

SPL INDUSTRIES LTD.

24TH ANNUAL  
REPORT  
2014-15



**SPL INDUSTRIES LTD.**

## Corporate Profile

### Board of Directors

1. Mr. Mukesh Aggarwal - Chairman & Managing Director
2. Mrs. Shashi Aggarwal - Director
3. Mr. Vijay Jindal - Director

### CFO

Mr. Sanjay Gupta

### Compliance Officer

Mr. B. B. Sharma

### Bankers

State Bank Of India

### Statutory Auditors

M/S Singhi Chugh & Kumar, Chartered Accountants

### Share Transfer Agent

Karvy Computershares Pvt. Ltd.

### Registered Office

C-2/54, 5th Floor, Rajasthali Appartment,  
Pitampura, New Delhi-110034.  
Tel : 011-27026840

### Corporate Office

Plot No.21, Sector-6,  
Faridabad (Haryana)  
Pin Code -121006.

### Website

[www.spllimited.com](http://www.spllimited.com)

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## **SPL INDUSTRIES LTD.**

CIN : L74899DL1991PLC062744

**Registered Office:** C-2/54, Rajasthali Apartments, 5th Floor, Pitampura, Delhi-110034.

E-mail: administrator@spllimited.com; Website: www.spllimited.com

### **NOTICE**

(Note: The business of this meeting may be transacted through electronic voting system)

The 24th Annual General Meeting of the members of **SPL INDUSTRIES LIMITED** will be held on Saturday, the 26th day of September, 2015 at 9.00 AM at **INDIA CORPORATE CENTRE, J-2/B-1, MOHAN COOPERATIVE, MATHURA ROAD, NEW DELHI-110044** to transact the following business-

#### **ORDINARY BUSINESS:**

1. To consider and adopt the audited Financial Statements of the Company for the financial year ended March 31, 2015 together with the reports of the Director's and Auditor's thereon.
2. To appoint a Director in place of Mr. Vijay Jindal (DIN 00231517), who retires by rotation, and being eligible, has offered himself for re-appointment.
3. To appoint a Director in place of Mr. Arun Kumar (DIN 01092779), who retires by rotation, and being eligible, has offered himself for re-appointment.
4. To appoint Auditor and in this regard to consider and if thought fit, to pass with or Without modification(s) the following Resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 139(2) and 142(1) of the Companies Act, 2013 the reappointment of the statutory auditors of the company M/s. Singhi Chugh & Kumar, (FR No. 013613N) Chartered Accountants, be and is hereby ratified by the members of the company for the financial year 2015-16 at such remuneration as may be determined by the Board of Directors of the company."

By order of the Board of Directors  
**For SPL INDUSTRIES LIMITED**

Place : New Delhi  
Date : 5th August, 2015

**(MUKESH AGGARWAL)**  
Managing Director

#### **Notes**

1. A member entitled to attend and vote at the Meeting is entitled to appoint a proxy and a proxy need not be a member of the company.
2. The proxy form must be deposited at the registered office of the company not less than 48 hours before the scheduled hour of commencement of the meeting.
3. Members/Proxies should bring their attendance slips duly filed in for attending the meeting.
4. Members are requested to bring their copy of the Annual Report with them at the Annual General Meeting, as the copies of the report will not be circulated at the meeting.
5. The Register of Members and Share Transfer Books of the Company will remain closed from 16<sup>th</sup> day of September, 2015 to Saturday, the 26th day of September, 2015( both days inclusive).
6. The relevant Explanatory Statement pursuant to Clause 49 of the Listing Agreement read with Section 102(1) of the Companies Act, 2013 is enclosed.
7. All documents referred to in the accompanying Notice are open for inspection at the Registered office of the company on all working days except Saturday between 11.00 AM to 1.00PM up to the date of the Annual General Meeting.
8. Members who have not registered their email addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars etc from the company and its Registrar and Transfer Agent electronically.
9. The details of Director who are proposed to be reappointed are given in Corporate Governance Report.
10. Voting through electronic means:

In terms of the provisions of section 108 of the Companies Act, 2013( the Act) read with Rules 20 of the Companies (Management and Administration) Rules, 2014 (hereinafter called "the Rules" for the purpose of this section of the notice) and clause 35B of the Listing Agreement,





the Company is providing facility to exercise votes on the items of business given in the Notice through electronic voting system, to members holding shares as on September 19, 2015 being the record date for the purpose of Rule 20(3)(vii) of the Rules) fixed for determining voting rights of the members, entitled to participate in the voting process through e-voting platform provided by Karvy Computershare Pvt. Ltd.

The instruction for e voting are as under:

**A** For members who receive notice of annual general meeting through e- mail:

- 1 Use the following URL for e-voting <https://evoting.karvy.com>
- 2 Enter the login credentials i.e. User ID and Password mentioned in your email. Your Folio No/DP ID-Client ID will be your User ID. However, if you are already registered with Karvy for e-voting, you can use your existing User ID and Password for casting your votes.
- 3 After entering the details appropriately, click on "LOGIN"
- 4 You will reach the Password change menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case(a-z), one numeric value (0-9) and a special character. The system will prompt you to change your password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- 5 You need to login again with the new credentials.
- 6 On successful login, the system will prompt you to select the EVENT i.e SPL INDUSTRIES LTD.
- 7 On the voting page, the number of shares( which represent the number of votes) as held by the member as on the Cut Off date will appear. If you desire to cast all the votes assenting/dissenting to the Resolution, then enter all shares and click "FOR/AGAINST" as the case may be or partially in "for and partially in "against: but the total number of votes taken together should not exceed your total shareholding as on the record date. You may also choose the option "ABSTAIN" and shares held will not be counted under either head.
- 8 Members may alternatively cast their votes using the Ballot Form which is sent along with this notice

**B** For members who receive the notice of annual general meeting in physical form:

- 1 Members holding shares either in demat or physical mode who are in receipt of Notice in physical form, may cast their votes using the Ballot Form provided in the meeting..
- 2 Pursuant to Clause 35B of the Listing Agreement, members may fill in the Ballot form provided in the meeting and submit the same in sealed envelope to the Scrutinizer, Mr Deepak Somiya, Practicing Company Secretary.
- 3 The e-voting period and Portal will remain open for voting from 22nd September, 2015 (9.00AM) till 24th September, 2015 (6.30PM)
- 4 The Company has appointed Mr. Deepak Somiya having address F-7A Defence Enclave, Goyla Tejpur Road Near Goyla Khurd, New Delhi-110071. as the Scrutinizer to e-voting process including voting through Ballot Form received from the members in a fair and transparent manner.
- 5 The Scrutinizer shall within a period not exceeding 3 (three) working days from the conclusion of the e-voting period un block the votes in the presence of at least 2 (two) witness and make a Scrutinizer's report of the votes cast in favour or against, if any, forth with to the chairman of the company.
- 6 Subject to the receipt of sufficient votes, the resolution shall be deemed to be passed at the 24th AGM held on 26th day of September, 2015. The chairman shall declare the results of the voting on the resolutions set out in the notice. The results declared along with Scrutinizer's report shall be placed on the company's website as well as on the website of Karvy within 2(two) days of passing of the resolutions.

By order of the Board of Directors  
**For SPL INDUSTRIES LIMITED**

New Delhi  
5th August, 2015

**(MUKESH AGGARWAL)**  
Managing Director

**STATEMENT ANNEXED TO THE NOTICE IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013.**

The Statement annexed to the Notice in respect of the Special Business pursuant to Section 102 of the Companies Act, 2013 is nil as there is no special business on the agenda of the meeting.



# SPL INDUSTRIES LTD.

## BOARD'S REPORT & MANAGEMENT DISCUSSION AND ANALYSIS

Dear Shareholders,

Your Directors have pleasure in presenting the 24th Annual Report together with the Audited Statement of Accounts of SPL INDUSTRIES LIMITED for the year ended 31st March, 2015.

### SUMMARISED FINANCIAL HIGHLIGHTS

(Figures in Rupees)

	2014-15
Profit/(Loss) before Exceptional & Extraordinary Items	56,73,812
Exceptional items/Extraordinary item	-
Prior period items	(4,54,370)
Profit/(Loss) Before Tax	52,19,442
Tax expenses/Adjustments	
Current Tax	(22,086)
Earlier years Tax	-
Deferred Tax	-
Profit/ (Loss) for the period	51,97,356
Earning Per Equity Share	
Basic	0.18
Diluted	0.18

### DIVIDEND

In view of insufficient profits, the Board of Directors of your company has expressed its inability to recommend any dividend.

### FIXED DEPOSITS

During the year under review, your company has not accepted any fixed deposits from the general public.

### SHARE CAPITAL

During the year under review, your company has not issued any shares or any convertible instruments,

### CORPORATE SOCIAL RESPONSIBILITY

Even though the provisions of the Companies Act, 2013 regarding Corporate Social Responsibility are not attracted to the company yet the company has been , over the years, pursuing as part of its corporate philosophy, an unwritten CSR policy voluntarily.

### HUMAN RESOURCE

The well disciplined workforce which has served the company for the last so many years is the biggest asset of the company .The management has always carried out systematic appraisal of performance and imparted training at periodic intervals. The company has always recognized talent and has judiciously followed the principle of rewarding performance.

### BUSINESS RISK MANAGEMENT

Although the company has long been following the principle of risk minimization as is the norm in every industry, it has now become a compulsion.

Therefore, in accordance with Clause 49 of the listing agreement, the Board members were informed about risk assessment and minimization procedures after which the Board formally adopted steps for framing, implementing and monitoring the risk management plans for the company.

The main objective of this policy is to ensure sustainable business growth with stability and to promote a pro active approach in reporting ,evaluating and resolving risks associated with the business, Business risk inter-alia includes financial risks, political risk and legal risk. The best policy is to take appropriate steps to mitigate the business risks at the lowest possible level.

### INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY.

The company has adequate system of internal control to safeguard and protect from loss, unauthorized use or disposition of its assets. All the transaction are properly authorized, recorded and reported to the management. The company is following all the applicable Accounting Standards for properly maintaining the books of accounts and reporting the financial statements. The internal auditor of the company checks and verifies the internal control and monitors them in accordance with policy adopted by the company.

### VIGIL MECHANISM/WHISTLE BLOWER POLICY

In order to ensure that the activities of the company and its employees are conducted in a fair and transparent manner by adoption of highest standard of professionalism, honesty, integrity and ethical behavior the company has adopted a vigil mechanism policy.

**DIRECTORS & COMMITTEES**

On 30th June, 2011, the company has appointed the existing independent Directors Sh. Arun Kumar (DIN 01092779), Sh. Rajesh Goyal (DIN 03287284), and Sh. Chandarjeet Singh Bhatia (DIN 01360148) for a consecutive term of 5 year.

In accordance with the provisions of Companies Act, 2013 Shri. Vijay Jindal and Sh. Arun Kumar, Directors retires by rotation and being eligible offers himself for re-appointment.

**BOARD EVALUATION**

Pursuant to the provision of the Companies Act, 2013 and clause 49 of the Listing Agreement, the Board has carried out annual performance evaluation of its own performance, the directors individually as well the evaluation of the working of its Audit, Nomination & Remuneration and Stakeholder committee.

**REMUNERATION POLICY**

The Board has on the recommendation of the Nomination & Remuneration committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration.

**MEETINGS**

During the year nine Board Meeting were held, details of which are given in Corporate Governance Report.

**AUDIT COMMITTEE**

The Company is having an audit committee comprising of the following directors

Sh. Chandarjeet Singh	Chairman	Non Executive & independent Director
Sh. Arun Kumar	Member	Non Executive & independent Director
Sh. Mukesh Aggarwal	Member	Executive Director

**NOMINATION & REMUNERATION COMMITTEE**

The Company is having a Nomination and Remuneration Committee comprising of the following directors.

Sh. Chandarjeet Singh	Chairman	Non Executive & Independent Director
Sh. Rajesh Goyal	Member	Non Executive & Independent Director
Sh. Mukesh Aggarwal	Member	Executive Director

**DIRECTOR'S RESPONSIBILITY STATEMENT**

As required by the Companies Act, this is to confirm that:

1. In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.
2. Such accounting policies have been selected and applied consistently and made judgments/estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period.
3. Proper and sufficient care have been taken with best of knowledge and ability, for the maintenance of adequate accounting records in accordance with the provisions of the said Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
4. The annual accounts have been prepared on going concern basis

**SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS**

There are no significant material orders passed by the Regulator/Courts which would impact the going concern status of the company and its future operations.

**AUDITORS****STATUTORY AUDITORS**

M/s. Singhi Chugh & Kumar, (FR No. 013613N) Chartered Accountants, has been the statutory Auditors of the Company.

**SECRETARIAL AUDITORS**

Pursuant to the provisions of Section 204 of the Companies Act, 2013, the company has appointed Sh. V.K. Gupta (CP NO.14362, FCS 6755) Company Secretary to under take the Secretarial audit of the company.

**INTERNAL AUDITORS**

M/S Vatts & Associates, Chartered Accountant, performs the duties of internal auditors of the company and their report is reviewed by the audit committee from time to time.



# SPL INDUSTRIES LTD.

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## **CORPORATE GOVERNANCE**

As per clause 49 of the listing agreement with the stock Exchanges, a separate section on corporate governance practice followed by the company together with a certificate from the Auditor confirming compliance forms an integral part of this report.

## **ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO.**

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 is annexed herewith.

## **EXTRACTS OF ANNUAL RETURN**

The details forming part of the extract of the Annual Return in form MGT-9 is annexed herewith.

## **PARTICULARS OF EMPLOYEES**

The information required pursuant to Section 197 read with rule,5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of the employees of the company is as follows:

The particulars of the employees who are covered by the provisions contained in Rule5 (2) and Rule (3) of the Companies (Appointment and Remuneration of Managerial Personnel)Rules,2014 are:

- a) Employed throughout the year Nil
- b) Employed for part of the year Nil

The remuneration paid to all key management Personnel was in accordance with remuneration policy adopted by the company. No sitting fee has been paid to any director during the year under review.

## **ACKNOWLEDGEMENT**

Your Directors wish to place on record the overwhelming response received from the investors, financial institutions, bankers, business associates, suppliers for the consistent support received from them during the year.

Your Directors wish to place on record their appreciation for the team spirit, dedication and commitment shown by the work force of the company during this year.

## **CAUTIONARY STATEMENT**

The statements contained in the Board's Report and Management Discussion and Analysis contain certain statements relating to the future and therefore are forward looking within the meaning of applicable securities, laws and regulations.

Various factors such as economic conditions, change in government regulations, tax regime, other statutes, market forces and other associated and incidental factors may however lead to variation in actual results.

By order of the Board of Directors  
For SPL INDUSTRIES LIMITED

Place : New Delhi  
Date: 5th August, 2015

(MUKESH AGGARWAL)  
Managing Director

**SECRETARIAL AUDIT REPORT  
FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2015**

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  
SPL Industries Ltd.  
Delhi

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by SPL Industries Ltd (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on 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, we hereby report that in our opinion, the company has during the audit period covering the financial year ended on 31<sup>st</sup> March, 2015 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:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by SPL industries Ltd for the financial year ended on 31<sup>st</sup> March, 2015 according to the provisions of :

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulations) Act, 1956 (SCRA) and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct investment, Overseas Direct investment and External Commercial Borrowings;
- (v) The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') viz;
  - (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, 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 (Employees Stock Option Scheme and Employees Stock Purchase Scheme) Guidelines, 1999;
  - (e) The Securities and Exchange Board of India (issue and Listing of Debt Securities) Regulations, 2008;
  - (f) The Securities and Exchange Board of India (Registrar to an issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- (vi) and other applicable laws like Factories Act, 1948, The Payment of Gratuity Act, 1972

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India
- (ii) The Listing Agreements entered into by the Company with BSE / NSE.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except to the extent mentioned below:

1. Regarding fulfillment of certain control measures as laid down by the Central Control Pollution Board (CPCB), management of the company has taken or initiated steps to comply with the required norms of the CPCB

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non Executive Directors and Independent Directors.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notice on agenda were sent at least seven days in advance

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

Place: Delhi  
Date: 25-05-2015.  
FCS 6755

Virendra Kumar Gupta  
Company Secretary  
C.P. No. 14362





# SPL INDUSTRIES LTD.

This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

Annexure A

To,  
The Members  
SPL Industries Ltd.  
Delhi

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books and Accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards, is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Date: 25-05-2015  
Place : Delhi

(VIRENDRA KUMAR GUPTA )  
Company Secretary  
Membership No. F-6755  
Certificate of Practice No. 14362

Annexure 2

## A. CONSERVATION OF ENERGY

### (a) Energy conservation measures taken:

The Company has taken various measures and steps to conserve the energy viz:

- Optimization and economical use of various forms of energy.
- Compressors and Capacitors installed to improve power factors.
- Department wise monitoring of energy consumption.
- Installation of wind ventilators, resulting in saving of power cost etc.

### (b) Additional Investments and proposals, if any being implemented for reduction in consumption of energy.

There is no such proposal as such for additional investment. The status of power and fuel consumption is given below in Form A

## B. PARTICULARS WITH RESPECT TO TECHNOLOGY ABSORPTION, RESEARCH & DEVELOPMENT

The Company has independent R&D department for its different divisions which regularly provides suggestions for improvement so as to minimize the cost of production and improve the quality.

## FOREIGN EXCHANGE EARNING AND OUTGO

Activities relating to exports, initiatives taken to increase export, development of new export markets for product services and export plans:

There have been concerted efforts to maintain export performance in Garments. The Company is also exploring markets for export of other varieties of its products. During the year under review, the details of the Foreign Exchange earnings and outgo are as under:

Amount in Rs.

Particulars	2014-2015	2013-2014
Earnings in Foreign Currencies FOB value of Exports	–	–
Expenditure in Foreign Currency	–	–



EXTRACT OF ANNUAL RETURN as on the financial year ended on 31<sup>st</sup> March, 2015 of SPL INDUSTRIES LIMITED (Pursuant to Section 92(1) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rule, 2014.)

**1. REGISTRATION AND OTHER DETAILS:**

CIN	L74899DL1991PLC062744
Registration Date	06/12/1991
Name of the Company	SPL INDUSTRIES LIMITED
Category/Sub-Category of the Company	Company limited by shares
Address of the Registered office and contract details	C-2/54, 5 <sup>th</sup> Floor, Rajasthali Apartments, Pitampura, Delhi-110034
Whether listed Company	Yes
Name, Address and contract details of Registrar & Transfer Agent (RTA), if any	Karvy Computershares Private Limited Karvy Selenium Tower B   Plot number 31 & 32   Financial District   Nanakramguda   Serilingampally Mandal   Hyderabad - 500032   India P : +91 040 6716 1518

**2. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

S. No.	Name and Description of main products/service	NIC Code of the product/service	%to total turnover of the company
1	Manufacturing and export of Garments		

**3. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

S. No.	Name & address of the company	CIN/GLN	Holding/Subsidiary Associate	% of share held	Applicable Section
1	na	na	Na	na	na
2	na	na	Na	na	na

**4. SHARE HOLDING PATTERN(Equity Share Capital Breakup as percentage of total Equity)**

## 1. Category-wise Share Holding

CATEGORY CODE	CATEGORY OF SHAREHOLDER	NO OF SHAREHOLDERS	TOTAL NUMBER OF SHARES
(I)	(II)	(III)	(IV)
<b>(A)</b>	<b>PROMOTER AND PROMOTER GROUP</b>		
(1)	INDIAN		
(a)	Individual /HUF	45	18630104
(b)	Central Government/State Government(s)	0	0
(c)	Bodies Corporate	1	869900
(d)	Financial Institutions / Banks	0	0
(e)	Others	0	0
	<b>Sub-Total A(1) :</b>	<b>46</b>	<b>19500004</b>
<b>(2)</b>	<b>FOREIGN</b>		
(a)	Individuals (NRIs/Foreign Individuals)	0	0
(b)	Bodies Corporate	0	0
(c)	Institutions	0	0
(d)	Qualified Foreign Investor	0	0
(e)	Others	0	0
	<b>Sub-Total A(2) :</b>	<b>0</b>	<b>0</b>
	<b>Total A=A(1)+A(2)</b>	<b>46</b>	<b>19500004</b>
<b>(B)</b>	<b>PUBLIC SHAREHOLDING</b>		
(1)	INSTITUTIONS		
(a)	Mutual Funds /UTI	0	0
(b)	Financial Institutions /Banks	0	0
(c)	Central Government / State Government(s)	0	0
(d)	Venture Capital Funds	0	0
(e)	Insurance Companies	0	0
(f)	Foreign Institutional Investors	1	5000
(g)	Foreign Venture Capital Investors	0	0
(h)	Qualified Foreign Investor	0	0



CATEGORY CODE	CATEGORY OF SHAREHOLDER	NO OF SHAREHOLDERS	TOTAL NUMBER OF SHARES
(I)	(II)	(III)	(IV)
(i)	Others	0	0
	<b>Sub-Total B(1) :</b>	<b>1</b>	<b>5000</b>
<b>(2)</b>	<b>NON-INSTITUTIONS</b>		
(a)	Bodies Corporate	184	1928997
(b)	Individuals		
	(i) Individuals holding nominal share capital upto Rs.1 lakh	8012	3574321
	(ii) Individuals holding nominal share capital in excess of Rs.1 lakh	91	3898460
(c)	Others		
	CLEARING MEMBERS	4	1824
	NON RESIDENT INDIANS	67	91398
(d)	Qualified Foreign Investor	0	0
	Sub-Total B(2) :	8358	9495000
	Total B=B(1)+B(2) :	8359	9500000
	Total (A+B) :	8405	29000004
(C)	Shares held by custodians, against which Depository Receipts have been issued		
(1)	Promoter and Promoter Group		
(2)	Public	0	0
	<b>GRAND TOTAL (A+B+C) :</b>	<b>8405</b>	<b>29000004</b>

**2. Shareholding of Promoters**

S.No.	NAME	HOLDING	% CENTAGE
1	MUKESH AGGARWAL	5772847	20.26
2	SHASHI AGGARWAL	1410800	4.64
3	VIPUL AGGARWAL	483641	1.70
4	KUSHAL AGGARWAL	577453	1.99
5	NARENDER AGGARWAL	5732802	20.16
6	KIRAN AGGRWAL	812721	2.83
7	NISHANT AGGARWAL	1699260	5.28
8	VIJAY KUMAR JINDAL	400900	1.38
9	PUNITA JINDAL	575100	1.98
10	SUNIL KUMAR JINDAL	321000	1.11
11	SUNITA JINDAL	404560	1.40
12	SUNIL JINDAL HUF	191700	0.66
13	NILESH JINDAL	113720	0.39
14	AVNISH JINDAL	93000	0.32
15	NAINA JINDAL	40600	0.14
16	ELKAY OVERSEAS INDIA	869900	3.00
	<b>TOTAL</b>	<b>19500004</b>	<b>67.24</b>

**3. Change in Promoters' Shareholding (please specify, if there is no change)**

At the beginning of the year	No change during the year
Data wise increase/decrease in Promoters shareholding during the year specifying the reasons for increase or decrease (e.g. allotment/ transfer/bonus/sweat/equity etc.)	No change during the year
At the end of the year	No change during the year

**4. Shareholding of Directors and Key Managerial Personnel:**

At the beginning of the year	No change during the year
At the end of the year	No change during the year

**5. Remuneration of Directors**

Except Mr. Mukesh Aggarwal, Managing Director of the company, no other Director is getting any managerial remuneration or any other benefit in lieu thereof.

**6. Penalties/Punishment/Compounding of Offences**

No penalties or Punishment was imposed on any Director or the Company during the year under review.

**REPORT ON CORPORATE GOVERNANCE****BOARD COMPOSITION**

The Company has 6 Directors of which 3 are non executive independent Directors and 3 are executive Directors including a women Director and a Managing Director. The composition of the Board is in conformity with clause 49 of the listing Agreement entered into with the stock exchanges

**Attendance of Directors at the Board Meetings & AGM and number of Companies in which the director is a member of the Board or its Committees as a member or chairperson thereof during the financial year.**

Name of the Director & Designation	Category	Board Meetings Held	Board Meetings Attended	No. of Companies in which a Director	No. of Committees in which a Member	No. of Board/ Committees in which a Chairperson
Mr. Mukesh Aggarwal	Chairman & Managing Director	09	09	na	02	09
Mr. Vijay Jindal	Director	09	05	na	na	na
Mrs. Shashi Aggarwal	Women Director	09	09	na	na	na
Mr. Rajesh Goyal	Non Executive independent Director	09	02	na	01	na
Mr. Arun Kumar	Non Executive independent Director	09	02	na	01	na
Mr. Chander jeet Singh Bhatia	Non Executive/ Independent Director	09	02	na	02	na

**Number of Board Meeting held**

The Board meets nine times during the year under review.

**Code of Conduct**

The Code of conduct in line with the provisions of clause 49 of the Listing Agreement has been framed/ adopted by the Board and is applicable to all the members of the Board and Senior Management Executives. The Company Secretary is the Compliance Officer for the purpose of this code. The Code envisages that the Board Members and Senior Executives observes the highest standards of ethical conduct and integrity and work to the best of their ability and judgments

**Audit Committee**

During the year , the Audit Committee consists of Mr. Arun Kumar, Mr. Chanderjeet Singh Bhatia , the non executive independent Directors and Mr. Mukesh Aggarwal, Managing Director of the Company. The Statutory Auditors, CFO and Internal auditors of the Company also attended such meetings.

**Power, Role and Review of Information by the Audit Committee**

The role and terms of reference of the Audit Committee covers the area mentioned under clause 49 of the Listing Agreement besides other terms as may be referred by the Board of Directors. These inter alia includes review of the company's financial report and disclosure of financial information to ensure that the financial statements are correct, sufficient and credible. The main role of the audit committee is to review annual and quarterly financial statements with the management before submission to the Board and to insure the adequacy of internal control system with the management and to review the company's financial risks/ management policies.

**Date and number of Audit Committee Meeting's held**

The Audit Committee meets four times during the year under report.

Attendance of Director

Name of Member	Designation	No. of Meeting held	No. of Meeting attended
Mr. Arun Kumar Chairman	Independent Non Executive Director	04	04
Mr. Chanderjeet Singh Bhatia Member	Independent Non Executive Director	04	04
Mr. Mukesh Aggarwal Member	Executive Non Independent Director	04	04



# SPL INDUSTRIES LTD.

## **NOMINATION AND REMUNERATION COMMITTEE**

The remuneration committee was renamed and reconstituted as Nomination and Remuneration Committee at a board meeting. The Committee meetings were held on 30/05/2014,08/08/2014,18/11/2014 and 13/02/2015 and the committee meetings were chaired by Sh. Chanderjeet Singh Bhatia. The detail of the Remuneration Committee are as under:

<b>Name of Member</b>	<b>Designation</b>	<b>No. of Meeting held</b>	<b>No. of Meeting attended</b>
Mr. Chanderjeet Singh Bhatia Chairman	Independent Non Executive Director	04	04
Mr.Rajesh Goyal Member	Independent Non Executive Director	04	04
Mr.Mukesh Aggarwal Member	Executive Non Independent Director	04	04

## **STAKEHOLDER RELATIONSHIP COMMITTEE**

The shareholders/Investors Grievance Committee was renamed and reconstituted as Stakeholders Relationship Committee and the committee performs the following functions:

Transfer/Transmission of shares

Issue of Duplicate Share Certificates

Review of Share dematerialization and rematerialization

Monitoring the expeditious redressal of investor grievance.

Monitoring the performance of Registrar and Transfer Agent

All other matters relating to shares.

The Committee consists of Mr. Chanderjeet Singh Bhatia, Mrs.Shashi Aggarwal and Mr. Vijay Jindal. The said committee normally meets once in a period of three months , to oversee proper re-dressal of grievance of the shareholders/investor's.

### **Number of Complaints received, not solved & pending transfer**

All complaints received and replied to the entire satisfaction of the shareholders during the year under review. There were no pending complaints as on 31st March,2015. There is no share transfer or any other correspondence pending for more than fifteen days as on that date.

### **General Body Meetings**

The last three annual General Meetings of the Company were held on 27.09.2014,28.09.2013 and 29.09.2012 at ICC,J-2/B-1, Mohan Cooperative, Mathura Road, New Delhi-44 .

### **Details of non compliance, penalties etc imposed by Stock Exchange, SEBI etc on any matter related to capital market during the last three years.**

No such penalty or structure have been imposed on the company since listing of its securities on The National Stock Exchange of India Ltd and The Bombay Stock Exchange Ltd or the Securities Exchange Board of India (SEBI) or any other statutory authority on any matter related to the Capital Market during the last three years.

### **Means of Communication**

- |  |  |
|--|--|
| (a) Quarterly Results                              | Through publication  |
| (b) News papers wherein results normally published | The Business Standard/ Economics Time<br>The Nav Bharat Times<br>(Hindi) |

### **General Shareholder Information**

<b>AGM</b>	24th Annual General Meeting will be held on 26 <sup>th</sup> day of September, 2015 at 9.00 AM.
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<b>Venue</b>	<b>INDIA CORPORATE CENTRE</b> J-2/B-1, EXTENSION, MOHAN COOPERATIVE, MATHURA ROAD, NEW DELHI-110044.
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### **Date of Book Closure**

Book closure is from 16<sup>th</sup> September, 2015 to 26<sup>th</sup> September, 2015 (both days inclusive)

### **Listing on Stock Exchange(s)**

The National Stock Exchange of India Ltd. And Bombay Stock Exchange Ltd.,

ISIN CODE NO.	INE978G01016
Script Name	SPLIL
Script Code	532651
Date of Allotment	18.07.2005



**Registrar and Transfer Agent:**

KARVY COMPUTERSHARES PRIVATE LIMITED  
Karvy Selenium Tower B | Plot number 31 & 32 | Financial District |  
Nanakramguda | Serilingampally Mandal | Hyderabad - 500032 | India  
P : +91 040 6716 1518|

**SPL INDUSTRIES LIMITED ( SCRIPT CODE : 532651)**

**Plant Locations**

During the year under review dying and knitting activities were performed by the company and the locations of the plants of the Company are :

- 1 SPL Industries Ltd, Plot No.21/6, Faridabad.
- 2 SPL Industries Ltd., Plot No.22/6, Faridabad.

**Address for Correspondence**

**Registered Office:**

SPL INDUSTRIES LTD  
C-2/54, 5TH FLOOR, RAJASTHALI APARTMENTS,  
PITAMPURA, DELHI-110034.

**Corporate Office”**

SPL INDUSTRIES LTD  
Plot No.21 Sector-6  
Faridabad (Haryana)

**Declaration**

As provided under clause 49 of the Listing Agreement with the Stock Exchanges, the Board Members and the Senior Management Personnel have confirmed compliance with the Code of Conduct and Ethics for the period ended March 31, 2015.

By order of the Board of Directors  
**For SPL INDUSTRIES LIMITED**

Place : New Delhi  
Place: 5th August, 2015

**(MUKESH AGGARWAL)**  
Managing Director





# SPL INDUSTRIES LTD.

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## AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To The Members of SPL Industries Limited

We have examined the compliance of conditions of Corporate Governance by SPL Industries Limited as at 31<sup>st</sup> March, 2015 as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchange(s).

The Compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the procedures and implementations thereof, adopted by the Company for ensuring the compliance of 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 and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

As required by the Guidance Note issued by the Institute of Chartered Accountants of India, we have to state that as per the records maintained by the Company, no investor grievance is pending for a period exceeding one month.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For M/S SINGHI CHUGH & KUMAR,**  
Chartered Accountants

Place : New Delhi  
Place: 05.08.2015

PARTNER  
M. NO : 088123

**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF  
SPL INDUSTRIES LIMITED****Report on the Financial Statements**

We have audited the accompanying financial statements of SPL INDUSTRIES LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

**Management's Responsibility for the 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 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.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these 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 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, but not for the purpose of expressing an opinion on whether the company has in place an adequate internal financial controls system over financial reporting 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 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 financial statements.

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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, 2015 and its profit and its cash flows for the year ended on that date.

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2015 (hereinafter referred to as "the Order") issued by the Central Government of India in terms of sub – section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the order, to the extent applicable.
2. 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 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, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f. 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.
    - ii. the Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, and as required on long-term contracts including derivative contracts.



- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company, however, there is no amount which is required to be transferred.

For **Singhi Chugh & Kumar**  
Chartered Accountants  
Firm's Registration No. 013613N

**Harsh Kumar**  
**Partner**  
M. No. 088123

New Delhi  
Dated: 29.05.2015

**Annexure to the Independent Auditor's Report**

The Annexure referred to in our Independent Auditor's Report to the members of the company on the financial statements for the year ended 31st March, 2015, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) All fixed assets have been physically verified by the management during the audit period and no material discrepancies were noticed on such verification.
- (ii) (a) The inventory has been physically verified during the audit period by the management. In our opinion, the frequency of verification is reasonable.
- (b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) The Company is maintaining proper records of inventory and no discrepancies were noticed on physical verification.
- (iii) (a) The Company has not granted any loans, secured or unsecured, to companies/ firms/ other parties covered in the register maintained, on the basis declaration received from the directors in Form MBP-1, under section 189 of the Act.
- (b) Sub clauses (a) to (b) of Clause (iii) of the Order are not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, there is adequate internal control system commensurate with the size of the company and the nature of its business with regard to purchase of fixed assets and sale of goods and services.
- (v) No deposits have been accepted by the Company from public within the meaning of sections 73 to 76 of the Act.
- (vi) The Central Government, via notification dated December 31, 2014, has amended the Companies (Cost Records and Audit) Rules, 2014 to exclude companies having annual turnover less than INR 150 crores during immediately preceding financial year. As regards previous years, the Company has made and maintained the cost records as prescribed by the Central Government under section 209(1) (d) of the Companies Act, 1956.
- (vii) (a) During audit procedures we have found that the Company is regular in depositing undisputed statutory dues including Provident fund, Investor Education and Protection Fund, Employee's State Insurance, Income Tax, Sales Tax, Service Tax and other material statutory dues applicable to it with the appropriate authorities.
- (b) No due of Income Tax/ Sales Tax/ Service Tax/ Custom Duty/ Wealth Tax/ Excise Duty/ Cess are pending on part of the Company on account of any dispute except the following amounts:

S. No.	Name of the Statute	Nature of Dues	Amount (Rs. Lakhs)	Period to which amount relates	Forum where dispute is pending
1	Income Tax Act, 1961	Penalty u/s 271(1)(c)	69.10	AY 2007 – 08	CIT (A)
2	Income Tax Act, 1961	Penalty u/s 271(1)(c)	11.44	AY 2010 – 11	CIT (A)

- (c) There is no amount required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956.
- (viii) The accumulated losses of the company exceed fifty percent of its net worth as at March 31, 2015 and it has cash profits & overall profits in the financial year ended on that date.
- (ix) As per information and explanations given to us, the Company has not defaulted in repayment of dues to a financial institution or bank or debenture holders.
- (x) As per information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions.
- (xi) According to information and explanations given to us, the Company has not taken any term loan.
- (xii) According to the information and explanations given to us, no material fraud on or by the Company has been noticed or reported during the course of audit.

For **Singhi Chugh & Kumar**  
Chartered Accountants  
Firm's Registration No. 013613N

**Harsh Kumar**  
**Partner**  
M. No. 088123

New Delhi  
Dated: 29.05.2015

**Balance Sheet as at 31st Mar, 2015****(All Amounts in Indian Rupees)**

<b>Particulars</b>	<b>Note</b>	<b>As at 31st Mar, 2015</b>		<b>As at 31st Mar, 2014</b>	
<b>Equity And Liabilities</b>					
<b>Shareholders Funds</b>					
Share Capital	1	<b>290,000,040</b>		290,000,040	
Reserves And Surplus	2	<b>257,295,427</b>	<b>547,295,467</b>	251,802,792	541,802,832
<b>Non-Current Liabilities</b>					
Long Term Borrowings	3	-		-	
Deferred Tax Liabilities (Net)	4	-		-	
Long-Term Provisions	5	<b>2,625,578</b>	<b>2,625,578</b>	2,155,272	2,155,272
<b>Current Liabilities</b>					
Short Term Borrowings	6	<b>53,200,000</b>		-	
Trade Payables	7	<b>85,720,052</b>		43,330,544	
Other Current Liabilities	8	<b>78,939,467</b>		40,695,507	
Short Term Provisions	9	<b>3,544,421</b>	<b>221,403,940</b>	2,511,392	86,537,443
<b>Total</b>			<b>771,324,985</b>		<b>630,495,547</b>
<b>Assets</b>					
<b>Non-Current Assets</b>					
<b>Fixed Assets</b>					
Tangible Assts	10A	<b>485,346,822</b>		520,139,347	
Intangible Assets	10B	<b>422,306</b>		484,571	
<b>Long-Term Loans And Advances</b>	11	<b>2,165,836</b>		2,043,310	
<b>Other Non-Current Assets</b>	12	-	<b>487,934,964</b>	-	522,667,228
<b>Current Assets</b>					
Inventories	13	<b>41,908,625</b>		34,297,608	
Trade Receivables	14	<b>156,367,868</b>		23,837,052	
Cash & Bank Balances	15	<b>13,082,981</b>		3,117,584	
Short-Term Loans And Advances	16	<b>72,030,547</b>		46,576,072	
Other Current Assets	17	-	<b>283,390,022</b>	-	107,828,316
<b>Total</b>			<b>771,324,985</b>		<b>630,495,547</b>

**Significant Accounting Policies & Notes on Financial Statements** 35

The notes are an integral part of these financial statements

This is the balance sheet referred to in our report of even date

for **SINGHI CHUGH & KUMAR**  
Chartered Accountants  
Firm Registration No. 013613N

For and on behalf of the Board of Directors of  
SPL Industries Limited

**Harsh Kumar**  
(Partner)  
M. No.088123

Managing Director

Director

Place : New Delhi  
Date : 29.05.2015

Chief Financial Officer

Company Secretary



## Statement of Profit & Loss for the year ended 31st March, 2015

(All Amounts in Indian Rupees)

		For the Year ended Mar, 2015	For the Year ended Mar, 2014
<b>INCOME</b>			
Revenue From Operations	18	597,326,014	455,269,136
Other Income	19	5,161,334	5,245,168
<b>Total Revenue (A)</b>		<b>602,487,349</b>	<b>460,514,304</b>
<b>EXPENSES</b>			
Cost Of Material Consumed	20	221,048,038	148,805,791
Changes In Inventories Of Finished Goods, Work In Progress & Stock In Trade	21	(13,474,511)	991,829
Employee Benefits Expenses	22	112,653,377	55,267,384
Finance Costs	23	1,065,477	1,236,945
Depreciation And Amortization Expense	24	39,515,484	34,213,429
Other Expenses	25	236,005,672	190,626,116
<b>Total Expenses (B)</b>		<b>596,813,536</b>	<b>431,141,494</b>
<b>Profit/(Loss) before Exceptional &amp; Extraordinary Items</b>		<b>5,673,812</b>	<b>29,372,810</b>
Exceptional Items/ Extraordinary Items	26	-	-
Prior Period Items	27	(454,370)	1,039,022
<b>Profit/(Loss) Before Tax</b>		<b>5,219,442</b>	<b>30,411,832</b>
<b>Tax Expense/Adjustments</b>	28		
Current Tax		(22,086)	(27,010)
Earlier Years Tax		-	(3,016,892)
Deferred Tax		-	-
<b>Profit/ (Loss) For The Period</b>		<b>5,197,356</b>	<b>27,367,930</b>
<b>Earnings/(Loss) per equity share:</b>	29		
Basic		0.18	0.94
Diluted		0.18	0.94

### Significant Accounting Policies & Notes on Financial Statements 35

The notes are an integral part of these financial statements

This is the Statement of Profit and Loss referred to in our report of even date.

for SINGHI CHUGH & KUMAR  
Chartered Accountants  
Firm Registration No. 013613N

For and on behalf of the Board of Directors of  
SPL Industries Limited

Harsh Kumar  
(Partner)  
M. No.088123

Managing Director

Director

Place : New Delhi  
Date : 29.05.2015

Chief Financial Officer

Company Secretary

**Cash Flow Statement for the year ended 31st March, 2015**

Particulars	(All Amounts in Indian Rupees)	
	For the year ended March 31, 2015	For the year ended March 31, 2014
<b>Cash Flows from Operating Activities</b>		
Profit/(Loss) before Tax	5,219,442	30,411,832
<b>Adjustments for:</b>		
Gain On Sale Of Fixed Assets	(79,680)	—
Depreciation and amortisation expenses	39,515,484	34,213,429
Finance Cost	1,039,230	847,561
Loss on sale of assets		8,699,474
Interest Received	(210,760)	(168,860)
<b>Operating Profit before Working Capital Changes</b>	<b>45,483,716</b>	
<b>Changes in Working capital</b>		
Inventory	(7,611,017)	29,022,873
Short Term Loan & Advances	(25,454,475)	13,925,206
Other Current Asset	—	1,013,302
Other Current Liabilities	38,243,960	(49,522,016)
Other Non-Current Assets	—	—
Trade Receivables	(132,530,816)	(15,444,886)
Trade Payables	42,389,508	(20,330,676)
Long Term Loans & Advances	(122,526)	(182,099)
Provisions	1,503,335	1,266,914
<b>Cash generated from / used in operations</b>	<b>(38,098,315)</b>	<b>33,752,053</b>
Taxes Paid	(22,086)	(3,043,902)
<b>Net Cash Generated from Operating Activities</b>	<b>(38,120,401)</b>	<b>30,708,151</b>
<b>Cash Flows from Investing Activity:</b>		
Interest Income	210,760	168,860
Change In fixed Asset	(4,285,731)	(4,491,250)
<b>Net Cash Provided by / (used) in Investing Activity</b>	<b>(4,074,971)</b>	<b>(4,322,390)</b>
<b>Cash Flows from Financing Activity</b>		
Short Term Borrowings	53,200,000	(31,247,530)
Secured Loan	—	(124,770)
Interest & Other Borrowing Cost	(1,039,230)	(847,561)
<b>Net Cash Used in Financing Activity</b>	<b>52,160,770</b>	<b>(32,219,861)</b>
<b>Net Increase/(Decrease) in cash and cash equivalent</b>	<b>9,965,397</b>	<b>(5,834,100)</b>
<b>Cash and cash equivalent at the beginning of the period</b>	<b>3,117,584</b>	<b>8,951,684</b>
<b>Cash and cash equivalent at the end of the period</b>	<b>13,082,982</b>	<b>3,117,584</b>

**Significant Accounting Policies & Notes on Financial Statements**

35

**Notes**

1. The above cash flow statement has been prepared under the indirect method set out in AS-3 and notified under Companies Act, 2013
2. Figures in brackets indicate cash outflows
3. The notes to the Financial Statements are an integral part of the Cash Flow Statement

This is the Cash Flow Statement referred to in our report of even date

for **SINGHI CHUGH & KUMAR**  
Chartered Accountants  
Firm Registration No. 013613N

For and on behalf of the Board of Directors of  
SPL Industries Limited

**Harsh Kumar**  
(Partner)  
M. No.088123

Managing Director

Director

Place : New Delhi  
Date : 29.05.2015

Chief Financial Officer

Company Secretary





# SPL INDUSTRIES LTD.

## Notes on Financial Statements for the year ended 31st Mar, 2015

Previous Year figures have been regrouped / reclassified, wherever necessary to conform to the current year Presentation.

(Figures in Indian Rupees)

Particulars	As at 31st Mar, 2015	As at 31st Mar, 2014		
<b>1 SHARE CAPITAL</b>				
<b>1.1 Authorized Share:</b>				
3,00,00,000(31st March 2014: 3,00,00,000) equity shares of Rs.10/-each	<u>300,000,000</u>	<u>300,000,000</u>		
<b>Issued, Subscribed &amp; Fully Paid Up Shares:</b>				
2,90,00,004 (31st March 2014: 2,90,00,004) equity shares of Rs.10/- each	<u>290,000,040</u>	<u>290,000,040</u>		
<b>Total Issued, Subscribed &amp; Fully Paid Up Share Capital</b>	<u><b>290,000,040</b></u>	<u><b>290,000,040</b></u>		
<b>1.2 Reconciliation of number of shares outstanding at the beginning and at the end of the reporting Period:</b>				
Equity Shares at the Beginning of the year	<b>29,000,004</b>	29,000,004		
Add: Shares issued during the year	-	-		
Less: Shares cancelled on buy back of Equity Shares	-	-		
<b>Equity Shares at the end of the Period</b>	<u><b>29,000,004</b></u>	<u>29,000,004</u>		
<b>1.3 Terms/rights attached to equity shares</b>				
The company has only one class of equity shares having a Par Value of Rs. 10/- Per share. Each holder of Equity Shares entitled to one vote Per share. There is no dividend proposed by the Board of Directors.				
In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company. The distribution will be in proportion to the number of equity shares held by the shareholders.				
<b>1.4 Detail of Shareholders holding more than 5% Shares in the Company</b>				
<b>Name of Shareholders</b>	<b>As at 31st Mar,2015 (No. of Shares)</b>	<b>% holding</b>	<b>As at 31st Mar, 2014 (No. of Shares)</b>	<b>% holding</b>
Narender Kumar Aggarwal	<b>5,455,602</b>	<b>18.81%</b>	5,455,602	18.81%
Mukesh Kumar Aggarwal	<b>5,103,525</b>	<b>17.60%</b>	5,103,525	17.60%
Nishant Aggarwal	<b>1,489,380</b>	<b>5.14%</b>	1,489,380	5.14%
<b>Particulars</b>	<b>For the Year ended Mar, 2015</b>	<b>For the Year ended Mar, 2014</b>		
<b>2 Reserve &amp; Surplus:</b>				
<b>2.1 Capital Reserve</b>				
At The Beginning of The Accounting period	<b>3,107,174</b>	3,107,174		
Additions During The Year	-	-		
At The End of The Accounting period	<u><b>3,107,174</b></u>	<u>3,107,174</u>		
<b>2.2 Securities Premium Account</b>				
At The Beginning of The Accounting Period	<b>496,744,853</b>	496,744,853		
Additions During The Year	-	-		
At The End of The Accounting Period	<u><b>496,744,853</b></u>	<u>496,744,853</u>		
<b>2.3 Revaluation Reserve</b>				
At The Beginning of The Accounting Period	<b>266,065,054</b>	267,356,001		
Additions During The Year*	-	-		
Less: Transferred to Statement of Profit & Loss	-	(1,290,947)		
At The End of The Accounting Period	<u><b>266,065,054</b></u>	<u>266,065,054</u>		



**Notes on Financial Statements for the year ended 31st March, 2015**

(Figures in Indian Rupees)

Particulars	For the Year ended Mar, 2015	For the Year ended Mar, 2014		
<b>2.3.1 Amount Transferred to/from Revaluation Reserve</b>				
Amount transferred from Revaluation Reserve to Statement of Profit and Loss on account of depreciation on revalued Block of Building	-	(1,290,947)		
Amount transferred from Revaluation Reserve to Statement of Profit and Loss on account of sale of Land	-	-		
Amount transferred to Revaluation Reserve from Statement of Profit and Loss on account of sale of Building	-	-		
<b>Total</b>	<u>-</u>	<u>(1,290,947)</u>		
<b>2.4 General Reserve</b>				
At The Beginning of The Accounting Period	-			
Additions During The Year	-			
At The End of The Accounting Period	<u>-</u>			
<b>2.5 Surplus / (Deficit) in the Statement of Profit &amp; Loss</b>				
As per last years financials	(514,114,290)	(542,773,166)		
Add: Profit / (loss) for the year	5,197,356	27,367,930		
Add: Adjustment for Depreciation	295,280			
Transferred to/from Revaluation Reserves	-	1,290,947		
Net Surplus / (Deficit) in the Statement of Profit & Loss	<u>(508,621,654)</u>	<u>(514,114,289)</u>		
<b>Total reserves and surplus</b>	<u>257,295,427</u>	<u>251,802,792</u>		
* Fixed Assets of the company were revalued as on 31st March, 2012 except for Car (vehicles), furniture & fixture and other equipments whose total net carrying amount before revaluation of fixed assets is less than 5% of the total net carrying amount of total fixed assets. The effect of revaluation of fixed assets have been taken by restating the Net Book Value by adding there in the net increase on account of revaluation.				
<b>3 Long Term Borrowings</b>				
<b>3.1 Secured Term Loans From Banks</b>				
	<b>Current</b>	<b>Non Current</b>	<b>Current</b>	<b>Non Current</b>
Car Loan from Bank*	-	-	126,051	-
<b>Total</b>	<u>-</u>	<u>-</u>	<u>126,051</u>	<u>-</u>
* Car Loan from ICICI bank is secured against the hypothecation of vehicle (Honda City) carrying interest rate of 12.5% per annum. The loan is repayable in 36 installments of 19,169/- each starting from 15th November, 2011 till 15th October, 2014. The balance of loan repayable as on 31/03/2015 is NIL.				
<b>4 Deferred Tax Liabilities (Net)*</b>				
Deferred Tax Liabilities		146,844,345		7,366,132
Deferred Tax Assets		<u>(146,844,345)</u>		<u>(7,366,132)</u>
		<u>-</u>		<u>-</u>
*Refer Note No. 28.1				
<b>5 Long-Term Provisions:</b>				
Provisions For Employee Benefits*				
- Compensated Absences		-		-
- Gratuity		2,625,578		2,155,272
		<u>2,625,578</u>		<u>2,155,272</u>
* Refer Note No 22 for AS-15 Disclosure				



## Notes on Financial Statements for the year ended 31st March, 2015

(Figures in Indian Rupees)

Particulars	For the Year ended Mar, 2015	For the Year ended Mar, 2014
<b>6 Short-Term Borrowings:</b>		
<b><u>Secured Borrowings</u></b>		
Loans Repayable on demand		
- from Banks*	38,200,000	
<b><u>Unsecured Borrowings</u></b>		
Other Loans & Advances	15,000,000	-
	<u>53,200,000</u>	<u>-</u>
<p>* Demand Loans from Banks is the Packing Credit Loan from Indian Overseas Bank. These loans are secured against hypothecation of stock meant for export &amp; Charge on the current assets of the company.</p> <p>The said loan is collaterally secured against property at Plot No.21, Sector -6, Industrial Area, Faridabad owned by SPL Industries Limited</p> <p>Loan is secured by the personal guarantee of: (1) Mr. Mukesh Kumar Aggarwal (2) Mrs. Shashi Aggarwal (3) Mr. Vijay Jindal (4) Mr. Narender Aggarwal. However, there is no corporate guarantee proposed"</p>		
<b>7 Trade Payables</b>		
Sundry Creditors*	85,720,052	43,330,544
	<u>85,720,052</u>	<u>43,330,544</u>
<p>*There is no amount payable to any concern covered under Micro, Small and Medium Enterprises Development Act, 2006</p>		
<b>8 Other Current Liabilities</b>		
Current Maturity of Long Term Debt	-	126,051
Interest accrued but not due	-	-
Expenses Payable	5,873,244	5,429,955
Employee Benefit Payable	10,978,561	5,790,149
Statutory Dues Payables*	21,380,899	1,203,510
Advance received from customers	40,114,089	27,739,798
Other Loans & Advances**	592,675	406,045
	<u>78,939,467</u>	<u>40,695,508</u>
<p>* Statutory Dues Payables includes dues to ESI, PF, Sales Tax, TDS/TCS and Labour Welfare Fund etc</p> <p>** Includes security deposit from parties</p>		
<b>9 Short-Term Provisions</b>		
Provisions For Employee Benefits*		
- Compensated Absences	2,833,595	1,922,374
- Gratuity	688,740	562,008
Provision for wealth Tax	22,086	27,010
	<u>3,544,421</u>	<u>2,511,392</u>
<p>* Refer Note No 22 for AS-15 Disclosure</p>		



**Notes on Financial Statements for the year ended 31st March, 2015**

**Note 10 - Fixed Assets**

Assets Description	ACTUAL COST				DEPRECIATION				WRITTEN DOWN VALUE		
	As At 1.4.2014	Additions YTD	Deletions YTD	As At 31.03.2015	As At 1.4.2014	For Period YTD	Adjustment to Retained Earnings	Deletions YTD	As At 31.03.2015	As At 31.03.2015	As At 31.03.2014
<b>10A - Tangible Assets</b>											
Land	285,517,400	—	—	285,517,400	—	—	—	—	—	285,517,400	285,517,400
Building	150,349,974	—	—	150,349,974	57,877,104	4,600,289	(352)	—	62,477,041	87,872,933	92,472,870
Plant & Machinery	657,897,905	3,412,202	7,749,301	653,560,806	527,267,566	29,684,511	733,762	6,701,881	550,983,957	102,576,848	130,630,340
Office Equipment	32,087,580	1,314,438	1,406,288	31,995,730	29,572,675	1,336,359	(175,001)	1,406,288	29,327,745	2,667,985	2,514,905
Furniture & Fixture	24,180,073	224,667	3,682,046	20,722,694	16,973,357	3,110,135	(1,040,900)	3,682,046	15,360,546	5,362,147	7,206,716
Vehicles	4,034,115	313,421	—	4,347,536	2,236,998	573,820	187,211	—	2,998,029	1,349,507	1,797,117
Total 10A	1,154,067,048	5,264,727	12,837,635	1,146,494,140	633,927,700	39,305,113	(295,280)	11,790,215	661,147,318	485,346,822	520,139,348
Previous Year	1,237,487,189	8,420,160	91,840,301	1,154,067,048	678,441,615	34,197,499	—	78,711,413	633,927,701	520,139,347	559,045,574
<b>10B - Intangible Assets</b>											
Computer Software	2,226,102	148,104	—	2,374,206	1,741,532	210,371	—	—	1,951,902	422,305	484,571
Total 10B	2,226,102	148,104	—	2,374,206	1,741,532	210,371	—	—	1,951,902	422,305	484,571
Previous Year	1,725,601	500,501	—	2,226,102	1,725,601	15,930	—	—	1,741,531	484,571	—
<b>Grand Total (10A + 10B)</b>	<b>1,156,293,150</b>	<b>5,412,831</b>	<b>12,837,635</b>	<b>1,148,868,346</b>	<b>635,669,232</b>	<b>39,515,484</b>	<b>(295,280)</b>	<b>11,790,215</b>	<b>663,099,221</b>	<b>485,769,126</b>	<b>520,623,919</b>
Previous Year	1,239,212,790	8,920,661	91,840,301	1,156,293,150	680,167,216	34,213,429	—	78,711,413	635,669,232	520,623,918	559,045,574

**NOTE:**

1. Adjustment to retained earnings are the adjustment in pursuant to The Companies Act 2013 including the depreciation adjustment on account of assets whose useful life has been expired, excess depreciation has been charged in previous years etc.



## Notes on Financial Statements for the year ended 31st March, 2015

(Figures in Indian Rupees)

Particulars	For the Year ended Mar, 2015	For the Year ended Mar, 2014
<b>11 Long-Term Loans And Advances</b> (Unsecured, considered good)		
Security deposits	2,165,836	2,043,310
	<u>2,165,836</u>	<u>2,043,310</u>
<b>12 Other Non-Current Assets</b>		
Fixed Deposit (Margin Money against bank guarantee)	-	-
	<u>-</u>	<u>-</u>
<b>13 Inventories:</b> (As Taken, Valued & Certified By The Management)		
Raw Materials	17,470,119	23,421,488
Work In Process	16,004,495	3,392,899
Finished Goods	3,937,254	3,074,339
Stores, Spares & Loose Tools	3,392,757	3,816,995
Fuel & Oil	1,104,000	591,887
	<u>41,908,625</u>	<u>34,297,608</u>
<b>14 Trade Receivables:</b> (Unsecured, considered good unless otherwise stated)		
Outstanding for a period exceeding 6 months from the date they are due for payment	-	2,926,323
Others	156,367,868	20,910,729
Less: Allowance for doubtful debts	-	-
Less: Goods in Transit	-	-
	<u>156,367,868</u>	<u>23,837,052</u>
<b>15 Cash &amp; Bank Balances :</b>		
Balance With Banks -		
In Fixed Deposits		
Fixed Deposit (Held As Securities against Bank Guarantees and LC)		
Maturity period less than 12 months*	821,600	834,073
On Current Accounts	11,739,174	1,598,757
Cheques in Hand	-	-
	-	-
Cash On Hand	522,207	684,754
	<u>13,082,981</u>	<u>3,117,584</u>
* Balance relates to Guarantee given to Haryana State Pollution Control Board		
<b>16 Short Term Loans &amp; Advances:</b> (Unsecured Considered Good Unless Other Wise Stated)		
Prepaid Expenses	299,986	323,730
Staff Advances	262,201	166,496
Receivable From Revenue Authorities*	79,604,469	63,342,046
Less: Provision against Recovery Losses	20,000,000	20,000,000
Advance to suppliers	11,863,891	2,743,800
	<u>72,030,547</u>	<u>46,576,072</u>
*Receivable from various statutory departments including CBEC and Income Tax Authorities.		
<b>17 Other Current Assets:</b>		
Other Receivable	-	-
	<u>-</u>	<u>-</u>

**Notes on Financial Statements for the year ended 31st March, 2015**

(Figures in Indian Rupees)

Particulars	As At 31st Mar, 2015	As At 31st Mar, 2014
<b>18 Revenue From Operations</b>		
Income		
Sale Of Products	581,463,869	448,283,696
Other Operating Revenues	15,862,146	6,985,440
	<u>597,326,014</u>	<u>455,269,136</u>
Less: Excise Duty	-	-
<b>Net Revenue From Operations</b>	<u><u>597,326,014</u></u>	<u><u>455,269,136</u></u>
<b>18.1 Sale Of Products</b>		
Garments		
Export	124,392,737	17,860,290
Domestic	<u>1,522,264</u>	<u>848,764</u>
Fabric	18,251,371	73,765,886
Yarn	-	-
Processing Charges*	<u>437,297,497</u>	<u>355,808,756</u>
	<u><u>581,463,869</u></u>	<u><u>448,283,696</u></u>
* Processing charges include processing of textiles which includes consumption of raw material.		
<b>18.2 Other Operating Revenues</b>		
Duty Drawback	10,140,671	1,311,087
DGFT Focus (Export Incentive)	-	-
Scrap & Wastage	<u>5,721,475</u>	<u>5,674,353</u>
	<u><u>15,862,146</u></u>	<u><u>6,985,440</u></u>
<b>19 Other Income:</b>		
Interest Income	210,760	168,860
Net Gain On Sale Of Non - Current Assets	79,680	-
Other Non-Operating Income	3,900,000	108,675
Net Gain/Loss on Foreign Currency Transaction & Translation	85,248	692.00
Liability Written Back	134,203	4,004,184
Claims & Discounts Others	<u>751,444</u>	<u>962,757</u>
	<u><u>5,161,334</u></u>	<u><u>5,245,168</u></u>
<b>19.1 Interest Income</b>		
Interest From Fixed Deposits	210,760	168,860
Interest Others	-	-
	<u><u>210,760</u></u>	<u><u>168,860</u></u>
<b>19.2 Net Gain On Sale Of Non - Current Assets</b>		
Fixed Assets(Tangible Assets)*	79,680	-
	<u><u>79,680</u></u>	<u><u>-</u></u>
<b>19.3 Other Non-Operating Income</b>		
Rent	3,900,000	-
Others	-	108,675
	<u><u>3,900,000</u></u>	<u><u>108,675</u></u>
<b>20 Cost of Materials Consumed:</b>		
Opening Stock	23,421,488	51,075,656
Add :- Purchases Raw-Materials And Packing Materials	<u>215,096,670</u>	<u>121,151,623</u>
	<u>238,518,157</u>	<u>172,227,279</u>
Less: Closing Balance Of Stock	<u>17,470,119</u>	<u>23,421,488</u>
Consumption Of Materials	<u><u>221,048,038</u></u>	<u><u>148,805,791</u></u>





# SPL INDUSTRIES LTD.

## Notes on Financial Statements for the year ended 31st March, 2015

(Figures in Indian Rupees)

	As At 31st Mar, 2015		As At 31st Mar, 2014	
<b>20.1 Cost Of Materials Consumed % of consumption</b>				
Imported	2%	4,271,838	1%	1,110,987
Indigenous	98%	216,776,200	99%	147,694,804
		<u>221,048,038</u>		<u>148,805,791</u>
<b>20.2 Purchase Of Raw Material</b>				
Accessories				
Imported		4,271,838		1,110,987
Indigenous		9,958,911		1,107,842
		<u>14,230,749</u>		<u>2,218,829</u>
Dyes & Chemical				
Imported		-		-
Indigenous		136,789,277		106,255,118
		<u>136,789,277</u>		<u>106,255,118</u>
Fabric		26,048,218		8,685,002
Oil & Lubricants		573,605		539,990
Packing Material		6,166,235		3,452,684
Yarn		17,316,370		-
Garment		13,972,214		-
		<u>215,096,670</u>		<u>121,151,623</u>
<b>20.3 Opening Stock Of Raw Material</b>				
Dyes & Chemical		7,036,092		5,100,317
Fabric		16,202,275		45,975,339
Accessories		183,121		-
		<u>23,421,488</u>		<u>51,075,656</u>
<b>20.4 Closing Stock Of Raw Material</b>				
Dyes & Chemical		8,044,852		7,036,092
Fabric		7,196,637		16,202,275
Yarn		727,400		-
Accessories		1,501,230		183,121
		<u>17,470,119</u>		<u>23,421,488</u>
<b>21 Changes In Inventories</b>				
Finished Goods				
At The Beginning Of The Accounting Period		3,074,339		2,746,800
At The End Of The Accounting Period		3,937,254		3,074,339
		<u>(862,915)</u>		<u>(327,539)</u>
Work-In-Progress				
At The Beginning Of The Accounting Period		3,392,899		4,712,267
At The End Of The Accounting Period		16,004,495		3,392,899
		<u>(12,611,596)</u>		<u>1,319,368</u>
<b>Total</b>		<u>(13,474,511)</u>		<u>991,829</u>
<b>22 Employee Benefits Expense</b>				
Salary, Wages and Bonus		98,694,897		48,275,619
Contribution To PF & Other Funds		10,395,096		5,101,948
Gratuity		921,516		628,750
Staff Welfare		2,641,868		1,261,067
		<u>112,653,377</u>		<u>55,267,384</u>

**As per Accounting Standard 15 "Employee Benefits", the disclosure as defined in the Accounting Standard are given below:**

Provision for leave encashment is recognised on the basis of gross pay per day of an employee multiplied with the accumulated leaves as on the reporting date. No employee has accumulated leaves exceeding 30 days. The same will pay in future. Further there is no long term leave provision for compensated absences as on March 31, 2015.



**Notes on Financial Statements for the year ended 31st March, 2015**

(Figures in Indian Rupees)

	As At 31st Mar, 2015	As At 31st Mar, 2014
<b>Defined Contribution Plan</b>		
Contribution to Defined Contribution Plans, recognised as expense for the year is as under:		
Employer's Contribution to Provident Fund	7,102,090	3,399,083
Employer's Contribution to ESI	3,128,826	1,607,995
Employer's contribution to Welfare Fund	164,180	94,870
<b>Total</b>	<b>10,395,096</b>	<b>5,101,948</b>

**Defined Benefit Plan**

The employee's gratuity fund scheme managed by a Trust (LIC of India and SBI ) is a defined benefit plan. The present value of obligation is determined based on actuarial valuation using the Project Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

**1. Reconciliation of Opening and Closing balance of Defined Benefit Obligation**

Particulars	Current Year	Previous Year
	Employees Gratuity Fund	Employees Gratuity Fund
Present Value Obligation (Opening Balance)	3,130,168	3,021,922
Interest Cost	281,715	241,754
Past Service Cost	-	-
Current Service Cost	517,729	447,782
Benefit Paid (Out of own Funds+ Plan Assets)	(501,760)	(567,883)
Actuarial Gain / Loss on obligation	145,418	(13,407)
Present Value Obligation (Closing Balance)	3,573,270	3,130,168

**2. Reconciliation of Opening and Closing balance of Fair Value of Plan Assets**

Particulars	Current Year	Previous Year
	Employees Gratuity Fund	Employees Gratuity Fund
Fair Value of Plan & Assets (Opening Balance)	412,888	933,392
Expected Return on Plan Assets	31,862	76,299
Contributions	-	-
Benefits Paid (Out of Plan)	(177,282)	(567,883)
Actuarial Gain/ Loss on obligation	(8,516)	(28,920)
Fair Value of Plan & Assets (Closing Balance)	258,952	412,888

**3. Reconciliation of Fair Value of Assets and Obligation**

Particulars	Current Year	Previous Year
	Employees Gratuity Fund	Employees Gratuity Fund
Present Value Obligation (Closing Balance)	3,573,270	3,130,168
Fair Value of Plan Assets (Closing Balance)	258,952	412,888
Funded Status	3,314,318	2,717,280
Present Value of Un-funded Obligation (Closing Balance)	-	-
Un-funded Actuarial (Gain/Loss)	-	-
Un-funded Net Assets/Liabilities recognised in Balance sheet	3,314,318	2,717,280

**4. Expenses recognised during the year**

Particulars	Current Year	Previous Year
	Employees Gratuity Fund	Employees Gratuity Fund
Current Service Cost	517,729	447,782
Past Service Cost	-	-
Interest Cost	281,715	241,754
Expected Return on Plan Assets	(31,862)	(76,299)
Cutainment Cost	-	-
Settlement Cost	-	-
Net Actuarial Gain/Loss recognised during the year	153,934	15,513
Total Expenses Recognised in Statement of Profit & Loss	921,516	628,750



# SPL INDUSTRIES LTD.

## Notes on Financial Statements for the year ended 31st March, 2015

### 5. Actuarial Assumption

Actuarial Assumptions	Current Year	Previous Year
	Employees Gratuity Fund	Employees Gratuity Fund
Discount Rate Per Annum	7.80%	9.00%
Rate of Increase in Compensation Levels	6.00%	6.00%
Rate of Return on Plan Assets		
(i) For Asset with LIC	9.00%	6.75%
(ii) For Asset with SBI Life Insurance	9.00%	9.00%
Expected Average Remaining Working lives of employees (Years)	20.66 Yrs	20.89 Yrs

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market.

### 6. The Enterprise best estimates of contribution during the next year is Rs. 7,42,552/- as per actuarial certificate.

(Figures in Indian Rupees)

	As At 31st Mar, 2015	As At 31st Mar, 2014
<b>23 Finance Cost</b>		
Interest Expense	262,971	751,773
Penal Interest	26,247	3,914
Bank Charges	776,259	95,788
Export Fluctuation	—	385,470
	<u>1,065,477</u>	<u>1,236,945</u>
<b>24 Depreciation And Amortization Expense</b>		
Depreciation on Tangible Assets	39,515,484	34,213,429
	<u>39,515,484</u>	<u>34,213,429</u>
<b>25 Other Expenses</b>		
Manufacturing Expense	199,778,509	136,482,917
Establishment Expenses	24,366,487	38,941,147
Selling & Distribution Expenses	11,699,407	6,124,859
Amount Written Off	161,269	377,720
Loss On Sale Of Fixed Asset	—	8,699,474
	<u>236,005,671</u>	<u>190,626,116</u>
<b>25.1 Manufacturing Expense :</b>		
Consumption Of Stores And Spare Parts	3,222,050	2,366,901
Power & Fuel	117,592,910	101,396,632
Freight Inward	1,151,196	551,158
ETP Expense	1,537,910	1,698,738
Repair To Machinery	—	—
Boiler	8,447,875	3,186,636
Electric	1,900,772	1,892,870
Generator	902,866	77,496
Machinery	10,638,829	11,444,255
Job Charges	53,437,617	12,974,841
Lab Expenses	619,912	542,958
Loading & Unloading Charges	326,571	350,432
	<u>199,778,509</u>	<u>136,482,917</u>
<b>25.1.1 Consumption Of Stores And Spare Parts</b>		
Opening Stock	3,816,995	3,752,373
Purchase during the Year	2,797,812	2,431,523
Closing Stock	3,392,757	3,816,995
Consumption during the year	<u>3,222,050</u>	<u>2,366,901</u>

**Notes on Financial Statements for the year ended 31st March, 2015**

(Figures in Indian Rupees)

	As At 31st Mar, 2015	As At 31st Mar, 2014		
<b>25.1.2 Consumption Of Power &amp; Fuel</b>				
Opening Stock	591,887	1,033,385		
Purchase during the Year	118,105,023	100,955,134		
Closing Stock	1,104,000	591,887		
Consumption during the year	<u>117,592,910</u>	<u>101,396,632</u>		
<b>25.2 Establishment Expenses</b>				
Advertisement	91,801	88,179		
Payment to Auditors	926,970	846,632		
Donation	22,000	24,600		
Rent	40,380	24,000		
General Expenses	2,177,836	1,070,812		
Rates & Taxes	2,168,004	1,745,152		
Provision for Sales Tax Demand	1,395,720			
General Repairs	5,512,840	7,827,605		
House Keeping Expenses	3,780,578	2,379,249		
Insurance	226,157	214,596		
Printing & Stationery	1,612,443	1,035,399		
Professional Charges	1,361,508	797,712		
Provision Against Recovery	-	20,000,000		
Security Service Charges	2,998,541	2,089,116		
Security Forfeited	81,409	-		
Telephone Expenses	1,970,300	798,095		
	<u>24,366,488</u>	<u>38,941,147</u>		
<b>25.2.1 Payment to Auditors</b>				
Statutory Audit Fee	561,800	561,800		
Tax Audit Fee	56,180	56,180		
Tax Matter & Certification	308,990	228,652		
	<u>926,970</u>	<u>846,632</u>		
<b>25.3 Selling &amp; Distribution Expenses</b>				
Business Promotion	912,991	909,170		
Clearing & Forwarding	2,403,728	-		
Commission	850,205	-		
Freight	2,608,777	3,896,971		
Sampling & Testing Charges	4,923,706	1,318,718		
	<u>11,699,407</u>	<u>6,124,859</u>		
<b>25.4 Amount Written Off</b>				
Tangible Assets Written off	-	-		
Balances written off	(258,892)	377,720		
Claims & Discounts Export	420,160	-		
Bad Debts	-	-		
	<u>161,269</u>	<u>377,720</u>		
<b>25.5 Value of Imports On CIF basis in respect of:</b>				
Raw Material and Stock in Trade	4,766,190	91%	-	0%
Stores, Chemicals and packing Materials	474,796	9%	1,707,076	100%
Capital goods	-	0%	-	0%
	<u>5,240,986</u>	<u>100%</u>	<u>1,707,076</u>	<u>100%</u>



# SPL INDUSTRIES LTD.

## Notes on Financial Statements for the year ended 31st March, 2015

(Figures in Indian Rupees)

	As At 31st Mar, 2015	As At 31st Mar, 2014
<b>26 Exceptional Items/ Extraordinary Items</b>		
Depreciation	—	—
Derivative Loss *	—	—
Interest Waiver	—	—
	<u>—</u>	<u>—</u>
<b>27 Prior Period Items</b>		
Prior period incomes	269,555	1,396,781
Prior period expenses	(723,925)	(357,759)
	<u>(454,370)</u>	<u>1,039,022</u>
<b>28 Tax Expenses</b>		
Tax Paid For Earlier Years	—	3,016,892
Current Tax - Wealth Tax	22,086	27,010
Deferred Tax	—	—
	<u>22,086</u>	<u>3,043,902</u>

### 28.1 Deferred Tax Expense/Income:

Deferred tax liability at the year end comprise of the followings:	AS at 31.03.2015		AS at 31.03.2014	
<b>Deferred liability on account of:</b>				
Depreciation	146,844,345	146,844,345	7,366,132	7,366,132
Deferred Assets on account of:				
Disallowance under section 43B	1,244,785		1,251,040	
Disallowance against provision			—	
Loss under Income Tax Act	370,941,517		370,941,517	
	<u>372,186,302</u>	<u>146,844,345</u>	<u>372,192,557</u>	<u>7,366,132</u>
Net Deferred Tax Asset/Liability		—		—

28.2 Deferred Tax Assets recognized to the extent of Deferred Tax Liability for the year ending 31st March 2015.

28.3 As the company has substantial losses and value of the business has reduced substantially. Also there is huge fixed cost relating to depreciation. In view of facts stated above and keeping in view the financial position of the company the Deferred Tax Assets in respect of carry forward losses has been recognized only to the extent of Deferred Tax Liability.

### 29 Earnings/(Loss) per equity share

Loss after Tax	5,197,356	27,367,930
Number of shares	29,000,004	29,000,004
Basic Earning/(Loss) Per Share	0.18	0.94
Diluted Earning/(Loss) Per Share	0.18	0.94

### 30 Earnings In Foreign Exchange

FOB value of exports	108,629,989	17,860,290
	<u>108,629,989</u>	<u>17,860,290</u>

### 31 Related Party Disclosure

#### Key Management Personnel (KMP)

Sh Mukesh Aggarwal  
 Sh Vijay Jindal  
 Smt. Shashi Aggarwal  
 Sh. Arun Kumar  
 Sh. Rajesh Goyal  
 Sh. Chanderjeet Singh Bhatia

#### Related Party Transactions:

#### Transaction with Sh.Mukesh Aggarwal

##### Amount of Loan Borrowed:

Opening Balance of Loan	—	—
Amount borrowed during the period	15,000,000	—
Amount outstanding at the end of the period	15,000,000	—

**Notes on Financial Statements for the year ended 31st March, 2015****32 Segment Reporting**

As per Accounting Standard AS 17 on "Segment Reporting" segment information is as follow:-

**Primary Segment Reporting (Business Segment):**

Primary business segments of the company is sale & export of cotton knitted garments and made ups and Processing Charges, which in the context of Accounting Standard 17 on "Segment Reporting" as notified in Companies (Accounting Standard ) Rules , 2006 . But the manufacturing relating to cotton knitted garments and processing charges is common therefore the expenditure, assets & liabilities relating to these two activities cannot be bifurcated. Sale relating to sale of knitted garments and processing charges is shown separately.

**Secondary Segment Reporting (Geographical Segments):**

The Following is the distribution of the company's consolidated sales by geographical segment, regardless of where the goods were produced:

Particulars	Current Year	Previous Year
Sales to Overseas Market	124,392,737	17,860,290
Sales to Domestic Market	1,522,264	848,764
Processing Charges	437,297,497	355,808,756
	<b>563,212,498</b>	<b>374,517,810</b>
Export debtors	62,009,086	9,346,024
Domestic debtors	94,358,782	14,491,028
	<b>156,367,868</b>	<b>23,837,052</b>

**33 Contingent Liability and Commitments**

Particulars	As at 31.03.2015	As at 31.03.2014
1. Bills Discounted		-
2. Disputed tax liability *	77,748,473	77,749,273
<b>Total</b>	<b>77,748,473</b>	<b>77,749,273</b>

\* Disputed tax liability pertains to tax amount involved in appeals

**34** The previous year figures have been regrouped/ reclassified, wherever necessary to conform to the current year presentation.

**35 Significant Accounting Policies & Notes on Financial Statements****1 General Information**

The company was incorporated on December 6, 1991 in India. The company is a garment manufacturing company and majorly deals in exports however during the year, value of exports are INR 124,392,737 and further company has domestic sales and processing income during the year.

**2 Summary of Significant Accounting Policies****2.1 Basis Of Preparation Of Financial Statements**

The financial statements of the company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The financial statements have been prepared to comply in all material respects with the notified accounting standard by Companies(Accounting Standards)Rules, 2006, (as amended) and the relevant provisions of Companies Act, 2013.the financial Statements have been prepared under the historical cost convention on an accrual basis Accounting policies not specifically referred to otherwise are consistent and are in consonance with generally accepted accounting principles.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current – non current classification of assets and liabilities.

**2.2 Use Of Estimates**

The preparation of the financial statements in conformity with generally accepted accounting principles in India requires the management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and disclosures relating to contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and action, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods

**2.3 Tangible Assets**

Tangible Assets are stated at cost net of recoverable taxes and includes amounts added on revaluation, less accumulated depreciation and impairment loss, if any.Revaluation effect is taken by restating the net book value by adding therein the net increase on account of revaluation. All costs, including finance costs till commencement of commercial production, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the fixed asset are capitalised.

**2.4 Intangible Assets**

In accordance with the Accounting Standards (AS) 26 relating to intangible assets, all costs incurred on technical know-how / license fee relating to production process are charged to revenue in the year of incurrence. Costs incurred on technical know-how / license fee relating to



# SPL INDUSTRIES LTD.

## Notes on Financial Statements for the year ended 31st March, 2015

process design / plants / facilities are capitalized at the time of capitalization of the said plant / facility and amortized on pro-rata basis over a period of five years. Computer software is capitalized on the date of installation and is amortized over a period of three years.

### 2.5 Depreciation

Depreciation on all plant and machinery is provided on Written Down Value Method and on other fixed assets is provided on the basis of Straight Line Method. Depreciation has been provided on the basis of useful life of the assets and the manner as prescribed in Schedule II of The Companies Act 2013. Following useful life were used for calculating depreciation amount as per Schedule II of The Companies Act 2013:

Particulars	Useful Life (in Years)
Factory Building	30 Years
Plant & Machinery	15 Years
Electric Installation & Equipment	10 Years
General Laboratory Equipment	10 Years
Office Equipments	5 Years
Servers & Networks	6 Years
End User Devices (Computer)	3 Years
Furniture & Fixtures	10 Years
Motor Cycles	10 Years
Motor Buses	10 Years

### 2.6 Impairment Of Assets

Assessment is done at each Balance Sheet date as to whether there is any indication that an asset (tangible and intangible) may be impaired. For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets, is considered as a cash generating unit. If any such indication exists, an estimate of the recoverable amount of the asset/cash generating unit is made. Assets whose carrying value exceeds their recoverable amount are written down to the recoverable amount. Recoverable amount is higher of an asset's or cash generating unit's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. Assessment is also done at each Balance Sheet date as to whether there is any indication that an impairment loss recognised for an asset in prior accounting periods may no longer exist or may have decreased.

### 2.7 Investments

Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments.

Current investments are carried at lower of cost or fair value.

Long-term investments are carried at cost. Provision for diminution in value is made to recognise a decline other than temporary in the value of the investments.

### 2.8 Inventory

Inventories are valued at lower of cost or net realizable value after providing for obsolescence, if any. Cost of inventories comprises of cost of purchase, cost of conversion and other costs including manufacturing overhead incurred in bringing them to their respective present location and condition. Cost of raw materials, process chemicals, stores and spares, packing material, trading and other products are determined on First in First out (FIFO) method. Scrap is valued at net realizable value.

### 2.9 Revenue Recognition

- i) Sales are recognised when the substantial risks and rewards of ownership in the goods are transferred to the buyer as per the terms of the contract and are net of trade discounts, rebates and sales taxes, etc.
- ii) Processing Charges are recognised at the time of dispatch of goods to the customers and are net of trade discounts, rebates and sales taxes, etc.
- iii) Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.
- iv) Income from duty drawback and Import licences under focus product scheme are recognised on accrual basis on acceptance of claim by the Government Authority.
- v) Dividend Income is recognised when right to receive is established.
- vi) Claim receivables are accounted for depending on the certainty of receipt and claims payable are accounted for at the time of acceptance.

### 2.10 Borrowing Cost:

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to Statement of Profit and Loss.

### 2.11 Foreign Currency Transactions

Transactions denominated in foreign currencies are normally recorded at the exchange rate prevailing at the time of transaction. Monetary items denominated in foreign currencies outstanding at the year-end are translated at exchange rate applicable as of that date. Non-Monetary items denominated in foreign currency are valued at the exchange rate prevailing on the date of transaction. Any income or expense on account of exchange difference either on settlement or on translation is recognized in the Statement of Profit and Loss.

**2.12 Current And Deferred Tax**

Tax expense comprises of current tax and deferred tax. Current tax is determined in accordance with relevant tax rates and tax laws. Provision for current income tax is made after taking credit for allowances and exemptions. In case of matters under appeal, due to disallowance or otherwise, provision is made when the company accepts the said liabilities.

Deferred tax is recognised for all timing differences arising between taxable income and accounting income based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are carried forward to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. Deferred tax assets on carry forward of unabsorbed depreciation and tax losses are recognised only if there is virtual certainty that such deferred tax assets can be realised against future taxable profits.

As the company has substantial losses and value of the business has reduced substantially. There is huge fixed cost relating to depreciation. In view of facts stated above and keeping in view the financial position of the company, the Deferred Tax Assets in respect of carry forward losses has been recognized only to the extent of Deferred Tax Liability.

**2.13 Employee's Benefits**

- i. Short-term employee benefits are recognized as an expense at the undiscounted amount in the Statement of Profit and Loss of the year in which related service is rendered.
- ii. Eligible employees of the company are entitled to receive benefits under the Provident Fund scheme administered through provident fund commissioner and the company's contribution are charged to Statement of Profit and Loss.
- iii. Company's contribution to state plans namely Employees State Insurance Fund is charged to Statement of Profit and Loss every year.
- iv. Gratuity liability is a defined benefit obligation and is provided for on the basis of an actuarial valuation made by an independent actuary at the Balance Sheet date using projected unit credit method. The Gratuity Scheme is administered through LIC under its Group Gratuity Scheme. Contributions are paid to LIC in accordance with the demands received.
- v. Termination benefits are recognized as an expense immediately.
- vi. Gain or Loss arising out of actuarial evaluation is recognized immediately in the Statement of Profit and Loss as income or expense.

**2.14 Value Added Tax (VAT)**

VAT claimed on capital assets is credited to assets/capital work in progress account. VAT on purchase of raw materials and other materials are deducted from the cost of such materials.

**2.15 Provision And Contingent Liabilities**

Show cause notices issued by various government authorities are not considered as obligation. When the demand notice are raised against such show cause notice and are disputed by the company then these are classified as possible obligations.

Provisions: Provisions are recognised when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date and are not discounted to its present value.

Contingent Liabilities: Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

**2.16 Financial Derivative And Hedging Transaction**

In respect of the Financial derivative contracts the premium / interest paid and profit / loss on settlement is charged to Statement of Profit & Loss. The contracts entered into are marked to market at year end and the resultant profit / loss is charged to Statement of Profit & Loss.

**2.17 Cash and Cash Equivalents**

In the cash flow statement, cash and cash equivalents includes cash in hand, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less.

**2.18 Earnings Per Share**

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the Company's earnings per share is the net profit for the period after deducting preference dividends and any attributable tax thereto for the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

for SINGHI CHUGH & KUMAR  
Chartered Accountants  
Firm Registration No. 013613N

For and on behalf of the Board of Directors of  
SPL Industries Limited

Harsh Kumar  
(Partner)  
M. No.088123  
Place : New Delhi  
Date : 29.05.2015

Managing Director  
Director  
Chief Financial Officer  
Company Secretary





# SPL INDUSTRIES LTD.

CIN : L74899DL1991PLC062744

Registered Office: C-2/54, Rajasthali Apartments, 5th Floor, Pitampura, Delhi-110034.

E-mail: administrator@spllimited.com; Website: www.spllimited.com

## ATTENDANCE SLIP

Folio No.	
DP ID	
Account ID / Client ID	
No. of Shares	

I hereby record my presence at the **24TH ANNUAL GENERAL MEETING** of the Company held on **Saturday, the 26th day of September, 2015 at 9.00 AM** at INDIA CORPORATE CENTRE, J-2/B-1, MOHAN COOPERATIVE, MATHURA ROAD, NEW DELHI-110044

Signature of the attending Member / Proxy	
---	--

- Note :**
- 1) A Shareholder/Proxy holder wishing to attend the meeting must bring the Attendance Slip to the meeting and hand it over at the entrance duly signed.
  - 2) A Shareholder/Proxy holder wishing to attend the meeting should bring his copy of the Annual Report for reference at the meeting.



# SPL INDUSTRIES LTD.

CIN : L74899DL1991PLC062744

Registered Office: C-2/54, Rajasthali Apartments, 5th Floor, Pitampura, Delhi-110034.

E-mail: administrator@spllimited.com; Website: www.spllimited.com

## PROXY

I/We ..... of .....  
 In the district of ..... being a Member //Members of the above named Company,  
 hereby appoint..... of .....  
 in the district of ..... or failing him/her .....  
 of ..... in the district of .....

as my / our Proxy to attend and vote for me/us and on my/our behalf at **24TH ANNUAL GENERAL MEETING** of the Company held on **Saturday, the 26th day of September, 2015 at 9.00 AM** at INDIA CORPORATE CENTRE, J-2/B-1, MOHAN COOPERATIVE, MATHURA ROAD, NEW DELHI-110044, and at any adjoumment thereof.

Signed this ..... day of ..... 2015.

Folio No.	
DP ID	
Account ID / Client ID	
No. of Shares	

Signature \_\_\_\_\_

Affix Re. 1.00 Revenue Stamp
---------------------------------------



- Note:**
- 1) The Proxy must be returned so as to reach the Regd. Office: Regd. C-2/54, 5th Floor, Rajasthali Apartment, Pitampura, New Delhi-110034, not less than FORTY EIGHT HOURS before the time for holding the aforesaid meeting.
  - 2) A Proxy need not to be Member of the Company.

U.S.P.

To



**SPL INDUSTRIES LTD.**

Regd. Office:  
C-2/54, 5th Floor, Rajasthali Appartment, Pitampura, New Delhi-110034.  
Tel: 011-27026840