

27th Annual Report 2016-17



Winsome Yarns Limited



**IS/ISO
9001**



WINSOME YARNS LIMITED

BOARD OF DIRECTORS

Satish Bagrodia

Pradeep Kumar

Navpreet Kaur Boparai

Manish Bagrodia

Chairman

Independent Director

Independent Director (Woman)

Managing Director

PRESIDENT (CORPORATE FINANCE) AND CHIEF FINANCIAL OFFICER

Anand Balkishan Sharma

G.M. (LEGAL) & COMPANY SECRETARY

K. V. Singhal

AUDITORS

M/s Lodha & Co.

Chartered Accountants

12, Bhagat Singh Marg

New Delhi-110001

REGISTERED OFFICE

SCO- 191-192, Sector 34-A,

Chandigarh - 160022

REGISTRAR AND SHARE TRANSFER AGENT

Link Intime India Pvt. Limited

44, Community Centre, 2nd Floor

Near PVR, Naraina Industrial Area, Phase-1

New Delhi - 110028

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WINSOME YARNS LIMITED

CIN : L17115CH1990PLC010566

Regd. Office : SCO 191-192, Sector 34-A, Chandigarh-160022
Phone No. : 0172-4612000, 2603966, 2662232, Fax No. 0172-4614000
E-mail : cshare@winsomegroup.com

Appeal to Members holding shares in Physical Mode:

Members are requested to:

1. Get their shareholding converted in dematerialize form to receive the Annual Report, Notices etc. from the Company electronically.
2. Get their email-id registered by sending the scanned copy of their written request by email at cshare@winsomegroup.com or send by post at the Registered office address of the Company.

Benefits of Dematerialization:

- ✧ Investments in Demat form is easy and convenient.
- ✧ No problem of losing investment certificates.
- ✧ Transferring securities becomes easy.
- ✧ Lower costs when buying and selling of securities.
- ✧ Changes in personal details viz. Communication address and bank account number etc. will apply to all the securities held and need not be done separately.
- ✧ Receive all communication of the company electronically through email including Annual Report and Notices.

Appeal to Members holding shares in Demat mode:

Please update your valid email-id with your Depository Participant (DP).

WINSOME YARNS LIMITED

WINSOME YARNS LIMITED

CIN : L17115CH1990PLC010566

Regd. Office : SCO 191-192, Sector 34-A, Chandigarh-160022

Phone No. : 0172-4612000, 2603966, 2662232, Fax No. 0172-4614000

E-mail : kvsinghal@winsomergroup.com, cshare@winsomergroup.com

NOTICE

NOTICE is hereby given that the 27th Annual General Meeting of the Members of Winsome Yarns Limited, will be held on Monday, the 4th day of September, 2017 at 11.30 a.m. at PHD Chamber of Commerce and Industry, Regional Office, PHD House, Sector 31-A, Chandigarh to transact the following business:

ORDINARY BUSINESS:

ITEM NO. 1

To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended March 31, 2017 together with the Reports of the Board of Directors and Auditors thereon.

ITEM NO. 2

To appoint a Director in place of Shri Satish Bagrodia (DIN. 00638647), who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and being eligible, offers himself for re-appointment.

ITEM NO. 3

To appoint M/s K. R. & Co., Chartered Accounts (Firm Registration No. 025217N) as Statutory Auditors of the Company for the year 2017-18 and to fix remuneration, and in this regard 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, 141, 142 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder, M/s. K. R. & Co., Chartered Accountants (FRN-025217N) having its head office at PU-53, Vaisakha Enclave, Pitampura, New Delhi -110005, be appointed as the Auditors of the Company, to hold office from the conclusion of 27th Annual General Meeting until the conclusion of the 32nd AGM of the Company, since the tenure of M/s Lodha & Co., Chartered Accountants, (Firm Registration No. 301051E) is expired on 27th Annual General Meeting, subject to ratification of the appointment by the members at every Annual General Meeting in accordance with the provisions of the Companies Act, 2013 and the rules made thereunder and that the Board of Directors be and is hereby authorized to fix such remuneration as may be recommended by the Audit Committee in consultation with the Auditors and that such remuneration may be paid as agreed upon between the Board of Directors and the Auditors."

SPECIAL BUSINESS:

ITEM NO. 4

To appoint M/s Balwinder and Associates as Cost Auditor of the Company and fix their remuneration and in this regard 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 148 and other applicable provisions, if any, of Companies Act 2013, read with Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment thereof for the time being in force), and final policy of the Central Government on the subject, M/s Balwinder & Associates, Cost Accountants, (Firm registration number 000030), Mohali, Punjab, be and are hereby appointed as Cost Auditor to conduct the audit of cost accounts of the Company for the financial year 2017-2018.

RESOLVED FURTHER THAT pursuant to provisions of section 148(3) of the Companies Act, 2013 and Rules made thereunder, approval of the shareholders be and is hereby accorded for the remuneration of Rs. 75000/- (Rupees Seventy five thousand only) plus taxes and out-of pocket expenses payable to M/s Balwinder and Associates, Cost Accountants, appointed by the Board of Directors as cost auditor of the Company for the financial year 2017-18."

ITEM NO. 5

To appoint Ms. Navpreet Kaur Boparai (DIN: 00871195) as an Independent Woman Director of the Company and to consider and if thought fit, to pass, with or without modification(s), if any, the following resolution as an Ordinary Resolution:

WINSOME YARNS LIMITED

"RESOLVED THAT pursuant to the provisions of Sections 149, 160 and any other applicable provisions, if any, of the Companies Act, 2013 read with Schedule IV to the Companies Act, 2013, the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), Ms. Navpreet Kaur Boparai (DIN:00871195), who was appointed as an Additional Independent Director of the Company and in respect of whom the Company has received a notice in writing from a member proposing her candidature for the office of Director be and is hereby appointed as an Independent Woman Director of the Company not liable to retire by rotation for a term of consecutive five years starting from the date of 27th Annual General Meeting to the conclusion of 32nd Annual General Meeting of the Company."

For and on behalf of the Board

Place : Chandigarh
Dated : 30.05.2017

Manish Bagrodia
Managing Director

NOTES :

1. A member entitled to attend and vote at the Annual General Meeting (the "Meeting") is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the Company. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote. 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.
2. Members are requested to bring their attendance slip along with their copy of Annual Report to the Meeting.
3. 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.
4. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.
5. Relevant documents referred to in the accompanying Notice and the Statement are open for inspection by the members at the Registered Office of the Company on all working days, except Saturdays, during business hours up to the date of the Meeting.
6. 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/ RTA.
7. **Members who have not registered their e-mail addresses so far are requested to register their e-mail address with the Depository Participants (DP), who have hold the shares in demat form and with the Company, who have hold the shares in physical form for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.**
8. M/s Link Intime India Pvt. Limited, 44, Community Centre, 2nd Floor, Near PVR, Naraina Industrial Area, Phase-I, New Delhi-110028 (Tele. 011-41410592-94, Fax No. 011-41410591) is acting as common agency for dematerialisation and physical transfer of shares of the Company.
9. The notice of AGM along with Annual Report 2016-17 is being sent by electronic mode to those members whose valid e-mail addresses are registered with the Company/Depositories, unless any member has requested for a physical copy of the same. The members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode.
10. Item No. 2 - Shri Satish Bagrodia aged about 78 years is B.Sc. Engg. (Mech.), FIE. He has more than 51 years of experience of setting up and implementing Industrial Projects. He is holding 42900 shares of the company. Presently, he is Chairman of Winsome Yarns Limited. He is also member of Nomination and Remuneration Committee and Risk Management Committee of Winsome Yarns Limited.
11. A Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, relating to the Special Business is annexed hereto.
12. The Register of Members and Share Transfer Books of the Company will remain closed on **21.08.2017 to 23.08.2017** (both days inclusive).

Remote e-voting Procedure

13. The instructions for shareholders voting electronically are as under:
- (i) The E-voting period begins on **01.09.2017 at 9.00 a.m.** IST and ends on **03.09.2017 at 5.00 p.m.** IST. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (**28.08.2017**), may cast their vote. 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" tab.
 - (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.	
PASSWORD	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <p>* <i>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.</i></p> <p>* <i>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.</i></p>
Date of Birth or Date of said incorporation	Enter the Date of Birth as recorded in your demat account or in the company records for the demat account or folio in dd/mm/yyyy format.
Bank Details	<p>Enter the Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <p>* <i>Please enter the DOB or 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 Bank details field as mentioned in instruction (iv).</i></p>

- (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 of Winsome Yarns Limited for e-voting.
- (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.

WINSOME YARNS LIMITED

- (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) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android, Apple and Windows based mobiles. The m-Voting app can be downloaded from Google Play Store, App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (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.evoting@cdslindia.com
 - * 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.
 - * 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.
- (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, under help section or write an email to helpdesk.evoting@cdslindia.com

Mr. Girish Madan, Practising Company Secretary (Membership No. FCS 5017), proprietor of M/s. Girish Madan and Associates has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

The Scrutinizer shall within a period not exceeding three(3) working days from the conclusion of the e-voting period unblock 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.

The Results shall be declared on or after the AGM of the Company. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website and on the website of CDSL within two(2) days of passing of the resolutions at the AGM of the Company and communicated to the BSE Limited and the National Stock Exchange of India Limited.

THE EXPLANATORY STATEMENT UNDER SECTION 102 OF THE COMPANIES ACT, 2013

ITEM NO. 3

Pursuant to the provisions of the section 139 of Companies Act, 2013 read with Companies (Audit & Auditors) Rules 2014, no listed company shall appoint an Audit Firm (including its affiliate firm) for more than two terms of five consecutive years. The Act also provided for additional transition period of three years from the commencement of the Act i.e. 1st April, 2014.

M/s Lodha & Co, Chartered Accountants, were appointed as Statutory Auditors of Company since 1991. The shareholders in their 24th Annual General meeting held on 31st March, 2015 had re-appointed M/s Lodha & Co, Chartered Accountants, as Statutory Auditors of Company, for a period of three years i.e. from the conclusion of 24th Annual General Meeting of Company till the conclusion of 27th Annual General Meeting of the Company, subject to the ratification of their appointment by members of the company in every subsequent Annual General Meeting as per provisions of Section 139 of Companies Act 2013 read with Companies (Audit & Auditors) Rules 2014.

Therefore considering the aforesaid provisions, M/s Lodha & Co., Chartered Accountants, have completed their tenure including the additional transition period of three years and will thus be holding the office of Statutory Auditors up to the conclusion of 27th Annual General Meeting. Now the Company has to rotate its Statutory Auditors in this 27th Annual General Meeting.

Therefore as per provisions of Section 139, 141 & other applicable provisions of Companies Act 2013 read with Companies (Audit & Auditors) Rules 2014, the Board of the Company recommended to appoint M/s. K. R. & Co., Chartered Accountants (FRN-025217N) having its head office at PU-53, Vaisakha Enclave, Pitampura, New Delhi -110005, as Statutory Auditors of Company for a period of 5 years commencing from the conclusion of 27th Annual General Meeting of the Company till the conclusion of 32nd Annual General Meeting of the Company. M/s K. R. & Co. have consented to the said appointment vide their letter dated 29.04.2017 and confirmed that their appointment, if made, would be within the limits mentioned under provisions of section 141 of Companies Act 2013 and rules made thereunder read with Companies (Audit and Auditors) Rules 2014.

The resolution under this item seeks the approval of the Members for the said appointment of auditors. None of the Directors or Key Managerial Personnel of the Company or their respective relatives are concerned or interested in this resolution.

The Board recommends this resolution for approval of the shareholders.

ITEM NO. 4

The Board of Directors after considering the recommendations of Audit and Nomination & Remuneration Committees have appointed M/s Balwinder and Associates, Cost Accountants, as Cost Auditor of Company for the Financial Year 2017-18 to conduct the Cost Audit of Cost Accounts of the Company on a total remuneration of Rs. 75000/- (Rupees Seventy five thousand only) plus taxes and out of pocket expenses. According to provisions of section 148 of Companies Act 2013 read with Companies (Audit & Auditors) Rules 2014, the remuneration of Cost Auditor is subject to the ratification of members of the Company.

The Board recommends this resolution for approval of the shareholders. None of the Directors, Key Managerial Personnel or their relatives is interested in this resolution.

ITEM NO. 5

Pursuant to the provisions of regulation 17 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Companies (Appointment and Qualifications of Directors) and rules thereunder, every listed public Company is required to have at least one Women Director on the Board and should have at least one-half of the total number of directors as Independent directors, who are not liable to retire by rotation. On the recommendation of the Nomination and Remuneration Committee, the Board of Directors by circular resolution no. 3/2017-18 dated 19.05.2017 has appointed Ms. Navpreet Kaur Boparai as an Additional Independent Director of the Company for a term of consecutive five years.

Ms. Navpreet Kaur Boparai, Additional Independent Director of the Company, has given a declaration to the Board that she meet the criteria of independence as provided under section 149(6) of Companies Act 2013. In the opinion of the Board, the Independent Director fulfill the conditions specified in Sections 149, 152, Schedule IV of the Companies Act, 2013 read with Companies (Appointment and Qualifications of Directors) Rules, 2014 and the Listing Agreement (including any statutory modification(s) or re-enactment thereof for the time being in force) and such Independent Director is independent of the management. Besides this, Board also considers that her continued association would be of immense benefit to the Company.

The brief profile of Ms. Navpreet Kaur Boparai is given hereunder:-

Name of Director	Ms. Navpreet Kaur Boparai
DIN	00871195
Date of Birth	17.07.1964
Brief Profile	Ms. Navpreet Kaur Boparai is B.Sc (Medical), M.A (English) and B.Ed. She is about 53 years old and has more than 18 years of experience to set up the various type of business. Earlier she was Director of M/s Queen Hills Builders and Promoters Pvt. Ltd and M/s Kapcon Projects Pvt. Ltd.
Qualifications	B.Sc (Medical), M.A (English) and B.Ed
Directorship held in other Companies	Nil
Membership/Chairmanship of Committees of other public Companies	Nil
Shareholding in the Company	Nil

Ms. Navpreet Kaur Boparai is interested individually in the Resolutions relating to his appointment. None of the other Directors and Key Managerial Personnel of the Company, or their relatives, is interested in this Resolutions.

The Board recommends this Resolution for approval of the shareholders.

For and on behalf of the Board

Place : Chandigarh
Dated : 30.05.2017

Manish Bagrodia
Managing Director
DIN:00046944

DIRECTORS' REPORT

Dear Members,

We are pleased to present the 27th Annual Report of the Company and the audited statement of accounts for the year ended 31st March, 2017. A summary of the financial results is given below.

SUMMARISED FINANCIAL RESULTS:

(Rs. in lacs)		
Financial Highlights	Year ended 31.03.2017	Year ended 31.03.2016
Revenue from Operations	37305.44	37886.60
Profit before Interest, Depreciation & Tax	186.87	(515.19)
Less: Interest	44.93	606.96
Profit/(Loss) before Depreciation	141.94	(1122.15)
Less: Depreciation	1742.18	1878.20
Profit/ (Loss) before Taxes	(1600.24)	(3000.35)
Exceptional items	--	--
Less : - Current Tax	--	--
- Previous year's Tax	5.97	--
- Deferred Tax	--	--
Net Profit/ (Loss) after Taxes	(1606.21)	(3000.35)
Add : Surplus brought forward from previous year	(27662.18)	(24661.83)
Balance Carried to Balance Sheet	(29268.39)	(27662.18)

OPERATIONS & PERFORMANCE:

During the year under review, the Company's operations continued to be affected due to slackness in demand for finished products, non availability of adequate working capital for operations and constrained margins. Furthermore, the Company has not been able to undertake necessary and regular capital expenditure as per industry norms for proper maintenance and upkeep of plant and equipment due to paucity of funds.

The overall performance of the Company for the year ended 31.03.2017 was a net loss of Rs.1606.21 lacs in comparison to the net loss of Rs. 3000.35 lacs for the previous year ended 31.03.2016. Your Company's turnover of Rs. 37305.44 lacs was marginally lower against the previous year turnover of Rs. 37886.60 lacs.

EROSION OF ENTIRE NET WORTH:

Consequent to erosion of entire net worth, the Company filed a reference before the Hon'ble Board for Industrial and Financial Reconstruction (BIFR) under the Sick industrial companies (Special Provisions) Act. 1985, (SICA), which was registered, has since been repealed effective December 1, 2016.

The Company had discussions with its lenders for evolving a scheme of rehabilitation of its financial debts, which continued both during the period that the reference of the Company was under consideration before the Hon'ble BIFR and the period since repeal of SICA.

The Company's net worth, which continues to be eroded, is likely to substantially improve on complete implementation of the debt restructuring plan by the Company.

OUTLOOK:

The Company's borrowings from secured lenders exceeding 80% of amount have since been assigned by the lending banks to Edelweiss Asset Reconstruction Company Limited (EARC), and the Company is in discussions with the Edelweiss Asset Reconstruction Company Limited for a structured payment plan of its dues, which will be binding on all lenders on its finalisation.

The Company is in process of raising counter claim/s on the lenders at the appropriate recovery forum as per advise of its legal counsel.

The performance of the Company during the current year shall depend on availability of raw material-cotton at reasonable prices, and the Indian currency remaining stable with the currency of customers in importing countries.

SUBSIDIARY COMPANIES:

According to the provisions of Section 129 of Companies Act, 2013, a statement containing salient features of the financial statements of the Company's subsidiaries in Form AOC-1 is attached to the financial statements of the Company.

As required by Accounting Standard - 21 issued by the Institute of Chartered Accountants of India the consolidated financial statements, included in this Annual Report, incorporate the accounts of its subsidiary Companies namely Winsome Yarns (Cyprus) Limited and Winsome Yarns (FZE) (as at 31.03.2016, unaudited, ceased operations, declared defunct effective 01.04.2014).

Pursuant to the provisions of Section 136 of the Companies Act, 2013, the financial statements of the Company, consolidated financial statements along with relevant documents and separate audited/ unaudited accounts in respect of subsidiaries are available on web site of the Company.

The ongoing business recessionary conditions in European Countries, caused negative effects to the three step down subsidiaries of the Company, namely, S.C. Winsome Romania, S.r.l., IMM Winsome Italia S.r.l. and S.C. Textil, S.r.l., which were placed under liquidation, and therefore, their Balance Sheets and other financial statements are not available; accordingly, the instant consolidated financial statements of the Company do not include the financials of the above named three subsidiary Companies.. The Company has made necessary provisions in the books of account to take care the losses in those subsidiaries.

The present status of these three subsidiary companies is given as under:-

Sr. No.	Name of Subsidiary	Start of liquidation process	Present status
1	IMM Winsome Italia S.r.l.	30.09.2008	Under Liquidation.
2	S.C. Winsome Romania S.r.l.	26.11.2008	Under Liquidation.
3	S.C. Textil S.r.l.	09.02.2010	Under Liquidation.

ISO 9001/2008:

Your Directors are pleased to inform you that your Company continues to be the holder of ISO 9001/2008 certificates.

DIVIDEND:

Your Directors are unable to recommend any dividend on equity shares for the year under review.

SHARE CAPITAL:

During the year the company has not allotted any securities.

DIRECTORS:

- Shri Satish Bagrodia, Director, retires by rotation and being eligible, offers himself for re-election.
- None of the Directors are disqualified under the provisions of Section 164(2) of the Companies Act, 2013. The Directors have made the requisite disclosures, as under the provisions of Companies Act, 2013 and under the regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations).
- The Punjab State Industrial Development Corporation Limited vide its letter dated 21.10.2016 withdrawn the nomination of Shri Suresh Kumar Singla from the Directorship of the Company and ceased to be director w.e.f. 21.10.2016.
- Shri Kollengode Padmanabhan Ramakrishnan, Independent Director of the Company resigned vide his letter dated 27.02.2017 and ceased to be director w.e.f. 27.02.2017.
- Pursuant to the provisions of clause (b) of sub section (1) of Section 167 of Companies Act, 2013, the Company has filed Form No. DIR-12 and ceased the nomination of Shri Brij Mohan Padha from the Directorship of the Company w.e.f. 08.02.2017.
- Ms. Navpreet Kaur Boparai has been appointed as Independent Woman Director of the Company w.e.f. 19.05.2017.

BOARD EVALUATION:

Pursuant to the provisions of the Companies Act, 2013 and under the regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out an annual evaluation of its own performance, the directors individually, as well as the evaluation of the working of its Committees. At the meeting of the Board all the relevant factors that are material for evaluating the performance of individual Directors, the Board and its various committees were discussed in detail. A structured questionnaire each for evaluation of the Board, its various Committees and individual Directors was prepared and recommended to the Board by Nomination & Remuneration Committee for doing the required evaluation after taking into consideration the input received from the Directors covering various aspects of the Board's