57, Noida
Ph. No. (0120) 4722700
- (f) **ROORKEE UNIT (Closed)**
Dev Bhoomi Industrial Estate,
Village Banta Kheri, Tehsil Roorkee,
District Haridwar, Uttaranchal
Ph. No. (01332) 231961
- (g) **SONEPAT UNIT**
Village-Libasapur, District- Sonapat, Haryana
Ph. No. (0130) 2381579
- (h) **SPINNING UNIT (Closed)**
UPSIDC Industrial Area,
P.O. Malwan Dist. Fatehpur, U.P.

WEBSITE : www.shrilakshmi.in

E-MAIL ID : shri@shrilakshmi.in

CORPORATE IDENTITY NUMBER (CIN)

L17122UP1988PLC009985

DEMAT ISIN NSDL & CDSL

INE851B01016

LISTING

Bombay Stock Exchange
Floor 25, P.J. Towers,
Dalal Street, Mumbai 400001
Ph. No. (022) 2272134

National Stock Exchange
5th Floor, Exchange Plaza,
Bandra (E), Mumbai 400051
Ph. No. (022) 26598100

SCRIP CODE

BSE: 526049
NSE: SHLAKSHMI

BLOOMBERG CODE

SLCL IN
REUTERS CODE
SHLK.BO

A determined and dedicated corporate

Shri Lakshmi Cotsyn Limited (SLCL) is recognised amongst the leading players in northern India. It manufactures regular and technical textiles offering world-class quality innovative product offerings to its customer.

SLCL is integrated across all verticals from yarn manufacture, dyeing to garmenting. The Company has also installed rise-husk based Captive Power generation capacity and has an in-house chemical auxiliary unit.

SLCL has a prominent presence across the globe and has developed a strong client base across USA, Canada, Latin America, UK, Swede, France, Germany, South Africa, Italy, Spain, South Korea and Australia.



Fore-fronting innovation



Pioneered the technical innovations through the development of Nano-technology, Functional Fabric and Smart intelligent Fabric.



Enjoys strong relationship with marquee clients including Fortune 500 Companies like Wal-mart and Ikea.



Approved supplier to Government defence establishments (Indian Army, Navy, Air Force and State Police) and is registered with several regulatory agencies.



Acknowledged leader in the field of Microdot Fusible Interlining Fabric, Blended Suiting & Shirting, Terry Towels, Home Furnishing, Wider Width Sheeting, Denim Fabrics, Embroidery / Lace / Quilted Fabrics, Camouflage Fabrics and Industrial Fabrics like Nuclear Bio-Chemical Fabrics, Infrared protective Fabrics and Bullet Proof Jackets etc.



Ranked "Star Export House" by the office of the Joint Director-General of Foreign Trade, Ministry of Commerce and Industry and is a preferred supplier to Defence Research and Development Organization (DRDO).



ISO 9001: 2008 certified by Transpacific Certifications Limited.



Rich product portfolio with adequate capacities

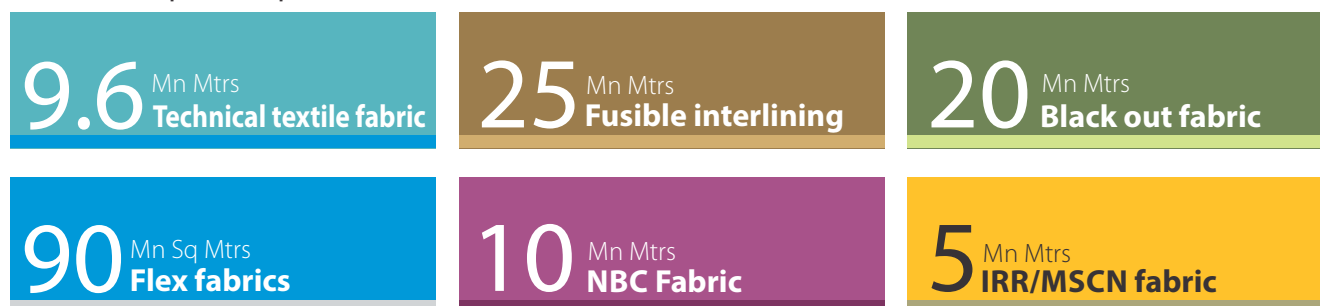
Regular textiles

(Installed capacities per annum)



Technical textiles

(Installed capacities per annum)



Mn: Million

Brand umbrella

Star Track for Fusible Interlining, Alisha for Embroidery fabric, SVL for Zippers, Galaxy for Clothing accessories, Weaves for Home Furnishings and DYFI for Garments.





The Company also offers armoured and mine protection vehicles (with 360° protection) through its 100% subsidiary – Shri Lakshmi Defence Solutions Limited (SLDSL). It also has an agreement with Ford India Limited for armouring vehicle on Ford chassis. Besides, SLDSL is registered with the some of India's prominent defence establishments like:

- Directorate General of Supplies & Disposal
- Director General of Quality Assurance
- Ministry of Defence (Navy)
- Defence Material Stores R&D Est
- Federation of Indian Export Organisation
- RDSO (Indian Railways)
- Indian Postal Department



8

State-of-the-art manufacturing facilities at Malwan, Aung, Abhaypur, Rewari Bujurg, Rhasupur, Noida (Uttar Pradesh), Roorkee (Uttarakhand) and Sonapat (Haryana)



750

Retail presence across multi-brand outlets (MBO) wherein the brands are marketed



Dr. M. P. Agarwal is a first generation entrepreneur and doctorate in textile costing, having over three decades of experience in this line of business.

Chairman's Message

Dear Shareholders,

The year 2015-16 was yet another year of prolonged crisis. Our earnings have been suppressed. But, more than that, we earned an unbroken faith of our stakeholders. We have ensured ethical and transparent measures in communicating about our challenges and related measures. The crisis has further allowed us to gain invaluable experience and made us stretch our limits. Our ability to survive the severest of adversities would have remained unexplored if the conditions had been more conducive. We are now more accustomed to the importance of sustainable growth and confident about our revival.

Reasons for stress

Last few years have seen a severe stress on the business operations owing to the factors that were beyond our control. Although, we were on course with our planned expansions, the unforeseen events kept on following one after another.

