

27th July, 2016

The National Stock Exchange of India Limited
Listing Department,
Exchange Plaza, Bandra Kurla Complex,
Bandra (East)
Mumbai – 400 051

BSE Limited,
Department of Corporate Services
Floor 25, Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400 001

Company Symbol : **ICIL**

Scrip Code : **521016**

Sir,

Sub: **Annual Report 2015-16**

Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith Annual Report of Indo Count Industries Limited ("Company") for the financial year 2015-16 duly adopted by the members of the Company at the Annual General Meeting of the Company held on 26th July, 2016.

We are once again enclosing Notice of Annual General Meeting and Corrigendum to the Notice for change of venue.

Thanking You,

Yours truly,

For **INDO COUNT INDUSTRIES LIMITED**



AMRUTA AVASARE
COMPANY SECRETARY

Encl : A/a

INDO COUNT INDUSTRIES LIMITED

301, Arcadia, III Floor,
Nariman Point, Mumbai - 400021
Maharashtra, India
T 91 22 4341 9500 | F 91 22 2282 3098
E info@indocount.com
W www.indocount.com

REGISTERED OFFICE

Office No. 1, Plot No.266, Village Alte
Kumbhoj Road, Taluka Hatkanangale
Dist. Kolhapur - 416109
Maharashtra, India
T 91 230 3292933 | F 91 230 2483275
CIN L72200PN1988PLC068972



COMPLETE COMFORT



Indo Count Industries Limited
Annual Report 2015-16

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Indo Count is one of the leading end-to-end bedding provider that is solely focussed on creating all-encompassing sleep experiences for consumers around the world.

We are passionate, and fully concentrate on bringing complete comfort to our clients and consumers.



From customers to consumers, from employees to investors, from vendors to bankers, we assure all our stakeholders that we are committed to deliver **COMPLETE COMFORT.**



PERFORMANCE HIGHLIGHTS

29%

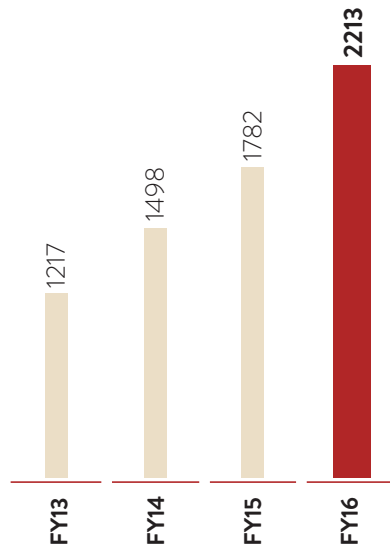
Revenue
5 years CAGR

66%

EBITDA
5 years CAGR

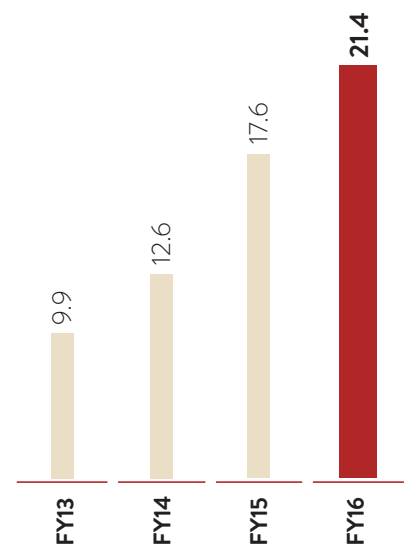
Growing Revenues

(₹ crore)



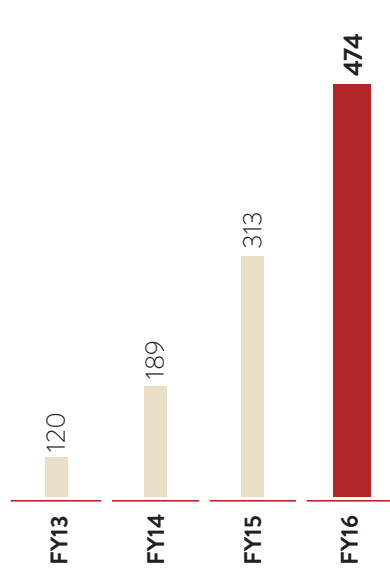
Increasing EBIDTA Margin

(Per cent)



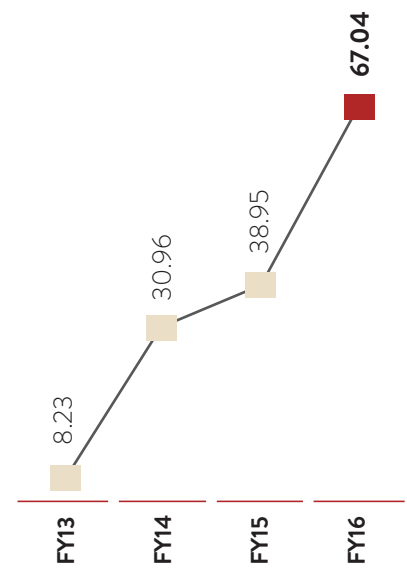
Growing EBITDA

(₹ crore)



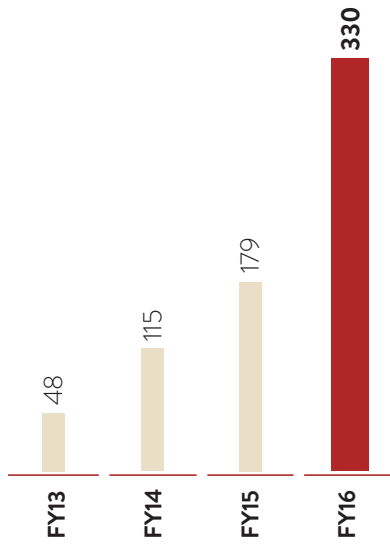
Growing Earnings Per Share

(₹)



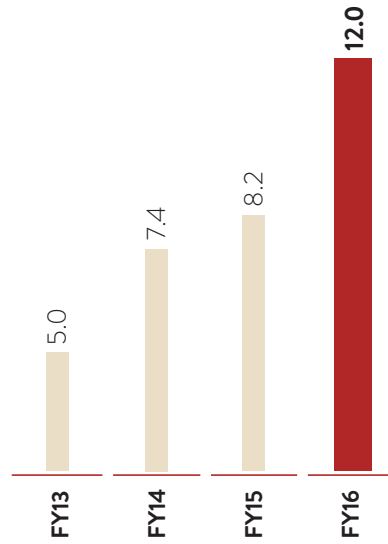
Surging Cash Profit

(₹ crore)



Improving Net Profit Margin

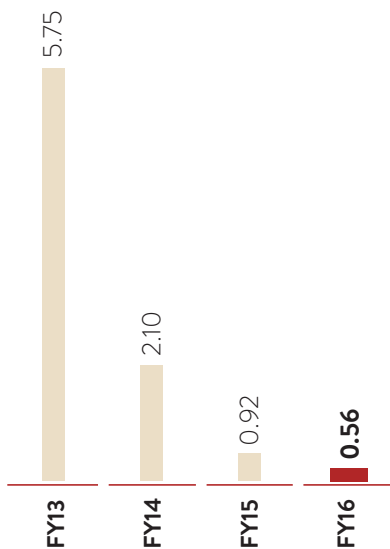
(Per cent)



85%

Net Profit
5 years CAGR

Net Debt-Equity Ratio



- Credit Rating of “A” for long-term bank facilities and “A1” for short-term bank facilities by CARE and ICRA
- Ranked 235 in profit amongst India’s top 500 companies by profit Dun & Bradstreet (D&B)
- 4th amongst Top 20 Multi Baggers during the last 10 years (Business Line dated 11.1.2016). Highest Wealth Creators in 2015 - 677% Fortune India - January 2016
- Investment in Indo Count shares grows from ₹ 1 lac to ₹ 72 lac - In 5 years - Economic Times
- Our Chairman & Managing Director is one amongst India’s Best 100 CEO’s 2015 (Business Today Special Issue, Jan. 2016)
- Received Silver Trophy from TEXPROCIL for the 2nd highest exports of made-ups in Bed Line/Bed Sheets/Quilts under Category III for 2014-15
- Among Top 3 Bedsheet Supplier & 11th largest supplier of Home Textiles to USA
- FIEO, Western Region has conferred Export Excellence Award in the Top Exporter – Non MSME Trading House Category

EXECUTIVE CHAIRMAN'S MESSAGE



This performance could not have been achieved without single minded FOCUS on bed linen solutions, INNOVATION in product development and marketing and PERSEVERANCE in operational efficiency.

Dear Shareholders,

It gives me immense pleasure to present to you another record performance on the financial front during fiscal '16. I am happy to share that despite the challenging global environment, your Company has outpaced the industry with a revenue of ₹ 2,213 crores resulting in 24% growth during fiscal '16. Highest ever EBITDA and PAT have shown a remarkable growth of 51% and 82% respectively. The positive impact of the highest ever financial performance is reflected in the gradual lowering of Debt.

Debt Equity ratio has reduced substantially from more than 5 at the end of fiscal '12 to 0.1 at the end of March '16 and the highest ever Earnings per Share of ₹ 67.04.

The Company declared Interim Dividend of 10% and Final Dividend of 10% has been recommended on equity shares of the Company. Total Dividend payout is 20%. The market cap is around ₹ 3,835 Crore.

This performance could not have been achieved without single minded FOCUS on bed linen solutions, INNOVATION in product development and marketing and PERSEVERANCE in operational efficiency.

I am happy to inform that towards development of long term succession plan, the Board approved appointment of my son Mr. Mohit Anilkumar Jain as a Managing Director of the Company for a period of 5 years w.e.f. 9th May, 2016.

A New Confident Identity

Your Company has taken many strategic initiatives in fiscal '16 to achieve its vision of being one of the leading home textile company in the world and to deliver a sustainable growth story for all its stakeholders and our vision is to become debt free.

Keeping in view its global ambition and reach, your Company has revamped and launched a new branding and communication exercise. The new logo represents the strategic vision of Indo Count, a streamlined process of

the development, manufacture and performance of our products. The new brand signature represents our brand promise - to bring COMPLETE COMFORT to the world. As we continue to expand into new strategic frontiers of the global bedding products space successfully, this new brand identity and look would allow us to precisely represent our brand promise to our global consumer base.

In order to meet the rapidly growing demand for high quality bed linen in India, your Company has developed a detailed strategy for launch of their customised products to meet the requirements of discerning consumers.

With the successful on-streaming of the augmented capacity, we have also put into action a two-phase expansion plan to cater to the expected strong demand for home textile products. **Phase 1** of ₹ 175 Crores is towards increasing processing capacity from current 68 million meters to 90 million meters, setting up a state-of-the-art RO and water effluent treatment plant, automation of cut and sew and warehousing and **Phase 2** of ₹ 300 Crores is towards upgrading the existing spinning facilities, Investments in additional weaving (with specialized looms) and value added equipment for the delivery of fashion and utility bedding.

The roadmap, for the coming years, looks promising as we venture into new segments of fashion, utility and institutional bedding. The revenue contribution from these new segments has already touched 10% mark. To bolster your Company's high-value bed linen products and channel portfolio, three new lifestyle brands have been launched in the US market namely

Boutique Living, Revival and The Pure Collection with each one catering to distinct consumer segments.

Corporate Social Responsibility

As a responsible corporate, your Company visualize its CSR to improve the quality of the life of the people living in the villages of rural India. To achieve this vision, a separate foundation i.e. Indo Count Foundation has been established.

Our social initiatives range from Education, Healthcare, Drinking Water and Sanitation to Woman Empowerment. In Fiscal '16:

- Contributed to Prime Minister's Relief Fund.
- We have initiated E-learning programme across 45 schools covering approximately 16,500 students with Wockhardt Foundation.
- Provided free medicine and health check-up through mobile medical vans in tie-up with Wockhardt Foundation.

Our future programmes include village adoption etc.

Your Company is extremely concerned about shortage of water throughout the Country and we are happy to inform that on the environmental front, we commissioned an \$8 million RO plant that resulted in the re-use of processed water and post-treatment water portability. This has resulted in saving of more than 200 MLD liters of water per year.

Accolades and Awards

You will be happy to know that your Company has in recognition of its

achievements received several accolades from leading institutions and media.

- Export Excellence Award in the Top Exporter – Non MSME Trading House Category by FIEO, Western Region.
- Silver Trophy from TEXPROCIL for the 2nd highest exports of made-ups in Bed Line/Bed Sheets/Quilts under the category III for 2014-15.
- Among the Top 3 Bed sheet supplier and 11th Largest Homes Textile supplier to USA. (Home & Textiles Today)
- Our Lead Bank, Union Bank of India, has recognized the Company as Most Promising MSME.
- The Company is ranked 235 on net profit (D&B) India's Top 500 Companies 2016.

Credit Rating

CARE & ICRA have assigned credit rating of "A" and "A1" for Company's long term and short term bank facilities respectively.

Acknowledgments

All these could not have been achieved without whole-hearted support of loyal partners, outstanding human capital and committed shareholders. I thank all customers, vendors, bankers and employees of the Company for their unstinted support. I take this opportunity to thank everyone who have contributed to deliver the stellar performance in fiscal '16 and thank them for their belief.

Yours truly,

Anil Kumar Jain

OUR NEW IDENTITY



Success plays a vital role in the formation of identity.

Success also reinforces one's own belief in the purpose. It evokes confidence and trust of the stakeholders in the identity.



In its relatively young vintage age of 25 years, the Company has phenomenal growth due to launching of home textile in 2009, delivering performance par excellence. And this success led us to this effort to articulate our purpose and reimagine our identity.

We are specialists, not generalists, and have chosen to only work towards creating the best sleep experience imaginable.



We streamlined our product development and design, manufacturing and supply chain, branding and marketing to allow us to create an all-encompassing sleep experience. In this endeavour, we have done seemingly contrasting things with ease. Like being proud of our track record, yet remain humble about the enormity of our vision. Communicate softly, but precisely. Be simple, yet sophisticated. Be distinguished, but never elitist. In every aspect of what we do and with every employee, customer, partner and shareholder, we always aim to be graciously professional. All this has been possible due to clarity about our values and mission.



Our new identity cleanly and clearly manifests who we are and our purpose to the consumers and all stakeholders.




It has been designed to inspire complete confidence and trust. It embodies our personality and promise of 'Complete Comfort' to the world.

COMPLETE COMFORT is our pledge to our partners and illustrates our commitment to everyone who is touched by our products and operations. The new identity is a reflection of our global operations and aspirations with its modernity and universality of representation. This new identity is a step towards establishing us as stewards of good sleep globally.

COMFORT EXPERIENCE

Becoming a product of choice and achieving market success is dependent upon the product's ability to meet consumer needs. Products which meet hitherto unmet needs can command a premium. However, consumers derive maximum comfort from the product's ability to deliver an overall experience, in addition to meeting their functional needs.



Along with the tangible product benefits, the total product experience is dependent on other elements such as branding, product quality, packaging, sales channel, etc. Hence, Indo Count's extensive consumer research by its teams based in India, USA, UK and Australia not only focusses on understanding consumer needs, but also gleans the experiences sought by them. Such consumer research is an inseparable step of the product development process encompassing the entire value chain from product design to marketing and sales, so as to deliver a 'complete sleep experience' to consumers.

We have showrooms and design studios in our major markets to have direct access to the consumers' voice and better understand their needs. The Company has also expanded product portfolio to provide end-to-end solutions. Entry into fashion bedding, utility bedding and institutional linen not only allowed the Company to address a market bigger in size than just sheet sets, it also created opportunity to meet differentiated consumer needs.

The Perfect Blend: **Innovation + Quality + Service**

INNOVATION

Our design and development teams are always researching new technologies and processes to answer to the needs of consumers. Innovative new weaves and finishes allow us to continue to expand our product offering.

QUALITY

We ensure total quality solution starting with sourcing the best cotton, state-of-the-art equipment to spin, weave, bleach, dye and cut and sew. The result is complete quality control across the entire process.

SERVICE

The implementation of the latest Supply Chain Management solutions gives us a real-time snapshot of production and inventory across all our facilities. Our business partners have peace of mind knowing they can **COUNT ON US** when it comes to e-commerce fulfilment, inventory control and maintaining the integrity of their brand.

Indo Count launched 3 proprietary lifestyle brands in the USA to expand its retail presence. These brands promise to deliver **COMPLETE EXPERIENCE** to customers.



BOUTIQUE LIVING

Targeted at a professional who travels often, earns an above average income and prefers differentiated experience of boutique hotels over cookie-cutter hotel chain experience.

Target audience would typically have an active social life and be passionate about décor and decorating the home. Boutique Living is influenced by the decorators' point of view and is stylish, aspirational and modern.



REVIVAL

The Revival brand has a vintage soul with classic designs and urban style offering a modern touch. The 'Revival' audience is sophisticated and traditional, typically young professionals with modern outlook, but in love with classic detailing. Natural fabrics with color palette of sophisticated and muted tones are preferred.



THE PURE COLLECTION

The Pure Collection is for those aspiring to live a natural, environmentally conscious way of living. It has a relaxed quality with a minimal yet approachable aesthetic. The entire collection is 100%-organic cotton.



GLOBAL REACH

We are expanding our reach globally to provide the best sleep experience to more consumers.

We have developed our capabilities by establishing ourselves in the most competitive international market which is most demanding with astute consumers. We have mastered the made-to-order offtake ecosystem and continuously expanded our wallet share from large customers.

US continues to be the largest market for Indo Count and contributes nearly 65% of the Company's turnover. The other major markets for the Company are developed countries of Europe, UK, Australia,

While Indo Count was set up with more than 25 years textile manufacturing experience in international trade, we believe there has never been a better time to enter India's domestic market. There is now a significantly large market of aspirational customers who are willing to pay the right prices for a premium, comfortable experience that we can offer.

Key ingredients of Indo Count's growth and pursuit to positively impact people's sleep experience across the world are as follows:

- **Continued global expansion:** Our products are exported to nearly 49 countries across 5 continents. Establishing more marketing/representative offices across the globe would continue.
- **Increasing distribution reach through channel expansion:** We sell products through top-of-the-line retailers like Walmart, JC Penney, Target, etc. that have wide presence. We also sell our products online through e-tailers such as Amazon under the brand 'Color Sense'. We will continue to expand distribution and add channels, especially with introduction of our own brands.
- **Showrooms and Design teams in leading markets:** Our showrooms are operational in US, UK and Australia. Objective is to give consumers the brand experience and to incorporate consumer voice and native trends in product design.



Larger and growing emerging markets are the next frontier for Indo Count. And today, there is no other emerging market as India, "We make in India & Sell in India".

ERGO IN THE COMING YEAR

Our plan will be to launch our products in the Indian market. We have finished preliminary and background work and have developed a plan to ensure a successful launch.

- Sell mid-to-high range our products through premium distribution channel, e-commerce, retail stores catering to aspirational customers.

GLOBAL PRESENCE



Not to scale - for illustrative purpose only

INDIA	USA	UK	AUSTRALIA
<ul style="list-style-type: none"> ▪ Mumbai, Global Headquarters ▪ Manufacturing factories in Kolhapur, Maharashtra ▪ Design Studio 	<ul style="list-style-type: none"> ▪ Established in 2011 ▪ New York - Showroom & Design Studio ▪ Charlotte, NC - 3 PL Warehouse (for retail and e-commerce). 	<ul style="list-style-type: none"> ▪ Established in July 2014 ▪ Manchester – Showroom, Design Studio & Warehouse 	<ul style="list-style-type: none"> ▪ Established in July 2014 ▪ Melbourne – Showroom, Design Studio & Warehouse

Office- cum-Showroom & Distribution centers in USA, UK and Australia

Clientele includes Top Global Retailers and Renowned International Brands

Exports to 49 Countries

INTEGRATED CAPABILITIES

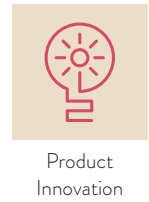
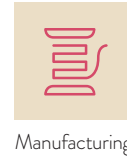
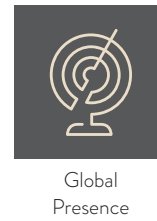
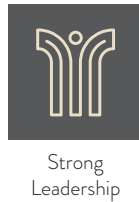
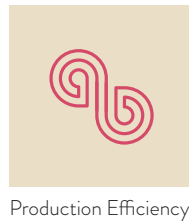
Grow into one of the leading home textile companies in the world.

Mission

Indo Count is committed to provide all our customers product quality, services and value for money through our technological and organisational strengths.

What We Believe

At Indo Count, we value honesty, transparency and responsibility in everything we do. We treat all our stakeholders with the respect and consideration they deserve. We aim to be graciously professional with every word and action. We believe that in everything we do, we must always be: honest, ethical, absolutely dedicated and responsible.



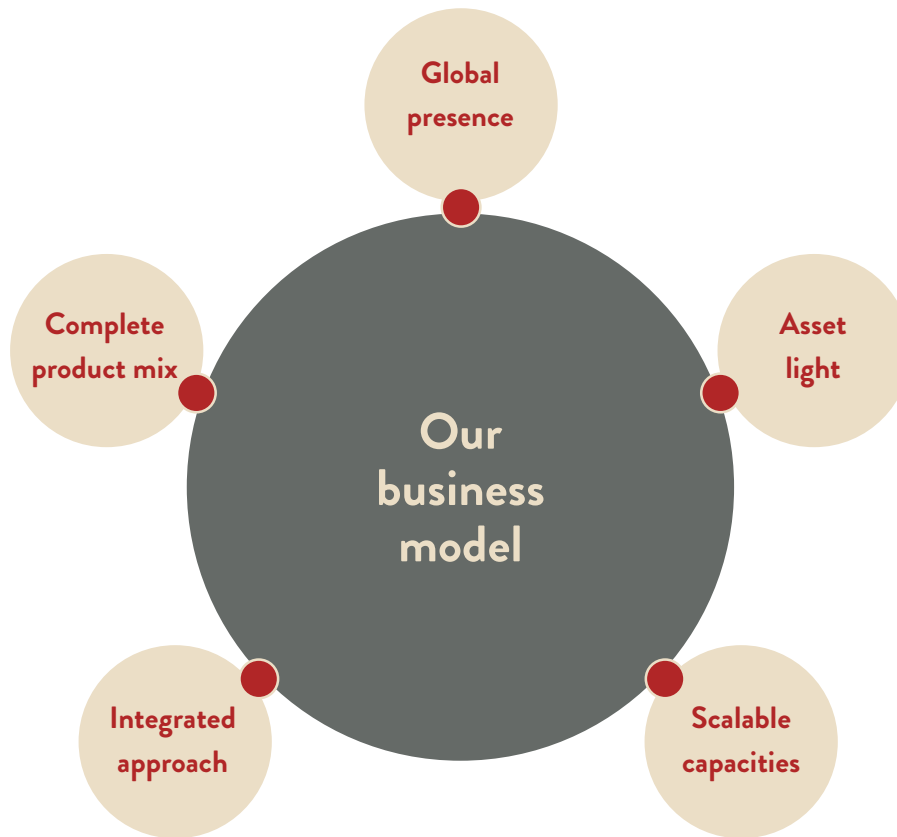
Product Development



Spinning



Weaving



Vertically Integrated Business Model



Processing



Cut-n-Sew



Promotion

Sharing Success

Our continued success, our productivity, and our high standards of product quality are dependent upon our most crucial resource, our employees.

STEADFAST COMMITMENT

“Every Smile Counts.” This is our simple motto, which defines our complete commitment towards our People, our Communities and our Planet. Under the aegis of the Indo Count Foundation, our CSR initiatives and activities endeavour to uplift the quality of life for the underprivileged sections of rural India.

Under the Indo Count Foundation, our CSR interventions are focussed in and around our manufacturing facilities in Western Maharashtra and are directed in the following five areas :



Education



Healthcare



Women Empowerment



Drinking Water & Sanitation

Indo Count Foundation’s activities in each of these areas:

Education

- Reached over 16,500 Students of 45 Govt. -aided Schools
- State-of-the-art e-learning Technology Linked to State Education Curriculum
- Safe Drinking Water Purifying System with SS Tank in each School
- School Bags to more than 80% Students, many more in the pipeline



Healthcare

- Refurbish Primary Health Care Centre
- Provide Patient Beds, Upgraded Maternity Room and Other Equipment
- Health on Wheels – Addressed issues like Doorstep Reach (through Van), Accessibility, and Availability of Primary Health Centre
- To Examine 30,000 Patients / Year, Distribute Free Medicine, Examine Blood Test, BP, & ECG Facilities

Women Empowerment

- Starting Skill Development Centre
- Train 700 Potential Wage Earners / Year
- Employable Skill Training like Sewing
- Creating Awareness about Women contributing to Upgrading Standard of Living



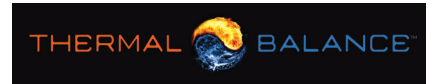
Drinking Water & Sanitation

- Develop a Sanitation Programme with the help of Zilla Parishad and Gram Panchayat
- To cover 15 Villages / 1000 Families
- Providing contontaminate free Drinking Water

Recognitions

- Memento for the best work from Zilla Parishad, Kolhapur
- Memento for the best work from Kagal Nagar Parishad
- Memento for the best work in Education and Drinking Water from Kagal Nagar Parishad
- Letter of Appreciation by Shri Tawade Cabinet Minister, Govt. of Maharashtra for exemplary service in the field of education in Kolhapur District

BRANDS & INNOVATIONS



CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive Directors

Mr. Anil Kumar Jain – Executive Chairman
Mr. Mohit Anilkumar Jain – Managing Director
(w.e.f. 9th May, 2016)
Mr. R. N. Gupta - Joint Managing Director
(till 9th May, 2016)
Mr. K. R. Lalpuria – Executive Director
Mr. Kamal Mitra – Director (Works)

Independent Directors

Mr. P. N. Shah
Mr. R. Anand
Mr. Dilip Thakkar
Mr. Prem Malik
Mr. Sushil Kumar Jivarajka
Dr. (Mrs.) Vajjayanti Pandit

CHIEF FINANCIAL OFFICER

Mr. R. Sundaram

COMPANY SECRETARY

Mrs. Amruta Avasare
(w.e.f. 9th February, 2016)

AUDITORS

M/s. B. K. Shroff & Company
Chartered Accountants
1st Floor, Flat No. 4,
3/7-B, Asaf Ali Road,
New Delhi – 110 002

REGISTRAR & SHARE TRANSFER AGENT

Link Intime India Private Limited
C-13, Pannalal Silk Mills Compound,
L.B.S Marg, Bhandup (West)
Mumbai - 400 078

REGISTERED OFFICE

Office No. 1, Plot No. 266, Village Alte,
Kumbhoj Road, Taluka Hatkanangale,
Dist. Kolhapur – 416 109
Maharashtra

CORPORATE OFFICE

301, Arcadia, 3rd Floor,
Nariman Point,
Mumbai – 400 021

PLANT LOCATIONS

1. D-1, MIDC
Gokul Shirgaon, Kolhapur – 416 234
2. T-3, MIDC
Kagal – Hatkanangale, Kolhapur – 416 216

SUBSIDIARIES

In United States of America

Indo Count Global Inc.
Suite# 1019, The Textile Building,
295, Fifth Avenue,
New York, NY 10016

In United Kingdom

Indo Count UK Ltd
Ground Floor of Unit 2, “The Stables”,
Wilmslow Road,
Didsbury, Manchester M20 5PG
United Kingdom

In Australia

Indo Count Australia Pty Ltd
289-311 Bayswater Road,
Bayswater North,
Victoria 3153,
Australia

In India

Pranavaditya Spinning Mills Limited
Office No. 2, Plot No. 266, Village Alte,
Kumbhoj Road, Taluka Hatkanangale,
Kolhapur – 416 109

BANKERS

Union Bank of India
State Bank of Hyderabad
Export-Import Bank of India
The Shamrao Vithal Co-op Bank Ltd

DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting the 27th Annual Report on the business and operations of your Company together with the audited financial statements and the Auditors' Report for the financial year ended 31st March, 2016.

(₹ in Crores, except EPS)

Particulars	Standalone		Consolidated	
	2015-16	2014-15	2015-16	2014-15
Total Revenue	2070.78	1679.95	2212.80	1781.80
EBIDTA	452.92	301.27	473.55	313.66
Less: Finance Cost	51.58	62.53	54.91	65.02
Less: Depreciation	18.19	15.40	18.85	15.97
Less: Exceptional Items	-	25.74	-	25.74
Profit before Tax	383.15	197.60	399.79	206.93
Tax Expenses	132.44	58.56	135.05	61.04
Minority Interest			0.02	0.21
Net Profit	250.71	139.04	264.72	145.66
Basic & Diluted EPS (in ₹)	63.49	37.18	67.04	38.95
Cash Profit	316.43	170.83	330.11	178.53
Net Profit	250.71	139.04	264.72	145.66
Add: Balance in Profit and Loss Account	244.73	106.70	249.18	108.77
Less: Appropriations				
Adjustment on account of depreciation	-	0.89	-	0.91
Transferred to Capital Redemption Reserve	2.50	-	2.50	-
Transferred to Transitional Reserve	-	-	10.92	4.22
Dividend on preference shares including Dividend Distribution Tax	0.06	0.12	0.06	0.12
Interim Dividend on Equity Shares including Dividend Distribution Tax	4.75	-	4.75	-
Proposed Final Dividend on Equity Shares including Dividend Distribution Tax	4.75	-	4.75	-
Balance carried to Profit and Loss Account	483.38	244.73	490.92	249.18

Operational and Financial Performance Overview

During the financial year under review, on a standalone basis, the Company achieved revenue of ₹ 2,070.78 Crores as against ₹ 1,679.95 Crores in the previous year, thereby registering a growth of 23.3%. EBIDTA for the year under review was ₹ 452.92 Crores, representing a growth of 50.3%. The net profit for the year ended 31st March, 2016 increased from ₹ 139.04 Crores to ₹ 250.71 Crores, showing a remarkable growth of 80.3%.

On a consolidated basis, the Company achieved revenue of ₹ 2,212.80 Crores as against ₹ 1,781.80 Crores in the previous year, thereby registering a growth of 24.19%. EBIDTA during the year has shown a growth of 50.97%. The net profit during year under review increased from ₹ 145.66 Crores to ₹ 264.72 Crores, registering a significant growth of 81.48%.

The increased bottom line translated into improved earnings per share from ₹ 38.95 in 2014-15 to ₹ 67.04 in 2015-16 on a consolidated basis. The debt equity ratio has reduce from 0.21 to 0.10.

The Company could achieve such a remarkable growth and performance due to tighter operating controls, prudent raw material sourcing, new customer addition, increased capacity utilisation followed by expansion in bed-linen capacity, positioning in the mid-to-high end segment, make-to order approach, superior product mix and controlled overheads.

In March 2016, the Company launched three new lifestyle brands – Boutique Living, Revival and The Pure Collection in the US market, which will be launched next year in other markets.

The business operations, overview and outlook is dealt in detail in the Management Discussion and Analysis Report forming part of this Directors' Report.

Awards/Recognitions

Your Company is:

- 2nd largest manufacturer/exporter of Bed Linen from India;
- amongst top 3 Bed sheets exporter to USA;
- 11th largest supplier of Home Textiles to USA.

Our Company with 40% CAGR is ranked 4th amongst list of top 20 Multi Baggers during the last 10 years. (Source: Business Line issue dated 11.1.2016).

During the year under review, the Company has received Silver Trophy from TEXPROCIL for the 2nd highest exports of made ups in "Bed Linen/Bedsheets/Quilts" under the Category – III for the year 2014-15.

FIEO, Western Region has conferred on the Company, the Prestigious “Export Excellence Award in the Top Exporter - Non MSME -Trading House Category”.

The Company and Indo Count Foundation have received Momentos for its important contribution towards CSR from Education Department, Zilla Parishad, Kolhapur and from Kagal Nagar Parishad, Kolhapur. Government of Maharashtra, Directorate of Primary Education has also recognized Indo Count Foundation for the Social work in primary education.

Our Company has been ranked amongst India’s top 500 companies during 2015-16 by Dun & Bradstreet. The ranking has improved from 386 to 353 on the basis of revenue.

MSCI (NYSE) has recognized and included shares of the company as one of the constituents of MSCI (NYSE) for the MSCI India Domestic Small Cap fund.

Dividend

During the year 2015-2016, the Board of Directors of the Company declared and paid interim dividend @10% (₹ 1/- per equity share of ₹ 10/- each). Further, your Directors are pleased to recommend final dividend @10% (₹ 1/- per equity share of ₹ 10/- each) for the approval of shareholders at the ensuing Annual General Meeting. If approved, the total dividend payout for the year under review will be 20% amounting to ₹ 7.90 Crores.

Share Capital

During the year under review, the Company redeemed 25,00,000, 4% Non-Convertible Cumulative Redeemable Preference Shares of ₹ 10/- each aggregating to ₹ 2.50 Crores. Consequently, the issued, subscribed and paid up share capital of the Company is reduced from ₹ 41.98 Crores to ₹ 39.48 Crores. There was no change in equity share capital of the Company during the year 2015-16.

Credit Rating

CARE and ICRA have assigned credit rating of “A” for Company’s Long Term Bank Facilities indicating adequate degree of safety regarding timely servicing of financial obligations. For Company’s short term bank facilities, CARE and ICRA have pronounced rating of “A1” which is the highest rating indicating very strong degree of safety regarding timely payment of financial obligations.

Debentures

During the year under review, the Company redeemed 300 Non-Convertible Redeemable Debentures of face value of ₹ 10,00,000/- each aggregating to ₹ 30 Crores. The said debentures were allotted on private placement basis in the year 2007.

Directors and Key Managerial Personnel

Pursuant to the recommendation of Nomination and Remuneration Committee, the Board of Directors of the Company approved the appointment of Mr. Mohit Anilkumar Jain (DIN: 01473966) as an Additional Director and Managing Director of the Company for a period of 5 years with effect from 9th May, 2016, as part of a long term succession plan. The resolution for his appointment is also being placed for approval of members of the Company at the ensuing Annual General Meeting. Further, Mr. Anil Kumar Jain, Chairman and Managing Director, continues to be an Executive Chairman of the Company w.e.f. 9th May, 2016.

Mr. R. N. Gupta, Joint Managing Director was associated with the Company from the year 1996 and has played a vital role in the growth of the Company. However, owing to his advanced age, he expressed to the Board that he shall not be in a position to devote his full time to manage the affairs of the Company and hence resigned from the position of Director designated as “Joint Managing Director” of the Company w.e.f. 9th May, 2016. The Board placed its appreciation for valuable contributions made by him during his long association as a Board Member with the Company.

Pursuant to the provisions of Section 152 of Companies Act 2013, Mr. Kamal Mitra, Director (Works) of the Company, retires by rotation at the ensuing Annual General Meeting and being eligible, has offered himself for the re-appointment. The Board recommends his re-appointment.

Pursuant to the recommendation of Nomination and Remuneration Committee, the Board of Directors at its meeting held on 8th June, 2016 approved the re-appointment of Mr. Anil Kumar Jain as a Whole-Time Director designated as “Executive Chairman”, Mr. Kailash R. Lalpuria as a Whole-Time Director designated as “Executive Director” and Mr. Kamal Mitra as a Whole-Time Director designated as “Director (Works)” for a period of 3 years w.e.f. 1st October, 2016 subject to the approval of members of the Company. The resolutions for their respective re-appointment are also placed for approval of members of the Company at the ensuing Annual General Meeting.

The Company has received declarations from all the Independent Directors confirming that they meet the criteria of independence as prescribed under Section 149 (6) of the Companies Act, 2013 and Regulation 16 (1) (b) of Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015. (“SEBI (LODR) Regulations, 2015”).

As required under the provisions of SEBI (LODR) Regulations, 2015 and the Companies Act, 2013, brief profile and other details of Directors being appointed /re-appointed are provided in the Notice of Annual General Meeting.

During the year under review, Mr. R. Sundaram, holding dual positions of Chief Financial Officer and Company Secretary of the Company decided to concentrate on the role of Chief Financial Officer and relinquished the position of the Company Secretary and Compliance Officer of the Company with effect from 9th February, 2016. Mr. R. Sundaram, continues to remain Chief Financial Officer of the Company. Mrs. Amruta Avasare was appointed as Company Secretary and Compliance Officer of the Company w.e.f. 9th February, 2016.

Directors' Responsibility Statement

In terms of Section 134(3)(c) of the Companies Act, 2013, your Directors, to the best of their knowledge and belief and according to the information and explanations obtained by them, state that:

1. in the preparation of the annual financial statements for the year ended 31st March, 2016, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
2. such accounting policies as mentioned in the notes to the Financial Statements for the year ended 31st March, 2016 have been selected and applied consistently and judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2016 and of the profit of the Company for the year ended on that date;
3. proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. the annual financial statements for the year ended 31st March, 2016 have been prepared on a going concern basis;
5. internal financial controls to be followed by the Company have been laid down and that the said financial controls were adequate and were operating effectively;
6. proper systems to ensure compliance with the provisions of all applicable laws have been devised and such systems were adequate and operating effectively.

Number of Board Meetings

During the year under review, 5 Board Meetings were held viz on 9th May, 2015, 30th June, 2015, 3rd August, 2015, 24th October, 2015 and 8th February, 2016, the details of which are given in the Corporate Governance Report.

Audit Committee

As on 31st March, 2016, the Audit Committee comprises of Mr. P. N. Shah (Chairman), Mr. R. Anand, Mr. Prem Malik and Mr. R. N. Gupta. W.e.f. 9th May, 2016, the Committee has been re-constituted and comprises of Mr. P. N. Shah (Chairman), Mr. R. Anand, Mr. Prem Malik and Mr. Kailash R. Lalpuria. All the recommendations made by the Audit Committee were accepted by the Board.

Statutory Auditors

At the Annual General Meeting of the Company held on 23rd August, 2014, M/s. B K Shroff & Co., Chartered Accountants, were appointed as Statutory Auditors of the Company for a period of 3 years to hold office from the conclusion of the 25th Annual General Meeting till the conclusion of the 28th Annual General Meeting of the Company, subject to ratification by the members at each Annual General Meeting.

The Audit Committee and the Board of Directors of the Company have recommended to the members of the Company, ratification of appointment of M/s. B K Shroff & Co., Chartered Accountants, as Statutory Auditors of the Company to hold office from the conclusion of the ensuing Annual General Meeting till the conclusion of the 28th Annual General Meeting of the Company. The Company has received a letter from B. K. Shroff & Co. confirming that they are eligible for ratification of their appointment.

Auditors' Report

The Auditors' Report on standalone and consolidated financial statements forms part of the Annual Report. The Auditors' Report does not contain any qualifications, reservations, adverse remarks, disclaimer or emphasis of matter. Notes to the Financial Statements are self-explanatory and do not call for any further comments.

The Statutory Auditors of the Company have not reported any fraud as specified under the second proviso of Section 143(12) of the Companies Act, 2013 (including any statutory modification(s) or re-enactment for the time being in force).

Internal Audit

M/s. Suresh Kumar Mittal & Co., Chartered Accountants are Internal Auditors of the Company and their report is reviewed by the Audit Committee from time to time.

Consolidated Financial Statements & Subsidiaries

In accordance with the provisions of Companies Act, 2013 ("the Act"), SEBI (LODR) Regulations, 2015 and Accounting Standard (AS) - 21 on Consolidated Financial Statements, the audited

consolidated financial statements form part of the Annual Report. In view of this, the Balance Sheet, Statement of Profit and Loss and other related documents of the subsidiaries are not attached in this Annual Report. A copy of Audited Financial Statements of the Subsidiaries shall be made available for inspection at the Registered Office of the Company during business hours. Any shareholder interested in obtaining a copy of separate Financial Statements of the subsidiaries shall make specific request in writing to the Company Secretary. The Audited Financial Statements of the subsidiaries are also available on the website of the Company www.indocount.com.

As on 31st March, 2016, the Company has 4 subsidiaries. The Company does not have any Associate Company pursuant to the provisions of the Companies Act, 2013.

Pursuant to the provisions of Section 129(3) of the Companies Act, 2013 and Rules 5 and 8(1) of the Companies (Accounts) Rules, 2014, the salient features of financial position of each subsidiary is given in Form AOC-1 annexed as “Annexure 1” to this Report.

The Company has framed a policy for determining material subsidiaries, which can be accessed at <http://www.indocount.com/images/investor/ICIL-Policy-on-Material-Subsidiaries.pdf>.

Corporate Social Responsibility (CSR)

The key philosophy of all our CSR initiatives is guided by our belief “Every Smile Counts ...”. Pursuant to the provisions of Section 135 of the Companies Act, 2013, the Company has constituted a CSR Committee. Dr. (Mrs.) Vijayanti Pandit is the Chairperson of the Committee, Mr. Anil Kumar Jain and Mr. Kailash R. Lalpuria are other members of the Committee.

The adopted CSR Policy outlines various areas like education, healthcare, water and sanitation, environment and women empowerment for undertaking CSR activities. The Company implements the CSR initiatives through ‘Indo Count Foundation’. and has also tied up with other trusts for implementing CSR Activities. During the year under review, Company / Indo Count Foundation has contributed to Prime Minister Relief Fund and carried out CSR activities in the areas of Education and Healthcare.

A CSR Policy of the Company is uploaded on website of the Company and can be accessed at <http://www.indocount.com/images/investor/ICIL-CSR-Policy.pdf>. The Report on CSR activities is provided in “Annexure 2” to this Report.

Extract of Annual Return

Pursuant to Section 92 (3) of the Companies Act, 2013, extract of the Annual Return of the Company in Form MGT-9 is annexed as “Annexure 3” to this Report.

Secretarial Audit Report

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board had appointed S. Anantha Rama Subramanian, Proprietor of S. Anantha & Co., Practising Company Secretaries to conduct Secretarial Audit for the financial year 2015-16. The Secretarial Audit Report issued by him is annexed as “Annexure 4” to this Report. The Secretarial Audit Report does not contain any qualification, reservation, disclaimer or adverse remark.

Management Discussion and Analysis Report

Management Discussion and Analysis Report for the financial year under review, as stipulated under Regulation 34 of SEBI (LODR) Regulations, 2015 is presented in a separate section forming part of the Annual Report.

Corporate Governance

In terms of Regulation 34 of SEBI (LODR) Regulations, 2015, a report on Corporate Governance along with Statutory Auditors’ Certificate confirming its compliance is provided separately and forms integral part of this Report.

Related Party Transactions

All related party transactions entered during the financial year under review were on an arm’s length basis and in the ordinary course of business. Note No. 32 to the Financial Statements contains details of Related Party Transactions. No related party transaction was in conflict with the interest of the Company. As prescribed by Section 134(3)(h) of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014, particulars of contracts/arrangements with Related Parties are given in Form AOC-2, annexed as “Annexure 5” to this Report. The policy on Related Party Transactions has been uploaded on the Company’s website and can be accessed at <http://www.indocount.com/images/investor/ICIL-Policy-on-Related-Party-Transactions.pdf>

Conservation of Energy, Technology Absorption & Foreign Exchange Earning & Outgo

Information on Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo required under Section 134(3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 is given in “Annexure 6” forming part of this Report.

Particulars of Employees and related disclosures

Pursuant to the provisions of Section 197 (12) of the Companies Act, 2013 (“Act”) read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, for the year ended 31st March, 2016, none of the employees of the Company except Mr. Anil Kumar Jain, Chairman and Managing Director draws remuneration in excess of the limits set out in the said rules. The details required as per said rules and the Disclosure pursuant to Section 197 (12) of the Companies Act, 2013 read with Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given in “Annexure 7” to this Report.

Segment

The Company operates only in one segment i.e Textile Segment.

Capacity Expansion

The Board of Directors of the Company at its meeting held on 24th October, 2015 approved capex of ₹ 175 Crores for Phase I towards:

- i) Increasing processing capacity from current 68 million meters to 90 million meters
- ii) Setting up a water effluent treatment / RO plant
- iii) Automation of cut and sew and warehousing

As on 31st March 2016, amount capitalized was ₹ 110 Crores. The balance capitalization for enhancing its Processing capacity from 68mn meters to 90mn meters is progressing as per schedule and to be completed by Q3FY17.

At the Board meeting held on 7th May, 2016, the Board approved the capital expenditure plan under Phase 2 for approximately ₹ 300 Crores. This capital outlay will be funded by internal accruals and debt. The Capital expenditure will be for upgrading the existing Spinning Facilities, Investments in additional Weaving (with specialized looms) and value added equipments for delivery of fashion and utility bedding. This expansion will be completed by March, 2018.

Vigil Mechanism / Whistle Blower Policy

Pursuant to the provisions of Section 177 (10) of the Companies Act, 2013 and Regulation 22 of SEBI (LODR) Regulations, 2015, the Company has established a vigil mechanism. The details of Vigil Mechanism are provided in the Corporate Governance Report. The Vigil Mechanism / Whistle Blower Policy may be accessed on the Company’s website at www.indocount.com.

Company’s Policy on Appointment and Remuneration of Directors

The Company has been following well laid down policy on appointment and remuneration of Directors, Key Managerial Personnel (KMP) and Senior Management Personnel.

The appointment of Directors is made by the Board pursuant to the recommendation of Nomination and Remuneration Committee (NRC).

The remuneration of Executive Directors comprises of Basic Salary, Perquisites & Allowances, Commission. The remuneration is within the limits prescribed under the Companies Act, 2013 and is recommended by NRC. Approval of Board, Shareholders and the Central Government, if required, for payment of remuneration to Executive Directors is sought, from time to time.

The remuneration of Non-Executive Directors comprises of sitting fees and commission in accordance with the provisions of Companies Act, 2013.

A brief extract of the Remuneration Policy on appointment and remuneration of Directors, KMP and Senior Management is provided in the Corporate Governance Report.

Performance Evaluation of Directors

Criteria of performance evaluation of the Board of Directors including Independent Directors are laid down by Nomination and Remuneration Committee of the Company. Pursuant to the provisions of the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out the annual performance evaluation of the entire Board, Committees and all the Directors based on the parameters specified in the Corporate Governance Report. The parameters of performance evaluation were circulated to the Directors in the form of questionnaire.

Business Responsibility Report

Pursuant to the Regulation 34 of SEBI (LODR) Regulations, 2015, Business Responsibility Report is mandatory to be published for top 500 companies based on market capitalisation as on 31st March, 2016. Accordingly, Business Responsibility Report for the year ended 31st March 2016 is provided in ‘Annexure 8’ to this Report.

Obligation of Company under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

In order to prevent sexual harassment of women at workplace, the Company has adopted a policy for prevention of Sexual Harassment of Women at workplace and has set up an Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

to look into complaints relating to sexual harassment at workplace of any woman employee. During the year under review, the Company has not received any complaint under the said policy.

Particulars of Loans given, Investments made, Guarantees given and Securities provided under Section 186 of the Companies Act, 2013

The Company has not granted any loan during the year under review. The details of investment made are provided in Note No. 14 to the Standalone Financial Statements. The Company has given Corporate Guarantee to the extent of US \$ 9.5 million for securing financial assistance to Indo Count Global Inc. USA, wholly owned subsidiary of the Company.

Internal Financial Controls with respect to the Financial Statements

The Company maintains adequate internal control system and procedures commensurate with its size and nature of operations. The internal control systems are designed to provide a reasonable assurance over reliability in financial reporting, ensure appropriate authorisation of transactions, safeguarding the assets of the Company and prevent misuse/ losses and legal compliances.

The internal control system includes a well defined delegation of authority and a comprehensive Management Information System coupled with quarterly reviews of operational and financial performance, a well structured budgeting process with regular monitoring of expenses and Internal audit.

The Internal Audit reports are periodically reviewed by the management and the Audit Committee and necessary improvements are undertaken, if required.

Risk Management

The Company has in place Risk Management System which takes care of risk identification, assessment and mitigation. There are no risks which in the opinion of the Board threaten the existence of the Company. Risk factors and its mitigation are covered extensively in the Management Discussion and Analysis Report forming part of this Directors' Report.

Deposits

During the year under review, no deposits were accepted by the Company under Chapter V of the Companies Act, 2013.

Significant or Material orders passed by the Regulators/Courts

During the year under review, no significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

General

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review or said items are not applicable to the Company:

1. Cost Audit
2. Issue of equity shares with differential rights as to dividend, voting or otherwise or issue of sweat equity share.
3. Mr. Anil Kumar Jain & Mr. Kamal Mitra who are Non-Executive Directors on the Board of Pranavadiya Spinning Mills Ltd., subsidiary of the Company, receive sitting fees for attending Board / Committee Meeting. Apart from the sitting fees, as aforesaid, none of the Whole-Time Directors of the Company receive any remuneration or commission from any subsidiaries of the Company.

There are no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year 2015-16 and the date of this report.

Acknowledgements

Our consistent growth has been made possible due to our culture of professionalism, integrity and continuous evolvement.

Your Directors take this opportunity to thank our customers, suppliers, investors, bankers, the Central and State Governments, for their consistent support and co-operation to the Company. We place on record our appreciation of the contribution made by employees at all levels, without whose whole-hearted efforts, the overall performance would not have been possible.

Your Directors look forward to the long term future with confidence.

On behalf of the Board of Directors

ANIL KUMAR JAIN

Executive Chairman

DIN: 00086106

Date: 8th June, 2016

Place: Mumbai

Annexure 1

Form No. AOC-1

Statement containing salient features of the financial statements of Subsidiaries / Associates / Joint Ventures

(Pursuant to the first proviso to sub-section (3) of section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)

PART A - SUBSIDIARIES

(₹ in Lacs)

Sr. No.	Name of the Subsidiary	Reporting currency for the subsidiary concerned	Exchange Rate as on 31 st March, 2016	Share Capital	Reserves and Surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit Before Taxation	Provision for Taxation	Profit After Taxation	Proposed Dividend	% of Share-holding	Country
1	Pranavadiya Spinning Mills Limited	INR	NA	1924.13	2079.58	4666.79	663.10	0.16	6055.72	18.59	11.51	7.08	-	74.53	India
2	Indo Count Global Inc, USA	USD	66.255	446.18	1299.43	21471.34	19725.73	-	39789.85	770.47	249.43	521.04	-	100	USA
3	Indo Count UK Limited	GBP	-	-	-	-	-	-	-	-	-	-	-	100	UK
4	Indo Count Australia Pty Ltd	AUD	-	-	-	-	-	-	-	-	-	-	-	51	Australia

Notes:

- Reporting period of the Subsidiaries is April to March.
- Indo Count UK Limited and Indo Count Australia Pty Ltd are yet to commence operations.
- There are no subsidiaries which have been liquidated or sold during the year 2015-16.

PART B - ASSOCIATES / JOINT VENTURES - NIL

On behalf of the Board of Directors

Date: 8th June, 2016
 Place: Mumbai

ANIL KUMAR JAIN
 Executive Chairman
 DIN: 00086106

Annexure 2

Annual Report on Corporate Social Responsibility (CSR) activities for the Financial Year 2015-16

1.	A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.	<p>Pursuant to the requirements of the Companies Act, 2013 and the rules made thereunder, the Company has framed a CSR Policy and weblink thereto is as given below:</p> <p>http://www.indocount.com/corporatesocialresponsibility.php?id=5</p> <p>The key philosophy of all our CSR initiatives is guided by our belief "Every Smile Counts" The focus areas for CSR are education, healthcare, water and sanitation, environment, women empowerment. The Company undertakes CSR activities through its own trust Indo Count Foundation and has also tied up with other Trusts for implementing CSR activities.</p>
2.	The Composition of the CSR Committee.	<p>(1) Dr. (Mrs.) Vajayanti Pandit – Chairman (Independent Director)</p> <p>(2) Mr. Anil Kumar Jain – Member (Executive)</p> <p>(3) Mr. Kailash R. Lalpuria – Member (Executive)</p>
3.	Average net profit of the company for last three financial years.	Average net profit of the Company for last 3 financial years is ₹ 114.10 Crores
4.	Prescribed CSR Expenditure (two per cent of the amount as in item 3 above).	₹ 2.28 Crores
5.	Details of CSR spent during the financial year 2015-16	
	(a) Total amount to be spent for the financial year 2015-16	₹ 3.14 Crores (including ₹ 0.77 Crores unspent of 2014-15)
	(b) Total amount spent	₹ 1.12 Crores
	(c) Amount unspent , if any	₹ 2.02 Crores

Manner in which the amount spent during the financial year 2015-16 is detailed below:

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sl. No.	CSR project or activity identified.	Sector In which The Project Is Covered.	Projects or programs 1) Local area or other 2) Specify the State and district where projects or programs was undertaken.	Amount outlay (budget) project or programs Wise (Amount in ₹)	Amount spent on the projects or programs Sub-heads: 1) Direct on projects or programs- 2) Overheads (Amount in ₹)	Cumulative Expenditure upto the reporting Period (Amount in ₹)	Amount spent Direct or through Implementing Agency.
1.	Promoting Education	Education	Kolhapur- Maharashtra	1,50,00,000/-	84,07,046/-	84,07,046/-	Direct / Implementing Agency
2.	Improve medical care and infrastructure	Healthcare	Kolhapur- Maharashtra	50,00,000/-	14,79,204/-	14,79,204/-	Direct / Implementing Agency
3.	Relief Fund	Prime Minister Relief Fund		-	3,20,155/-	3,20,155/-	Direct
Total - Direct Expenses on projects				2,00,00,000/-	102,06,405/-		
Total - Indirect Expenses on overheads					4,61,581/-		
Balance in Indo Count Foundation					5,71,027/-		
Grand Total					112,39,013/-		

The actual amount spent on CSR activities for the year ended 31st March, 2016 was less than 2% of the average net profit for the last three years. 2014-15 being 1st year for implementation of CSR, the amount of ₹ 0.77 Crores was unspent and carried forward to FY 2015-16. In 2015-16, the Company has spent around 1% of the average net profit for the last three years on CSR projects given above and has done lot of social work in local areas near Kolhapur. The Company has plans to increase the CSR spending in coming years on various CSR projects.

RESPONSIBILITY STATEMENT

We hereby confirm that the implementation and monitoring of Corporate Social Responsibility (CSR) Policy is in compliance with CSR objectives and policy of the Company.

On behalf of Board of Directors

Dr. (Mrs.) Vajjayanti Pandit
Chairperson of CSR Committee
DIN: 06742237

Anil Kumar Jain
Executive Chairman
DIN: 00086106

Kailash R Lalpuria
Executive Director
DIN:00059758

Dated: 8th June, 2016
 Place: Mumbai

Annexure 3

Form No. MGT-9 EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31st March 2016
[Pursuant to section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies
(Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

CIN	L72200PN1988PLC068972
Registration Date	07/11/1988
Name of the Company	Indo Count Industries Limited
Category / Sub-Category of the Company	Company having share capital
Address of the Registered office and contact details	Office No. 1, Village Alte, Kumbhoj Road, Taluka Hatkanangale, Kolhapur, Maharashtra - 416109 Phone No: 91-230-2483105 / 91-230-3292933 Fax No: 91-230-2483275
Whether listed company	Yes
Name, Address and Contact details of Registrar and Transfer Agent, if any	Link Intime India Private Limited C-13, Pannalal Silk Mills Compound, Lal Bahadur Shastri Marg, Bhandup (West), Mumbai – 400 078 Phone No: 022-25946970 Fax No: 022-25946969 Email: indocount@linkintime.co.in rnt.helpdesk@linkintime.co.in Please note that till 12 th May, 2016, the Company was serviced through Delhi branch of Link Intime India Private Limited.

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company are stated below: -

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service *	% to total turnover of the company
1	Manufacture of bedding, quilts, pillows and sleeping bags etc.	13924	90.02%
2	Preparation and spinning of Cotton fibers including blended cotton	13111	9.98%

* As per National Industrial Classification 2008 list.

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No	Name and Address of the Company	CIN/GLN	Holding/Subsidiary/ Associate	% of shares held	Applicable Section of the Companies Act, 2013
1	Pranavaditya Spinning Mills Limited Office No. 2, Plot No.266, Village Alte, Kumbhoj Road, Taluka Hatkanangale, Dist. Kolhapur- 416109	L17119PN1990PLC058139	Subsidiary	74.53%	2(87)
2	Indo Count Global Inc. Suite# 1019, The Textile Builing, 295, Fifth Avenue, New York, NY 10016	EIN 38-3830098	Subsidiary	100%	2(87)
3.	Indo Count UK Ltd Ground Floor of Unit 2, “The Stables” Wilmslow Road, Didsbury, Manchester M20 5PG United Kingdom	9146756	Subsidiary	100%*	2(87)
4.	Indo Count Australia Pty Ltd. 289-311 Bayswater Road, Bayswater North, Victoria 3153, Australia.	600 172 334	Subsidiary	51%*	2(87)

* As on 31st March, 2016, the shares are not subscribed.

IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

(i) Category-wise Share Holding

Category of Shareholder	No. of Shares held at the beginning of the year (As on 01-04-2015)				No. of Shares held at the end of the year (As on 31-03-2016)				% Change during the year
	Demat	Physical	Total	% of Shares	Demat	Physical	Total	% of Shares	
A. Promoters									
1) Indian									
a) Individuals / HUF	3810748	0	3810748	9.65	3808593	0	3808593	9.65	0.00
b) Central Government	0	0	0	0.00	0	0	0	0.00	0.00
c) State Government (s)	0	0	0	0.00	0	0	0	0.00	0.00
d) Bodies Corporate	7063266	0	7063266	17.89	7063266	0	7063266	17.89	0.00
e) Banks/Financial Institutions	0	0	0	0.00	0	0	0	0.00	0.00
f) Any other	0	0	0	0.00	0	0	0	0.00	0.00
Sub Total (A)(1)	10874014	0	10874014	27.54	10871859	0	10871859	27.54	0.00
2) Foreign									
a) NRIs - Individuals	0	0	0	0.00	0	0	0	0.00	0.00
b) Other-Individuals	0	0	0	0.00	0	0	0	0.00	0.00

Category of Shareholder	No. of Shares held at the beginning of the year (As on 01-04-2015)				No. of Shares held at the end of the year (As on 31-03-2016)				% Change during the year
	Demat	Physical	Total	% of Shares	Demat	Physical	Total	% of Shares	
c) Bodies Corporate	12400491	0	12400491	31.41	12400491	0	12400491	31.41	0.00
d) Banks/Financial Institutions	0	0	0	0.00	0	0	0	0.00	0.00
e) Any other	0	0	0	0.00	0	0	0	0.00	0.00
Sub Total (A)(2)	12400491	0	12400491	31.41	12400491	0	12400491	31.41	0.00
Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)	23274505	0	23274505	58.95	23272350	0	23272350	58.95	0.00
B. Public Shareholding									
1) Institutions									
a) Mutual Funds / UTI	672512	22500	695012	1.76	605649	21400	627049	1.59	(0.17)
b) Banks/Financial Institutions	6070	7470	13540	0.04	34520	7470	41990	0.11	0.07
c) Central Government	0	0	0	0.00	0	0	0	0.00	0.00
d) State Government (s)	0	0	0	0.00	0	0	0	0.00	0.00
e) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
f) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
g) Foreign Institutional/ Portfolio Investors	2717161	0	2717161	6.88	5245018	0	5245018	13.29	6.41
h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
i) Any other	0	0	0	0.00	0	0	0	0.00	0.00
Sub Total (B)(1)	3395743	29970	3425713	8.68	5885187	28870	5914057	14.99	6.31
2) Non-Institutions									
a) Bodies Corporate									
i) Indian	4894914	36074	4930988	12.49	3606171	17974	3624145	9.18	(3.31)
ii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00
b) Individuals									
i) Individual Shareholders holding nominal share capital up to Rs. 1 lakh	3080683	1496640	4577323	11.59	3366291	1342453	4708744	11.93	0.34
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	2719604	130000	2849604	7.22	1474835	0	1474835	3.73	(3.49)
c) Any other (specify)									
(c-i) Foreign Nationals	0	0	0	0.00	1250	0	1250	0.00	0.00
(c-ii) Hindu Undivided Family	0	0	0	0.00	138922	0	138922	0.35	0.35

Category of Shareholder	No. of Shares held at the beginning of the year (As on 01-04-2015)				No. of Shares held at the end of the year (As on 31-03-2016)				% Change during the year
	Demat	Physical	Total	% of Shares	Demat	Physical	Total	% of Shares	
(c-iii) Non Resident Indians (Non-Repat)	17138	8600	25738	0.07	46082	8600	54682	0.14	0.07
(c-iv) Non Resident Indians (Repat)	100157	0	100157	0.25	191774	0	191774	0.48	0.23
(c-v) Clearing Member	211706	0	211706	0.54	99175	0	99175	0.25	(0.29)
(c-vi) Foreign Portfolio Investor (Corporate)	84200	0	84200	0.21	0	0	0	0.00	(0.21)
Sub Total (B)(2)	11108402	1671314	12779716	32.37	8924500	1369027	10293527	26.06	(6.31)
Total Public Shareholding (B)= (B)(1)+(B)(2)	14504145	1701284	16205429	41.05	14809687	1397897	16207584	41.05	0.00
C. Shares held by Custodians for GDRs and ADRs	0	0	0	0.00	0	0	0	0.00	0.00
Grand Total (A+B+C)	37778650	1701284	39479934	100.00	38082037	1397897	39479934	100.00	0.00

(ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year (As on 01-04-2015)			Shareholding at the end of the Year (As on 31-03-2016)			% change in Share holding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
1	Anil Kumar Jain (Including HUF)	388511	0.98	0.95	388511	0.98	0.00	0.00
2	Gayatri Devi Jain	1337171	3.39	0.82	1337171	3.39	0.00	0.00
3	Mohit Kumar Jain	138570	0.35	0.35	138570	0.35	0.00	0.00
4	Shikha Mohit Jain	1049765	2.66	0.06	1049765	2.66	0.00	0.00
5	Shivani Patodia	434750	1.10	0.00	434750	1.10	0.00	0.00
6	Neha Singhvi	455826	1.15	0.05	455826	1.15	0.00	0.00
7	Sunil Jain	2155	0.00	0.00	0	0.00	0.00	0.00
8	Sunita Jaipuria	4000	0.01	0.00	4000	0.01	0.00	0.00
9	Margo Finance Ltd.	307004	0.78	0.00	307004	0.78	0.00	0.00
10	Rini Investment and Finance Pvt. Ltd.	23820	0.06	0.00	23820	0.06	0.00	0.00
11	Indo Count Securities Ltd.	6208277	15.73	15.33	6208277	15.73	0.00	0.00
12	Sandridge Investments Limited (Formerly Swastik Investment Corporation)	12400491	31.41	0.00	12400491	31.41	0.00	0.00

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year (As on 01-04-2015)			Shareholding at the end of the Year (As on 31-03-2016)			% change in Share holding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
13	Yarntex Exports Ltd	462500	1.17	1.17	462500	1.17	0.00	0.00
14	Slab Properties Pvt. Ltd.	61665	0.16	0.00	61665	0.16	0.00	0.00
	Total	23274505	58.95	18.73	23272350	58.95	0.00	0.00

(iii) Change in Promoters' Shareholding

Sl. No.		Shareholding at the beginning of the year (As on 01-04-2015)		Cumulative Shareholding during the Year (01-04-2015 to 31-03-2016)	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	At the beginning of the year (01-04-2015)	23274505	58.95		
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): (Refer Note below)	(2155)	0.00	23272350	58.95
	At the End of the year (31-03-2016)			23272350	58.95

Note:

2155 Equity Shares of ₹ 10/- each in the Company held by Mr. Sunil Jain were gifted by him to his son on 5th October, 2015.

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)

Sr. No.	Name of Shareholders	Shareholding at the beginning of the year as on 01.04.2015		Date wise increase/decrease in shareholding during the year specifying the reason for increase/decrease (e.g. allotment / transfer / bonus/ sweat equity etc):			Cumulative shareholding during the year		At the end of the year (or on the date of separation, if separated during the year) as on 31.03.2016	
		No. of Shares	% of total shares of the Company	Date	No. of Shares	Reason	No of Shares	% of total shares of the Company	No of Shares	% of total shares of the Company
1	Elm Park Fund Ltd.	2717161	6.88				2717161	6.88	2717161	6.88
2	Amruit Promoters and Finance LLP*	0	0.00						594368	1.51
				25.03.2016	+594368	Purchase	594368	1.51	594368	1.51
3	Uniworth Finance and Securities Pvt. Ltd.	578705	1.47							
				11.12.2015	-225000	Sale	353705	0.90		
				31.12.2015	+225000	Purchase	578705	1.47	578705	1.47

Sr. No.	Name of Shareholders	Shareholding at the beginning of the year as on 01.04.2015		Date wise increase/decrease in shareholding during the year specifying the reason for increase/decrease (e.g. allotment / transfer / bonus/ sweat equity etc):			Cumulative shareholding during the year		At the end of the year (or on the date of separation, if separated during the year) as on 31.03.2016	
		No. of Shares	% of total shares of the Company	Date	No. of Shares	Reason	No of Shares	% of total shares of the Company	No of Shares	% of total shares of the Company
4	Lazard Emerging Markets Small Cap Equity Trust	0	0.00							
				08.01.2016	+7786	Purchase	7786	0.02		
				15.01.2016	+119551	Purchase	127337	0.32		
				22.01.2016	+93169	Purchase	220506	0.56		
				12.02.2016	+18397	Purchase	238903	0.61		
				19.02.2016	+62794	Purchase	301697	0.76		
				26.02.2016	+19022	Purchase	320719	0.81		
				04.03.2016	+16605	Purchase	337324	0.85		
				11.03.2016	+8578	Purchase	345902	0.88		
				18.03.2016	+42	Purchase	345944	0.88		
				25.03.2016	+80573	Purchase	426517	1.08		
				31.03.2016	+92442	Purchase	518959	1.31	518959	1.31
5	Goldman Sachs India Fund Limited	0	0.00							
				21.08.2015	+79193	Purchase	79193	0.20		
				28.08.2015	+180553	Purchase	259746	0.66		
				15.01.2016	+23598	Purchase	283344	0.72		
				22.01.2016	+87240	Purchase	370584	0.94		
				29.01.2016	+36961	Purchase	407545	1.03		
				05.02.2016	+7877	Purchase	415422	1.05	415422	1.05
6	UTI-MID Cap Fund	477500	1.21							
				07.08.2015	-30000	Sale	447500	1.13		
				28.08.2015	-41675	Sale	405825	1.03		
				23.10.2015	-27735	Sale	378090	0.96		
				30.10.2015	-20000	Sale	358090	0.91	358090	0.91
7	Narendra Kumar Agarwal	0	0.00							
				04.12.2015	+141463	Purchase	141463	0.36		
				11.12.2015	+58567	Purchase	200030	0.51		
				31.12.2015	+5505	Purchase	205535	0.52		
				29.01.2016	+73654	Purchase	279189	0.71		
				19.02.2016	+15665	Purchase	294854	0.75	294854	0.75
8	Vadra Overseas Private Limited	228650	0.62							
				10.04.2015	+49802	Purchase	278452	0.71		
				24.04.2015	-1346	Sale	277106	0.70		
				15.05.2015	-5500	Sale	271606	0.69		
				22.05.2015	-3100	Sale	268506	0.68		
				05.06.2015	-520	Sale	267986	0.68		
				11.09.2015	-100	Sale	267886	0.68		
				20.11.2015	-89236	Sale	178650	0.45		
				04.12.2015	+89236	Purchase	267886	0.68	267886	0.68

Sr. No.	Name of Shareholders	Shareholding at the beginning of the year as on 01.04.2015		Date wise increase/decrease in shareholding during the year specifying the reason for increase/decrease (e.g. allotment / transfer / bonus/ sweat equity etc):			Cumulative shareholding during the year		At the end of the year (or on the date of separation, if separated during the year) as on 31.03.2016	
		No. of Shares	% of total shares of the Company	Date	No. of Shares	Reason	No of Shares	% of total shares of the Company	No of Shares	% of total shares of the Company
9.	Aegis Finstate LLP*	0	0.00							
				04.03.2016	+469862	Purchase	469862	1.19		
				11.03.2016	-102000	Sale	367862	0.93		
				18.03.2016	+57675	Purchase	425537	1.08		
				25.03.2016	-16911	Sale	408626	1.04		
				31.03.2016	-145905	Sale	262721	0.67	262721	0.67
10.	Ashish Kacholia	0	0.00							
				22.05.2015	+100000	Purchase	100000	0.25		
				05.06.2015	+38131	Purchase	138131	0.35		
				11.09.2015	+15939	Purchase	154070	0.39		
				18.09.2015	+6807	Purchase	160877	0.41		
				25.09.2015	+160877	Purchase	321754	0.82		
				30.09.2015	-160877	Purchase	160877	0.41		
				27.11.2015	+70604	Purchase	231481	0.59		
				04.12.2015	+25000	Purchase	256481	0.65	256481	0.65
11.	Vishwanath Chandran	305944	0.78							
				10.04.2015	-3981	Sale	301963	0.76		
				17.04.2015	+3574	Purchase	305537	0.77		
				24.04.2015	+2159	Purchase	307696	0.78		
				01.05.2015	+1237	Purchase	308933	0.78		
				08.05.2015	-1921	Sale	307012	0.78		
				15.05.2015	-4568	Sale	302444	0.77		
				22.05.2015	-1593	Sale	300851	0.76		
				05.06.2015	+67	Purchase	300918	0.76		
				12.06.2015	+67	Purchase	300985	0.76		
				19.06.2015	-67	Sale	300918	0.76		
				26.06.2015	+67	Purchase	300985	0.76		
				10.07.2015	+1350	Purchase	302335	0.77		
				17.07.2015	-2201	Sale	300134	0.76		
				21.08.2015	+1100	Purchase	301234	0.76		
				28.08.2015	+1070	Purchase	302304	0.77		
				25.09.2015	+302120	Purchase	604424	1.53		
				30.09.2015	-302187	Sale	302237	0.77		
				09.10.2015	+67	Purchase	302304	0.77		
				23.10.2015	+200	Purchase	302504	0.77		
				06.11.2015	-3935	Sale	298569	0.76		
				13.11.2015	-4593	Sale	293976	0.74		
				04.12.2015	-1820	Sale	292156	0.74		
				18.12.2015	-200	Sale	291956	0.74		
				25.12.2015	-100	Sale	291856	0.74		
				31.12.2015	-1722	Sale	290134	0.73		
				22.01.2016	-3209	Sale	286925	0.73		
				05.02.2016	-9794	Sale	277131	0.70		
				19.02.2016	-1100	Sale	276031	0.70		

Sr. No.	Name of Shareholders	Shareholding at the beginning of the year as on 01.04.2015		Date wise increase/decrease in shareholding during the year specifying the reason for increase/decrease (e.g. allotment / transfer / bonus/ sweat equity etc):			Cumulative shareholding during the year		At the end of the year (or on the date of separation, if separated during the year) as on 31.03.2016	
		No. of Shares	% of total shares of the Company	Date	No. of Shares	Reason	No of Shares	% of total shares of the Company	No of Shares	% of total shares of the Company
				26.02.2016	-5897	Sale	270134	0.68		
				04.03.2016	-20000	Sale	250134	0.63		
				11.03.2016	-10005	Sale	240129	0.61		
				18.03.2016	-39995	Sale	200134	0.51		
				25.03.2016	-20000	Sale	180134	0.46		
				31.03.2016	-20000	Sale	160134	0.41	160134	0.41
12.	Lucky Holdings Private Limited	343469	0.87							
				04.09.2015	-5521	Sale	337948	0.86		
				25.09.2015	-1537	Sale	336411	0.85		
				30.10.2015	-5685	Sale	330726	0.84		
				27.11.2015	-145165	Sale	185561	0.47		
				04.12.2015	-57899	Sale	127662	0.32		
				11.12.2015	-41658	Sale	86004	0.22	86004	0.22
13.	Raju Chandran	341489	0.87							
				03.04.2015	-450	Sale	341039	0.86		
				05.06.2015	+450	Purchase	341489	0.87		
				12.06.2015	+450	Purchase	341939	0.87		
				19.06.2015	-450	Sale	341489	0.87		
				26.06.2015	+450	Purchase	341939	0.87		
				17.07.2015	-7000	Sale	334939	0.84		
				25.09.2015	+324039	Purchase	658978	1.67		
				30.09.2015	-334316	Sale	324662	0.82		
				09.10.2015	-48411	Sale	276251	0.70		
				16.10.2015	-25000	Sale	251251	0.64		
				23.10.2015	-3764	Sale	247487	0.63		
				06.11.2015	-8523	Sale	238964	0.61		
				13.11.2015	-11884	Sale	227080	0.58		
				20.11.2015	-81669	Sale	145411	0.37		
				27.11.2015	-121498	Sale	23913	0.06		
				04.12.2015	-2784	Sale	21129	0.05	21129	0.05

*Amrui Promoters and Finance LLP and Aegis Finstate LLP have converted their status from Company to LLP. Hence, shareholding as on 1st April, 2015 of both the entities is appearing Nil.

(v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Name of Director/KMP	Shareholding at the beginning of the year (01-04-2015)		Date wise increase/ decrease in shareholding during the year specifying the reason for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	Cumulative shareholding during the year		At the end of the year (or on the date of separation, if separated during the year as on 31-03-2016)	
		No. of Shares	% of total shares of the Company		No of Shares	% of total shares of the Company	No of Shares	% of total shares of the Company
1	Mr. Anil Kumar Jain	373511	1.05	0	373511	1.05	373511	1.05
2	Mr. R. N. Gupta	10	0.00	0	10	0.00	10	0.00
3	Mr. Kailash R. Lalpuria	0	0.00	0	0	0.00	0	0.00
4	Mr. Kamal Mitra	300	0.00	(130) (Sale on 20 th November, 2015)	170	0.00	170	0.00
5	Mr. P. N. Shah	0	0.00	0	0	0.00	0	0.00
6	Mr. R. Anand	0	0.00	0	0	0.00	0	0.00
7	Mr. Dilip Thakkar	0	0.00	0	0	0.00	0	0.00
8	Mr. Prem Malik	0	0.00	0	0	0.00	0	0.00
9	Mr. Sushil Kumar Jiwrajka	0	0.00	0	0	0.00	0	0.00
10	Dr. (Mrs.) Vijayanti Pandit	0	0.00	0	0	0.00	0	0.00
11	Mr. R Sundaram (Chief Financial Officer)	0	0.00	50 (Purchase on 11 th August, 2015)	50	0.00	50	0.00
12	Mrs. Amruta Avasare (Company Secretary & Compliance Officer w.e.f. 9 th February, 2016)	0	0.00	0	0	0.00	0	0.00

Note:

Shares held by relatives are not included in the shareholding of Directors and Key Managerial Personnel.

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(₹ in Lakhs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year (as on 1st April, 2015)				
i) Principal Amount	33015.39	-	-	33015.39
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	223.68	-	-	223.68
Total (i+ii+iii)	33239.07	-	-	33239.07
Change in Indebtedness during the financial year 2015-16				
• Addition	14293.13	-	-	14293.13
• Reduction	(18644.23)	-	-	(18644.23)
Net Change	(4351.10)	-	-	(4351.10)
Indebtedness at the end of the financial year (as on 31st March, 2016)				
i) Principal Amount	28832.42	-	-	28832.42
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	55.55	-	-	55.55
Total (i+ii+iii)	28887.97	-	-	28887.97

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

(₹ in Lakhs)

No.	Particulars of Remuneration	Name of MD/ WTD/ Manager				Total
		Mr. Anil Kumar Jain (Chairman and Managing Director)	Mr. R. N. Gupta (Joint Managing Director)	Mr. Kailash R. Lalpuria (Executive Director)	Mr. Kamal Mitra (Director-Works)	
1.	Gross salary					
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	988.30*	24.27	53.40	18.78	1084.75
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	87.41	2.16	--	--	89.57
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-	-
2.	Stock Option	-	-	-	-	-
3.	Sweat Equity	-	-	-	-	-
4.	Commission - as % of profit	-	-	-	-	-
5.	Others, please specify	-	-	-	-	-
	Total (A)	1075.71	26.43	53.40	18.78	1174.32
	Ceiling as per the Act	₹ 3609.15 Lacs (being 10% of the net profits of the Company calculated as per Section 198 of the Companies Act, 2013)				

*This includes commission for FY 2014-15.

B. Remuneration to other directors:

Amt in ₹

Sr. No	Particulars	Name of Directors						Total
		Mr. P.N. Shah	Mr. R. Anand	Mr. Dilip Thakkar	Mr. Prem Malik	Mr. Sushilkumar Jiwrajka	Dr. (Mrs.) Vajjayanti Pandit	
1.	Independent Directors							
	• Fee for attending board / committee meetings	80000	100000	30000	140000	90000	120000	560000
	• Commission	100000	100000	100000	100000	100000	100000	600000
	• Others, please specify							
	Total (1)	180000	200000	130000	240000	190000	220000	1160000
2.	Other Non-Executive Directors							
	• Fee for attending board / committee meetings	NIL	NIL	NIL	NIL	NIL	NIL	NIL
	• Commission							
	• Others, please specify							
	Total (2)	NIL	NIL	NIL	NIL	NIL	NIL	NIL
	Total (B)=(1+2)	180000	200000	130000	240000	190000	220000	1160000
	Overall Ceiling as per the Act	₹ 360.91 Lacs (being 1% of the Net Profit of the Company, calculated as per Section 198 of the Companies Act, 2013)						

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD:

Amt in ₹

Sl. no.	Particulars of Remuneration	Key Managerial Personnel		Total
		Mr. R. Sundaram (CFO)	Mrs. Amruta Avasare (Company Secretary w.e.f. 9th February, 2016)	
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	49,69,440	3,46,553	53,15,993
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax	-	-	-
2.	Stock Option	Nil	Nil	Nil
3.	Sweat Equity	Nil	Nil	Nil
4.	Commission			
	- as % of profit			
	- others, specify	Nil	Nil	Nil
5.	Others, please specify	Nil	Nil	Nil
	Total	49,69,440	3,46,553	53,15,993

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty					
Punishment					
Compounding					
B. DIRECTORS					
Penalty			NIL		
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

On behalf of the Board of Directors

Date: 8th June, 2016
 Place: Mumbai

ANIL KUMAR JAIN
 Executive Chairman
 DIN: 00086106

Annexure 4

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2016
[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies
(Appointment and Remuneration Personnel) Rules, 2014]

To
 The Members
 Indo Count Industries Limited
 Regd. Office: Office No. 1, Plot No. 266, Village Alte,
 Kumbhoj Road, Taluka Hatkanangale,
 Kolhapur 416109.

I have conducted the Secretarial Audit of the Compliance of Applicable Statutory provisions and the adherence to good corporate practices by Indo Count Industries Limited (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the Corporate Conducts/Statutory Compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2016, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2016 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (including the erstwhile SEBI (Prohibition of Insider Trading) Regulations, 1992);
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share based Employee Benefits) Regulations, 2014 (Not Applicable for the year under review);
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client (Not Applicable for the year under review);
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not Applicable for the year under review); and

- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not Applicable for the year under review).
- (vi) Other laws applicable specifically to the Company:
- The Air (Prevention and Control Pollution) Act, 1981 and rules made thereunder; and
 - The Water (Prevention and Control Pollution) Act, 1974 and rules made thereunder

I have also examined compliance with the applicable clauses of the following:

- Secretarial Standards issued by The Institute of Company Secretaries of India (Notified with effect from 01st July, 2015); and
- Listing Agreement and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observation:

The Company has filed E-Forms with the Ministry of Corporate Affairs within prescribed time except for a couple of instances wherein the Company has paid the additional fees and complied with the requirements.

I further report that :

Based on the information provided by the Company, its officers and authorized representatives during the conduct of the audit, and also on the review of compliance reports by the respective Department Heads / Company Secretary / CFO / KMP taken on record by the Board of Directors of the Company, in my opinion, adequate systems and processes and control mechanism exist in the Company to monitor and ensure compliance with applicable general laws like labour laws, competition law, environmental laws and all other applicable laws, rules, regulations and guidelines. The Company has responded to compliance requirements, notices for demands, claims, penalties etc. levied, by statutory/regulatory authorities and initiated actions for corrective measures and compliance thereof.

I further report that the compliance by the Company of applicable financial laws, like direct and indirect tax laws, and Labour Law

Compliances have been subject to review by statutory financial audit and other designated professionals.

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. No changes in the composition of the Board of Directors took place during the period under review.

I further report that :

Adequate notice is given to all directors to schedule the Board Meetings along with the agenda generally at least seven days in advance and detailed notes on agenda were sent well in advance before the meeting and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

I further report that during the year under review, there were no events viz.

- Public/Right/sweat equity;
- Redemption/Buy-back of securities except redemption of 25,00,000, 4% Cumulative Redeemable Preference shares of ₹ 10/- each on 30th September, 2015 and Redemption of 300 Non-Convertible Redeemable Debentures of face value ₹ 10,00,000/- each on 1st December 2015;
- Major decisions taken by the members pursuant to Section 180 of the Companies Act, 2013;
- Merger / amalgamation / reconstruction, etc; and
- Foreign technical collaborations; or
- such other specific events / actions in pursuance of the above referred laws, rules, regulations, guidelines, etc., having any bearing on the Company's affairs.

For S. Anantha & Co.,
Company Secretaries
S. Anantha Rama Subramanian
Proprietor

Place: Mumbai
Date: 8th June, 2016

FCS: 4443
CP No.: 1925

Annexure 5

FORM AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso is given below:

1. Details of contracts or arrangements or transactions not at arm's length basis : NIL
2. Details of material contracts or arrangements or transactions at Arm's length basis:

Sl. No.	Particulars	Details
a)	Name (s) of the related party	Indo Count Global Inc, USA
b)	Nature of Relationship	Wholly owned Subsidiary
c)	Nature of contracts / arrangements /transaction	Sale of goods / products
d)	Duration of the contracts / arrangements/transactions	Ongoing
e)	Salient terms of the contracts or arrangements or transactions including the value, if any:	Value of Goods sold during FY 2015-16 is ₹ 316.05 Crores. The Price for the sale of the product of the Company shall be negotiated and agreed to by both parties based on estimated total costs and risk and returns considering prevalent market conditions
f)	Date(s) of approval by the Board, if any:	Refer note
g)	Amount paid as advances, if any:	NIL

Note: Pursuant to the provisions of the Companies Act, 2013, erstwhile Listing Agreement and SEBI (LODR) Regulations, 2015, no material contracts/arrangements/ transactions which were above threshold limit prescribed under Rule 15 of the Companies (Meetings of the Board & its powers) Rules, 2014 or under SEBI (LODR) Regulations, 2015 were entered with related parties except the above. The above transaction is with wholly owned subsidiary and on Arm's Length basis and in ordinary course of business.

On behalf of the Board of Directors

Date: 8th June, 2016
Place: Mumbai

ANIL KUMAR JAIN
Executive Chairman
DIN: 00086106

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

Information on Conservation of Energy, Technology absorption, Foreign Exchange Earnings and Outgo required to be disclosed under Section 134 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 is provided hereunder:

(A) Conservation of Energy:

(i) Steps taken or impact on conservation of energy

1. Water:

- a) Implemented RO plant for Recycling & re-use of Water.
- b) CRP Vacuum pump cooling water and vapour condensate recovery.
- c) Water measuring meters on all processing machines to monitor & control the consumption.
- d) Condensate Recovery from VAM (Chillier), loop Ager , Pad Dry, Pad Steam main steam Header and return to Boiler hot water saving.
- e) Chilled water recovery from Pad Dry.
- f) Rain water Harvesting initiated for Captive consumption.
- g) Insulation of Chilled Water Line.

2. Steam:

- a) Merceriser Collection and reuse of auto drain caustic.
- b) PRS outlet set at 3.5 - 4Kg/cm² of all machines.
- c) CRP Hot water management (Collection & Distribution).
- d) Automatic Moisture Controller on VDR of PTR 1, MERC 1, CDR 1 & SOAPER.
- e) Steam line header insulation replacement & MEE new steam piping insulation by HITLIN insulation.
- f) Hot water circulation pumps to avoid SOTC for Boiler Feed Water.
- g) Steam and Condensate measuring meters on processing machines.

3. Power:

- a) Reduction of Lighting Voltage from 235 to 217 volts.
- b) Replacement of low efficiency pump by Energy efficient pump.
- c) Replacement of LED Tube Lights for energy saving.

- d) Conversion of Condensate pumps from Air to Steam.
- e) Power sourcing through Open Access.
- f) Insulation of Electrical AC Panels.

(ii) Steps taken by the company for utilizing alternate sources of energy

Methane Gas Collection system from USABR of ETP has been implemented for captive usage at Plant.

(iii) Capital investment on energy and conservation equipments

- (a) Insulation of Thermic Fluid Pipeline
- (b) Installed Reverse Osmosis (RO) Plant with MEE.
- (c) Installations of Booster pump on Caustic Recovery Plant.
- (d) Installed 3000 KL Biological ETP.
- (e) Installed engraving evaporation cooling unit.

Total capital investment on above energy conservation equipments is approximately ₹ 50 Crores.

(B) Technology Absorption:

(i) Efforts made towards technology absorption:

Our Continuous research and development has provided us insights on the key parameters of sheet buying decisions for consumers. The feel of the sheet is the most important factor for consumers and we achieve perfect feel with our innovative weaving and processing technology.

We have worked on following collections to give complete comfort to our clients-

A. Wellness Collection

B. Fiber Technology Collection

C. Sleep Comfort Collection

Wellness Collection:-

We have developed sheet treated with Natural extract which are good for the Human skin.

Aloe Therapy:-It helps the skin to retain its moisture thereby keeping it healthy and prevent drying and cracking and making it feel soft. Sheet is silky and smooth to the skin and Naturally Hypoallergenic.

AvoSoft:-Natural extract of Avocado help to protect from odor causing bacteria and its soft and supple to the skin. Soft moisturizing effect for the sheet & skin.

Fiber Technology Collection:-

Tetra sheet:-It's the Innovative combination of superior fibers of Cellulosic fiber family which makes sheet exceptionally soft and improve wicking properties, gives cool touch and unique aesthetic in addition to this gives ultimate comfort to the user.

Mélange sheet:-It's the Next level of Yarn dyed chambray sheet which gives unique aesthetic to the sheet and comfort during sleep as this sheet is treated with brushing treatment which makes it soft and cozy.

Sleep Comfort Collection:-

Under sleep comfort, we have following offering for this season-

Infinity Cotton:-We have increased the range of Infinity cotton from Higher thread count to lower also for all the segments i.e. Good, Better and Best. Infinity Cotton is exquisitely crafted from an opulent blend of Long Staple few finest cottons in the world in order to get superior yarn with exceptionally soft hand feel making it world's best cotton sheets. This superior Yarn is spun on slow speed ring frames so that yarn surface stays smooth and flawless.

Signature Sheet:- We have created revolutionary sheet which is new to the market by the name of HD Sateen sheet under signature sheet umbrella. It gives exceptionally soft handle with silky sheen to the user, we did reengineering on the manufacturing process of the sheet development and developed this unique sheet. This sheet is positioned for better to best segment.

(ii) The benefits derived like product improvement, Cost reduction, product development or import substitution:**Product Improvement:**

- a. **Eco Balance sheet:-**It's the next level sheet of Sustainable sheet with the combination of Organic cotton and PET bottle based texturized polyester yarn which balance the ecology.
- b. **Neo Fresh:-**This Technology enhances the fabric appearance in terms of Wrinkle free and Pilling property which last wash after wash. Neo Fresh gives fresh look with good handle to the fabric with good durability

Cost reduction:

Reduction of water in process house, reduction of dyes and chemicals, improvement in fresh packing has contributed towards cost reduction.

Product Development:

We have developed various technologies for bed linen

product categories out of those following are the few major product developments-

1. **Brushed Sheet:-**Makes the sheet soft and cozy due to mechanical brush suading process which stay with sheet for the life time of the product and last wash after wash.
2. **Chambray sheet with Enzyme wash:-** Makes these sheet extremely soft, smooth and clean surface for the sheep comfort with unique denim inspired chambray look.
3. **Linen Soft:-**Developed a complete range of the fabrics of Cotton linen family for "Bed Sheet" as well as "Fashion bedding" which gives texture look with cool and comfort sleep experience.

(iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)

- a) The details of technology imported-
The Company has not imported technology.
- b) The year of import-
Not applicable
- c) Whether the technology been fully absorbed-
Not applicable
- d) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof-
Not applicable

(iv) The expenditure incurred on Research and Development:

The expenditure incurred on Research and Development during financial year 2015-16 is ₹ 124.17 Lacs.

(C) Foreign Exchange Earnings and Outgo:

₹ in Crores

Particulars	2015-16	2014-15
Foreign Exchange earned	1,700.49	1,324.92
Foreign Exchange outgo	127.96	99.08

On behalf of the Board of Directors

ANIL KUMAR JAIN

Executive Chairman

DIN: 00086106

Date: 8th June, 2016

Place: Mumbai

Annexure 7

Statement containing the particulars of employees in accordance with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

1. List of employees of your Company employed throughout the Financial Year 2015-16 and were paid remuneration not less than ₹. 60 lacs per annum:

Name	Designation	Remuneration (in ₹)	Qualification	Experience (in years)	Joining Date	Age (years)	Last employment
Mr. Anil Kumar Jain	Chairman and Managing Director*	16,27,74,138/-	B.Com (Hons)	40	22 nd August, 1990	63	-

*Executive Chairman w.e.f. 9th May, 2016.

The above remuneration includes commission. of ₹ 13,41,56,415/-

The contractual terms of Mr. Anil Kumar Jain are governed by the resolution passed by the shareholders at the 26th AGM held on 22nd August, 2015.

2. Employees employed for the part of the year and were paid remuneration during the Financial Year 2015-16 at a rate which in aggregate was not less than ₹.5 lacs per month: NIL

Disclosure pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment & Remuneration of Managerial Personnel), Rules, 2014

- (i) Median Remuneration (Annual) of Employees for the financial year 2015-2016 – ₹ 1,95,804

Name of the Director	Designation	Remuneration of Directors / KMP for the year ended 31 st March, 2016 (₹ in Lakhs)	Ratio to Median Remuneration	% increase in remuneration for the year ended 31 st March, 2016
Mr. Anil Kumar Jain	Chairman & Managing Director*	1614.78	823.87	74%
Mr. R. N. Gupta	Joint Managing Director	25.88	13.20	49%
Mr. Kailash R. Lalpuria	Executive Director	53.82	27.46	15%
Mr. Kamal Mitra	Director (Works)	25.22	12.87	61%
Mr. P. N. Shah	Non-Executive Independent Director	1.80	0.92	NA
Mr. R. Anand	Non-Executive Independent Director	2.00	1.02	NA
Mr. Dilip Thakkar	Non-Executive Independent Director	1.30	0.66	NA
Mr. Prem Malik	Non-Executive Independent Director	2.40	1.22	NA

Name of the Director	Designation	Remuneration of Directors / KMP for the year ended 31 st March, 2016 (₹ in Lakhs)	Ratio to Median Remuneration	% increase in remuneration for the year ended 31 st March, 2016
Mr. Sushil Kumar Jiwarajka	Non-Executive Independent Director	1.90	0.97	NA
Dr.(Mrs.) Vajjayanti Pandit	Non-Executive Independent Director	2.20	1.12	NA
Mr. R. Sundaram	Chief Financial Officer	49.69	25.35	9%
Mrs. Amruta Avasare	Company Secretary**	3.47	NA	NA

*Executive Chairman w.e.f. 9th May, 2016.

**Mrs. Amruta Avasare was appointed as Company Secretary w.e.f. 9th February, 2016 and her remuneration given above is from 9th February, 2016 to 31st March, 2016.

Note : There is no change in remuneration of Independent Directors as amount of commission for 2015-16 & 2014-15 is same. The remuneration has varied only due to change in sitting fees on account of number of meetings attended by them.

(ii) the percentage increase in the median remuneration of employees in the financial year – 23.69%

(iii) the number of permanent employees on the rolls of company

2,171 as on March 31, 2016 (includes workers and staff)

(iv) the explanation on the relationship between average increase in remuneration and company performance

The increase in employee benefits is 29.7% while profit after tax for the year ended 31st March, 2016 increased by 80.3%.

(v) Comparison of the remuneration of the Key Managerial Personnel against the performance of the company

The remuneration of Key Managerial Personnel increased by 95.77% while profit after tax for the year ended 31st March, 2016 increased by 80.3%.

(vi) Variations in the market capitalization of the Company, price earnings ratio as the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer

Sr. No	Particulars	As at 31 st March, 2016	As at 31 st March, 2015
1.	Market Capitalisation		
	BSE:	₹ 3,823 crores	₹ 1,495 crores
	NSE:	₹ 3,835 crores	₹ 1,489 crores
2.	Price Earnings Ratio		
	BSE:	15.25	10.18
	NSE:	15.30	10.14

Initial public offer price in 1990	₹ 10/- per share
Market price of the share as on 31 st March 2016	NSE ₹ 971.50/- BSE - ₹ 968.35/-
% increase of market price over the price at the time of initial public offer	9715%

Accordingly, an amount of ₹ 1000/- invested in 1990 is around ₹ 97,100/- as on 31st March, 2016.

(vii) average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration

Average percentage increase in salaries of employees other than Key Managerial Personnel is 20.76% whereas those of managerial remuneration is 95.77%. The increase in remuneration of Managerial Personnel is due to increase in commission. Nomination and Remuneration Committee (NRC) evaluates the performance of the Chairman and all Executive Directors in every financial year and recommends their compensation package to the Board. NRC also ensures that the remuneration package is in accordance with applicable laws, in line with Company's objectives, shareholders' interests industry standards. Further, the commission is within the limits approved by the shareholders of the Company.

(viii) the key parameters for any variable component of remuneration availed by the directors

Apart from commission being paid to Mr. Anil Kumar Jain, Chairman and Managing Director and other Independent Directors, there is no variable component of remuneration.

(ix) the ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year

Not Applicable

We affirm that the remuneration paid during the year 2015-16 is as per the Remuneration Policy of the Company.

On behalf of the Board of Directors

ANIL KUMAR JAIN

Executive Chairman
DIN: 00086106

Date: 8th June, 2016
Place: Mumbai

Annexure 8

BUSINESS RESPONSIBILITY REPORT

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

- Corporate Identity Number (CIN) of the Company : L72200PN1988PLC068972
- Name of the Company : INDO COUNT INDUSTRIES LTD
- Registered address: Office No. 1 VILLAGE ALTE, TALUKA HATKANANGALE, DIST KOLHAPUR - 416109
- Website : www.indocount.com
- E-mail id : indo@indocount.com/icilinvestors@indocount.com
- Financial Year reported: April 2015 to March 2016
- Sector(s) that the Company is engaged in & NIC Code: Home Textiles and Spinning & 13924 and 13111
- List three key products/services that the Company manufactures/provides (as in balance sheet): Bed Sheet, Quilts, Comforters
- Total number of locations where business activity is undertaken by the Company
 - Number of International Locations - USA, UK & Australia
 - Number of National Locations: Kolhapur, Thane and Nariman Point.
- Markets served by the Company – National/International

SECTION B: FINANCIAL DETAILS OF THE COMPANY

- Paid up Capital (INR) : ₹ 3,947.99 lakhs.
- Total Turnover (INR) : ₹ 207,077.40 lakhs.
- Total profit after taxes (INR) : ₹ 25,070.51 lakhs.
- Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%): The Company's total spending on CSR for the year ended 31st March 2016 was ₹ 1.12 Crore around 1% of net profit under Section 198 of the Act.

- List of activities in which expenditure in 4 above has been incurred:-
 - Improving Medical Care and Infrastructure.
 - Promoting education and assisting by improving facilities.
 - Contribution to Prime Minister Relief Fund

SECTION C: OTHER DETAILS

- Does the Company have any Subsidiary Company/ Companies? Four
- Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s) Yes. Two.
- Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? No.

SECTION D: BR INFORMATION

- Details of Director/Directors responsible for BR
 - Details of the Director/Director responsible for implementation of the BR policy/policies
 - DIN Number 00059758
 - Name Mr. Kailash Lalpuria
 - Designation Executive Director
 - Details of the BR head

No.	Particulars	Details
1	DIN Number (if applicable)	Not Applicable
2	Name	R Sundaram
3	Designation	Chief Financial Officer
4	Telephone number	+91 22 4341 9500
5	e-mail id	rsundaram@indocount.com

2. Principle-wise (as per NVGs) BR Policy/policies

Principle 1	Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.
Principle 2	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.
Principle 3	Businesses should promote the wellbeing of all employees.
Principle 4	Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.
Principle 5	Businesses should respect and promote human rights.
Principle 6	Business should respect, protect, and make efforts to restore the environment.
Principle 7	Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.
Principle 8	Businesses should support inclusive growth and equitable development.
Principle 9	Businesses should engage with and provide value to their customers and consumers in a responsible manner.

(a) Details of compliance (Reply in Y/N)

No.	Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
1	Do you have a policy/ policies for...	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Does the policy conform to any national / international standards? If yes, specify? (50 words)	N	N	N	N	N	N	N	N	N
4	Has the policy being approved by the Board? Is yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Y	N	N	N	N	N	N	N	N
5	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Y	N	N	N	N	N	N	N	N
6	Indicate the link for the policy to be viewed online?	N	N	N	N	N	N	N	N	N
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
8	Does the company have in-house structure to implement the policy/policies.	Y	Y	Y	Y	Y	Y	Y	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	Y	Y	Y	Y	Y	Y	Y	Y	Y

(b) If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

No.	Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
1	The company has not understood the Principles									
2	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
3	The company does not have financial or manpower resources available for the task									
4	It is planned to be done within next 6 months									
5	It is planned to be done within the next 1 year									
6	Any other reason (please specify)									

3. Governance related to BR
- (a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year. **Planning to do once every 6 months**
- (b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published? **Will be planning during the current year.**

SECTION E: PRINCIPLE-WISE PERFORMANCE Principle 1

1. Does the policy relating to ethics, bribery and corruption cover only the company? **Yes.**
Does it extend to the Group/Joint Ventures/ Suppliers/ Contractors/NGOs /Others?. **Yes.**
2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so. – There are 8 complaints received from the stakeholders during the year under review and the same have been resolved. As on 31st March, 2016, no complaint is pending.

Principle 2

1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities. **Bed Sheet, Pillow Cover, Comforter**
2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product(optional): **Under progress**
- (a) Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?
- (b) Reduction during usage by consumers (energy, water) has been achieved since the previous year?
3. Does the company have procedures in place for sustainable sourcing (including transportation)? **YES.**
- (a) If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so. **Around 50%.**
4. Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?
- (a) If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

Cotton is the main source of raw material for the products which is sourced locally from small farmers/ginners which provide ample opportunities for their self development.

5. Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so. **Recycling of cotton is around 30% and the cloth is 2%.**

Principle 3

1. Please indicate the Total number of employees. - **2171**
2. Please indicate the Total number of employees hired on temporary/contractual/casual basis. - **2303**
3. Please indicate the Number of permanent women employees. - **54**
4. Please indicate the Number of permanent employees with disabilities **NIL**
5. Do you have an employee association that is recognized by management. **YES**
6. What percentage of your permanent employees is members of this recognized employee association? **All Workmen.**
7. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.

No.	Category	No of complaints filed during the financial year	No of complaints pending as on end of the financial year
1	Child labour/forced labour/involuntary labour	NIL	NIL
2	Sexual harassment	NIL	NIL
3	Discriminatory employment	NIL	NIL

8. What percentage of your under mentioned employees were given safety & skill up- gradation training in the last year?
- (a) Permanent Employees **80%**
- (b) Permanent Women Employees **100%**
- (c) Casual/Temporary/Contractual Employees - **60%**
- (d) Employees with Disabilities **NIL**

Principle 4

1. Has the company mapped its internal and external stakeholders? **YES**

2. Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders. **YES.**
3. Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so. **They are engaged in the inclusive growth and equitable development.**

Principle 5

1. Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others? **Extends to all companies in the group.**
2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management? **NIL**

Principle 6

1. Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others. **It extends all the companies in the group.**
2. Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc. **No.**
3. Does the company identify and assess potential environmental risks? **YES**
4. Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed? **Yes. As part of the CSR initiative undertaken.**
5. Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. **NO**
6. Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported? **YES.**
7. Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year. **NIL**

Principle 7

1. Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:

- (a) TEXPROCIL
- (b) CONFEDERATION OF INDIAN TEXTILES INDUSTRY
- (c) FEDERATION OF INDIAN EXPORT ORGANISATION.

2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)

The company is in the manufacture of Textiles, which is the second largest employment generation in the country. Investment in this sector will reduce the unemployment. Generally, we represent through the associations the support and benefit which are essential both from Central and State Governments, changes in economic reforms, export policies and infrastructure needs in the districts and states.

Principle 8

1. Does the company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof. **The company through its outsourcing policy provide employment to major ancillary company which are completely dependent. Growth and development achievement by the company is partly due to this policy and support received from the units.**
2. Are the programs/projects undertaken through in-house team/own foundation/external NGO/government structures/ any other organization? **The programs are undertaken through all channels.**
3. Have you done any impact assessment of your initiative? **We just started with the assessment.**
4. What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken.

The Company has spent ₹ 1.2 crores during the year 2015-16 towards education and healthcare.

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.

We engage and involve the community members for all the above initiatives undertaken by the company and the results are quite positive.

Principle 9

1. What percentage of customer complaints/consumer cases are pending as on the end of financial year. **No customer complaints/consumer cases are pending as on the financial year end.**
2. Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. /Remarks(additional information). **Yes the company do provide all additional information which are for the benefit of the customers for products usage and maintenance so as to derive value for money.**
3. Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/ or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so. **No case is filed by any stakeholders since last 5 years.**
4. Did your company carry out any consumer survey/ consumer satisfaction trends? **Yes.**

MANAGEMENT DISCUSSION AND ANALYSIS

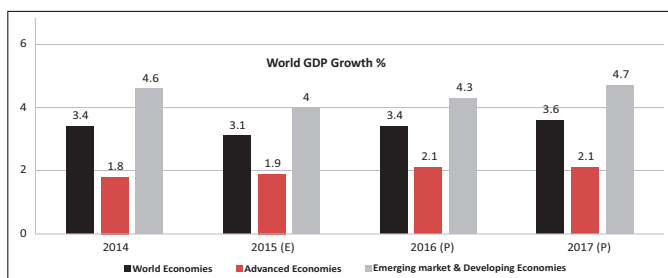
Economic Review

Global Economy:

Global economy was pegged back in the year 2015 with a lower GDP growth of 3.1% as compared to 3.4% in 2014, as reported by IMF's World Economic Outlook update in January 2016. The global economic activity was majorly impacted by the decline in growth of emerging economies and the modest recovery in growth of advanced economies was not enough to compensate for it. One of the major factors that constrained economic activity in 2014 continued to have an influence resulting in this slowdown, i.e. China's rebalancing leading to declining trade, which has in turn majorly impacted prices for energy and other commodities. This bearish trend majorly impacted the leading energy and commodities exporting economies of Middle East, Brazil, Russia and others. Another major contributor was the change in United States monetary policy, with the Quantitative Easing program finally ending in October 2014 in the context of a resilient U.S. recovery and expectations of hike in interest rates from zero (increased to a range of 0.25% to 0.5% in December 2015) by the Federal Reserve, leading to tighter financial conditions.

Weakness in global trade was thus a logical result of these developments and rise in protectionism. The estimated growth in world trade volumes was down to 2.6% in 2015 vs. 3.4% in 2014. On the currency front, all the major currencies have depreciated against USD, with some depreciating much more than Chinese Yuan, which was devalued in phased manner by the People's Bank of China.

Going forward, however, the Global GDP is projected to grow by 3.4% in 2016 and 3.6% in 2017. This will be on the back of continuing gradual recovery in advanced economies (2.1% in 2016 and 2.1% in 2017) and also a rebound in emerging economies (4.3% and 4.7% respectively). However, these expectations may be derailed by any new economic or political shocks. Competitive currency devaluation and negative rates monetary policies being followed by central banks have created a world never seen before, where the only thing that's expected to remain constant is high volatility.



[%; E – Estimate; P – Projection]

Source: IMF's World Economic Update, January 2016

Key Market Economies:

As per the IMF report, while the estimated overall GDP growth for advanced economies was marginally higher at 1.9% in 2015 from 1.8% in previous year, individual economies showed a mixed picture with G7 economies of United States, Japan, France and Italy growing faster than 2014 and the other 3, i.e. Germany, United Kingdom and Canada slowing down. Overall the Euro zone's GDP growth is expected to jump from 0.9% in 2014 to 1.5% in 2015. Similarly, Australia's GDP growth also rebounded from 2.7% to 3%. Among the major emerging economies, while India showed an improvement in GDP growth rates and China is estimated to slow down, GDP of Russia and Brazil are however expected to decline in 2015. Some of these countries are among the major markets of the Company for its exports.

United States

United States economy had seen a steady recovery in economic growth in the last few years. However, in 2015 there was a small dip of 10 basis points in the GDP growth from 2.5% in 2014 on account of dismal Q4 (1.4% growth). While the job market has remained robust, consumer spending was sluggish and rising energy prices impacted the economic sentiments. Atlanta Federal Reserve's estimates released at the end of March for GDP growth in Q1 of 2016 showed an annualized pace of only 0.6%. This has led to renewed concerns on the country's economic outlook with the University of Michigan's consumer sentiment index down to 91 in March 2016 as against 93 at the end of March 2015. With the renewed concerns on the economy front, the national Federal Reserve is likely to adopt a more cautious approach to raising interest rates.

IMF's projections in January 2016 for the United States economy were 2.6% growth in 2016 and 2017.

Canada

With the impact of crude oil price shock and commodity downturn, Canadian economy performed worse in 2015 than previously projected. Actual growth is estimated to be 1.2% growth vs. early estimates of 2.2%. However, depreciation of Canadian Dollar had supported the recovery in the second half of the year by advancing manufacturing and non-energy exports. Hence, the economic growth is expected to rise to 1.7% in 2016 and 2.1% in 2017.

Euro Region

Growth in the Euro region was back on track in 2015 on the back of recovery in economic growth in major non-German economies of France, Italy and Spain. Collectively, the effects of monetary easing by the European Central Bank, stronger private consumption and decline in oil prices overcame the weakening of net exports. Going forward some of the major challenges facing the regional economy are political in nature, viz. tide of refugees challenging the labor markets' (and society's) absorption capacity and the threat of terrorism.

Latin America and Caribbean

Economic prospects for the Latin American and Caribbean region were expected to be grim by IMF with the GDP decline continuing in 2016 at the same pace of 0.3% as in 2015. However, the situation when looked at country level throws up an interesting contrast of many countries continuing to grow modestly, but countries with high dependence on oil and commodity exports, poor policy frameworks and weaker domestic fundamentals experiencing major de-growth in GDP. The situation is expected to improve in 2017 with recovery in global GDP growth. However, risks to economic growth of the United States will also impact the Central American economies.

Indian Economy

India became the fastest growing large economy overtaking China in 2015. The GDP growth in 2014-15 was 7.2% (based on revised base to 2011-12) and in 2015-16 it was 7.6% by the Central Statistics Office. In addition to this, the overall macro-economic health of the economy showed marked improvement with fiscal and current account deficits curtailed due to central government initiatives and helped by oil price decline. While the current account deficit has been curtailed, it was largely because imports declined more than exports, which have been on a consistent declining trend from December 2014.

In spite of depreciating Rupee, decline in interest rates and policy support announced by the Government, the declining trend in exports is expected to be arrested only from first quarter of FY 2016-17. This is because currencies of most other emerging economies competing with India for merchandise exports have declined more than the Rupee and most central banks are biased towards monetary policy easing.

The imports have declined largely on account of lower oil prices, commodity prices and gold imports. Inflation has also been trending lower with the Wholesale Price Index in deflation territory for many months and Consumer Price Inflation under the target published by the Reserve Bank of India (RBI). While this has led to lack of buoyancy in demand in the domestic market, profitability margins of most commodity dependent manufacturing sectors have been helped by this scenario. The tamed inflation also leaves policy room for RBI to follow through with further rate cuts in April 2016. This would be after announcing two rate cuts of 0.25% and 0.5% in June 2015 and September 2015 respectively leaving the repo rate at 6.75%.

In addition to this, further reforms and policy initiatives of the Government are likely to ensure uptick in growth for the Indian Economy. One of the most important initiatives would be the 'Make in India' mission being promoted aggressively by the Indian government. Textile and Garments sectors is one of the key sectors focused on by the Indian government due to country's

comparative advantages in this sector. In addition to this, the government policies such as set-up of Integrated Textile Parks, Centers of Excellence focused on testing and evaluation, resource centers and training facilities set up, etc. and supportive policies for FDI (100% FDI under automatic route) and export are encouraging major investment from domestic and foreign players.

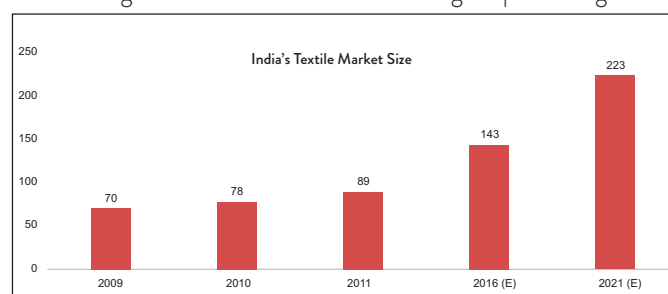
Industry Overview

India's Textile Scenario:

Indian textile industry is one of the key sector of the economy in terms of contribution to the economic activity, employment generation, external trade and foreign exchange earnings. In 2015, size of this sector was US\$ 108 billion and it was expected to grow 5 fold in the next decade. In value terms, the industry constitutes about 14 per cent of the manufacturing sector, 5 percent of the GDP and 12 per cent of India's total export earnings. It generated direct and indirect employment for 105 million people, 2nd largest after agriculture.

Globally, India is the 2nd largest producer of textiles and garments with the leading position occupied by China. It is likely to overtake China in terms of size by 2022-23. Unlike China, India has a predominantly cotton based textile industry. The MMF textiles and clothing exports accounted for 80 per cent and cotton textiles for 20 per cent in China, while in case of India, cotton textile and garments contributed a much higher percentage.

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[In Billions of US dollars; E – Estimate]

Source: A Brief Report on Textile Industry in India, July 2015, Corporate Catalyst (India) Pvt. Ltd.

Country's major competitive advantages are:

- Abundant availability of raw materials such as cotton (1st in world), wool (6th largest clean wool and 9th largest greasy

wool producer), silk (2nd largest) and jute (1st in world). Even in man-made fibres, India is the 4th largest producer.

- Skilled workforce have made the country a sourcing hub.
- Installed capacity for yarn production.
- Rich cultural heritage, tradition and diversity reflected in textiles.
- Production linked cost structure.

However, some of the disadvantages faced by the sector from a global competitiveness perspective are :

- Higher cost of capital.
- Internal duty structure making raw material costlier for man-made fibres.
- Unfavourable tariff structure for Indian textile products vs. other countries in many key markets such as Europe, Canada etc.

In FY 2015-16, in line with the overall decline in exports from India, exports from the sector are expected to decline to about US\$ 40 billion as compared to US\$ 41.4 billion in FY 2014-15. However, government has taken some measures in FY 2015-16 to improve the competitiveness of Indian textile exports such as:

- Launched a 3 percent Interest Equalization Scheme in November 2015 on pre-shipment and post-shipment of garments, for five years, with retrospective effect from April 1, 2015.
- Approved an Amended Technology Upgradation Fund Scheme (A-TUFS) in place of the existing Revised Restructured TUFS for technology upgradation of the textiles industry supporting CAPEX spends.
- Extension of duty drawback scheme to synthetic textiles with less than 85% cotton and not for retail sale.
- Focus on setting up of integrated textile parks and 'Make In India' mission.
- Completion of review of National Textile Policy 2000 and expected announcement of new National Textile Policy in 2016.

The new National Textile Policy will aim to achieve exports of US\$ 300 billion by 2024-25 and create additional 35 million jobs in the sector. Free Trade Agreements (FTAs) between India and major markets such as Europe, US, China, Australia, Canada, etc. or relevant sectoral agreements can be a major growth driver for the industry by granting favorable duty structure for Indian textile products. Similarly, bilateral/multilateral trade agreements between groups of countries, for e.g. Trans-Pacific Partnership (TPP), could potentially harm the Indian textile exports in some segments.

As per the recent data from OTEXA, total textile and apparel imports to USA have grown at a rate of 7.0% in volume terms in 2015 vs. 2014, whereas imports from India have grown by 7.2% for the same period. In the same period, imports of 'Made Ups/ Misc' to US increased at a higher rate of 8.3% with India's contribution going up from 22.6% to 23.8%, with growth of 12.3%. China, which is the largest exporter to US for Textiles & Apparels, in the same period grew its exports of 'Made Ups/ Misc' by 2.6% only.

The global home textiles industry, of which bed linen is around 21% of the total volume, is expected to sustain a growth rate of 5% through to 2017 reaching a size of US\$ 96 billion from US\$ 86 billion in 2015. Indian Home Textile segment has carved a niche in the global market for the Indian textile industry in the last decade with its value added products which are now known for their high quality, luxury and designs. India has acquired considerable strengths in many product segments within this sector, such as towels, sheet sets and other madeups. There has been significant additions and investments in large vertically-integrated capacities in recent years in this segment by Indian textile companies buoyed by the high growth in exports and growing domestic demand.

Cotton Scenario:

All major cotton producing countries were expected to show a Y-o-Y decline in production in Marketing Year ("MY") 2015-16 due to inclement weather, especially in Pakistan, India and United States. In China, withdrawal of government support and major reduction in price realizations, led to a 22.7% decline in area under cultivation. Whereas in India, decline in land area under cotton cultivation was 7.1%. Hence, production in India has been estimated to decline by 9.2% to 26.8 million bales, however all other top 5 producers except Brazil would see a decline of more than 15% in MY 2015-16.

With the world cotton consumption expected to be around 109.2 million bales (down by 1%) in MY 2015-16, the year-end closing stock would be down to 103.3 million bales.

World's Cotton Balance Sheet Trend

Million bales	2011-12	2012-13	2013-14	2014-15	2015-16 (E)
Beginning Stock	50.7	74.4	91.7	109.9	112.2
Production	127.4	123.9	120.4	199.2	100.2
Supply	178.1	198.3	212.1	22.2	212.4
Demand (Use)	104.1	108.4	109.9	110.3	109.2
Ending Stock	74.4	91.7	103.1	112.2	103.3
Stock/Use Ratio	71.5%	84.6%	93.8%	101.7%	94.6%

[E - Estimate]

Source: United States Department of Agriculture (USDA)

In India, the year-ending stock for MY 2015-16 is expected to be 11.2 million bales, lower by 2.3 million with total consumption of 24.5 million bales.

India's Cotton Balance Sheet Trend

Million bales	2011-12	2012-13	2013-14	2014-15	2015-16 (E)
Beginning Stock	11.8	10.6	11.8	11.5	13.5
Production	29.0	28.5	31.0	29.5	26.8
Imports	0.6	1.2	0.7	1.2	0.9
Supply	41.4	40.3	43.5	42.2	41.2
Domestic Use	19.5	21.8	23.3	24.5	24.5
Exports	11.1	7.8	9.3	4.2	5.5
Demand	30.6	29.5	32.5	28.7	30.0
Ending Stock	10.6	11.8	11.5	13.5	11.2
Stock/Use Ratio	34.6%	40.0%	35.4%	47.0%	37.3%

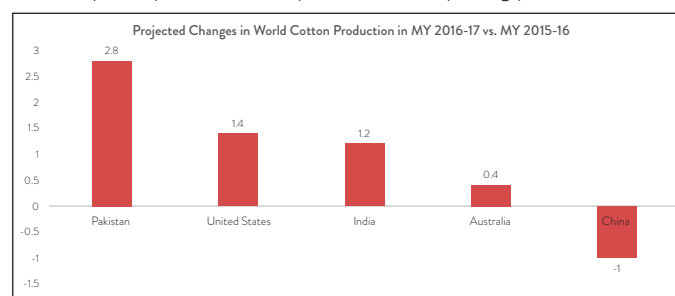
[E – Estimate]

Source: United States Department of Agriculture (USDA)

Trade in cotton was estimated to be lower at 34.9 million bales in the same year, a decline of 1.3%, majorly on account of decline in imports to China. Cotton exports from India are expected to grow by 31% on account of demand from Pakistan, Vietnam and Bangladesh. Globally, cotton prices have been in a negative trend due to historic highs in carryover stocks, especially in China

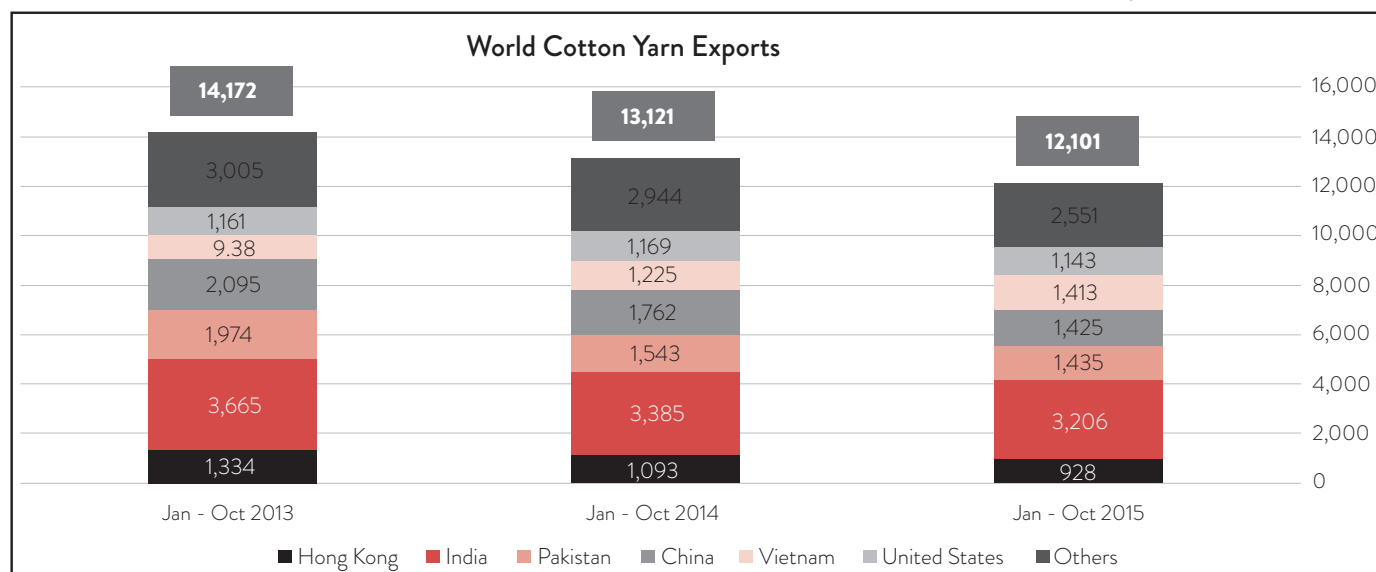
which is now trying to reduce the levels by controlling imports and reducing price support. However, the drop in cotton prices in India are much lower than the international prices as a result of the spurt in exports, especially to Pakistan.

In MY 2016-17, USDA's projections for the world-wide output of cotton have been 4% higher than previous year to 105.5 million bales on account of recovery in yields, which were affected in the previous year due to adverse weather and pest problems. Consumption has been projected to rise modestly by 0.8% to 110.5 million bales with the world economy under stress and relatively steeper decline in prices for competing products.



[In millions of bales]

Source: United States Department of Agriculture (USDA)



Indian production of cotton in MY 2016-17 is expected to rise by 1.2 million bales. However, domestic consumption is expected to remain flat. Exports to Pakistan are expected to come down since their domestic production is expected to recover on the back of normal weather. Global pricing scenario in MY 2016-17 is expected to be bearish on account of liquidation of reserve stocks by China, marginal increase in consumption and higher production.

Cotton yarn sector is currently beset with problem of overcapacity in a challenging demand scenario in both domestic and export market. Exports of cotton yarn continued the declining trend in the period Jan – Oct 2015.

Vietnam, which was nowhere in the basic textiles trade scenario at the start of the century, has risen to the 4th position in the list of countries exporting cotton yarn on the back of an impressive

growth run in the last few years. This has been on account of Chinese investments in spindle capacity in Vietnam and the Trans Pacific Partnership. This trend is likely to continue for a few more years.

Operational Review

The Company is a leading player in the Global Home Textiles segment of the Textiles & Apparel industry focusing on bedding products. It is the 2nd highest manufacturer and exporter of bed sheets, bed linen, quilts from India and among Top 3 bed sheet suppliers to the United States. The Company has turned in another year of high sales growth with its sustainable business model focused on catering to the changing mindset of consumers and more importantly, by helping to shape their desires and demands. In FY 2015-16, it has continued the focus on strengthening its presence in higher value added product segments in the bedding products market.

Capacity Expansion:

The Company has put in place a two-phase expansion plan to cater to the expected strong demand for home textile products. Phase 1 of Rs. 175 Crores is towards increasing Processing capacity from current 68 million meters to 90 million meters, setting up a water effluent treatment plant, Automation of cut and sew and warehousing and Phase 2 of Rs. 300 Crores is towards upgrading the existing Spinning Facilities, Investments in additional Weaving (with specialized looms) and value added equipment for the delivery of fashion and utility bedding..

New Markets:

With its strengths in the premium category, i.e. mid to high, of bedding products, the Company is now set to target the domestic market in India and has earmarked an outlay of ₹. 25 crores over three years for this purpose. The gradual change in Indian consumers mindset towards comfort and luxury, increasing nuclearization of households and higher allocation of spends towards home decoration while purchasing new homes, are factors which make the domestic market attractive.

The Company also continued its global expansion with entry into new geographies by planning a foray in Europe and Middle East.

Product Mix & Product Line:

In the previous financial year, the Company had entered into 3 new categories fashion bedding, utility bedding and institutional bedding. It now has the complete Bed Linen product basket, which is marked by product sophistication, value-addition and quality. On the fashion bedding side, by appointing designers in US and UK it has developed its own collections, which were well received when presented in various trade fairs. The company has made all

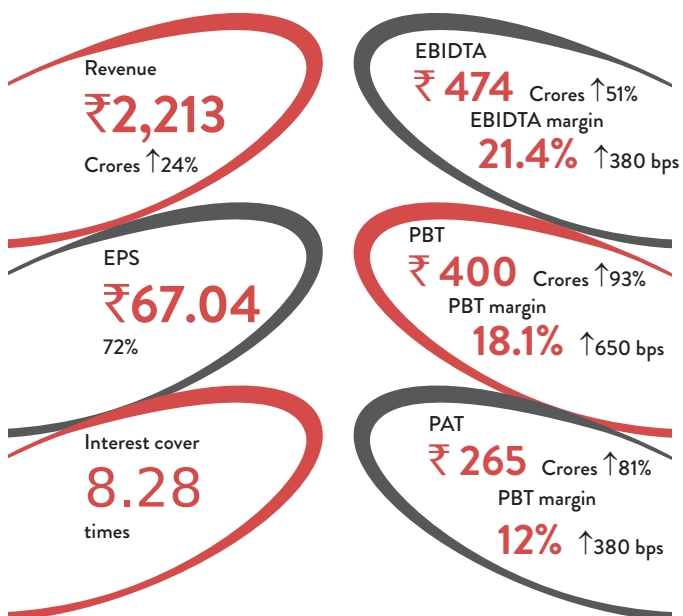
the necessary arrangements at the factory for delivering quality products in this segment. For the utility bedding segment, it has launched entire collection on the mattress pads and other utility bedding products. It has also been successful in getting onboard a few large customers in the institutional bedding segment. With this success and progress, it has been able to grow contribution of these new segments in the overall volumes to 10% and is on track to increase it to 30% in the next 3-4 years.

Marketing: Targeting Niche Consumer Segments

In march, 2016, the Company launched three lifestyle brands – Boutique Living, Revival and The Pure Collection in the US market, which will be launched next year in other markets. The three brands are designed keeping different target consumers in mind. Boutique Living is targeted at successful professionals who travel frequently. Revival is targeted at professionals who look for classic detailing with a modern outlook. The Pure Collection is for the health and environment conscious consumer. The Company intends to increase its market penetration by launching brands catering to such consumer segments with specific needs.

Financial Review

The Company's overall financial performance in all parameters were in line with business plan and had substantial growth over the previous financial year. Brief summary is highlighted below:-



Segment Review

Textiles:

Home textiles sold in FY2015-16 was 54 million meters, resulting in a volume growth of 28 %. Revenue growth for the year in home textile segment was 31 % resulting in the overall revenue growth of 24%. Spinning revenue declined by 9% as compared to previous year on account of challenging export market situation and greater in-house consumption.

Risk Factors & Mitigation

(a) Economy Risk:

Economic growth influences new home purchases and overall consumer spending, which in turn impacts purchases of home textiles for new homes and repeat/replacement purchases for existing homes. The Company is currently predominantly dependent upon exports to developed countries such as US, EU, Canada, etc. Slowdown or cuts in consumer spending in these countries on account of the economic situation would impact it directly.

Risk Mitigation

The Company has over the years diversified its market and product portfolio to spread its risks from economic downturn. In addition to the export market, it is now poised to address the domestic markets as well and is expanding its presence in large emerging markets to widen its presence. It is also expanding its product portfolio and customer base to mitigate impact of economic risks and customer concentration.

(b) Currency Risk:

Currently nearly entire income of the Company is from exports and hence, in foreign currency. The Company also imports a small portion of its raw materials and a significant part of its capital equipment, hence it only has a partial natural hedge. Any volatility in the currency markets, would therefore impact the company.

Risk Mitigation

Since the Company is in made-to-order business, the exchange rates at which orders are secured is known to it and the Company follows the policy of entering into foreign currency forward contracts of 6 months to 12 months tenure on receiving firm orders from clients. This approach allows the Company to manage the currency risk in a more predictable manner.

(c) Raw material Price Risk:

Cotton being the base raw material for the Company's bedding products, any increase in cotton prices will impact its margins directly. Another factor related to cotton prices is the movement in cotton to polyester price ratio, which when higher may lead to a dip in demand for Company's cotton based products.

Risk Mitigation

Current situation in the industry, with high cotton production and excess yarn capacity in India, is highly amenable to a stable price scenario for the Company's raw material base. Irrespective, the Company follows a procurement strategy of partnering with its raw material suppliers by extending better credit facility and buying the latter's production capacity. With its made-to-order approach to manufacturing, the Company is able to incorporate variations in raw material prices in its pricing decisions so as to protect its manufacturing margins. This approach helps facilitate lower inventories, shorter working capital cycle and capability - based competitiveness. Company's presence across the bed linen product basket in the mid to high segment insulates it to an extent from changes in highly price sensitive customer demand that is linked to the movement of cotton to polyester price ratio.

SWOT Analysis

Strengths:

The Company is an integrated Yarn to Made Ups player with greater investment in downstream value-added products with world class manufacturing facility built with latest technologies from across the world. This commitment to the best standards is reflected in its recognition as a quality product manufacturer by its global customers.

It has mastered the production strategy of 'Made-to-Order' by developing long term customer relationships, including quasi-annuity institutional relationships, which help get reasonably good visibility into market demands and revenue predictability. This not only leads to lower inventories and shorter working capital cycles for the Company, but also de-risks its capital investments from demand volatility leading to a sustainable business model and consistently superior financial performance. Additional factors that plays into this strength of the Company are its balanced in-sourcing and out-sourcing approach, modern assets less than 10 years old and operating leverage from increasing capacity utilization.

The Company has been able to establish itself in the demanding and attractive mid-to-high range product niche in many large global markets by focusing on intangibles like brands, investments in patented technologies/products, captivating team and establishing direct consumer connect through its showroom and studios in its major export markets. From a product perspective, the Company's strength is its one-stop shop ability for everything about Bed Linen from Bed Sheets to Fashion Bedding, Utility Bedding and Institutional Bedding– the complete Bed Linen product basket.

Weaknesses:

The Company's presence in only the bed linen market in the value added product segment (Made Ups) would restrict its balance sheet's ability to absorb any major external shocks in this market. Also, limited visibility and awareness in India, its home market, is likely to hamper its expansion and growth in this value conscious market.

Opportunities:

In addition to growth in its existing markets such as United States, Canada, Europe, UK, Australia, etc., the Company has a lot of scope for growth in the emerging markets such as the BRICS countries. Finalization and implementation of Free Trade Agreements with Europe and Canada by the Indian government could provide a huge spurt in market access.

With the changing lifestyles and greater consumer appreciation of benefits of better quality bed linen, demand for the Company's products is likely to increase. There is also enough untapped market potential that can be exploited by the Company by launching its own proprietary patented designs targeted at niche uses and consumer segments. Its entry in 2014 into the Fashion Bedding, Utility Bedding and Institutional Bedding segments, gave the Company a complete product range in the Bed Linen market. With the brand strategy of launching home textile brands catering to niche segments, the Company has increased the addressable market.

Threats:

Any adverse measures in terms of tariff and non-tariff barriers, even in a comparative sense with respect to competing countries, effected by the Company's target markets, are likely to affect the business. The Trans-Pacific Partnership (TPP) is expected to send ripples throughout global textile trade and Vietnam's textile industry is likely to emerge as the biggest beneficiary of it. However, with regards to the Company's main product segment

TPP and Vietnam are not immediate threats because of following reasons:

- Duty applicable on bed linen products from India in the United States is only 6.7%. This is not a huge advantage.
- Vietnam is dependent on cotton imports and yarn imports, which not only add to the cost structure, but also fall a foul of TPP's 'yarn-forward' Rules Of Origin requirements.
- Another factor which go against Vietnam is its lack of capacity for spinning the counts required for bed linen market.

Any withdrawal of the export promotion facilities, such as Interest Equalization Scheme or Technology Upgradation Fund Scheme or Duty Drawback Scheme, etc., currently offered to the sector by the Indian government will impact the Company's profitability.

Outlook

With the world economy projected to be on a recovery path, notwithstanding the lackluster fourth quarter of 2015 and initial months of 2016, consumer spending numbers and new home sales are also expected to pick-up. The advanced economies as a whole are expected to grow at a faster pace in 2016 and 2017 as compared to 2015. This will drive greater demand for the Company's products in the textile segment in its key export markets. Encouraging economic growth prospects for many of the significant emerging economies bode well for the Company's sales in its existing markets and expansion plans into newer markets, such as its home market of India. Given the expectations for stable cotton supply and price scenario, in addition to the ample availability of spinning and weaving capacity, the Company does not expect any major threats to its profitability.

The Company has consistently delivered strong financial performance over the last four years while transforming its product portfolio. It has been successful in forging deep relationships with its customers such that majority of the company's revenues were derived from customers with relationships that were five years or longer. The past record of Company's successful transition from a yarn and textile supplier to a value added bed linen marketer to some of the most demanding consumers is a clear testimony to its capabilities and a harbinger of its continued success in leveraging positive demand environment in the coming years.

Internal Control Systems

The Company has internal control procedures commensurate with its size and nature of the business. These business procedures ensure optimum use and protection of the resources and compliance with the policies, procedures and statutes. The internal

control systems provide for well-defined policies, guidelines and authorizations and approval procedures.

The operation and monitoring of the system of internal control is entrusted to employees who possess the necessary skills, technical knowledge, understanding of the Company, industries and markets in which it operates. An Independent Audit Committee, on quarterly basis, reviews adequacy and effectiveness of internal controls and provides observations/ recommendations. The discussions are also made with Internal Auditors and the Internal Audit Report is also reviewed by the committee.

The Company has invested not only the latest production systems, but also high tech waste treatment plants for sustainable manufacturing and IT Systems for business process optimization.

The Company is also the 1st Textile Company in India which has implemented SAP HANA version with SAP EHP7. After implementation, our systems performance has increased multifold.

Developments in HR

As a brand-led business, people are the most critical resource to maintain Company's quality edge in the market. The Company believes that people are its most valued resource and their efficiency

plays a key role in achieving set goals and building a competitive work environment. A productive and innovative workplace has been and will continue to remain a key requirement for successful business performance in the Company's perspective. We strive to provide great place to work to our people through challenging and learning environment. Talent Management, Leadership Development are some of the focus areas for Company's Human Resources Team. HR Department of the Company conducts training programmes to upgrade skills of its employees. The Company is also committed to increase gender diversity at the workplace. To bring uniformity and accuracy in the HR processes, automation of certain HR activities of employee life cycle is being done.

Cautionary Statement

Statements in this document/discussion relating to future status, events, or circumstances, including but not limited to statements describing the Company's objectives, projections, estimates and expectations maybe 'forward looking statements' within the meaning of applicable laws and regulations. Such statements are subject to numerous risks and uncertainties and are not necessarily predictive of future results. Actual results may differ materially from those anticipated in the forward-looking statements.

CORPORATE GOVERNANCE REPORT

1. Company's Philosophy on Corporate Governance

Indo Count's philosophy on Corporate Governance is to observe the highest level of ethics in all its dealings and accountability to ensure efficient conduct of affairs of the Company. The core value of Company's governance process includes independence, integrity, transparency, responsibility and fairness. The Company is committed to achieve its goal of maximising value for all its stakeholders.

The Governance framework gives due importance to regulatory compliance under the guardianship of a strong Board of Directors and executed by committed management and employees.

2. Board of Directors

Composition

The Board has an optimum combination of Executive and Non-Executive Directors and is in conformity with the requirements of Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI (LODR) Regulations, 2015").

As on 31st March, 2016, the Board comprises of 10 Directors out of which 4 are Executive Directors and 6 are Non-Executive Independent Directors including one Woman Director. All Directors are competent and experienced personalities in their respective fields.

During the year under review, there was no change in the composition of the Board. However, following changes took place in the Composition of the Board post 31st March, 2016:

- Mr. Mohit Anilkumar Jain (DIN: 01473966) has been appointed as an Additional Director & Managing Director of the Company for a period of 5 years w.e.f. 9th May, 2016 as a part of long term succession plan.
- Mr. Anil Kumar Jain, Chairman and Managing Director continues to be "Executive Chairman" of the Company w.e.f. 9th May, 2016.
- Mr. R. N. Gupta resigned from the position of Director designated as "Joint Managing Director" of the Company w.e.f. 9th May, 2016, owing to his advanced age.

The composition of the Board, details of other directorships, committee positions as on 31st March, 2016 and attendance of Directors at the Board Meetings are given in the table below:

Name of the Director	Directors Identification Number (DIN)	Category of Directorship	No. of Board Meetings attended	No. of directorships held (including Indo Count) #	No. of Membership/ Chairmanship in Board Committees (including Indo Count) @	
					Chairman	Member
Mr. Anil Kumar Jain Chairman and Managing Director	00086106	Executive	5	3	-	2
Mr. R. N. Gupta Joint Managing Director	00865491	Executive	5	1	-	2
Mr. Kailash R. Lalpuria Executive Director	00059758	Executive	3	2	-	-
Mr. Kamal Mitra Director (Works)	01839261	Executive	2	2	-	2
Mr. P. N. Shah	00096793	Non-Executive Independent	4	7	5	2
Mr. R. Anand	00040325	Non-Executive Independent	5	4	-	3
Mr. Dilip Thakkar	00007339	Non-Executive Independent	3	8	3	3
Mr. Prem Malik	00023051	Non-Executive Independent	5	6	2	5
Mr. Sushil Kumar Jiwarajka	00016680	Non-Executive Independent	4	2	-	-
Dr. (Mrs.) Vajjayanti Pandit	06742237	Non-Executive Independent	5	8	2	4

Note:

Number of Directorships held excludes directorships in private limited companies, foreign companies, companies under Section 8 of the Companies Act, 2013 (earlier Section 25 of the Companies Act, 1956) and alternate directorships.

@ Only covers Membership / Chairmanship of Audit Committee and Stakeholders' Relationship Committee of Listed and Unlisted public limited companies.

None of the Directors on the Board hold Memberships or Chairmanships in the Board Committees, above the limits specified under Regulation 26 (1) of SEBI (LODR) Regulations, 2015.

None of the Directors hold directorships in more than 20 Companies and more than 10 Public Companies pursuant to the provisions of the Companies Act, 2013.

Further, in compliance with Regulation 25(1) of SEBI (LODR) Regulations, 2015, none of the Independent Directors hold directorship in more than seven listed companies.

Inter-se relationship among directors

As on 31st March, 2016, there is no inter-se relationship among the Directors. Mr. Mohit Anilkumar Jain inducted on the Board w.e.f. 9th May, 2016 is son of Mr. Anil Kumar Jain, Executive Chairman.

Independent Directors

The Independent Directors fulfill the criteria of independence as given under Section 149(6) of the Companies Act, 2013 and Regulation 16 (1) (b) of the SEBI (LODR) Regulations, 2015 and have given declaration of independence. The Draft Letter of Appointment of Independent Directors is available on the website of the Company www.indocount.com.

During the year under review, a separate meeting of the Independent Directors was held on 30th June, 2015.

Familiarisation Programme

The Company has in place Familiarisation Programme for Independent Directors to familiarize them about the Company and their role, rights and responsibilities in the Company. The Familiarisation Programme and details of Familiarisation Programme imparted during 2015-16 are uploaded on the website of the Company and can be accessed through web-link <http://www.indocount.com/images/investor/ICIL-Familiarisation-Program.pdf> and <http://www.indocount.com/images/investor/ICIL-Familiarisation-Program-imparted-2015-2016.pdf> respectively.

3. Board Meetings

During the financial year 2015-16, Five Board Meetings were held viz on 9th May, 2015, 30th June, 2015, 3rd August, 2015, 24th October, 2015 and 8th February, 2016. The maximum gap between any two meetings was less than four months. The Board was presented with all relevant information at its meetings including information as required under SEBI (LODR) Regulations, 2015 and erstwhile Listing Agreement.

Details of Attendance of Directors at the Board Meetings and the Annual General Meeting (AGM) held during the year 2015-16 are as under:

Name of the Director	Date of Board Meeting					Attendance at Last AGM
	9 th May, 2015	30 th June, 2015	3 rd August, 2015	24 th October, 2015	8 th February, 2016	22 nd August, 2015
Mr. Anil Kumar Jain	✓	✓	✓	✓	✓	-
Mr. R. N. Gupta	✓	✓	✓	✓	✓	✓
Mr. Kailash R. Lalpuria	✓	Leave of absence	✓	✓	Leave of absence	✓
Mr. Kamal Mitra	✓	Leave of absence	Leave of absence	Leave of absence	✓	✓
Mr. P. N. Shah	✓	Leave of absence	✓	✓	✓	-
Mr. R. Anand	✓	✓	✓	✓	✓	-
Mr. Dilip Thakkar	Leave of absence	Leave of absence	✓	✓	✓	-
Mr. Prem Malik	✓	✓	✓	✓	✓	-
Mr. Sushil Kumar Jiwrajka	Leave of absence	✓	✓	✓	✓	-
Dr. (Mrs.) Vajjayanti Pandit	✓	✓	✓	✓	✓	-

The Board periodically reviews items required to be placed before it and in particular reviews and approves quarterly/half yearly unaudited financial results / statements and the audited annual financial statements, corporate strategies, business plans, annual budgets, projects and capital expenditure. It monitors overall operating performance, progress of major projects and reviews such other items which require Board's attention. It directs and guides the activities of the Management towards the set goals and seeks accountability. The Agenda for the Board Meeting covers items set out in erstwhile Listing Agreement and guidelines in SEBI (LODR) Regulations, 2015 to the extent these are relevant and applicable. All agenda items are supported by relevant information, documents and presentations to enable the Board to take informed decisions.

4. Audit Committee

(a) Terms of reference

The scope and terms of reference of the committee *inter alia* includes following:

Financial Reporting and Related Processes

- Oversight of the Company's financial reporting process and financial information and the disclosure of its financial information.
- Reviewing with the Management the quarterly unaudited financial results / statements and Limited Review Report thereon / audited annual financial statements and Auditors' Report thereon before submission to the Board for approval. This would, *inter alia*, include reviewing changes in the accounting policies, if any and major accounting estimates based on exercise of judgement by the Management, significant adjustments made in the financial statements and / or recommendation, if any, made by the Statutory Auditors in this regard.
- Reviewing the Management Discussion & Analysis of financial and operational performance.
- Scrutiny of inter-corporate loans and investments.

Internal Controls and Governance Processes

- Review the adequacy and effectiveness of the Company's internal control system. Review and discuss with management the Company's major financial risk exposures and steps taken by the Management to monitor and control such exposure.
- Review adequacy of internal audit function, internal audit reports and discussion with Internal Auditors on significant findings and follow-up thereon.

- To oversee and review the functioning of a Vigil Mechanism and to review findings of investigation into cases of material nature and the actions taken in respect thereof.
- Approval and Review of Related Party Transactions.

Audit & Auditors

- Review the scope of the Statutory Auditors, the annual audit plan and the Internal Audit Plan with a view to ensure adequate coverage.
- Review the significant audit findings from the statutory and internal audits carried out, the recommendations and Management's response thereto.
- Review and recommend to the Board appointment/re-appointment of the Statutory Auditors, Internal Auditors.
- Fixation of Statutory Audit Fees and approval of such other services to be rendered by the Statutory Auditors except those enumerated in Section 144 of the Companies Act, 2013 and payment for such services.

(b) Composition and Meetings

As on 31st March, 2016, the Audit Committee comprises of 4 Directors / Members out of which 3 are Independent Directors. All the Members of the Audit Committee are qualified, experienced and possess sound knowledge of finance, accounting practices and internal controls.

During the year under review, 4 Audit Committee Meetings were held viz on 9th May, 2015, 3rd August, 2015, 24th October, 2015 and 8th February, 2016.

The composition of Audit Committee as on 31st March, 2016 and details of attendance of the members at the meetings held during the year 2015-16 are as under:

Name of the Director	Category	Number of Meetings attended
Mr. P. N. Shah (Chairman)	Non-Executive Independent	4
Mr. R. Anand	Non-Executive Independent	4
Mr. R. N. Gupta	Executive	4
Mr. Prem Malik	Non-Executive Independent	4

W.e.f. 9th May, 2016, Mr. Kailash R. Lalpuria has been appointed as a Member of the Audit Committee in place of Mr. R. N. Gupta.

The representatives of the Statutory Auditors, Internal Auditors, Chief Financial Officer are permanent invitees to the Audit Committee Meetings and they attend the meetings.

Due to some urgent commitments, the Chairman of the Audit Committee was not able to attend the Annual General Meeting held on 22nd August, 2015 and authorised Mr. Kailash R. Lalpuria, Executive Director, to represent him. Mr. Kailash R. Lalpuria represented the Audit Committee Chairman at the said AGM.

5. Stakeholders' Relationship Committee

(a) Composition & Meetings

The Board has constituted Stakeholders' Relationship Committee *inter alia* to consider and review the complaints received from shareholders.

During the year under review, one meeting of Stakeholders' Relationship Committee was held on 24th October, 2015.

The composition of Stakeholders' Relationship Committee as on 31st March, 2016 and details of attendance of the Members at the above meeting are as under:

Name of the Director	Category	Attendance at the Stakeholders' Relationship Committee Meeting
Dr. (Mrs.) Vijayanti Pandit (Chairperson)	Non-Executive Independent	1
Mr. Anil Kumar Jain	Executive	1
Mr. R. N. Gupta	Executive	1

W.e.f. 9th May, 2016, Mr. Mohit Anilkumar Jain has been appointed as a Member of the Stakeholders' Relationship Committee in place of Mr. R. N. Gupta.

(b) Compliance Officer

W.e.f. 9th February, 2016, Mr. R. Sundaram relinquished the position of Company Secretary and Compliance Officer of the Company and Mrs. Amruta Avasare was appointed as Company Secretary and Compliance Officer of the Company. Mr. R. Sundaram continues to remain Chief Financial Officer of the Company.

(c) Investor Complaints

During the year 2015-16, 8 complaints were received from the shareholders and same were duly resolved. As on 31st March, 2016, no complaint was pending.

6. Nomination and Remuneration Committee

In compliance with Section 178 of the Companies Act, 2013, erstwhile Listing Agreement and SEBI (LODR) Regulations, 2015, the Board has constituted the Nomination and Remuneration Committee ("NRC").

The terms of reference of the NRC *inter alia*, includes:

- ✓ Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of the Directors, Key Managerial Personnel (KMP) and other employees.
- ✓ Lay down criteria for identifying and selection of candidates for appointment as Directors/ Independent Directors and KMP and other Senior Management positions;
- ✓ To recommend to the Board, appointment, removal of Directors, Senior Management Personnel and KMP in accordance with the criteria laid down.
- ✓ Succession planning of the Board of Directors and Senior Management Employees;
- ✓ Recommendation to the Board on remuneration of Managing Director/Executive Directors/KMP and also revision in remuneration.
- ✓ Formulation of the criteria for evaluation of performance of every Director and carry out performance evaluation of Directors and to recommend to the Board on whether to extend or continue the term of appointment of Independent Director.
- ✓ Devising a policy on Board Diversity.
- ✓ Formulate and review the policy for selection and appointment of Directors, Key Managerial Personnel and senior management employees and their remuneration.

The composition of Nomination and Remuneration Committee and details of attendance of the Members at the meetings of NRC held during the year 2015-16 are as under:

Director	Category	Attendance at the NRC Meetings held on			
		5 th May, 2015	30 th June, 2015	27 th July, 2015	8 th February, 2016
Mr. Prem Malik (Chairman)	Non-Executive Independent	√	√	√	√
Mr. Sushil Kumar Jiwrajka	Non-Executive Independent	√	√	√	√
Dr. (Mrs.) Vajjayanti Pandit	Non-Executive Independent	√	√	√	√

7. Policy for selection and appointment of Directors and their remuneration

The Nomination and Remuneration Committee (NRC) has adopted a Charter which, *inter alia*, deals with the manner of selection of Board of Directors and Key Managerial Personnel and their remuneration.

(A) Criteria of selection of Non-Executive Directors

- a. The Non-Executive Directors shall be of high integrity with relevant expertise and experience so as to have a diverse Board with Directors having expertise in the fields of manufacturing, marketing, finance, taxation, law, governance and general management.
- b. In case of appointment of Independent Directors, the NRC shall satisfy itself with regard to the independent nature of the Directors vis-à-vis the Company so as to enable the Board to discharge its function and duties effectively.
- c. The NRC shall ensure that the candidate identified for appointment as a Director is not disqualified for appointment under Section 164 of the Companies Act, 2013.
- d. The NRC shall consider the following attributes / criteria, whilst recommending to the Board the candidature for appointment as Director:
 - I. Qualification, expertise and experience of the Directors in their respective fields;
 - II. Personal, Professional or business standing;
 - III. Diversity of the Board.
- e. In case of re-appointment of Directors, the NRC shall take into consideration the performance evaluation of the Director and his engagement level, for making recommendation to the Board.

(B) Remuneration of Independent Directors

The Independent Directors shall be entitled to receive remuneration by way of sitting fees, reimbursement of expenses for participation in the Board / Committee meetings and commission as detailed hereunder:

- a. Independent Directors shall be entitled to receive sitting fees for each meeting of the Board or Committee of the Board attended by him, of such sum as may be approved by the Board of Directors within the overall limits prescribed under the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.
- b. Independent Directors shall also be entitled to receive commission on an annual basis, of such sum as may be approved by the Board on the recommendation of the NRC.
- c. The NRC may recommend to the Board, the payment of commission on uniform basis, to all the Independent Directors.
- d. The NRC may recommend commission for the Executive Directors taking into consideration their overall responsibilities, terms of appointment and the Company performance.
- e. The Independent Directors of the Company shall not be entitled to participate in the Stock Option Scheme of the Company, if any, introduced by the Company.

(C) Remuneration of Managing Director / Executive Directors / Senior Management Personnel

The remuneration of Managing Director / Executive Directors shall be determined after taking into account the Company's overall performance, their individual contribution for the same and trends in the industry

in general. The remuneration shall be subject to the approval of the Members of the Company in General Meeting.

The Remuneration for Senior Management employees shall be such as to ensure that the relationship of remuneration to performance is clear and meets appropriate operational performance benchmarks.

The remuneration of each of the Directors for the financial year ended 31st March, 2016 is as under:

Name of the Director	Tenure	Remuneration for the financial year ended 31 st March, 2016 (Amount in ₹)					
		Salary	Perquisites & Allowances	Provident Fund	Sitting Fees	Commission	Total
Mr. Anil Kumar Jain	Upto 30 th September, 2016	1,08,00,000	1,65,21,723	12,96,000	-	13,41,56,415	16,27,74,138
Mr. R. N. Gupta	Refer Note No.1	15,60,000	10,28,200	-	-	-	25,88,200
Mr. Kailash R. Lalpuria	Upto 30 th September, 2016	25,60,020	28,21,980	-	-	-	53,82,000
Mr. Kamal Mitra		17,89,506	7,33,012	2,14,741	-	-	27,37,259
Mr. P. N. Shah		-	-	-	80,000	1,00,000	1,80,000
Mr. R. Anand		-	-	-	1,00,000	1,00,000	2,00,000
Mr. Dilip Thakkar		-	-	-	30,000	1,00,000	1,30,000
Mr. Prem Malik	Upto 15 th August, 2019	-	-	-	1,40,000	1,00,000	2,40,000
Mr. Sushil Kumar Jiwarajka		-	-	-	90,000	1,00,000	1,90,000
Dr. (Mrs.) Vajjayanti Pandit		-	-	-	1,20,000	1,00,000	2,20,000

Notes:

- Mr. R. N. Gupta has resigned from the Directorship of the Company w.e.f. 9th May, 2016.
- None of the Non-Executive Independent Directors are holding equity shares or convertible instruments of the Company as on 31st March, 2016.
- The Company does not have any stock option plans.
- There is no separate provision for payment of severance fees. There is no notice period for the Directors of the Company.
- The Independent Directors are paid sitting fees for attending Board Meetings, Committee Meetings and Independent Directors Meetings.
- Apart from commission, there are no performance linked incentives.
- None of the Non-Executive Directors have any pecuniary relationship with the Company.
- The criteria of making payment to Non-Executive Directors can be accessed at the web-link http://www.indocount.com/images/investor/ICIL_Criteria-for-making-payments-to-Non-Executive-Directors.pdf

8. Performance Evaluation

Pursuant to the provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration Committees. A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman

of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgment safeguarding the interest of the Company and its minority shareholders etc. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and other Executive Directors was carried out by the Independent Directors.

9. Corporate Social Responsibility (CSR) Committee

In compliance with Section 135 of the Companies Act, 2013, the Board has constituted the "Corporate Social Responsibility Committee" comprising of Dr. (Mrs.) Vajjayanti Pandit, Non-Executive Independent Director as Chairperson and Mr. Anil Kumar Jain, Mr. Kailash R. Lalpuria as members.

The terms of reference of CSR Committee, *inter alia*, includes formulating and recommending to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013, recommend the amount of expenditure to be incurred on the CSR activities, provide guidance on various CSR activities to be undertaken by the Company and monitor the CSR Policy of the Company from time to time.

During the year under review, the CSR Committee met once on 9th May, 2015, where all the members were present.

A Report on CSR is provided in Board's Report.

10. Share Transfer Committee

As on 31st March, 2016, the Share Transfer Committee comprises of Mr. Anil Kumar Jain, as Chairman, Mr. R. N. Gupta and Mr. Kailash R. Lalpuria as members. W.e.f. 9th May, 2016, Mr. Mohit Anilkumar Jain has been appointed as a member of the Committee in place of Mr. R. N. Gupta. The Committee deals with various matters relating to share transfers, transmission, issue of duplicate share certificates, split and consolidation of shares, de-materialisation and re-materialisation of shares. The Share Transfer Committee meetings are held generally on a weekly basis.

11. Subsidiaries

During the year under review, the Company does not have material subsidiary as per the criteria specified in erstwhile Listing Agreement and SEBI (LODR) Regulations, 2015. However, the Company has adopted a policy on material subsidiaries and the same is uploaded on the website of the Company which can be accessed through the web-link <http://www.indocount.com/images/investor/LCIL-Policy-on-Material-Subsidiaries.pdf>

The Audited Annual Financial Statements of Subsidiaries are tabled at the Audit Committee and Board Meeting of the Company.

12. Related Party Transactions

All transactions entered into with Related Parties as defined under the Companies Act, 2013, Erstwhile Listing Agreement and SEBI (LODR) Regulations, 2015 during the financial year 2015-16 were in the ordinary course of business and arms length basis. There were no materially significant transactions with related parties during the financial year having potential conflict with the interest of the Company at large. Material related party transactions were entered into by the Company only with its wholly owned subsidiary. Suitable disclosures as required by the Accounting Standards

(AS-18) has been made in the Note No.32 to the Standalone Financial Statements. The Board has approved a policy for Related Party Transactions and the same has been uploaded on the website of the Company. The web-link thereto is <http://www.indocount.com/form/1458990559.pdf>.

13. Compliance with Accounting Standards

In the preparation of the financial statements, the Company has followed the Accounting Standards notified by Ministry of Corporate Affairs. The significant accounting policies which are consistently applied have been set out in the Notes to the Financial Statements.

14. CEO / Managing Director & CFO Certification

In terms of requirement of Regulation 17(8) of SEBI (LODR) Regulations, 2015, Mr. Anil Kumar Jain, Chairman and Managing Director and Mr. R. Sundaram, Chief Financial Officer have furnished certificate to the Board for the year ended 31st March, 2016 in the prescribed format. The certificate has been reviewed by the Audit Committee and taken on record by the Board at the meeting held on 7th May, 2016.

15. Reconciliation of Share Capital Audit Report

In terms of the provisions of Clause 55A of the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, Reconciliation of Share Capital Audit is carried out on a quarterly basis by a Practicing Company Secretary with a view to reconcile the total admitted capital with National Securities Depository Limited ("NSDL") and Central Depository Services (India) Limited ("CDSL") and those held in physical form with the total issued, paid up and listed capital of the Company. The audit report, *inter alia*, confirms that the Register of Members is duly updated and that demat/remat requests were confirmed within stipulated time etc. The said report is also submitted to BSE Limited and National Stock Exchange of India Limited.

16. Code of Conduct

Integrity, transparency and trust form part of the core beliefs of all activities at Indo Count, which has been the basis of its growth and development. The Company has adopted a Code of Conduct applicable to all its Directors and members of the Senior Management which is in consonance with the requirements of Erstwhile Listing Agreement and SEBI (LODR) Regulations, 2015. The said code is available on the website of the Company and can be accessed through web-link <http://www.indocount.com/images/investor/Indo-Count-Code-of-Conduct.pdf>

All the Board Members and Senior Management Personnel have affirmed compliance with Code of Conduct of the

Company for the year ended 31st March, 2016. A declaration to this effect signed by Mr. Mohit Anilkumar Jain, Managing Director forms part of this Report as Annexure 1.

17. Vigil Mechanism / Whistle Blower Policy

In line with the Companies Act, 2013, erstwhile Listing Agreement and SEBI (LODR) Regulations, 2015, the Company has formulated Vigil Mechanism/Whistle Blower to report concerns about unethical behaviour, actual or suspected incidents of fraud or violation of Code of Conduct, that could adversely impact the Company's operations, business performance and/ or reputation, in a secure and confidential manner. The Vigil Mechanism/Whistle Blower Policy has been placed on the website of the Company and web-link thereto is <http://www.indocount.com/images/investor/Indo-Count-Whistle-Blower-Policy-Vigil-Mechanism.pdf>

The said policy provides for adequate safeguard against victimization of directors/employees who avail of such mechanism and provides access to the Chairman of the Audit Committee, in exceptional cases. It is affirmed that no person has been denied access to the Audit Committee.

18. Code for Prevention of Insider Trading

The Company has adopted a code of conduct to regulate, monitor and report trading by insiders for prevention of Insider Trading in the shares of the Company. The code, *inter-alia*, prohibits purchase / sale of shares of the Company by Directors and designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed.

19. Communication with Members

Website: The Company's website www.indocount.com contains *inter alia* the updated information pertaining to quarterly, half-yearly and annual financial results, annual reports, official press releases, the investor/analysts presentations, details of investor calls and meets, shareholding pattern, important announcements. The said information is available in a user friendly and downloadable form.

Financial Results: The quarterly, half yearly and annual financial results of the Company are submitted to BSE Limited and National Stock Exchange of India Limited after approval of the Board of Directors of the Company. The results of the Company are published in one English daily newspaper (Business Standard) and one Marathi newspaper

(Tarun Bharat) within 48 hours of approval thereof.

Annual Report: Annual Report containing *inter alia* Standalone Financial Statements, Consolidated Financial Statements, Directors' Report, Auditors' Report, Corporate Governance Report is circulated to the members and others entitled thereto and is also available on website of the Company.

Designated Exclusive Email ID: The Company has designated Email Id icilinvestors@indocount.com exclusively for shareholder/investor servicing.

SCORES (SEBI Complaints Redressal System): SEBI has commenced processing of investor complaints in a centralized web based complaints redress system i.e. SCORES. The Company supported SCORES by using it as a platform for communication between SEBI and the Company.

Uploading on NEAPS & BSE Listing Centre: The quarterly results, quarterly compliances and all other corporate communications to the Stock Exchanges are filed electronically on NEAPS for NSE and on BSE Listing Centre for BSE.

Email: The financial results of the Company along with press release and investor presentation are sent by email to the shareholders who have registered their email id with the Company or Depository Participant.

20. General Body Meetings

a) Annual General Meetings:

The details of previous three Annual General Meetings of the Company are as follows:

Financial Year	Day, Date & Time	Venue	No. of special Resolutions passed
2012-13	Saturday, 20 th July, 2013 at 12.30 p.m.	Plot No. 266, Village Alte, Kumbhoj Road, Taluka Hatakanagale, District Kolhapur 416 109, Maharashtra.	5
2013-14	Saturday, 23 rd August, 2014 at 12.00 Noon		6
2014-15	Saturday, 22 nd August, 2015 at 12.30 p.m.		NIL

b) Extra-Ordinary General Meeting: No Extra-Ordinary General Meeting was held during the year under review.

c) **Postal Ballot:** No Postal Ballot was conducted during the year under review. Further, as on date of this report, no special resolutions are proposed to be passed through postal ballot.

21. Certificate on compliance with conditions of Corporate Governance

The certificate regarding compliance of the conditions of corporate governance for the year ended 31st March, 2016 given by M/s B. K. Shroff & Company, Statutory Auditors is given as Annexure II to this Report.

22. Compliance Officer

Mr. R. Sundaram was holding dual positions of Chief Financial Officer and Company Secretary & Compliance Officer of the Company. W.e.f. 9th February, 2016, Mr. R. Sundaram relinquished the position of Company Secretary and Compliance Officer of the Company.

Mrs. Amruta Avasare was appointed as Company Secretary and Compliance Officer of the Company w.e.f. 9th February, 2016 and her contact details are as under:

Tel: 022-43419533, Fax: 022-22823098

E-mail: amruta.avasare@indocount.com

23. Disclosures

a) Disclosure of Accounting Treatment

There is no deviation in following the treatments prescribed in any Accounting Standard in preparation of financial statements for the year 2015-16.

b) Risk Management

The risk assessment and minimization procedures are in place and the Board is regularly informed about the business risks and the steps taken to mitigate the same.

c) The Management Discussion and Analysis Report is given seperately and forms part of this Annual Report.

24. Statutory Compliance, Penalties and Strictures

The Company has complied with all the requirements of the Stock Exchanges / SEBI / and other statutory authorities on all matters related to the capital markets during the last three years. There were no penalties or strictures imposed on the Company by the Stock Exchanges, SEBI or any statutory authority on matters relating to capital markets during the last three years.

25. General Shareholders' information

27th Annual General Meeting ("AGM")

27th AGM of the Company will be held on Tuesday, 26th July, 2016 at 12.30 p.m. at Plot No. 266, Village Alte, Kumbhoj Road, Taluka Hatkanangale, District Kolhapur- 416109, Maharashtra.

Financial Year 1st April to 31st March

Tentative Financial Calendar for Financial Year 2016-17 for approval of:

Financial Results for 30 th June, 2016(Q1) (unaudited)	On or before 14-08-2016
Financial Results for 30 th September, 2016 (Q2 & Half year) (unaudited)	On or before 14-11-2016
Financial Results for 31 st December, 2016 (Q3 & 9 Months) (unaudited)	On or before 14-02-2017
Financial Results for Q4 & Year ending 31 st March, 2017 (Audited)	On or before 30-05-2017

Date of Book Closure

The Register of Members and the Share Transfer books will remain closed from Tuesday, 19th July, 2016 to Tuesday, 26th July, 2016 (both days inclusive) for the purpose of Annual General Meeting and declaration of final dividend.

Dividend Payment Date

The payment date for the interim dividend paid during the year 2015-16 was 5th November, 2015.

The Final Dividend, if declared, shall be paid within thirty days from the date of Annual General Meeting.

Listing on Stock Exchanges

BSE Limited

Phiroze Jeejeebhoy Towers

Dalal Street,

Mumbai - 400 001

Scrip Code: 521016

The National Stock Exchange of India Limited

Exchange Plaza,

Bandra Kurla Complex,

Bandra (East),

Mumbai 400 051

NSE Symbol: ICIL

Annual Listing Fees have been paid to both stock exchanges for the year 2015-16 & 2016-17.

The Company has paid the annual Custody Fees to Central Depository Services (India) Limited and National Securities Depository Limited for the year 2015-16 & 2016-17.

The Company has executed fresh Listing Agreement under SEBI (LODR) Regulations, 2015 within the prescribed time.

International Securities Identification Number (ISIN) for equity shares of the Company : INE483B01018

CIN : L72200PN1988PLC068972

Market Price Data

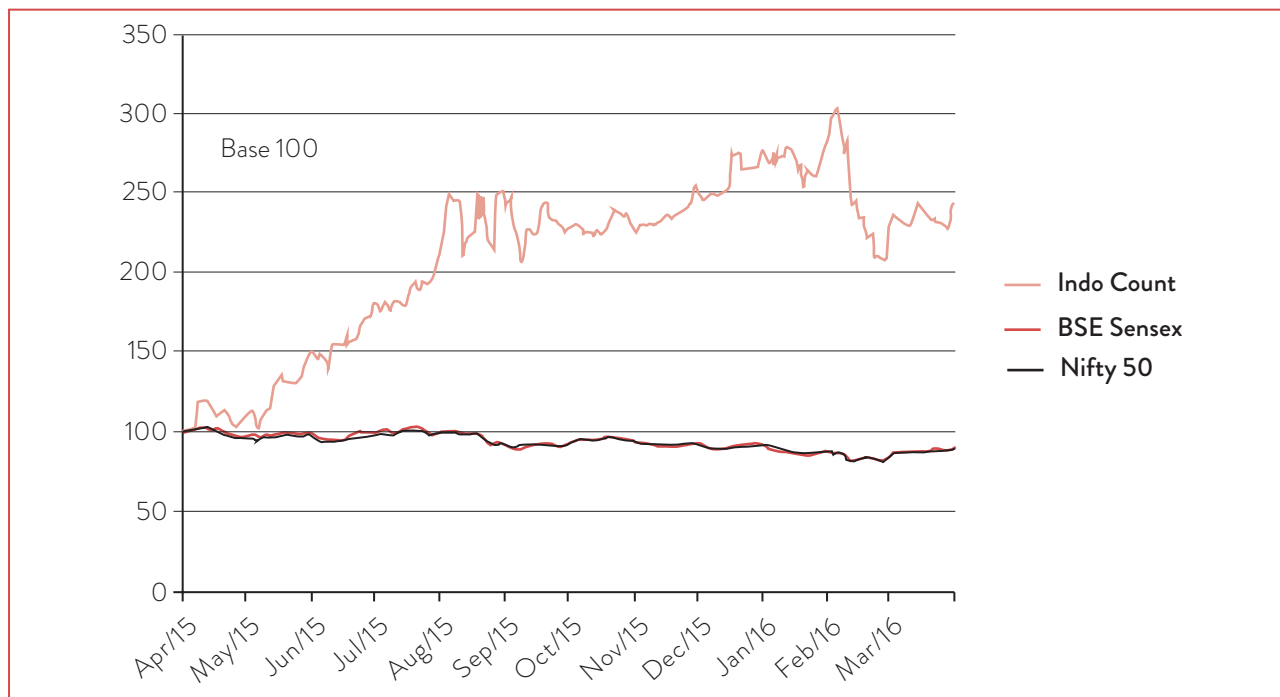
The monthly high and low quotations of the closing price and volume of shares traded at BSE Ltd. (BSE) and National Stock Exchange of India Limited (NSE) from April, 2015 to March, 2016 are as under:

Month	BSE			NSE		
	High (₹)	Low (₹)	Volume (Nos.)	High (₹)	Low (₹)	Volume (Nos.)
April-15	489.80	379.90	347967	490.00	343.00	666416
May-15	584.00	405.00	529764	584.00	402.00	1689722
June-15	731.00	555.00	418824	731.35	550.05	1097140
July-15	858.50	680.00	390972	858.60	675.70	1116354
August-15	1036.25	767.00	774721	1044.40	766.60	2448278
September-15	1009.50	720.00	575039	1020.00	721.40	1586245
October-15	1004.75	868.00	319392	1005.10	867.00	869212
November-15	1045.00	884.75	199441	1035.00	883.35	1148370
December-15	1113.50	956.75	208514	1110.00	900.00	1101120
January-16	1154.00	1000.00	156912	1155.00	997.00	1385284
February-16	1248.45	779.00	306542	1254.00	777.00	1443492
March-16	989.70	839.50	356129	987.10	840.00	1581143

Source: BSE & NSE websites



Performance in comparison with BSE indice, Sensex, Nifty 50



Registrar & Transfer Agents

Link Intime India Pvt Limited
C-13, Pannalal Silk Mills Compound
L.B.S Marg, Bhandup (West),
Mumbai 400078
Tel No: 022 25946970
Fax No: 022 25946969
Email: indocount@linkintime.co.in/rnt.helpdesk@linkintime.co.in

Please note that till 12th May, 2016, the Company was serviced through Delhi branch of Link Intime India Private Limited.

Share Transfer System

Transfer of equity shares in dematerialized form is done through the depositories without any involvement of the Company. Share transfers in physical form are processed by Link Intime India Private Limited, Registrar & Transfer Agents and the share certificates are generally returned to the transferee(s) within a period of fifteen days from the date of receipt of transfer documents provided that the transfer documents are complete in all respects. The Board has constituted Share Transfer Committee which approves share transfers, transmission, issue of duplicate share certificates etc. on a weekly basis. In terms of Regulation 40(9) of SEBI (LODR) Regulations, 2015, every six months, a Company Secretary in practice undertakes audit of the share transfer related activities and the compliance certificate issued upon audit is submitted to BSE and NSE.

Distribution of shareholding as on 31st March, 2016

No. of equity shares	No. of Shareholders	% of Shareholders	No. of shares held	% of shareholding
Upto 500	27193	94.25	2789078	7.06
501 – 1000	862	2.99	636525	1.61
1001 – 2000	345	1.20	492334	1.25
2001 – 3000	121	0.42	304455	0.77
3001 – 4000	62	0.21	219840	0.56
4001 – 5000	52	0.18	243131	0.62
5001 – 10000	82	0.28	586140	1.48
Above 10001	135	0.47	34208431	86.65
Total	28852	100.00	39479934	100.00

Shareholding Pattern as on 31st March 2016

Category of Shareholder	No. of Equity shares	As a percentage of total paid-up Share Capital
A. Promoter and Promoter Group	23272350	58.95
B. Public Shareholding		
Institutions		
Mutual Funds / UTI	627049	1.59
Financial Institutions / Banks	41990	0.11
Foreign Institutional Investors	1219011	3.09
Foreign Portfolio Investor (Corporate)	4026007	10.19
Non-Institutions		
Individuals	6183579	15.67
Foreign Nationals	1250	0.00
Hindu Undivided Family	138922	0.35
Non Resident Indians (Non Repat)	54682	0.14
Non Resident Indians (Repat)	191774	0.48
Clearing Member	99175	0.25
Bodies Corporate	3624145	9.18
Sub-Total (B)	16207584	41.05
Total (A+B)	39479934	100.00

Dematerialisation of shares and liquidity

The equity shares of the company are available for dematerialisation with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). The equity shares of the Company have been notified by SEBI for settlement only in the demat form for all investors from 21st March, 2000.

As on 31st March 2016, 38,082,037 Equity Shares of the Company constituting over 96.46% of the issued, subscribed and paid-up share capital of the Company are held in dematerialized form and 3.54% is in Physical form. The Company's shares were regularly traded on the National Stock Exchange of India Limited and BSE Limited.

Shares held in demat and physical mode as on March 31, 2016 is as under:

Category	Number of		% to total equity
	Shareholders	Shares	
Demat Mode			
NSDL	9915	33936592	85.96%
CDSL	6562	4145445	10.50%
Total	16477	38082037	96.46%
Physical Mode	12375	1397897	3.54%
Grand Total	28852	39479934	100.00%

Outstanding GDR/ADR/warrants or any convertible instruments, conversion date and likely impact on equity

As on 31st March, 2016, there no are GDR/ADR/warrants or any convertible instruments.

Commodity Price Risk or Foreign Exchange Risk and Hedging Activity

The details are provided in Management Discussion and Analysis Report.

Service of documents through electronic mode

As a part of Green initiative, the members who wish to receive documents like the Notice convening the general meetings, Financial Statements, Directors' Report, Auditors' Report etc., through e-mail, may kindly intimate their e-mail address to Company / Registrar and Transfer Agents (for shares held in physical form) and Depository Participants (for shares held in dematerialized form).

Plant Locations

- (1) D-1, MIDC, Gokul Shirgaon, Kolhapur – 416234, Maharashtra
- (2) T-3, MIDC, Kagal, Hatkanangale, Kolhapur-416216, Maharashtra

Address for correspondence

Indo Count Industries Limited
 301, 3rd Floor, "Arcadia",
 Nariman Point,
 Mumbai – 400 021
 Phone : 022 - 4341 9500 / 501
 Fax : 022 - 2282 3098
 Email : icilinvestors@indocount.com

26. Compliance with Mandatory and Non-Mandatory Requirements

The Company has complied with all the mandatory requirements of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Non-Mandatory Requirements

<p>A. The Board</p> <p>A non-executive chairperson may be entitled to maintain a chairperson's office at the listed entity's expense and also allowed reimbursement of expenses incurred in performance of his duties.</p>	<p>The Company does not have a Non-Executive Chairman</p>
<p>B. Shareholder Rights</p> <p>A half-yearly declaration of financial performance including summary of the significant events in last six-months, may be sent to each household of shareholders.</p>	<p>As the Company's half-yearly results are published in leading English and Marathi newspapers and also uploaded on the website of the Company, hence the same are not sent to the Shareholders of the Company</p>
<p>C. Modified opinion(s) in audit report</p> <p>The listed entity may move towards a regime of financial statements with unmodified audit opinion</p>	<p>There are no qualifications in the Audit Report</p>
<p>D. Separate posts of chairperson and chief executive officer</p> <p>The listed entity may appoint separate persons to the post of chairperson and managing director or chief executive officer.</p>	<p>As on 31st March, 2016, Mr. Anil Kumar Jain is the Chairman and Managing Director of the Company. W.e.f. 9th May, 2016, Mr. Anil Kumar Jain continues to be Executive Chairman of the Company and Mr. Mohit Anilkumar Jain has been appointed as Managing Director of the Company as a part of long term succession plan.</p>
<p>E. Reporting of internal auditor</p> <p>The internal auditor may report directly to the audit committee.</p>	<p>The Internal Auditors of the Company are present in each Audit Committee Meeting and directly interacts with Audit Committee Members.</p>

On behalf of the Board of Directors

ANIL KUMAR JAIN

Executive Chairman

DIN: 00086106

Date: 8th June, 2016

Place: Mumbai

ANNEXURE I

DECLARATION ON COMPLIANCE WITH CODE OF CONDUCT

Pursuant to the requirements of SEBI (LODR) Regulations, 2015, I hereby confirm that all the Board members and Senior Management Personnel of Indo Count Industries Limited have affirmed compliance with the Code of Business Conduct and Ethics for the year ended 31st March, 2016.

For **INDO COUNT INDUSTRIES LIMITED**

MOHIT ANILKUMAR JAIN

Managing Director

DIN: 01473966

Date: 8th June, 2016

Place: Mumbai

ANNEXURE II

AUDITORS' CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE

To
The Members,
Indo Count Industries Limited

We have examined the compliance of conditions of Corporate Governance by Indo Count Industries Limited ("the Company"), for the financial year ended on 31st March 2016, as stipulated in Clause 49 of the Listing Agreement the Company with stock exchanges for the period 1st April, 2015 to 30th November, 2015 and as per relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI (LODR) Regulations, 2015") as referred to in Regulation 15(2) of SEBI (LODR) Regulations, 2015 for the period 1st December, 2015 to 31st March, 2016.

The compliance of conditions of the Corporate Governance is the responsibility of the Management. Our examination has been limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Agreement / SEBI (LODR) Regulations, 2015 as applicable.

Further, we state that such compliance is neither an assurance as to future viability of the Company nor of the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For **B.K.Shroff & Co.**
Chartered Accountants
Reg. No. : 302166E

Sanjiv Aggarwal
Partner
Membership Number : 85128

Date: 8th June, 2016
Place: New Delhi

Standalone Financial Statements

INDEPENDENT AUDITORS' REPORT

To
**The Members of
Indo Count Industries Limited**

1. Report on the Standalone Financial Statements

We have audited the accompanying Statement of Standalone Financial Statements of Indo Count Industries Limited ("the Company"), Which comprise the Balance Sheet as at 31st March, 2016, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

2. Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

3. Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

4. Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2016 and its profit and its cash flows for the year ended on that date.

5. Report on Other Legal and Regulatory Requirements

I. As required by the Companies (Auditor's Report) Order, 2016 issued by the Central Government of India in terms of Section 143(11) of the Act (hereinafter referred to as the "Order") and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the "Annexure A" a Statement on the matters specified in paragraphs 3 and 4 of the Order.

- II. As required by Section 143 (3) of the Act, we report that:
- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the directors as on 31st March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016 from being appointed as director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 21 to the financial statements;
 - ii. The Company has long-term contracts including derivative contracts, but there is no Mark to Market Losses as on balance sheet date-Refer Note 31 to the financial statements.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company-Refer Note 9 to the financial statements.

For **B.K Shroff & Co**
Chartered Accountants
Firm Registration Number : 302166E

O. P. Shroff
Partner

Mumbai, May 7, 2016

Membership Number: 6329

Annexure A referred to in Paragraph 5(I) under the heading of “Report on Other Legal and Regulatory Requirements” of our report of even date to the members of Indo Count Industries Limited on the standalone financial statements for the year ended 31st March, 2016.

- i. (a) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The fixed assets have been physically verified by the management during the year as per the phased program designed to cover all the fixed assets over a period, which in our opinion is reasonable having regard to the size of the company and nature of its assets. Discrepancies noticed on such verification, which are not material, have been properly dealt with in the books of accounts.
- (c) The title deeds of all immovable properties are in the name of the company.
- ii. As explained to us, the inventories have been physically verified by the management during the year except stocks lying with third parties in respect of whom confirmations have been obtained and the discrepancies noticed on physical verification as compared to book record, which are not material, have been properly dealt with in the books of account. In our opinion, the frequency of such verification is reasonable.
- iii. According to the information and explanations given to us, the company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the Register maintained under Section 189 of the Act.
- iv. According to the records of the company, examined by us and information and explanations given to us, the company has complied with the provisions of Sections 185 and 186 of the Act with respect to loans/guarantees given, investments made and securities provided.
- v. The company has not accepted any deposits from the public within the meaning of Sections 73 to 76 of the Act and the rules framed thereunder to the extent notified.
- vi. We have broadly reviewed the cost accounting records maintained by the company prescribed by the Central Government under Section 148(1) of the Act and are of the opinion that prima facie the prescribed records have been maintained. However, we are neither required to carry out nor have carried out detailed examination of such cost accounting records with a view to determine whether they are accurate or complete.
- vii. According to the records of the company, examined by us and information and explanations given to us:
- a) Undisputed statutory dues including provident fund, employees’ state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and others as applicable have generally been regularly deposited with the appropriate authorities except delay in few cases. There are no undisputed amounts payable in respect of aforesaid dues outstanding as at 31st March, 2016 for a period of more than six months from the date they became payable.
- b) There are no disputed dues of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax outstanding as at 31st March, 2016 except:

Sl. No.	Name of the statute	Nature of the dues	Amount (₹ in lac)	Forum where dispute is pending
1.	Central Excise Act	Cenvat Credit availed on excise duty paid	40.30	Commission of Central Excise (A), Pune
2.	Central Excise Act	Cenvat Credit availed on excise duty paid	34.24	CESTAT (Tribunal)
3.	Central Excise Act	Excise Duty	1.40	Commission of Central Excise (A)
4.	Central Excise Act	Service Tax credit availed on GTA	0.49	Commission of Central Excise (A)
5.	Central Excise Act	Rebate Claim	13.98	Commission of Central Excise (A)
6.	Central Excise Act	Service Tax credit availed on Commission	29.15	Commission of Central Excise (A)
7.	Bombay Electricity Duty Act, 1958	Electricity Duty	292.07	Supreme Court

- viii. According to the records of the Company examined by us and the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to financial institution, bank or government or dues to debenture holders.
- ix. According to the information and explanations given to us, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments). Term loans have been applied for the purposes for which they were obtained.
- x. Based on the audit procedures performed and according to the information and explanations given to us, we report that no fraud on or by the Company by its officers/employees has been noticed or reported during the year.
- xi. According to the information and explanations given to us, the company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.
- xii. The Company is not a nidhi company.
- xiii. According to the records examined by us, and information and explanations given to us, all transactions with the related parties are in compliance with Sections 188 and 177 of the Act and necessary details as required by the accounting standards have been disclosed in note 32 of the Financial Statements.
- xiv. The Company has not made any preferential allotment / private placement of shares or fully or partly convertible debentures during the year ended 31st March, 2016.
- xv. According to the records of the Company examined by us and the information and explanation given to us, the company has not entered into any non-cash transactions with directors or persons connected with him.
- xvi. According to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **B.K Shroff & Co**
Chartered Accountants
Firm Registration Number : 302166E

O. P. Shroff
Partner

Mumbai, May 7, 2016

Membership Number: 6329

Annexure - B referred to in paragraph 5(II)(f) to the Independent Auditor's Report of even date on the Standalone Financial Statements of Indo Count Industries Limited.

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Indo Count Industries Limited ("the Company") as of 31st March, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India (ICAI)". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over

financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for my /our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that:

- a) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- b) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and
- c) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material

misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were

operating effectively as at 31st March, 2016, based on “the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI”.

For **B.K Shroff & Co.**
Chartered Accountants
Firm Registration Number : 302166E

Mumbai , May 7, 2016

O. P. Shroff
Partner
Membership Number: 6329

BALANCE SHEET

AS AT 31ST MARCH, 2016

[₹ in lac]

	NOTE	As at 31-03-2016		As at 31-03-2015	
I EQUITY AND LIABILITIES					
(1) SHAREHOLDERS' FUNDS					
(a) Share Capital	2	3,947.99		4,197.99	
(b) Reserves & Surplus	3	59,135.12	63,083.11	36,086.23	40,284.22
(2) NON - CURRENT LIABILITIES					
(a) Long Term Borrowings	4	5,747.06		6,715.47	
(b) Deferred Tax Liabilities (Net)	5	5,448.54		4,011.90	
(c) Long Term Provisions	6	76.74	11,272.34	138.33	10,865.70
(3) CURRENT LIABILITIES					
(a) Short Term Borrowings	7	21,528.34		22,275.50	
(b) Trade Payables	8	12,060.51		18,282.96	
(c) Other Current Liabilities	9	15,004.21		16,810.47	
(d) Short Term Provisions	10	8,654.16	57,247.22	6,819.98	64,188.91
			1,31,602.67		1,15,338.83
II ASSETS					
(1) NON CURRENT ASSETS					
(a) FIXED ASSETS					
(i) Tangible	11	45,384.07		35,872.56	
(ii) Intangible	12	153.27		159.28	
(iii) Capital Work in Progress	13	1,064.60		1,443.89	
		46,601.94		37,475.73	
(b) Non - Current Investments	14	1,880.35		1,880.32	
(c) Long Term loans and advances	15	1,149.39	49,631.68	1,020.46	40,376.51
(2) CURRENT ASSETS, LOANS & ADVANCES					
(a) Inventories	16	28,787.93		26,412.63	
(b) Trade Receivables	17	28,928.04		20,803.98	
(c) Cash and cash equivalents	18	1,936.38		1,626.73	
(d) Short Term Loans & Advances	19	13,059.93		12,543.04	
(e) Other Current Assets	20	9,258.71	81,970.99	13,575.94	74,962.32
			1,31,602.67		1,15,338.83
See accompanying notes to the financial statements					

As per our report of even date annexed

For B.K.SHROFF & CO.,

Chartered Accountants

Reg. No. 302166E

O. P. Shroff

Partner

Membership No. 6329

Mumbai, May 7, 2016

Anil Kumar Jain

Chairman & Managing Director

DIN 00086106

R. Sundaram

Chief Financial Officer

R. N. Gupta

Joint Managing Director

DIN 00865491

Amruta Avasare

Company Secretary

STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED 31ST MARCH, 2016

[₹ in lac]

	NOTE	YEAR ENDED 31-03-2016	YEAR ENDED 31-03-2015
I Revenue from operations	22	2,03,180.51	1,61,556.28
II Other Income	23	3,896.89	6,438.43
TOTAL REVENUE		2,07,077.40	1,67,994.71
III EXPENSES			
Cost of materials consumed	24	1,04,633.53	96,477.27
Purchase of stock in Trade		-	37.84
Changes in Inventories of finished goods, Work in Process and Stock in Trade	25	112.83	(3,144.39)
Employee Benefits	26	9,553.09	7,365.41
Finance Charges	27	5,157.76	6,252.60
Depreciation and amortisation expense	28	1,819.12	1,540.01
Other Expenses	29	47,486.29	37,131.22
TOTAL EXPENSES		1,68,762.62	1,45,659.96
IV Profit Before exceptional items and taxation		38,314.78	22,334.75
V Exceptional Items	30	-	2,574.36
Profit Before tax		38,314.78	19,760.39
VI Tax expense:			
Income Tax for current year		11,602.57	4,143.85
Income Tax for earlier years		313.51	-
Deferred Tax Asset (Net)		1,436.64	5,033.08
MAT Credit Entitlement		-	(3,270.77)
MAT Credit Entitlement of earlier years		(108.45)	(49.97)
Profit for the year		25,070.51	13,904.20
VII EARNING PER SHARE	34		
Basic and diluted (₹)		63.49	37.18
See accompanying notes to the financial statements			

As per our report of even date annexed

For B.K.SHROFF & CO.,

Chartered Accountants

Reg. No. 302166E

O. P. Shroff

Partner

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Mumbai, May 7, 2016

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R. N. Gupta

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DIN 00865491

Amruta Avasare

Company Secretary

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31ST MARCH, 2016

[₹ in lac]

Particulars	For the year ended 31 March, 2016		For the year ended 31 March, 2015	
A) CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit before exceptional item and tax		38,314.78		19,760.39
Adjustments for:-				
Depreciation and amortisation		1,819.12		1,540.01
(Profit)/Loss on sale /write off of assets		(5.60)		(20.48)
Finance Cost		5,157.76		6,252.59
Interest income		(31.70)		(3.36)
VAT Refund under IPS		-		(794.58)
Loss on sale of long term investments		-		1.00
Loss on Sale of Assets		20.01		0.76
Exceptional Items		-		2,574.36
Operating profit before working capital changes		45,274.37		29,310.69
Changes in working capital:				
Adjustment for (increase)/decrease in operating assets				
Inventories	(2,375.29)		(700.21)	
Trade Receivables	(8,124.06)		(4,112.01)	
Short term loans and advances	434.93		(334.47)	
Long term loans and advances	(128.93)		(551.93)	
Other current assets	1,002.10	(9,191.25)	(2,385.11)	(8,083.73)
Adjustment for increase /(decrease) in operating liabilities				
Trade payables	(6,222.45)		(635.59)	
Other current liabilities	(1,806.25)		8,137.10	
Other long term liabilities	(61.59)		137.62	
Short - term provisions	463.14	(7,627.15)	0.16	7,639.29
Net taxes (paid)/refund received		(8,073.27)		(4,685.91)
Net Cash flow from /(used in) operating activities (A)		20,382.70		24,180.34
B) CASH FLOW FROM INVESTING ACTIVITIES				
Capital expenditure on fixed assets		(12,040.52)		(8,524.77)
Proceeds from sale of fixed assets		15.50		53.66
Proceeds from sale of long term investments		-		(1.00)
Purchase of long term investments		(0.03)		-
VAT Refund under IPS		-		794.58
Interest Received		31.70		3.36
Cash Flow from Exceptional items		-		(2,574.36)
Net Cash flow from/(used in) investing activities (B)		(11,993.35)		(10,248.53)

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31ST MARCH, 2016

[₹ in lac]

Particulars	For the year ended 31 March, 2016	For the year ended 31 March, 2015
C) CASH FLOW FROM FINANCING ACTIVITIES.		
Addition / (reduction) in share application money	-	(110.00)
Addition / (reduction) in share warrant application money	-	(125.00)
Proceeds from issue of equity shares	-	399.83
Increase in share premium	-	210.13
Redemption of preference shares	(250.00)	-
Net increase/(decrease) in long term borrowings	(968.42)	(3,007.84)
Net increase/(decrease) in short term borrowings	(747.16)	(4,587.10)
Finance Cost	(5,157.76)	(6,252.59)
Dividend on equity shares (Interim and Proposed)	(789.60)	-
Dividend distribution tax - equity shares (Interim and Proposed)	(160.74)	-
Preference Dividend	(5.00)	(10.00)
Tax on preference dividend	(1.02)	(2.11)
Net Cash flow from / (used in) financing activities (C)	(8,079.70)	(13,484.68)
Net Increase / (decrease) in cash and cash equivalents (A+B+C)	309.65	447.13
Cash and cash equivalents at the beginning of the year	1,626.73	1,179.60
Cash and cash equivalents at the end of the year	1,936.38	1,626.73
Reconciliation of cash and cash equivalents with the balance sheet		
Cash and cash equivalents as per Balance sheet	1,936.38	1,626.73
Cash and cash equivalents at the end of the year Comprises of:		
(a) cash on hand	24.51	23.30
(b) balance with banks		
i) In Current accounts	1,525.26	1,568.49
ii) In Earmarked Accounts	386.61	34.94

As per our report of even date annexed

For B.K.SHROFF & CO.,

Chartered Accountants

Reg. No. 302166E

O. P. Shroff

Partner

Membership No. 6329

Mumbai, May 7, 2016

Anil Kumar Jain

Chairman & Managing Director

DIN 00086106

R. Sundaram

Chief Financial Officer

R. N. Gupta

Joint Managing Director

DIN 00865491

Amruta Avasare

Company Secretary

NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2016

1. Significant Accounting Policies :

(a) Method of Accounting

- i) The accounts are prepared under the historical cost convention using the accrual method of accounting unless otherwise stated hereinafter.
- ii) Accounting policies not significantly referred to are consistent with generally accepted accounting principles.

(b) Use of Estimates

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known/ materialized.

(c) Fixed Assets

Fixed assets are stated at cost except for land, plant & machinery (other than of electronics division) and buildings which have been shown at revalued amount. Cost is inclusive of inward freight, duties & taxes and incidental expenses related to acquisition. In respect of major projects involving construction, related pre-operational, start-up and trial run expenses form part of the value of the assets capitalised. As per practice, expenses incurred on modernisation / debottlenecking / relocation / relining of plant & equipment are capitalised. Fixed assets, other than leasehold land, acquired on lease are not treated as assets of the company and lease rentals are charged off as revenue expenses.

Consideration is given at each balance sheet date to determine whether there is any indication of impairment of the carrying amount of the company's fixed assets. If any indication exists, an asset's recoverable amount is estimated. An impairment loss is recognized whenever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value based on an appropriate discount factor.

(d) Capital Work-in Progress

All expenditure including interest cost incurred during the project construction period are accumulated and disclosed as capital work-in-progress until the assets are ready for commercial use. Assets under construction are not depreciated. Income earned from investment of surplus

borrowed funds during construction/trial run period is reduced from capital work-in-progress. Expenditure/ income arising during trial run is added to/ reduced from capital work-in-progress.

(e) Investments

Long term investments are stated at cost. Provision for diminution in the value of long term investments is made only if such a decline is other than temporary in the opinion of the management.

Current investments are stated at lower of cost and quoted / fair value.

(f) Inventories

Inventories are valued at lower of cost or net realizable value except for waste.

Cost of raw materials, stores and spares, and dyes and chemicals are determined at weighted average method.

Finished goods and stock in process include cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

Wastage and rejections are valued at estimated realizable value.

Obsolete, defective and unserviceable stocks are duly provided for.

The closing stock of units partly comprises of such materials lying in finished or semi-finished stage. The mode of valuation referred to 'Weighted Average Cost' represents cost worked out by taking into account the price charged by such units.

(g) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of cost of that asset. Other borrowing costs are recognized as an expense in the period in which they are incurred.

(h) Excise Duty

Provision for excise duty is made on waste and finished goods lying in bonded warehouse and meant for sale in domestic tariff area. CENVAT benefit is accounted for by reducing the purchase cost of the material / Fixed assets.

(i) Retirement and other employee related benefits

i) Short term Employee Benefits

All employee benefits payable only within twelve months of rendering the service are classified as short-

NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2016

term employee benefits. Benefits such as salaries, wages, etc. and the expected cost of bonus, exgratia, incentives are recognized in the period during which the employee renders the related service.

ii) Post employment Benefits

a) Defined Contribution Plans

State Government Provident Fund Scheme is a defined contribution plan. The contribution paid/payable under the scheme is recognized in the profit & loss account during the period in which the employee renders the related service.

b) Defined Benefit Plans

The employee Gratuity Fund Scheme and Leave Encashment Scheme managed by different trusts are defined benefit plans. The present value of obligation under such defined benefit plans are determined based on actuarial valuation under the projected unit credit method which recognizes each period of service as giving rise to additional unit of employees benefits entitlement and measures each unit separately to build up the final obligation.

The obligations are measured at the present value of future cash flows. The discount rates used for determining the present value having maturity periods approximated to the returns of related obligations.

Actuarial gains and losses are recognized immediately in the profit & loss account.

In case of funded plans, the fair value of the planned assets is reduced from the gross obligation under the defined benefit plans to recognize the obligation on net basis.

(j) Research and Development

Revenue expenditure on research and development is charged against the profit of the year in which it is incurred. Capital expenditure on research & development is shown as an addition to fixed assets.

(k) Depreciation

Depreciation is calculated on fixed assets on straight-line method in accordance with Schedule II to the Companies Act 2013. Leasehold assets are depreciated over the lease period. Software system is amortized over a period of five years. Depreciation on amount of additions made to cost

of fixed assets on account of foreign exchange fluctuation is provided prospectively over the residual life of the fixed assets.

Depreciation on revalued assets is calculated on straight line method over the residual life of the respective assets as estimated by the valuer. The additional charge for depreciation on account of revaluation is withdrawn from the revaluation reserve and credited to the profit & loss account.

(l) Foreign Currency Transactions, Derivatives instruments and hedge accounting

Transactions in foreign currency other than those covered by forward contracts are accounted for at the prevailing conversion rates at the close of the year and difference arising out of the settlement are dealt with in the Profit & Loss account. Outstanding export documents when covered by foreign exchange forward contracts are translated at contracted rates. Foreign currency loans availed for acquisition of fixed assets are restated at the exchange rate prevailing at year end and exchange rate difference arising on such transactions are adjusted to the cost of fixed assets. Other foreign currency current assets and liabilities outstanding at the close of the year are valued at the year end exchange rates. The fluctuations are reflected under the appropriate revenue head.

The company uses foreign currency forward contracts and currency options to hedge its risks associated with foreign currency fluctuations relating to certain firm commitments and forecasted transactions. The company designates these hedging instruments as cash flow hedges applying the recognition and measurement principles set out in the Accounting Standard 30 'Financial Instruments: Recognition and Measurement' (AS-30).

Changes in the fair value of derivatives financial instruments that do not qualify for hedge accountings are recognized in profit & loss account as they arise.

Hedging instruments are initially measured at fair value. Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. If a hedge transaction is no longer expected to occur, the net cumulative gain or loss is recognized in profit & loss account for the year.

(m) Revenue Recognition

Sales are accounted for ex-factory on despatch and do not include excise duty.

NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2016

(n) Claims & Benefits

Claims recoverable and export incentives / benefits are accounted on accrual basis to the extent considered recoverable. Export incentives / benefits include premium on import licence, sales tax, etc.

(o) Subsidy

Subsidy is recognized when there is reasonable assurance that the subsidy will be received and conditions attached to it are complied with.

Government subsidy in the nature of promoter's contribution is credited to capital reserve. Subsidy received against a specific asset is reduced from the cost of the asset.

(p) Income from Investment / Deposits

Income from investments / deposits is credited to revenue in the year in which it accrues. Income is stated in full with the tax thereon being accounted for under income tax deducted at source.

(q) Taxation

Provision for current tax is made by applying the applicable tax rates and tax laws. Deferred Taxation is provided using the liability method in respect of the taxation effect arising from all material timing differences between the accounting and tax treatment of income and expenditure which are expected with reasonable probability to crystallize in the foreseeable future. Deferred tax benefits are recognized in the financial

statements only when such benefits are reasonably expected to be realizable in the near future.

(r) Earnings per share

Basic earning per share is calculated by dividing the net profit for the period attributable to equity shareholders by the weighted average number of equity share outstanding during the year.

Diluted earning per share is calculated by dividing the net profit attributable to equity shareholders by the weighted average number of equity share outstanding during the year adjusted for the effects of dilutive options.

(s) Operating Leases

Operating lease receipts and payments are recognized as income or expense in the profit & loss account on a

Straight - line basis over the lease term.

(t) Events occurring after balance sheet date

Events occurring after the balance sheet date have been considered in the preparation of the financial statements.

(u) Contingent Liabilities

Contingent liabilities as defined in Accounting Standard-29 are disclosed by way of notes to accounts. Provision is made if it becomes probable that an outflow of future economic benefit will be required for an item previously dealt with as a contingent liability.

NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2016

2. SHARE CAPITAL

Particulars		No. of Shares		₹. in lac	
		As at 31.03.2016	As at 31.03.2015	As at 31.03.2016	As at 31.03.2015
a) Authorised					
Equity Shares of ₹. 10 each					
At the beginning of the period		55,000,000	55,000,000	5,500.00	5,500.00
At the end of the period	A	55,000,000	55,000,000	5,500.00	5,500.00
Preference Shares of ₹. 10 each					
At the beginning of the period		5,000,000	5,000,000	500.00	500.00
At the end of the period	B	5,000,000	5,000,000	500.00	500.00
TOTAL	A+B	60,000,000	60,000,000	6,000.00	6,000.00
b) Issued, Subscribed and Paid up					
Equity Shares of ₹. 10 each					
At the beginning of the period		39,479,934	35,481,634	3,947.99	3,548.16
Add: Additions during the period *		-	3,998,300	-	399.83
At the end of the period	A	39,479,934	39,479,934	3,947.99	3,947.99
4% Preference Shares of ₹. 10 each fully paid up **					
At the beginning of the period		2,500,000	2,500,000	250.00	250.00
Less: Reduction during the period		2,500,000	-	250.00	-
At the end of the period	B	-	2,500,000	-	250.00
TOTAL	A+B	39,479,934	41,979,934	3,947.99	4,197.99

* (i) The Shareholders of the Company in their Extra Ordinary General Meeting held on 17-11-2012 accorded their approval for issue and allotment of 11,00,000 equity shares of ₹ 10/- each on preferential basis to promoter group companies. The allotment has been made on 10-04-2014.

(ii) The Shareholders of the Company in their Extra Ordinary General Meeting held on 11-09-2013 accorded their approval for issue and allotment of 28,98,300 equity share warrants at ₹ 17.25 each (including premium of ₹ 7.25 each) on preferential basis to promoter group. The Company allotted 28,98,300 equity shares at a premium of ₹ 7.25 each on 20-12-2014 which shall be subject to a lock-in period of 3 years as specified under Regulation 78 of Chapter VII of the SEBI ICDR Regulations, 2009.

** 4 % Cumulative Non-Convertible Redeemable Preference shares redeemed at par by the company on 30-09-2015.

Terms / rights attached to equity shares

- (i) The Company has only one class of equity shares having a par value of ₹ 10/- per share. Each holder of equity shares is entitled to one vote per share, The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.
- (ii) In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts: The distribution will be in proportion to the number of equity shares held by the shareholders.

Details of equity shares in the company held by each shareholder holding more than 5% of shares is as under:

Name of the Shareholder	No. of Shares			
	As at 31.03.2016	percentage	As at 31.03.2015	percentage
Indocount Securities Limited	6,208,277	15.73%	6,208,277	15.73%
Sandridge Investments Limited (Formerly Swastik Investment Corporation)	12,400,491	31.41%	12,400,491	31.41%
Elm Park Fund Ltd.	2,717,161	6.88%	2,717,161	6.88%

Details of preference shares in the company held by each shareholder holding more than 5% of shares is as under:

Name of the Shareholder	No. of Shares			
	As at 31.03.2016	percentage	As at 31.03.2015	percentage
Tozai Enterprises Pvt. Ltd.	-	-	2,500,000	100%

NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2016

3. RESERVES & SURPLUS

₹ in lac

Particulars		As at 31.03.2016	As at 31.03.2015
Capital Reserve			
At the beginning of the period		198.81	198.81
At the end of the period	A	198.81	198.81
Capital Redemption Reserve			
At the beginning of the period		-	-
Add: Transferred from profit & loss account		250.00	-
At the end of the period	B	250.00	-
Share Premium			
At the beginning of the period		1,653.72	1,443.59
Add: Additions during the period **		-	210.13
At the end of the period	C	1,653.72	1,653.72
Debenture Redemption Reserve			
At the beginning of the period		750.00	750.00
Less: Transferred to general reserve		750.00	-
At the end of the period	D	-	750.00
General Reserve			
At the beginning of the period		-	-
Add: Transferred from Debenture Redemption Reserve		750.00	-
At the end of the period	E	750.00	-
Revaluation Reserve			
At the beginning of the period		9,009.84	10,141.46
Less: Reduction during the period		1,065.26	1,131.62
At the end of the period	F	7,944.58	9,009.84
Profit & Loss Account			
At the beginning of the period		24,473.86	10,670.30
Add: Profit / Loss for the period		25,070.51	13,904.20
Less: Adjustment on account of depreciation (net of deferred tax asset of ₹ 42.52 lac) on revision of useful life of fixed assets in terms of schedule II to the Companies Act, 2013.		-	(88.53)
Less: Transfer to Capital Redemption Reserve		(250.00)	-
Less: Dividend on preference shares		(5.00)	(10.00)
Less: Dividend distribution Tax - preference shares		(1.02)	(2.11)
Less: Interim Dividend on equity shares		(394.80)	-
Less: Proposed Final Dividend on equity shares		(394.80)	-
Less: Dividend distribution Tax - equity shares (Interim and Final Dividend)		(160.74)	-
At the end of the period	G	48,338.01	24,473.86
TOTAL (A + B + C + D + E + F + G)		59,135.12	36,086.23

** The Shareholders of the Company in their Extra Ordinary General Meeting held on 11-09-2013 accorded their approval for issue and allotment of 28,98,300 equity share warrants at ₹ 17.25 each (including premium of ₹ 7.25 each) on preferential basis to promoter group. The Company allotted 28,98,300 equity shares at a premium of ₹ 7.25 each on 20-12-2014 which shall be subject to a lock-in period of 3 years as specified under Regulation 78 of Chapter VII of the SEBI ICDR Regulations, 2009.

NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2016

4. LONG TERM BORROWINGS (SECURED)

₹ in lac

Particulars	As at 31.03.2016	As at 31.03.2015
1) DEBENTURES (a)		
10 % 300 Secured redeemable non convertible debentures of ₹ 10.00 lac each	-	744.00
((reduced by instalments paid till date ₹ 3,000 lac (previous year ₹ 1,866 lac) and amounts appearing in current maturities of long term debts ₹ Nil (previous year ₹ 390 lac))		
2) TERM LOAN		
Rupee loans		
From Banks (a)	2,819.72	3,071.84
From Financial Institutions (a)	457.29	961.16
3) Hire Purchase Finance (b)	-	76.08
4) Foreign Currency Loan		
Buyers Credit (c)	2,470.05	1,862.39
TOTAL	5,747.06	6,715.47

- a) Secured by first pari-passu charge by way of mortgage of all immovable properties and by second pari-passu charge on hypothecation of all movable properties and current assets (save and except stocks and book debts and moveables of electronic division) both present and future. Loans (including amounts appearing in current maturities of long term debts of ₹ 988.94 lac, previous year ₹ 2,071.95 lac).
- b) Secured against hypothecation of Vehicles acquired under Auto Loan Schemes (including amounts appearing in current maturities of long term debts ₹ Nil, previous year ₹ 24.09 lac)
- c) Secured against machinery acquired, (including amount appearing in current maturity of long term debts ₹ 568.08 lac, previous year ₹ 441.22 lac).

Long Term Loans Repayment Schedule

₹ in lac

Particulars	Maturity Profile					
	1-2 Years	2-3 Years	3-4 Years	4-5 Years	5-6 Years	6-7 Years
TERM LOAN						
Rupee Loans:						
From Banks	522.48	522.48	522.48	522.48	522.48	207.31
From Financial Institutions	457.29	-	-	-	-	-
Foreign Currency Loan:						
Buyers Credit	662.54	662.54	662.54	293.54	188.90	-
TOTAL	1,642.31	1,185.02	1,185.02	816.02	711.38	207.31

NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2016

5. DEFERRED TAX ASSETS / (LIABILITY)

As required under Accounting standard (AS-22), 'Accounting for taxes on income' issued by the Institute of Chartered Accountants of India, the Company is required to account for deferred taxation while preparing its accounts. The details of deferred tax assets / liabilities are as under:

₹ in lac

Particulars		As at 01.04.2015	Tax effect for the period	As at 31.03.2016
Deferred Tax liability				
Fixed Assets		(4,141.21)	(1,434.37)	(5,575.58)
	A	(4,141.21)	(1,434.37)	(5,575.58)
Deferred Tax Assets				
Others		129.31	(2.27)	127.04
	B	129.31	(2.27)	127.04
Net Deferred Tax Assets/(Liability)	A-B	(4,011.90)	(1,436.64)	(5,448.54)

Deferred tax asset in respect of long term capital losses of ₹ 67.49 lac (previous year ₹ 67.49 lac) has not been recognised in view of uncertainty of its realisation.

6. LONG TERM PROVISIONS

₹ in lac

Particulars	As at 31.03.2016	As at 31.03.2015
Employee Benefits	76.74	138.33
TOTAL	76.74	138.33

7. SHORT TERM BORROWINGS (SECURED)

₹ in lac

Particulars	As at 31.03.2016	As at 31.03.2015
Loans repayable on Demand		
From Banks (a)		
- In Rupees	21,528.34	21,025.50
- In Foreign Currency	-	1,250.00
TOTAL	21,528.34	22,275.50

(a) Secured by first pari-passu charge on hypothecation of Inventories and Trade Receivables and further secured by second charge on Fixed Assets both present and future and personally guaranteed by the Executive Chairman.

NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2016

8. TRADE PAYABLES

₹ in lac

Particulars	As at 31.03.2016	As at 31.03.2015
Total outstanding dues of Micro Enterprises and Small Enterprises (a)	-	-
Others	12,060.51	18,282.96
TOTAL	12,060.51	18,282.96

(a) The company has not received any intimation from other suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures, if any, relating to amounts unpaid as at the year end together with interest paid/payable as required under the said Act have not been given.

9. OTHER CURRENT LIABILITIES

₹ in lac

Particulars	As at 31.03.2016	As at 31.03.2015
Current Maturities of Long Term Debts	1,557.02	4,024.42
Interest accrued and due on borrowings	55.55	223.68
Acceptances	6,125.05	6,009.99
Buyer's Credit	220.31	-
Security deposit	160.57	46.61
Advance from Customers	377.03	113.96
Unpaid Dividend*	9.64	-
Other Payables	6,499.04	6,391.81
TOTAL	15,004.21	16,810.47

* There are no amounts due and outstanding to be credited to Investor Education and Protection Fund.

10. SHORT TERM PROVISIONS

₹ in lac

Particulars	As at 31.03.2016	As at 31.03.2015
Provision for Income Tax (net of ₹ 3,423.57 lac transferred from MAT credit entitlement)	8,178.99	6,807.94
Dividend on Preference Shares	-	10.00
Dividend on Equity Shares	394.80	-
Tax on Dividend - Equity Shares	80.37	2.04
TOTAL	8,654.16	6,819.98

NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2016

11. FIXED ASSETS - TANGIBLE

₹ in lac

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 01-04-2015	Additions **	Sales / Adjustment	As at 31.03.2016	As at 01-04-2015	For the period	Sales / Adjustment	As at 31.03.2016	As at 31.03.2016	As at 31.03.2015
a) At cost										
Land - Leasehold	52.66	-	-	52.66	10.49	0.50	-	10.99	41.67	42.17
Land - Freehold	220.45	-	-	220.45	-	-	-	-	220.45	220.45
Buildings *	6,626.34	1,831.64	-	8,457.98	2,388.12	205.84	-	2,593.96	5,864.02	4,238.22
Plant & Machinery	40,126.84	10,248.13	195.95	50,179.02	18,403.59	1,414.15	167.15	19,650.59	30,528.43	21,723.25
Furniture & Fixtures	410.88	29.25	-	440.13	188.15	42.90	-	231.05	209.08	222.73
Factory & Office Equipments	634.72	226.06	13.35	847.43	393.32	73.33	12.69	453.96	393.47	241.40
Vehicles	285.01	36.06	9.16	311.91	110.51	27.73	8.70	129.54	182.37	174.50
b) At revalued cost										
Land - Leasehold	774.72	-	-	774.72	23.25	3.58	-	26.83	747.89	751.47
Buildings	1,489.46	-	-	1,489.46	282.45	43.86	-	326.31	1,163.15	1,207.01
Plant & Machinery	13,504.11	-	164.77	13,339.34	6,452.75	952.31	99.26	7,305.80	6,033.54	7,051.36
TOTAL	64,125.19	12,371.14	383.23	76,113.10	28,252.63	2,764.20	287.80	30,729.03	45,384.07	35,872.56
Previous Year	57,524.91	7,109.99	509.71	64,125.19	25,975.54	2,634.28	357.19	28,252.63		

Includes

- *a) 10 shares of ₹ 50/- each of Arcadia Premises Co-operative Society Ltd.
 b) 10 shares of ₹ 50/- each of Vardhmann Industrial Complex Premises Co-op. Housing Society Ltd.
 ** Includes addition on account of foreign exchange fluctuations ₹ 165.25 lac (previous year ₹ Nil)

Notes :

- i) The company revalued its land, buildings and plant & machinery (except for electronics division and 2 D.G. sets of spinning division) as on 01-10-2008 based on the valuation made by an approved valuer. Accordingly, the original cost of such assets resulted in gross increase in the value of assets over their original cost by ₹ 14,365.45 lac (excluding the assets sold till 31-03-2016), increase in depreciation upto 31-03-2016 on revaluation by ₹ 6,937.02 lac and thereby net revaluation reserve as at 31-03-2016 is ₹ 7,428.43 lac.
- ii) Revaluation of 2 D.G. sets of spinning division was carried out on 01-04-2009 by an approved valuer. The revaluation resulted in a gross increase in the value of assets over their original cost by ₹ 1,238.07 lac (excluding the assets sold till 31-03-2016), increase in depreciation up to 31-03-2016 on revaluation by ₹ 721.92 lac and thereby net revaluation reserve as at 31-03-2016 is ₹ 516.15 lac.

12. FIXED ASSETS - INTANGIBLE

₹ in lac

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 01-04-2015	Additions	Sales / Adjustment	As at 31.03.2016	As at 01-04-2015	For the period	Sales / Adjustment	As at 31.03.2016	As at 31.03.2016	As at 31.03.2015
Software	242.82	45.05	-	287.87	102.61	49.62	-	152.23	135.64	140.21
Patents	24.45	3.61	-	28.06	5.38	5.05	-	10.43	17.63	19.07
TOTAL	267.27	48.66	-	315.93	107.99	54.67	-	162.66	153.27	159.28
Previous Year	263.76	3.51	-	267.27	58.18	49.81	-	107.99		

NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2016

13. CAPITAL WORK IN PROGRESS

Capital work in progress does not include capital advances ₹ 886.75 lac (previous year ₹ 884.53 lac).

14. NON CURRENT INVESTMENTS

Particulars	No. of Shares		₹ in lac	
	As at 31.03.2016	As at 31.03.2015	As at 31.03.2016	As at 31.03.2015
- Quoted				
Non - Trade Investments - Long Term				
In fully paid up equity shares of ₹. 10 each				
Subsidiary Company				
Pranavadiya Spinning Mills Limited	14,341,280	14,341,280	1,434.13	1,434.13
SUB TOTAL	A		1,434.13	1,434.13
- Unquoted				
Non - Trade Investments - Long Term				
Subsidiary Company				
Indocount Global Inc, USA	800	800	446.19	446.19
Others				
The Shamrao Vittal Co-op. Bank Ltd.	260	-	0.03	-
SUB TOTAL	B		446.22	446.19
TOTAL	A+B		1,880.35	1,880.32
Aggregate value of :				
Quoted investments			1,434.13	1,434.13
Unquoted investments			446.22	446.19
Market value of Quoted investments			4,302.38	3,771.76

15. LONG TERM LOANS & ADVANCES

(Unsecured-considered good)

₹ in lac

Particulars	As at 31.03.2016	As at 31.03.2015
Capital Advances	886.75	884.53
Security Deposits	262.64	135.93
TOTAL	1,149.39	1,020.46

NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2016

16. INVENTORIES

₹ in lac

Particulars	As at 31.03.2016	As at 31.03.2015
Stores & Spares *	1,391.00	1,565.31
Raw Materials **	10,360.28	7,532.65
Dyes and Chemicals ***	296.59	461.78
Waste	11.16	19.14
Work in Progress	11,837.49	10,725.91
Finished Goods	4,891.41	6,107.84
TOTAL	28,787.93	26,412.63

* includes goods in transit ₹ 24.25 lac (previous year ₹ 69.20 lac)

** includes goods in transit ₹ 1,957.31 lac (previous year ₹ 1,131.78 lac)

*** includes goods in transit ₹ 20.27 lac (previous year ₹ 7.95 lac)

17. TRADE RECEIVABLES

(Unsecured-considered good)

₹ in lac

Particulars	As at 31.03.2016	As at 31.03.2015
Exceeding Six Months	317.02	-
Others *	28,611.02	20,803.98
TOTAL	28,928.04	20,803.98

* Includes amount receivable from Foreign Subsidiary Company ₹ 12,183.58 lac (previous year ₹ 10,243.91 lac)

18. CASH & CASH EQUIVALENTS

₹ in lac

Particulars	As at 31.03.2016	As at 31.03.2015
Cash in hand	24.51	23.30
Balances with Banks		
In Current Accounts *	1,525.26	1,568.49
Held as margin / Fixed deposits **	386.61	34.94
TOTAL	1,936.38	1,626.73

* Includes balance in current account with The Kolhapur Urban Co-operative Bank Ltd. ₹ 1.68 lac (previous year ₹ 1.64 lac) maximum amount outstanding anytime during the year ₹ 7.33 lac (previous year ₹ 6.05 lac)

** Includes receipts for ₹ 0.01 lac (previous year ₹ 0.01 lac) lodged with Sales Tax Department

** Fixed deposits with maturity within 12 months is ₹ 291.70 lac (previous year ₹ 34.52 lac)

NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2016

19. SHORT TERM LOANS & ADVANCES

(Unsecured-considered good)

₹ in lac

Particulars	As at 31.03.2016	As at 31.03.2015
Advance Income Tax (including tax deducted at source)	7,954.15	7,002.33
Others	5,105.78	5,540.71
TOTAL	13,059.93	12,543.04

20. OTHER CURRENT ASSETS

(Unsecured-considered good)

₹ in lac

Particulars	As at 31.03.2016	As at 31.03.2015
MAT Credit entitlement (net of ₹ 3,423.57 lac transferred to Provision for Income Tax)	2,761.25	6,076.37
Export Incentives / Claims recoverable	6,495.82	7,498.57
Interest accrued on Loans & Deposits	1.64	1.00
TOTAL	9,258.71	13,575.94

21. CONTINGENT LIABILITIES AND COMMITMENTS

(to the extent not provided for)

A. Contingent Liabilities

₹ in lac

Particulars	As at 31.03.2016	As at 31.03.2015
i) Amount outstanding in respect of export bills discounted under Export Letters of Credit (Since realised ₹ 1,361.85 lac, previous year ₹ 1,427.53 lac)	3,795.72	3,328.93
ii) Bank Guarantees	583.38	699.74
iii) Claims against the company not acknowledged as debts against which payments made ₹ 66.22 lac (previous year ₹ 66.22 lac)	228.50	180.96
iv) CSR Expenses	201.56	76.84
v) Corporate guarantee given to a foreign bank outside India for securing financial assistance to:		
- Foreign Subsidiary	6,294.23	5,312.50

(a) In terms of EPCG Licence issued, the company has undertaken an export obligation for ₹ 43,114 lac, which is to be fulfilled over a period of 8 years. The company has completed the export obligation to the extent of ₹ 41,228 lac till the year end, of which licenses of ₹ 35,662 lac redeemed by the DGFT and the application for redemption of license submitted for ₹ 5,566 lac. The balance export obligation for ₹ 1,886 lac is to be fulfilled over a period of 8 years.

(b) In terms of advance license obtained for import of raw materials the company has undertaken an export obligation for USD 2.947 Mn. which is to be fulfilled over a period of 2 years. The company has completed the obligation to the extent of USD 1.991 Mn. The license redeemed by the DGFT amounting to USD 0.214 Mn. The balance obligation of USD 0.956 Mn. is to be fulfilled over a period of 1 year.

NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2016

- (c) Under the package scheme of incentives of Government of Maharashtra for Mega Projects, the company is eligible for VAT and Electricity duty refund benefits. However, if it contravenes any of the conditions of the scheme or eligibility certificate of entitlement or agreement, it shall repay forthwith the entire benefits drawn / availed alongwith interest thereon together with costs, charges and expenses thereon.
- (d) No provision has been made in the accounts towards electricity duty on electricity generated for captive use during the period 01-04-2000 to 30-04-2005 amounting to ₹ 292.07 lac (previous year ₹ 292.07 lac) excluding interest, as the company has won the case against MSEDCL vide order number 2204 of 2007 dated 07-11-2009 of the Hon'ble High Court of Jurisdiction at Bombay whereby it was decided that no such duty is payable. MSEDCL has taken up this matter before Supreme Court with condonation of delay and matter is yet to be heard. As the matter is subjudice, the management feels that no provision is necessary.

B. Commitments

₹ in lac

Particulars	As at 31.03.2016	As at 31.03.2015
a) Estimated amount of contracts (net of advances) remaining to be executed on capital account and not provided for	302.36	3,181.27
b) Letter of credits opened for which the material has not yet been shipped	677.56	453.72

22. REVENUE FROM OPERATIONS

₹ in lac

Particulars	For the period 01.04.2015 to 31.03.2016	For the period 01.04.2014 to 31.03.2015
Gross Sales of Products (a), (b)	1,86,159.20	1,49,609.46
Less: Excise Duty	-	725.85
Net Sales	1,86,159.20	1,48,883.61
Sale of Services	18.11	7.36
Export Incentives / Benefits	17,003.20	12,665.31
Revenue from Operations	2,03,180.51	1,61,556.28

- a) Includes sale to Foreign subsidiary ₹ 31,605.14 lac (previous year ₹ 20,950.06 lac)
- b) Includes sale to Indian subsidiary ₹ 84.66 lac (previous year 17.50 lac)

NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2016

23. OTHER INCOME

₹ in lac

Particulars	For the period 01.04.2015 to 31.03.2016	For the period 01.04.2014 to 31.03.2015
Interest Banks *	7.12	3.10
Interest Others **	24.59	0.26
VAT Refund under IPS	-	794.58
TUFS Subsidy received	222.11	382.38
Miscellaneous Receipts and Incomes	39.42	12.44
Insurance claim received	8.54	25.83
Profit on sale of assets	5.60	20.48
Exchange rate difference (Net)	2,017.09	5,007.67
Rent received	1.80	0.24
Provision for diminution in value of investments /written back	-	1.00
Sundry balances / Excess provision written back (Net)	54.48	16.59
Liability no longer payable written back	1,516.14	173.86
TOTAL	3,896.89	6,438.43

* Includes tax deducted at source ₹ 0.89 lac (previous year ₹ 0.28 lac)

** Includes tax deducted at source ₹ 0.32 lac (previous year ₹ 0.04 lac)

24. COST OF MATERIALS CONSUMED

₹ in lac

Particulars	For the period 01.04.2015 to 31.03.2016	For the period 01.04.2014 to 31.03.2015
Raw material & Components consumed		
Opening Stock	7,532.65	10,649.67
Add : Purchases *	1,05,503.85	93,360.25
SUB - TOTAL	1,13,036.50	1,04,009.92
Less : Closing Stock	8,402.97	7,532.65
COST OF SALES	1,04,633.53	96,477.27

* Includes purchases from a Indian Subsidiary Company ₹ 27.21 lac (previous year ₹ 46.54 lac)

NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2016

25. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK IN TRADE

₹ in lac

Particulars		For the period 01.04.2015 to 31.03.2016	For the period 01.04.2014 to 31.03.2015
CLOSING STOCK			
Finished Goods		4,891.41	6,107.84
Stock in Process		11,837.49	10,725.91
Waste		11.16	19.14
SUB - TOTAL	A	16,740.06	16,852.89
LESS : OPENING STOCK			
Finished Goods		6,107.84	5,667.82
Stock in Process		10,725.91	7,991.80
Waste		19.14	48.88
SUB - TOTAL	B	16,852.89	13,708.50
(INCREASE)/ DECREASE IN STOCK	B-A	112.83	(3,144.39)

26. EMPLOYEE BENEFITS EXPENSE

₹ in lac

Particulars		For the period 01.04.2015 to 31.03.2016	For the period 01.04.2014 to 31.03.2015
Salaries & Wages		6,926.38	5,597.72
Director's Remuneration		1,625.73	1,011.35
Contribution to Provident & Other Funds		561.81	396.56
Gratuity		159.32	134.14
Staff Welfare Expenses		226.84	175.80
Recruitment & Training expenses		53.01	49.84
TOTAL		9,553.09	7,365.41

EMPLOYEE POST RETIREMENT BENEFITS

₹ in lac

Particulars	For the period 01.04.2015 to 31.03.2016		For the period 01.04.2014 to 31.03.2015	
During the year, the following contribution have been made under defined contribution plans:-				
Employer's Contribution to Provident Fund		164.80		210.95
Employer's Contribution to Employees Pension Scheme		198.21		89.88
Employer's Contribution to Employees State Insurance		1.93		2.14
Defined Benefit Plans	Gratuity	Leave Benefit	Gratuity	Leave Benefit
i) Assumptions				
Discount Rate	8%	8%	8%	8%
Salary Escalation	4%	4%	4%	4%

NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2016

Particulars	For the period		For the period	
	01.04.2015 to 31.03.2016		01.04.2014 to 31.03.2015	
ii) Table showing changes in present value of obligations				
Present value of obligation as at beginning of the year	807.79	248.15	665.52	140.71
Interest cost	65.87	20.92	53.24	11.26
Current Service Cost	87.53	125.31	54.46	23.55
Benefits Paid	(42.93)	(15.05)	(38.26)	(14.63)
Actuarial (gain)/loss on obligation	80.89	(164.53)	72.83	87.26
Present value of obligations as at end of year	999.16	214.79	807.79	248.15
iii) Table showing changes in the present value of planned assets				
Fair value of planned assets at the beginning of year	743.65	173.96	672.08	147.23
Expected return on planned assets	73.05	30.53	59.25	14.29
Contributions	148.65	174.23	50.58	27.07
Benefits paid	(42.93)	(15.05)	(38.26)	(14.63)
Actuarial gain / (Loss) on planned assets	-	-	-	-
Fair value of planned assets at the end of year	922.42	363.67	743.65	173.96
iv) Table showing fair value of planned assets				
Fair value of planned assets at the beginning of year	743.65	173.96	672.08	147.23
Actual return on planned assets	58.01	30.53	59.25	14.29
Contributions	148.65	174.23	50.58	27.07
Benefits paid	(40.30)	(15.05)	(38.26)	(14.63)
Actuarial (gain)/loss on planned asset	-	-	-	-
Fair value of planned assets at the end of year	922.42	363.67	743.65	173.96
Funded status	(76.74)	148.88	(64.14)	(74.19)
v) Actuarial Gain / Loss recognized				
Actuarial (gain) / Loss for the year – obligation	(80.89)	164.53	(72.83)	(87.26)
Actuarial (gain)/Loss for the year – planned assets	-	-	-	-
Total (gain) / Loss for the year	80.89	(164.53)	72.83	87.26
Actuarial (gain) / Loss recognized in the year)	80.89	(164.53)	72.83	87.26
vi) The amounts to be recognized in the balance sheet and statements of Profit & loss				
Present value of obligations as at the end of year	999.16	214.71	807.79	248.15
Fair value of planned assets as at the end of the year	922.42	363.67	743.65	173.96
Funded status	(76.74)	148.88	64.14	74.19
Net Asset / (Liability) recognized in balance sheet	(76.74)	148.88	(64.14)	(74.19)
vii) Expenses recognized in statement of Profit & Loss				
Current services cost	71.90	111.98	54.46	23.55
Interest cost	65.87	20.92	53.24	11.26
Expected return on planned assets	(65.53)	(27.32)	(59.25)	(14.29)
Net Actuarial (gain)/Loss recognized in the year	80.89	(164.53)	72.83	87.26
Expenses recognized in statement of P&L	153.14	(58.96)	121.28	107.78

The Estimates of rate of future salary increase takes into account inflation, seniority, promotion and other relevant factors on long term basis.

The discount rate is generally based upon the market yields available on Government bonds at the accounting date with a term that matches that of liability. The above information is certified by the actuary.

NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2016

27. FINANCE COSTS

₹ in lac

Particulars	For the period 01.04.2015 to 31.03.2016	For the period 01.04.2014 to 31.03.2015
Interest Expense		
-On Debentures	83.23	168.12
-On Term Loans	848.68	1,257.19
-On Working Capital Term Loans	8.58	172.91
-Banks	3,122.63	3,613.66
-Others	7.24	88.36
Bank Charges	754.50	794.50
Finance procurement charges	332.90	157.86
TOTAL	5,157.76	6,252.60

28. DEPRECIATION & AMORTISATION EXPENSE

₹ in lac

Particulars	For the period 01.04.2015 to 31.03.2016	For the period 01.04.2014 to 31.03.2015
Depreciation	2,884.38	2,671.63
Less : Transfer to Revaluation Reserve	1,065.26	1,131.62
TOTAL	1,819.12	1,540.01

29. OTHER EXPENSES

₹ in lac

Particulars	For the period 01.04.2015 to 31.03.2016	For the period 01.04.2014 to 31.03.2015
Consumption of Stores/Dyes and Packing Materials	14,038.90	11,424.97
Jobwork Charges	12,444.92	8,249.99
Power & Fuel	6,200.06	6,088.72
Rent (a)	342.29	220.61
Rates, Taxes & Fees	237.82	50.05
Insurance	387.07	411.78
Repairs to Machinery	548.51	326.69
Repairs to Buildings	184.42	149.19
Commission & Brokerage	2,307.95	2,587.26
Freight Outward	3,788.27	2,953.17
Other Selling expenses	3,626.47	1,964.52
Loss on Sale of Assets	20.01	0.76
Loss on sale of Investments	-	1.00
Bad debts/advances written off	63.00	-
Previous year's expenses	5.10	24.48
Miscellaneous expenses (b)	3,291.50	2,678.03
TOTAL	47,486.29	37,131.22

NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2016

(a) Including operating lease

₹ in lac

Particulars	For the period 01.04.2015 to 31.03.2016	For the period 01.04.2014 to 31.03.2015
A) The total of future minimum lease payments under non-cancellable operating leases for each of the following years:		
i) Not latter than one year	211.13	98.28
ii) Later than one year and not later than five years,	432.48	110.87
iii) Later than five years,	-	-
B) The total of future minimum sub-lease payments expected to be received under non cancellable sub leases at the balance sheet date,	-	-
C) Lease payments recognized in the statement of profit & loss	193.92	94.94

(b) Includes payment to auditors

Details of Auditors remuneration

₹ in lac

Particulars	For the period 01.04.2015 to 31.03.2016	For the period 01.04.2014 to 31.03.2015
As Statutory Audit Fees	13.00	10.00
As Quarterly Audit / Limited Review Fees	9.00	7.50
As Tax Audit Fees	3.50	2.50
For Tax Representations	0.61	1.00
For Certification Work	0.30	0.58
In Other Capacity	2.65	1.15
For Reimbursement of Expenses	1.15	1.13
TOTAL	30.21	23.86

30. Exceptional items represents recompense amount paid in respect of financial restructuring package as approved by Empowered Group of Corporate Debt Restructuring (CDR) on July 1, 2008. The company is out of CDR mechanism.

31. FORWARD CONTRACTS

Foreign currency exposures recognised by the Company that have not been hedged as at 31-03-2016 are as under :-

Currency	Number of Contracts	Amount in Foreign Currency	Amount (₹. in lac)	Buy / Sell
US \$ / INR	400	US \$ 126.47 Mn	87,897.53	Sell
Previous Year (US \$ / INR)	539	US \$ 213.53 Mn	1,40,198.84	Sell

NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2016

32. Related Party Disclosure:

Related party disclosures as required by AS - 18 "Related Party Disclosures" are given below: -

A. Relationship

i) Key management personnel

1. Shri Anil Kumar Jain - Chairman and Managing Director
2. Shri R. N. Gupta - Joint Managing Director
3. Shri K.K. Lalpuria - Executive Director
4. Shri Kamal Mitra - Director (Works)

ii) Relatives of key management personnel

1. Smt. G.D. Jain
2. Smt. Shikha Jain
3. Smt. Neha Singhvi
4. Shri Mohit Jain

iii) Parties where control exists

A. Subsidiary

1. Pranavaditya Spinning Mills Ltd.
2. Indo Count Global Inc. (USA)

B. Associates

1. Margo Finance Ltd.
2. Unic Consultants
3. A.K. Jain HUF

₹ in lac

Particulars	Associates / Subsidiary		Relatives of Key Management Personnel		Key Management Personnel		Total	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Remuneration paid	-	-	28.42	38.38	1,719.71	1,011.34	1,748.13	1,049.72
Commission paid	385.20	339.31	-	-	6.00	-	391.20	339.31
Commission received	15.23	9.52	-	-	-	-	15.23	9.52
Rent Received	1.80	0.24	-	-	-	-	1.80	0.24
Rent Paid	-	2.67	-	-	-	-	-	2.67
Sales	31,689.80	20,967.56	-	-	-	-	31,689.80	20,967.56
Lease Rent Paid	68.70	67.75	-	-	-	-	68.70	67.75
Purchase of Goods	27.21	46.54	-	-	-	-	27.21	46.54
Sale of Machinery	-	1.13	-	-	-	-	-	1.13
Balance outstanding at the end of year:-								
a) Investments	1,880.35	1,880.32	-	-	-	-	1,880.35	1,880.32
b) Sundry Debtors	12,183.57	10,243.91	-	-	-	-	12,183.57	10,243.91
c) Deposit - Rent	15.60	15.60	-	-	-	-	15.60	15.60
d) Other Payables	-	9.61	-	-	-	-	-	9.61

Related parties enlisted above are those having transactions with the company.

NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2016

33. It is managements opinion that since the company is exclusively engaged in the activity of manufacture of textile products which are governed by the same set of risks and returns. The same are considered to constitute a single reportable segment in the context of Accounting Standard on "Segment Reporting" issued by the Institute of Chartered Accountants of India.

34. EARNING PER SHARE (EPS)

Particulars		For the period 01.04.2015 to 31.03.2016	For the period 01.04.2014 to 31.03.2015
Basic Earnings Per Share			
Profit after tax as per profit & loss account (₹ in Lac)		25,070.51	13,904.20
Less: Dividend on preference shares (₹ in lac)		(5.00)	(10.00)
Less: Dividend distribution Tax - preference shares (₹ in lac)		(1.02)	(2.11)
Profit available for shareholders (₹ in lac)	A	25,064.49	13,892.09
No. of equity shares	B	39,479,934	39,479,934
No. of weighted average equity shares	C	39,479,934	37,364,447
Basic / diluted earning Per Share (₹)	(A/B)	63.49	37.18

35. Value of imported / indigenous Raw materials, Stores / Dyes and Packing Materials consumed

Class of Goods	For the period 01.04.2015 to 31.03.2016		For the period 01.04.2014 to 31.03.2015	
	Percentage	₹ in lac	Percentage	₹ in lac
Raw Materials				
Imported	0.73%	762.11	0.45%	429.52
Indigenous	99.27%	1,03,871.41	99.55%	96,047.75
	100.00%	1,04,633.52	100.00%	96,477.27
Stores/ Dyes and Packing Materials				
Imported	5.26%	738.16	10.38%	1,185.68
Indigenous	94.74%	13,300.74	89.62%	10,239.29
	100.00%	14,038.90	100.00%	11,424.97

NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2016

36. Other Information

₹ in lac

Particulars	For the period 01.04.2015 to 31.03.2016	For the period 01.04.2014 to 31.03.2015
CIF value of Imports		
Capital goods	5,056.79	5,080.83
Raw materials	2,657.49	113.06
Stores/ Dyes and Packing Materials	884.23	1,390.41
Expenditure in Foreign Currency		
Travelling	142.32	71.18
Selling Commission / Claims	1,481.40	2,333.02
Others	2,573.65	919.45
Earnings in Foreign Currency		
FOB value of exports	1,70,049.31	1,32,492.19

37. Remittance in Foreign Currency on account of dividend to non-resident shareholders

Current Year			Previous Year		
No. of Shareholders	Shares held	Net Amount of Dividend	No. of Shareholders	Shares held	Net Amount of Dividend
		[₹ In lac]			[₹ In lac]
1	12,400,491	124.00	1	12,400,491	NIL

38. Figures for the previous year have been regrouped / rearranged wherever considered necessary.

39. In the opinion of the management, the current assets, loans and advances are expected to realise at least the amount at which they are stated, if realised in the ordinary course of business and provision for all known liabilities has been adequately made in the accounts.

40. Figures have been rounded off to the nearest ₹ lac.

See accompanying notes to the financial statements

As per our report of even date annexed

For B.K.SHROFF & CO.,

Chartered Accountants

Reg. No. 302166E

O. P. Shroff

Partner

Membership No. 6329

Mumbai, May 7, 2016

Anil Kumar Jain

Chairman & Managing Director

DIN 00086106

R. Sundaram

Chief Financial Officer

R. N. Gupta

Joint Managing Director

DIN 00865491

Amruta Avasare

Company Secretary

Consolidated Financial Statements

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF INDO COUNT INDUSTRIES LIMITED

1. Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Indo Count Industries Limited (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") comprising of the Consolidated Balance Sheet as at 31st March, 2016, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

2. Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its Associates and Jointly controlled entities in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

3. Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the

provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Holding Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

4. Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March, 2016, and their consolidated profit and their consolidated cash flows for the year ended on that date.

5. Other Matters

We did not audit the financial statements of one foreign subsidiary whose financial statements reflect total assets of ₹ 21,471.34 lac as at 31st March, 2016, total revenues of ₹ 39,789.85 lac and net cash flows amounting to

₹ 2,199.46 lac for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the subsidiary and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary, is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by the Management.

6. Report on Other Legal and Regulatory Requirements

- I. As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, based on the comments in the auditors' reports of the Holding company and subsidiary company incorporated in India, we give in the Annexure "A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
 - II. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
 - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2016 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary company incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the group and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" based on reports of Holding Company as on 31st March, 2016 and the reports of the statutory auditors of its subsidiary company incorporated in India.
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group – Refer Note 21 to the consolidated financial statements.
 - ii. The Group has long-term contracts including derivative contracts, but there is no Mark to Market Losses as on balance sheet date – Refer Note 31 to the consolidated financial statements.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies incorporated in India – Refer Note 9 to the consolidated financial statements.

For **B.K.Shroff & Co.**
Chartered Accountants
Firm Registration No. 302166E

O. P. Shroff
PARTNER

MEMBERSHIP NO. 6329

Mumbai, May 7, 2016

Annexure A referred to in Paragraph 6(I) under the heading of “Report on Other Legal and Regulatory Requirements” of our report of even date on the consolidated financial statements of Indo Count Industries Limited and its subsidiary company incorporated in India for the year ended 31st March, 2016.

- i. (a) The Holding company and its subsidiary company incorporated in India have maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The fixed assets have been physically verified by the management during the year as per the phased program designed to cover all the fixed assets over a period, which is reasonable having regard to the size of the company and nature of its assets. Discrepancies noticed on such verification, which are not material, have been properly dealt with in the books of accounts.
- (c) The title deeds of all immovable properties are in the name of the Holding company and its subsidiary company incorporated in India.
- ii. As explained, the inventories have been physically verified by the management during the year except stocks lying with third parties in respect of whom confirmations have been obtained and the discrepancies noticed on physical verification as compared to book record, which are not material, have been properly dealt with in the books of account. The frequency of such verification is reasonable.
- iii. According to the information and explanations given, the Holding company and subsidiary company incorporated in India have not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the Register maintained under Section 189 of the Act.
- iv. According to the records and explanations given, the Holding company and subsidiary company incorporated in India have complied with the provisions of Sections 185 and 186 of the Act with respect to loans/guarantees given, investments made and securities provided.
- v. The Holding company and subsidiary company incorporated in India have not accepted any deposits from the public within the meaning of Sections 73 to 76 of the Act and the rules framed there under to the extent notified.
- vi. We have broadly reviewed the cost accounting records maintained by the Holding company and Statutory Auditors of its subsidiary company incorporated in India have broadly reviewed the cost accounting records maintained by the company prescribed by the Central Government under Section 148(1) of the Act and are of the opinion that prima facie the prescribed records have been maintained.
- However, the statutory auditors are neither required to carry out nor have carried out detailed examination of such cost accounting records with a view to determine whether they are accurate or complete.
- vii. According to the records of the Holding company and its subsidiary company incorporated in India, examined and information and explanations given:
- a) Undisputed statutory dues including provident fund, employees’ state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and others as applicable have generally been regularly deposited with the appropriate authorities except delay in few cases. There are no undisputed amounts payable in respect of aforesaid dues outstanding as at 31st March, 2016 for a period of more than six months from the date they became payable.
- b) There are no disputed dues of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax outstanding as at 31st March, 2016 except:

Sl. No.	Name of the statute	Nature of the dues	Amount (₹ in lac)	Forum where dispute is pending
1.	Central Excise Act	Cenvat Credit availed on excise duty paid	40.30	Commission of Central Excise (A), Pune
2.	Central Excise Act	Cenvat Credit availed on excise duty paid	34.24	CESTAT (Tribunal)
3.	Central Excise Act	Excise Duty	1.40	Commission of Central Excise (A)
4.	Central Excise Act	Service Tax credit availed on GTA	0.49	Commission of Central Excise (A)
5.	Central Excise Act	Rebate Claim	13.98	Commission of Central Excise (A)
6.	Central Excise Act	Service Tax credit availed on Commission	29.15	Commission of Central Excise (A)
7.	Bombay Electricity Duty Act, 1958	Electricity Duty	292.07	Supreme Court
8.	Central Excise Act	Penalty	1.00	CESTAT (Tribunal)

- viii. According to the records of the Holding Company examined by us and of the subsidiary company incorporated in India examined by its statutory auditors and the information and explanations given, the Group has not defaulted in repayment of loans or borrowings to financial institution, bank or government or dues to debenture holders.
- ix. According to the information and explanations given to us, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments). Term loans have been applied for the purposes for which they were obtained..
- x. Based on the audit procedures performed and according to the information and explanations given, we report that no fraud on or by the Holding company and its subsidiary company incorporated in India by its officers/employees has been noticed or reported during the year.
- xi. According to the information and explanations given, the Holding company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act. The subsidiary company incorporated in India has not paid/provided any managerial remuneration during the year.
- xii. The Holding company and its subsidiary company incorporated in India are not nidhi company.
- xiii. According to the records examined and information and explanations given, all transactions with the related parties are in compliance with Sections 188 and 177 of the Act.
- xiv. The Holding company and its subsidiary company incorporated in India have not made any preferential allotment / private placement of shares or fully or partly convertible debentures during the year ended 31st March, 2016.
- xv. According to the records of the Holding company and its subsidiary company incorporated in India examined and the information and explanation given, the group has not entered into any non-cash transactions with directors or persons connected with them.
- xvi. According to the information and explanations given, the Holding company and its subsidiary company are not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **B.K Shroff & Co**
Chartered Accountants
Firm Registration Number : 302166E

O. P. Shroff
PARTNER
MEMBERSHIP NO. 6329

Mumbai, May 7, 2016

Annexure B referred to in Paragraph 6(II)(f) under the heading of “Report on Other Legal and Regulatory Requirements” of our report of even date on the consolidated financial statements of Indo Count Industries Limited and its subsidiary company incorporated in India for the year ended 31st March, 2016.

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31st March, 2016, We have audited the internal financial controls over financial reporting of Indo Count Industries Limited (hereinafter referred to as “the Holding Company”) and received audit report of the statutory auditor of its subsidiary company incorporated in India, as of that date.

Management’s Responsibility for Internal Financial Controls

The respective Board of Directors of the of the Holding company and its subsidiary company incorporated in India, are responsible for establishing and maintaining internal financial controls based on “the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI)”. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor’s Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial

controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that

- (a) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (b) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
- (c) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Holding Company and its subsidiary company incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2016, based on “the internal control over financial reporting criteria established by the Company

considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India”.

Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to one subsidiary company incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

For **B.K. Shroff & Co.**
Chartered Accountants
Firm Registration No. 302166E

O. P. Shroff
PARTNER
MEMBERSHIP NO 6329

Mumbai, May 7, 2016

CONSOLIDATED BALANCE SHEET

AS AT 31ST MARCH, 2016

[₹ in lac]

Particular	NOTE	As at 31-03-2016		As at 31-03-2015	
I EQUITY AND LIABILITIES					
(1) SHAREHOLDERS' FUNDS					
(a) Share Capital	2	3,947.99		4,197.99	
(b) Reserves & Surplus	3	61,616.21	65,564.20	38,189.53	42,387.52
(2) MINORITY INTEREST			568.24		566.44
(3) NON - CURRENT LIABILITIES					
(a) Long Term Borrowings	4	5,747.06		6,715.47	
(b) Deferred Tax Liabilities (Net)	5	5,109.82		3,704.58	
(c) Long Term Provisions	6	142.24	10,999.12	222.95	10,643.00
(4) CURRENT LIABILITIES					
(a) Short Term Borrowings	7	28,464.34		27,588.00	
(b) Trade Payables	8	13,013.87		18,884.21	
(c) Other Current Liabilities	9	15,138.74		17,036.63	
(d) Short Term Provisions	10	8,770.04	65,386.99	7,083.70	70,592.54
			1,42,518.55		1,24,189.50
II ASSETS					
(1) NON CURRENT ASSETS					
(a) FIXED ASSETS					
(i) Tangible	11	48,201.96		38,624.40	
(ii) Intangible	12	210.38		216.39	
(iii) Capital Work in Progress	13	1,064.57		1,457.26	
			49,476.91	40,298.05	
(b) Non - Current Investments	14	0.19		0.16	
(c) Long Term loans and advances	15	1,176.62	50,653.72	1,162.79	41,461.00
(2) CURRENT ASSETS, LOANS & ADVANCES					
(a) Inventories	16	45,639.89		38,303.16	
(b) Trade Receivables	17	20,576.53		12,701.82	
(c) Cash and cash equivalents	18	2,958.89		5,080.68	
(d) Short Term Loans & Advances	19	13,256.73		12,889.28	
(e) Other Current Assets	20	9,432.79	91,864.83	13,753.56	82,728.50
			1,42,518.55		1,24,189.50
See accompanying notes to the financial statements					

As per our report of even date annexed

For B.K.SHROFF & CO.,

Chartered Accountants

Reg. No. 302166E

O. P. Shroff

Partner

Membership No. 6329

Mumbai, May 7, 2016

Anil Kumar Jain

Chairman & Managing Director

DIN 00086106

R. Sundaram

Chief Financial Officer

R. N. Gupta

Joint Managing Director

DIN 00865491

Amruta Avasare

Company Secretary

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED 31ST MARCH, 2016

[₹ in lac]

Particular	NOTE	YEAR ENDED 31-03-2016	YEAR ENDED 31-03-2015
I Revenue from operations	22	2,17,372.05	1,71,689.20
II Other Income	23	3,908.38	6,490.54
TOTAL REVENUE		2,21,280.43	1,78,179.74
III EXPENSES			
Cost of materials consumed	24	1,09,247.93	1,00,873.49
Purchase of stock in Trade		-	61.56
Changes in Inventories of finished goods, Work in Process and Stock in Trade	25	(4,698.71)	(6,275.92)
Employee Benefits	26	10,471.36	7,987.25
Finance Charges	27	5,490.74	6,502.26
Depreciation and amortisation expense	28	1,884.75	1,596.62
Other Expenses	29	58,905.48	44,167.54
TOTAL EXPENSES		1,81,301.55	1,54,912.80
IV Profit Before exceptional items and taxation		39,978.88	23,266.94
V Exceptional Items	30	-	2,574.36
Profit Before tax		39,978.88	20,692.58
VI Tax expense:			
Income Tax for current year		11,893.08	4,387.11
Income Tax for earlier years		318.72	-
Deferred Tax Asset (Net)		1,405.24	5,062.36
MAT Credit Entitlement		(3.54)	(3,294.33)
MAT Credit Entitlement of earlier years		(108.31)	(49.97)
Profit for the year		26,473.69	14,587.41
Share of Profit transferred to Minority Interest		1.80	21.11
Profit for the year (after adjustment for Minority Interest)		26,471.89	14,566.30
VII EARNING PER SHARE	32		
Basic and diluted		67.04	38.95
See accompanying notes to the financial statements			

As per our report of even date annexed

For B.K.SHROFF & CO.,Chartered Accountants
Reg. No. 302166E**O. P. Shroff**Partner
Membership No. 6329

Mumbai, May 7, 2016

Anil Kumar JainChairman & Managing Director
DIN 00086106**R. Sundaram**

Chief Financial Officer

R. N. GuptaJoint Managing Director
DIN 00865491**Amruta Avasare**

Company Secretary

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 31ST MARCH, 2016

₹ in lac

Particulars	For the year ended 31 March, 2016		For the year ended 31 March, 2015	
A) CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit before exceptional item and tax		39,978.88		20,692.58
Less: Transitional Reserve of Profit & Loss items		(1,091.65)		(421.28)
Less: Share of Profit of Minority		(1.80)		(21.10)
Adjusted Net Profit before extraordinary item and tax		38,885.43		20,250.20
Adjustments for:-				
Depreciation and amortisation		1,884.75		1,596.62
(Profit)/Loss on sale /write off of assets		(16.86)		(42.70)
Finance Cost		5,490.74		6,502.26
Interest income		(33.65)		(15.40)
VAT Refund under IPS		-		(794.58)
Loss on sale of long term investments		-		1.00
Loss on sale of assets		20.13		2.34
Exceptional Items		-		2,574.36
Operating profit before working capital changes		46,230.54		30,074.10
Changes in working capital:				
Adjustment for (increase)/decrease in operating assets				
Inventories	(7,336.73)		(3,735.46)	
Trade Receivables	(7,874.73)		(1,836.01)	
Short term loans and advances	441.24		(257.78)	
Long term loans and advances	(13.83)		(589.40)	
Other current assets	1,009.05	(13,775.00)	(2,341.33)	(8,759.98)
Adjustment for increase /(decrease) in operating liabilities				
Trade payables	(5,870.34)		(1,096.26)	
Other current liabilities	(1,897.90)		8,121.07	
Other long term liabilities	(80.71)		157.94	
Short-term provisions	466.00	(7,382.95)	1.19	7,183.94
Net taxes (paid)/refund received		(8,376.56)		(4,873.81)
Net Cash flow from /(used in) operating activities (A)		16,696.03		23,624.25
B) CASH FLOW FROM INVESTING ACTIVITIES				
Capital expenditure on fixed assets		(12,229.73)		(8,623.31)
Proceeds from sale of fixed assets		33.09		94.98
Purchase / Proceeds of long term investments		(0.03)		(1.00)
Transitional reserve of Balance Sheet Items		(959.09)		(410.06)
Transitional reserve of Profit & Loss Items		1,091.65		421.29
VAT Refund under IPS		-		794.58
Interest Received		33.65		15.40
Cash Flow from Exceptional items		-		(2,574.36)
Net Cash flow from/(used in) investing activities(B)		(12,030.46)		(10,282.48)

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 31ST MARCH, 2016

₹ in lac

Particulars	For the year ended 31 March, 2016	For the year ended 31 March, 2015
C) CASH FLOW FROM FINANCING ACTIVITIES.		
Addition / (reduction) in share application money	-	(110.00)
Addition / (reduction) in share warrant application money	-	(125.00)
Proceeds from issue of equity shares	-	399.83
Increase in share premium	-	210.13
Redemption of preference shares	(250.00)	-
Changes in Minority Interest	1.80	21.10
Net increase/(Decrease) in long term borrowings	(968.40)	(3,008.88)
Net increase/(Decrease) in short term borrowings	876.34	(2,266.88)
Finance Cost	(5,490.74)	(6,502.26)
Preference Dividend	(5.00)	(10.00)
Tax on preference dividend	(1.02)	(2.11)
Dividend on equity shares (Interim and Proposed)	(789.60)	-
Dividend distribution Tax - equity shares	(160.74)	-
Net Cash flow from / (used in) financing activities (C)	(6,787.36)	(11,394.07)
Net Increase / (decrease) in cash and cash equivalents (A+B+C)	(2,121.79)	1,947.70
Cash and cash equivalents at the beginning of the year	5,080.68	3,132.98
Cash and cash equivalents at the end of the year	2,958.89	5,080.68
Reconciliation of cash and cash equivalents with the balance sheet		
Cash and cash equivalents as per Balance sheet	2,958.89	5,080.68
Cash and cash equivalents at the end of the year comprises of:		
(a) cash on hand	24.76	25.31
(b) balance with banks		
i) In Current accounts	1,866.98	3,948.87
ii) In Earmarked Accounts	1,067.15	1,106.50

As per our report of even date annexed

For B.K.SHROFF & CO.,

Chartered Accountants

Reg. No. 302166E

O. P. Shroff

Partner

Membership No. 6329

Mumbai, May 7, 2016

Anil Kumar Jain

Chairman & Managing Director

DIN 00086106

R. Sundaram

Chief Financial Officer

R. N. Gupta

Joint Managing Director

DIN 00865491

Amruta Avasare

Company Secretary

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2016

1. Significant Accounting Policies:

1. Basis of consolidation

- (i) The accounts have been prepared to comply with all material aspects applicable to accounting policies of Indo Count Industries Limited. Goodwill arising on investments made in subsidiary companies has been treated as intangible asset and capital reserve arising on investments made in subsidiary company has been treated as reserve and surplus.
- (ii) The consolidated accounts have been prepared based on a line by line consolidation of the profit & loss account and balance sheet of Indo Count Industries Limited and its subsidiaries. For the purpose of consolidation, adjustments have been made in respect of shareholdings in subsidiary companies, amounts owed from/to company within group and in respect of intra group transactions, as per Accounting Standard (AS-21) "Consolidated Financial Accounts".
- (iii) The financial statements of the subsidiaries used in the consolidation are drawn up to the same reporting date as that of the holding company.
- (iv) Indo Count Industries Limited holds 74.53 % shareholding in Pranavaditya Spinning Mills Limited (PSML). PSML is incorporated in India and is engaged in the business of manufacture of cotton yarn.
- (v) Indo Count Industries Limited holds 100 % shareholding in Indo Count Global Inc USA.(ICG).ICG is incorporated in USA and is engaged in the business of selling Home Textile Products.

2. Significant Accounting Policies:

(a) Method of Accounting

- i) The accounts are prepared under the historical cost convention using the accrual method of accounting unless otherwise stated hereinafter.
- ii) Accounting policies not significantly referred to are consistent with generally accepted accounting principles.

(b) Use of Estimates

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known/ materialized.

(c) Fixed Assets

Fixed assets are stated at cost except for land, plant & machinery (other than of electronics division) and buildings which have been shown at revalued amount. Cost is inclusive of inward freight, duties & taxes and incidental expenses related to acquisition. In respect of major projects involving construction, related pre-operational, start-up and trial run expenses form part of the value of the assets capitalised. As per practice, expenses incurred on modernisation / debottlenecking / relocation / relining of plant & equipment are capitalised. Fixed assets, other than leasehold land, acquired on lease are not treated as assets of the company and lease rentals are charged off as revenue expenses.

Consideration is given at each balance sheet date to determine whether there is any indication of impairment of the carrying amount of the company's fixed assets. If any indication exists, an asset's recoverable amount is estimated. An impairment loss is recognized whenever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value based on an appropriate discount factor.

(d) Capital Work-in Progress

All expenditure including interest cost incurred during the project construction period are accumulated and disclosed as capital work-in-progress until the assets are ready for commercial use. Assets under construction are not depreciated. Income earned from investment of surplus borrowed funds during construction/trial run period is reduced from capital work-in-progress. Expenditure/ income arising during trial run is added to/ reduced from capital work-in-progress.

(e) Investments

Long term investments are stated at cost. Provision for diminution in the value of long term investments is made only if such a decline is other than temporary in the opinion of the management.

Current investments are stated at lower of cost and quoted / fair value.

(f) Inventories

Inventories are valued at lower of cost or net realizable value except for waste.

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2016

Cost of raw materials, stores and spares, and dyes and chemicals are determined at weighted average method.

Finished goods and stock in process include cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

Wastage and rejections are valued at estimated realizable value.

Obsolete, defective and unserviceable stocks are duly provided for.

The closing stock of units partly comprises of such materials lying in finished or semi-finished stage. The mode of valuation referred to 'Weighted Average Cost' represents cost worked out by taking into account the price charged by such units.

(g) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of cost of that asset. Other borrowing costs are recognized as an expense in the period in which they are incurred.

(h) Excise Duty

Provision for excise duty is made on waste and finished goods lying in bonded warehouse and meant for sale in domestic tariff area. CENVAT benefit is accounted for by reducing the purchase cost of the material / Fixed assets.

(i) Retirement and other employee related benefits

i) Short term Employee Benefits

All employee benefits payable only within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages etc and the expected cost of bonus, exgratia, incentives are recognized in the period during which the employee renders the related service.

ii) Post employment Benefits

a) Defined Contribution Plans

State Government Provident Fund Scheme is a defined contribution plan. The contribution paid/payable under the scheme is recognized in the profit and loss account during the period in which the employee renders the related service.

b) Defined Benefit Plans

The employee Gratuity Fund Scheme and Leave Encashment Scheme managed by different trusts are defined benefit plans. The present value of obligation under such defined benefit plans are determined based on actuarial valuation under the projected unit credit method which recognizes each period of service as giving rise to additional unit of employees benefits entitlement and measures each unit separately to build up the final obligation.

The obligations are measured at the present value of future cash flows. The discount rates used for determining the present value having maturity periods approximated to the returns of related obligations.

Actuarial gains and losses are recognized immediately in the profit & loss account.

In case of funded plans, the fair value of the planned assets is reduced from the gross obligation under the defined benefit plans to recognize the obligation on net basis.

(j) Research and Development

Revenue expenditure on research and development is charged against the profit of the year in which it is incurred. Capital expenditure on research & development is shown as an addition to fixed assets.

(k) Depreciation

Depreciation is calculated on fixed assets on straight-line method in accordance with Schedule II to the Companies Act 2013. Leasehold assets are depreciated over the lease period. Software system is amortized over a period of five years. Depreciation on amount of additions made to cost of fixed assets on account of foreign exchange fluctuation is provided prospectively over the residual life of the fixed assets.

Depreciation on revalued assets is calculated on straight line method over the residual life of the respective assets as estimated by the valuer. The additional charge for depreciation on account of revaluation is withdrawn from the revaluation reserve and credited to the profit and loss account.

(l) Foreign Currency Transactions, Derivatives instruments and hedge accounting:

Transactions in foreign currency other than those covered by forward contracts are accounted for at

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2016

the prevailing conversion rates at the close of the year and difference arising out of the settlement are dealt with in the Profit and Loss account. Outstanding export documents when covered by foreign exchange forward contracts are translated at contracted rates. Foreign currency loans availed for acquisition of fixed assets are restated at the exchange rate prevailing at year end and exchange rate difference arising on such transactions are adjusted to the cost of fixed assets. Other foreign currency current assets and liabilities outstanding at the close of the year are valued at the year end exchange rates. The fluctuations are reflected under the appropriate revenue head.

The company uses foreign currency forward contracts and currency options to hedge its risks associated with foreign currency fluctuations relating to certain firm commitments and forecasted transactions. The company designates these hedging instruments as cash flow hedges applying the recognition and measurement principles set out in the Accounting Standard 30 'Financial Instruments: Recognition and Measurement' (AS-30).

Changes in the fair value of derivatives financial instruments that do not qualify for hedge accountings are recognized in profit and loss account as they arise.

Hedging instruments are initially measured at fair value. Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. If a hedge transaction is no longer expected to occur, the net cumulative gain or loss is recognized in profit and loss account for the year.

(m) Revenue Recognition

Sales are accounted for ex-factory on despatch and do not include excise duty.

(n) Claims & Benefits

Claims recoverable and export incentives / benefits are accounted on accrual basis to the extent considered recoverable. Export incentives / benefits include premium on import licence, sales tax, etc.

(o) Subsidy

Subsidy is recognized when there is reasonable assurance that the subsidy will be received and conditions attached to it are complied with.

Government subsidy in the nature of promoter's contribution is credited to capital reserve. Subsidy received against a specific asset is reduced from the cost of the asset.

(p) Income from Investment / Deposits

Income from investments / deposits is credited to revenue in the year in which it accrues. Income is stated in full with the tax thereon being accounted for under income tax deducted at source.

(q) Taxation

Provision for current tax is made by applying the applicable tax rates and tax laws. Deferred Taxation is provided using the liability method in respect of the taxation effect arising from all material timing differences between the accounting and tax treatment of income and expenditure which are expected with reasonable probability to crystallize in the foreseeable future. Deferred tax benefits are recognized in the financial statements only when such benefits are reasonably expected to be realizable in the near future.

(r) Earnings per share

Basic earning per share is calculated by dividing the net profit for the period attributable to equity shareholders by the weighted average number of equity share outstanding during the year.

Diluted earning per share is calculated by dividing the net profit attributable to equity shareholders by the weighted average number of equity share outstanding during the year adjusted for the effects of dilutive options.

(s) Operating Leases

Operating lease receipts and payments are recognized as income or expenses in the profit and loss account on a Straight - line basis over the lease term.

(t) Events occurring after balance sheet date

Events occurring after the balance sheet date have been considered in the preparation of the financial statements.

(u) Contingent Liabilities

Contingent liabilities as defined in Accounting Standard-29 are disclosed by way of notes to accounts. Provision is made if it becomes probable that an outflow of future economic benefit will be required for an item previously dealt with as a contingent liability.

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2016

2. SHARE CAPITAL

Particulars		No. of Shares		₹ in lac	
		As at 31.03.2016	As at 31.03.2015	As at 31.03.2016	As at 31.03.2015
a) Authorised					
Equity Shares of ₹ 10 each					
At the beginning of the period		55,000,000	55,000,000	5,500.00	5,500.00
At the end of the period	A	55,000,000	55,000,000	5,500.00	5,500.00
Preference Shares of ₹ 10 each					
At the beginning of the period		5,000,000	5,000,000	500.00	500.00
At the end of the period	B	5,000,000	5,000,000	500.00	500.00
TOTAL	A+B	60,000,000	60,000,000	6,000.00	6,000.00
b) Issued, Subscribed and Paid up					
Equity Shares of ₹ 10 each					
At the beginning of the period		39,479,934	35,481,634	3,947.99	3,548.16
Add: Additions during the period *		-	3,998,300	-	399.83
At the end of the period	A	39,479,934	39,479,934	3,947.99	3,947.99
4% Preference Shares of ₹ 10 each fully paid up **					
At the beginning of the period		2,500,000	2,500,000	250.00	250.00
Less: Reduction during the period		2,500,000	-	250.00	-
At the end of the period	B	-	2,500,000	-	250.00
TOTAL	A+B	39,479,934	41,979,934	3,947.99	4,197.99

* (i) The Shareholders of the Company in their Extra Ordinary General Meeting held on 17-11-2012 accorded their approval for issue and allotment of 11,00,000 equity shares of ₹ 10/- each on preferential basis to promoter group companies. The allotment has been made on 10-04-2014.

(ii) The Shareholders of the Company in their Extra Ordinary General Meeting held on 11-09-2013 accorded their approval for issue and allotment of 28,98,300 equity share warrants at ₹ 17.25 each (including premium of ₹ 7.25 each) on preferential basis to promoter group. The Company allotted 28,98,300 equity shares at a premium of ₹ 7.25 each on 20-12-2014 which shall be subject to a lock-in period of 3 years as specified under Regulation 78 of Chapter VII of the SEBI ICDR Regulations, 2009.

** 4% Cumulative Non-Convertible Redeemable Preference shares redeemed at par by the Company on 30-09-2015.

Terms / rights attached to equity shares

- (i) The Company has only one class of equity shares having a par value of ₹ 10/- per share. Each holder of equity shares is entitled to one vote per share, The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.
- (ii) In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Details of equity shares in the company held by each shareholder holding more than 5% of shares is as under:

Name of the Shareholder	No. of Shares			
	As at 31.03.2016	percentage	As at 31.03.2015	percentage
Indocount Securities Limited	6,208,277	15.73%	6,208,277	15.73%
Sandridge Investments Limited (Formerly Swastik Investment Corporation)	12,400,491	31.41%	12,400,491	31.41%
Elm Park Fund Ltd.	2,717,161	6.88%	2,717,161	6.88%

Details of preference shares in the company held by each shareholder holding more than 5% of shares is as under:

Name of the Shareholder	No. of Shares			
	As at 31.03.2016	percentage	As at 31.03.2015	percentage
Tozai Enterprises Pvt. Ltd.	-	-	2,500,000	100%

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2016

3. RESERVES & SURPLUS

₹ in lac

Particulars		As at 31.03.2016	As at 31.03.2015
Capital Reserve			
At the beginning of the period		198.81	198.81
At the end of the period	A	198.81	198.81
Capital Redemption Reserve			
At the beginning of the period		-	-
Add: Transferred from profit & loss account		250.00	-
At the end of the period	B	250.00	-
Share Premium			
At the beginning of the period		1,653.72	1,443.59
Add: Additions during the period **		-	210.13
At the end of the period	C	1,653.72	1,653.72
Debenture Redemption Reserve			
At the beginning of the period		750.00	750.00
Less: Transferred to General reserve		750.00	-
At the end of the period	D	-	750.00
General Reserve			
At the beginning of the period		-	-
Add: Transferred from Debenture Redemption Reserve		750.00	-
At the end of the period	E	750.00	-
Revaluation Reserve			
At the beginning of the period		10,614.97	11,821.85
Less: Reduction during the period		1,129.75	1,206.88
At the end of the period	F	9,485.22	10,614.97
Transitional Reserve			
At the beginning of the period		53.81	42.59
Add: Creation during the period for Balance Sheet items		(959.09)	(410.06)
Add: Creation during the period for Profit and Loss items		1,091.65	421.28
At the end of the period	G	186.37	53.81
Profit & Loss Account			
At the beginning of the period		24,918.22	10,876.55
Add: Profit / (Loss) for the period		26,471.89	14,566.30
Less: Adjustment on account of depreciation (net of deferred tax asset of ₹ 43.82 lac) on revision of useful life of fixed assets in terms of schedule II to the Companies Act, 2013.		-	(91.23)
Less: Transfer to Capital Redemption Reserve		(250.00)	-
Less: Transferred to Transitional Reserve		(1,091.66)	(421.29)
Less: Dividend on preference shares		(5.00)	(10.00)
Less: Dividend distribution Tax - preference shares		(1.02)	(2.11)
Less: Interim Dividend on equity shares		(394.80)	-
Less: Proposed Final Dividend on equity shares		(394.80)	-
Less: Dividend distribution Tax - equity shares (Interim and Final Dividend)		(160.74)	-
At the end of the period	H	49,092.09	24,918.22
TOTAL (A + B + C + D + E + F + G + H)		61,616.21	38,189.53

** The Shareholders of the Company in their Extra Ordinary General Meeting held on 11-09-2013 accorded their approval for issue and allotment of 28,98,300 equity share warrants at ₹ 17.25 each (including premium of ₹ 7.25 each) on preferential basis to promoter group. The Company allotted 28,98,300 equity shares at a premium of ₹ 7.25 each on 20-12-2014 and shall be subject to a lock-in period of 3 years as specified under Regulation 78 of Chapter VII of the SEBI ICDR Regulations, 2009.

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2016

4. LONG TERM BORROWINGS (Secured)

₹ in lac

Particulars	As at 31.03.2016	As at 31.03.2015
1) DEBENTURES (a)		
10 % 300 Secured redeemable non convertible debentures of ₹ 10.00 lac each	-	744.00
((reduced by instalments paid till date ₹ 3,000 lac (previous year ₹ 1,866 lac) and amounts appearing in current maturities of long term debts ₹ Nil (previous year ₹ 390 lac))		
2) TERM LOAN		
Rupee loans		
From Banks (a)	2,819.72	3,071.84
From Financial Institutions (a)	457.29	961.16
3) Hire Purchase Finance (b)	-	76.08
4) Foreign Currency Loan		
Buyers Credit (c)	2,470.05	1,862.39
TOTAL	5,747.06	6,715.47

- a) Secured by first pari-passu charge by way of mortgage of all immovable properties and by second pari-passu charge on hypothecation of all movable properties and current assets (save and except stocks and book debts and moveables of electronic division) both present and future. Loans (including amounts appearing in current maturities of long term debts of ₹ 988.94 lac, previous year ₹ 2,071.95 lac).
- b) Secured against hypothecation of Vehicles acquired under Auto Loan Schemes (including amounts appearing in current maturities of long term debts ₹ Nil, previous year ₹ 24.09 lac)
- c) Secured against machinery acquired, (including amount appearing in current maturity of long term debts ₹ 568.08 lac, previous year ₹ 441.22 lac).

Long Term Loans Repayment Schedule

₹ in lac

Particulars	Maturity Profile					
	1-2 Years	2-3 Years	3-4 Years	4-5 Years	5-6 Years	6-7 Years
TERM LOAN						
Rupee Loans:						
From Banks	522.48	522.48	522.48	522.48	522.48	207.31
From Financial Institutions	457.29	-	-	-	-	-
Foreign Currency Loan:						
Buyers Credit	662.54	662.54	662.54	293.54	188.90	-
TOTAL	1,642.31	1,185.02	1,185.02	816.02	711.38	207.31

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2016

5. DEFERRED TAX ASSETS

As required under Accounting standard (AS-22), 'Accounting for taxes on income' issued by the Institute of Chartered Accountants of India, the Company is required to account for deferred taxation while preparing its accounts. The details of deferred tax assets / liabilities are as under:

₹ in lac

Particulars		As at 31.03.2015	Tax effect for the period	As at 31.03.2016
Deferred Tax liability				
Fixed Assets		(4,324.55)	(1,461.26)	(5,785.81)
	A	(4,324.55)	(1,461.26)	(5,785.81)
Deferred Tax Assets				
Loss		419.68	25.45	445.13
Others		200.29	30.57	230.86
	B	619.97	56.02	675.99
NET DEFERRED TAX ASSETS/(LIABILITY)	A-B	(3,704.58)	(1,405.24)	(5,109.82)

Deferred tax asset in respect of long term capital losses of ₹ 67.49 lac (previous year ₹ 67.49 lac) has not been recognised in view of uncertainty of its realisation.

6. LONG TERM PROVISIONS

₹ in lac

Particulars	As at 31.03.2016	As at 31.03.2015
Employee Benefits	142.24	222.95
TOTAL	142.24	222.95

7. SHORT TERM BORROWINGS (Secured)

₹ in lac

Particulars	As at 31.03.2016	As at 31.03.2015
Loans repayable on Demand		
From Banks		
- In Rupees (a)	21,528.34	21,025.50
- In Foreign Currency (b)	6,936.00	6,562.50
TOTAL	28,464.34	27,588.00

- (a) Secured by first pari-passu charge on hypothecation of Inventories and Trade Receivables and further secured by second charge on Fixed Assets both present and future and personally guaranteed by the Executive Chairman.
- (b) Loan of foreign subsidiary company is secured by hypothecation of Inventories and Current Assets together with corporate guarantee of the holding company.

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2016

8. TRADE PAYABLES

₹ in lac

Particulars	As at 31.03.2016	As at 31.03.2015
Total outstanding dues of Micro Enterprises and Small Enterprises (a)	-	-
Others	13,013.87	18,884.21
TOTAL	13,013.87	18,884.21

(a) The company has not received any intimation from other suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures, if any, relating to amounts unpaid as at the year end together with interest paid/payable as required under the said Act have not been given.

9. OTHER CURRENT LIABILITIES

₹ in lac

Particulars	As at 31.03.2016	As at 31.03.2015
Current Maturities of Long Term Debts	1,557.02	4,025.45
Interest accrued and due on borrowings	55.55	265.11
Acceptances	6,125.05	6,009.99
Buyer's Credit	220.31	-
Security deposit	160.92	46.95
Advance from Customers	378.18	115.31
Unpaid Dividend *	9.64	-
Other Payables	6,632.07	6,573.82
TOTAL	15,138.74	17,036.63

* There are no amounts due and outstanding to be credited to Investor Education and Protection Fund.

10. SHORT TERM PROVISIONS

₹ in lac

Particulars	As at 31.03.2016	As at 31.03.2015
Provision for Income Tax (net of ₹ 3,423.57 lac transferred from MAT credit entitlement)	8,287.72	7,067.38
Provision for Employees Benefits	7.15	4.28
Dividend on Preference Shares	-	10.00
Dividend on Equity Shares	394.80	-
Tax on Dividend	80.37	2.04
TOTAL	8,770.04	7,083.70

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2016

11. FIXED ASSETS - TANGIBLE

₹ in lac

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 01-04-2015	Additions **	Sales / Adjustment	As at 31.03.2016	As at 01-04-2015	Additions	Sales / Adjustment	As at 31.03.2016	As at 31.03.2016	As at 31.03.2015
a) At cost										
Land - Freehold	28.75	-	-	28.75	-	-	-	-	28.75	28.75
Land - Leasehold	273.11	-	-	273.11	10.49	0.50	-	10.99	262.12	262.62
Buildings *	7,094.26	1,839.38	-	8,933.64	2,533.78	219.98	-	2,753.76	6,179.88	4,560.48
Plant & Machinery	43,601.38	10,435.15	322.15	53,714.38	21,080.17	1,459.40	287.04	22,252.53	31,461.85	22,521.21
Furniture & Fixtures	542.98	29.26	-	572.24	387.34	42.91	-	430.25	141.99	155.64
Factory & Office Equipments	685.92	233.91	16.40	903.43	493.24	75.37	15.60	553.01	350.42	192.68
Vehicles	317.43	36.06	9.16	344.33	130.76	31.91	8.70	153.97	190.36	186.67
b) At revalued cost										
Land - Freehold	817.46	-	-	817.46	-	-	-	-	817.46	817.46
Land - Leasehold	774.72	-	-	774.72	23.25	3.58	-	26.83	747.89	751.47
Buildings	2,029.93	-	-	2,029.93	335.31	52.67	-	387.98	1,641.95	1,694.62
Plant & Machinery	14,149.85	-	166.70	13,983.15	6,703.86	1,006.04	100.37	7,609.53	6,373.62	7,445.99
Factory & Office Equipments	13.63	-	-	13.63	6.82	1.14	-	7.96	5.67	6.81
TOTAL	70,329.42	12,573.76	514.41	82,388.77	31,705.02	2,893.50	411.71	34,186.81	48,201.96	38,624.40
Previous Year	63,897.44	7,195.12	763.14	70,329.42	29,524.81	2,759.63	579.42	31,705.02		

Includes

- * a) 10 shares of ₹ 50/- each of Arcadia Premises Co-operative Society Ltd.
- b) 10 shares of ₹ 50/- each of Vardhmann Industrial Complex Premises Co-op. Housing Society Ltd.
- ** Includes addition on account of foreign exchange fluctuations ₹ 165.25 lac (previous year ₹ Nil)

Notes :

- i) The company revalued its land, buildings and plant & machinery (except for electronics division and 2 D.G. sets of spinning division) as on 01-10-2008 based on the valuation made by an approved valuer. Accordingly, the original cost of such assets resulted in gross increase in the value of assets over their original cost by ₹ 14,365.45 lac (excluding the assets sold till 31-03-2016), increase in depreciation upto 31-03-2016 on revaluation by ₹ 6,937.02 lac and thereby net revaluation reserve as at 31-03-2016 is ₹ 7,428.43 lac.
- ii) Revaluation of 2 D.G. sets of spinning division was carried out on 01-04-2009 by an approved valuer. The revaluation resulted in a gross increase in the value of assets over their original cost by ₹ 1,238.07 lac (excluding the assets sold till 31-03-2016), increase in depreciation upto 31-03-2016 on revaluation by ₹ 721.92 lac and thereby net revaluation reserve as at 31-03-2016 is ₹ 516.15 lac.
- iii) The Indian subsidiary company revalued its land, buildings and plant & machinery as on 01-04-2009 based on the valuation made by an approved valuer. Accordingly, the original cost of such assets resulted in gross increase in the value of assets over their original cost by ₹ 2,015.36 lac (excluding the assets sold till 31-03-2016), increase in depreciation upto 31-03-2016 on revaluation by ₹ 474.74 lac and thereby net revaluation reserve as at 31-03-2016 is ₹ 1,540.62 lac.

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2016

12. FIXED ASSETS - INTANGIBLE

₹ in lac

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 1-04-2015	Additions	Sales / Adjustment	As at 31.03.2016	As at 1-04-2015	Additions	Sales / Adjustment	As at 31.03.2016	As at 31.03.2016	As at 31-03-2015
Goodwill	57.11	-	-	57.11	-	-	-	-	57.11	57.11
Software	242.82	45.05	-	287.87	102.61	49.62	-	152.23	135.64	140.21
Patents	24.45	3.61	-	28.06	5.38	5.05	-	10.43	17.63	19.07
TOTAL	324.38	48.66	-	373.04	107.99	54.67	-	162.66	210.38	216.39
Previous Year	320.87	3.51	-	324.38	58.18	49.81	-	107.99		

13. CAPITAL WORK IN PROGRESS

Capital work in progress does not include capital advances ₹ 889.93 lac (previous year ₹ 1,004.87 lac)

14. NON CURRENT INVESTMENTS

Particulars	No. of Shares		₹ in lac	
	As at 31.03.2016	As at 31.03.2015	As at 31.03.2016	As at 31.03.2015
- Unquoted				
Non - Trade Investments - Long Term				
Others				
The Shamrao Vittal Co-op Bank Ltd.	260	-	0.03	-
Shri Datta Nagari Sahakari Pat Sanstha Ltd.	1,050	1,050	0.11	0.11
Choudeshwari Co-op Bank Ltd.	200	200	0.05	0.05
TOTAL			0.19	0.16
Aggregate value of :				
Unquoted investments			0.19	0.16

15. LONG TERM LOANS & ADVANCES

(Unsecured-considered good)

₹ in lac

Particulars	As at 31.03.2016	As at 31.03.2015
Capital Advances	889.93	1,004.87
Security Deposits	286.69	157.92
TOTAL	1,176.62	1,162.79

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2016

16. INVENTORIES

₹ in lac

Particulars	As at 31.03.2016	As at 31.03.2015
Stores & Spares *	1,420.29	1,586.39
Raw Materials **	10,764.28	7,794.96
Dyes and Chemicals ***	296.59	461.78
Waste	19.23	26.50
Work in Progress	11,988.66	10,930.66
Finished Goods ****	21,150.84	17,502.87
TOTAL	45,639.89	38,303.16

* includes goods in transit ₹ 28.13 lac (previous year ₹ 69.98 lac).

** includes goods in transit ₹ 2,043.91 lac (previous year ₹ 1,167.67 lac).

*** includes goods in transit ₹ 20.27 lac (previous year ₹ 7.95 lac).

**** includes goods in transit ₹ 2,624.93 lac (previous year ₹ 5,593.22 lac).

17. TRADE RECEIVABLES

₹ in lac

Particulars	As at 31.03.2016	As at 31.03.2015
Exceeding Six Months	317.03	-
Others	20,259.50	12,701.82
TOTAL	20,576.53	12,701.82

18. CASH & CASH EQUIVALENTS

₹ in lac

Particulars	As at 31.03.2016	As at 31.03.2015
Cash in hand	24.76	25.31
Balances with Banks		
In Current Accounts *	1,866.98	3,948.87
Held as margin / Fixed deposits **	1,067.15	1,106.50
TOTAL	2,958.89	5,080.68

* Includes balance in current account with The Kolhapur Urban Co-operative Bank Ltd. ₹ 1.68 lac (previous year ₹ 1.64 lac) maximum amount outstanding anytime during the year ₹ 7.33 lac (previous year ₹ 6.05 lac).

** Includes receipts for ₹ 0.01 lac (previous year ₹ 0.01 lac) lodged with Sales Tax Department

** Fixed deposits with maturity within 12 months is ₹ 303.54 lac (previous year ₹ 34.52 lac)

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2016

19. SHORT TERM LOANS & ADVANCES

(Unsecured-considered good)

₹ in lac

Particulars	As at 31.03.2016	As at 31.03.2015
Advance Income Tax (including tax deducted at source)	7,967.28	7,158.60
Others	5,289.45	5,730.68
TOTAL	13,256.73	12,889.28

20. OTHER CURRENT ASSETS

(Unsecured-considered good)

₹ in lac

Particulars	As at 31.03.2016	As at 31.03.2015
MAT Credit entitlement (net of ₹ 3,423.57 lac transferred to Provision for Income Tax)	2,918.83	6,230.55
Export Incentives / Claims recoverable	6,512.32	7,522.01
Interest accrued on Loans & Deposits	1.64	1.00
TOTAL	9,432.79	13,753.56

21. CONTINGENT LIABILITIES AND COMMITMENTS

(to the extent not provided for)

A. Contingent Liabilities

₹ in lac

Particulars	As at 31.03.2016	As at 31.03.2015
i) Amount outstanding in respect of export bills discounted under Export Letters of Credit (Since realised ₹ 1,361.85 lac, previous year ₹ 1,427.53 lac)	3,795.72	3,328.93
ii) Bank Guarantees	671.72	788.85
iii) Claims against the company not acknowledged as debts against which payments made ₹ 66.22 lac (previous year ₹ 66.22 lac)	229.50	181.96
iv) CSR Expenses	201.56	76.84

- (a) In terms of EPCG Licence issued, the company has undertaken an export obligation for ₹ 43,114 lac, which is to be fulfilled over a period of 8 years. The company has completed the export obligation to the extent of ₹ 41,228 lac till the year end, of which licenses of ₹ 35,662 lac redeemed by the DGFT and the application for redemption of license submitted for ₹ 5,566 lac. The balance export obligation for ₹ 1,886 lac is to be fulfilled over a period of 8 years.
- (b) In terms of advance license obtained for import of raw materials the company has undertaken an export obligation for USD 2.947 Mn. which is to be fulfilled over a period of 2 years. The company has completed the obligation to the extent of USD 1.991 Mn. The license redeemed by the DGFT amounting to USD 0.214 Mn. The balance obligation of USD 0.956 Mn. is to be fulfilled over a period of 1 year.
- (c) Under the package scheme of incentives of Government of Maharashtra for Mega Projects, the company was eligible for VAT and Electricity duty refund benefits. However, if it contravenes any of the conditions of the scheme or eligibility certificate of entitlement or agreement, it shall repay forthwith the entire benefits drawn / availed alongwith interest thereon together with costs, charges and expenses thereon.
- (d) No provision has been made in the accounts towards electricity duty on electricity generated for captive use during the period 01-04-2000 to 30-04-2005 amounting to ₹ 292.07 lac (previous year ₹ 292.07 lac) excluding interest, as the company has won the case against MSEDCL vide order number 2204 of 2007 dated 07-11-2009 of the Hon'ble High

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2016

Court of Jurisdiction at Bombay whereby it was decided that no such duty is payable. MSEDCL has taken up this matter before Supreme Court with condonation of delay and matter is yet to be heard. As the matter is subjudice, the management feels that no provision is necessary.

- (e) i) The Board for Industrial and Financial Reconstruction (BIFR) in its order dated 16-09-2010 has directed that the Indian subsidiary company ceases to be a sick industrial company within the meaning of section 3 (1) (c) of the SICA as its net worth has turned positive for the year ended 31-03-2010 and its revival is sustainable. It is therefore discharged from the purview of SICA/BIFR.
- ii) The unimplemented provisions of SS-07 as may be these would be implemented by the Indian subsidiary company/ promoters and the concerned agencies and implementation would be monitored by the Board of Directors of the Indian subsidiary company.
- iii) The Indian subsidiary company would complete necessary formalities with the concerned Registrar of Companies as may be required.
- iv) Aggrieved with the impugned order of BIFR directed to implement the unimplemented provisions of SS-07, The Director General of Income Tax (DGIT) has filed an appeal with the Appellate Authority of Industrial and Financial reconstruction (AAIFR) requesting to set aside the BIFR order dated 16-09-2010.
- (f) The Indian subsidiary company has not made any provision of MAT/ Income Tax on the basis of scheme of rehabilitation sanctioned by the BIFR. In their order dated 16-09-2010, the “ Board” has stated that the un implemented provisions of SS-07 would be implemented by the company/ promoters and concerned agencies. Against this order DGIT had filed an appeal before AAIFR challenging the validity of the order. The Indian subsidiary company is confident that the directions of BIFR will be upheld and no liability towards MAT/ Income Tax will arise. In case any liability arises, the same will be accounted for as and when arises/ determined.

B. Commitments

₹ in lac

Particulars	As at 31.03.2016	As at 31.03.2015
a) Estimated amount of contracts (net of advances) remaining to be executed on capital account and not provided for	335.67	3,199.49
b) Letter of credits opened for which the material has not yet been shipped	677.56	453.72

22. REVENUE FROM OPERATIONS

₹ in lac

Particulars	For the period 01.04.2015 to 31.03.2016	For the period 01.04.2014 to 31.03.2015
Gross Sales of Products	2,00,329.66	1,59,708.78
Less: Excise Duty	-	725.85
Net Sales	2,00,329.66	1,58,982.93
Sale of Services	18.10	7.36
Export Incentives / Benefits	17,024.29	12,698.91
Revenue from Operations	2,17,372.05	1,71,689.20

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2016

23. OTHER INCOME

₹ in lac

Particulars	For the period 01.04.2015 to 31.03.2016	For the period 01.04.2014 to 31.03.2015
Interest Banks *	7.92	12.72
Interest Others **	25.73	2.68
Interest Received on VAT Refund	-	6.17
VAT Refund under IPS	-	794.58
TUFS Subsidy received	222.11	382.38
Miscellaneous Receipts and Incomes	24.32	12.67
Insurance claim received	9.85	25.83
Provision for diminution in value of investments /written back	-	1.00
Exchange rate difference	2,019.69	5,009.79
Profit on sale of assets	16.86	42.70
Rent received	1.80	0.24
Sundry balances / Excess provision written back (Net)	54.48	16.59
Liability no longer payable written back	1,525.62	183.19
TOTAL	3,908.38	6,490.54

* Includes tax deducted at source ₹ 0.96 lac (previous year ₹ 0.75 lac)

** Includes tax deducted at source ₹ 0.43 lac (previous year ₹ 0.28 lac)

24. COST OF MATERIALS CONSUMED

₹ in lac

Particulars	For the period 01.04.2015 to 31.03.2016	For the period 01.04.2014 to 31.03.2015
Raw material & Components consumed		
Opening Stock	7,794.96	11,000.94
Add : Purchases	1,10,259.94	97,667.51
SUB-TOTAL	1,18,054.90	1,08,668.45
Less : Closing Stock	8,806.97	7,794.96
COST OF SALES	1,09,247.93	1,00,873.49

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2016

25. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK IN TRADE

₹ in lac

Particulars		For the period 01.04.2015 to 31.03.2016	For the period 01.04.2014 to 31.03.2015
CLOSING STOCK			
Finished Goods		21,150.85	17,502.88
Stock in Process		11,988.66	10,930.65
Waste		19.23	26.50
SUB - TOTAL	A	33,158.74	28,460.03
LESS : OPENING STOCK			
Finished Goods		17,502.88	13,968.59
Stock in Process		10,930.65	8,154.71
Waste		26.50	60.81
SUB - TOTAL	B	28,460.03	22,184.11
(INCREASE)/ DECREASE IN STOCK	B-A	(4,698.71)	(6,275.92)

26. EMPLOYEE BENEFITS EXPENSE

₹ in lac

Particulars		For the period 01.04.2015 to 31.03.2016	For the period 01.04.2014 to 31.03.2015
Salaries & Wages		7,776.51	6,151.95
Director's Remuneration		1,625.73	1,011.34
Contribution to Provident & Other Funds		601.89	433.05
Gratuity		181.22	156.88
Staff Welfare Expenses		233.00	184.19
Recruitment & Training expenses		53.01	49.84
TOTAL		10,471.36	7,987.25

27. FINANCE COSTS

₹ in lac

Particulars		For the period 01.04.2015 to 31.03.2016	For the period 01.04.2014 to 31.03.2015
Interest Expense			
-On Debentures		83.23	168.12
-On Term Loans		848.68	1,257.19
-On Working Capital Term Loans		8.58	172.91
-Banks		3,412.29	3,808.96
-Others		7.27	88.44
Bank Charges		797.79	848.79
Finance procurement charges		332.90	157.85
TOTAL		5,490.74	6,502.26

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2016

28. DEPRECIATION & AMORTISATION EXPENSE

₹ in lac

Particulars	For the period 01.04.2015 to 31.03.2016	For the period 01.04.2014 to 31.03.2015
Depreciation	3,013.68	2,792.97
Less : Transfer to Revaluation Reserve	1,128.93	1,196.35
TOTAL	1,884.75	1,596.62

29. OTHER EXPENSES

₹ in lac

Particulars	For the period 01.04.2015 to 31.03.2016	For the period 01.04.2014 to 31.03.2015
Consumption of Stores/Dyes and Packing Materials	14,207.89	11,625.04
Jobwork Charges	12,444.92	8,249.99
Power & Fuel	7,075.69	6,968.84
Rent (a)	452.20	758.89
Rates, Taxes & Fees	248.98	59.40
Insurance	415.12	440.17
Repairs to Machinery	557.60	334.58
Repairs to Buildings	185.56	153.99
Commission & Brokerage	2,853.42	3,063.99
Freight Outward	3,806.41	2,976.53
Other Selling expenses	12,633.54	6,273.40
Loss on Sale of Assets	20.13	2.34
Loss on sale of Investments	-	1.00
Bad debts/advances written off	76.04	-
Previous year expenses	5.10	-
Miscellaneous expenses (b)	3,922.88	3,259.38
TOTAL	58,905.48	44,167.54

(a) Including operating lease

(i) In respect of the Parent Company

₹ in lac

Particulars	For the period 01.04.2015 to 31.03.2016	For the period 01.04.2014 to 31.03.2015
A) The total of future minimum lease payments under non-cancelable operating leases for each of the following years:		
i) Not later than one year	211.13	98.28
ii) Later than one year and not later than five years,	432.48	110.87
iii) Later than five years,	-	-
B) The total of future minimum sub-lease payments expected to be received under non-cancelable sub leases at the balance sheet date	-	-
C) Lease payments recognized in the statement of profit & loss	193.92	94.94

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2016

(ii) In respect of the Subsidiary Company

Particulars	2015-16	2014-15
A) The total of future minimum lease payments under non-cancelable operating leases for each of the following years:		
i) Not latter than one year	-	-
ii) Later than one year and not later than five years,	-	-
iii) Later than five years,	-	-
B) The total of future minimum sub-lease payments expected to be received under non cancelable sub leases at the balance sheet date	-	-
C) Lease payments recognized in the statement of profit & loss	-	-

(b) Includes payment to auditors

Details of Auditors remuneration

₹ in lac

Particulars	For the period 01.04.2015 to 31.03.2016	For the period 01.04.2014 to 31.03.2015
As Statutory Audit Fees	15.00	12.00
As Quarterly Audit / Limited Review Fees	10.50	9.00
As Tax Audit Fees	4.00	3.00
For Tax Representations	0.61	1.00
For Certification Work	0.85	0.60
In Other Capacity	2.85	1.30
For Reimbursement of Expenses	1.16	1.14
TOTAL	34.97	28.04

30. Exceptional items represents recompense amount paid in respect of financial restructuring package as approved by Empowered Group of Corporate Debt Restructuring (CDR) on July 1, 2008. The company is out of CDR mechanism.

31. FORWARD CONTRACTS

Foreign currency exposures recognised by the Company that have not been hedged as at 31-03-2016 are as under :-

Currency	Number of Contracts	Amount in Foreign Currency	Amount	Buy / Sell
US \$ / INR	400	US \$ 126.47 Mn	87,897.53	Sell
Previous Year	539	US \$ 213.53 Mn	1,40,198.84	Sell

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2016

32. EARNING PER SHARE (EPS)

Particulars		For the period 01.04.2015 to 31.03.2016	For the period 01.04.2014 to 31.03.2015
Basic Earnings Per Share			
Profit after tax as per profit & loss account (₹ in lac)		26,471.89	14,566.30
Less: Dividend on preference shares (₹ in lac)		(5.00)	(10.00)
Less: Dividend distribution Tax - preference shares (₹ in lac)		(1.02)	(2.11)
Profit available for shareholders (₹ in lac)	A	26,465.87	14,554.19
No. of equity shares	B	39,479,934	39,479,934
No. of weighted average equity shares	C	39,479,934	37,364,446
Basic / diluted earning Per Share (₹)	(A/B)	67.04	38.95

33. Figures for the previous year have been regrouped / rearranged wherever considered necessary.
34. In the opinion of the management, the current assets, loans and advances are expected to realise at least the amount at which they are stated, if realised in the ordinary course of business and provision for all known liabilities has been adequately made in the accounts.
35. Figures have been rounded off to the nearest ₹ in lac.

As per our report of even date annexed

For B.K.SHROFF & CO.,

Chartered Accountants

Reg. No. 302166E

O. P. Shroff

Partner

Membership No. 6329

Mumbai, May 7, 2016

Anil Kumar Jain

Chairman & Managing Director

DIN 00086106

R. Sundaram

Chief Financial Officer

R. N. Gupta

Joint Managing Director

DIN 00865491

Amruta Avasare

Company Secretary



Indo Count Industries Limited

CIN: L72200PN1988PLC068972
301, 3rd Floor, Arcadia, Nariman Point, Mumbai – 400021, India
Tel : (022) 43419500 / 501
Fax: (022) 22823098
Email: icilinvestors@indocount.com
Website: www.indocount.com

INDO COUNT INDUSTRIES LIMITED

CIN: L72200PN1988PLC068972

Registered Office: Office No. 1, Plot No. 266, Village Alte, Kumbhoj Road,
Taluka Hatkanangale, District Kolhapur 416 109, Maharashtra.

Tel No.: (230) 2483105; **Fax No.:** (230) 2483275

Website: www.indocount.com; **E-mail:** icilinvestors@indocount.com

CORRIGENDUM TO THE NOTICE OF 27TH ANNUAL GENERAL MEETING FOR THE CHANGE OF VENUE

Notice is hereby given that due to unavoidable circumstances, the venue of 27th Annual General Meeting of the Indo Count Industries Limited ("the Company") to be held on Tuesday, 26th July, 2016 at 12.30 P.M. is changed from Plot No. 266, Village Alte, Kumbhoj Road, Taluka Hatkanangale, Dist. Kolhapur 416 109, Maharashtra to Hotel Pavillion, Conference Room, 1st Floor, 392, E Ward, Assembly Road, Near Basant Bahar Theater, Shahpuri, Kolhapur – 416 001, Maharashtra.

The Company had issued Notice dated 8th June, 2016 convening 27th Annual General Meeting of the Company ("AGM Notice") on 2nd July, 2016 in due compliance with the provisions of the Companies Act, 2013 read with the Rules made thereunder.

Members of the Company are hereby informed to attend the ensuing Annual General Meeting of the Company at the Changed venue i.e. at Hotel Pavillion, Conference Room, 1st Floor, 392, E Ward, Assembly Road, Near Basant Bahar Theater, Shahpuri, Kolhapur – 416 001, Maharashtra on Tuesday, 26th July, 2016 at 12.30 P.M.

Save for change of the venue of the 27th Annual General Meeting, all the information and contents set out in the Notice of the Annual General Meeting and the Proxy Form, including, among others, the date and the time of Annual General Meeting and the resolutions to be considered at the Annual General Meeting, remain unchanged.

The route map of the new venue is given overleaf.

By the Order of Board of Directors
For **Indo Count Industries Limited**



Amruta Avasare
Company Secretary

Place : Mumbai

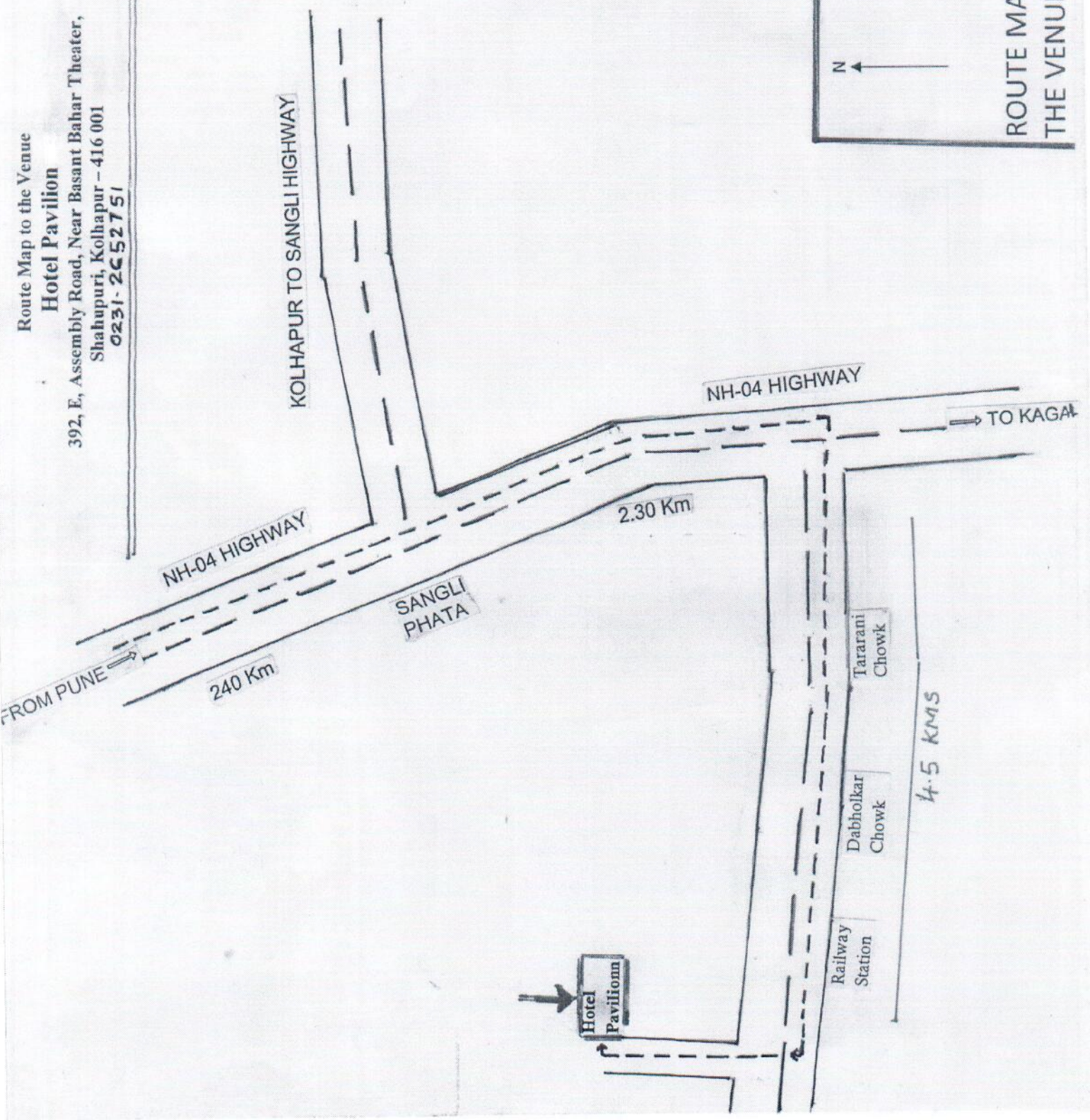
Dated: 13th July, 2016

.P.T.O.

Route Map to the Venue
Hotel Pavillion
392, E, Assembly Road, Near Basant Bahar Theater,
Shahupuri, Kolhapur - 416 001
0231-2652751

N

ROUTE MAP TO
THE VENUE



INDO COUNT INDUSTRIES LIMITED

CIN: L72200PN1988PLC068972

Registered Office: Office No. 1, Plot No. 266, Village Alte, Kumbhoj Road,
Taluka Hatkanangale, District Kolhapur 416 109, Maharashtra. Tel No. (230) 2483105 Fax No.(230) 2483275

Website: www.indocount.com; **E-mail:** icilinvestors@indocount.com

NOTICE

Notice is hereby given that the Twenty Seventh Annual General Meeting of the members of Indo Count Industries Limited will be held on Tuesday, 26th July, 2016 at 12.30 p.m. at Plot No. 266, Village Alte, Kumbhoj Road, Taluka Hatkanangale, District Kolhapur 416 109, Maharashtra to transact the following businesses:

ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited Standalone Financial Statements of the Company including Balance Sheet as at 31st March, 2016, Statement of Profit and Loss and Cash Flow Statement for the year ended on that date and reports of the Board of Directors and Auditors thereon.
2. To receive, consider and adopt the Audited Consolidated Financial Statements of the Company including Balance Sheet as at 31st March, 2016, Statement of Profit and Loss and Cash Flow Statement for the year ended on that date and reports of the Auditors thereon.
3. To confirm the payment of Interim Dividend of ₹ 1/- per Equity Share of ₹ 10/- each.
4. To declare a Final Dividend of ₹ 1/- per Equity Share of ₹ 10/- each.
5. To appoint a Director in place of Mr. Kamal Mitra (DIN: 01839261) who retires by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment.
6. To ratify the appointment of Auditors to hold office from the conclusion of Twenty Seventh Annual General Meeting till the conclusion of Twenty Eighth Annual General Meeting and to fix their remuneration.

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, 142 and any other applicable provisions of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014 including any statutory amendment(s) thereof and as recommended by the Audit Committee, the appointment of M/s. B. K. Shroff & Co., Chartered Accountants (ICAI Registration No. 302166E), as the Statutory Auditors of the Company, to hold office from the conclusion of the Twenty Seventh Annual General Meeting till the conclusion of the Twenty Eighth Annual General Meeting be and is hereby ratified;

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to fix the remuneration payable to the Statutory Auditors as recommended by the Audit Committee.”

SPECIAL BUSINESS :

7. **Appointment of Mr. Mohit Anilkumar Jain as a Director of the Company**

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 152 and any other applicable provisions of the Companies Act, 2013 (“Act”) and the Rules made there under (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and the Articles of Association of the Company, Mr. Mohit Anilkumar Jain (DIN: 01473966) who was appointed as an Additional Director of the Company w.e.f. 9th May, 2016 and who holds office upto the date of this Annual General Meeting (‘AGM’) and in respect of whom the Company has received a notice in writing from a member along with the deposit of requisite amount under Section 160 of the Act proposing his candidature for the office of a Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation.”

8. **Appointment of Mr. Mohit Anilkumar Jain as the Managing Director of the Company**

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution:**

“RESOLVED THAT in accordance with the provisions of sections 196,197 and 203 and all other applicable provisions of the Companies Act, 2013 (“the Act”) read with Schedule V thereto and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force)

and the Articles of Association of the Company, consent of the members of the Company be and is hereby accorded for the appointment of Mr. Mohit Anilkumar Jain (DIN: 01473966) as the Managing Director of the Company for a period of 5 years w.e.f. 9th May, 2016 on the remuneration and other terms and conditions as set out below, for a period of 3 years from 9th May, 2016 to 8th May, 2019 with liberty to the Board of Directors (hereinafter referred to as “the Board”) to alter and vary the terms and conditions including remuneration as it may deem fit, subject to the same not exceeding the limits specified under Section 197 of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force):

A) Salary and Perquisites:

Basic Salary: ₹ 10,00,000/- p.m. with an annual increment as may be approved by the Nomination and Remuneration Committee and the Board of Directors.

Perquisites and Allowances:

Category I

1. Rent Free Fully Furnished Accommodation or House Rent Allowance equal to 100% of the Basic Salary.
2. Furnishing of residential accommodation with free use of all facilities, Repairs and House Maintenance, Medical Allowance, Servant / Helper Allowance, Re-imbusement of gas, electricity, water charges or any other utilities, Special Allowance or such other allowances as may be decided by the Board - Upto 40% of Basic Salary.
3. Chauffer Driven Company Cars for both business and personal use. Fuel cost, repairs, maintenance and operating and running expenses for the cars.
4. Telephone, Mobile & other Communication facilities, computers, laptops at the Residence for official purpose and expenses incurred thereof.
5. Payment of membership fees for clubs in India including any admission / life membership fees and other allied expenses.
6. Leave Travel Allowance (LTA) - As per the policy of the Company for the Executive Chairman / Managing Director / Whole-Time Directors of the Company.
7. Travelling Expenses – As per the Travel Policy of the Company for the Directors of the Company.
8. Medical / Health Insurance - As per the Medical Insurance policy of the Company for Executive Chairman / Managing Director / Whole-Time Directors of the Company.

9. Personal Accident Insurance – Premium for the Personal Accident Insurance Policy taken for Mr. Mohit Anilkumar Jain, Managing Director shall be borne by the Company.
10. Any other allowances, benefits and perquisites as per the rules and / or policy of the Company as are applicable to the Managing Director of the Company and / or which may become applicable in the future, subject to the recommendation of the Nomination and Remuneration Committee.

Category II

The Company’s contribution to Provident Fund, Superannuation or Annuity fund, to the extent these singly or together are not taxable under the Income Tax Act, 1961, gratuity payable at a rate not exceeding half a month’s salary for each completed year of service and encashment of leave shall not be included for the purpose of computation of the overall ceiling of remuneration.

B) Commission

The Commission as may be approved by the Board (or a Committee thereof) for each financial year. Total remuneration may exceed 5% of the net profits, subject to the overall remuneration of all Executive Directors / Managing Director is within 10% of the Net profit, as prescribed under section 197 of the Companies Act, 2013 read with Schedule V of the Act (including any statutory modification(s) or re-enactment(s) thereof for the time being in force).

Overall Remuneration:

The aggregate of salary, allowances and perquisites in a financial year shall not exceed the limits prescribed under Section 197, Schedule V and other relevant provisions of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force).

RESOLVED FURTHER THAT any increment / revision in salary and perquisites and remuneration by way of incentive / bonus / ex-gratia / performance linked incentives payable to Mr. Mohit Anilkumar Jain during a period of 3 years w.e.f. 9th May, 2016 be determined by the Board, pursuant to the recommendation of Nomination and Remuneration Committee provided overall remuneration of all Executive Directors / Managing Director is within 10% of the Net profits, as prescribed under section 197 of the Companies Act, 2013 read with Schedule V of the Act (including any statutory modification(s) or re-enactment(s) thereof for the time being in force);

RESOLVED FURTHER THAT in the case of absence or inadequacy of profits during the period of 3 years w.e.f. 9th May, 2016, total remuneration payable to Mr. Mohit Anilkumar Jain, Managing Director, by way of salary, perquisites and other benefits shall be within the limits as specified under Section II of Part II of Schedule V of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force);

RESOLVED FURTHER THAT Mr. Mohit Anilkumar Jain, Managing Director shall be liable to retire by rotation;

RESOLVED FURTHER THAT the Board be and is hereby authorised to take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

9. **Re-appointment of Mr. Anil Kumar Jain - “Executive Chairman” of the Company.**

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution:**

“RESOLVED THAT in accordance with the provisions of sections 196 and 197 and all other applicable provisions of the Companies Act, 2013 (“the Act”) read with Schedule V thereto and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), consent of the members of the Company be and is hereby accorded for the re-appointment of Mr. Anil Kumar Jain (DIN: 00086106) as a Whole-Time Director of the Company designated as “Executive Chairman” for a period of 3 years w.e.f. 1st October, 2016 on the remuneration and other terms and conditions as set out below, with liberty to the Board of Directors (hereinafter referred to as “the Board”) to alter and vary the terms and conditions including remuneration as it may deem fit, subject to the same not exceeding the limits specified under Section 197 of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force);

(A) Salary and Perquisites:

Basic Salary: ₹ 14,00,000/- p.m. with an annual increment as may be approved by the Nomination and Remuneration Committee and the Board of Directors.

Perquisites and Allowances

Category I

1. Rent Free Fully Furnished Accommodation or House

Rent Allowance equal to 100% of the Basic Salary.

2. Furnishing of residential accommodation with free use of all facilities, Repairs and House Maintenance, Medical Allowance, Servant / Helper Allowance, Re-imbursment of gas, electricity, water charges or any other utilities, Special Allowance or such other allowances as may be decided by the Board - Upto 40% of Basic Salary.
3. Chauffeur Driven Company Cars for both business and personal use. Fuel cost, repairs, maintenance and operating and running expenses for the cars.
4. Telephone, Mobile & other Communication facilities, computers, laptops at the Residence for official purpose and expenses incurred thereof.
5. Payment of membership fees for clubs in India including any admission / life membership fees and other allied expenses.
6. Leave Travel Allowance (LTA) - As per the policy of the Company for the Executive Chairman / Managing Director / Whole-Time Directors of the Company.
7. Travelling Expenses – As per the Travel policy of the Company for the Directors of the Company.
8. Medical / Health Insurance - As per the Medical Insurance policy of the Company for Executive Chairman / Managing Director / Whole-Time Directors of the Company.
9. Personal Accident Insurance – Premium for the Personal Accident Insurance Policy taken for Mr. Anil Kumar Jain, Executive Chairman shall be borne by the Company.
10. Any other allowances, benefits and perquisites as per the rules and / or policy of the Company as are applicable to the Executive Chairman of the Company and / or which may become applicable in the future, subject to the recommendation of the Nomination and Remuneration Committee.

Category II

The Company’s contribution to Provident Fund, Superannuation Fund or Annuity Fund, to the extent these singly or together are not taxable under the Income Tax Act, 1961, gratuity payable at a rate not exceeding half a month’s salary for each completed year of service and encashment of leave shall not be included for the purpose of computation of the overall ceiling of remuneration.

(B) Commission

The Commission as may be approved by the Board (or a Committee thereof) for each financial year. Total remuneration may exceed 5% of the net profits as calculated under section 198 of the Act, subject to, the overall remuneration of all Executive Directors / Managing Director is within 10% of the Net profits, as prescribed under section 197 of the Companies Act, 2013 read with Schedule V of the Act (including any statutory modification(s) or re-enactment(s) thereof for the time being in force).

RESOLVED FURTHER THAT any increment / revision in salary and perquisites and remuneration by way of incentive / bonus / ex-gratia / performance linked incentives payable to Mr. Anil Kumar Jain during his tenure of office be determined by the Board, pursuant to the recommendation of Nomination and Remuneration Committee provided overall remuneration of all Executive Directors / Managing Director is within 10% of the Net profit, as prescribed under section 197 of the Companies Act, 2013 read with Schedule V of the Act (including any statutory modification(s) or re-enactment(s) thereof for the time being in force);

RESOLVED FURTHER THAT in the case of absence or inadequacy of profits in any financial year during the tenure of office of Mr. Anil Kumar Jain, Executive Chairman, total remuneration payable to him by way of salary, perquisites and other benefits shall be within the limits as specified under Section II of Part II of Schedule V of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force);

RESOLVED FURTHER THAT Mr. Anil Kumar Jain, Executive Chairman shall not be liable to retire by rotation;

RESOLVED FURTHER THAT the Board be and is hereby authorised to take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

10. **Re-appointment of Mr. Kailash R. Lalpuria - Executive Director of the Company.**

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution:**

“RESOLVED THAT in accordance with the provisions of sections 196 and 197 and all other applicable provisions of the Companies Act, 2013 (“the Act”) read with Schedule V thereto and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force),

consent of the members of the Company be and is hereby accorded for the re-appointment of Mr. Kailash R. Lalpuria (DIN: 00059758) as a Whole-Time Director designated as “Executive Director” of the Company for a period of 3 years w.e.f. 1st October, 2016 on the remuneration and other terms and conditions as set out below, with liberty to the Board of Directors (hereinafter referred to as “the Board”) to alter and vary the terms and conditions including remuneration as it may deem fit, subject to the same not exceeding the limits specified under Section 197 of the Companies Act, 2013;

(A) Salary and Perquisites

Basic Salary: ₹ 2,93,335/- p.m. with an annual increment as may be approved by the Nomination and Remuneration Committee and the Board of Directors.

Perquisites and Allowances

Category I

1. House Rent Allowance - Upto 50% of the Basic Salary.
2. Servant Allowance, Medical Allowance, Special Allowance or any other Allowance as may be decided by the Board - Upto 40% of Basic Salary.
3. Chauffer Driven Company Car for both business and personal use. Fuel cost, repairs, maintenance and operating and running expenses for the car.
4. Telephone, Mobile & other Communication facilities, computers, laptops at the Residence for official purpose and expenses incurred thereof.
5. Leave Travel Allowance (LTA) - As per the policy of the Company for Executive Chairman / Managing Director / Whole-Time Directors of the Company.
6. Travelling Expenses – As per the policy of the Company for Directors of the Company.
7. Medical / Health Insurance - As per the Medical Insurance policy of the Company for Executive Chairman / Managing Director / Whole-Time Directors of the Company.
8. Personal Accident Insurance – Premium for the Personal Accident Insurance Policy taken for Mr. Kailash R. Lalpuria, Executive Director shall be borne by the Company.

Category II

The Company’s contribution to Provident Fund, Superannuation Fund or Annuity Fund, to the extent these singly or together are not taxable under the Income Tax Act, 1961, gratuity payable at a rate not exceeding half a month’s

salary for each completed year of service and encashment of leave shall not be included for the purpose of computation of the overall ceiling of remuneration.

B) Commission

The Commission as may be approved by the Board (or a Committee thereof) for each financial year provided overall remuneration of all Executive Directors / Managing Director is within 10% of the Net profits, as prescribed under section 197 of the Companies Act, 2013 read with Schedule V of the Act (including any statutory modification(s) or re-enactment(s) thereof for the time being in force).

RESOLVED FURTHER THAT any increment / revision in salary and perquisites and remuneration by way of incentive / bonus / ex-gratia / performance linked incentives payable to Mr. Kailash R. Lalpuria during his tenure of office be determined by the Board, pursuant to the recommendation of Nomination and Remuneration Committee provided overall remuneration of all Executive Directors / Managing Directors is within 10% of the Net profits, as prescribed under section 197 of the Companies Act, 2013 read with Schedule V of the Act (including any statutory modification(s) or re-enactment(s) thereof for the time being in force);

RESOLVED FURTHER THAT in the case of absence or inadequacy of profits in any financial year during the tenure of office of Mr. Kailash R. Lalpuria, Executive Director, total remuneration payable to him by way of salary, perquisites and other benefits shall be within the limits as specified under Section II of Part II of Schedule V of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force);

RESOLVED FURTHER THAT Mr. Kailash R. Lalpuria, Executive Director shall be liable to retire by rotation;

RESOLVED FURTHER THAT the Board be and is hereby authorised to take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

11. **Re-appointment of Mr. Kamal Mitra - Director (Works) of the Company.**

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution:**

“**RESOLVED THAT** in accordance with the provisions of sections 196 and 197 and all other applicable provisions of the Companies Act, 2013 (“the Act”) read with Schedule V thereto and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory

modification(s) or re-enactment(s) thereof for the time being in force), consent of the members of the Company be and is hereby accorded for the re-appointment of Mr. Kamal Mitra (DIN: 01839261) as Whole-Time Director designated as Director (Works) of the Company for a period of 3 years w.e.f. 1st October, 2016 on the remuneration and other terms and conditions as set out below, with liberty to the Board of Directors (hereinafter referred to as “the Board”) to alter and vary the terms and conditions including remuneration as it may deem fit, subject to the same not exceeding the limits specified under Section 197 of the Companies Act, 2013;

(A) Salary and Perquisites

Basic Salary: ₹ 1,68,402/- p.m. with an annual increment as may be approved by the Nomination and Remuneration Committee and the Board of Directors of the Company.

Perquisites and Allowances

Category I

1. House Rent Allowance - Upto 50% of the Basic Salary.
2. Medical Reimbursement – As per the policy of the Company.
3. Leave Travel Allowance (LTA) - As per the policy of the Company for the Executive Chairman / Managing Director / Whole-Time Directors of the Company.
4. Chauffeur Driven Company Car for both business and personal use. Fuel cost, repairs, maintenance and operating and running expenses for the car.
5. Travelling Expenses – As per the policy of the Company for Directors of the Company.
6. Medical / Health Insurance - As per the Medical Insurance policy of the Company for Executive Chairman / Managing Director / Whole-Time Directors of the Company.
7. Personal Accident Insurance – Premium for the Personal Accident Insurance Policy taken for Mr. Kamal Mitra, Director (Works) shall be borne by the Company.

Category II

The Company’s contribution to Provident Fund, Superannuation Fund or Annuity Fund, to the extent these singly or together are not taxable under the Income Tax Act, 1961, gratuity payable at a rate not exceeding half a month’s salary for each completed year of service and encashment of leave at the end of the tenure shall not be included for the purpose of computation of the overall ceiling of remuneration.

B) Commission

The Commission as may be approved by the Board (or a Committee thereof) for each financial year provided overall remuneration of all Executive Directors / Managing Director is within 10% of the Net profits, as prescribed under section 197 of the Companies Act, 2013 read with Schedule V of the Act (including any statutory modification(s) or re-enactment(s) thereof for the time being in force).

RESOLVED FURTHER THAT any increment / revision in salary and perquisites and remuneration by way of incentive / bonus / ex-gratia / performance linked incentives payable to Mr. Kamal Mitra during his tenure of office be determined by the Board, pursuant to the recommendation of Nomination and Remuneration Committee provided overall remuneration of all Executive Directors / Managing Director is within 10% of the Net profits, as prescribed under section 197 of the Companies Act, 2013 read with Schedule V of the Act (including any statutory modification(s) or re-enactment(s) thereof for the time being in force).

RESOLVED FURTHER THAT in the case of absence or inadequacy of profits in any financial year during the tenure of office of Mr. Kamal Mitra Director (Works), total remuneration payable to him by way of salary, perquisites and other benefits shall be within the limits as specified under Section II of Part II of Schedule V of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force).

RESOLVED FURTHER THAT Mr. Kamal Mitra, Director (Works) shall be liable to retire by rotation;

RESOLVED FURTHER THAT the Board be and is hereby authorised to take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

12. Increase in borrowing powers of the Board

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

“**RESOLVED THAT** in supersession of the Special Resolution passed by the shareholders of the Company on 23rd August, 2014 and pursuant to any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), consent

of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter called the “Board” which term shall be deemed to include person(s) authorized and / or committee which the Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred by this Resolution), for borrowing from time to time, by way of loans, credit facilities, debt instruments or in any other forms, any such sum or sums of money (either Indian or foreign currency) from Banks, Financial Institutions, Bodies Corporate, Mutual Funds, Companies, firms or any one or more persons on such terms and conditions and with or without security as the Board may think fit, in addition to the monies already borrowed by the Company, (apart from temporary loans obtained or to be obtained from the Company’s bankers in the ordinary course of business), may exceed the aggregate of paid up capital and free reserves of the Company, provided that the total amount of money or monies so borrowed and outstanding at any time shall not exceed ₹ 1,600 Crores (Rupees One Thousand Six Hundred Crores Only);

RESOLVED FURTHER THAT the Board be and is hereby authorised to do and perform all such acts, deeds, matters and things, execute such documents as may be considered necessary, desirable or expedient for giving effect to this Resolution.”

13. Increase in the power of creation of charge

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

“**RESOLVED THAT** in supersession of the resolution passed by the shareholders of the Company on 23rd August, 2014 and pursuant to the provisions of Section 180 (1) (a) and other applicable provisions, if any, of the Companies Act, 2013, (including any amendment(s) thereto or re-enactment (s) thereof), the consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as “the Board” which term shall be deemed to include any Committee thereof) to create such charges, mortgages and hypothecations in addition to the existing charges, mortgages and hypothecations created by the Company, on such movable and immovable properties, both present and future, and in such from manner and with such ranking and on such terms as the Board may deem fit, in favour of the Lenders / Trustee to secure borrowings upto ₹. 1,600 Crores;

“**RESOLVED FURTHER THAT** the Board be and is hereby authorised on behalf of the Company to do all such acts, deeds and things, to execute all such documents, instruments in writing as may be required in its absolute discretion to give effect to this resolution.”

**By Order of the Board of Directors
For Indo Count Industries Limited**

Amruta Avasare
Company Secretary

Registered Office:

Office No. 1, Plot No. 266, Village Alte,
Kumbhoj Road, Taluka Hatkanangale,
District Kolhapur 416 109, Maharashtra.

Place: Mumbai

Date: 8th June, 2016

Notes:

1. The Register of Beneficial Owners and Register of Members and Share Transfer Books of the Company will remain closed from Tuesday, 19th July, 2016 to Tuesday, 26th July, 2016 (both days inclusive).
2. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of Item Nos. 7 to 13 is annexed hereto and forms part of this Notice.
3. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT PROXY / PROXIES TO ATTEND AND VOTE ON POLL INSTEAD OF HIMSELF / HERSELF AND SUCH PROXY / PROXIES NEED NOT BE A MEMBER OF THE COMPANY.

Proxies, in order to be effective, should be duly completed, stamped and signed, must 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 aggregate not more than ten percent of the total share capital 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 are requested to send to the Company a duly certified copy of the Resolution passed by the Board of Directors authorizing their representatives to attend and vote at the Annual General Meeting.
5. Equity Dividend, if approved by the Members at the Annual General Meeting, will be paid to the Equity Shareholders whose names appear in the Register of Member as on 18th July, 2016, or Register of Beneficial Owners at the close of business hours on 18th July, 2016, as per details furnished by the Depositories for this purpose.
6. Pursuant to Regulation 36 (3) of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015, the details of Directors seeking appointment / re-appointment are provided in the Annexure to this Notice.
7. In order to enable the Company to remit dividend electronically through National Electronic Clearing Services (NECS), National Electronic Fund Transfer (NEFT), etc. Members are requested to provide / update details of their

- bank accounts indicating the name of the bank, branch, account number, nine-digit MICR code and IFSC code (as appearing on the cheque) along with photocopy of the cheque / cancelled cheque. The said information should be submitted to the Company, if the shares are held in physical form and to the concerned Depository Participants ('DP'), if the shares are held in electronic form.
8. Pursuant to the provisions of Section 72 of the Companies Act, 2013, Members holding shares in physical form and desirous of making a nomination in respect of their shareholding in the Company are requested to submit details to the Registrar and Transfer Agent of the Company, in the prescribed Form SH -13. Members holding shares in demat form may contact their respective DP for recording of nomination.
 9. In case of joint holders attending the Meeting, the Member whose name appears as first holder in the order of names as per Register of Members of the Company will be entitled to vote.
 10. Members holding shares:
 - a) in electronic (Demat) form are advised to inform the particulars of their bank account, change of address and E-mail ID to their respective DP only. The Company or its Registrar and Share Transfer Agent ('RTA') i.e. Link Intime India Private Limited cannot act on any request received directly from the Members holding shares in demat mode for changes in any bank mandates or other particulars etc., and such instructions are required to be given directly by the Members to their DP.
 - b) in physical form are advised to inform the particulars of their bank account, change of address and E-mail ID to RTA.
 11. Members, whether holding shares in electronic or physical mode, are requested to quote their DP ID & Client ID or Folio No. for all correspondences with the Company / RTA.
 12. NRI Members are requested to:
 - a) change their residential status on return to India permanently.
 - b) furnish particulars of bank account(s) maintained in India with complete name, branch, account type, account number and address of the bank with PIN Code No., if not furnished earlier.
 13. Members holding shares under different Folio Nos. in the same names are requested to apply for consolidation of Folios and send relevant Share Certificates to the Company's RTA for doing the needful.
 14. The Securities and Exchange Board of India (SEBI) has mandated submission of Permanent Account Number ('PAN') by every participant in securities market. Members holding shares in dematerialized form are therefore requested to submit the PAN to their respective DP. Members holding shares in physical form can submit their PAN details to the Company / RTA.
 15. Members are requested to note that in case of transfer of shares held in physical form, submission of photocopy of PAN card of the transferee(s) along with the Transfer Deeds and Share Certificate(s) at the time of lodgement of transfer of share is mandatory.
 16. In terms of Section 124 of the Companies Act, 2013 and Sections 205A and 205C of the Companies Act, 1956 (including any statutory modification(s) or re-enactment(s) for the time being in force), the amount of dividend remaining unclaimed or unpaid for a period of seven years from the date of transfer to the Unpaid Dividend Account is required to be transferred to the Investor Education and Protection Fund (IEPF).

The interim dividend for the FY 2015-16 is due for transfer to IEPF in the year 2022. Shareholders are requested to ensure that they claim the interim dividend before transfer of the said amount to IEPF. Members who have not encashed their dividend warrants for said interim dividend are requested to contact the Company / Registrar & Transfer Agent.
 17. Copies of any documents referred to in the Notice or Explanatory Statement are available for inspection at the Company's Registered Office on all days except Saturdays, Sundays or public holidays between 2.00 p.m. to 4.00 p.m.
 18. Pursuant to the provisions of Sections 101 and 136 of the Companies Act, 2013 read with relevant Rules made thereunder, companies can serve Annual Reports and other communications through electronic mode to those Members who have registered their E-mail ID either with their DP or the Company. The Notice of the AGM along with Annual Report for the year ended 31st March, 2016 is being sent by electronic mode to those Members whose E-mail IDs are registered with the Company / Depositories, unless a Member has requested for a physical copy of the same.

Physical copies of the Annual Report are being sent by the permitted mode to those Members who have not registered their E-mail IDs. The Annual Report for the year ended 31st March, 2016 and Notice convening AGM is available on the Company's website www.indocount.com
 19. Route Map to the venue of AGM is annexed.

E-voting:

Pursuant of section 108 of the Companies Act, 2013 read with Rule 20 of Companies (Management and Administration) Rules, 2015, and Regulation 44 of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide 'remote e-voting' (e-voting from a place other than venue of the AGM) facility through Central Depository Services (India) Limited (CDSL) as an alternative, for all members of the Company to enable them to cast their votes electronically, on the resolutions mentioned in the notice of the 27th Annual General Meeting of the Company.

It is hereby clarified that is not mandatory for a Member to vote using e-voting facility.

The facility for voting, through ballot / polling paper shall also be made available at the venue of the 27th AGM. The Members attending the Meeting, who have not already cast their vote through remote e-voting shall be able to exercise their voting rights at the Meeting. The members who have already cast their vote through remote e-voting may attend the Meeting, but shall not be entitled to cast their vote again at the AGM.

The voting rights of shareholders shall be in proportion to their shares of the Paid up Equity Share Capital of the Company as on cut off date i.e. Tuesday, 19th July, 2016.

C. V. Kulkarni, Practising Company Secretary (Membership No.: 3342; CP No: 2792) (Address: Flat No. 2, B-Wing, Suyash Apartments, 769 / 770, Sadashiv Peth, Barrister Gadgil Street, Pune - 411 030) has been appointed as Scrutinizer for conducting the e-voting process in the fair and transparent manner.

The Scrutinizer shall submit his report, to the Executive Chairman, within Forty Eight hours from the conclusion of the Annual General Meeting.

The result declared along with the Scrutinizer's report shall be placed on the website of the Company www.indocount.com and shall simultaneously be communicated to the Stock Exchanges.

Members are requested to follow the instructions below to cast their vote electronically:-

- i) The remote e-voting period begins on **Friday, 22nd July, 2016 at 9.00 a.m.** (IST) and ends on **Monday, 25th July, 2016 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 i.e. Tuesday, 19th July, 2016 may cast their votes electronically. The remote e-voting module shall be disabled by CDSL for voting after 5.00 p.m. (IST) on Monday, 25th July, 2016.
- ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the Meeting venue.
- iii) The shareholders should log on to the e-voting website: www.evotingindia.com
- iv) Click on "Shareholders" tab to cast your vote.
- v) 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.
- vi) Next enter the Image Verification as displayed and Click on Login.
- vii) 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.
- viii) 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) Members who have not updated their PAN with the Company/Depository Participants are requested to use the sequence number which is printed on Attendance Slip indicated in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	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. 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 (v).

- ix) After entering these details appropriately, click on "SUBMIT" tab.
- x) 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 also to be 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.

- xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
 - xii) Click on the EVSN for **Indo Count Industries Limited** on which you choose to vote.
 - xiii) 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.
 - xiv) Click on the "RESOLUTIONS FILE" link if you wish to view the entire Resolution details.
 - xv) 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.
 - xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
 - xvii) You can also take out print of the voting done by you by clicking on "CLICK HERE TO PRINT" option on the Voting page.
 - xviii) If you as a Demat account holder have forgotten the existing password, then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
 - xix) Note for Non – Individual Shareholders and Custodians :
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves as Corporates and Custodians respectively.
 - 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.
 - 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.
 - xx) Any person, who acquires shares of the Company and becomes Member of the Company after dispatch of the Notice and holding shares as on the cut-off date i.e. Tuesday, 19th July, 2016, may follow the same instructions as mentioned above for e-Voting or send a request at indocount@linkintime.co.in or at icilinvestors@indocount.com. However, if such member is already registered with CDSL for remote e-voting then he/she/it can use his/her/its existing user ID and password for casting the vote. The facility to reset the forgotten password is also provided by CDSL. The same can be done by using "Forgot user Details/Password" option avail on www.evotingindia.com.
 - xxi) 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
 - xxii) Notice of the Annual General Meeting is also displayed at www.indocount.com or at www.evotingindia.com
- In case a member receives physical copy of the Notice [for members whose e-mail addresses are not registered with the Company / Depository Participant(s)]:**
1. a) User ID and initial password –This is provided at the bottom of the attendance slip for the Annual General Meeting (which is being sent along with this Notice)
 - b) Please follow all steps from sl. no. (i) to sl. no. (xxi) above to cast vote.
 2. Member can opt for only one mode of voting i.e. either through e-voting or by Ballot / Poll paper at AGM. If a member casts votes by both modes, then voting done through e-voting shall prevail.
 3. Once the vote on a resolution is cast by a member, the Member shall not be allowed to change it subsequently or cast the vote again.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 IN RESPECT OF ITEM NOS. 7-13 OF THE NOTICE

ITEM NO. 7 and 8

As a part of long term succession plan, pursuant to the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company at its meeting held on 7th May, 2016 appointed Mr. Mohit Anilkumar Jain as an Additional Director of the Company w.e.f. 9th May, 2016 to hold office till the date of the next Annual General Meeting. Further, the Board of Directors of the Company also approved his appointment as the Managing Director of the Company for a period of 5 years with effect from 9th May, 2016 subject to approval of the shareholders of the Company on the terms and conditions including remuneration as set out in Item No. 8 of the Notice.

The Company has received a notice from a shareholder signifying the intention to propose Mr. Mohit Anilkumar Jain as a candidate for the office of Director of the Company along with the deposit of requisite amount as stipulated under the provisions of Section 160 of the Companies Act, 2013.

Pursuant to the provisions of Sections 196, 197, 198 and any other applicable provisions, if any, of the Companies Act, 2013 and the rules framed thereunder read with Schedule V of the Companies Act, the appointment and remuneration of Managing Director requires approval of the shareholders in General Meeting.

The brief resume of Mr. Mohit Anilkumar Jain is provided in Annexure to the Notice.

The Board of Directors recommends the resolutions at Item No. 7 & 8 of the Notice for the approval of members of the Company by way of Ordinary Resolution and Special Resolution respectively.

None of the Directors and Key Managerial Personnel of the Company and their relatives except Mr. Mohit Anilkumar Jain, Mr. Anil Kumar Jain and their relatives are concerned or interested, financially or otherwise, in the said resolutions.

ITEM NO. 9

At the Annual General Meeting of the Company held on 22nd August, 2015, the tenure of Mr. Anil Kumar Jain was fixed from 1st July, 2015 to 30th September, 2016. Further, w.e.f. 9th May, 2016, Mr. Anil Kumar Jain continues to be "Executive Chairman" of the Company.

Pursuant to the recommendation of Nomination and Remuneration Committee, the Board of Directors of the Company at its meeting held on 8th June, 2016 re-appointed

Mr. Anil Kumar Jain as an Executive Chairman for a further period of 3 years w.e.f. 1st October, 2016 on the terms and conditions including remuneration as stated in Item No. 9 of the Notice, subject to the approval of members of the Company.

Pursuant to the provisions of Sections 196, 197, 198 and any other applicable provisions, if any, of the Companies Act, 2013 and the rules framed thereunder read with Schedule V of the Companies Act, the re-appointment and revision in remuneration of Whole-time Director requires approval of the shareholders in General Meeting.

The brief resume of Mr. Anil Kumar Jain is provided in Annexure to the Notice.

The Board of Directors therefore recommends the resolution as set out in Item No. 9 of the Notice for approval of members of the Company by way of Special Resolution.

None of the Directors and Key Managerial Personnel of the Company and their relatives except Mr. Anil Kumar Jain and Mr. Mohit Anilkumar Jain are concerned or interested, financially or otherwise, in the said resolution.

ITEM NO. 10

At the Annual General Meeting of the Company held on 22nd August, 2015, the tenure of Mr. Kailash R. Lalpuria was fixed from 1st July, 2015 to 30th September, 2016.

Pursuant to the recommendation of Nomination and Remuneration Committee, the Board of Directors of the Company re-appointed Mr. Kailash R. Lalpuria, Executive Director for a further period of 3 years w.e.f. 1st October, 2016 on the terms and conditions including remuneration as stated in Item No. 10 of the Notice, subject to the approval of members of the Company.

Pursuant to the provisions of Sections 196, 197, 198 and any other applicable provisions, if any, of the Companies Act, 2013 and the rules framed thereunder read with Schedule V of the Companies Act, the re-appointment and revision in remuneration of Whole-time Director requires approval of the shareholders in General Meeting.

The brief resume of Mr. Kailash R. Lalpuria is provided in Annexure to the Notice.

The Board of Directors therefore recommends the resolution as set out in Item No. 10 of the Notice for approval of members of the Company by way of Special Resolution.

None of the Directors and Key Managerial Personnel of the Company and their relatives except Mr. Kailash R. Lalpuria and his relatives are concerned or interested, financially or otherwise, in the said Resolution.

ITEM NO. 11

At the Annual General Meeting of the Company held on 22nd August, 2015, the tenure of Mr. Kamal Mitra was fixed from 1st July, 2015 to 30th September, 2016.

Pursuant to the recommendation of Nomination and Remuneration Committee, the Board of Directors of the Company re-appointed Mr. Kamal Mitra, Director (Works) for a further period of 3 years w.e.f. 1st October, 2016 on the terms and conditions including remuneration as stated in Item No. 11 of the Notice, subject to the approval of members of the Company.

Pursuant to the provisions of Sections 196, 197, 198 and any other applicable provisions, if any, of the Companies Act, 2013 and the rules framed thereunder read with Schedule V of the Companies Act, the re-appointment and revision in remuneration of Whole-time Director requires approval of the shareholders in General Meeting.

The brief resume of Mr. Kamal Mitra is provided in Annexure to the Notice.

The Board of Directors therefore recommends the resolution as set out in Item No. 11 of the Notice for approval of members of the Company by way of Special Resolution.

None of the Directors and Key Managerial Personnel of the Company and their relatives except Mr. Kamal Mitra is concerned or interested, financially or otherwise, in the said resolution.

ITEM NO. 12 and 13

At the Annual General Meeting of the Company held on 23rd August, 2014, the members of the Company had accorded their consent to the Board of Directors of the Company for borrowing monies upto a limit of ₹ 1,200 Crores (Rupees Twelve Hundred

Crores only). The members of the Company had also accorded their consent to the Board to create charge on properties or assets of the Company to secure borrowings upto ₹ 1,200 crores.

In view of the increasing activities and operations and considering the expansion plans of the Company, it is proposed to increase the borrowing limit upto ₹ 1,600 Crores (Rupees One Thousand Six Hundred Crore) pursuant to Section 180 (1) (c) of the Companies Act, 2013 and accordingly increase the limit for creation of charge to secure the borrowings upto ₹ 1,600 crores.

The Board of Directors therefore recommends the resolutions as set out in Item No. 12 and 13 of the Notice for approval of members of the Company by way of Special Resolutions.

None of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the said resolutions.

**By Order of the Board of Directors
For Indo Count Industries Limited**

Amruta Avasare
Company Secretary

Registered Office:

Office No. 1, Plot No. 266, Village Alte,
Kumbhoj Road, Taluka Hatkanangale,
District Kolhapur 416 109, Maharashtra.

Place: Mumbai

Date: 8th June, 2016

Annexure to AGM Notice

Additional Information on Directors recommended for appointment/re-appointment as required under Regulation 36(3) of SEBI (LODR) Regulations, 2015

1. Appointment of Mr. Mohit Anilkumar Jain:

Name of the Director	Mr. Mohit Anilkumar Jain
DIN	01473966
Age	40 years
Brief Resume and nature of expertise in functional areas	<p>Mr. Mohit Jain has graduated from Babson College, United States of America and is specialised in the fields of Marketing, Economics, Finance and Entrepreneurial Studies. He has over 15 years experience in Global Marketing and Entrepreneurship.</p> <p>Mr. Mohit Jain, has travelled extensively to the countries like United States of America, Canada, United Kingdom, Germany, France, Italy, Switzerland, Singapore, Korea, amongst others.</p> <p>He has vast experience on overseas business and has established networking with the global customers.</p>
Directorships held in other public Companies [excluding foreign and private Companies]	NIL
Memberships / Chairmanships of Audit & Stakeholders Relationship Committees of other Public Companies	NIL
Number of shares held in the Company as on 31st March, 2016	138570 Equity Shares of ₹10/- each
Inter-se relationship with other Directors	Mr. Mohit Anilkumar Jain is son of Mr. Anil Kumar Jain.

2. Re-appointment of Mr. Anil Kumar Jain

Name of the Director	Mr. Anil Kumar Jain
DIN	00086106
Age	63 years
Brief Resume and nature of expertise in functional areas	<p>Mr. Anil Kumar Jain, a B.Com (Hons.) from St. Xavier's College, Kolkata has acquired more than 35 years of experience in the industry. He started his career from 1975 and had held various key positions in the family business. He was instrumental in turning around BIFR / Sick Units by introducing innovative technology and export culture.</p> <p>In the year 1988, he has promoted Indo Count Industries Ltd., a 100% Export Oriented Yarn Unit. Subsequently, in the year 2006, post-quota regime, he could also establish a state of art Home Textile unit, fully integrated to manufacture 36 million meter fabric annually.</p>
Directorships held in other public Companies [excluding foreign and private Companies]	<p>1. Margo Finance Limited</p> <p>2. Pranavaditya Spinning Mills Limited</p>
Memberships / Chairmanships of Audit & Stakeholders Relationship Committees of other Public Companies -	Pranavaditya Spinning Mills Ltd: a) Stakeholders' Relationship Committee – Member
Number of shares held in the Company as on 31st March, 2016	373511 Equity Shares of ₹ 10/- each
Inter-se relationship with other Directors	Mr. Anil Kumar Jain is Father of Mr. Mohit Anilkumar Jain.

3. Re-appointment of Mr. Kailash R. Lalpuria

Name of the Director	Mr. Kailash R. Lalpuria
DIN	00059758
Age	57 years
Brief Resume and nature of expertise in functional areas	<p>A qualified Chartered Accountant, Mr. Lalpuria is a Science graduate from St. Xavier's College in Mumbai and has more than 33 years of experience in the Textile Sector.</p> <p>His expertise includes Strategic Growth of Organization, Planning Joint Ventures, Developing Overseas Sales Team, Contribution in overall Value Chain, New Areas of Business Development, Commercial Aspects of Export Business, Sales & Marketing and Customer Relationship Management.</p> <p>He has the entrepreneur skills to conceptualize business and establish it as a successful enterprise. He has travelled worldwide and has good network for business development globally.</p>
Directorships held in other public Companies [excluding foreign and private Companies]	Vallabh Textile Company Ltd
Memberships / Chairmanships of Audit & Stakeholders Relationship Committees of other Public Companies	NIL
Number of shares held in the Company as on 31st March, 2016	NIL
Inter-se relationship with other Directors	Mr. Kailash R. Lalpuria has no inter-se relationship with other Directors

4. Re-appointment of Mr. Kamal Mitra:

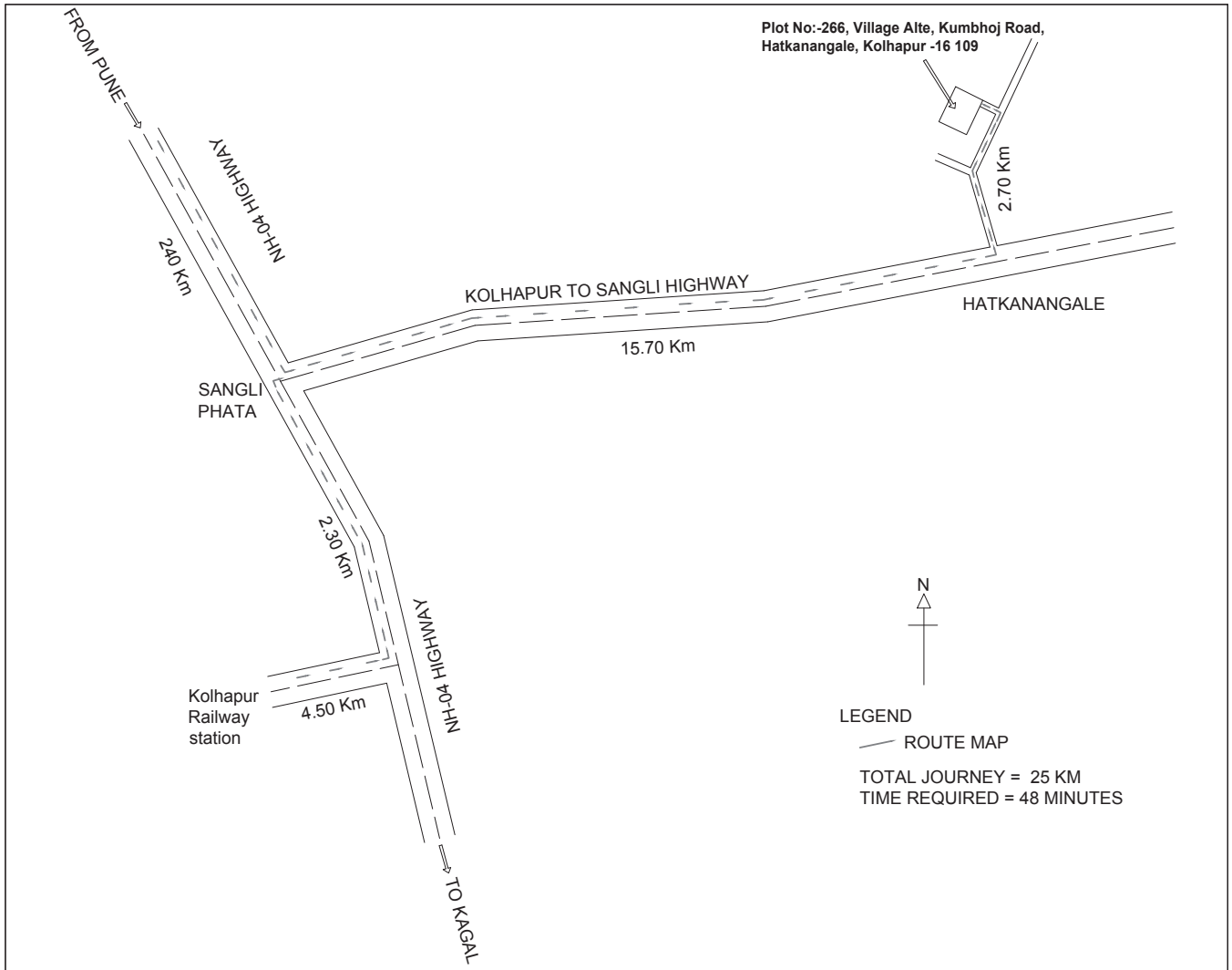
Name of the Director	Mr. Kamal Mitra
DIN	01839261
Age	63 years
Brief Resume and nature of expertise in functional areas	Mr. Kamal Mitra, holds a Bachelor Degree in Textile Engineering and has more than 35 years of experience in the Textile Industry
Directorships held in other public Companies [excluding foreign and private Companies]	Pranavaditya Spinning Mills Limited
Memberships / Chairmanships of Audit & Stakeholders Relationship Committees of other Public Companies -	Pranavaditya Spining Mills Limited: Member-Audit Committee Member-Stakeholders' Relationship Committee
Number of shares held in the Company as on 31st March, 2016	170 Equity Shares of ₹ 10/- each
Inter-se relationship with other Directors	Mr. Kamal Mitra has no inter-se relationship with other Directors

ROUTE MAP TO THE 27th AGM VENUE

Venue : Plot No. 266, Village Alte, Kumbhoj Road, Taluka Hatkanangale, District Kolhapur 416 109, Maharashtra

Distance from Kolhapur Railway Station : 25 km

Distance from Hatkanangale Bus Stand : 2.70 km



IMPORTANT COMMUNICATION

GREEN INITIATIVE

Pursuant to the provisions of the Companies Act, 2013, notice of General Meetings, Annual Report and other important communications may be sent by electronic mode to the members of the Company.

To support green initiative, Members holding shares in physical form are requested to provide their e-mail id to the Company by filling up the form available on the Company's website www.indocount.com and also update their e-mail id, if there is a change.

Members holding shares in dematerialized form are requested to update their e-mail id with the Depository Participants (DPs).

We are confident that you will support this green initiative of not printing the Annual Report on paper. However if you so desire, you can request for physical copy of the Annual Report by marking your request to indocount@linkintime.co.in / icilinvestors@indocount.com

INDO COUNT INDUSTRIES LIMITED**CIN:** L72200PN1988PLC068972**Registered Office:** Office No. 1, Plot No. 266, Village Alte, Kumbhoj Road, Taluka Hatkanangale,
Dist. Kolhapur-416 109, Maharashtra**Tel No:** (230) 2483105 **Fax No:** (230) 2483275**Website:** www.indocount.com; **Email :** icilinvestors@indocount.com**ATTENDANCE SLIP****27th Annual General Meeting on Tuesday, 26th July, 2016 at 12.30 p.m.****Registered Folio No./ DP ID-Client ID:****Name and Address of the Member :****Name of Joint holder(s) :****No. of Equity Shares held :**

I/We hereby record my/our presence at the 27th Annual General Meeting of the Company held on Tuesday, 26th July, 2016 at 12:30 p.m. at Plot No. 266, Village Alte, Kumbhoj Road, Taluka Hatkanangale, Dist. Kolhapur – 416 109, Maharashtra.

Name of the Member / Proxy-----
Signature of Member / Proxy

PLEASE FILL THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL.

Electronic Voting Particulars

Electronic Voting Sequence No.(EVSN)	Sequence Number / Default PAN*
160627015	

*Only members who have not updated their PAN with the Company / Depository Participants shall use default PAN in the PAN field.

Please read the instructions printed in the Notice of 27th Annual General Meeting. The Voting period starts from 9.00 a.m. on Friday, 22nd July, 2016 and ends at 5.00 p.m. on Monday, 25th July, 2016. The voting module shall be disabled by CDSL for voting thereafter.

INDO COUNT INDUSTRIES LIMITED

Registered Office: Office No. 1, Plot No. 266, Village Alte, Kumbhoj Road, Taluka Hatkanangale, Dist. Kolhapur-416 109, Maharashtra
 CIN: L72200PN1988PLC068972

Website: www.indocount.com; Email : icilinvestors@indocount.com

PROXY FORM- MGT-11

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

Name of the member (s) :
Registered address :
E-mail Id:
Client Id/ Regd. Folio No :
DP ID :

I/We, being the member (s) of shares of Indo Count Industries Limited, hereby appoint

- Name: Address :
E-mail Id: Signature:....., or failing him
- Name: Address :
E-mail Id: Signature:....., or failing him
- Name: Address :
E-mail Id: Signature:

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 27th Annual General Meeting of the Company to be held on Tuesday, 26th July, 2016 at 12:30 p.m. Plot No. 266, Village Alte, Kumbhoj Road, Taluka Hatkanangale, Dist. Kolhapur-416 109, Maharashtra and at any adjournment thereof in respect of such resolutions as are indicated here in below:

Item No.	Resolution
Ordinary Business	
1.	To receive, consider and adopt the Audited Standalone Financial Statements of the Company including Balance Sheet as at 31 st March 2016, Statement of Profit and Loss and Cash Flow Statement for the year ended on that date and reports of the Board of Directors and Auditors thereon.
2.	To receive, consider and adopt the Audited Consolidated Financial Statements of the Company including Balance Sheet as at 31 st March 2016, Statement of Profit and Loss and Cash Flow Statement for the year ended on that date and reports of the Auditors thereon.
3.	To confirm the payment of Interim Dividend of ₹ 1/- per Equity Share of ₹ 10/- each
4.	To declare a Final Dividend of ₹ 1/- per Equity Share of ₹ 10/- each
5.	To appoint a Director in place of Mr. Kamal Mitra (DIN: 01839261), who retires by rotation at this Annual General Meeting and being eligible offers himself for re-appointment.
6.	To ratify the appointment of M/s B. K. Shroff & Co. as Statutory Auditors to hold office from the conclusion of Twenty Seventh Annual General Meeting till the conclusion of Twenty Eight Annual General Meeting and to fix their remuneration
Special Business	
7.	To appoint Mr. Mohit Anilkumar Jain as a Director of the Company
8.	To appoint Mr. Mohit Anilkumar Jain as the Managing Director of the Company for a period of 5 years w.e.f. 9 th May, 2016
9.	To re-appoint Mr. Anil Kumar Jain, Executive Chairman of the Company for a period of 3 years w.e.f. 1 st October, 2016
10.	To re-appoint Mr. Kailash R. Lalpuria, Executive Director for a period of 3 years w.e.f. 1 st October, 2016
11.	To re-appoint Mr. Kamal Mitra, Director (Works) for a period of 3 years w.e.f. 1 st October, 2016
12.	Increase in borrowing powers of the Board upto ₹ 1,600 Crores pursuant to Section 180(1) (c) of the Companies Act, 2013
13.	Increase in power of the Board to create charge upto ₹ 1,600 Crores pursuant to Section 180(1) (a) of the Companies Act, 2013

Signed this..... day of..... 2016

Signature of Shareholder(s):

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