



SUPERTEX
INDUSTRIES
LIMITED

**THIRTIETH
ANNUAL REPORT
2015-2016**

**BOARD OF DIRECTORS**

R K MISHRA	..	Chairman and Managing Director
S K MISHRA	..	Director and CFO
S S MISHRA	..	Director
M A SHARMA	..	Director
G R TOSHNIWAL	..	Director
P R KAPADIA	..	Director
MEETA SHINGALA	..	Director

COMPANY SECRETARY

VAISHALI NAIK

AUDITORS

M. B. AGRAWAL & CO
Chartered Accountants

N. G. THAKRAR & CO
Chartered Accountants

SOLICITORS

CRAWFORD BAYLEY & COMPANY
RAJANI ASSOCIATES

BANKERS

AXIS BANK

REGISTERED OFFICE

Plot No. 45/46, Phase II
Piperia Industrial Estate
Silvassa, D & N H

HEAD OFFICE

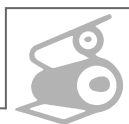
Balkrishna Krupa, 2nd Floor
45/49 Babu Genu Road
Princess Street, Mumbai 400 002

WORKS

- Unit I & II : Plot No. 45 & 46
Phase II, Piperia Industrial Estate
Silvassa, Dadra & Nagar Haveli
- Unit III : 213, Kharvel
Behind Kharvel Sub-Station
Taluka Dharampur
Dist. Valsad, Gujarat

REGISTRARS AND SHARE TRANSFER AGENTS

SHAREX DYNAMIC (INDIA) PVT. LTD.
Unit No.1, Luthra Industrial Premises
Andheri Kurla Road, Safed Pool
Andheri (E), Mumbai 400 072



NOTICE

Notice is hereby given that the Thirtieth Annual General Meeting of members of SUPERTEX INDUSTRIES LIMITED will be held on Friday, the 23rd day of September 2016 at 10.30 a.m., at the Registered Office of the Company at Plot No. 45-46, Phase II, Piperia Industrial Estate, Silvassa (Dadra & Nagar Haveli) to transact the following business:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended 31st March, 2016 together with the Reports of the Board of Directors and Auditors thereon;
2. To appoint M/s. M.B. Agrawal & Co., Chartered Accountants, Mumbai (Regn. No. 100137W) as Statutory Auditors of the Company and fix their remuneration.

SPECIAL BUSINESS

3. Retirement by rotation of Director, Mr S S Mishra:

To consider and if thought fit, to pass with or without modification(s), the following Resolution as an Ordinary Resolution:-
 “RESOLVED THAT Mr S S Mishra (DIN: 00304707), a Director liable to retire by rotation, who does not offer himself for re-appointment, be not reappointed as a Director of the Company and the vacancy, so caused on the Board of the Company, be not filled up.”

4. Re-appointment of Mr R K Mishra as Managing Director of the Company:

To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:
 “RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 and any other applicable provisions, if any, of the Companies Act, 2013 (“Act”) and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013, the consent of the Company, be and is hereby accorded to the re-appointment of Mr R K Mishra (holding DIN 00245600) as Managing Director of the Company with effect from 26th March, 2016 to 25th March, 2021, liable to retire by rotation, on the remuneration, terms and conditions as recommended by the nomination and remuneration committee and as set out in the explanatory statement annexed to the notice.

RESOLVED FURTHER THAT the Board be and is hereby authorised to take all such steps as may be necessary, proper and expedient and to do any acts, deeds, matters and things to give effect to this resolution.”

5. Re-appointment of Mr S K Mishra as Whole Time Director designated as Executive Director and CFO of the Company:

To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:
 “RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 and any other applicable provisions, if any, of the Companies Act, 2013 (“Act”) and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013, the consent of the Company, be and is hereby accorded to the re-appointment of Mr S K Mishra (holding DIN 00304796) as Whole Time Director designated as Executive Director & CFO of the Company with effect from 1st April, 2016 to 31st March, 2021, liable to retire by rotation, on the remuneration, terms and conditions as recommended by the nomination and remuneration committee and as set out in the explanatory statement annexed to the notice.

RESOLVED FURTHER THAT the Board be and is hereby authorised to take all such steps as may be necessary, proper and expedient and to do any acts, deeds, matters and things to give effect to this resolution.”

By Order of the Board

R K Mishra
Chairman & Managing Director

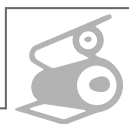
Mumbai, 22nd August, 2016

Registered Office

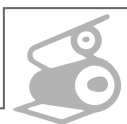
Plot No. 45-46, Phase II
 Piperia Industrial Estate
 Silvassa-396230,
 Dadra & Nagar Haveli.

Notes:

1. The statement pursuant to Sec. 102(1) of the Companies Act, 2013 with respect to the special business set out in the Notice is annexed.



2. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND ON POLL, TO VOTE ON BEHALF OF SELF. SUCH A PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE ENCLOSED PROXY FORM SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE AGM. A person shall not act as a Proxy for more than 50 members and holding in the aggregate not more than ten percent of the total voting share capital of the Company. However, a single person may act as a proxy for a member holding more than ten percent of the total voting share capital of the Company provided that such person shall not act as a proxy for any other person.
3. Corporate members intending to authorise its representatives to attend the Meeting are requested to submit to the Company at its Registered Office, a certified copy of Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.
4. The Notice of AGM, Annual Report and Attendance Slip is being sent to all the members whose email IDs are registered with the Company/Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copy of the Annual Report for 2016 is being sent in the permitted mode.
5. The Annual Report of the Company circulated to the Members of the Company, will be made available on the Company's website at www.supertex.in and also on website of the Bombay Stock Exchange. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business hours on working days upto and including the date of the Annual General Meeting.
6. Members are requested to bring their copy of the Annual Report to the Annual General Meeting.
7. Details under Regulation 36 (3) of the SEBI [Listing Obligations and Disclosure Requirements] Regulations, 2015 in respect of the Directors seeking appointment/ reappointment at the Annual General Meeting, forms integral part of the notice.
8. M/s. Sharex Dynamic (India) Pvt. Ltd., Unit – I, Luthra Indl. Premises, Andheri Kurla Road, Safed Pool, Andheri (East), Mumbai – 400 072 are the Share Transfer Agents of the Company for transfer of shares. You are requested to forward all your share transfer applications or any correspondence relating to the shares of the Company to them directly at the aforesaid address.
9. The Register of Members and Share Transfer Books of the Company shall remain closed from Friday, the 16th September, 2016 to Friday, the 23rd September, 2016 (both days inclusive).
10. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
11. Members desirous of obtaining any information concerning the accounts and operations of the Company are requested to address their queries to the Company Secretary at the Registered Office of the Company, so as to reach him at least seven days before the date of Meeting.
12. To support the "Green Initiative", Members who have not registered their email addresses are requested to register the same with the Company's Share Registrars and Transfer Agents/ their Depository Participants, in respect of shares held in physical/ electronic mode respectively.
13. Voting through electronic means:
 - I. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 and amendments thereto and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by Central Depository Services (India) Limited (CDSL).
 - II. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
 - III. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
 - IV. Mr. Vikas Chomal of M/s Vikas R. Chomal & Associates, Practicing Company Secretaries has been appointed as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
 - V. The process and manner for remote e-voting is as under:



The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on Tuesday, 20th September, 2016 and ends on Thursday, 22nd September, 2016. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 16th September, 2016 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant Company for which you choose to vote i.e. Supertex Industries Limited.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.



- (xvii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xix) Note for Non – Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com

Declaration of Results:

- 1) The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of Ballot Paper for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- 2) The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than forty eight hours of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- 3) The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company www.supertex.in and on the website of CDSL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited, Mumbai.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013:

ITEM NO. 3

Mr S S Mishra is a Non-Executive Director of the Company. He has been on the Board since the formation of the Company. He retires by rotation at this Annual General Meeting and does not seek re-appointment due to reasons of his health and age. The Board proposes not to fill, for the time being, the vacancy caused due to his retirement.

The Board accordingly recommends the resolution at Item Nos. 3 of this Notice for the approval of the Members.

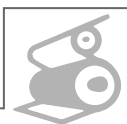
Except Mr S S Mishra, himself and Mr R K Mishra and Mr S K Mishra, being relatives, none of the other directors and key managerial personnel of the Company and their relatives is concerned or interested, financial or otherwise, in this resolution set out at Item No. 3.

ITEM NO. 4

Mr R K Mishra is a qualified chartered accountant and a company secretary. He is also an MBIM from British Institute of Management, London. He is a dynamic entrepreneur having an experience of around 36 years in the industry. He joined the Company in 1987 as a Director and was appointed Deputy Managing Director and the Company Secretary in 1992. He was appointed as Managing Director of the Company in the year 2005. He was instrumental in the various expansion projects undertaken by the Company in the years following its formation. He was also instrumental in our Company's public issue of shares in 1993 and its turnaround in 2006-07.

The Board of Directors at its meeting held on 25th March, 2016, on the recommendation of Nomination and Remuneration Committee, approved the re-appointment of Mr R K Mishra as the Managing Director of the Company for a period of five years w.e.f. 26th March, 2016 and appointment as Chairman of the Company.

As the terms of re-appointment and the remuneration proposed are in conformity with the relevant provisions of the



Companies Act, 2013, read with Schedule V to the said Act, Central Government approval is not required for this re-appointment.

The details of remuneration payable to Mr R K Mishra and the terms and conditions of the re-appointment are given below:

(A) Remuneration:

- (1) Salary:
Rs. 1,00,200/- per month in the scale of Rs.1,00,200-7,700-1,31,000 per month.
- (2) Commission:
Commission as may be decided by the Board of Directors based on the net profit of the Company in each year, not exceeding 1% of Net Profits.
- (3) Perquisites:
 - a) House Rent Allowance of Rs. 25,000/- per month.
 - b) Medical Reimbursement: Reimbursement of actual medical expenses incurred in India and/or abroad for self and family.
 - c) Leave Travel Concession: For self and family once in a year incurred in accordance with the rules of the Company.
 - d) Personal Accident Insurance for which Premium shall not exceed Rs. 7,000/- per annum.
 - e) Company's contribution towards Provident Fund, Superannuation Fund or annuity as per the Rules of the Company.
 - f) Gratuity, not exceeding one half month's salary for each completed year of service.
 - g) Provision of car for use on Company's business and telephone at residence which will not be considered as perquisites. However, the use of office car for personal purpose and personal long distance calls on telephone will be billed by the Company to the Managing Director.
 - h) Mediclaim Policy: For self and family, premium not exceeding Rs. 1,00,000/- per annum.
 - i) Life insurance policy including Unit Linked/ Keyman Insurance Policy, premium not exceeding Rs. 3,00,000/- per annum.
 - j) Reimbursement of servant's(s) salary upto Rs. 3,500/- per month.

(B) Minimum Remuneration:

Notwithstanding anything contained herein, in the event of any loss, absence or inadequacy of profit in any financial year, during the terms of office of the Managing Director, the remuneration by way of salary, perquisites, commissions and other benefits shall not, without the permission of Central Government (if required) exceed the limits prescribed under the Act including Section II of Part II of Schedule V thereof and rules made hereunder or any amendment, modification, variation or re-enactment thereof.

(C) Leave :

Earned/Privilege leave on full pay and allowance as per rules of the Company, but not exceeding one month's leave for every 11 (eleven) months of service. Unavailed leave at the end of the tenure will be allowed to be encashed.

(D) The appointment will be subject to termination by three months notice in writing by either side.

(E) Subject to such approval(s) as may be required, the terms and conditions of the above appointment may be altered, enhanced or varied from time to time by the Board as it may, in its discretion, deem fit, within the limits specified and in accordance with the provisions of the Companies Act, 2013 or otherwise as may be permissible at law.

The Board accordingly recommends the resolution at Item No. 4 of this Notice for the approval of the Members.

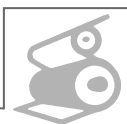
The details of Mr R K Mishra as required under the provisions of Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable provisions are provided in Annexure - I to this Notice.

Except Mr R K Mishra, being an appointee, and Mr S S Mishra and Mr S K Mishra, being relatives, none of the other directors and key managerial personnel of the Company and their relatives is concerned or interested, financial or otherwise, in this resolution set out at Item No.4.

ITEM NO. 5

Mr S K Mishra is a qualified Chartered Accountant and also holds a Bachelor's Degree in Commerce from Mumbai University. He has worked in various positions in the Company starting as an executive since 1991. He was appointed as Whole Time Director-Finance of the Company in the year 2008. He has an experience spanning over 25 years in the finance sector. He is well versed in corporate finance, taxation and office administration.

The Board of Directors at its meeting held on 25th March, 2016, on the recommendation of Nomination and Remuneration



Committee, approved the re-appointment of Mr S K Mishra as Whole Time Director of the Company designated as Executive Director and Chief Financial Officer of the Company for a period of five years w.e.f. 1st April, 2016.

As the terms of re-appointment and the remuneration proposed are in conformity with the relevant provisions of the Companies Act, 2013, read with Schedule V to the said Act, Central Government approval is not required for this re-appointment.

The details of remuneration payable to Mr S K Mishra and the terms and conditions of the re-appointment are given below:

(A) Remuneration:

(1) Salary:

Rs.78,000/- per month in the scale of Rs.78,000-6,000-1,02,000 per month.

(2) Commission:

Commission as may be decided by the Board of Directors based on the net profit of the Company in each year, not exceeding 1% of Net Profits.

(3) Perquisites:

- a) House Rent Allowance of Rs. 20,000/- per month.
- b) Medical Reimbursement: Reimbursement of actual medical expenses incurred in India and/or abroad for self and family.
- c) Leave Travel Concession: For self and family once in a year incurred in accordance with the rules of the Company.
- d) Personal Accident Insurance for which Premium shall not exceed Rs. 7,000/- per annum.
- e) Company's contribution towards Provident Fund, Superannuation Fund or annuity as per the Rules of the Company.
- f) Gratuity, not exceeding one half month's salary for each completed year of service.
- g) Provision of car for use on Company's business and telephone at residence which will not be considered as perquisites. However, the use of office car for personal purpose and personal long distance calls on telephone will be billed by the Company to the Whole Time Director and CFO.
- h) Mediclaim Policy: For self and family, premium not exceeding Rs.1,00,000/- per annum.
- i) Life insurance policy including Unit Linked/ Keyman Insurance Policy, premium not exceeding Rs. 3,00,000/- per annum.
- j) Reimbursement of servant's(s) salary upto Rs. 3,000/- per month.

(B) Minimum Remuneration:

Notwithstanding anything contained herein, in the event of any loss, absence or inadequacy of profit in any financial year, during the terms of office of the Whole Time Director, the remuneration by way of salary, perquisites, commissions and other benefits shall not, without the permission of Central Government (if required) exceed the limits prescribed under the Act including Section II of Part II of Schedule V thereof and rules made hereunder or any amendment, modification, variation or re-enactment thereof.

(C) Leave :

Earned/Privilege leave on full pay and allowance as per rules of the Company, but not exceeding one month's leave for every 11 (eleven) months of service. Unavailed leave at the end of the tenure will be allowed to be encashed.

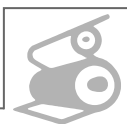
(D) The appointment will be subject to termination by three months notice in writing by either side.

(E) Subject to such approval(s) as may be required, the terms and conditions of the above appointment may be altered, enhanced or varied from time to time by the Board as it may, in its discretion, deem fit, within the limits specified and in accordance with the provisions of the Companies Act, 2013 or otherwise as may be permissible at law.

The Board accordingly recommends the resolution at Item No. 5 of this Notice for the approval of the Members.

The details of Mr S K Mishra as required under the provisions of Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable provisions are provided in Annexure - I to this Notice.

Except Mr S K Mishra, being an appointee, and Mr S S Mishra and Mr R K Mishra, being relatives, none of the other directors and key managerial personnel of the Company and their relatives is concerned or interested, financial or otherwise, in this resolution set out at Item No.5.



ANNEXURE - I

DETAILS OF DIRECTORS SEEKING RE-APPOINTMENT

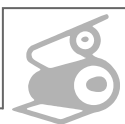
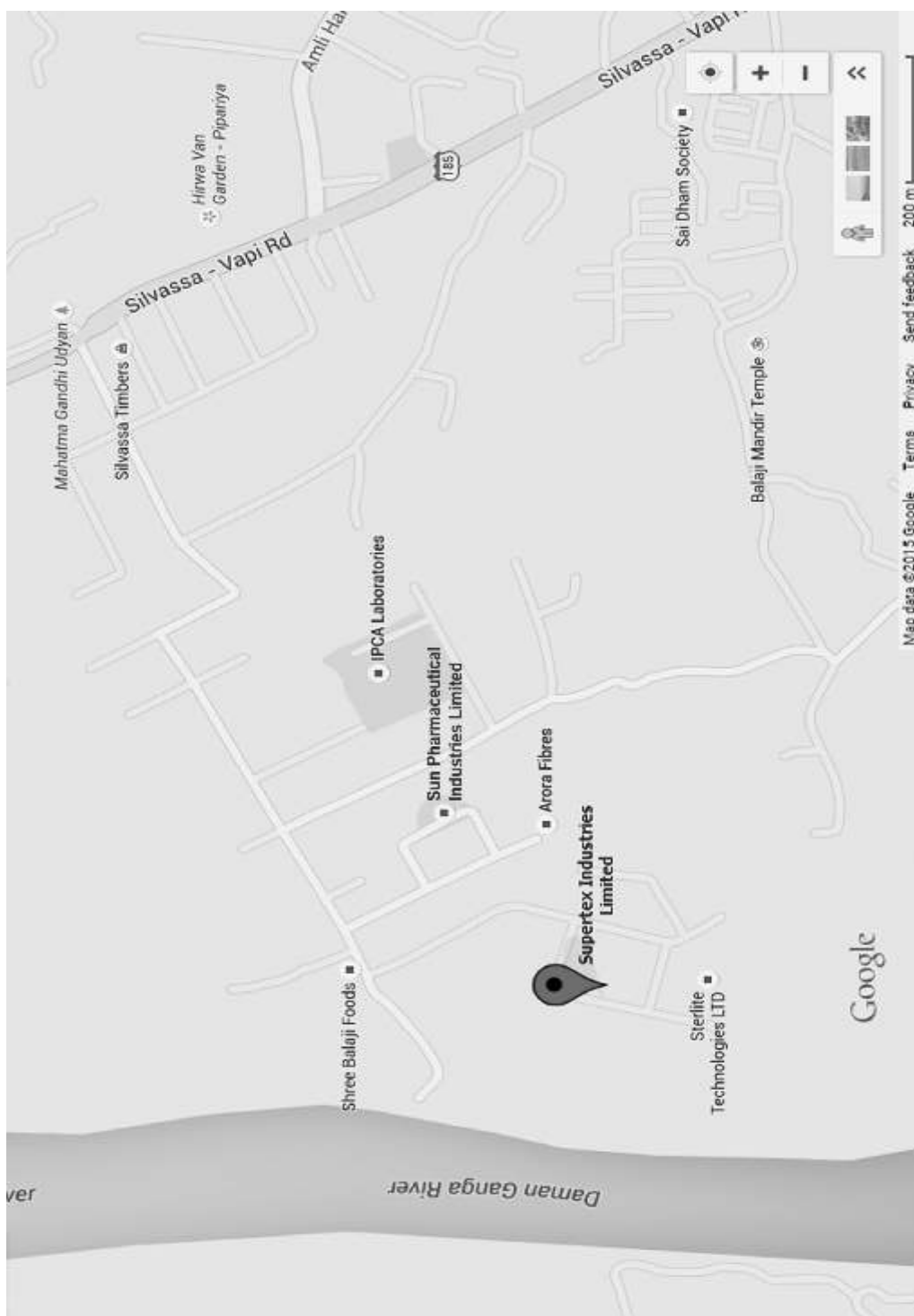
Name of the Director	Re-Appointment Mr R K Mishra	Re-Appointment Mr S K Mishra
DIN	00245600	00304796
Age	56 years	49 years
Date of Appointment on the Board	30/04/1987	01/04/2008
Qualification, nature of expertise in functional areas	Mr R K Mishra is B COM, FCA, ACS and MBIM (LOND). He has 36 years of varied experience of having worked in very senior positions in the Company and is well versed in corporate finance, law and business administration.	Mr S K Mishra is B COM, FCA, is well versed in corporate finance, taxation and office administration. He has an experience spanning over 25 years in the finance sector.
Directorships held in other public Companies [excluding foreign and private Companies]	Super Polyester Yarns Limited	Super Polyester Yarns Limited
Memberships / Chairmanships of Committees of other Public Companies	Nil	Nil
Number of shares held in the Company	761225	1390

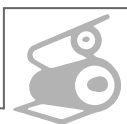
For other details such as number of meetings of the board attended during the year, remuneration drawn and relationship with other directors and key managerial personnel, please refer to the Corporate Governance Report.

By Order of the Board

R K Mishra
Chairman & Managing Director

Mumbai, 22nd August, 2016

**ROUTE MAP TO THE VENUE OF AGM**



DIRECTORS' REPORT

Dear Members,

The Directors are pleased to present herewith the Thirtieth Annual Report together with the audited statement of accounts of your Company for the year ended 31st March, 2016.

FINANCIAL RESULTS

	Year ended 31.03.2016 ₹ in lacs	Year ended 31.03.2015 ₹ in lacs
Turnover	9,156.26	7,339.10
Other Income	91.50	84.23
Income from Operation / Profit before Interest and Depreciation	232.80	282.37
Interest	147.68	130.74
Profit before Depreciation	85.12	151.63
Depreciation	41.41	30.41
Profit Before Tax	43.71	121.22
Deferred Tax	(12.27)	(43.20)
Profit After Tax and before exceptional items	31.44	78.03
Exceptional Items	(11.30)	(1.18)
Profit for the year	20.14	76.85

In order to meet the growing funding requirements of the Company it has been decided to retain profits of the business in the Company. As such, your directors have not recommended any dividend for the year under report.

WORKING

The production improved during the year by 12% and was higher at 4903 MT as against 4362 MT last year. The turnover was higher by 25% at Rs. 9156.26 lacs as against Rs. 7339.10 lacs last year. The exports constitute 41% of total sales made during the year. The exports are recorded on CIF basis, sans duties and taxes. The processing charges were lesser at Rs. 48.57 lacs as against Rs. 95.32 lacs last year. This was because the Company has increased the facilities used for its own production.

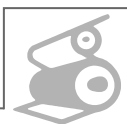
The Company has done a major exercise of upgrading and modifying its draw warping and sizing facilities. This will enhance the productivity and lower the cost of manufacturing. Moreover, the upgraded technology is much simplified. The exercise had kept the machinery down for over a month which has reflected in its working but the same is likely to enhance the Company's production and profitability in the future.

The Company is also in the process of enhancing and modernizing its texturising facility in the current year. This will enable it to manufacture several high end products developed in consultation with some niche customers. This is expected to improve the profitability of the Company in future. The export turnover was Rs. 3716.16 lacs as against Rs. 3911.11 lacs last year. The export was adversely hit by the ongoing strife in Europe in the second half of the year.

The profit after taxation and before exceptional items was Rs. 31.44 lacs as against Rs. 78.03 lacs in the past year. The Company had upgraded many of its production facilities, improved capacity utilization, developed more products and used a better marketing strategy which is expected to improve the overall performance of the Company during the current year. The management is working hard to improve the capacity utilization further. The prices remained volatile during the year due to the fluctuation in the crude oil prices.

EXPORTS

The Company continued exports of its products and it has exported about 41% of the total sales during the year. The Company expects to explore other global markets owing to positive response from international customers. It has opened up some other countries during the year. This is expected to be further expanded in future. The products are well received by the market.



SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

No company has become/ceased to be a joint venture partner or associate of the Company during the financial year 2015-16.

EXTRACT OF ANNUAL RETURN

Extract of Annual Return of the Company is annexed herewith as Annexure I to this Report.

DIRECTORS

At the meeting of the Board of Directors of the Company held on 25th March, 2016, Mr S S Mishra, director expressed his intention to relinquish his position as Chairman and Director of the Company and requested the Board to accept his request and make his retirement as Chairman w.e.f. 25th March, 2016 and as a Director of the Company effective from the conclusion of the next Annual General Meeting.

The Board with great reluctance accepted the Chairman's request to relinquish his office as Chairman and Director of the Company. The Board however, requested him to accept the position as Chairman Emeritus of the Company so that his advise and guidance would continue to be available to the Company. The directors placed on record appreciation for the services rendered by Mr S S Mishra during his tenure as Chairman and Director.

Mr R K Mishra, Managing Director, whose term ends on 25th March, 2016, has been reappointed by the Board as Managing Director for a period of five years from 26th March, 2016 and appointed as Chairman of the Company, at a Board meeting held on 25th March, 2016. In the same meeting, Mr S K Mishra, Whole Time Director-Finance, whose term ends on 31st March, 2016, has been reappointed by the Board as Whole Time Director of the Company designated as Executive Director and Chief Financial Officer for a period of five years from 1st April, 2016. Necessary resolutions in respect of both of them will be placed before the members for their approval in the ensuing Annual General Meeting. The Company has received Notices as per the Provisions of Section 160(1) of the Companies Act, 2013, from a member of the Company sponsoring their candidature as directors of the Company. The Board of Directors recommends their re-appointment.

All independent directors have given declarations that they meet the criteria of independence as laid down under section 149(6) of the Companies Act, 2013 and Regulation 16(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations 2015 ("SEBI Listing Regulations").

KEY MANAGERIAL PERSONNEL

During the year Mr R K Mishra, the Managing Director of the Company has been reappointed as Managing Director and appointed as Chairman of the Company w.e.f. 26th March, 2016 and Mr S K Mishra, Whole Time Director – Finance, of the Company has been re-appointed as Whole Time Director designated as Executive Director and Chief Financial Officer of the Company, subject to approval of the shareholders.

The other Key Managerial Personnel of the Company is Ms Vaishali Naik, Company Secretary.

BOARD EVALUATION

In compliance with the provisions of the Companies Act, 2013 and the corporate governance requirements as prescribed by SEBI Listing Regulations, the performance evaluation of the Board was carried out during the year under review. The Board of Directors expressed their satisfaction with the evaluation process.

MEETINGS

During the year five Board Meetings, four Audit Committee Meetings, two Stakeholders Relationship Committee Meetings, one Nomination and Remuneration Committee Meeting and one Independent Directors Meeting were convened and held. The details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The company has not given any loans or guarantees exceeding the limit prescribed under the provisions of section 186 of the Companies Act, 2013.

VIGIL MECHANISM/WHISTLE BLOWER POLICY

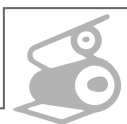
The Company has adopted a Whistle Blower Policy and has established the necessary vigil mechanism as defined under Regulation 22 of SEBI Listing Regulations for directors and employees to report concerns about unethical behaviour. The said policy has been put up on the website of the Company.

REMUNERATION POLICY

The Company follows a policy on remuneration of Directors and Senior Management employees. The Policy is approved by the Nomination & Remuneration Committee and the Board. The details of this policy are explained in the Corporate Governance Report.

FIXED DEPOSITS

The outstanding amount of Deposits with your Company was Nil. During the year your Company has not accepted any



deposits within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

All contracts / arrangements / transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis. During the year, the Company had not entered into any contract / arrangement / transaction with related parties which could be considered material in accordance with the related party transactions policy of the Company.

The Policy on dealing with related party transactions as approved by the Board may be accessed on the Company's website. Your Directors draw attention of the members to Note 33 to the financial statement which sets out related party disclosures.

RISK MANAGEMENT

Business risk evaluation and management is an ongoing process within the Company. The assessment is periodically examined by the Board.

CORPORATE GOVERNANCE

Your Company attaches considerable significance to compliance with the conditions of Corporate Governance stipulated in Clause 'C' of Schedule V on Annual Report pursuant to Regulations 34(3) of SEBI Listing Regulations. A Report on Corporate Governance is hereto annexed.

INTERNAL CONTROL SYSTEM

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. During the year, such controls were tested and no reportable material weaknesses in the design or operation were observed.

As mentioned in the opinion by the Auditors in Annexure B to the Auditors Report, we state that the Company has internal financial controls over financial reporting, however these controls are in the process of being documented by the Company, as required by the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by ICAI. The internal financial controls are adequate and operating effectively during the year.

PARTICULARS OF EMPLOYEES

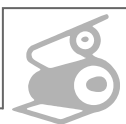
The information required under Section 197 of the Act read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

a. The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year:

Non-Executive Directors	Ratio to median remuneration
Mr S S Mishra	0.22
Mr G R Toshniwal	0.22
Mr MA Sharma	0.22
Mr P R Kapadia	0.22
Mrs Meeta Shingala	0.22
Executive Directors	
Mr R K Mishra, Chairman and Managing Director	17.68
Mr S K Mishra, Director and CFO	13.45

b. The percentage increase in remuneration of each director, chief executive officer, chief financial officer, company secretary in the financial year:

Directors, Chief Financial Officer and Company Secretary	% increase in remuneration in the financial year
Non-executive directors	
Mr S S Mishra	-
Mr G R Toshniwal	-
Mr MA Sharma	-



Directors, Chief Financial Officer and Company Secretary	% increase in remuneration in the financial year
Non-executive directors	
Mr P R Kapadia	-
Mrs Meeta Shingala	-
Executive Directors	
Mr R K Mishra, Chairman and Managing Director	25.41
Mr S K Mishra, Director and CFO	25.64
Ms Vaishali Naik, Company Secretary	-

c. The percentage increase in the median remuneration of employees in the financial year: 13 %

d. The number of permanent employees on the rolls of Company: 52

e. The explanation on the relationship between average increase in remuneration and Company performance: On an average, employees received an annual increase of 10%. The individual increments are based on individual performance.

f. Comparison of the remuneration of the key managerial personnel against the performance of the Company:

Aggregate remuneration of key managerial personnel (KMP) (₹ in lakhs)	37.09
Revenue (₹ in lakhs)	9156.26
Remuneration of KMPs (as % of revenue)	0.405
Profit before Tax (PBT) (₹ in lakhs)	43.71
Remuneration of KMP (as % of PBT)	84.85

g. Variations in the market capitalisation of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year:

Particulars	March 31, 2016	March 31, 2015	% Change
Market Capitalisation (₹ In lakhs)	376.53	232.50	61.95
Price Earnings Ratio	18.44	3.01	512.62

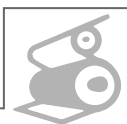
h. Percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer [In the year 1993 at Rs. 20/- per share (inclusive of premium of Rs. 10/- per share)]: (-) 83.40 %

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

- Average increase in the remuneration of all employees excluding KMPs: 10%
- Average increase in the remuneration of KMPs: 36.11 %

j. Comparison of each remuneration of the key managerial personnel against the performance of the Company:

	Mr R K Mishra, Chairman & Managing Director	Mr S K Mishra, Director & CFO	Ms. Vaishali Naik, Company Secretary
Remuneration (₹ in lakhs)	19.43	14.78	2.88
Revenue (₹ in lakhs)	9156.26		
Remuneration as % of Revenue	0.21	0.16	0.03



	Mr R K Mishra, Chairman & Managing Director	Mr S K Mishra, Director and CFO	Ms Vaishali Naik, Company Secretary
Profit before Tax (PBT) (₹ in lakhs)	43.71		
Remuneration (as % of PBT)	44.45	33.81	6.59

k. The key parameters for any variable component of remuneration availed by the directors:

There is no variable component of remuneration to the Directors.

l. The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year: None.

m. Affirmation that the remuneration is as per the remuneration policy of the Company:

The Company affirms remuneration is as per the remuneration policy of the Company.

n. The information required pursuant to Section 197 read with Rule, 5 (2) and rule 5(3) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company is as follows:

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

AUDITORS

The auditors M/s. M.B. Agrawal & Co. and M/s. N.G. Thakrar & Co. retire at the conclusion of the ensuing Annual General Meeting. The new Companies Act makes it mandatory for companies to rotate auditors periodically. Though we have one more year before the change is necessary, as a voluntary measure M/s. N.G. Thakrar & Co. has decided to retire at the ensuing Annual General Meeting. Your Directors has decided to recommend the re-appointment of M/s. M.B. Agrawal & Co. as Statutory Auditors of the Company who has furnished certificate of their eligibility for re-appointment.

SECRETARIAL AUDITOR AND SECRETARIAL AUDIT REPORT

The Board has appointed M/s Vikas R. Chomal & Associates, Practicing Company Secretary, Mumbai to carry out Secretarial Audit under the provisions of Section 204 of the Companies Act, 2013 for the financial year 2015-16. The report of the Secretarial Auditor is annexed to this report as Annexure - II.

DIRECTORS' RESPONSIBILITY STATEMENT

In terms of Section 134 (5) of the Companies Act, 2013, the directors would like to state that:

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the directors had selected such accounting policies and applied them consistently and made judgments and 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;
- (c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the directors had prepared the annual accounts on a going concern basis;
- (e) the directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively and;
- (f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The Particulars with respect to energy conservation, technology absorption, foreign exchange earnings and outgo, as required to be disclosed under Section 134(3)(m) of the Companies Act, 2013, read with Rule 8(3) of the Companies (Accounts) Rules, 2014 and forming part of the Directors' Report for the year ended 31st March, 2016 are annexed to this report.

MANAGEMENT DISCUSSION & ANALYSIS REPORT

The Management Discussion & Analysis Report is attached and forms a part of this Report.

**ACKNOWLEDGEMENT**

The Directors wish to place on record their appreciation of the contribution made by the executives, officers and workmen of the Company during the year. The Board also acknowledges with thanks the support, co-operation and assistance given by Axis Bank.

For and on behalf of the Board,

R K Mishra
Chairman and Managing Director

Mumbai, 30th May, 2016



ANNEXURE TO THE DIRECTORS REPORT

Section 134(3)(m) of the Companies Act, 2013.

As required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014, the relevant information is given below :

(A) Conservation of energy

The Company is engaged in the process of energy conservation continuously through improved operational and maintenance practices.

(i) The steps taken or impact on conservation of energy:

- a) Optimisation and redesigning of air compressors for low pressure applications.
- b) Limiting the use of air-conditioning in the plants to need based minimum.
- c) The Company ensures minimal power consumption at its plant by constantly maintaining the power factor within the specified limits. The power factor has been improved by installing necessary capacitors, thereby reducing energy losses.

(ii) The steps taken by the company for utilising alternate sources of energy:

Installation of coal fired boiler in place of furnace oil based for steam generation.

(iii) The capital investment on energy conservation equipments: NIL

(B) Technology absorption:

(i) Efforts in brief, made towards technology absorption

Complete modification of DC drives to AC drives in major production facility/upgrading the same, and making them comparatively maintenance free and economical to operate.

(ii) Benefits derived as a result of above efforts:

- a) Reduced maintenance expenditure
- b) Increased Production at lower cost per unit
- c) Lower downtime
- d) Simple process and indigenous technology
- e) Economical

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

- (a) Technology imported: NIL
- (b) The year of import: Not Applicable
- (c) Whether the technology been fully absorbed: Not Applicable

(iv) The expenditure incurred on Research and Development: Nil

(C) Foreign Exchange Earnings and Outgo

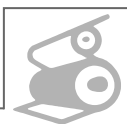
Foreign Exchange Earnings – Rs. 3572 lacs (Previous Year – Rs. 3691 lacs)

Foreign Exchange Outgo – Rs. 106.53 lacs (Previous Year – Rs. 139.23 lacs)

For and on behalf of the Board,

R K Mishra
Chairman and Managing Director

Mumbai, 30th May, 2016



Annexure - I

EXTRACT OF ANNUAL RETURN**Form No. MGT-9****As on the financial year ended on 31st March, 2016**

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

1.	CIN	L99999DN1986PLC000046
2.	Registration Date	18th July, 1986
3.	Name of the Company	Supertex Industries Limited
4.	Category/Sub-Category of the Company	Public Company limited by shares
5.	Address of the Registered Office and contact details	Plot No. 45/46, Piperia Industrial Estate, Phase-II, Silvassa-396230, Dadra & Nagar Haveli Tel:- +91-22-22095630 Email: supertex@vsnl.com
6.	Whether listed Company	Yes
7.	Name, Address and Contact details of Registrar and Transfer Agent	M/s. Sharex Dynamic (India) Pvt. Ltd., Unit -I, Luthra Indl. Premises, Andheri Kurla Road, Safed Pool, Andheri (East), Mumbai – 400 072 Tel No.: +91-22-28515606/ 28515644 Fax: +91-22-28512885 Email: investor@sharexindia.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

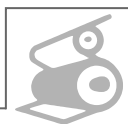
Sr. No.	Name and Description of Main Product/Services	NIC Code of the Product	% to total turnover of the company
1.	Polyester/ Nylon Filament Yarn	2030	58%
2.	Fabrics	1312	42%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES – N.A.

Sr. No.	Name And Address Of The Company	CIN/GLN	Holding/ Subsidiary/ Associate	% Of Shares Held	Applicable Section
N.A.					

**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)****i. Category-wise Share Holding**

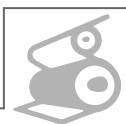
Category of Shareholders	Shareholding at the beginning of the year - 1st April, 2015				Shareholding at the end of the year - 31st March, 2016				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
1. Indian									
a. Individual/ HUF	1138831	180	1139011	10.043	1138359	180	1138539	10.039	-0.004
b. Central Govt.	-	-	-	-	-	-	-	-	-
c. State Govt.	-	-	-	-	-	-	-	-	-
d. Bodies Corporate	492509	-	492509	4.343	492509	-	492509	4.343	-
e. Bank/FI	-	-	-	-	-	-	-	-	-
f. Any Other	-	-	-	-	-	-	-	-	-
Sub Total A-(1)	1631340	180	1631520	14.385	1630868	180	1631048	14.381	-0.004
2. Foreign	-	-	-	-	-	-	-	-	-
a. NRI-Individuals	-	-	-	-	-	-	-	-	-
b. Other Individuals	-	-	-	-	-	-	-	-	-
c. Body Corporate	-	-	-	-	-	-	-	-	-
d. Bank/FI	-	-	-	-	-	-	-	-	-
e. Any Others	-	-	-	-	-	-	-	-	-
Sub Total- A (2)	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoters (1+2)	1631340	180	1631520	14.385	1630868	180	1631048	14.381	-0.004
B. Public Shareholding									
1. Institution									
a. Mutual Funds	80	280	360	0.003	80	280	360	0.003	-
b. Bank/ FI	880	-	880	0.008	880	-	880	0.008	-
c. Cent. Govt.	-	-	-	-	-	-	-	-	-
d. State Govt.	-	-	-	-	-	-	-	-	-
e. Venture Capital	-	-	-	-	-	-	-	-	-
f. Insurance Co.	-	-	-	-	-	-	-	-	-
g. FIs	-	20	20	-	-	20	20	-	-
h. Foreign Portfolio Corporate	-	-	-	-	-	-	-	-	-
i. Foreign Venture Capital Fund	-	-	-	-	-	-	-	-	-
j. Others	-	-	-	-	-	-	-	-	-
Sub-Total-B (1)	960	300	1260	0.011	960	300	1260	0.011	-
2. Non- Institution									
a. Body Corp.	1076327	4560	1080887	9.532	1000153	12860	1013013	8.932	-0.600
b. Individual									
i. Individual shareholders holding nominal share capital upto Rs. 1 lakh	5521389	126192	5647581	49.797	5404984	117684	5522668	48.695	-1.102



Category of Shareholders	Shareholding at the beginning of the year - 1st April, 2015				Shareholding at the end of the year - 31st March, 2016				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
ii. Individual shareholders holding nominal share capital in excess of Rs. 1Lakh	2936355	-	2936355	25.891	3129364	-	3129364	27.593	1.702
c. Others									
(i) Any other-Clr member	-	-	-	-	-	-	-	-	-
(ii) OCB	-	-	-	-	-	-	-	-	-
(iii) NRI	35377	8340	43717	0.385	35667	8300	43967	0.388	0.003
Sub-Total-B (2)	9569448	139092	9708540	85.604	9570168	138844	9709012	85.607	0.003
Net Total (1+2)	9570408	139392	9709800	85.614	9571128	139144	9710272	85.618	0.004
C. Shares held by Custodian for GDRs & ADRs									
Promoter and Promoter Group	-	-	-	-	-	-	-	-	-
Public	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	11201748	139572	11341320	100.00	11201996	139324	11341320	100.00	-

ii. Shareholding of Promoters:

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year - 1st April, 2015			Shareholding at the end of the year - 31st March, 2016			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Ramesh Kumar Mishra	761225	6.712	-	761225	6.712	-	-
2	Ramesh Kumar Mishra HUF	19025	0.168	-	19025	0.168	-	-
3	Sanjay Kumar Mishra	1390	0.012	-	1390	0.012	-	-
4	Sanjay Kumar Mishra (HUF)	55100	0.486	-	55100	0.486	-	-
5	Shyam Sundar Mishra	555	0.005	-	555	0.005	-	-
6	Shyam Sundar Mishra (HUF)	2400	0.021	-	2400	0.021	-	-
7	Sarladevi Mishra	2084	0.018	-	2084	0.018	-	-
8	Ramswaroop Mishra HUF	27500	0.242	-	27500	0.242	-	-
9	Alka Ramesh Mishra	1695	0.015	-	1695	0.015	-	-
10	Harshvardhan Mishra	4858	0.043	-	4386	0.039	-	-0.004
11	Radhika Sharma	3800	0.034	-	3800	0.034	-	-
12	Renu S Mishra	2493	0.022	-	2493	0.022	-	-
13	Gomatidevi Mishra	21690	0.191	-	21690	0.191	-	-
14	Narottamlal Mishra	81890	0.722	-	81890	0.722	-	-
15	Pushpa N Mishra	128986	1.137	-	128986	1.137	-	-
16	Vijaykumar Mishra	7800	0.069	-	7800	0.069	-	-
17	Amit Mishra	16340	0.144	-	16340	0.144	-	-
18	Ajay Mishra	180	0.001	-	180	0.001	-	-
19	Super Inficon Pvt Ltd	492509	4.343	-	492509	4.343	-	-

**iii. Change in Promoters' Shareholding**

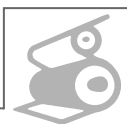
Sr. No.	Shareholder's Name	Shareholding at the beginning of the year - 1st April, 2015			Datewise increase/decrease in shareholding during the year			Shareholding at the end of the year - 31st March 2016			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	Date	Increase Decrease in Shareholding	Reason	No. of Shares	% of total Shares of the Company	% of Shares Pledged/ encumbered to total shares	
1	Harshvardhan Mishra	4858	0.043	-	04/06/15	-472	Sale	4386	0.039	-	-0.004

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

Sr. No.	Top Ten Shareholders	Shareholding at the beginning of the year - 1st April, 2015		Shareholding at the end of the year - 31st March, 2016	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Amrit L. Gandhi	999999	8.817	999999	8.817
2	Seema A. Gandhi	500004	4.409	500004	4.409
3	Amrit L. Gandhi (HUF)	318113	2.805	376653	3.321
4	Ace Housing and Construction Limited	273468	2.411	273468	2.411
5	Mansi Manoj Mehta	217378	1.917	217378	1.917
6	Vishwanath M. Pujari	193238	1.704	193238	1.704
7	Vikaskumar S. Singhania	166430	1.467	190899	1.683
8	Arcadia Share & Stock Brokers Pvt Ltd	110914	0.977	173527	1.530
9	Jitendra L. Gandhi	155000	1.367	155000	1.367
10	Vivek Ratanlal Gupta	152988	1.349	152988	1.349
11	Aatif Javed Merchant	121392	1.070	121392	1.070

v. Shareholding of Directors and Key Managerial Personnel:

Sr. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year - 1st April, 2015		Shareholding at the end of the year - 31st March, 2016	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	R K Mishra	761225	6.712	761225	6.712
2	S K Mishra	1390	0.012	1390	0.012
3	S S Mishra	555	0.005	555	0.005
4	MA Sharma	200	0.001	200	0.001
5	P R Kapadia	2250	0.019	2250	0.019
6	G R Toshniwal	Nil	Nil	Nil	Nil
7	Meeta Shingala	Nil	Nil	Nil	Nil
	Name of the KMP				
1	Vaishali Naik, Company Secretary	Nil	Nil	Nil	Nil

**V. INDEBTEDNESS**

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

(₹ in lakhs)

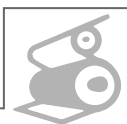
PARTICULARS	SECURED LOANS EXCLUDING DEPOSITS	UNSECURED LOANS	DEPOSITS	TOTAL INDEBTEDNESS
Indebtedness at the beginning of the financial year 01.04.2015				
1) Principal Amount	747.28	125.18	-	872.46
2) Interest due but not paid	-	-	-	-
3) Interest accrued but not due	-	5.89	-	5.89
Total of (1+2+3)	747.28	131.07	-	878.35
Change in Indebtedness during the financial year				
+ Addition	465.33	331.68	-	797.01
-Reduction	-	-	-	-
Net change	465.33	331.68	-	797.01
Indebtedness at the end of the financial year 31.03.2016	1212.61	462.75	-	1675.36

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONS:**A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

(₹ in lakhs)

Sr. No.	Particulars of Remuneration	Name of MD/WTD		Total Amount
		Mr R K Mishra	Mr S K Mishra	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	13.50	10.44	23.94
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	4.60	3.30	7.90
	(c) Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission - as % of profit - others, specify	-	-	-
5	Others, please specify Contribution to Provident Fund	1.33	1.04	2.37
	Total (A)	19.43	14.78	34.21
	Ceiling as per the Act*	42.00	42.00	84.00

* As per Section II of Part II of Schedule V to the Companies Act, 2013.

**B. Remuneration to Key Managerial Person:**

(₹ in lakhs)

Sr. No.	Particulars of Remuneration	Name of KMP
		Ms Vaishali Naik, Company Secretary
1	Gross salary	
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	2.64
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	-
	(c) Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961	-
2	Stock Option	-
3	Sweat Equity	-
4	Commission - as % of profit - others, specify	-
5	Others, please specify Contribution to Provident Fund	0.24
	Total (A)	2.88

C. Remuneration of other directors:

I. Independent Directors

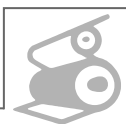
(Rupees)

Sr. No.	Particulars of Remuneration	Name of Directors				Total
		Mr G R Toshniwal	Mr P R Kapadia	Mr M A Sharma	Mrs Meeta Shingala	Amount
1	Fees for attending board & committee meetings	18000	26000	22000	10000	76000
2	Commission	-	-	-	-	
3	Others	-	-	-	-	
	Total	18000	26000	22000	10000	76000

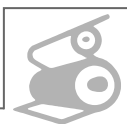
II. Other Non-Executive Directors:-

(Rupees)

Sr. No.	Particulars of Remuneration	Name of Director	Total Amount
		Mr S S Mishra	
1	Fees for attending board and committee meetings	22000	22000
2	Commission	-	-
3	Others	-	-
	Total	22000	22000

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

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



Annexure-II

SECRETARIAL AUDIT REPORT

Form No. MR-3

FOR THE FINANCIAL YEAR ENDED 31.03.2016

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
Supertex Industries Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. Supertex Industries Limited (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 my opinion thereon.

Based on our verification of the Supertex Industries Limited'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 31st March, 2016 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Supertex Industries Limited ("the Company") for the financial year ended on 31st March, 2016 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
 - (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
 - (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
 - (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
 - (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **(Not applicable to the Company during Audit period)**
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; **(Not applicable to the Company during Audit period)**
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not applicable to the Company during Audit period)**
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **(Not applicable to the Company during Audit period);** and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **(Not applicable to the Company during Audit period)**
 - (vi) and all other Acts as are generally applicable to the Company.
- 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 Limited



(iii) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

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.

We further report that during the audit period the company has not made:

- (i) Redemption / buy-back of securities
- (ii) Merger / amalgamation / reconstruction, etc.
- (iii) Foreign technical collaborations
- (iv) Preferential / Private Placement or Rights issue of Shares.

For Vikas R. Chomal & Associates

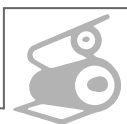
Vikas R Chomal

Practicing Company Secretary

ACS No. 24941

C P No.: 12133

Place : Mumbai
Date : 26th May, 2016



MANAGEMENT DISCUSSION AND ANALYSIS

OVERALL REVIEW

The main emerging and developing economies like Brazil, Russia and China had a disappointing growth. This overshadowed the modest growth of major high income economies. There was a deceleration of activity, commodity prices declined globally, financial markets were volatile, global trade was subdued and capital flows were quite weak. India, as an exception, had 7.6% growth as per Central Statistical Office (CSO) estimates. Inflation remained lower. However, exports declined as compared to last year. Production and consumption in industrial activity also remained subdued.

Indian industrial growth, in the long term, is estimated to remain steady. However, a lot is anticipated from rural consumption, private investments, introduction of GST and continuing economic reforms. A lot also depends on the monsoon which is estimated to be above average.

INDUSTRY STRUCTURE, DEVELOPMENT, THREATS, OPPORTUNITIES & OUTLOOK

Textile Industry Scenario:

The demand was weak in the last quarter due to lower exports and fabric imports. It is estimated that the government would safeguard the industry by stopping unscrupulous imports of fabric by levying requisite Anti Dumping duties.

Corporate Review:

The Company's exports continued to increase but were hit by the global unrest and recession in many countries in the last quarter. This is likely to improve in the current year.

The Company has developed various value added products for domestic market which is expected to improve its performance during the year.

Opportunities:

The Indian textile industry looks promising in the future. The Government has introduced the Amended Technology Upgradation Fund Scheme (ATUFS) to give further boost to technology investment in the textile industry. The Government has introduced the Textile Policy targeting employment generation, exports, improving technology and quality. Twenty four new textile parks have been approved. Together with stoppage of unscrupulous imports, this will accelerate growth.

Threats:

The industry faces the challenges of competition from low cost neighbouring countries who are supported under various pacts of their countries with consumer countries. Inflexible labour laws, poor infrastructure also are impediments to the growth momentum of the industry.

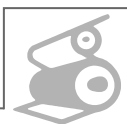
Company Outlook:

The global markets are recovering slowly. The Company hopes to increase its sales by introducing various new and value added products, both in exports as well as domestic market. The Indian economy which has grown at 7.6% (GDP) last year is also expected to improve demand this year.

SEGMENT-WISE PERFORMANCE

(₹/Lacs)

Sr.	Particulars	Year Ended	
		31-Mar-16	31-Mar-15
1	Segment Revenue		
	(a) Domestic	5,440	3,404
	(b) International	3,716	3,935
	Total (Net Sales/Income from Operations)	9,156	7,339
2	Segment Results		
	(a) Domestic	19	29
	(b) International	173	223
	Total	192	252
	Less : Finance cost	148	131
	Total Profit before Tax	44	121



RISK MANAGEMENT

The Company has a Risk Management Policy and Procedure in place to identify and prioritise risk, selection of appropriate mitigation strategy and reporting process. The common risks inter alia are: regulations, competition, business risk, technology obsolescence, foreign exchange exposure, commodity price risks, investments, retention of talent and expansion of facilities.

MATERIAL DEVELOPMENTS IN HUMAN RESOURCE AND INDUSTRIAL RELATIONS

As on March 31, 2016 the company had 52 permanent employees at its manufacturing plants and administrative office. The Company recognises the importance of Human Resource as a key asset instrumental in its growth. The Company believes in acquisition, retention and betterment of talented team players. The Industrial Relations in the Company are satisfactory and cordial.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has an internal control system in place which is commensurate with the size and nature of the business. The internal controls are aligned with statutory requirements and designed to safeguard the assets of the Company. The Management reviews and strengthens the controls periodically. Apart from self monitoring of the internal controls, there is independent Chartered Accountant firm appointed to conduct internal audit of the Company's operations. The Statutory Auditors present their observations to the Audit Committee on financial statements including the financial reporting system. The Audit Committee takes due cognisance of the observations made by the auditors and gives their suggestions for improvement. The suggestions of the Audit Committee further ensure the quality and adequacy of the control systems.

FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

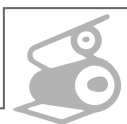
Highlights

(₹/Lacs)

	2015-16	2014-15
Turnover	9156.26	7339.10
Profit before Interest and Depreciation	232.80	282.37
Interest	147.68	130.74
Depreciation	41.41	30.41
Profit before tax	43.71	121.22
Deferred Tax	(12.27)	(43.20)
Profit After Tax and before exceptional items	31.44	78.03
Exceptional Items	(11.30)	(1.18)
Profit/Loss for the year	20.14	76.85
Earnings per share	0.18	0.68

Forward Looking Statements

Certain statements in this report on "Management Discussions and Analysis" may be forward looking statements within the meaning of applicable securities laws and regulations. There are several factors, which would be beyond the control of the management, and as such, actual results could differ materially from those expressed or implied.



REPORT ON CORPORATE GOVERNANCE

Company's Philosophy on Corporate Governance

Good Governance is an integral part of the Company's business practices based on the philosophy of Trusteeship. The core value of the Company's business practices are derived from the four pillars of Trusteeship, i.e. transparency, adequate disclosure, fairness to all and independent monitoring and supervision. The strong internal control systems and procedures, risk assessment and mitigation procedures and code of conduct for observance by the Company's directors and employees and internal financial controls, are conducive in achieving good Corporate Governance practices in the Company.

1. Board of Directors

Composition:

The Board of Directors consists of seven members as on the date of this report, comprising four independent non-executive Directors, one non-executive Director and two executive Directors. The Board meets at least once in a quarter, inter-alia to review the quarterly performance and to take on record the financial results. During the year the Board held five meetings. A detailed agenda is sent to each director in advance of each Board meeting. In order to enable the Board to discharge its responsibilities effectively the members of the Board are briefed at every Board Meeting.

The details of the Directorships, Chairmanships and the Committee memberships in other Companies (excluding Private Limited Companies, Foreign Companies and Section 8 Companies) held by the Directors as on 31st March, 2016, are given below:-

Name of Director	Category of Director	No. of Shares held in the company	Other Directorship	No. of Membership/ Chairmanship of Committees of other companies
Mr R K Mishra*	Chairman and Managing Director (Executive and Promoter)	761225	1	-
Mr S K Mishra*	Executive and Promoter	1390	1	-
Mr S S Mishra*	Non-executive and Promoter	555	-	-
Mr P R Kapadia	Independent	2250	-	-
Mr MA Sharma	Independent	200	-	-
Mr G R Toshniwal	Independent	-	-	-
Mrs Meeta Shingala	Independent	-	-	-

*Mr S S Mishra is father of Mr R K Mishra and Mr S K Mishra. Mr R K Mishra and Mr S K Mishra are brothers. None of the other directors are related to any other director on the Board.

Number of Board Meetings and Attendance Record of Directors:

The dates of the meeting and attendance are as follows:

Date of Meeting	No. of Directors present
30.05.2015	5
31.07.2015	7
03.11.2015	6
06.02.2016	6
25.03.2016	7



The details of the Directors and the Board meetings attended by them are given below:

Sr. No.	Name of Director	Board Meetings attended	Whether attended last AGM
1	Mr R K Mishra	5	Yes
2	Mr S K Mishra	5	Yes
3	Mr S S Mishra	4	No
4	Mr P R Kapadia	5	No
5	Mr M A Sharma	4	No
6	Mr G R Toshniwal	4	No
7	Mrs Meeta Shingala	4	No

Meeting of Independent Directors and Attendance Record:

As stipulated by the Code of Independent Directors under the Companies Act, 2013 and the Listing Regulations, a separate meeting of the Independent Directors of the Company was held on 6th February, 2016 to review the performance of Non-independent Directors (including the Chairman) and the entire Board. The Independent Directors also reviewed the quality, content and timeliness of the flow of information between the Management and the Board and its' Committees which is necessary to effectively and reasonably perform and discharge their duties.

The appointment letters of Independent Director and familiarization program for Independent Directors has been placed on the Company's website at www.supertex.in

Directors' interest in the Company:

Sometimes, the Company do enter into contracts with companies in which some of the Directors of the Company are interested as director or member. However, these contracts are in the ordinary course of the Company's business and on arm's length basis without giving any special weightage to them. Directors regularly make full disclosures to the Board of Directors regarding the nature of their interest in the Companies in which they are directors or members. Full particulars of contracts entered with Companies in which directors are directly or indirectly concerned or interested are entered in the Register of Contracts maintained under section 189 of the Companies Act, 2013 and the same is placed in every Board Meeting for the noting of the Directors.

2. Audit Committee

The Board of Directors has constituted an Audit Committee of Directors and empowered the Committee to deal with all such matters which it may consider appropriate to perform as audit committee. The composition, quorum including items specified in Section 177(4) of the Companies Act, 2013, items specified in Part C of Schedule II in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 under the head role of audit committee and such matters as may be assigned from time to time by the Board of Directors.

The Audit Committee inter alia reviews the quarterly (unaudited) financial results, annual financial statements before submitting to the Board of Directors, review internal control system and procedures and its adequacy including internal financial controls, interaction with Statutory and Internal Auditors, recommendation for the appointment of Statutory Auditors and their remuneration, recommendation for the appointment and remuneration of Internal Auditors, recommendation for the appointment of Chief Financial Officer, Management Discussions and Analysis, Review of Internal Audit Reports, related party transactions. The Audit Committee has powers to investigate any activity within its terms of reference, to seek information from employees and to obtain outside legal and professional advice. The Audit Committee also oversees and reviews the functioning of a vigil mechanism (implemented in the Company as a Whistle Blower Policy).

Composition of the Committee:

The Committee consists of three Independent Directors and one non-executive director. The attendance of each Committee Member is as under:

Name of Committee Member	No. of Meetings held	No. of Meetings attended
Mr G R Toshniwal (Chairman) Non-Executive and Independent Director	4	3
Mr P R Kapadia Non-Executive and Independent Director	4	4
Mr M A Sharma Non-Executive and Independent Director	4	3
Mr S S Mishra Non-Executive Director	4	3



All members are financially literate and two are Chartered Accountants by profession. The Company Secretary of the Company acts as the Secretary to the Committee.

Besides, the committee members, the Managing Director and the Director and CFO, have also been attending the meetings but have no right to vote. The representatives of the statutory auditors and internal auditors have also been attending the audit committee meetings as and when required.

3. Nomination and Remuneration Committee

Composition of the Committee:

The Committee consists of three Independent Directors and one non-executive director. The attendance of each Committee Member is as under:

Name of Committee Member	No. of Meetings held	No. of Meetings attended
Mr G R Toshniwal (Chairman) Non-Executive and Independent Director	1	1
Mr P R Kapadia Non-Executive and Independent Director	1	1
Mr M A Sharma Non-Executive and Independent Director	1	1
Mr S S Mishra Non-Executive Director	1	1

The role of the committee is to perform all such matters as prescribed under the Companies Act, 2013 and Schedule II - Part D about Role of Nomination and Remuneration Committee of Directors under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, which inter alia includes - recommendation to Board of Directors the remuneration policy for the Company, appointment of Director, appointment and remuneration of Whole-time Director and Key Managerial Personnel. The Committee will also deal with matters as may be assigned by the Board of Directors.

Remuneration Policy:

Remuneration to Non-Executive Directors:

The Non-Executive Directors are paid remuneration by way of Sitting Fees. The Non-Executive Directors are paid sitting fees for each meeting of the Board or Committee of Directors attended by them. The total amount of sitting fees paid to Non-Executive Directors during the Financial Year 2015-16 was Rs.0.98 lacs. The Non-Executive Independent Directors do not have any material pecuniary relationship or transactions with the Company.

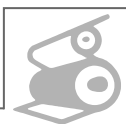
Remuneration to Executive Directors:

The appointment and remuneration of Executive Directors including Chairman and Managing Director and Whole time director is governed by the recommendation of the Remuneration and Nomination Committee, resolutions passed by the Board of Directors and shareholders of the Company. The remuneration package of Chairman and Managing Director and Whole time director comprises of salary, perquisites and allowances, and contributions to Provident and other Retirement Benefit Funds as approved by the shareholders at the General Meetings.

Details of the remuneration of directors for 2015-16 are as follows:

(Amount in ₹)

Sr. No.	Name of Director	Salary	Perquisites	Contribution to PF	Sitting Fees	Total	Service Contract
1	Mr S S Mishra	-	-	-	22,000	22,000	Non Executive
2	Mr R K Mishra	13,50,000	4,59,663	1,33,200	NIL	19,42,863	5 years
3	Mr S K Mishra	10,44,000	3,30,375	1,03,680	NIL	14,78,055	5 years
4	Mr G R Toshniwal	-	-	-	18,000	18,000	Independent
5	Mr M A Sharma	-	-	-	22,000	22,000	Independent
6	Mr P R Kapadia	-	-	-	26,000	26,000	Independent
7	Mrs Meeta Shingala	-	-	-	10,000	10,000	Independent
	TOTAL	23,94,000	7,90,038	2,36,880	98,000	35,18,918	



4. Stakeholders Relationship Committee

Composition of the Committee:

The Committee consists of three Independent Directors and one non-executive director. Mr MA Sharma is the Chairman of the Committee. The Secretary of the Company is to act as the Compliance Officer.

Name of Committee Member	No. of Meetings held	No. of Meetings attended
Mr MA Sharma (Chairman) Non-Executive and Independent Director	2	2
Mr G R Toshniwal Non-Executive and Independent Director	2	1
Mr P R Kapadia Non-Executive and Independent Director	2	2
Mr S S Mishra Non-Executive Director	2	2

The primary function of the Committee is to address investors' and stakeholders' complaints pertaining to transfers/ transmission of shares and any other related matters as prescribed under section 178 of the Companies Act, 2013. There were two meetings of the Stakeholders Relationship Committee held during the year.

The Company received one complaint during the year, which was redressed in time.

5. General body Meetings

Details of last three Annual General Meetings are as under:

Year	Date	Whether Special Resolution passed	Time	Location
2012-13	28.09.2013	No	10.30 AM	Plot No.45-46, Phase-II, Piperia Industrial Estate, Silvassa – 396 230 (D&NH)
2013-14	26.09.2014	No		
2014-15	26.09.2015	No		

For the year ended March 31, 2016 there have been no ordinary or special resolutions passed by the Company's Shareholders through postal ballot.

6. Related Party Transaction

There are no materially significant related party transactions with promoters, directors or management that may have potential conflict with the interest of the Company at large. The Related Party Transaction policy as approved by the Board is available on the website of the Company www.supertex.in. In terms of Accounting Standard AS-18, details of related party transactions during the year have been set out under Note No. 33 to the Balance Sheet and the Statement of Profit and Loss Account.

7. Whistle blower policy

The Company has put in place a Whistle Blower Policy to provide an open and transparent working environment and to promote responsible and secure whistle blowing system for directors and employees of the Company to raise concern.

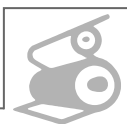
The Policy broadly covers instances of unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct, alteration of documents, fraudulent financial reporting, misappropriation/misuse of Company's assets, manipulation of Company's data, pilferage of proprietary information, abuse of authority, etc. The Policy provides adequate safeguard against victimisation of director(s) / employee(s) who raise the concern and have access to Chairman of Audit Committee who is entrusted to oversee the whistle blower mechanism. The Policy is available on the website of the Company.

8. Reconciliation of Share Capital Audit

A qualified practicing Company Secretary carried out a share capital audit to reconcile the total admitted equity share capital with the National Securities Depository Limited ("NSDL") and the Central Depository Services (India) Limited ("CDSL") and the total issued and listed equity share capital. The audit report confirms that the total issued / paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialised shares held with NSDL and CDSL.

9. Any Non-compliance, Penalties or Strictures imposed

There has been no non-compliance by the Company nor any penalties or strictures imposed on the Company by the Stock Exchange, SEBI or any other statutory authority on any matter related to capital market in the last three years.



10. Means of Communication

The quarterly, half-yearly and yearly financial results of the Company are sent to the Stock Exchanges immediately after these are approved by the Board. These are widely published in two newspapers viz. Financial Express (English) and local language newspaper, Lokmitra (Gujarati).

Financial results and other useful information of the Company are also available on the Company's website i.e. www.supertex.in

11. General shareholder information

Annual General Meeting:

Day and Date : Friday, 23rd September 2016
 Time : 10.30 a.m.
 Venue : Plot No.45-46, Phase-II, Piperia Industrial Estate,
 Silvassa – 396 230 (D&NH)

Financial Calendar:

Financial reporting for the quarter ending 30th June, 2016 : On or before 14th August, 2016
 Financial reporting for the quarter ending 30th September, 2016 : On or before 14th November, 2016
 Financial reporting for the quarter ending 31st December, 2016 : On or before 14th February, 2017
 Financial reporting for the quarter ending 31st March, 2017 : On or before 30th May, 2017

Date of book closure:

The Register of Members and the Share Transfer Books of the Company shall remain closed from 16th September 2016 to 23rd September 2016 (both days inclusive) in connection with the 30th Annual General Meeting of the company.

Listing:

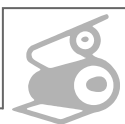
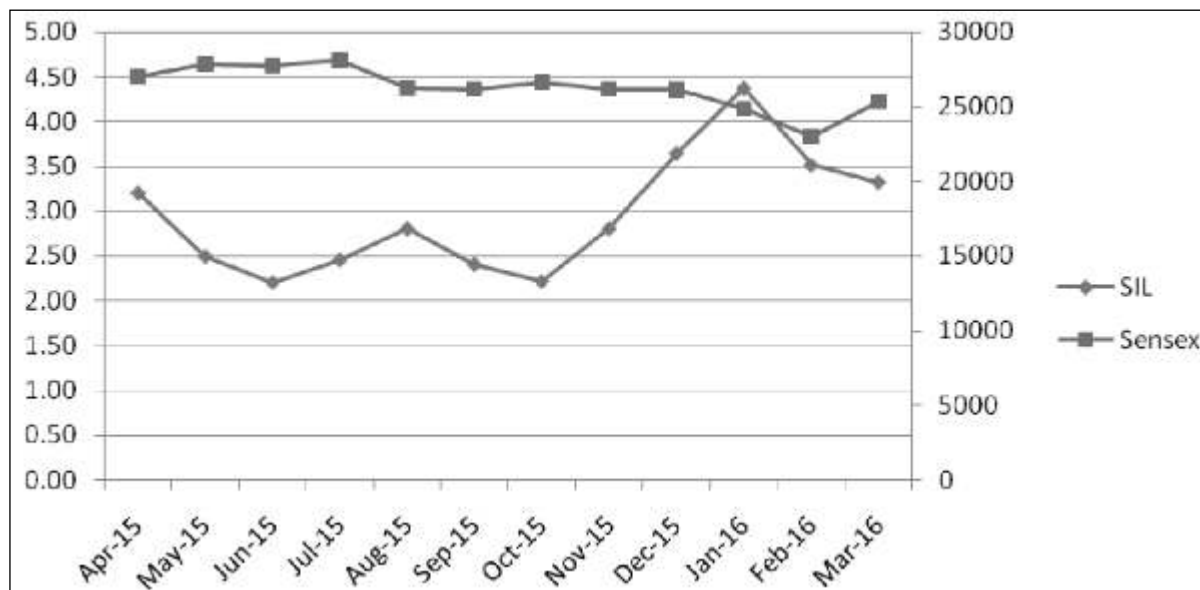
The Company's shares are listed at The Bombay Stock Exchange, Mumbai. Annual Listing fees for Financial Year 2016-17 has been paid to BSE.

Stock code:

Stock Code	526133
ISIN allotted to Equity shares (Re. 10/- Face Value)	INE881B01054

Monthly high and low prices of equity shares of the Company at Bombay Stock Exchange during the year 2015-16:

Month	High Price (₹)	Low Price (₹)
April 2015	3.40	2.15
May 2015	3.20	2.28
June 2015	2.40	1.96
July 2015	2.45	1.89
August 2015	2.80	2.38
September 2015	2.79	2.38
October 2015	2.41	1.77
November 2015	2.87	2.10
December 2015	3.64	2.76
January 2016	4.73	3.65
February 2016	4.78	3.51
March 2016	3.51	3.02

**Stock Performance in BSE Sensex:**

Note: Based on monthly closing price on BSE (April 2015 to March 2016)

Share Transfers Agents:

M/s. Sharex Dynamic (India) Pvt. Ltd., Unit -1, Luthra Industrial Premises, Safed Pool, Andheri Kurla Road, Andheri(E), Mumbai - 400 072.

Share transfer system:

All the applications for transfer / transmission / consolidation etc., are received, verified and passed by M/s. Sharex Dynamic (India) Pvt. Ltd., Share Transfer Agents of the Company and then transferred to the Company for final approval of the Stakeholders Relationship Committee. In compliance with the Listing Regulation, a Practicing Company Secretary carries out audit of the system of transfer and a certificate to that effect is issued.

Distribution Schedule of shareholding as the close of the year 2015-16

Equity Shares	Number of Holders	(%) of Holders	Total Shares	% of Total
Upto 5000	12495	98.22	3041456	26.82
5001 To 10000	118	0.93	887396	7.82
10001 To 20000	51	0.40	743263	6.55
20001 To 30000	19	0.15	457748	4.04
30001 To 40000	5	0.04	177789	1.57
40001 To 50000	8	0.06	366575	3.23
50001 To 100000	10	0.08	708014	6.24
100001 And Above	16	0.13	4959079	43.73
Total	12722	100.00	11341320	100.00

**Shareholding pattern as on 31st March, 2016:**

	Category	No. of Shares Held	% of Share-Holding
A.	Promoter(s) Holding		
1	Promoter(s)		
	- Indian Promoters	16,31,048	14.381
	- Foreign Promoters	-	-
	Sub-Total	16,31,048	14.381
B.	Non-Promoters Holding		
2	Institutional Investors		
a	Mutual Funds & UTI	360	0.003
b	Banks, FIs, Insurance Company (Central / State Govt. Inst. / Non-govt. Inst.)	880	0.008
c	FII(s)	20	-
	Sub-Total	1,260	0.011
3.	Others		
a	Private Corporate Bodies	9,69,046	8.544
b	Indian Public	86,95,999	76.675
c	NRI / OCBs	43,967	0.388
d	Any-Other (Foreign Companies)	-	-
e	Clearing Members	-	-
	Sub-Total	97,09,012	85.607
	Grand-Total	1,13,41,320	100.000

Dematerialisation position of Company's Equity shares:

As on March 31, 2016, 98.77 % of shares were held in dematerialized form and the rest in physical form.

Outstanding GDRs/ADRs/Warrants or any convertible instruments:

The Company has not issued any GDRs/ADRs/Warrants/Convertible instruments.

Commodity price risk or foreign exchange risk and hedging activities:

The Company uses forward exchange contracts/options to hedge against its foreign currency exposures for exports and to avoid currency exchange fluctuation, whenever it is considered necessary.

Plant locations:

Unit I and II : Plot No. 45/46, Piperia Industrial Estate, Phase-II, Silvassa, Dadra & Nagar Haveli

Unit III : Plot No. 213, Kharvel, Behind Kharvel Sub- Station, Taluka Dharampur, District Valsad, Gujarat.

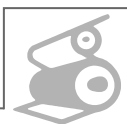
Investor Correspondence:

M/s. Sharex Dynamic (India) Pvt Ltd., Unit-I, Luthra Industrial Premises,

Andheri Kurla Road, Safed Pool, Mumbai - 400 072.

Tel. : +91-22-28515606/28515644 Fax : +91-22-28512885

E-mail : investor@sharexindia.com



CEO/CFO CERTIFICATION

We, the undersigned, Mr R K Mishra, Chairman and Managing Director and Mr S K Mishra, Director and CFO of the Company, to the best of our knowledge and belief certify that:

- a) We have reviewed the financial statements and the Cash Flow Statement for the year ended 31st March, 2016 and that to the best of our knowledge and belief, we state that:
 - (i) these statements do not contain any materially untrue statement or omit any material fact or contain any statement that might be misleading;
 - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) We further state that to the best of our knowledge and belief, no transactions entered into by the Company during the year, which are fraudulent, illegal or violation of the Company's code of conduct.
- c) We are responsible for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting of the Company and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d) We have indicated to the Auditors and the Audit Committee:
 - (i) significant changes, if any, in internal control over financial reporting during the year;
 - (ii) significant changes, if any, in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - (iii) instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control systems over financial reporting.

For Supertex Industries Limited

R K Mishra
Chairman and Managing Director

For Supertex Industries Limited

S K Mishra
Director and Chief Financial Officer

Place: Mumbai
Dated: 30th May, 2016

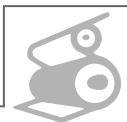
DECLARATION ON COMPLIANCE OF THE COMPANY'S CODE OF CONDUCT

The Company has framed a specific code of conduct for members of the Board of Directors and senior members of its staff. All the members of the Board and senior management personnel of the Company have affirmed the observance of the said code of conduct during the year ended March 31, 2016.

For and on behalf of the Board

R K Mishra
Chairman and Managing Director

Place: Mumbai
Dated: 30th May, 2016

**AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE****To The Members of
Supertex Industries Limited**

We have examined the compliance of conditions of Corporate Governance by Supertex Industries Limited, for the year ended March 31, 2016 as stipulated in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was carried out in accordance with the Guidance Note on Certification of Corporate Governance, issued by the Institute of Chartered Accountants of India and was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us,

We certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We 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 N. G. THAKRAR & CO
Firm Regn. No. 110907W
CHARTERED ACCOUNTANTS

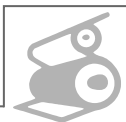
N. G. Thakrar
Proprietor
Membership No. 36213

Place : Mumbai
Dated : 30th May, 2016

For M. B. AGRAWAL & CO.
Firm Regn. No. 100137W
CHARTERED ACCOUNTANTS

Sanjay Lunkad
Partner
Membership No. 48229

Place : Mumbai
Dated : 30th May, 2016

**INDEPENDENT AUDITORS' REPORT****TO THE MEMBERS OF
SUPERTEX INDUSTRIES LIMITED.****Report on the Standalone Financial Statements**

We have audited the accompanying financial statements of SUPERTEX INDUSTRIES LIMITED, which comprise the Balance Sheet as at 31st March, 2016, the Statement of Profit and Loss and cash flow statement for the year ended 31st March, 2016 and a summary of 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 (hereinafter referred to as "the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position and financial performance and the 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 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, which have been used for the purpose of preparation of the standalone financial statements by the Directors of the Company.

Auditor's Responsibility

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

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

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 of material misstatement.

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

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

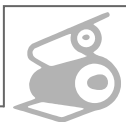
Opinion

In our opinion and to the best of our information and according to the explanations given to us, the accompanying financial statements give the information required by the Act in the manner so required and also give a true and fair view in conformity with the accounting principles generally accepted in India -

- (a) in the case of Balance Sheet, of the state of affairs of the Company as at March 31, 2016;
- (b) in case of the Statement of Profit and Loss, of the Profit of the Company for the financial year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows for the financial year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 (the Order) issued by Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in



the paragraph 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143 (3) of the Act, we report, to the extent applicable, that-

- (a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- (c) the balance sheet, the statement of profit and loss and the cash flow statement dealt with by this Report are in agreement with the books of account;
- (d) in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- (e) on the basis of the written representations received from the directors as on 31 March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
- (g) with respect to the other matters to be included in the Auditor's Reports in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to information and explanation given to us:
 - i. The company does not have any pending litigation as at March 31, 2016 which would impact its financial position.
 - ii. The company did not have any long term contract including derivative contracts for which there were any material foreseeable losses
 - iii. The provisions of Investor Education and Protection Fund are not applicable to the company.

For N. G. THAKRAR & CO

Chartered Accountants
Firm Regn. No. 110907W

N. G. Thakrar

Partner
Membership No. 36213

Place: Mumbai

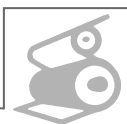
Dated: 30th May, 2016

For M. B. AGRAWAL & CO.

Chartered Accountants
Firm Regn. No. 100137W

Sanjay Lunkad

Partner
Membership No. 48229



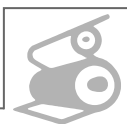
ANNEXURE A TO THE AUDITOR'S REPORTS

The Annexure referred to in our Independent Auditors' Report to the members of SUPERTEX INDUSTRIES LIMITED on the Standalone Financial Statements for the year ended March 31st, 2016

- i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The fixed assets were physically verified by the management, as per the program of verification covering all the fixed assets at reasonable intervals. According to the information and explanations given to us, no discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- ii. The physical verification of inventory has been conducted at reasonable intervals by the management. In our opinion, the procedures of physical verification of inventory followed by the management is reasonable and adequate in relation to the size of the company and the nature of its business. The company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification.
- iii. The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans, investments, guarantees & security.
- v. The company has not accepted any deposit from public within the meaning of section 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder.
- vi. The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of products of the Company.
- vii. (a) According to information and explanation given to us and on the basis of our examination of the records of the Company, undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and other Statutory dues have been generally regularly deposited during the year with the appropriate authorities.
- (b) According to the information and explanations given to us and based on the records examined by us, the particulars of statutory dues not paid as on 31st March, 2016 on account of dispute are as follows:-

Name of the Statute	Nature of Dues	Amount (₹ lacs)	Period to which the amount relates	Forum where the dispute is pending
Income Tax Act	Income tax	1.99	A.Y 2012-13	CIT (Appeals)IX
Income Tax Act	Income tax	48.44	A.Y 2013-14	CIT (Appeals)IX

- viii. According to the records of the company examined by us and the information given to us, the company has not defaulted in repayment of dues to any financial institution or bank or debenture holders as at the balance sheet date.
- ix. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.
- x. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- xi. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.



- xiv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For N. G. THAKRAR & CO

Chartered Accountants
Firm Regn. No. 110907W

N. G. Thakrar

Partner
Membership No. 36213

Place: Mumbai

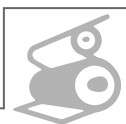
Dated: 30th May, 2016

For M. B. AGRAWAL & CO.

Chartered Accountants
Firm Regn. No. 100137W

Sanjay Lunkad

Partner
Membership No. 48229



ANNEXURE - B TO THE AUDITORS' REPORT

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")
We have audited the internal financial controls over financial reporting of SUPERTEX INDUSTRIES LIMITED ("the Company") as of March 31, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

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

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting : A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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

Opinion : According to the information and explanation given to us, the company has internal control procedures commensurate with the size of the company and the nature of its business with regard to purchases of inventory, fixed assets and with regards the sales of goods. However, the Company has not laid down process narratives for its internal financial control over financial reporting on criteria based on or considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. Because of this reason, we are unable to obtain sufficient appropriate audit evidence to provide a basis for our opinion whether the Company had adequate internal financial controls over financial reporting and whether such internal financial controls were operating effectively as at March 31, 2016.

We have considered the disclaimer reported above in determining the nature, timing, and extent of audit tests applied in our audit of the standalone financial statements of the Company, and the disclaimer does not affect our opinion on the standalone financial statements of the Company.

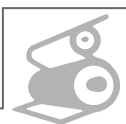
For N. G. THAKRAR & CO
Chartered Accountants
Firm Regn. No. 110907W

N. G. Thakrar
Partner
Membership No. 36213

Place: Mumbai
Dated: 30th May, 2016

For M. B. AGRAWAL & CO.
Chartered Accountants
Firm Regn. No. 100137W

Sanjay Lunkad
Partner
Membership No. 48229

**BALANCE SHEET AS AT 31ST MARCH, 2016**

(₹ in Lacs)

	Notes	As At 31st March, 2016	As At 31st March, 2015
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	2	1,134.13	1,134.13
Reserves and Surplus	3	1,596.75	1,576.61
		2,730.88	2,710.74
Non-Current Liabilities			
Long term Borrowings	4	11.06	8.06
Long Term Provisions	5	30.40	25.74
		41.46	33.80
Current Liabilities			
Short Term Borrowings	6	1,664.62	871.58
Trade Payables	7	2,095.24	1,012.43
Other Current Liabilities	8	219.90	334.48
Short Term Provisions	9	15.77	20.27
		3,995.53	2,238.76
Total		6,767.87	4,983.30
ASSETS			
Non-Current Assets			
Fixed Assets - Tangible Assets	10	781.40	561.09
- Capital Work-in-Progress	10	54.89	54.89
Non-Current Investments	11	12.51	12.51
Deferred Tax Assets (net)	12	409.26	421.53
Long Term Loans and Advances	13	124.76	112.41
		1,382.82	1,162.43
Current Assets			
Inventories	14	426.93	246.04
Trade Receivables	15	2,778.64	1,825.68
Cash and cash equivalents	16	76.80	30.57
Short Term Loans and Advances	17	1,773.06	1,474.27
Other Current Assets	18	329.62	244.31
		5,385.05	3,820.87
Total		6,767.87	4,983.30
Significant Accounting Policies	1		
Notes on Financial Statements	2 to 37		

As per our attached report of even date

For N G Thakrar & Co.
Firm Regn.No.110907W
Chartered Accountants

For M B Agrawal & Co.
Firm Regn.No.100137W
Chartered Accountants

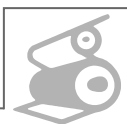
For and on behalf of the Board,

R K Mishra - Chairman & Managing Director
S K Mishra - Director & CFO
Vaishali Naik - Company Secretary

N. G. Thakrar
Partner
Membership No. 36213
Mumbai : 30th May, 2016

Sanjay Lunkad
Partner
Membership No. 48229
Mumbai : 30th May, 2016

Mumbai : 30th May, 2016



STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2016

(₹ in Lacs)

	Notes	Current Year Ended 31st March, 2016	Previous Year Ended 31st March, 2015
INCOME			
Revenue from Operations	19	9,156.26	7,339.10
Other Income	20	91.50	84.24
Total Revenue		9,247.76	7,423.34
EXPENDITURE			
Cost of Materials Consumed	21	4,537.17	4,571.94
Purchase of Stock-in-Trade	22	3,787.43	1,788.23
Changes in Inventories of Finished Goods and Work-in-Progress	23	(154.60)	(33.23)
Employee Benefits Expense	24	210.47	184.25
Finance Costs	25	147.68	130.74
Depreciation and Amortisation Expense	10	41.41	30.41
Other Expenses	26	634.49	629.78
Total Expenses		9,204.05	7,302.12
Profit before Exceptional and Extraordinary items and Tax		43.71	121.22
Exceptional Items	27	(11.30)	(1.17)
Profit Before Tax		32.41	120.05
Tax Expense			
Deferred Tax	12	(12.27)	(43.20)
Profit for the Period		20.14	76.85
Earnings per equity share of face value Rs 10 each	32		
Basic		0.18	0.68
Diluted		0.18	0.68
Face Value		10	10
Significant Accounting Policies	1		
Notes on Financial Statements	2 to 37		

As per our attached report of even date

For N G Thakrar & Co.
Firm Regn.No.110907W
Chartered Accountants

For M B Agrawal & Co.
Firm Regn.No.100137W
Chartered Accountants

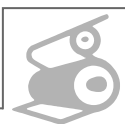
For and on behalf of the Board,

R K Mishra - Chairman & Managing Director
S K Mishra - Director & CFO
Vaishali Naik - Company Secretary

N. G. Thakrar
Partner
Membership No. 36213
Mumbai : 30th May, 2016

Sanjay Lunkad
Partner
Membership No. 48229
Mumbai : 30th May, 2016

Mumbai : 30th May, 2016

**CASH FLOW STATEMENT FOR THE YEAR 2015-16**

(₹ in Lacs)

	Current Year 2015-16	Previous Year 2014-15
CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax	43.71	121.22
Adjusted for :		
Loss on Sale of fixed asset (net)	0.39	(0.80)
Prior period expenses	(11.69)	(0.37)
Depreciation	41.41	30.41
Finance Costs	147.68	130.74
	177.79	159.98
Operating Profit before Working Capital Changes	221.50	281.20
Adjusted for :		
Trade and Other Receivables	(1,337.05)	944.81
Inventories	(180.89)	(26.94)
Trade and Other Payables	963.73	(1,056.17)
	(554.21)	(138.30)
Cash Generated from Operations	(332.71)	142.90
Less : Taxes Paid	-	-
Net Cash from Operating Activities	(332.71)	142.90
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(263.72)	(174.03)
Capital Work-in-Progress	-	50.08
Purchase of Investments	-	-
Reversal of excess write-off in Plant/Buildings	2.00	1.67
Net Cash used in Investing Activities	(261.72)	(122.28)
	(594.43)	20.62
CASH FLOW FROM FINANCING ACTIVITIES		
Long Term Borrowings	7.65	13.57
Long Term Loans and Advances	(12.35)	(13.74)
Short Term Borrowings (net)	793.04	69.52
Finance Cost	(147.68)	(130.74)
Net Cash generated in Financing Activities	640.66	(61.39)
Net Increase in Cash and Cash Equivalents	46.23	(40.77)
Opening Balance of Cash and Cash Equivalents	30.57	71.34
Closing Balance of Cash and Cash Equivalents	16	30.57
Significant Accounting Policies	1	(40.77)
Notes on Financial Statements	2 to 37	

As per our attached report of even date

For N G Thakrar & Co.
Firm Regn.No.110907W
Chartered Accountants

For M B Agrawal & Co.
Firm Regn.No.100137W
Chartered Accountants

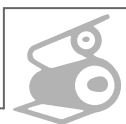
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Membership No. 36213
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Partner
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Mumbai : 30th May, 2016

Mumbai : 30th May, 2016



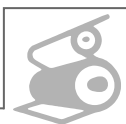
Note No 1. NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

1. Corporate Information:

The Company was formed in 1986 and manufactures draw warped and sized yarn beams of polyester and nylon. It also manufactures textured and twisted yarns of polyester and nylon. The Company also exports these yarns and trades in textiles fabrics.

2. Significant Accounting Policies:

- (a) **Basis of Preparation:** The financial statements have been prepared and presented in accordance with the Generally Accepted Accounting Principles (GAAP) in India under the historical cost convention on accrual basis and comply in all material aspects with the Accounting Standards (AS) and the relevant provisions of the Companies Act, 1956 and Companies Act, 2013 as applicable, besides the pronouncements/guidelines of the Institute of Chartered Accountants of India (ICAI) and of the Securities and Exchange Board of India (SEBI).
- (b) **Classification of Assets and Liabilities as Current and Non-Current:** All the 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 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 realization in cash and cash equivalent, the Company has ascertained its operating cycle to be 12 months for the purpose of current/ non current classification of assets and liabilities.
- (c) **Use of estimates:** The preparation of financial statements requires estimates and assumptions to be made that affect the reported balances of assets and liabilities as at the date of the financial statements and the reported amounts of income and expenses during the year. Management believes that the estimates used in preparation of the financial statements are prudent and reasonable.
- (d) **Revenue Recognition:** Sales revenue is recognized on transfer of the significant risks and rewards of ownership of the goods to the buyer, and stated net of sales tax, VAT, trade discounts and rebates but includes excise duty. Income from jobwork is recognized as they are rendered (based on agreement/arrangement with the concerned customers). Dividend income on investments is accounted for as and when the right to receive the payment is established. Interest Income is recognized on time-proportion basis. Export incentives and other government incentives, insurance claims and other claims, where quantum of accruals cannot be ascertained with reasonable certainty, are accounted on acceptance basis. Profit/Loss on sale of investments is recorded on transfer of title from the Company and is determined as the difference between the sales price and carrying value of investment and other incidental expenses.
- (e) **Borrowing Costs:** Borrowing costs directly attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of the assets, upto the date the asset is ready for their intended use. All other borrowing costs are recognised in the Profit and Loss in the year in which they are incurred.
- (f) **Inventories:** Raw material is valued at weighted average cost, stock in process at manufacturing cost based on weighted average cost of raw material and overhead upto relevant stage of completion, stores and spares at cost and finished goods at lower of cost of production and net realisable value. Purchased finished goods are valued at cost and by-products and waste are valued at net realisable value. Obsolete, defective, slow moving and unserviceable inventories, if any, are duly provided for.
- (g) **Fixed Assets:** Fixed Assets are stated at cost, less accumulated depreciation. Costs include all expenses incurred to bring the assets to its present location and condition. Exchange differences on translation of foreign currency loans obtained to purchase fixed assets are included in the cost of such assets.
- (h) **Method of Depreciation and Amortisation:**
 - (i) Depreciation on Factory Building, Plant and Machinery, Electrical Installations and Equipment is provided on a Straight Line Method and in case of other assets on Written Down Value Method, over the estimated useful life of assets.
 - (ii) Effective 1st April, 2014, the Company depreciates its fixed assets over the useful life in the manner prescribed in Schedule II of the Companies Act, 2013, as against the earlier practice of depreciating at the rates prescribed in Schedule XIV of the Companies Act, 1956.
 - (iii) In case of pre-owned assets, the useful life is estimated on a case to case basis.
 - (iv) Cost of Software capitalized is amortised over a period of three years.
 - (v) Depreciation on additions to assets or on sale/discardment of assets is calculated pro rata from the month of such addition or upto the month of such sale / discardment, as the case may be.
 - (vi) The details of estimated life for each category of assets is as under :



Category of Assets	Estimated useful life
Leasehold Land	Over the period of lease
Freehold Land	-
Buildings	3 – 60 years
Plant and Machinery	4 – 40 years
Furniture, Fittings and Office Equipment	3 – 20 years
Vehicles	3 – 15 years
Intangible Assets – Softwares	3 – 5 years
Electrical Installation	10 years

(i) **Leases:****As a lessee :**

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the Statement of Profit and Loss on a straight-line basis over the period of the lease or other systematic basis more representative of the time pattern of the user's benefits.

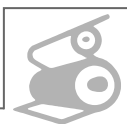
As a lessor:

The Company has leased certain tangible assets and such leases where the Company has substantially retained all the risks and rewards of ownership are classified as operating leases. Lease income on such operating leases are recognized in the Statement of Profit and Loss on a straight line basis over the lease term or other systematic basis over the lease term which is more representative of the time pattern in which benefit derived from the use of the leased asset is diminished. Initial direct costs are recognized as an expense in the Statement of Profit and Loss in the period in which they are incurred.

- (j) **Investments:** Investments that are readily realisable and are intended to be held for not more than one year from the date of investment are classified as current investments. All the other investments are classified as long-term investments. Current investments are carried at cost or fair value, whichever is lower. Long-term investments are carried at cost. However, provision for diminution is made to recognise a decline, other than temporary, in the value of the investments, such reduction being determined and made for each investment individually.
- (k) **Accounting for taxes:** Provision for tax is made and retained in the accounts considering the taxable income for the relevant years, assessment orders and decisions of appellate authorities in the Company's case. Deferred tax is recognized on timing differences, being the difference between taxable income and accounting income, that originate in one period and are capable of reversal in one or more subsequent periods.
- (l) **Foreign currency transactions:**
- (i) Transactions denominated in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction, except transactions covered by forward contracts, which are recorded at the forward contract rates.
 - (ii) Monetary assets and liabilities, if any, at the year end are restated at the year end rates and exchange rate gains and losses are recognised in the Statement of Profit and Loss.
- (m) **Earnings per Share:** Basic earning per share is computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares as above and also the weighted average number of equity shares upon conversion of all dilutive potential equity shares.
- (n) **Employees benefits:**
- (i) **Short term employee benefits:** are recognized as an expense on accrual basis.
 - (ii) **Defined Contribution Plan:** Contribution payable to recognized provident fund and approved superannuation scheme, which are substantially defined contribution plans, are recognized as expense in the Statement of Profit and Loss, as they are incurred. The Provident Fund contribution as specified under the law is paid to the Regional Provident fund commissioner.
 - (iii) **Defined Benefit Plan:** The obligation in respect of defined benefit plans, which covers Gratuity and Pension, are provided for on the basis of actuarial valuation at the end of each financial year. Gratuity is funded with an approved fund with the LIC of India. Actuarial gains/losses, if any, are recognized immediately in the Statement of Profit and Loss.
 - (iv) **Other Long Term Benefits:** Long term compensated absences are provided for on the basis of an actuarial valuation at the end of each financial year. Actuarial gains/losses, if any, are recognized immediately in the Statement of Profit and Loss.



- (o) **Impairment of Assets:** An asset is treated as impaired when the carrying cost of the asset exceeds its recoverable value. An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognized in a prior accounting period is reversed if there has been a change in the estimate of the recoverable amount.
- (p) **Provisions, Contingencies:** A provision is recognized when there is a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are determined (as provided/charged to the Statement of Profit and Loss) based on estimate of the amount required to settle the obligation at the Balance Sheet date and are not discounted to present value. Contingent Liabilities are not recognized but are disclosed in the financial statements. Claims against the Company where the possibility of materialization is remote are not considered as contingent liabilities. Contingent Assets are neither recognized nor disclosed in the financial statements.
- (q) **Segment Reporting:** The Company deals in only one segment i.e. "Textiles". However, as per Accounting Standard (AS) 17 on Segment Reporting the Company has identified and reported "Domestic" and "International" as primary business segments.



NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

(₹ in Lacs)

	As at 31st March, 2016	As at 31st March, 2015
2 SHARE CAPITAL		
Authorised :		
5,00,00,000 Equity Shares of ₹ 10/- each (5,00,00,000 Equity Shares of ₹ 10/- each)	<u>5,000.00</u>	<u>5,000.00</u>
Issued, Subscribed and Fully Paid up :		
1,13,41,320 Equity Shares of ₹ 10/- each (1,13,41,320 Equity Shares of ₹ 10/- each)	1,134.13	1,134.13
Total	<u>1,134.13</u>	<u>1,134.13</u>

2.1 Reconciliation of number of shares

	As At 31st March, 2016 No. of Shares	As At 31st March, 2016 ₹ in Lacs	As At 31st March, 2015 No. of Shares	As At 31st March, 2015 ₹ in Lacs
Equity shares				
Opening balance	11,341,320	1,134.13	11,341,320	1,134.13
Issued during the year	-	-	-	-
Closing balance	11,341,320	1,134.13	11,341,320	1,134.13

2.2 Rights attached to shares

Equity shares

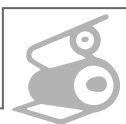
The Company has one class of equity shares having a par value of Rs.10/- each. Each shareholder is eligible for one vote per share held. The dividend, proposed by the Board of Directors, if any, is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the repayment of capital will be in proportion to the number of equity shares held.

2.3 The details of Shareholders holding more than 5% shares :

Name	31st March, 2016		31st March, 2015	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Ramesh Kumar Mishra	761,225	6.71	761,225	6.71
Amrit L Gandhi	999,999	8.82	999,999	8.82

3 RESERVES AND SURPLUS

	As at 31st March, 2016 ₹ in Lacs	As at 31st March, 2015 ₹ in Lacs
Securities Premium Account		
As per last Balance Sheet	348.66	348.66
Capital Reserve		
As per last Balance Sheet	1,452.85	1,452.85
Profit and Loss Account		
As per last Balance Sheet (Debit)	(224.90)	(297.49)
Add : Transfer from Statement of Profit and Loss	20.14	76.85
	<u>(204.76)</u>	<u>(220.64)</u>



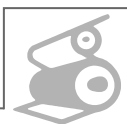
	As at 31st March, 2016 ₹ in Lacs	As at 31st March, 2015 ₹ in Lacs
Add: Additional Depreciation as per Schedule II of the Companies Act, 2013	-	(4.26)
Total	<u>(204.76)</u> <u>1,596.75</u>	<u>(224.90)</u> <u>1,576.61</u>
4 Long term Borrowings		
Secured Loans		
Loans for Auto Finance from Banks	11.06	8.06
Total	<u>11.06</u>	<u>8.06</u>
4.1 Loans for Auto Finance from Banks are repayable in 5 years. Last Installment due in 11/2019. Rate of Interest @ 10.50%. Secured against hypothecation of the vehicle and post dated cheques.		
5 Long Term Provisions		
Provision for Employee Benefits:		
Provision for Gratuity	30.40	25.74
Total	<u>30.40</u>	<u>25.74</u>
6 Short term Borrowings		
Secured Loans		
Working Capital Loan -From Bank (Refer Note 6.1)*		
Cash Credit facility from Axis Bank	849.54	541.01
EPC/PSC facility from Axis Bank	<u>347.33</u>	<u>196.12</u>
Unsecured Loans		
Loans and advances from Related parties	102.48	84.59
Intercompany Deposits	<u>365.27</u>	<u>49.86</u>
Total	<u>1,664.62</u>	<u>871.58</u>
6.1 * Working Capital loan from Axis Bank is secured by Registered mortgage of Plot No. 45 & 46, Phase II, Piperia Indl. Estate, Silvassa, Office premises at Balkrishna Krupa CHS, 45/49 Babu Genu Road, Kalbadevi, Mumbai-2. Hypothecation on the entire current assets and exclusive first charge on movable fixed assets of the Company (Silvassa plant only), both present and future and personal guarantee of some of the Directors of the Company.		
7 Trade Payables		
Micro, Small and Medium Enterprises	-	-
Others	2,095.24	1,012.43
Total	<u>2,095.24</u>	<u>1,012.43</u>
7.1 The Company has not received any declarations from its suppliers regarding their registration under "The Micro, Small and Medium Enterprises Development Act, 2006". Hence the information required to be given in accordance with Section 22 of the said Act is not ascertainable and therefore not given.		
8 Other Current Liabilities		
Loans for Auto Finance	4.72	2.08
Creditors for Capital Expenditure	5.71	142.25
Other Payables*	209.47	190.15
Total	<u>219.90</u>	<u>334.48</u>
8.1 * includes Statutory dues and advance received from customers		
9 Short Term Provisions		
Provision for employee benefits:		
Leave encashment	15.77	20.27
Total	<u>15.77</u>	<u>20.27</u>



NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

10. FIXED ASSETS

10. FIXED ASSETS												₹ in Lacs
		GROSS BLOCK				DEPRECIATION/AMORTISATION				NET BLOCK		
Sr. No.	Description	Gross Block As At 01.04.2015	Additions/ Adj. during the Year	Deduction/ Adj. during the Year	Gross Block As At 31.03.2016	Depreciation upto 31.03.2015	Retained Earnings (Refer Note 8.4)	Adjustments	Depreciation for the Year	Total Depreciation	Net Block As At 31.03.2016	Net Block As At 31.03.2015
1	Land:											
a.	Leasehold Land	3.50	-	-	3.50	-		-	-	-	3.50	3.50
b.	Freehold Land	28.57	-	-	28.57	-		-	-	-	28.57	28.57
2	Buildings	305.60	-	-	305.60	210.87		-	14.30	225.17	80.43	94.73
3	Plant & Equipment	1,798.46	253.08	-	2,051.54	1,393.50		-	20.68	1,414.18	637.36	401.97
4	Office Equipment	34.55	0.47		35.02	32.24			0.30	32.54	2.48	5.30
5	Furniture & Fixtures	25.17	-	-	25.17	23.91	-	-	-	23.91	1.26	1.26
6	Vehicles	44.91	10.16	10.50	44.57	19.15	-	(8.51)	6.13	16.77	27.80	25.76
	Total	2,240.76	263.71	10.50	2,493.97	1,679.67	-	(8.51)	41.41	1,712.57	781.40	561.09
	Previous Year	2,074.80	174.03	8.07	2,240.76	1,649.50	6.17	(6.41)	30.41	1,679.67	561.09	
7	Capital Work-in-Progress										54.89	
	Total										836.29	

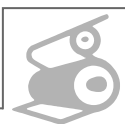


- 10.1 Buildings include cost of 30 shares of Rs.50/- each in Balkrishna Krupa Co-operative Hsg. Soc.Ltd
- 10.2 In respect of Fixed Assets acquired on finance lease on or after 1st April, 2001, the minimum lease rentals outstanding as on 31st March, 2016 are as follows :

(₹ in Lacs)

	Total Minimum Lease Payments outstanding		Future Interest on Outstanding Lease Payments	
	31st March, 2016	31st March, 2015	31st March, 2016	31st March, 2015
Within one year	4.72	2.08	1.37	0.50
Later than one year and not later than five years	11.06	8.06	1.27	2.55
Later than five years	-	-	-	-
Total	15.78	10.14	2.64	3.05

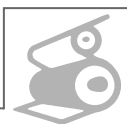
- 10.3 General description of Lease terms:
- Lease rentals are charged on the basis of agreed terms
 - Assets are taken on lease over a period of 3 to 5 years
- 10.4 In case of assets acquired prior to 1st April, 2014 the carrying value of assets (net of residual value) is depreciated over the remaining useful life as determined effective 1st April, 2014.



NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

(₹ in Lacs)

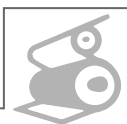
	As at 31st March, 2016	As at 31st March, 2015
11 Non Current Investments		
Investments in Mutual Funds (At Cost)(Unquoted)		
Units of SBI Life Smart Elite Plan :		
31,515 Equity Elite Fund II - 30%	3.75	3.75
18,460 Bond Fund - 30%	3.76	3.76
23,639 Balanced Fund - 40%	5.00	5.00
(NAV Rs 16,28,758/-)	12.51	12.51
Total	12.51	12.51
12 Deferred Tax Assets (net)		
Deferred Tax Assets		
Unabsorbed Depreciation	355.60	357.51
Accumulated Business Losses	32.23	67.40
Depreciation transferred to Retained earnings	-	1.90
Disallowance u/s 43B of Income Tax Act, 1961	3.08	5.62
Total	390.91	432.43
Less : Deferred Tax Liability		
Difference in Books and Tax Depreciation	19.41	7.87
Allowable u/s 43B of Income Tax Act, 1961	(1.06)	3.03
Deferred Tax Asset (net)	409.26	421.53
13 Long Term Loans and Advances		
(Unsecured, Considered Good)		
Security Deposits	28.63	22.83
Tax Deducted at Source	40.16	33.83
Balance with Revenue Authorities	28.62	28.62
Other Loans and Advances	27.35	27.13
Total	124.76	112.41
14 Inventories		
Stores and Spares	72.16	59.17
Raw Materials	112.41	99.11
Work-in-Progress	24.14	27.40
Finished Goods	90.75	60.36
Goods in Transit	127.47	-
Total	426.93	246.04
15 Trade Receivables		
(Unsecured)		
Over Six Months		
-Considered Good	272.10	253.67
-Considered Doubtful	175.40	39.93
Less : Provision for doubtful debts	(39.93)	(39.93)
Others	2,371.07	1,572.01
Total	2,778.64	1,825.68



NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

(₹ in Lacs)

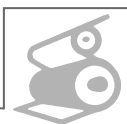
	As at 31st March, 2016	As at 31st March, 2015
16 Cash and cash equivalents		
Balances with Banks	57.26	11.94
Cash on Hand	19.54	18.63
Total	76.80	30.57
17 Short Term Loans and Advances (Unsecured, Considered Good)		
Margin Money with Bank	10.71	6.13
Advance to Suppliers	853.81	299.17
Advance for Capital Goods	94.40	84.00
Others	814.14	1,084.97
Total	1,773.06	1,474.27
18 Other Current Assets		
Export Incentives Receivable	329.62	244.31
19 Revenue from Operations		
Sale of Products	8,911.43	6,951.99
Processing Charges	48.57	95.32
Export Incentives	144.36	267.63
Gain on foreign currency transactions/translation	51.90	24.16
Total	9,156.26	7,339.10
20 Other Income		
Interest	77.40	81.18
Other income	14.10	3.06
Total	91.50	84.24
21 Cost of Materials Consumed		
Indegenous	4,537.17	4,571.94
Total	4,537.17	4,571.94
22 Purchase of Stock-in-Trade		
Fabrics	3,784.94	1,788.23
Textured Yarn	2.49	-
Total	3,787.43	1,788.23
23 Changes in Inventories of Finished Goods and Work-in-Progress		
Inventories (at close)		
Finished Goods	218.22	60.36
Work-in-Progress	24.14	27.40
Total	242.36	87.76
Less : Inventories (at commencement)		
Finished Goods	60.36	32.46
Work-in-Progress	27.40	22.07
Total	87.76	54.53
Increase/(Decrease)	154.60	33.23



NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

(₹ in Lacs)

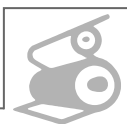
	As at 31st March, 2016	As at 31st March, 2015
24 Employee Benefits Expense*		
Salaries and Wages	182.97	155.08
Contribution to Provident and Other Funds	8.41	6.66
Gratuity	4.67	12.00
Staff welfare Expenses	20.41	10.51
	<u>216.46</u>	<u>184.25</u>
Less : Capitalised during the Year	5.99	-
Total	<u>210.47</u>	<u>184.25</u>
*(Refer Note No. 34 for Disclosures as per AS 15)		
25 Finance Costs		
Interest Expenses	129.35	108.54
Other Borrowing Costs	18.33	22.20
Total	<u>147.68</u>	<u>130.74</u>
26 Other Expenses		
26.1 Manufacturing Expenses		
Consumption of stores and spares	112.68	96.45
Power and Fuel	108.35	101.75
Processing Charges	13.76	-
Packing Expenses	-	4.24
Security Charges	11.89	9.76
Rent, Rates and Taxes	10.00	13.18
Repairs to Building	0.79	0.07
Repairs to Machinery	6.93	6.84
Repairs to Others	1.39	1.82
Other Manufacturing Expenses	0.65	0.43
Total	<u>266.44</u>	<u>234.54</u>
26.2 Selling and Distribution Expenses		
Carriage Outward	160.51	197.66
Brokerage and Commission	115.37	63.71
Participation Expenses	-	3.04
Total	<u>275.88</u>	<u>264.41</u>
26.3 Establishment Expenses		
Insurance	9.11	7.43
Travelling and Conveyance	55.94	87.27
Communication	8.18	5.88
Printing and Stationery	3.01	2.50
Legal and Professional	8.51	12.74
Payment to Auditors	1.72	1.71
Other Establishment Expenses	17.99	13.30
Total	<u>104.46</u>	<u>130.83</u>
Less : Capitalised during the Year	12.29	-
Total	<u>634.49</u>	<u>629.78</u>



NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

(₹ in Lacs)

	As at 31st March, 2016	As at 31st March, 2015
27 Exceptional Items		
Profit/(Loss) on Sale of Fixed Assets (net)	0.39	(0.80)
Prior Period (Expenses)/Income	(11.69)	(0.37)
Total	(11.30)	(1.17)
28 Value of Stores Consumed :		
Indegenous	112.68	96.45
Total	112.68	96.45
29 Payment to Auditors		
Statutory Audit fees	1.72	1.71
Tax Audit fees	0.46	0.46
Certification fees	0.48	0.11
Total	2.66	2.28
30 Earnings in Foreign Currency		
FOB value of exports	3,450.83	3,585.40
31 Expenditure in Foreign Currency		
Foreign travelling expenses	5.15	34.04
Ocean Freight	95.67	104.14
Commission	43.85	1.05
Foreign Bank Charges	4.66	4.93
Total	149.33	144.16
32 Earnings Per Share		
i Net Profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders	in Lacs	
	20.14	76.85
ii Weighted Average number of Equity Shares	11,341,320	11,341,320
iii Basic Earnings per Share	₹/p	0.68
iv Potential shares on exercise of options	-	-
v Weighted Average number of Equity Shares	11,341,320	11,341,320
vi Diluted Earning per Share	₹/p	0.68
vii Face value per Equity Share	10.00	10.00

**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016****33 Related Party Disclosures**

As per Accounting Standard 18, the disclosures of transactions with related parties (with whom transaction exist) are given below:

i Related Party relationships :**a Where control exists**

Super Infincon P. Ltd

Super Polyester Yarns Ltd.

b Key Management Personnel

R K Mishra

S K Mishra

c Relatives of Key Management Personnel

S S Mishra

B K Sharma

ii Transaction with Related Parties

(₹ in Lacs)

Sr. No.	Nature of Transaction	Type of Related Party	As At 31st March, 2016 Volume of Transactions	As At 31st March, 2015	As At 31st March, 2016	As At 31st March, 2015
1	Unsecured Loan and Interest	Where control exists	166.78	196.76	26.38 CR	9.69 CR
2	Managerial remuneration	Key Management Personnel	34.21	27.26	26.23 CR	42.79 CR
3	Remuneration	Relatives of Key Management Personnel	2.42	2.26	-	-
4	Unsecured Loan	Key Management Personnel	5.28	44.52	76.11 CR	80.64 CR
		Relatives of Key Management Personnel	-	4.08	-	-

34 Disclosures as per Accounting Standard 15 "Employee Benefits" are as under :

(₹ in Lacs)

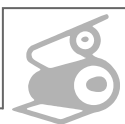
	As At 31st March, 2016	As At 31st March, 2015
Disclosures as per Accounting Standard 15 "Employee Benefits" are as under :		
Defined Contribution Plans :		
Employer's contribution to Provident Fund/Pension Fund	7.96	6.29
Employer's contribution to ESIC	0.44	0.37
	<u>8.41</u>	<u>6.66</u>
Defined Benefit Plan :		
Group Gratuity Scheme of LIC of India		

Assumptions used for Acturial valuation (Gratuity) : Discount Rate : 8 %, Salary Escalation Rate : 5% Rol on PA : 10%

Assumptions used for Acturial valuation (Leave) : Discount Rate : 8 %, Salary Escalation Rate : 5%, Retirement Age :65 Yrs,

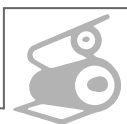
-Withdrawal Rates 1%p.a., Mortality Table:Indian Assured lives Mortality(2006-08)Ultimate, Projected Unit Credit Method

Reconciliation of opening and closing balances of Defined Benefit Obligation


I) Reconciliation of opening and closing balances of Defined Benefit Obligation (₹ in Lacs)

	Gratuity (Funded)		Leave Encashment (Unfunded)	
	2015-16	2014-15	2015-16	2014-15
Defined Benefit Obligation at beginning of year	27.66	22.03	11.63	9.13
Interest cost	2.21	1.76	0.93	0.73
Current Service cost	2.60	1.77	1.79	1.22
Benefits paid	(1.45)	(6.76)	(1.37)	(0.73)
Actuarial (Gain)/Loss	0.60	8.85	2.79	1.28
Defined Benefit Obligation at year end	31.61	27.66	15.77	11.63
II) Reconciliation of opening and closing balances of fair value of Plan Assets				
Fair value of Plan Assets at beginning of year	1.91	2.00	-	-
Expected return on Plan Assets	0.19	0.18	N.A	N.A
Contributions	0.56	-	-	-
Benefits paid	(1.45)	(0.26)	-	-
Actuarial (Gain)/Loss	-	-	-	-
Fair value of Plan Assets at year end	1.21	1.91	-	-
III) Amount recognised in Balance Sheet				
Fair value of obligations	31.61	27.66	15.77	11.63
Fair value of Plan Assets	1.21	1.91	-	-
Funded Status	30.40	25.75	15.77	11.63
Net Liability recognised in Balance Sheet	30.40	25.74	15.77	20.27
IV) Expenses recognised during the year				
Current Service cost	2.60	1.77	1.79	1.22
Interest cost	2.21	1.76	0.93	0.73
Expected return on Plan Assets	(0.19)	(0.18)	N.A.	N.A.
Actuarial (Gain)/Loss	0.60	8.85	2.79	1.28
Net Cost	5.21	12.21	5.51	3.22
Expenses recognised in current year Profit & Loss A/c	5.21	12.00	5.51	5.56

		As At 2015-16 ₹ in Lacs	As At 2014-15 ₹ in Lacs
35 Contingent Liabilities and Commitments			
I Contingent Liabilities			
A Claims against the Company/disputed liabilities not acknowledged as debt nor provided for :			
i Excise duty appeal before the Gujarat High Court*		792.11	792.11
ii Excise appeal before the Appellate Tribunal, WZB, Ahmedabad		-	67.32
Total		792.11	859.43
* Excise duty of Rs 792.11 lacs (Previous Year Rs 792.11 lacs), relating to certain sales made from 4/7/1995 to 22/10/1996, was demanded by the Commissionerate, Daman, alongwith equal penalty, interest thereon and a fine of Rs 21 lacs (Previous Year Rs 21 lacs). The Company appealed against the said order with CESTAT, Ahmedabad. The CESTAT has decided in favour of the Company. The Excise department has appealed before the Gujarat High Court.			
II Commitments			
i Estimated amount of contracts remaining to be executed on capital account and not provided for		₹ in Lacs	₹ in Lacs
		200.00	-
Less : Provided		94.40	-
Total		105.60	0.00
ii No provision for Minimum Alternate Tax (MAT) under section 115JB of the Income Tax Act, 1961 has been made in view of legal opinion received by the Company.			
36 The Sales Tax assessments at Silvassa and Dharampur are completed upto F.Y. 2011-12 and F.Y. 2010-11 respectively. The income tax assessment of the Company is completed upto A.Y. 2011-12.			
37 Previous Year's figures have been re-grouped/re-arranged wherever necessary.			



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**SUPERTEX INDUSTRIES LIMITED**

CIN: L99999DN1986PLC000046

Registered office: Plot No. 45/46, Phase II, Piperia Industrial Estate, Silvassa-396230, Dadra & Nagar Haveli

Website: www.supertex.in, E-mail: supertex@vsnl.com, Tel: +91-22-22095630

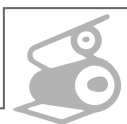
ATTENDANCE SLIP
30th Annual General Meeting

DP ID-Client ID/ Folio No.	
Name and address of sole member	
Name of Joint Holder(s), if any	
No. of Shares	

I hereby certify that I am a member/proxy for the member of the Company.

I hereby record my presence at the 30th Annual General Meeting of the Company to be held at Plot No. 45/46, Phase II, Piperia Industrial Estate, Silvassa-396230, Dadra & Nagar Haveli on Friday, 23rd September, 2016 at 10.30 a.m.

Member's/ Proxy's Signature



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SUPERTEX INDUSTRIES LIMITED

CIN : L99999DN1986PLC000046

Registered office: Plot No. 45/46, Phase II, Piperia Industrial Estate, Silvassa-396230, Dadra & Nagar Haveli
Website: www.supertex.in, E-mail: supertex@vsnl.com, Tel: +91-22-22095630

PROXY FORM

Name of the Member(s):

Registered address:

E-mail Id :

Folio No. / Client ID No. : DP ID No.

I / We, being the member(s) of Shares of the above named company, hereby appoint:

1. Name:

Address:

E-mail Id: Signature: or failing him

2. Name:

Address:

E-mail Id: Signature: or failing him

3. Name:

Address:

E-mail Id: Signature:

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 30th Annual general meeting of the company, to be held on Friday, the 23rd day of September 2016 At 10.30 a.m. at the registered office of the company and at any adjournment thereof in respect of such resolutions as are indicated below:

Ordinary Business

1. Adoption of Financial Statements and Reports of the Board of Directors and Auditors thereon for the year ended 31st March, 2016.
2. Appointment of M/s. M.B. Agrawal & Co., Chartered Accountants, Mumbai (Regn. No. 100137W) as Auditors and fixing their remuneration.

Special Business

3. Retirement by rotation of Director, Mr S S Mishra.
4. Re-Appointment of Mr R K Mishra as Managing Director of the Company.
5. Re-Appointment of Mr S K Mishra as Whole Time Director designated as Executive Director and CFO of the Company.

Signed this day of 20

Signature of shareholder.....

Signature of Proxy holder(s).....

Affix
Revenue
Stamp

NOTES:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. For the Resolutions, Statement setting out material facts thereon and notes, please refer to the Notice of the 30th Annual General Meeting.
3. A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or Member.